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**OLYMPIC GOLD MEDALIST MARION JONES-THOMPSON PLEADS
GUILTY TO MAKING FALSE STATEMENTS IN TWO SEPARATE
FEDERAL CRIMINAL INVESTIGATIONS**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and SCOTT N. SCHOOLS, the United States Attorney for the Northern District of California, announced that MARION JONES-THOMPSON, 31, of Austin, Texas, pleaded guilty today to charges of making false statements to federal agencies in connection with two investigations conducted out of the Southern District of New York and the Northern District of California, respectively. JONES-THOMPSON pleaded guilty before KENNETH M. KARAS, United States District Judge for the Southern District of New York, to a two-count Superseding Information filed earlier today. According to the Superseding Information and other documents filed in Manhattan, White Plains and San Francisco federal court, as well as statements made during today's guilty plea proceeding:

An elite, professional track and field athlete, JONES-THOMPSON'S achievements include winning five medals while representing the United States, including three gold medals, at the 2000 Summer Olympic Games in Sydney, Australia. JONES-THOMPSON lied to New York federal agents investigating a sprawling check fraud/money laundering scheme involving, among others, TIMOTHY MONTGOMERY, a former Olympic gold medalist and 100 meter record holder, and STEVE RIDDICK, a 1976 Olympic gold medalist and JONES-THOMPSON's former track coach. Additionally, JONES-THOMPSON falsely denied to federal officials in California that she had taken performance enhancing drugs, and made other false statements during their investigation into the activities of BALCO LABORATORIES, INC. ("BALCO").

The New York Investigation

Co-conspirators orchestrated a scheme to defraud numerous banks out of millions of dollars by laundering stolen, altered and counterfeit checks by depositing those checks into various bank accounts they controlled, among other methods. The investigation has resulted in the convictions of over 20 individuals in this and related cases, including MONTGOMERY, RIDDICK, and CHARLES WELLS, the former sports agent for JONES-THOMPSON and MONTGOMERY.

Instances of the fraud include a counterfeit check for \$850,000 deposited in April 2005 into a business account controlled by NATHANIEL ALEXANDER, a friend and officemate of RIDDICK's. The co-conspirators then sought to distribute the proceeds of the \$850,000 counterfeit check, in part by issuing a check for \$25,000 from ALEXANDER to JONES-THOMPSON, which check JONES-THOMPSON then deposited into a bank account she maintained. ALEXANDER was convicted on May 10, 2007, of bank fraud, bank fraud conspiracy, and money laundering conspiracy charges following a jury trial before Judge KARAS.

Additionally, in May 2005 MONTGOMERY deposited a counterfeit check for \$200,000 into a business account he jointly controlled with JONES-THOMPSON. JONES-THOMPSON and MONTGOMERY (who resided together at various times between 2002 and the summer of 2005) executed documents to add JONES-THOMPSON as a signer on MONTGOMERY's business account several days before he deposited the check.

An agent of the New York Office of the Department of Homeland Security's Immigration and Customs Enforcement ("ICE") and other Government officials interviewed JONES-THOMPSON on August 2, 2006, and September 5, 2006, at the United States Attorney's Office for the Southern District of New York. During the interviews, JONES-THOMPSON made the following false statements and concealed the following material facts: (a) on August 2, 2006, JONES-THOMPSON falsely stated that she was unaware of a \$25,000 check ALEXANDER had made out to her, which she had endorsed; (b) on August 2, 2006, and September 5, 2006, JONES-THOMPSON falsely stated that she was unaware MONTGOMERY had received any large checks in 2004 or 2005, including the \$200,000 counterfeit check; and (c) on August 2, 2006, and September 5, 2006, JONES-THOMPSON fraudulently stated that she had no knowledge of MONTGOMERY's involvement in a counterfeit check fraud scheme. In her plea today, JONES-THOMPSON admitted to having made the false statements knowingly and willfully.

The California Investigation

A federal criminal investigation commenced in the Northern District of California in 2002, concerning a scheme to distribute anabolic steroids and other illegal performance-enhancing drugs and the related money laundering of the proceeds by BALCO, a California corporation located in Burlingame, California, which performed blood-testing and other functions. While investigating BALCO, the investigation developed information regarding the drug distribution activities of TREVOR GRAHAM, who coached professional and Olympic track and field athletes, including JONES-THOMPSON from approximately 1997 to 2002. The investigation subsequently expanded to include, among other things, whether various witnesses had made false statements during interviews with federal agents.

On September 3, 2003, a federal search warrant issued by a United States Magistrate Judge in the Northern District of California was executed at the BALCO premises in Burlingame, California. Among other things, investigators obtained evidence concerning JONES-THOMPSON and her relationship with BALCO and GRAHAM, including her receipt and use of drugs they provided.

The Internal Revenue Service-Criminal Investigation Division ("IRS-CID"), San Jose Office, was the lead investigative agency throughout the course of the California investigation. As part of that investigation, on November 4, 2003, a Special Agent of IRS-CID, along with another Government official, interviewed MARION JONES-THOMPSON. Prior to the interview, JONES-THOMPSON and the United States Attorney's Office for the Northern District of California executed a letter-agreement which provided that any statements JONES made during the interview would not be used against her in connection with any prosecution, except under limited circumstances. The letter-agreement specifically stated that JONES-THOMPSON was not immunized from prosecution for making false statements during the interview.

During the interview on November 4, 2003, JONES-THOMPSON made false statements and concealed material facts by fraudulently stating that she had never seen or ingested a performance-enhancing drug known as "the clear," that she had never received the drug from GRAHAM, and that she had never used any performance-enhancing drug. In her plea today, JONES-THOMPSON admitted that she had taken such drugs for approximately a year, beginning prior to the 2000 Olympic Games. She stated

that while she did not realize at the time what she was using, she admitted that she realized by the end of 2003 that she had been given performance-enhancing drugs by a previous coach, and that she acted knowingly and willfully when she falsely denied, in 2003, having used such substances.

JONES-THOMPSON faces a maximum sentence of 5 years in prison for each of the two false statements counts in the Superseding Information, for a total of 10 years. The sentencing has been scheduled for January 11, 2008 before Judge KARAS.

Mr. GARCIA stated: "Deceiving federal agents in the course of their investigations disrupts and impedes the proper administration of justice and is a serious matter. Even if the truth is eventually uncovered, the lies throw investigators off track, waste time and resources, and create a real risk of a miscarriage of justice."

Mr. SCHOOLS stated: "The federal government will vigorously prosecute individuals who provide false statements to its agents. Individuals who lie to federal agents interfere with the government's ability to investigate criminal conduct and undermine the efficiency of government investigations."

PETER J. SMITH, Special Agent-in-Charge of the New York ICE Office, said, "MARION JONES-THOMPSON lied to agents during an important financial investigation. The potential harm from the check fraud conspirators reflects greed and the exploitation of our financial systems. Today's plea is an example of ICE's commitment to identify and bring to justice those who would challenge the security of these systems, and I want to thank all of the special agents who worked the investigation that culminated in these arrests."

"Providing false information to the government is a federal crime. Ms. JONES-THOMPSON's guilty plea proves the seriousness of this crime, and demonstrates the commitment of the IRS Criminal Investigation Division to finding the truth," said SCOTT O'BRIANT, Special Agent in Charge for the IRS' Oakland, California Field Office. "The message should be clear, when you lie or mislead investigators for any reason, as in this case involving the use of illegal steroids, those actions will be aggressively pursued."

Mr. GARCIA praised the work of ICE in the investigation of the New York case, and Mr. SCHOOLS praised the investigative efforts of the IRS-CID in the California case.

The New York investigation and prosecution is being handled by the Major Crimes Unit of United States Attorney's Office for the Southern District of New York. Assistant United States Attorneys E. DANYA PERRY and DANIEL W. LEVY are in charge of the case.

Assistant United States Attorneys JEFFREY D. NEDROW, JEFFREY R. FINIGAN, and MATTHEW A. PARRELLA, Chief of the San Jose Division of the United States Attorney's Office for the Northern District of California, are in charge of the California investigation and prosecution.

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