



U.S. Department of Justice

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For Immediate Release:

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EVENT: Judgment

Defendant: Bli Farms

**BLI FARMS AND RICHARD BLI ORDERED TO PAY
\$2.128 MILLION IN DAMAGES FOR FALSE CROP INSURANCE CLAIMS**

Bli Farms, Richard Bli and the estate of James E. Bli, deceased, were found liable to the United States for \$2,128,920 for false crop insurance claims filed by the partnership, Bli Farms, for their 1992, 1994 and 1995 potato crops, United States Attorney Stephen J. Murphy announced today.

Joining in the announcement was Special Agent in Charge Don Meeks, of the United States Department of Agriculture, Office of Inspector General.

Bli Farms is a partnership, formed in 1992 by Bay County potato growers Richard Bli and his now deceased brother, James E. Bli.

Following a bench trial, United States District Judge David M. Lawson found that Richard Bli, acting on behalf of the partnership, Bli Farms, violated the False Claims Act by knowingly submitting false claims for crop insurance indemnities on Bli Farms' 1992, 1994 and 1995 potato crops, and by knowingly submitting false certifications of Bli Farms' potato

production for these crop years to get these false claims paid. The court found that these claims were false because Bli Farms had substantial unreported sold potato production for these crop years. Had Richard Bli, acting on behalf of Bli Farms, reported all of Bli Farms' sold potato production for the crop years 1992 and 1995, Bli Farms would not have received any indemnities on its potato crops. Had Bli Farms reported all of its 1994 sold potato production, it would have received a significantly reduced indemnity for losses on its insured potato crop.

The court determined that Bli Farms received \$704,640 in crop insurance indemnities to which it was not entitled because of Bli Farms' actual sold potato production. Under the False Claims Act, these damages are trebled, to \$2,113,920. The Court determined that the defendants are liable for penalties under the False Claims Act, totaling \$15,000.

In addition to the \$2,128,920 judgment, Bli Farms and Richard Bli face exclusion from federal programs as a result of their fraud.

United States Attorney Stephen J. Murphy said, "The public should not bear the cost of false or exaggerated claims for crop insurance, which is fraud -- pure and simple. I applaud the hard work of the trial team in this case, as well as the excellent work of the Inspector General of the Department of Agriculture in this case."

Copies of the Court's Findings of Fact and Conclusions of Law, and the Judgment may be obtained from the U.S. Attorney's Office in Bay City or Detroit.