

Former Pendleton auto dealer charged with bank fraud

Walla Walla Union-Bulletin

A former Walla Walla businessman who operated a chain of car dealerships in Eastern Washington, Idaho and Oregon is facing a federal criminal charge.

Mark Gilbert was indicted by a grand jury in November on one count of bank fraud related to the purchase of a home in Hawaii in 2014. His trial is set for April 2 in U.S. District Court in Yakima.

According to court documents, Gilbert has pleaded not guilty to the charge, which alleges he made false statements to a federally insured credit union to obtain a \$745,000 mortgage loan. The maximum penalty for the crime is up to 30 years in prison and/or a fine of up to \$1 million.

In an indictment filed by acting U.S. Attorney Joseph Harrington, Gilbert is alleged to have falsely claimed he was buying the Hawaii home for his parents, and fabricated financial statements to convince the credit union to fund the mortgage.

Gilbert also allegedly provided the down payment for the house and concealed that fact to avoid disclosing the Hawaii property as an asset in bankruptcy proceedings filed in June 2014 with U.S. District Court in Eastern



The Gilbert Auto dealership in Pendleton closed in 2013 after filing for bankruptcy. EO file photo

Washington.

Gilbert, who according to court documents now lives in Scottsdale, Ariz., came to Walla Walla in 2002 from the Portland-Vancouver area. By 2012, he had acquired auto dealerships in Walla Walla, College Place, Milton-Freewater, Pendleton, Moses Lake and Moscow, Idaho.

He entered the Pendleton market in 2007 when he bought out Comrie Chevrolet Buick Pontiac and Comrie Honda and added Round-Up City Dodge Chrysler Jeep and Oregon Power Sports at 2240 S.E. Court Ave.

With those purchases Gilbert owned the only new car dealership in Pendleton.

The dealership was under scrutiny of the Oregon

Department of Motor Vehicles in 2011 for not properly submitting titles to sold vehicles on multiple occasions, and the company filed for bankruptcy in 2013. The business closed soon after.

Among Gilbert's other dealings was construction of the Honda dealership on property alongside state Route 125 in College Place. This was accompanied by the city constructing Commercial Drive to provide access to the business and a bank.

Gilbert's enterprises began to unravel at the start of 2013 after the city of College Place filed a lawsuit alleging he had failed to make payments promised in a development agreement for the Commercial Drive

project.

Other lawsuits by credit companies operated by Honda, Nissan, Ford and General Motors rapidly followed, alleging Gilbert had violated agreements for repaying loans by converting the funds for other uses instead of repaying debts owed.

These were accompanied by other civil actions from lenders and others also alleging failure to pay debts or repay loans.

Another action that came in 2013 was from the state Office of the Attorney General. In a complaint filed in Walla Walla County Superior Court, the AG's office charged that four of Gilbert's auto dealerships had violated consumer-protection laws by failing to promptly pay off customers' trade-in vehicles, resulting in some buyers being forced to make payments on both their new vehicle and their trade-in to avoid collection agencies and repossession.

By the end of 2013, all of Gilbert's auto dealerships in Washington, Oregon and Idaho had been closed. The auto dealerships in Walla Walla and College Place have since reopened under new ownership.

The East Oregonian contributed to this story.

BRIEFLY

Incubation program seeks rural Oregon entrepreneurs

PORTLAND — Rural entrepreneurs with a promising business idea could win \$1,000 at the conclusion of an eight-week "Virtual Incubation Program" — VIP — beginning April 5.

The Oregon Technology Business Center is offering the program with sponsorship from the Oregon Community Foundation. The training program will be live interactive webcasts to help rural Oregon entrepreneurs start or build a growth business. The final session will be a pitch to angel investors who will vote on the most promising business idea and award a \$1,000 cash prize.

The VIP program is in its third year and has served rural entrepreneurs throughout Oregon. You can find complete information and register for the session beginning April 5 at www.virtualincubationprogram.com or call the Oregon Technology Business Center at 971-223-4660.

Hermiston job fair offers one-stop information

HERMISTON — The Resource and Job Fair will assist people looking for jobs in all industries, as well as connecting agricultural workers with the community.

Hosted by the Latino Business Network, the event is Wednesday, March 14 from 4-7 p.m. at the Hermiston Community Center, 415 S. Highway 395. Those attending can also learn about training and employment programs that will help in building the workforce and address services that will assist in growing a healthy community and families. Admission is free.

For more information, contact the Hermiston Chamber of Commerce at 541-567-6151, debbie@hermistonchamber.com or visit www.hermistonchamber.com.

Watts Fund appoints Baker as new committee member

ATHENA — Jerry Baker of Athena has joined the Homer and Persephone B. Watts Memorial Trust as a committee member, replacing Merle Mathewich, who served more than 30 years.

Baker is a Weston-McEwen High School graduate who attended Blue Mountain Community College and Oregon State University. He works as a realtor with Coldwell Banker Whitney & Associates in Pendleton, and also serves as a commissioner for the Port of Umatilla, chairman of the Umatilla County wolf depredation committee and chairman of the city of Athena budget committee. He and his wife Elsa have two children.

Baker has personal experience with the positive support the Watts Fund has provided the city of Athena and area schools — he was awarded a scholarship by the trust while attending OSU.

The Watts Fund has granted \$553,602 in scholarships for Weston-McEwen students, and \$513,436 for civic improvements, in the period from 1974 through June of 2017.

John L. Scott Real Estate announces awards

MILTON-FREEWATER — Real estate representatives who work throughout the Pacific Northwest were recently recognized by John L. Scott Real Estate.

Northwest award winners include:

- President's Elite, Top Producing Agents: Curtis Dahl, Tri-Cities/Pasco; Kerri Walker, Milton-Freewater and Walla Walla.

- President's Gold, Top Producing Agents: Ken Butler, Walla Walla; Juan and Netty Zuniga, Tri-Cities/Pasco; Tina Morales, Tri-Cities/Pasco.

- President's Award, Top Producing Agent: Dennis Gisi, Milton-Freewater.

- Emerald Award, Top Producing Agent: Christina Magnaghi, Walla Walla.

Regional award winners include:

- Top Producing Agents: Geoff Guidry, Tri-Cities/Pasco; Lewis Key, Milton-Freewater; Gordy Snyder, Milton-Freewater.

- Rookie of the Year: Tony Verret, Tri-Cities/Pasco

Gisi and Butler combined their Pasco, Walla Walla and Milton-Freewater offices in 2013 and have developed a regional footprint serving the real estate needs of Benton, Franklin and Walla Walla counties in Washington, as well as Oregon's Umatilla County.

"Our broker partners work hard to provide the best service for the clients and produce results," Butler said. "It is nice to have so many recognized for their efforts."

In addition, Gisi said the group collectively sold approximately \$68 million worth of real estate last year. That, he said, shows that focusing on clients, providing great service and being knowledgeable professionals in their field really pays off.

Founded in 1931 in downtown Seattle, John L. Scott Real Estate currently has more than 110 offices with more than 3,000 brokers in Washington, Oregon, California and Idaho. For more information, visit www.johnlscott.com.

MISSION

Cayuse Technologies achieves federal certification

East Oregonian

Cayuse Technologies announced it received a federal certification that will make the business more competitive.

The Confederated Tribes of the Umatilla Indian Reservation near Pendleton own and operate Cayuse Technologies, a broad-spectrum technology delivery center employing more than 300 people. The United States Small Business Administration granted a tribal enterprise small business certification to Cayuse Technologies,

according to the announcement. The certification allows Cayuse to compete for federal government contracts for businesses and provides a mechanism for federal agencies to sole source or direct award contracts to Cayuse Technologies. The SBA limits the program to nine years.

Cayuse Technologies' CEO Billy Nerenberg in the statement called the certification a "fantastic achievement."

"This opportunity will help us to continue growing the company and growing

our people," he said. "We've worked hard and are ready for the new opportunities that this certification may provide."

According to the SBA, the program seeks to help tribal enterprises become and stay competitive in the economic mainstream.

Dawn Hagen, chief compliance officer for Cayuse, oversaw the application process. She said achieving the certification has always been part of the company strategy, but the award process is stringent, and Cayuse had to show its

readiness for this program. Angus Cook, Cayuse's chief strategy officer, called the certification a "game-changing springboard for Cayuse Technologies to bring long-term growth and value to its tribal owners."

The tribes established Cayuse Technologies in 2006 with headquarters on the Umatilla Indian Reservation and regional offices throughout the U.S. Cayuse Technologies offers a variety of technology services, from full life-cycle application development to technical support centers.

'Pharma Bro' gets 7 years in prison in securities fraud case

NEW YORK (AP) — The smirk wiped off his face, a crying Martin Shkreli was sentenced to seven years in prison for securities fraud Friday in a hard fall for the pharmaceutical-industry bad boy vilified for jacking up the price of a lifesaving drug.

Shkreli, the boyish-looking, 34-year-old entrepreneur dubbed the "Pharma Bro" for his loutish behavior, was handed his punishment after a hearing in which he and his attorney struggled with limited success to make him a sympathetic figure. His own lawyer confessed to wanting to punch him in the face sometimes.

The defendant hung his head and choked up as he admitted to many mistakes and apologized to the



Martin Shkreli

investors he was convicted of defrauding. At one point, a clerk handed him a box of tissues.

"I'm not the same person I was," Shkreli said. "I know right from wrong. I know what it means to tell the truth and what it means to lie."

He also said: "The only person to blame for me being here today is me. There is no conspiracy to take down

Martin Shkreli. I took down Martin Shkreli."

In the end, U.S. District Judge Kiyomasa Matsumoto gave him a sentence that fell well short of the 15 years prosecutors wanted but was a lot longer than the 18 months his lawyer asked for. He was also fined \$75,000.

Shkreli was found guilty in August of lying to investors in two failed hedge funds and cheating them out of millions. The case was unrelated to the 2015 furor in which he was accused of price-gouging, but his arrest was seen as rough justice by the many enemies he made with his smug and abrasive behavior online and off.

The judge insisted that the punishment was not about Shkreli's online antics

or his raising the cost of the drug. "This case is not about Mr. Shkreli's self-cultivated public persona ... nor his controversial statements about politics or culture," Matsumoto said.

But she did say his conduct after the verdict made her doubt the sincerity of his remorse. She cited his bragging after the verdict that he would be sentenced to time served. And she quoted one piece of correspondence in which he wrote: "F--- the feds."

The judge ruled earlier that Shkreli would have to forfeit more than \$7.3 million in a brokerage account and personal assets, including a one-of-a-kind Wu-Tang Clan album that he boasted of buying for \$2 million.

ADVERTISING WORKS WITH THE EAST OREGONIAN

"We have been consistent with our advertising in the East Oregonian and it has definitely added to the growth of our business."



Greg's Sleep Center Sofas 'n More has advertised in the East Oregonian newspaper for over 40 years. The early years up through today, the EO has been an awesome tool to reach Morrow and Umatilla counties, East and Westside residences to achieve our growth goals. 40 years in business and still growing, because of our consistent weekly presence in the East Oregonian newspaper.

Thank you Eastern Oregon, Morrow and Umatilla Counties and the East Oregonian for over 40 great years!

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