



# Department of Justice

United States Attorney Edward J. Tarver

Southern District of Georgia

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**DEFENDANTS SENTENCED FOR DEFRAUDING BAYER HEALTHCARE OF AIDS,  
CANCER AND OTHER DRUGS INTENDED FOR EXPORT TO DEVELOPING  
NATIONS IN AFRICA AND THE MIDDLE EAST**

**SAVANNAH, GA** – **HANNES ROBINSON**, 55, from Sandy, Utah, **JOHN CUTTER**, 45, from Raleigh, North Carolina, **JOHN PEREZ**, 64, from Miami, Florida, and **CYNTHIA BEAR**, 41, from Pensacola, Florida were sentenced yesterday by United States District Court Judge William T. Moore, Jr. for their roles in a elaborate scheme to defraud Bayer HealthCare. Last week, Judge Moore sentenced two other defendants for their roles in the scheme, **NISAR KHOKHAR**, 60, from Basking Ridge New Jersey, and **MASOUD TEHAMI**, 51, from Hillsborough, New Jersey.

According to the evidence presented at the sentencing hearings, Bayer HealthCare sold drugs used to treat life-threatening diseases and illnesses such as cancer, hemophilia, hepatitis and AIDS to developing countries world-wide, including nations within Africa and the Middle East. Bayer HealthCare often sold these drugs to developing nations at substantially reduced prices.

In an elaborate scheme to defraud Bayer HealthCare of over \$47 million dollars in pharmaceuticals during a five-year period, some of the defendants posed as pharmaceutical exporters and represented to Bayer HealthCare that the drugs were being purchased for export to countries within Africa and the Middle East. Instead, the drugs were diverted and sold in the United States at enormous profits.

In order to hide their scheme, the defendants created numerous shell companies in Georgia, Florida, New Jersey, Utah and Virginia, through which they hid the source of the drugs defrauded from Bayer HealthCare and laundered their ill-gotten gains. Defendant **CUTTER**, a former Director of International Business Management for Bayer HealthCare, was paid over \$200,000 in bribes ensure the fraud would go undetected by Bayer HealthCare. Defendants **KHOKHAR**, **ROBINSON** and **PEREZ** each made close to \$2 million off the scheme, whereas **BEAR** and **TEHAMI** made approximately \$750,000 and \$400,000, respectively.

For their roles in the offense: **ROBINSON** was sentenced to 2 years in prison and 3 years of supervised release and ordered to forfeit \$400,000 to the United States; **KHOKHAR** was sentenced to 15 months in prison and 3 years of supervised release and ordered to forfeit \$250,000 to the United States; **CUTTER** was sentenced to 15 months in prison and 3 years of supervised release; **PEREZ** was sentenced to 13 months in prison and 3 years of supervised release and ordered to forfeit \$500,000 to the United States; **TEHAMI** was sentenced to 6 months in prison, 6 months of home confinement, 3 years of supervised release and ordered to forfeit \$200,000 to the United States; and, **BEAR** was sentenced to 12 months of home confinement followed by 12 months of supervised release.

United States Attorney Edward J. Tarver stated, “The scope of the fraud by these defendants is astounding. Their criminal conduct defrauded Bayer HealthCare, deprived many patients world-wide of life saving medications, and also jeopardized the safety of pharmaceuticals sold in the United States. The American people demand that every precaution be taken to ensure that pharmaceuticals are properly stored and transported, and come from legitimate sources. Those who think that they will profit from transporting, storing and selling life-saving medications through phony companies, shady wholesalers and backroom deals have the wrong prescription.”

Tarver praised the federal agents who helped uncover this elaborate fraud, particularly Special Agent Pamela Chambers of the U.S. Food and Drug Administration, Office of Criminal Investigations, and Special Agent Michael Palmer of the Internal Revenue Service, Criminal Investigations Division.

The case was prosecuted by James D. Durham, First Assistant United States Attorney for the Southern District of Georgia.