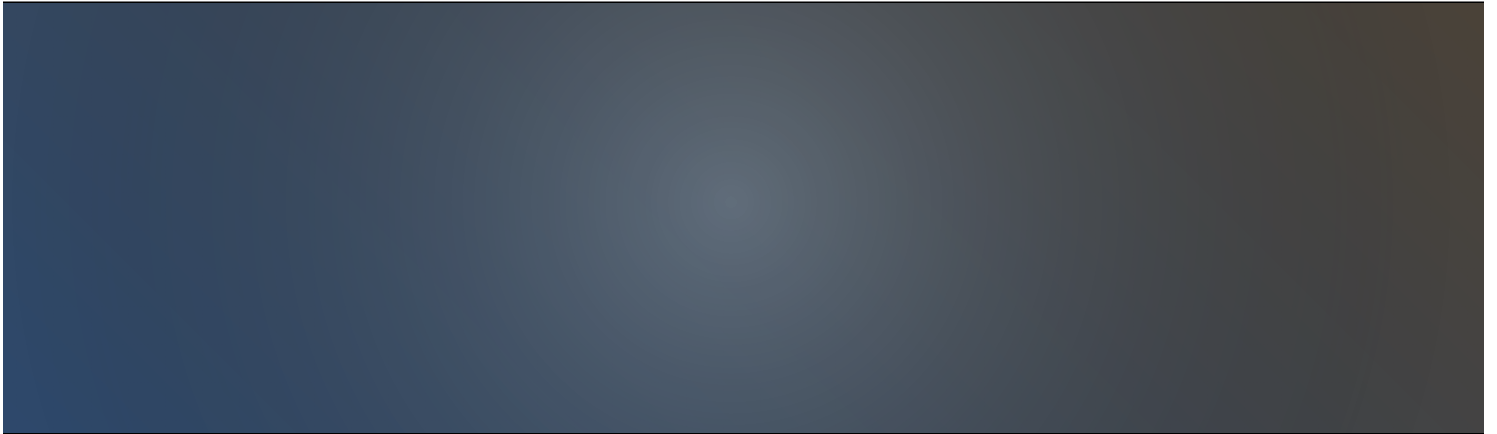


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## U.S. Department of Justice going after Lance Armstrong as government joins Floyd Landis' whistleblower lawsuit against disgraced cyclist

By Teri Thompson, Christian Red and Michael O'Keeffe  
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Lance Armstrong is accused of violating teams of sponsorship agreement by using banned and illegal drugs to dominate the Tour de France. (David Zalubowski/AP)



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[Lance Armstrong](#) and his closest associates shielded each other against performance-enhancing drug allegations for more than a decade, but the Justice Department's decision to join [Floyd Landis'](#) whistleblower suit might tear down their once-impenetrable wall of silence - and convince the disgraced cyclist and his friends to turn on each other.

The DOJ announced on Friday that the government has joined the "qui tam" suit filed by Landis in 2010 against Armstrong, Tailwind Sports, the firm that managed Armstrong's United States Postal Service team, and former team manager Johan Bruyneel. The feds say Armstrong and his associates violated the terms of their agreement with the Postal Service by using banned drugs.

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"Lance Armstrong and his cycling team took more than \$30 million from the U.S. Postal Service based on their contractual promise to play fair and abide by the rules - including the rules against doping," District of Columbia U.S. Attorney Ronald C. Machen Jr. said. "The Postal Service has now seen its sponsorship unfairly associated with what has been described as 'the most sophisticated, professionalized, and successful doping program that sport has ever seen.' This lawsuit is designed to help the Postal Service recoup the tens of millions of dollars it paid out to the Tailwind cycling team based on years of broken promises."

But the Justice Department's announcement did not mention Thomas Weisel, the San Francisco financier who founded Armstrong's cycling team, Bill Stapleton, Armstrong's longtime agent, or Bart Knaggs, the cyclist's business partner. All three men are named as defendants in the Landis lawsuit.

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Mike Morse, the chairman of the whistleblower practice group at the Philadelphia law firm Pietragallo Gordon Alfano Bostick and Raspanti, said that doesn't mean they are off the hook.

"There are certainly cases where a condition of the settlement will be cooperation with the government's case against remaining defendants," Morse said.

Morse added that Weisel, Stapleton and Knaggs may have already reached a settlement with the government that would require them to cooperate in the case against Armstrong, but Weisel's attorney, Robert Sacks, told the Daily News that his client, "has not settled and will not settle.

"He is obviously pleased with the Department of Justice's decision not to intervene to pursue a claim against him. He regards that as the correct result," said Sacks.





Floyd Landis (l.) has a new ally in his fight against his ex-teammate Lance Armstrong. (BERNARD PAPON/AP)

The Justice Department may have also joined the suit against Armstrong to pressure the cyclist to help the government pursue the other defendants. "The government has the right to intervene in all, part or none of whistleblower's allegations," Morse said. "It made an assessment that these (defendants) are the ones that they want to go after. But the qui tam suit against the others is still live."

Chris Manderson, the Newport, Calif., attorney who represents Armstrong's former teammate Tyler Hamilton, told The News that he could see Armstrong "doing anything he can to save his skin," including turning on the other defendants.

"Armstrong may be able to provide credible, useful information about somebody else, but it would have to be somebody the government really wants to go after. With somebody like Weisel, they could possibly get money back from him," Manderson said. "The question is, did Weisel know about the doping? Did he do a good job keeping his hands clean?"

In January, The News exclusively obtained and reviewed the sealed lawsuit filed by Landis under the False Claims Act. The 33-page document accuses Armstrong and the other

defendants of defrauding the Postal Service out of millions of taxpayer dollars by operating a sophisticated doping program.

"Mr. Landis personally witnessed defendant Armstrong's use of prohibited substances and prohibited methods . . . during the period of 2002-2004," the lawsuit says. "Mr. Landis also has direct knowledge, based on comments made by defendant Armstrong, and Mr. Landis' own experience with the general practices of the USPS Team during the time he was a member of the team, that defendant Armstrong's prior victories on behalf of the USPS Team."

The Justice Department notified the federal court that it is joining the lawsuit against Armstrong, Bruyneel and Tailwind, and will file its formal complaint within 60 days.

"This isn't just about Lance," Betsy Andreu, the wife of one of Armstrong's former teammates who was villified for years for testifying under oath that she overheard Armstrong tell doctors in 1996 that he had used performance-enhancing drugs, told the Daily News, "but the people who aided and abetted him and helped him get away with it. I hope he's smart enough to be the first one to talk."



Lance Armstrong is stripped of his seven Tour de France titles for his illegal doping. (Lucas Jackson/Reuters)

The suit claims Armstrong's use of banned and illegal drugs to dominate the Tour de France was in clear violation of the sponsorship agreement between the team and the United States

Postal Service, which sponsored Armstrong's teams from 1998 to 2004. The law allows the government to seek treble damages, and Landis could claim 25 percent of any money recovered through the suit.

Landis attorney Paul Scott called the government's decision "a step in the right direction."

United States Anti-Doping Agency chief executive officer Travis Tygart, who had lobbied Attorney General Eric Holder for the Justice Department to join the suit, welcomed the DOJ announcement.

"The U.S. Postal Service Cycling Team was run as a fraudulent enterprise and individuals both inside and outside of sport aided and abetted this scheme and profited greatly," Tygart said. "USADA applauds today's action by the U.S. Department of Justice which holds promise for returning the many millions of federal dollars in ill-gotten gains generated by this fraud."

Armstrong denied for years that he used performance-enhancing drugs, embarking on a long campaign to intimidate anyone who said he did, including the Andreus. Following a 1,000-page report released by the USADA in October laying out evidence that Armstrong had lied about his doping, Armstrong admitted in an interview with Oprah Winfrey that he had doped throughout his career.

USADA stripped Armstrong of his seven tour de France titles last summer.

Armstrong also faces two lawsuits - one by SCA Promotions, which is suing him for money it paid him in a settlement after Armstrong sued the company for refusing to pay a bonus it said was obtained fraudulently, and one from the Times of London, which also paid Armstrong a settlement based on a libel action the cyclist had filed against the newspaper.

