



# Department of Justice

United States Attorney Carter M. Stewart  
Southern District of Ohio

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CONTACT: Fred Alverson  
614-469-5715

## **PRISON AND RESTITUTION ORDERED FOR FAIRBORN MARKET OWNER WHO ILLEGALLY ACCEPTED “FOOD STAMP” BENEFITS**

DAYTON –George J. Daoud, 65, was sentenced in U.S. District Court to 14 months in prison and ordered to repay the government \$131,000 for illegally swapping “food stamps” for ineligible items including drug paraphernalia and a car as the owner of the Main Express Food Mart in Fairborn, Ohio. Daoud also committed unemployment insurance fraud against the Ohio Department of Jobs and Family Services by claiming he was not working when he was in fact running a business enterprise.

Carter M. Stewart, United States Attorney for the Southern District of Ohio, Joe Smith, Special Agent in Charge, U.S. Department of Agriculture, Office of Inspector General (USDA), James Vanderberg, Special Agent in Charge, Chicago Region, U.S. Department of Labor Office of Inspector General, Mark Porter, Special Agent in Charge, U.S. Secret Service, and John Born, Director, Ohio Department of Public Safety announced the sentence imposed December 4 by U.S. District Judge Thomas M. Rose.

Investigators began looking into the market after receiving complaints that the store was selling ineligible products to people with Supplemental Nutrition Assistance Program (SNAP) benefits. SNAP benefits, formerly known as “food stamps”, are to be used only for the purchase of eligible food items. Participants in the program access the benefits using an Electronic Benefits Transfer or EBT card. According to court documents, Daoud and his co-conspirators accepted EBT cards in exchange for ineligible items such as cigarettes and alcohol, articles of drug paraphernalia, cash, and a motor vehicle.

Daoud has already paid the restitution and also forfeited \$65,564 in seized assets.

Investigators found that Daoud directly or indirectly participated in at least 500 separate fraudulent transactions between February 2010 and January 2012. Daoud pleaded guilty on October 16, 2012 to one count each of conspiracy to launder money, unauthorized use of SNAP benefits, and theft of public monies.

“One of the U.S. Attorney’s primary missions is to protect public funds,” U.S. Attorney Stewart said. “We will continue to work to protect the integrity of government programs designed to assist those who need it most.”

Store employee Nicholas G. Butcher, 54, of Fairborn, pleaded guilty on June 18, 2012 to one count of conspiracy. He was sentenced on September 28, 2012 to five years’ probation and named, along with Daoud, in an order to pay \$200,000 in restitution to the U.S. Department of Agriculture.

Stewart commended the cooperative investigation between agents of the USDA Inspector General, Labor Inspector General, Secret Service and the Ohio Investigative Unit which is part of the Ohio Department of Public Safety. He also recognized Assistant U.S. Attorney Dwight Keller, who represented the United States in the case.

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