



THE SECRETARY OF THE NAVY
WASHINGTON DC 20350-1000

JUN 14 2018

From: Secretary of the Navy
To: RADM Richard Wren, USN (Ret)
Subj: SECRETARIAL LETTER OF CENSURE

Ref: (a) 5 C.F.R. Part 2635
(b) Uniform Code of Military Justice
(c) DoD 5500.07-R (JER)
(d) U.S. Navy Regulations, 1990
(e) JAGMAN 0114a

1. From 2007 to 2010, while serving in leadership positions in the U.S. Navy, to include Commander, Carrier Strike Group FIVE (CSG-5) and Commander, U.S. Naval Forces Japan, in the Seventh Fleet area of operations, you demonstrated exceedingly poor judgment and leadership by repeatedly and improperly accepting gifts from Mr. Leonard Francis, the President of Glenn Defense Marine Asia (GDMA), a defense contractor and, therefore, a prohibited source. In addition, you maintained an inappropriate relationship with Mr. Francis, engaged in conduct that was unbecoming an officer and a gentleman in accepting these gifts, and in 2015 made a false official statement to mislead investigators about the nature of this relationship. As a business owner conducting significant contractual financial relationships with the United States government, Mr. Francis had a clear and obvious financial incentive to curry favor with senior officers. In addition, Mr. Francis was engaged in a criminal conspiracy to defraud the U.S. government. As demonstrated in federal court, the full extent of the losses to the United States and its taxpayers as a result of Mr. Francis's criminal activities exceeds \$34,800,000.

2. You repeatedly and improperly accepted gifts from a prohibited source by failing to pay fair market value or return them, as required per reference (a). In February 2008, while serving as Commander, CSG-5, you attended a private dinner in Yokohama, Japan, involving only yourself, Mr. Francis, and one other GDMA employee. Mr. Francis/GDMA spent \$8,827 for this dinner and you paid nothing. While at the dinner, you also improperly accepted the gifts of Cuban Cohiba cigars. In April 2008, while serving as Commander, CSG-5, and again as the senior officer present, you attended a dinner in Hong Kong with Mr. Francis and eight other officers, including several senior officers on your staff, for which Mr. Francis/GDMA spent \$32,422 on food and alcohol and for which you paid nothing. In December 2008, while serving as Commander, CSG-5, you accepted the gifts of two boxes of steaks, a bag full of wine and cigars, and three bottles of Dom Perignon champagne from Mr. Francis/GDMA. In December 2009, after assuming the position of Commander, U.S. Naval Forces Japan, you accepted the gift of a box of steaks valued at \$2,000 from Mr. Francis/GDMA. In June 2010, while serving as Commander, U.S. Naval Forces Japan, you accepted the gifts of a bottle of Scotch whisky and a box of cigars from Mr. Francis/GDMA. In December 2010, while serving as Commander, U.S. Naval Forces Japan, you accepted the gifts of Kobe beef and a basket of fruit from Mr. Francis/GDMA.

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3. In addition to all of the aforementioned improper gift acceptances, you made a false official statement during the investigation into your conduct, in violation of Article 107 of reference (b). On June 17, 2015, a Defense Criminal Investigative Service (DCIS) investigator interviewed you, and you provided a voluntary statement. During your interview, you stated that you had never attended a dinner based on a personal invitation from Mr. Francis. However, the evidence clearly establishes that on at least one occasion Mr. Francis personally invited you to dinner, and you accepted the invitation and attended. In stating otherwise, you lied and misled the investigator rather than take responsibility for your actions.

4. Reference (c) establishes a clear prohibition of the use of one's public office for private gain. The frequency of the gifts you received, as well as the fact that you had repeated direct and personal contact with Mr. Francis regarding them, would lead a reasonable person with knowledge of the relevant facts to believe that you used your public office for private gain. Your willingness to accept those gifts provided the worst type of example for subordinate officers within your chain of command and other officers who observed your interaction with Mr. Francis.

5. Pursuant to reference (d), you were responsible for setting the ethical and moral tone for your subordinates and your command. Your improper personal behavior, including the acceptance of gifts on multiple occasions from a prohibited source and your overly familiar relationship with Mr. Francis, was wholly unacceptable. As such, your conduct constituted a significant deviation from the standards expected of all Naval Officers, particularly those entrusted with command.

6. As a senior officer, you had a duty to represent the United States and the United States Navy in a way that upheld the values of our great nation and Navy. Rather, you intentionally disregarded the ethical standards long established for the naval service and brought ill-repute and disgrace upon our honored institution. Your conduct, in addition to being in violation of the ethical rules already set forth, violated Article 133 of reference (b), whose explanatory text states: "*Not everyone is or can be expected to meet unrealistically high moral standards, but there is a limit of tolerance based on the customs of the service and military necessity below which the personal standards of an officer . . . cannot fall without seriously compromising the person's standing as an officer . . . or the person's character as a gentleman.*" Your conduct fell well below that minimum baseline. It is clear that you did not care about the reputation of the Navy or the example you were setting for the officers in your command. You failed these officers and you failed the Department of the Navy.

7. Your conduct during this period was contrary to the Standards of Ethical Conduct for Employees of the Executive Branch, the Uniform Code of Military Justice, the Joint Ethics Regulation, and U.S. Navy Regulations, references (a), (b), (c), and (d); standards which you had a duty to know, obey, and model.

8. Your actions have cast a shadow over the reputation of all the outstanding men and women who served during your tenure in command. You were a commander of a United States Navy Carrier Strike Group, and thereafter, of all U.S. Naval forces in Japan. As such, you were expected to model the core values of the Navy as a leader and shape our Navy leaders of the

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future. Instead, you abused your positions to accept gifts from Mr. Francis/GDMA and participate in inappropriate activities— (b)(7)(A), (b)(7)(D) you eagerly accepted every gift and benefit you were given—and worse yet, led officers under your charge and your leadership to imitate your poor behavior.

9. You are, therefore, administratively censured for your leadership failures. A copy of this letter will be placed in your official service record in accordance with reference (e).

10. Within 15 days of the receipt of this letter, you may forward a rebuttal, consistent with reference (e), for inclusion in your official record, if you so desire.



RICHARD V. SPENCER

Copy to:
Consolidated Disposition Authority
Chief of Naval Personnel