

Honors for Honor Student

The Department of Justice has honored a team of agents and prosecutors, based in Rhode Island, that secured the forfeiture of more than \$3 million connected to the smuggling of illegal human Growth Hormone (hGH) from China into the United States.

The case, known as Honor Student, began with the discovery of a parcel containing hGH from China bound for a post office box in Rhode Island.



Following that lead, a task force anchored by the Food and Drug Administration, Office of Criminal Investigation, uncovered a network of hGH and anabolic steroid distributors, remailers and Web sites dedicated to the promotion and distribution of steroids and hGH.

Agents developed evidence that a Chinese company, GeneScience, manufactured about 90% of the hGH being illegally distributed in the U.S. Using primarily e-mail and Internet marketing, GeneScience agents facilitated distribution of hGH under the brand name Jintropin to customers in Rhode Island and elsewhere in the U.S.

For payment, GeneScience used wire transfers and bank-to-bank electronic transfers to accounts it controlled at two Chinese banks: the Standard Chartered Bank of China and Bank of China. Utilizing a section of the Patriot Act targeting the use of the international banking system to promote illegal activities, task force agents seized from New York branches of those banks about \$3.4 million linked to payments to GeneScience for hGH. After forfeiture proceedings in U.S. District Court, Providence, \$2.7 million of that was ordered forfeited to the United States.

In his remarks at the awards ceremony in Washington, D.C., Attorney General Eric Holder singled out Honor Student as an example of the power of asset forfeiture and its “devastating effect on organized criminal activity.”

(The) task force... obtained the forfeiture of \$2.7 million from the accounts of GeneScience, one of the largest biopharmaceutical companies in China that had been involved in the illegal distribution of Human Growth Hormone into the United States. To accomplish this forfeiture, the task force employed a new statutory vehicle -- 18 U.S.C. § 981(k) -- which permitted the Government to seize the funds, physically located in China, from the corresponding accounts of Chinese banks in New York.

Recognized for their roles in the investigation, the asset forfeiture prosecution, and a parallel criminal prosecution:

Postal Inspector Almindio Correia, Postal Inspection Service
Special Agent Jason Giannelli, Drug Enforcement Administration (now with the FDA OCI)
Special Agent Jason Rameaka, Internal Revenue Service, Criminal Investigation
Special Agent Jason Simonian, Supervisor, FDA OCI Task Force
Assistant U.S. Attorney Stephanie Browne, Rhode Island
Assistant U.S. Attorney Adi Goldstein, R.I.
Assistant U.S. Attorney Michael Iannotti, R.I.
Assistant U.S. Attorney Milind Shah, R.I.
Legal Assistant Linda Mazmanian, R.I.
Trial Attorney Fredrick Reynolds, Asset Forfeiture and Money Laundering Section, Department of Justice
Trial Attorney Linda M. Samuel, AFMLS



The investigation also resulted in the forfeiture of an additional \$625,000 from defendants who sold or facilitated the sale of smuggled hGH in the U.S. Consistent with federal asset forfeiture policy, much of the forfeited \$3.3 million will be used by agencies that participated in the task force to finance future investigations and other law enforcement activity.