

Companies Follow Murtha's Earmark Trail

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[EXCERPTS]

In April 2004, Rep. John Murtha (D-Pa.) celebrated the groundbreaking for a gleaming new office building here, designed around its anchor tenant, a Rockville, Md.-based technology company called Aeptec Microsystems.

Murtha pursued millions of dollars worth of legislative earmarks for the company, and Aeptec's federal contracts blossomed after it opened a branch in his district in 2001, rising from about \$13 million in 2000 to \$45.6 million in 2003 and \$33 million in 2004, according to fedspending.org, a database of federal contracts. The company had been represented by two lobbying firms with close ties to Murtha: KSA Consulting and the PMA Group.

But Aeptec never moved into the Indiana building...

...Aeptec's story is not unique. ...

... A good guide to the patterns of Murtha's largesse is the client list of KSA Consulting, a lobbying firm that employs a former Murtha staffer and used to employ Murtha's brother, Kit Murtha.

... KSA's client list consists largely of small businesses that are either based in Johnstown, Pa., or have opened offices in Johnstown, plus a significant smattering of companies that no longer exist and may never have existed at all.

The pattern that appears dominant is that the companies' federal contract dollars expand shortly after they open an office in the 12th Congressional district — though it is not entirely clear how much of their work is actually conducted in the district. ...

... KSA's client list indicates a pattern. Applied Ordnance Technologies was a Maryland-based firm that signed up with KSA in 2001, opened a Johnstown office in 2004 and saw the value of its government contracts jump from \$12 million in 2003 to \$21 million in 2004 and \$24 million in 2005. ...

... Another KSA client, ChemImage, a Pittsburgh-based company that does specialized imaging for medical and defense applications, signed up with KSA in August 2001 and opened a Johnstown office in 2004. On its Web site, the company explains that, "To maintain ongoing government relationships, ChemImage also retains an office in Johnstown, Pennsylvania." A person answering the phone at the Johnstown office said there is a staff of three there, and about 45 people in the Pittsburgh office. According to the FedSpending database, ChemImage had no government contracts before 2003, then gathered \$12 million in contracts from 2003 to 2005.

...KSA's client list has its share of mysteries. Lobbying disclosure forms the firm submitted to Congress in May — several months past the statutory deadline — listed two clients, Summit Technologies and VidiaFusion, that are no longer in business...

... Roll Call could not locate VidiaFusion, though there appears to have been a company by that name in Florida at one time.

KSA also filed a termination form for a company called Lindsey Energy in Norfolk, Va. The address reported by KSA matches the address of Harvey Lindsay Commercial Real Estate, but Lindsay told Roll Call he knows of no such firm and there is no Lindsey Energy in the building. ...

... In August 2004, Murtha announced that another Maryland-based company called Advanced Engineering and Planning Corp. had recently opened an Indiana office and would do "much of the development work for a \$3 million contract" awarded by the Navy to maintain a logistics software system. Today AEPCO — a KSA client — has a staff of one person in the district, and its office is in the same building as Aeptec's.