



PRESS RELEASE

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ARIZONA MAN SENTENCED FOR CONSPIRACY TO DEFRAUD THE UNITED STATES WITH REGARD TO DONALD FLEMING AND THE JACKSONVILLE TRAFFIC CENTER

Jacksonville, Florida – Late Tuesday, July 29, United States District Judge Harvey E. Schlesinger sentenced Michael J. Bloomquist, age 41 of Peoria, Arizona to two years imprisonment for conspiracy to defraud the United States by unlawfully obstructing the Internal Revenue Service in connection with the federal income and employment income taxes of Donald Fleming and the radio broadcast business he owned and controlled which had been known as the Jacksonville Traffic Center. Bloomquist had been found guilty by a jury in March 2003. Judge Schlesinger imposed the two year prison sentence after finding that Bloomquist helped Donald Fleming evade more than \$500,000 in federal income and employment taxes from 1993 through 1998 in connection with their efforts to block the IRS from learning the true business affairs of the Jacksonville Traffic Center. This business provided on-air traffic reports over numerous radio and television stations in the Jacksonville metropolitan area throughout the 1990's.

During the sentencing hearing the Court held that the government proved Bloomquist had joined Fleming in an effort to obstruct the IRS from being able to determine the true gross income and the income and employment taxes of the Jacksonville Traffic Center, as well as personal income taxes of Fleming, who actually owned the business. Evidence presented at trial in March demonstrated that the Traffic Center earned from at least \$500,000 to more than \$1,000,000 annually in advertising sales from 1993 through 1999 in connection with radio broadcasts to multiple radio and television stations without reporting any of that income or paying either income taxes or employment taxes relating to the Traffic Center employees. The Court also determined that the government had proved that Donald Fleming never reported any personal income throughout these years and undertook many steps to hide the true nature of the Traffic Center income from the IRS.

The Traffic Center, still operating today, has been the only Jacksonville radio broadcast operation that supplies broadcast information throughout the day to multiple radio and television stations in the metropolitan area. It provides both live traffic news broadcasts to customer radio and television stations as well as computer information for use by these stations.

The investigation of the Jacksonville Traffic Center, Fleming, Bloomquist and others associated with the conspiracy to obstruct the IRS was conducted by Special Agents of the Internal Revenue Service Criminal Investigation Division in Jacksonville. Assistant United States Attorney Will Mackie and Troy Sellars of the U.S. Department of Justice were the prosecutors in these cases.