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STOCKTON MAN SENTENCED TO 26 MONTHS IN PRISON FOR TRAFFICKING IN COUNTERFEIT GOODS

Cash Deposits Were Broken Up to Avoid Reporting Requirements

SACRAMENTO, Calif. — United States Attorney Benjamin B. Wagner announced today that Qi Jin Chen, also known as Jimmy Chen, 38, formerly of Stockton, was sentenced yesterday by United States District Judge Frank C. Damrell, Jr. to 26 months in prison, a fine of \$25,000, three years of supervised release after his prison term, and \$2,975 in restitution. On February 22, 2010, Chen pleaded guilty to trafficking in counterfeit goods and structuring cash transactions to evade reporting requirements.

In sentencing the defendant, Judge Damrell stated that Chen was a “sharp dealer,” who “made a substantial amount of money” dealing in counterfeit goods and who understood the banking laws and manipulated them to avoid attention to his illegal activities.

Chen admitted in his plea agreement that he was both a wholesaler and a retailer of counterfeit goods in major quantities. In a search conducted in October 2008, law enforcement agents seized truckloads of counterfeit items that, had they been genuine, would be valued at over \$7 million. Items seized from Chen ranged from inferior and dangerous power strips marked with the “uL” quality symbol to counterfeit purses (some covered in lead-based paint) purporting to be from manufacturers like Chanel, Dolce & Gabbana, and Fendi, to jewelry purporting to be from manufacturers like Tiffany and Juicy Couture.

Chen also admitted that he structured his cash deposits (kept them below \$10,000) in order to avoid generating a Currency Transaction Report from the bank to the government.

This case is the product of an investigation by the United States Secret Service; Placer County Sheriff’s Office; the Galt Police Department; and an Internal Revenue Service financial crimes task force, which includes agents from IRS-Criminal Investigation, the Sacramento Police Department, and the Sacramento County Sheriff’s Department. Assistant United States Attorneys Robin Taylor and Jean Hobler prosecuted the case.

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