

[index-news](#)[Home » About](#)

NEWS

**Thermacore, Inc., Agrees To Pay \$965,000 To Resolve False Claims Act Allegations**

FOR IMMEDIATE RELEASE

October 20, 2014

PHILADELPHIA - Thermacore, Inc. ("Thermacore") has agreed to a \$965,000.00 settlement to resolve allegations of fraud arising as part of the Federal government's Small Business Innovation Research ("SBIR") program. According to the United States, Thermacore is responsible for duplicate SBIR awards submissions. The United States contends that these submissions, and the attendant certifications, constituted false statements to the Federal government. The settlement was announced today by First Assistant United States Attorney Louis Lappen. Thermacore denies the allegations.

Thermacore acquired k Technology Corporation ("kTC") on August 7, 2009. Through the SBIR program, kTC had submitted a project proposal to the National Aeronautics and Space Administration ("NASA"), on September 4, 2008, and submitted a duplicate proposal to the United States Air Force ("Air Force") on September 24, 2008. Through the SBIR program, the agencies provide small businesses with incentives to profit from the commercialization of technology that would benefit the Federal government.

The SBIR program has requirements aimed to combat fraud, waste, and abuse. As part of these requirements, both NASA and the Air Force mandate that the same or essentially equivalent research may not be funded by more than one agency and that submissions under the SBIR Program must be certified as being non-duplicative. Under the SBIR Program, therefore, it is unlawful to receive funding for essentially equivalent work already funded under any government program or to falsely certify that work is non-duplicative.

The investigation was prompted by NASA's proactive initiative to identify potential fraud in its SBIR contracts. "The proactive efforts of agencies like NASA are critical to identifying potential fraud and safeguarding limited government resources," said Lappen.

Since its enactment in 1982, as part of the Small Business Innovation Development Act, SBIR has helped thousands of small businesses to compete for federal research and development awards which have enhanced the nation's defense.

Under the parties' settlement agreement, Thermacore will pay \$500,000 to the United States. An additional \$465,000.00 will be allocated and used for ongoing compliance efforts by Thermacore. Thermacore has already initiated an upgrade to its Ethics and Compliance Program which efforts are continuing.

The investigation was conducted by NASA, the Air Force, and the Department of Defense. The case is being handled by Assistant U.S. Attorney Veronica J. Finkelstein and auditor Lawrence M. Kutys.

[Click here to view the settlement agreement.](#)

UNITED STATES ATTORNEY'S OFFICE, EASTERN DISTRICT of PENNSYLVANIA
Suite 1250, 615 Chestnut Street, Philadelphia, PA 19106
PATTY HARTMAN, Media Contact, 215-861-8525

Pull of Gravity
A documentary on coming home from prison

UNITED STATES ATTORNEYS' OFFICES
HOME PAGE

UNITED STATES ATTORNEYS' OFFICES
BRIEFING ROOM

**Community Outreach**

Giving Back to the Community
through a variety of venues & initiatives.

[LEARN MORE](#)

Voices of Youth
Public Service Announcement

LAW ENFORCEMENT
COORDINATING
COMMITTEE

CONTINUING LEGAL EDUCATION

JUSTICE 101

JUSTICE.GOV *en ESPAÑOL*

[Return to Top](#)

EASTERN DISTRICT *of* PENNSYLVANIA

615 Chestnut Street, Ste. 1250 - Philadelphia, PA 19106

JUSTICE.GOV/USAO

- HOME**
- ABOUT**
 - The Office
 - Meet the US Attorney
- NEWS**
 - Media
 - Pharma/Device Special Forms
 - US Attorney's Quarterly
- DIVISIONS**
 - Civil Division
 - Criminal Division
- PROGRAMS & INITIATIVES**
 - Outreach
 - LECC
 - PSN
 - Summer Internships
- RESOURCES**
 - Court Schedule
 - Mortgage Fraud Task Force
 - Victim/Witness Resources
- EMPLOYMENT**
 - Opportunities
 - Recruitment Brochure
- CONTACT US**
 - Contact Us/US Attorney's Office
 - Directions
 - Report a Crime

- Accessibility
- FOIA
- Privacy Policy
- Diversity Statement
- Justice.gov
- USA.gov
- Legal Policies & Disclaimers