FBI agents speak out on injuries from faulty grenades

By Abbie Boudreau and Scott Zamost, CNN Special Investigations Unit

PHILADELPHIA, Pennsylvania (CNN) -- The explosion happened without warning around 4 a.m. in West Chester, Pennsylvania.

FBI agent Donald Bain was sitting in his car in a parking lot with two other agents. He was armed and wore a Kevlar vest. He was also carrying a "flash-bang" grenade, a nonlethal weapon that emits a bright flash and deafening bang that's used to shock and disorient criminal suspects or the enemy in combat situations.

The three agents -- Bain, Thomas Scanzano and James Milligan -- were waiting for developments on a kidnapping that had turned into a hostage stakeout. That's when, Bain says, the flash-bang grenade in his vest just blew up.

"The car is on fire," Bain recalled. "I was told later I was on fire. Smoke billowing in the car. It was obviously chaos." Scanzano
remembers "it was like being in combat. There was smoke and fire in the vehicle, and I knew that we were in trouble." An ambulance rushed the three agents to a nearby hospital.

"To me, it felt like someone just whacked me in the back with a baseball bat as hard as they could," said Bain, recalling the incident, which happened four years ago. Bain suffered severe bruising, a concussion and burns to his neck and ears. All three agents said they have experienced hearing loss. "There was smoke, and it was like a grenade going off in the car," Scanzano said.

The company that manufactured the flash–bang grenade that Bain used is Pyrotechnic Specialties Inc., also known as PSI, based in Byron, Georgia.

Earlier this year, PSI, its chief operating officer, David Karlson, and three other defendants were indicted for fraud, conspiracy and money laundering. According to the federal indictment, PSI had a $15 million contract to supply flash–bang grenades to the military before it supplied them to the FBI.

The indictment states the company knew its flash bangs were defective and even knew how to fix those flaws, which would have cost PSI $3.72 per unit. But, according to the indictment, many of the defective grenades the military was using were relabeled and then sold to the FBI and other local law enforcement agencies.

"In order to sell diversionary charges which had been rejected by, and were otherwise unacceptable to the Department of Defense, the defendants developed a scheme and artifice to defraud, and attempt to defraud, the United States of America, as well as state and local law enforcement agencies," the indictment states.

In a court filing, PSI's attorneys state the "indictment is lacking in detail, vague and/or confusing, however, either in regard to what particular conduct by PSI or Mr. Karlson is alleged to be wrongful; or what particular laws, regulations, rules or other authorities rendered
any alleged conduct by PSI or Mr. Karlson wrongful, as well as many other areas."

CNN tried to speak with Karlson at PSI headquarters, but he would not comment. PSI attorney Craig Gillen also declined to comment. The criminal trial is scheduled to begin in January in Macon, Georgia. No court date has been set for the civil lawsuits.

"It drives me crazy," Scanzano said. "I don't sleep. I have tremendous headaches. I have the doctors claim severe hearing loss, but for all practical purposes, I'm deaf in my left ear." Andrew J. Stern, a Philadelphia attorney, has filed civil suits against PSI on behalf of the three FBI agents.

"I don't know how someone looks themselves in the mirror every day in light of the kind of things that have happened here," Stern told CNN.

Stern has also filed a civil lawsuit against PSI on behalf of Dean Wagner, a master sergeant in the Army who also said he was seriously injured by a flash-bang grenade that he says prematurely detonated and was manufactured by PSI.

An emotional Wagner told CNN he was days away from finishing his second tour in Iraq when he was putting away his flash bangs. One of them exploded, severely damaging his right hand. The injuries were so severe that he ended up having his hand amputated.

Wagner said PSI officials have no idea how the incident has affected his life. "They don't have a clue what it's like," Wagner said. "If they could experience that, or someone close to them would have to go through that experience, I'm sure it would be a different story and maybe they wouldn't have allowed it to happen."