



OFFICE OF THE ATTORNEY GENERAL

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New Hampshire Man Sentenced for Bottle Redemption Fraud

AUGUSTA – Attorney General William J. Schneider announced that the owner of a Derry, New Hampshire sports complex was sentenced today for his role in a large-scale bottle redemption fraud scheme.

Dennis Reed, 67, pled guilty to nine Class E thefts and one Class D theft in York County Superior Court and was ordered to serve 72 hours in jail and pay a \$10,000 civil penalty.

On March 18, 2010 Reed was caught making an after-hours delivery of thousands of containers from New Hampshire to Green Bee Redemption in Kittery, Maine. The purpose of the delivery was to redeem the five cent refund from the Maine bottle distributors, even though no five cent deposit had been paid and the bottles from New Hampshire were not eligible for redemption in Maine.

Reed operates the SportZone, a five-acre sports complex in Derry, New Hampshire, about 50 miles from Kittery. Within the SportZone, he sold Pepsi products and maintained a bottle redemption operation directing employees to sort all containers carrying the Maine refund label. The thousands of sorted containers were then loaded onto a trailer and transported for redemption at Green Bee.

Between April 9, 2008 and February 18, 2010 Reed obtained over \$4,400 from his fraudulent redemption of New Hampshire containers in Maine.

“Out of state interests that attempt to illegally cash in through the redemption of their containers here in Maine will be prosecuted,” said Attorney General Schneider. “Reed’s crime increased the costs to both Maine consumers and Maine-based distributors, businesses that in turn provide jobs to Maine residents.”

Under Maine's Bottle Bill, all beverage distributors charge a deposit of five cents for most soda, sports drink and bottled water containers sold in Maine. When the empty beverage containers are returned, the distributors refund the consumer the five cents originally paid as a deposit.

In addition to refunding the deposit, the distributors are required by the Bottle Bill to pay an additional handling fee to the redemption center. The distributors have no obligation to pay a deposit refund or handling fee for the redemption of any beverage container purchased outside of Maine.

New Hampshire has no bottle bill and no deposit is charged for any container sold in that State. The Massachusetts' bottle bill does not require a deposit for containers of water, juices, ice tea and sports drinks.

In August, 2011 Thomas Woodard, one of the operators of Green Bee Redemption, was convicted after a jury trial of theft by deception for obtaining over \$10,000 in deposit refunds and handling fees from Maine beverage distributors for beverage containers that he knew were not eligible for redemption in Maine. Woodard was sentenced to 21 days in jail and remains out on bail pending appeal to the Maine Supreme Judicial Court.

The case was prosecuted by Assistant Attorney General Leanne Robbin, of Attorney General Schneider's Criminal Division and was investigated by the Attorney General's Investigations Division, the Maine Department of Agriculture and the Kittery Police Department.

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