

BUSINESS NEWS

Tricolor Executives Charged in Collapse

Prosecutors allege lender's founder Chu and others double-pledged collateral

BY ALEXANDER GLADSTONE AND ALICIA McELHANEY

Top executives of subprime auto lender **Tricolor** were charged in a federal indictment alleging that they deceived the company's bank lenders and double-pledged collateral ahead of its collapse into bankruptcy.

The indictment unsealed in the Southern District of New York alleged double-pledging of vehicle loans, data manipulation and misrepresentations to major banks, which federal prosecutors said caused hundreds of millions of dollars of losses.

"Tricolor defrauded multiple lenders," U.S. Attorney Jay Clayton said at a news conference Wednesday. "They told multiple lies. And most dis-

turbingly the direction to do it came from the top."

Tricolor's founder and chief executive, Daniel Chu, and its chief operating officer, David Goodgame, were named as defendants. A lawyer for Chu didn't immediately respond to a request for comment. Goodgame didn't respond to a direct message on a social-media profile.

The breakdown of Tricolor amid fraud allegations was shortly followed by the bankruptcy of **First Brands**, an auto-parts supplier that collapsed in the midst of the revelation of accounting irregularities, including double-pledging of invoices as collateral. Together, the failures rattled the asset-backed finance industry.

Jerome Kollar, former chief financial officer, and Amelyn Seibold, a former finance executive, pleaded guilty to fraud charges on Tuesday and are cooperating with the government. Chu was expected to appear in federal court on Wednesday, and Goodgame is

scheduled to appear in Texas on Thursday.

Tricolor filed for a bankruptcy liquidation in September after one of its securitization partners, Fifth Third Bank, revealed that it would take a \$200 million loss tied to Tricolor. **JPMorgan Chase** and **Barclays** are facing similar losses on loans to the business.

Tricolor's and First Brands' similarly messy bankruptcies, as well as a collapsed telecom business in New York, have fueled concerns that the credit markets could be overheating, concealing weakness in loan portfolios.

Fifth Third, Barclays and JPMorgan packaged loans Tricolor made to car buyers into asset-backed securities sold on to investors through off-balance-sheet securitizations. The lender targeted borrowers with spotty credit or who otherwise couldn't get financing, often undocumented immigrants without Social Security numbers.



The subprime auto lender's bankruptcy helped rattle the asset-backed finance industry.

In August, lenders discovered discrepancies in Tricolor's data after noticing that car loans reported as receiving ongoing payments from customers didn't show a corresponding reduction in the outstanding balances, the indictment said.

Shortly before Tricolor filed for bankruptcy, its lenders confronted the company with concerns about its collateral, the indictment said.

After failing to convince the

lenders that the collateral issues stemmed from an administrative error, Chu said the company was "basically history" and transferred more than \$6 million out of the company, according to the indictment.

Chu and other executives allegedly pledged the same collateral to different lenders to secure more financing, according to the indictment. The group also made ineligible or delinquent loans appear com-

pliant with lending requirements and hid this from lenders by creating fake customer payments, the indictment said.

A group of creditors holding bonds backed by car loans recently asked a bankruptcy court to probe what Tricolor's bank lenders may have known about problems at the company before its collapse.

Alexander Gladstone and Alicia McElhaney write for WSJ Pro Bankruptcy.

Adderall Startup Is Indicted

Continued from page B1

a former Facebook product designer with no medical background, was convicted on seven criminal counts in November. Done's top doctor, David Brody, was convicted on six criminal counts. The two are scheduled to be sentenced in February, and each could serve years in prison.

Two other Done executives and six of its clinicians previously pleaded guilty to a con-

sspiracy count and cooperated with the government's investigation.

While clinicians are based in the U.S., the founder He had moved most other operations to China prior to her own indictment.

When she was arrested, a U.S. employee posted a warning to customers on the company's Instagram account. Under police-light emojis, the message said, "The management team from China has taken over operations." It was signed "The US/Core Team." The post was removed within minutes.

The company's early investors included Craft Ventures, the firm co-founded by Trump administration AI and crypto czar David Sacks.

FTX Witness Leaves Prison Early



Caroline Ellison had been sentenced to two years in prison.

BY VICKY GE HUANG

Caroline Ellison, the star witness in FTX founder Sam Bankman-Fried's criminal trial, has been transferred out of prison, according to a spokesperson for the Federal Bureau of Prisons.

Ellison, 31, was transferred Oct. 16 from the Federal Correctional Institution in Danbury, Conn., to community confinement overseen by the Bureau of Prisons' New York Residential Reentry Management office. Community confinement means the inmate is

in either home confinement or a halfway house.

Ellison's projected release date is Feb. 20, 2026. The former head of FTX's sister investment firm, Alameda Research, was sentenced in September last year to two years in prison for her role in what prosecutors called one of the largest financial frauds in history.

Ellison pleaded guilty in 2022 to seven fraud and money-laundering offenses related to the crypto exchange's collapse. Her testimony helped put her former boyfriend and boss in prison for 25 years.

Business Insider earlier reported on Ellison's transfer.

Who's Who of Distinguished Leaders: 2025 Honoree

Since 1898, Marquis Who's Who has remained the standard for reliable and comprehensive biographical reference material. We are proud to highlight hand-selected listees who have been recognized as *Distinguished Leaders* in their fields of endeavor.

Of 1.6 million listees, only a small percentage are recognized with the *Distinguished Leaders* honor. We laud these individuals for their ambition, professional fortitude, industry contributions, and career accomplishments.

It is our great pleasure to present one of them here:

Kory Brockman

OWNER, PRESIDENT, CHIEF EXECUTIVE OFFICER
WOODLAND / ALLOY CASTING

Kory Brockman: Driving Innovation and Growth in American Manufacturing

Kory Brockman is a Wisconsin-based manufacturing executive, entrepreneur and financial strategist whose career spans more than three decades of transforming metal casting organizations through operational excellence, financial acumen and a people-first philosophy. Most recently, Mr. Brockman acquired Woodland / Alloy Casting, a 40-year-old aluminum casting manufacturer in Racine, Wisconsin — marking a new chapter in his career to drive innovation, growth and American manufacturing excellence.

Mr. Brockman's path to ownership was built on a record of transformational successes. He began his metal-casting career in 1996 at Wisconsin Aluminum Foundry in Manitowoc, Wisconsin, a century-old aluminum, brass and bronze foundry. He advanced through leadership roles to chief financial officer and board member and helped guide the company's 270% revenue growth and share price improvement of over 1,500%. During his tenure, he played a pivotal role in modernizing financial operations, improving production efficiency and implementing forward-looking growth strategies that positioned the company for continued success.

For his efforts, Mr. Brockman was recognized as the SBA Wisconsin Small Businessperson of the Year in 2006, Wisconsin CFO of the Year by Corporate America Magazine in 2016, and received numerous Wisconsin Manufacturer of the Year awards from 2003 through 2009.

Most recently, recognizing an opportunity to apply his experience on an ownership level, Mr. Brockman acquired Woodland / Alloy Casting, a strategic move reflecting his passion for building and modernizing American metal casting. The company was established by American Foundryman Hank Adams in 1986, who skillfully grew and led the foundry until his passing in 2024. Mr. Adams built a business with the help of his family that supplied aluminum castings to a broad range of industries across the globe. As the new owner and president, Mr. Brockman is leveraging his extensive experience to grow Woodland's capabilities as a critical supplier to over 75 customers. His focus on workforce development, technology and lean manufacturing positions Woodland / Alloy Casting as a forward-thinking industry leader poised for continued growth and success.

A graduate of the University of Wisconsin – LaCrosse with a Bachelor of Science in business administration, Mr. Brockman is a long-time judge for the Wisconsin Manufacturer of the Year Awards and is active in professional organizations, including the American Foundry Society and the Non-Ferrous Founders Society. He is and has been a board member for numerous business and community organizations.

Outside of work, Mr. Brockman enjoys time spent with his wife Robin and their daughters and is a passionate motorcyclist and outdoor adventurer.

Today, through Woodland / Alloy Casting, Mr. Brockman continues to drive innovation in manufacturing — combining operational excellence, financial discipline and a people-first philosophy to strengthen Wisconsin's proud manufacturing legacy and shape the future of American metal casting.

In 2021, Mr. Brockman became president of Bremer Manufacturing Company in Elkhart Lake, Wisconsin, an aluminum sand casting foundry established in 1937. There, he led an organizational transformation that nearly doubled revenues within three years and increased operating profit sixfold. He cultivated a people-first culture through bilingual workforce development, added modern-day production equipment and greatly improved working conditions through several safety initiatives. Mr. Brockman's guidance also resulted in stronger relationships with customers and suppliers alike. Over the course of nearly four years, his collaborative management style and data-driven approaches helped streamline operations and foster a culture of continuous improvement. From 2023 through early 2025, he managed the company's successful sale and transition to new ownership, ensuring a seamless handoff and long-term stability for employees and customers.

Most recently, recognizing an opportunity to apply his experience on an ownership level, Mr. Brockman acquired Woodland / Alloy Casting, a strategic move reflecting his passion for building and modernizing American metal casting. The company was established by American Foundryman Hank Adams in 1986, who skillfully grew and led the foundry until his passing in 2024. Mr. Adams built a business with the help of his family that supplied aluminum castings to a broad range of industries across the globe. As the new owner and president, Mr. Brockman is leveraging his extensive experience to grow Woodland's capabilities as a critical supplier to over 75 customers. His focus on workforce development, technology and lean manufacturing positions Woodland / Alloy Casting as a forward-thinking industry leader poised for continued growth and success.

A graduate of the University of Wisconsin – LaCrosse with a Bachelor of Science in business administration, Mr. Brockman is a long-time judge for the Wisconsin Manufacturer of the Year Awards and is active in professional organizations, including the American Foundry Society and the Non-Ferrous Founders Society. He is and has been a board member for numerous business and community organizations.

Outside of work, Mr. Brockman enjoys time spent with his wife Robin and their daughters and is a passionate motorcyclist and outdoor adventurer.

Today, through Woodland / Alloy Casting, Mr. Brockman continues to drive innovation in manufacturing — combining operational excellence, financial discipline and a people-first philosophy to strengthen Wisconsin's proud manufacturing legacy and shape the future of American metal casting.

KORY BROCKMAN

OWNER, PRESIDENT, CHIEF EXECUTIVE OFFICER

WOODLAND / ALLOY CASTING

Kory Brockman: Driving Innovation and Growth in American Manufacturing

Kory Brockman is a Wisconsin-based manufacturing executive, entrepreneur and financial strategist whose career spans more than three decades of transforming metal casting organizations through operational excellence, financial acumen and a people-first philosophy. Most recently, Mr. Brockman acquired Woodland / Alloy Casting, a 40-year-old aluminum casting manufacturer in Racine, Wisconsin — marking a new chapter in his career to drive innovation, growth and American manufacturing excellence.

Mr. Brockman's path to ownership was built

on a record of transformational successes. He began his metal-casting career in 1996 at Wisconsin Aluminum Foundry in Manitowoc, Wisconsin, a century-old aluminum, brass and bronze foundry. He advanced through leadership roles to chief financial officer and board member and helped guide the company's 270% revenue growth and share price improvement of over 1,500%. During his tenure, he played a pivotal role in modernizing financial operations, improving production efficiency and implementing forward-looking growth strategies that positioned the company for continued success.

For his efforts, Mr. Brockman was recognized as the SBA Wisconsin Small Businessperson of the Year in 2006, Wisconsin CFO of the Year by Corporate America Magazine in 2016, and received numerous Wisconsin Manufacturer of the Year awards from 2003 through 2009.

Most recently, recognizing an opportunity to apply his experience on an ownership level, Mr. Brockman acquired Woodland / Alloy Casting, a strategic move reflecting his passion for building and modernizing American metal casting. The company was established by American Foundryman Hank Adams in 1986, who skillfully grew and led the foundry until his passing in 2024. Mr. Adams built a business with the help of his family that supplied aluminum castings to a broad range of industries across the globe. As the new owner and president, Mr. Brockman is leveraging his extensive experience to grow Woodland's capabilities as a critical supplier to over 75 customers. His focus on workforce development, technology and lean manufacturing positions Woodland / Alloy Casting as a forward-thinking industry leader poised for continued growth and success.

A graduate of the University of Wisconsin – LaCrosse with a Bachelor of Science in business administration, Mr. Brockman is a long-time judge for the Wisconsin Manufacturer of the Year Awards and is active in professional organizations, including the American Foundry Society and the Non-Ferrous Founders Society. He is and has been a board member for numerous business and community organizations.

Outside of work, Mr. Brockman enjoys time

spent with his wife Robin and their daughters and is a passionate motorcyclist and outdoor adventurer.

Today, through Woodland / Alloy Casting, Mr. Brockman continues to drive innovation in manufacturing — combining operational excellence, financial discipline and a people-first philosophy to strengthen Wisconsin's proud manufacturing legacy and shape the future of American metal casting.

Kory Brockman: Driving Innovation and Growth in American Manufacturing

Kory Brockman is a Wisconsin-based manufacturing executive, entrepreneur and financial strategist whose career spans more than three decades of transforming metal casting organizations through operational excellence, financial acumen and a people-first philosophy. Most recently, Mr. Brockman acquired Woodland / Alloy Casting, a 40-year-old aluminum casting manufacturer in Racine, Wisconsin — marking a new chapter in his career to drive innovation, growth and American manufacturing excellence.

Mr. Brockman's path to ownership was built

on a record of transformational successes. He began his metal-casting career in 1996 at Wisconsin Aluminum Foundry in Manitowoc, Wisconsin, a century-old aluminum, brass and bronze foundry. He advanced through leadership roles to chief financial officer and board member and helped guide the company's 270% revenue growth and share price improvement of over 1,500%. During his tenure, he played a pivotal role in modernizing financial operations, improving production efficiency and implementing forward-looking growth strategies that positioned the company for continued success.

For his efforts, Mr. Brockman was recognized as the SBA Wisconsin Small Businessperson of the Year in 2006, Wisconsin CFO of the Year by Corporate America Magazine in 2016, and received numerous Wisconsin Manufacturer of the Year awards from 2003 through 2009.

Most recently, recognizing an opportunity to apply his experience on an ownership level, Mr. Brockman acquired Woodland / Alloy Casting, a strategic move reflecting his passion for building and modernizing American metal casting. The company was established by American Foundryman Hank Adams in 1986, who skillfully grew and led the foundry until his passing in 2024. Mr. Adams built a business with the help of his family that supplied aluminum castings to a broad range of industries across the globe. As the new owner and president, Mr. Brockman is leveraging his extensive experience to grow Woodland's capabilities as a critical supplier to over 75 customers. His focus on workforce development, technology and lean manufacturing positions Woodland / Alloy Casting as a forward-thinking industry leader poised for continued growth and success.

A graduate of the University of Wisconsin – LaCrosse with a Bachelor of Science in business administration, Mr. Brockman is a long-time judge for the Wisconsin Manufacturer of the Year Awards and is active in professional organizations, including the American Foundry Society and the Non-Ferrous Founders Society. He is and has been a board member for numerous business and community organizations.

Outside of work, Mr. Brockman enjoys time

spent with his wife Robin and their daughters and is a passionate motorcyclist and outdoor adventurer.

Today, through Woodland / Alloy Casting, Mr. Brockman continues to drive innovation in manufacturing — combining operational excellence, financial discipline and a people-first philosophy to strengthen Wisconsin's proud manufacturing legacy and shape the future of American metal casting.

Kory Brockman: Driving Innovation and Growth in American Manufacturing

Kory Brockman is a Wisconsin-based manufacturing executive, entrepreneur and financial strategist whose career spans more than three decades of transforming metal casting organizations through operational excellence, financial acumen and a people-first philosophy. Most recently, Mr. Brockman acquired Woodland / Alloy Casting, a 40-year-old aluminum casting manufacturer in Racine, Wisconsin — marking a new chapter in his career to drive innovation, growth and American manufacturing excellence.

Mr. Brockman's path to ownership was built

on a record of transformational successes. He began his metal-casting career in 1996 at Wisconsin Aluminum Foundry in Manitowoc, Wisconsin, a century-old aluminum, brass and bronze foundry. He advanced through leadership roles to chief financial officer and board member and helped guide the company's 270% revenue growth and share price improvement of over 1,500%. During his tenure, he played a pivotal role in modernizing financial operations, improving production efficiency and implementing forward-looking growth strategies that positioned the company for continued success.

For his efforts, Mr. Brockman was recognized as the SBA Wisconsin Small Businessperson of the Year in 2006, Wisconsin CFO of the Year by Corporate America Magazine in 2016, and received numerous Wisconsin Manufacturer of the Year awards from 2003 through 2009.

Most recently, recognizing an opportunity to apply his experience on an ownership level, Mr. Brockman acquired Woodland / Alloy Casting, a strategic move reflecting his passion for building and modernizing American metal casting. The company was established by American Foundryman Hank Adams in 1986, who skillfully grew and led the foundry until his passing in 2024. Mr. Adams built a business with the help of his family that supplied aluminum castings to a broad range of industries across the globe. As the new owner and president, Mr. Brockman is leveraging his extensive experience to grow Woodland's capabilities as a critical supplier to over 75 customers. His focus on workforce development, technology and lean manufacturing positions Woodland / Alloy Casting as a forward-thinking industry leader poised for continued growth and success.

A graduate of the University of Wisconsin – LaCrosse with a Bachelor of Science in business administration, Mr. Brockman is a long-time judge for the Wisconsin Manufacturer of the Year Awards and is active in professional organizations, including the American Foundry Society and the Non-Ferrous Founders Society. He is and has been a board member for numerous business and community organizations.

Outside of work, Mr. Brockman enjoys time

spent with his wife Robin and their daughters and is a passionate motorcyclist and outdoor adventurer.

Today, through Woodland / Alloy Casting, Mr. Brockman continues to drive innovation in manufacturing — combining operational excellence, financial discipline and a people-first philosophy to strengthen Wisconsin's proud manufacturing legacy and shape the future of American metal casting.

Kory Brockman: Driving Innovation and Growth in American Manufacturing

Kory Brockman is a Wisconsin-based manufacturing executive, entrepreneur and financial strategist whose career spans more than three decades of transforming metal casting organizations through operational excellence, financial acumen and a people-first philosophy. Most recently, Mr. Brockman acquired Woodland / Alloy Casting, a 40-year-old aluminum casting manufacturer in Racine, Wisconsin — marking a new chapter in his career to drive innovation, growth and American manufacturing excellence.