



Swisher head sentenced to 30 months in prison

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CHARLOTTE, N.C. (AP) - **Patrick Swisher**, founder and head of a well-known commercial toilet cleaning business, was sentenced Tuesday to 30 months in **prison** for filing a false tax return and lying on a home mortgage application.

Swisher pleaded guilty in February to the charges, which came as part of a government allegation that **Swisher** used misleading accounting practices to manipulate the company, **Swisher** International, and its stock price. The government said **Swisher** used sham trusts to avoid paying some \$900,000 in federal income taxes and that he made false statements on a mortgage application.

U.S. Attorney Bob Conrad said Tuesday's **sentence** shows how seriously the government takes corporate fraud.

"Morally challenged corporate executives who fail in their duty to provide truthful and transparent accounting information to shareholders and those considering investing in the company will be prosecuted," Conrad said. "The first principles of free markets - transparency and trust - will be zealously protected."

Swisher, 47, remained free following the sentencing. He was to be told later when and where to report for his **sentence**.

At the sentencing hearing before U.S. District Judge Richard Voorhees, the government said its investigation showed **Swisher** controlled his company's board. Prosecutors also said board members sometimes did not consider the interests of other shareholders when considering transactions in which **Patrick Swisher's** personal interest conflicted with that of other shareholders.

The sentencing brings to a close the government's criminal case against **Swisher**. Last year, the SEC settled a civil lawsuit against **Swisher** and his company, fining **Patrick Swisher** nearly \$400,000 and barring him from serving as an officer or director of any publicly held company that files reports with the SEC.

In that settlement, **Swisher** did not admit the government's allegations against him. The settlement does not prevent **Swisher** from continuing in his position as head of **Swisher** International.

Swisher International has been ranked one of the nation's top franchisers, providing bathroom cleaning and maintenance services to

grocery stores, restaurants and other businesses. The company is franchised in 29 countries.

In over-the-counter trading, **Swisher's** shares were priced at 40 cents Tuesday.

Conrad said the government's investigation of **Swisher** International began when the company's outside auditors withdrew, writing a Feb. 20, 1998, letter in which they said they could no longer rely on the truth of the representations of management. He said the government's probe confirmed and expanded on the questions raised by the auditors.

"In this case, unlike other well-known corporate scandals, outside accountants stepped up to the plate in bringing **Swisher's** criminal actions to light," Conrad said.

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