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TWO CHARGED IN INTERNET PHARMACY SCHEME

PHILADELPHIA - A superseding indictment¹ was unsealed today charging Carleta Carolina and Wayne White with conspiracy to distribute controlled substances and other charges in connection with their participation in an illegal Internet pharmacy operation, announced United States Attorney Zane David Memeger, with Drug Enforcement Administration Special Agent-in-Charge John Bryfonski, and IRS Acting Special Agent-in-Charge Troy Stemen. In addition to the conspiracy, Carolina and White are charged with the distribution of controlled substances, conspiracy to commit international money laundering, international money laundering, conspiracy to introduce misbranded drugs into interstate commerce, and mail fraud. The superseding indictment alleges that from at least April 2005 to December 7, 2009, the defendants illegally distributed controlled and non-controlled prescription drugs without valid prescriptions.

Defendant Carleta Carolina allegedly owned, operated, and was affiliated with websites, such as www.discreetonlinemeds.com, that sold controlled and non-controlled prescription drugs, primarily the controlled weight-loss drugs phendimetrazine and phentermine, to customers who were only required to complete an online medical questionnaire but were not examined by a physician in connection with their orders. According to the indictment, Carolina hired physicians to review the customers' online questionnaires and to issue prescriptions based solely upon the customers' responses. She then hired pharmacies, including Superior Drugs in Miami, Florida, to fill and ship these invalid prescriptions. Superior Drugs was operated by defendant Wayne White, who is a pharmacist. At least one of the doctors and one of the pharmacies that Carolina hired, as well as many of the online customers, were located in the Eastern District of Pennsylvania.

“Although the Internet may have provided the defendants with a veneer of legitimacy, it does not change the unlawful and dangerous character of the conduct alleged in the indictment,” said Memeger. “The defendants are charged with drug dealing, plain and simple. It is unlikely that the customers of the websites that the defendants allegedly used would ever patronize a drug corner; yet they apparently had no problem ordering prescription drugs over the Internet, and the defendants allegedly had no problem filling their orders in an unlawful manner.”

¹An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.

“Today, a criminal drug trafficking organization that misused technology to open the world’s medicine cabinet, placing unbridled greed before health and safety, has been stopped,” said Bryfonski. “Those who choose to violate laws designed to ensure the safe and legal dispensation of pharmaceutical drugs will not escape the scrutiny of DEA by attempting to hide on the Internet.”

The superseding indictment also charges violations of sections of the Controlled Substances Act that were amended by the Ryan Haight Online Pharmacy Consumer Protection Act² and charges the defendants with devising a scheme to defraud. According to the indictment, the defendants: represented to prescription drug customers - who lacked prescriptions from their personal physicians - that the websites selling these drugs were a legitimate, lawful, safe, and responsible source; represented that customers who were getting physicals after April 13, 2009 [the effective date of the Ryan Haight Act] were doing it to join a cost-saving “health plan,” when, in reality, they were getting the physicals so that they could purchase phentermine by means of the Internet; and falsely represented to federal and state agencies that Superior Drugs was a full-service, walk-in pharmacy, when, in reality, Superior Drugs was dedicated almost entirely to filling orders for controlled and non-controlled prescription drugs for Internet websites.

“This case serves as a perfect example of what can be accomplished when different law enforcement agencies pool their resources and expertise to achieve a common goal; to protect the American public from the many perils of illegal prescription drugs,” said Acting Postal Inspector-in-Charge Tommy Coke, Philadelphia Division. “It is our duty as United States Postal Inspectors to investigate and stop those individuals who attempt to ship illicit drugs through the U.S. Mail.”

“The actions announced today are the result of tremendous dedication and perseverance of the investigators and prosecutors who worked tirelessly throughout this investigation,” said Acting Special Agent-in-Charge of the IRS Criminal Investigation Troy Stemen. “IRS, Criminal Investigation is pleased to have had the opportunity to contribute our financial expertise in following the money to assist in this case. The agents with the Drug Enforcement Administration and other law enforcement agencies, along with the prosecutorial team at the United States Attorney’s Office are to be applauded for their diligence and commitment.”

²The Ryan Haight Act became effective on April 13, 2009, and pertains to the distribution of controlled substances by means of the Internet. The Act, which addresses the growing sale of controlled substances over the Internet without valid prescriptions: (1) explicitly states that a practitioner must conduct at least one in-person medical evaluation of a patient before a prescription can be lawfully issued for a controlled substance; (2) requires that no person may operate as an online pharmacy without a modified DEA registration authorizing this activity; and (3) provides new mandatory disclosures for Internet pharmacies.

INFORMATION REGARDING THE DEFENDANTS

NAME	ADDRESS	AGE OR YEAR OF BIRTH
Carleta Carolina	Freemont, Bahamas	1957
Wayne White	Miami, Florida	1950

If convicted, defendant Carolina faces a possible maximum statutory sentence of 474 years imprisonment and a \$10.9 million fine. White faces a possible maximum statutory sentence of 314 years imprisonment and a \$6.9 million fine.

The case was investigated by the Diversion and Enforcement Division of the Drug Enforcement Administration, the Internal Revenue Service Criminal Investigation Division, the Food and Drug Administration Office of Criminal Investigations, the United States Postal Inspection Service, Immigration and Customs Enforcement, and the Federal Bureau of Investigation, Southern District of New York office. It is being prosecuted by Assistant United States Attorneys Frank R. Costello, Jr. and Kevin R. Brenner.

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