



# Department of Justice

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Northern District of Georgia

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## **MABLETON MAN PLEADS GUILTY TO MULTI-MILLION DOLLAR CARGO THEFT CONSPIRACY**

*Goods Traced to More Than 20 Interstate Cargo Thefts  
Totaling More Than \$3 Million Over Four Year Period*

ATLANTA, GA - JOHN RAYMOND SMITH, JR., a/k/a "Johnny Ray Smith," 50, of Mableton, Georgia, pleaded guilty today in federal district court to conspiring to buy, receive and possess goods stolen from multiple interstate tractor trailer and container shipments throughout Georgia and the southeastern United States between May 2005 and July 2009. Smith also pleaded guilty to related cargo theft and money laundering charges.

United States Attorney Sally Quillian Yates said of today's plea, "Metro Atlanta is a major transportation hub, which makes it an attractive target for cargo thieves. By creating a market in this area for stolen goods, dealers like SMITH encourage others to steal interstate shipments, knowing that they will have a safe haven to unload and sell their truckloads of stolen goods. Consumers who buy these products should suspect they are stolen if they seem to be first-quality, name-brand products at unrealistically low prices."

IRS Criminal Investigation Special Agent In Charge Reginael D. McDaniel said, "Money laundering is not a victimless crime. This case is a prime example of how a criminal enterprise creates an underground, untaxed economy that harms our country's overall economic strength."

Georgia Bureau of Investigation Director Vernon Kennan said, "Cargo theft is an under-reported criminal phenomenon that has disastrous cascading economic consequences to Georgians. This annual estimated five billion dollar criminal activity negatively impacts transportation providers, retailers and consumers through higher shipping, insurance premiums and retail costs. These modern-day pirates cruise the nation's asphalt interstate corridors and parking lots, much like their predecessors who sailed the open seas for unsuspecting targets of opportunity. These pirates have been stopped."

According to United States Attorney Yates, the charges, and other information presented in court: Between May 2005 and July 2009, SMITH, who operated “Smith Sales Company” out of warehouses in Mableton and Hiram, Georgia, conspired with ROBIN L. CHEATWOOD, who operated “A-Z Discount” in Cedartown, Georgia, and other co-conspirators to buy, receive, and possess goods stolen from nearly two dozen interstate tractor trailer and container shipments valued at over \$3 million throughout the Southeastern United States, including shipments stolen in Alabama, Georgia, South Carolina, and Tennessee. The tractor trailers and containers were stolen while parked at truck stops, motels, and container storage facilities, often at night. SMITH, CHEATWOOD, and others then sold the goods at discounted prices to consumers and wholesalers.

Federal, state, and local law enforcement officers recovered portions of the stolen interstate shipments during searches of warehouses controlled by SMITH, CHEATWOOD, and others in 2005, 2007, and 2009. The stolen goods included a \$123,000 shipment of brand name TVs and computers, a \$164,000 shipment of “Casio, Inc.” electronics, \$100,000 in “GT One” cigarettes, a \$1.8 million shipment of computerized “Husqvarna” and “Pfaff” sewing machines, an \$86,000 shipment of “Starkist” canned tuna, \$40,000 in “Carter’s, Inc.” baby clothes, and \$64,000 in “Wrigley’s” chewing gum. Many of the stolen shipments were bound for major retailers such as “Best Buy,” “Lowe’s,” “Sam’s Club,” “Target,” “Wal-Mart,” “OfficeMax,” and “Office Depot.”

As part of a plea agreement with the government, SMITH pleaded guilty to a three count Criminal Information filed on May 17, 2010, charging one count of conspiracy; one count of buying, receiving, and possessing goods stolen from an interstate cargo shipment; and one count of money laundering. He could receive a maximum sentence of up to 5 years in prison on the conspiracy count, 10 years in prison on each of the cargo theft and money laundering counts, and a fine of up to \$250,000 on each count. In determining the actual sentence, the Court will consider the United States Sentencing Guidelines, which are not binding but provide appropriate sentencing ranges for most offenders.

CHEATWOOD, who cooperated in the investigation, pleaded guilty to charges related to the stolen goods recovered by law enforcement in 2005. He pleaded guilty in federal court in Rome, Georgia on September 11, 2009, and is currently serving a ten month prison sentence. Neither SMITH nor CHEATWOOD are charged with the actual theft of the cargo containers.

The investigation is ongoing. The GBI has asked that any members of the public who may have seen semi-trailer trucks being unloaded at rest stops, truck stops, industrial areas or residential areas, particularly at night or on weekends, and believe such off-

loading may be suspicious, to call the GBI's Major Theft Unit at 404-244-2600.

SMITH's sentencing is scheduled for August 17, 2010, at 9:30 a.m., before United States District Judge William S. Duffey, Jr.

The prosecution is the result of a joint investigation conducted by Special Agents of the Federal Bureau of Investigation and the Internal Revenue Service, and by Special Agents and Task Force Officers with the Major Theft Unit of the Georgia Bureau of Investigation. Multiple additional local law enforcement agencies and offices assisted with the investigation, including the Marietta-Cobb-Smyrna Organized Crime Intelligence Unit, Cobb County Police Department, Cobb County District Attorney's Office, the DeKalb County Police Department, and the Cedartown Police Department.

Assistant United States Attorneys David M. Chaiken and William L. McKinnon, Jr. are prosecuting the case.

For further information please contact Sally Q. Yates, United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.justice.gov/usao/gan](http://www.justice.gov/usao/gan).