

Baker Donelson Lobbyist Admits Guilt in Timber Investment Scheme



Former Baker, Donelson, Bearman, Caldwell & Berkowitz lobbyist Ted Brent Alexander pleaded guilty on Wednesday to conspiracy to commit wire fraud in connection with a timber investment scheme that defrauded investors. The guilty plea was announced in a press release by the Department of Justice on April 27.

According to the press release, Alexander confessed to his involvement in a scheme that solicited millions of dollars from investors. He led them to believe that he inspected timber tracts that served as the basis for their investments. The scheme involved misrepresenting due diligence in vetting the timber contracts.

Alexander's guilty plea took place in federal court in Jackson, Mississippi. This follows the previous guilty plea of former Baker Donelson partner Jon D. Seawright in July 2022, who was also involved in the same scheme. Seawright was accused of soliciting investors alongside Alexander and providing false information about their due diligence process.

Investors were lured into the scheme with promises that their funds would be used to purchase timber rights from a timber broker. They were led to believe that the timber rights would then be sold to lumber mills at a higher price, generating 10% or more returns on their investments. Alexander disclosed that he had loaned funds to the timber broker, misleading the investors.

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Furthermore, Alexander falsely claimed that he personally inspected the timberland and reviewed documentation to support the investments. However, the press release stated that if proper inquiries had been made, the timber deeds, lumber mill agreements, and related documents would have been discovered to be falsified and invalid.

The press release also highlighted that Alexander created the impression that he would only profit if the investments performed as promised. However, he failed to disclose that he also made money by obtaining other investments.

In response to the case, Baker Donelson asserted that it had no involvement in the fraudulent scheme. The law firm clarified that Alexander's plea pertains to entities unrelated to Baker Donelson. The firm emphasized that it never represented the timber broker or any entities associated with the scheme and did not benefit from those entities.

In an interview with Law360, Alexander's lawyer, Matthew Eichelberger, conveyed his client's remorse and commitment to making amends. Eichelberger stated that Alexander apologizes to the court, his family, friends, colleagues, and investors affected by this controversy. Alexander is determined to assist in compensating the investors and expressed gratitude for his support throughout this challenging process.

The guilty plea by Ted Brent Alexander sheds light on a fraudulent timber investment scheme that exploited unsuspecting investors. As the legal proceedings continue, investors affected by this scheme hope for justice and restitution while the legal system seeks to hold all responsible parties accountable for their actions.