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SOUTHERN DISTRICT OF CALIFORNIA

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CASE UNSEALED PER ORDER OF COURT UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

June 2014 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

ROBERT ERIE,

Defendant.

Case No. **'14 CR 3660 AJB**

I N D I C T M E N T

Title 18, U.S.C., Sec. 371 -
Conspiracy; Title 18, U.S.C.,
Sec. 2320(a) - Trafficking in
Counterfeit Goods; Title 18,
U.S.C., Sec. 2323(b) - Criminal
Forfeiture

The grand jury charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. Defendant ROBERT ERIE was the Chief Executive Officer ("CEO") of E-World Recyclers, LLC ("E-World"), an electronic recycling service company located in Vista, California.

2. The United States Customs and Border Protection ("CBP"), a component of the United States Department of Homeland Security ("DHS"), is the primary federal agency responsible for securing America's borders. As part of their mission, DHS and CBP protects intellectual property rights holders from smugglers who attempt to bring goods into the country that infringe on U.S. patents,

1 copyrights, and trademarks. In particular, CBP intercepts counterfeit
2 and pirated goods at our Nation's borders, and arranges for such
3 contraband to be destroyed and not introduced into the stream of
4 commerce.

5 Count 1

6 (Conspiracy - 18 U.S.C. Section 371)

7 3. The Introductory Allegations contained in paragraphs 1
8 through 2 of this Indictment are re-alleged and incorporated as if set
9 forth fully herein.

10 4. Beginning no later than September 2009, and continuing
11 through at least September 8, 2011, within the Southern District of
12 California, and elsewhere, defendant ROBERT ERIE knowingly and
13 willfully conspired and agreed with L.D., G.R.E, and others to commit
14 an offense against the United States - that is, to intentionally
15 traffic in counterfeit goods and knowingly use a counterfeit mark on
16 and in connection with such goods, in violation of Title 18, United
17 States Code, Section 2320(a).

18 MANNER AND MEANS

19 5. The conspirators utilized the following manners and means,
20 among others, to carry out the conspiracy:

21 a. Defendant ERIE caused E-World to contract with Cycle
22 Chem, Inc., to receive counterfeit goods seized by CBP and DHS that
23 were intended to be destroyed.

24 b. Defendant ERIE caused the seized counterfeit goods that
25 were to be destroyed, including watches, to be transported from E-
26 World's facility to private off-site storage.

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1 c. Defendant ERIE caused E-World employees to falsely
2 certify on official United States Department of Treasury forms that
3 the counterfeit goods, including watches, had been destroyed.

4 d. Defendant ERIE mailed, transported, transferred and
5 otherwise distributed to third-parties and co-conspirators the seized
6 counterfeit watches that were to have been destroyed.

7 e. Defendant ERIE altered records and correspondence to
8 give the false impression that the conspirators' illegal actions had
9 been approved by companies working with DHS and CBP.

10 OVERT ACTS

11 6. In furtherance of said conspiracy and to effect and
12 accomplish the objects thereof, the following overt acts, among
13 others, were committed within the Southern District of California,
14 and elsewhere:

15 a. In or about September 2009, defendant ERIE negotiated
16 for E-World to sub-contract with Cycle Chem, Inc., which had a
17 contract with VSE Corp., to perform electronic recycling services
18 related to counterfeit goods seized by CBP and DHS.

19 b. Between on or about November 4, 2009, and on or about
20 December 18, 2009, defendant ERIE caused VSE Corporation to ship and
21 E-World to receive approximately 38 shipments containing approximately
22 1,888 pallets of counterfeit goods seized by CBP and DHS.

23 c. In or about November 2009, defendant ERIE instructed
24 unindicted co-conspirator L.D., who also worked at E-World, to sign
25 documents certifying the destruction of DHS-seized counterfeit goods
26 even though defendant ERIE and L.D. knew that the goods had not all
27 been destroyed.

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1 d. On or about December 24, 2009, defendant ERIE rented
2 storage unit C1007 ("ERIE's personal storage unit") at All City
3 Storage located at 1750 La Costa Meadows Avenue, San Marcos,
4 California.

5 e. After renting his personal storage unit, defendant ERIE
6 transported to ERIE's personal storage unit and stored DHS-seized
7 counterfeit goods, including watches bearing counterfeit marks related
8 to Coach, Chanel, Bebe, and Dolce Gabbana, and headphones bearing
9 counterfeit marks related to Bose, and continued to maintain the
10 storage unit through September 8, 2011.

11 f. Between November 4, 2009 and June 6, 2011, defendant
12 ERIE transported to his neighbor's house at 7141 Argonauta Way,
13 Carlsbad, California, and stored, DHS-seized counterfeit goods,
14 including watches bearing counterfeit marks related to Paneri,
15 Cartier, Romain Jerome, Patek Philippe, Audemars Piguet, Rolex,
16 Chanel, Bebe, Brietling, Omega Graham and Corum.

17 g. On or about January 25, 2010, defendant ERIE sent at
18 least four separate shipments consisting of several boxes of DHS-
19 seized counterfeit watches to H.S. and D.D. in Ohio.

20 h. On or about January 25, 2010, defendant ERIE sent DHS-
21 seized counterfeit watches to unindicted co-conspirator G.R.E.

22 i. On or about February 10, 2010, defendant ERIE altered
23 e-mail correspondence between himself and a Cycle Chem representative
24 to falsely suggest that Cycle Chem had granted E-World permission to
25 redistribute and/or remarket the counterfeit watches.

26 All in violation of Title 18, United States Code, Section 371.

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Counts 2 - 5**(Trafficking in Counterfeit Goods - 18 U.S.C. Section 2320(a))**

7. The Allegations in paragraphs 1 through 6 are incorporated herein as if set forth in full.

8. On or about September 8, 2011, within the Southern District of California and elsewhere, defendant ROBERT ERIE did intentionally traffic and attempt to traffic in the goods indicated below while knowingly using on and in connection with such goods counterfeit marks that were substantially indistinguishable from genuine trademarks from the makers below, the use of which was likely to cause confusion, to cause mistake, and to deceive:

Count	Item	Mark/Maker
2	Chanel ladies' metal watch with white square face	Chanel
3	Chanel ladies' watch with black leather band, black oval face and silver bezel	Chanel
4	Chanel ladies' watch with silver jeweled band and silver square face	Chanel
5	Bose in-ear headphones	Bose

All in violation of Title 18, United States Code, Section 2320(a).

FORFEITURE ALLEGATION

9. Upon conviction of the felony offenses alleged in Counts 1 through 5 of this Indictment and pursuant to Title 18, United States Code, Section 2323(b), and Rule 32.2, Federal Rules of Criminal Procedure, defendant ROBERT ERIE shall forfeit to the United States (A) any article, the making or trafficking of which, is prohibited under Section 2320; (B) any property used, or intended to be used, in any manner or part to commit or facilitate the commission of the offenses set forth in Counts 1 through 5; and (C) any property

1 constituting or derived from any proceeds obtained directly or
2 indirectly as a result of the commission of the offenses set forth in
3 Counts 1 through 5. The property to be forfeited includes, but is not
4 limited to, approximately 2,275 watches, 524 pens, and 12 in-ear
5 headphones, all bearing counterfeit marks.

6 10. If any of the above-described forfeited properties, as a
7 result of any act or omission of defendant ROBERT ERIE, cannot be
8 located upon the exercise of due diligence; has been transferred or
9 sold to, or deposited with, a third person; has been placed beyond the
10 jurisdiction of the Court; has been substantially diminished in value;
11 or has been commingled with other property which cannot be subdivided
12 without difficulty, it is the intent of the United States, pursuant to
13 Title 21, United States Code, Section 853(p), made applicable herein
14 by Title 18, United States Code, Section 2320(c) and 2323(b)(2), to
15 seek forfeiture of any other property of the defendant up to the value
16 of the property described above subject to forfeiture.


17 All pursuant to Title 18, United States Code, Section 2323(b).

18 DATED: December 18, 2014.

19 A TRUE BILL:

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21 _____
Foreperson

22 LAURA E. DUFFY
23 United States Attorney

24 By: 
25 REBECCA S. KANTER
26 Assistant U.S. Attorney
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