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**TWO ADDITIONAL SYNTHETIC DRUG TRAFFICKERS PLEAD
GUILTY IN CURIOUS GOODS CASE**

Admit to sales of Synthetic Cannabinoids

LAFAYETTE, La.: U.S. Attorney Stephanie A. Finley announced today that Boyd A. Barrow, 43 of Canton, Ga., and Joshua Espinoza, 49 of Marietta, Ga., entered a change of plea yesterday before U.S. Magistrate Judge Patrick J. Hanna from not guilty to guilty to Count 1 of the Government's Superseding Indictment filed on September 4, 2012. Count 1 of the indictment charged Barrow, Espinoza, and their co-conspirators Alexander Derrick Reece, 40 of Gainesville, Fla.; Drew T. Green, 38 of Roswell, Ga.; Thomas William Malone, Jr., 45 of Roswell, Ga.; Richard Joseph Buswell, 44 of Lafayette, La.; Daniel James Stanford, 54 of Lafayette, La.; Daniel Paul Francis, 42, of Dawsonville, Ga.; and Barry L. Domingue, 52 of Carencro, La., and Curious Goods L.L.C., with Conspiracy to Distribute a Controlled Dangerous Substance Analogue.

Green and Malone also entered guilty pleas to Count 1 on September 7, 2012 and September 19, 2012, respectively. This offense, the most serious offense charged in the Superseding Indictment, is punishable by up to 20 years in prison.

The following are admissions made during the guilty pleas of GREEN, MALONE, BARROW and ESPINOZA recorded in the open court hearings held before Magistrate Judge Hanna:

GREEN and MALONE were the owners of NUTRAGENOMICS MFG., L.L.C. ("NutraGenomics"). Nutragenomics sold synthetic cannabinoids. During the 15 month conspiracy charged in Count 1 of the Superseding Indictment, NutraGenomics sold no less than 1,400 kilograms (1,000 grams per kilo) of Schedule I controlled substance analogues of JWH-018 that included AM-2201, JWH-081, JWH-250, and UR-144 for a total of approximately \$10,000,000.00 to customers in 25 states, including the Acadiana area of

Louisiana. These synthetic cannabinoids are synthetic drugs intended to be ingested by humans with the purpose of getting the consumer "high."

In anticipation of both Federal and State law banning JWH-018, NutraGenomics stopped selling JWH-018 and began selling AM-2201, JWH-081, JWH-250, and UR-144. NutraGenomics shifted to these synthetic cannabinoid substances with the intent of selling a substance that was substantially similar in both chemical structure and effect on the central nervous system. The strategy of NutraGenomics was to anticipate legislation aimed at banning specific synthetic cannabinoid substances and to slightly alter the particular banned substances, so as to technically create a new substance not addressed by the legislative ban. Their goal was to make sure they could make a profit on the substances that they knew would be ingested by consumers. Not only did NutraGenomics through its owners GREEN and MALONE distribute the Schedule I controlled substance analogues of JWH-018 that included AM-2201, JWH-081, JWH-250, and UR-144 in bulk, but they developed their own synthetic cannabinoid blend that infused the synthetic cannabinoid into a vegetable material that resembled marijuana. They named this product "Mr. Miyagi" and packaged it in youthful packages with 1 gram, 3 gram, and 10 gram quantities. GREEN and MALONE brought in BOYD BARROW and JOSHUA ESPINOZA to market, manufacture, and sell "Mr. Miyagi."

BARROW and ESPINOZA were the owners and operators of PINNACLE PRODUCTS L.L.C. and PINNACLE PRODUCTS GROUP ("Pinnacle"). During the 15 month conspiracy charged in Count 1 of the Superceding Indictment, BARROW and ESPINOZA received approximately 30 kilograms (1,000 grams per kilo) of AM-2201, a Schedule I controlled substance analogue of JWH-018 from NutraGenomics. Pinnacle manufactured "Mr. Miyagi" with the synthetic cannabinoid AM-2201 received from NutraGenomics. The product was produced for the purpose of getting the consumer of the product "high" through ingesting the product. "Mr. Miyagi" was typically ingested by smoking it. From March of 2011 until on or about December 8, 2011, BARROW and ESPINOZA, through Pinnacle, supplied "Mr. Miyagi" to CURIOUS GOODS L.L.C. which was located on Kaliste Saloom Road in Lafayette, La., and various retail "head shops" and smoke shops throughout the United States. During this same time period, Pinnacle received approximately \$3,300,000.00 from the sale of "Mr. Miyagi," of which \$1,500,000.00 was received from CURIOUS GOODS L.L.C..

During their guilty pleas, BARROW and ESPINOZA admitted to paying Daniel Stanford directly \$12,500.00 through Pinnacle in the form of a check dated October 28, 2011, that read in the memo line, "Retainer." BARROW and ESPINOZA admitted during their guilty pleas that on November 3, 2011, they paid Daniel Stanford \$6,250.00 through Pinnacle, in the form of a check that read in the memo line, "RCA Dues." BARROW admitted that on November 21, 2011, he paid Daniel Stanford \$13,000.00 in the form of a check that read in the memo line, "Legal." They also admitted during their guilty pleas that on December 6, 2011, through Pinnacle, they paid Daniel Stanford \$7,421.69 in the form of a cashier's check. During their guilty pleas, BARROW and ESPINOZA, through Pinnacle, paid Barry Domingue \$20,000.00 on September 29, 2011, \$20,000.00 in the form

of a check that read in the memo line, "Legal." The defendants also admitted that all monies paid to Barry Domingue and Daniel Stanford by BARROW and ESPINOZA through Pinnacle were proceeds from the sale of "Mr. Miyagi". (*Copies of these checks were filed into the record as exhibits in support of the BARROW and ESPINOZA stipulated factual basis.*)

BARROW and ESPINOZA further admitted that in an effort to evade law enforcement and legislative efforts designed to ban synthetic cannabinoids, in particular JWH-018, Pinnacle manufactured "Mr. Miyagi" with AM-2201 as a substitute for JWH-018. In addition to the substitution of chemical compounds utilized in the manufacturing of "Mr. Miyagi", Pinnacle also utilized packaging that was false and misleading. The packaging on the exterior of the "Mr. Miyagi" product included misleading directions which stated, "Directions for use: Use contents to refresh scent in the home, drawers, closets, the car, etc. Simply open package and let out our proprietary blend of herbs and botanicals release a warm pleasant aroma that refreshes the air. Warning: Our Potpourri is not for human consumption. Keep out of reach of children and pets. Ingredients: Exotic Blend of Herbs, Plants and Botanicals. As of this printing, this product complies with all U.S. federal laws." Both defendants admitted that the packaging of "Mr. Miyagi" was designed and placed on the product to be intentionally misleading as to both what was in the product and what the product's intended use was knowing full well that it would be ingested by humans.

U.S. Attorney Finley stated, "These defendants are corporate owners who pled guilty to very serious charges. The remaining defendants are still scheduled to go to trial on this indictment. The remaining defendants are innocent until proven guilty. The indictment, as it pertains to the remaining defendants, are only allegations."

U.S. Attorney Finley can be reached at (337) 262-6618 for additional comments, questions.

The plea agreement and stipulated factual basis are attached.

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