



Department of Justice

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Northern District of California

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MORE THAN 570 POUNDS OF CRYSTAL METHAMPHETAMINE SEIZED, ELEVEN DEFENDANTS ARRESTED FOR CONSPIRACY TO DISTRIBUTE METHAMPHETAMINE, DISTRIBUTION OF METHAMPHETAMINE, CONSPIRACY TO LAUNDER MONEY AND WEAPONS VIOLATIONS

SAN FRANCISCO – In what is one of the largest seizures of methamphetamine ever in the United States, more than 570 pounds of crystal methamphetamine with a street value of over \$6 million dollars; more than \$160,000 in U.S. currency, 10 firearms, and seven automobiles were seized during the arrest of eleven defendants on Nov. 30, 2012, for federal and state narcotics, weapons and immigration violations, United States Attorney Melinda Haag announced. The case was indicted by a federal grand jury in San Francisco on Nov. 29, 2012, for drug related charges that include conspiracy to distribute 500 grams or more of methamphetamine, distribution of methamphetamine and conspiracy to commit international money laundering.

According to the federal indictment, which was unsealed this afternoon, the defendants engaged in a narcotics conspiracy to distribute large amounts of methamphetamine throughout California. The indictment also alleges that the defendants distributed illegal narcotics and possessed illegal narcotics with the intent to distribute them and further conspired to launder the proceeds of the sales of narcotics internationally.

In total, eleven defendants were arrested, – six on state charges for possession of methamphetamine, possession with the intent to distribute methamphetamine and possession of a stolen firearm, the remainder face federal charges.

All of the defendants who were arrested on the federal indictment appeared in federal court in San Jose before U. S. Magistrate Judge Paul S. Grewal on Nov. 30, 2012. The defendants each have further hearings scheduled this week in federal court in San Jose before Magistrate Judge Howard Lloyd or Magistrate Judge Nathanael Cousins. The case is assigned to United States District Court Judge Lucy H. Koh.

The maximum statutory penalty for each count is as follows:

Count One: 21 U.S.C. §§ 846, 841(a)(1), 841(b)(1)(A)(iii), and 841(b)(1)(A)(viii) – Conspiracy to Distribute and to Possess with Intent to Distribute Methamphetamine
Life in prison and a fine of up to \$4,000,000

Count Two: 18 U.S.C. § 1956(h) - Conspiracy to Commit Money Laundering
20 years in prison and a fine of up to \$500,000

Count Three: 21 U.S.C. §§ 841(a)(1) and 841(b)(1)(A)(viii) - Distribution of Methamphetamine
Life in prison and a fine of up to \$4,000,000

However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

This case is the product of the Organized Crime Drug Enforcement Task Force (OCDETF), a focused multi-agency, multi-jurisdictional task force investigating and prosecuting the most significant drug trafficking organizations throughout the United States by leveraging the combined expertise of federal, state and local law enforcement agencies.

The prosecution is the result of an extensive investigation by the U.S. Drug Enforcement Administration offices in San Jose, Modesto and Los Angeles, U.S. Marshal Service, U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI), San Jose Police Department, Santa Clara County Sheriff's Office, Monterey County Sheriff's Office, Santa Clara Police Department, Sunnyvale Department of Public Safety, Gilroy Police Department, Stanislaus County Drug Enforcement Agency, California Department of Justice, Bureau of Investigation, Unified Narcotics Enforcement Task Force, Merced Multi-Agency Narcotics Task Force, Southbay Metro Enforcement Team, Santa Clara County Specialized Enforcement Team, Yolo County Narcotics Enforcement Team, California Highway Patrol, Santa Cruz County anti-Crime Team, Morgan Hill Police Department, San Benito County Sheriff's Office, San Benito County Probation Office and Salinas Police Department. The United States Attorney's Office, Eastern District of California, Internal Revenue Service – Criminal Investigations and San Francisco Police Department assisted in the investigation.

Please note, an indictment contains only allegations against an individual and the defendant must be presumed innocent unless and until proven guilty.

Further Information:

Case #: CR 12-833 LHK

A copy of this press release may be found on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Jack Gillund at (415) 436-6599 or by e-mail at Jack.Gillund@usdoj.gov.

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