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## 5 Truckstops

Allegations that Pilot Flying J has engaged in fraud with its fuel rebate program has been a jolt to some of the company's customers named in FBI documents.

Apr. 20, 2013

April 20 — Allegations that Pilot Flying J has engaged in fraud with its fuel rebate program has been a jolt to some of the company's customers named in FBI documents.

“We are very, very disappointed in what we thought was a good partner,” Paul Wieck, president of Nashville-based Western Express Inc., said of Pilot.

In government documents released Thursday, the FBI cited recorded conversations and information from unnamed informants to allege that Pilot has for years taken advantage of some trucking company rebate customers by charging them a higher price than agreed upon for fuel and then concealing that fact.

Western Express Inc. and Shrock Trucking Inc., of Springfield, Mo., are two such customers mentioned in the documents.

Wieck said he does not know how much money his company might have lost from Pilot, “but we are going to look into it and find out.”

Wieck said the events alleged in the FBI documents occurred over four years ago under a former Western Express CEO who has since died, complicating efforts to learn more information.

Asked if Western Express will continue as a Pilot customer, Wieck said it is too early to say, but he will do whatever turns out to be best for the company.

“Those rebates are very important to me. Those discounts help me survive,” he said.

Owen Shrock, president of Shrock Trucking, said Friday he was shocked to learn

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has degraded him. Still, Shrock said he will be cautious.

“I am putting in place some software that will keep better track of what I am actually paying versus the discount I am supposed to be getting,” he said “And that is a step I am taking as a result of this.”

“It just places some doubts in your mind,” he added. Shrock said his company buys up to 60 percent of its fuel from Pilot.

“We spend anywhere from \$65,000 to \$100,000 a week with them,” he said. Shrock Trucking operates 52 trucks across the United States.

Western Express has 2,450 trucks it operates across the U.S., and it buys more than \$100 million worth of fuel from Pilot a year.

Colonial Freight Systems is not one of the trucking companies named in the FBI allegations, but is a Knoxville-based trucking company that regularly buys fuel from Pilot.

Phyllis Keesee, vice president of Colonial Freight, didn't have figures on how much fuel the company buys from Pilot, but said Colonial Freight has been a customer for decades

“It varies quite a bit,” she said. “We buy fuel from companies all over the United States.”

Keesee did not see the FBI investigation allegations as causing Colonial Freight to end its relationship with Pilot.

“We've never had any problems with them,” she said. Colonial Freight is a 100 percent owner-operator company with eight terminal locations across the U.S.

With a fuel rebate, a company agrees to buy a given amount of fuel and receives a

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headquarters in West Knoxville.

## **Documents in the Pilot Flying J investigation**

On the afternoon of Monday, April 15, 2013, the FBI and IRS searched the Knoxville headquarters of Pilot Flying J. These documents lay out federal authorities' case for the search, based on claims of rebate fraud.

- Affidavit in support of search warrant application
- Affidavit — Description of items to be seized
- Application for a search warrant
- Search and seizure warrant
- Motion to unseal document
- Order on motion to unseal document
- Motion to seal search warrant
- Order on motion to seal search warrant

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