Two Men Get Federal Prison Sentences for Fraud

October 10, 2024 - Two men have been handed federal prison sentences for their involvement in a data-selling scheme that facilitated mass-mailing fraud targeting the elderly.

Robert Reger, 57, from Boulder, Colorado, received a 10-year sentence, while David Lytle, 64, from Leawood, Kansas, was sentenced to four years. Both men, former employees of Epsilon Data Management LLC, a list management company, were convicted in the U.S. District Court for the District of Colorado of conspiracy to commit mail and wire fraud, alongside multiple counts of mail fraud and wire fraud, following a two-week trial.

Over a decade, Reger and Lytle sold lists of U.S. consumersâ€™ information to fraudsters. These lists were generated using Epsilonâ€™s data algorithms, tapping into a database of 100 million U.S. households to identify and predict which consumers would likely respond to fraudulent mailings.

Evidence presented at the trial showed that one client of the defendants defrauded hundreds of thousands of people, resulting in millions of dollars of losses.

The U.S. Postal Inspection Service led the investigation as part of broader efforts to protect vulnerable populations from fraud. The DOJ noted that the case is part of a wider initiative to crack down on companies and individuals facilitating elder fraud schemes.
by Jim Malmberg
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