

LAW OFFICES OF
PAUL D. SCOTT
A PROFESSIONAL CORPORATION
PIER 9, SUITE 100, THE EMBARCADERO
SAN FRANCISCO, CALIFORNIA 94111
www.lopds.com

TELEPHONE
(415) 981-1212

FACSIMILE
(415) 981-1215

**GOVERNMENT JOINS FLOYD LANDIS' WHISTLEBLOWER SUIT
RE: FRAUD ON U.S. POSTAL SERVICE**

SAN FRANCISCO, California, February 22, 2013. The United States announced today that it has joined Floyd Landis' whistleblower lawsuit against individuals and entities associated with the U.S. Postal Service Professional Cycling Team. The lawsuit filed under the False Claims Act alleges that the cycling team defrauded taxpayers by claiming government sponsorship dollars, while simultaneously engaging in prohibited doping and cheating. The United States has intervened in the case as to former USPS cyclist Lance Armstrong, the team's sports director Johan Bruyneel, and the business operating the team Tailwind Sports.

The whistleblower lawsuit, called a *qui tam* action, has been under seal while the Department of Justice investigated Mr. Landis' allegations. The U.S. Postal Service paid over \$31 million to Tailwind Sports and related entities between 2001 and 2004 to be the team's title sponsor. As is common in sports sponsorship agreements, the Government's contract with Tailwind explicitly prohibited doping by the team. Mr. Landis' lawsuit alleges that, contrary to the clear terms of the contract, the team engaged in a systematic doping scheme and submitted tens of millions of dollars of false claims for sponsorship funds to the Postal Service.

Mr. Landis first made his allegations of doping by the USPS cycling team public in the spring of 2010, prior to filing suit. "That decision took courage, genuine courage," said Mr. Landis' attorney Paul D. Scott, "to come forward when others were afraid, irrespective of the potential consequences." In the same period, Mr. Landis provided details to government investigators regarding his own involvement in doping and subsequently took concrete legal and financial responsibility for his own actions. "Mr. Landis makes no bones about it," said Mr. Scott. "He made mistakes, but he is now a man determined to make it right."

Reacting to the United States' decision to intervene, Mr. Landis said, "I had come to a point in my life where I decided that I had to tell the truth for the sake of my conscience. I'm still dealing with the consequences of that decision to this day but it's better than living a lie."

Mr. Landis' decision to come forward and reveal specific details of doping at the highest levels of cycling has already touched off tectonic change in the sport. Prompted by Mr. Landis' allegations, the U.S. Anti-Doping Agency (USADA) conducted a sweeping inquiry and produced a Reasoned Decision which concluded that "the US Postal Service Pro Cycling Team ran the most sophisticated, professionalized and successful doping program that sport has ever seen." Following the lead of Mr. Landis, at least 26 people, including eleven

other professional cyclists and others associated with the US Postal Service team, came forward to provide declarations to USADA corroborating the allegations made by Mr. Landis.

Mr. Landis also challenged the role of the Union Cycliste Internationale (UCI), the governing body of professional cycling, which is now similarly under scrutiny.

The pending False Claims Act lawsuit will serve the additional important purpose of ensuring that key figures involved with the U.S. Postal Service Team now take financial responsibility for their actions, so U.S. taxpayers are not left footing the bill for a cycling team that doped and cheated to win.

The False Claims Act was originally passed in 1863 during the height of the Civil War to curtail abuse of public funds by unscrupulous suppliers of material for the war effort. In its current form, the Act allows the federal government to recover treble damages plus penalties of \$5,500 to \$11,000 per violation from any person or entity that knowingly submits false claims for payment to the federal government.

The Act also permits private citizens (called “relators”) to file suit on behalf of the Government and receive a share of the Government’s recovery in return for their efforts. These suits are called “qui tam” actions, which comes from the Latin phrase “qui tam pro domino rege quam pro se ipso in hac parte sequitur,” which refers to those “who sue on behalf of the king as well as themselves.”

Since coming forward in 2010, Mr. Landis has continued to contribute to the dialogue surrounding doping in professional sports. In February 2013, he will be a panelist at Yale Law School for a discussion on doping with Travis Tygart from the U.S. Anti-Doping Agency and others.