

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No. 16-CR-64

RONALD H. VAN DEN HEUVEL,
PAUL J. PIIKKILA, and
KELLY Y. VAN DEN HEUVEL,

Defendants.

**UNITED STATES' RESPONSE TO DEFENDANT RONALD VAN DEN HEUVEL'S
MOTION TO COMPEL DISCOVERY OF THUMB DRIVE**

The United States of America, by and through its attorneys, Gregory J. Haanstad, United States Attorney for the Eastern District of Wisconsin, and Mel S. Johnson and Matthew D. Krueger, Assistant United States Attorneys for said district, hereby responds to defendant Ronald Van Den Heuvel's motion to compel discovery of a thumb drive produced by Guy LoCascio to the Brown County Sheriff's Office. *See* Doc. 96. Although no rule requires discovery of the thumb drive, the United States has decided to accommodate the defendant's request. Copies of the thumb drive's contents are being mailed to both defendants today, July 13, 2017. This renders the defendant's motion moot. The United States nonetheless submits this response to clarify the record and emphasize that the thumb drive's contents have little bearing on this case, and therefore should not give rise to any delay in this proceeding.

BACKGROUND

The superseding indictment charges two schemes to defraud banks by obtaining loans through straw borrowers. Specifically, Counts 1 through 13 charge Ronald Van Den Heuvel,

Paul Piikkila, and Kelly Van Den Heuvel with participating in a scheme to defraud Horicon Bank from January 1, 2008 through September 30, 2009, by obtaining a series of loans through straw borrowers. Counts 14 through 19 charge Ronald Van Den Heuvel with promoting a scheme to defraud several other financial institutions from June 10, 2013 through July 2, 2013, by having his employee (P.H.) attempt to obtain loans backed by two Cadillac Escalades that Van Den Heuvel titled in P.H.'s name.

Separate and apart from those pending bank fraud charges, the Brown County Sheriff's Office (BSCO) began an investigation into Ronald Van Den Heuvel's fraudulent activities related to his "Green Box" companies from 2011 forward. Van Den Heuvel promoted Green Box as a process for converting fast food waste into useful products without any need for landfills or waste water discharges. The BSCO's Green Box investigation led to the July 2015 search warrants that are the subject of other pretrial motions. *See* Doc. 98, 113. The affidavit supporting the search warrant alleges that Van Den Heuvel induced lenders and investors to provide funding for his Green Box companies but diverted large sums to other uses, including his own personal spending. Federal law enforcement agencies are also investigating Van Den Heuvel's Green Box activities, although no charges have been filed to date.

In the course of its Green Box investigation, the BCSO interviewed Guy LoCascio. LoCascio performed accounting services for Van Den Heuvel from approximately 2010 to 2013. LoCascio provided the BSCO with a thumb drive of records he had saved while working with Van Den Heuvel. *See* Doc. 99-2, at para. 25 (BCSO search warrant affidavit describing the thumb drive). The BSCO obtained a search warrant to search the thumb drive.

Federal law enforcement agencies later obtained a copy of the thumb drive in the ongoing federal investigation into Van Den Heuvel's Green Box activities. The thumb drive contains

approximately 885 files, generally consisting of financial and business records for Van Den Heuvel and his companies, spanning from the mid-2000s through the early 2010s. Contrary to Van Den Heuvel's statement (Doc. 97, at 2), federal law enforcement officials did not obtain the thumb drive to pursue the bank fraud charges at issue here. Unsurprisingly given that context, the vast majority of the files have no conceivable bearing on the pending bank fraud charges.

DISCUSSION

The United States initially declined Van Den Heuvel's request for a copy of the thumb drive on the grounds that it is not discoverable. As described above, the United States obtained the thumb drive's contents for a separate investigation, related to Van Den Heuvel's Green Box activities, and undersigned counsel are not aware of any exculpatory materials on the thumb drive that would require its contents to be produced in this case. Besides general assertions of relevance, Van Den Heuvel has not articulated any reason to think that the thumb drive's contents would be relevant to the pending bank charges. Van Den Heuvel's assertion that LoCascio took the records without consent may give rise to some civil claim against LoCascio, but it is not relevant to the criminal charges here.

Nonetheless, because the records concern Van Den Heuvel's own businesses and activities, and because some of the files overlap with the time period of the pending charges, the United States has decided to accommodate the discovery request. The United States is producing a copy of the thumb drive in its original, native format so that its folder structure and file names are evident. With that accessible format, and given the discrete bank fraud charges at issue in this case, defense counsel should be able to review the contents for relevance quickly. Consequently, there is no reason why production of this material would justify any delay in this proceeding.

In conclusion, the Court should deny the defendant's motion to compel as moot. The Court should further deny any requests to adjust deadlines in this case to the extent they are based upon the thumb drive's contents.

Dated at Milwaukee, Wisconsin, this 13th day of July, 2017.

GREGORY J. HAANSTAD
United States Attorney

By: /s/ Matthew D. Krueger

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