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PARTICIPANTS

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Christopher Wray - *FBI Director*

Timothy Shea - *DEA Acting Administrator*

Derek Benner - *ICE Acting Deputy Director*

Gary Barksdale - *Chief Postal Service Inspector*

PRESENTATION

Jeffrey Rosen

I'm Jeff Rosen. I'm pleased to be joined today by FBI Director, Christopher Wray; DEA Acting Administrator Timothy Shea; ICE Acting Deputy Director Derek Benner; and Chief Postal Inspector Gary Barksdale. Thanks, everybody, for being here.

This morning the Department is joining its partners in the United States and Europe to announce the results of Operation DisrupTor. Operation DisrupTor is the United States government's largest operation to date targeting criminal activity on the darknet, particularly opioid trafficking.

Over the past month, the United States and its partners around the globe have worked together to deal a powerful blow to this criminal underworld. The trafficking of opioids is a national crisis of daunting proportions, and it poses a major danger to the American people. It is devastating our communities and our families.

According to the CDC, over 67,000 people in the United States died of a drug overdose in 2018. That's over 1,000 people per week, 1,000 lost parents, children, friends, and family members. That's more deaths than occur from car accidents. For Americans under the age of 50, drug overdoses are now among the leading causes of death.

For an increasing number of young addicts, opioids are purchased not from local dealers but from pushers operating online. Hiding behind anonymizing software known as Tor, a new sort of drug kingpin now is able to reach more buyers than ever before through online marketplaces. Peddling every sort of illicit good and service imaginable, these darknet marketplaces have grown in popularity at an alarming rate and allow drug traffickers to openly advertise and take orders from anywhere in the world. The darknet invites criminals into our homes and provides unlimited access to illegal commerce.

Operation DisrupTor is the Department's latest effort to combat the surge of opioid trafficking on the darknet. Activities here in the United States resulted in almost 120 arrests and the seizure of over 270 kilograms of drugs, including 70 kilograms of lethal fentanyl and 96 kilograms of methamphetamine. Additionally, U.S. Law Enforcement work in conjunction with counterparts in Europe and Canada on this investigation, and that resulted in more than 50 additional arrests.

Operation DisrupTor was coordinated by the Joint Criminal Opioid and Darknet Enforcement team, also known by the acronym J-CODE. Cases were worked in more than 20 different United States Attorneys' offices across the United States. The operation was supported by numerous components at Main Justice, including the Computer Crime and Intellectual Property section, Narcotic and Dangerous Drug section, and the Department's Office of International Affairs.

Among the cases, just to give you some illustrations. One, law enforcement in the southern district of Ohio shut down one of the most prolific online drug trafficking organizations in the United States, which was operating using the moniker Pill Cosby. Members of that group were charged with manufacturing and distributing over 1 million fentanyl-laced counterfeit pills.

Second example. Here in the District of Columbia, a grand jury charged a Costa Rican pharmacist, who knowingly supplied large amounts of drugs to a dark web trafficker, sending a

strong message to the unscrupulous doctors and pharmacists who fuel the opioid epidemic that they will be held accountable even if they operate overseas.

A third example. The eastern district of Virginia prosecuted the narcotics vendor going by the name Never Pressed Rx, who was so intent on securing his online criminal enterprise that he conspired to use explosives to firebomb and destroy a competitor pharmacy.

Fourth example. Law enforcement in the central district of California successfully dismantled the crew that used online monikers such as Stealth God to sell methamphetamine and MDMA on multiple darknet marketplaces. Investigators have linked this crew to more than 18,000 illicit sales to customers in at least 35 states and in numerous countries around the world.

And as a final example for this morning, I want to mention that in the Northern District of Georgia--an investigation into the murder of an elderly couple found brutally murdered in their home--the investigation led the investigatory team to a man who had used the darknet to purchase sensitive information stolen from numerous elderly victims, including this murdered couple.

A number of additional investigations are still ongoing, and of course there are a good number beyond the examples that I was able to use, since there are many more arrests. But one outcome is clear. There will be no safe haven for drug dealing in cyberspace.

Today's announcement is very much a success story in international law enforcement cooperation as crime on the darknet is truly a global problem that requires a global partnership. However, the global nature of the threat also means that foreign countries who fail to act can easily become safe harbors for criminals who seek to pump lethal, addictive drugs into the United States from abroad. The Department of Justice cannot and will not allow criminals like this to operate with impunity.

This operation marks a significant milestone in the fights against crime on the darknet. But there's more to do and more to come. Keeping the American people safe is the Department's highest priority. The Department of Justice will not relent in our efforts to combat this evil plaguing our society, and we will continue to bring to justice those who seek to profit from the destruction of human lives.

I will now invite FBI Director Wray to come to the podium and offer his comments.

Christopher Wray

Good morning. Operation DisrupTor was coordinated by the Joint Criminal Opioid and Darknet Enforcement team, also known as J-CODE. Now, J-CODE began in 2018 as an FBI-led, multi-agency initiative to target criminal activity on the darknet, especially the trafficking of fentanyl and other opioids.

Operation DisrupTor builds off of the success of previous J-CODE operations, namely Operation Disarray in 2018 and Operation SaboTor in 2019. Today's announcement, Operation DisrupTor, arose out of another major darknet market takedown last year. In April 2019, an international law enforcement operation resulted in the seizure of Wall Street Market, which was at that time one of the largest criminal darknet marketplaces.

Using information gleaned from the Wall Street Market takedown, the United States worked with partners in international law enforcement to target scores of major criminals reliant on the

darknet. Operation DisrupTor is the culmination of that work, illustrating the impact of a coordinated government effort on both a domestic and global scale.

Operation DisrupTor involve the contributions of a host of federal law enforcement agencies, including the FBI, DEA, Homeland Security Investigations, U.S. Secret Service, the U.S. Postal Inspection Service, IRS Criminal Investigation, and the Bureau of Alcohol, Tobacco, and Firearms, as well as our key partners in state and local law enforcement.

The law enforcement personnel assigned to J-CODE specialize in threats where traditional criminal activity intersects with sophisticated technological platforms. Every day, they're working to show these criminals that they can no longer count on hiding on the darknet because we're going to infiltrate their networks, shut down their online illicit marketplaces, and bring them to justice, no matter what it takes.

Operation DisrupTor took place at a particularly critical time, as our country has seen a sharp rise in overdoses associated with potent narcotics during this pandemic. In just one case alone, the work of the J-CODE Task Force led to the seizure of over 11 kilograms of suspected fentanyl associated with a dangerous drug trafficking organization operating in a small town in Ohio.

Let me just put that in perspective. Just 2 milligrams of pure fentanyl is considered a lethal dose. So that means that one 11-kilogram seizure equates to about 5.5 million lethal doses of fentanyl being taken off the streets of American communities where the impacts could have been devastating.

Operations like DisrupTor illustrate how J-CODE is making a real difference in our cities and towns across the country and around the world, and I look forward to seeing more and more of these kinds of coordinated operations because the way that we're going to stop the scourge of drug trafficking and opioid addiction is to work together at all levels of government: in law enforcement, in the intelligence community, and across the globe.

The darknet doesn't reside within any single nation's jurisdiction, so we all have to look beyond our borders and boundaries to tackle the problem of criminal enterprises, using that platform to peddle their drugs.

I also want to thank all the J-CODE partner agencies and everyone who participated in Operation DisrupTor, both domestically and internationally, for continuing to support the great work J-CODE is doing to combat this crisis, a crisis that endures around the world. We're tremendously proud of J-CODE's strong and growing relationship with Europol and our Five Eyes partners to disrupt the trade of illicit drugs.

The team's success lies in the abundance of resources and expertise shared across agencies and its ability to harness the investigative power of both our federal and international partners to go after these criminals wherever they are. I understand all too well the challenges our investigative team has faced over the last several months because of the COVID pandemic, and I appreciate the tenacity that I have seen from the J-CODE team in finding new and unique ways to carry out its mission.

At the FBI, keeping the American public safe is our top priority, and this team is working tirelessly to do just that. Their devotion to combating this threat has already produced

remarkable results, and speaking on behalf of the 37,000 men and women of the FBI, I'm proud to stand together with our J-CODE partners to meet this threat head-on.

Thank you, and now I'd like to turn the podium over to Acting DEA Administrator, Tim Shea.

Timothy Shea

Thank you, Chris, appreciate that. I'm proud to stand here with our federal partners today to announce the results of Operation DisrupTor. This operation is an outstanding example of our commitment to attack drug trafficking organizations operating on the dark web and further demonstrates what can be achieved when we employ a whole-of-government approach to address these threats.

This was truly a global operation and a testament to the partnerships we developed around the world. The drug trade is constantly evolving, and DEA is evolving with it. While we are often best known for our more traditional law enforcement activity, over the years, DEA has adjusted its tactics to stay ahead of traffickers who have endless time and money to find new ways to peddle their poison, even behind an endless maze of ones and zeros.

Each year DEA enhances its ability to investigate and prosecute drug crimes taking place online, from identifying traffickers attempting to operate anonymously, to gathering intelligence on traffickers operating in dark web marketplaces, to tracking movement of drugs and money. Then, as the name of this operation suggests, we work together to disrupt, dismantle, and destroy these networks.

Operation DisrupTor began after a worldwide takedown of Wall Street Market in Operation SaboTor. DEA Special Operation Division, along with J-CODE and the National Cyber Investigative Joint Task Force, helped coordinate these global enforcement operations with more than a dozen domestic and international law enforcement partners.

Together we identified these drug trafficking networks, made large-scale seizures, and arrested significant traffickers like Arden McCann. The Royal Canadian Mounted Police arrested McCann, one of DEA's most wanted targets, in Montreal last February. At his peak, he was shipping every month over 10 kilograms of deadly fentanyl and over 300,000 counterfeit Xanax pills.

McCann allegedly imported fentanyl and fentanyl analogs from China to Canada and the United States. Multiple overdose deaths have been directly linked to his drugs. McCann and his associates allegedly used pill presses to manufacture counterfeit tablets containing highly potent drugs like fentanyl and carfentanil. In fact, more than a dozen pill presses were seized during this operation, each of which was capable of producing millions of counterfeit pills.

We've increasingly found drug traffickers distributing counterfeit prescriptions made to look like pills you receive from your doctor or pharmacies but with deadly results. That's why, in addition to our enforcement actions during Operation DisrupTor, we've taken another step to reduce the flow of deadly drugs.

Through our new e-commerce program, online retailers, including Amazon, have agreed to ban all online sales of pill presses like those used in this case, used to make dangerous counterfeit prescription drugs in pill form. To all the drug traffickers operating online, this operation should serve as a warning. DEA and other law enforcement organizations here today and around the world will never stop working to protect the American people. We will use all the information

and tools at our disposal to find you and to bring you to justice, no matter where you may try to hide.

I'd like to invite now the Deputy ICE Director, Derek Benner, to address.

Derek Benner

Thank you, Tim. Good morning. My name is Derek Benner. I'm the Executive Associate Director for Homeland Security Investigations. And on behalf of the men and women of HSI, I'd like to thank all of the men and women of the agencies represented by their leadership today on the podium with me. Thank you for the opportunity to recognize the results of Operation DisrupTor, certainly an extraordinary initiative in our time of international law enforcement cooperation, and also to recognize the essential partnerships which enabled this operation to succeed.

By combating the proliferation and distribution of fentanyl and other opioids via illicit darknet marketplaces, the J-CODE team clearly demonstrated the utility of interagency partnerships for the safety and security of the American people.

As a federal agency--investigative agency--with some unique combined authorities, both the Customs authorities and Immigration authorities, HSI special agents, together with our partners of the agencies represented here today, are uniquely positioned to identify, infiltrate, interdict, and dismantle organizations that attempt to cloak their criminal activity on the dark web. With trained cyber investigators and analysts, we focus on undercover dark web investigations, targeting market site operators, vendors, and prolific buyers of fentanyl and other illicit opioids.

Equally important, we also focus on tracing and identifying illicit proceeds derived from the distribution and online sales of these dangerous drugs. Disrupting the flow of illicit proceeds is vital to preventing other related crimes that arise from dark web narcotic sales, and it seriously impedes the ability of existing criminal networks to spread into additional communities within our country and around the world.

Another top priority for HSI is sharing law enforcement capabilities throughout the interagency, specifically by providing unique training opportunities to our law enforcement partners. Dark web, darknet investigations are highly technical and very complicated. We like to provide training on a wide range of cybercrime topics, including darknet markets, online undercover investigations, network intrusion, just to name a few.

In response to the President's initiative to reduce opioid demand in the United States, we developed a cyber training curriculum with our partners since October 2017. We have delivered training, specifically relative to the dark web, in over 70 locations worldwide to more than 10,000 state, federal, and local partners.

I want to thank you for the opportunity to join you today, and congratulations to our law enforcement partners on the success of Operation DisrupTor. Clearly together we are stronger, and together we will continue to fight against and root out criminals who hide in the shadows of the dark web.

It is my pleasure to introduce a great partner and a great friend, the Chief of the Postal Inspection Service, Gary Barksdale.

Gary Barksdale

Thank you, Derek. Good morning, everyone. As Derek said, my name is Gary Barksdale, the Chief Postal Inspector for the United States Postal Inspection Service. It's certainly a pleasure to be here with my distinguished colleagues to talk about the results of Operation DisrupTor.

Obviously, these are very unique and challenging times for law enforcement. We operate in an environment where criminals hide behind computer screens and lines of code to avoid detection. Some of these people are extremely tech savvy and capable of adapting quickly through ever-changing techniques and technologies.

By using the dark web and other means, they are able to sell and ship narcotics and other dangerous goods around the world, exploiting the U.S. Mail and other consignment carriers. When they utilize the U.S. Mail for these transactions, they create real hazards for our postal employees and threaten the integrity of the postal network of hundreds of millions in the U.S. and around the world.

The Postal Inspection Service is committed to finding and stopping these criminals. It is critical, now more than ever, that federal law enforcement agencies and our international partners cooperate to bring down these dark web sellers and dismantle the marketplaces they use to promote themselves.

Operation DisrupTor is a prime example of what we can accomplish together. Through our partnership with federal agencies, in close cooperation with international partners, we've seen a remarkable increase in arrests, prosecutions, and seizure of narcotics and assets.

Over the course of the operation, as the Deputy Attorney General pointed out, there were over 121 arrests and, more importantly, over 274 kilograms of narcotics seized--in addition, more than \$6 million in illicit profits from dark web transactions, both in cash and virtual currencies.

These successes could not have been fully realized without our international law enforcement partners, specifically through our interaction with Europol. That's why I'm proud to have a permanent postal inspector now assigned to the Hague, serving as a key international liaison, helping to expand our efforts to protect the U.S. Mail worldwide. These coalitions have to make the U.S. Mail safe while also crippling drug trafficking organizations around the world.

On behalf of the United States Postal Service, I want to thank those--my colleagues, many of whom are in stage with me, who cooperated in Operation DisrupTor. I'd also recognize the many partners in Europol, the Royal Canadian Mounted Police, and the Canada Post for your contributions to this successful operation.

The Postal Inspection Service strives each and every day to stop those who would use the U.S. Mail to send illegal goods. With the combined efforts of our law enforcement partners, we expect continued success in targeting and taking down these drug trafficking organizations, thank you.

Jeffrey Rosen

Well, thanks to everybody for those comments and for the terrific cooperation on this really important activity in Operation DisrupTor. At this stage, what we'd like to do is open it up for some questions.

QUESTION-AND-ANSWER SESSION

Operator

And, ladies and gentlemen, this is the conference call operator. We will now begin the question-and-answer session. To ask a question, you may press star and then one using a touch-tone telephone. To withdraw your questions, you may press star and two. If you are using a speakerphone, we do ask that you please pick up your handsets before pressing the numbers to ensure the best sound quality. Once again, that is star and then one to ask a question.

And our first question today comes from Mike Balsamo from The Associated Press. Please go ahead with your question.

Michael Balsamo

Thank you. Mr. Deputy Attorney General, maybe you could speak a little bit more about--.

Unidentified Woman

Can you please hold for a second? We're having trouble with the PA system.

Jeffrey Rosen

Unfortunately, I can't hear the question, so we'll have to try to get that enhanced, so we can hear it. Maybe somebody can just repeat it for us.

Operator

This is the conference operator. Are you able to hear me?

Michael Balsamo

Yes.

Operator

All right. Mr. Balsamo, if you could please proceed with your question.

Unidentified Woman

The first question is from Michael Balsamo.

Michael Balsamo

Yeah. Mr. Deputy Attorney General, could you speak a little bit more about the impact of this operation on the illicit market. And separately, what can you tell us about the woman suspected of sending ricin letters to the White House and law enforcement in Texas? Obviously, she was taken into custody several days ago by federal law enforcement, but the Department hasn't provided very many details about this case. Who is she, and what charges is she facing at this point? And what can you say about that case?

Unidentified Woman

We'll only be sticking to questions regarding this announcement. Please go to the next question.

Michael Balsamo

And then--.

Jeffrey Rosen

--I couldn't hear what that question was.

Unidentified Woman

It was off topic, just to give reporters an opportunity to ask questions. It was regarding--.

Operator

--Our next question comes from Luke Barr from ABC. Please go ahead with your question.

Unidentified Woman

Luke Barr from ABC.

Luke Barr

Hi, there. I have two questions for Mr. Wray. Mr. Director, you mentioned that opioid overdoses are on the--.

Unidentified Woman

--The question is for Director Wray

Luke Barr

Yeah. You mentioned that opioid overdoses are on the rise. Are you seeing the opioid market shift--?

Unidentified Woman

--You mentioned that opioid overdoses are on the rise?

Luke Barr

Are you seeing the opioid market shift to more online deals during the pandemic?

Unidentified Woman

Are you saying--.

Luke Barr

--And my second question is that the President--.

Unidentified Woman

--Are you seeing the opioid market shift?

Luke Barr

And my second question is regarding your testimony.

Unidentified Woman

I'm sorry, can you keep it to one question at a time because we're having technical difficulty. Unfortunately, the audio feed is not working.

Jeffrey Rosen

Yeah. What we're doing--since we can't hear the questions, is in the audio room, they can, and they're going to relay it out here, but it's easier to relay if it's succinct enough to be easily communicated.

Unidentified Woman

So, Luke Barr, can you just please repeat your question and speak slowly?

Luke Barr

Yeah. Mr. Director, you mentioned that--.

Unidentified Woman

--Director Wray--.

Luke Barr

--Opioid overdoses are on the rise.

Unidentified Woman

Opioid overdoses are on the rise.

Luke Barr

Are you seeing the opioid market shift to more online deals during the pandemic?

Christopher Wray

Let me start with that and then pass it off to Acting Administrator Shea for a little bit more about the opioid supply more broadly. I would say that we are seeing more and more--not just in the context of opioids but really in the context of all sorts of criminal activity--more and more leveraging by criminals of the darknet, which is one of the reasons why J-CODE, which I talked about, is now starting to pivot to not just focusing on online distribution of opioids but distribution of things like stolen log-in credentials, fake credit cards, even weapons.

In some ways, this is just the perfect storm combination of traditional criminal activity of all shapes and sizes merging with this more sophisticated technology. But I think the point of today's announcement is that it doesn't matter where you go to try to do it or how you try to hide it, we're coming for you.

Timothy Shea

I would agree with the Director. And I would make one general observation that I think that we've seen a shift as a general matter away from prescription opioids, where there's been at least an 18 percent decline in the last two years of overdose deaths as it relates to prescription drugs. And in part, that's because of the DEA restricting quotas and other things that have taken place to address that prescription drug problem.

At the same time, we've seen an increase in fentanyl deaths, and that's synthetic opioids, which is a major threat emanating from Mexico. Drugs produced on an industrial scale in Mexico are shipped into the United States, whether using dark web, as the Director mentioned, or traditional smuggling means.

This has a tremendous increase in volume in the United States--as mentioned, fentanyl pressed pills, in exact amounts taken maybe one or two times can produce a lethal dose and opioid death, so it's a very dangerous situation that we're trying to address here, and this is part of our response to that.

Operator

And our next question comes from Jake Gibson from Fox News.

Jake Gibson

Hey, there. Thank you. Can you hear me?

Unidentified Woman

Yes.

Jake Gibson

First of all, I'm interested to hear if you could give any more details about specifically how these people were able to collect money for their illicit products and, in that, how you were able to track that, if there's any more details on that. And number two, I just would like to piggyback on Mike Balsamo's question from the AP. I do think that it's worthy of a one off-topic question on the ricin story.

Jeffrey Rosen

On the first part, I'm going to ask FBI Director Wray to comment. But let me just say, a key element was alluded to in the remarks, which was prior to Operation DisruptTor, there was a major takedown of one of the key sites, the Wall Street Market. And that's an important development that helped facilitate the work we've announced today.

Christopher Wray

In terms of how--

Operator

--Mr. Gibson, if you could repeat.

Jake Gibson

I think the Director probably heard it, but I'm just looking for any details specifically on how they were collecting the money and how law enforcement authorities were able to track them down.

Christopher Wray

On the first part of your question, a lot of the payment is through cryptocurrency, which, of course, makes sense if you consider the kind of forum or platform that these folks are conducting their illegal business on. In some ways, it illustrates a broader phenomenon that we're having to deal with across criminal investigations of all kinds, which is anonymization, as you see here through the use of the Tor browser, cryptocurrency in terms of anonymizing and trying to conceal the funding.

And of course, you've heard both the Attorney General and me talk quite forcefully about the end-to-end default encryption problem and the way in which that's masking communications and information. All these things fit together in terms of the use of technology to hide criminal activity from law enforcement.

Now, as to the second part of your question as to how we found them or how we were able to track the money, part of that, of course, is not sharing our sensitive techniques in a press conference, and I hope you can respect that. We have very creative people who are themselves very innovative within the law and using a variety of tools to catch people who think they can hide in the darknet.

And then I think just on the ricin matter, there's really not a whole lot we can add at this time. There is an individual in custody. It's the product of great partnership, not just between federal law enforcement here in the U.S. but also with our key partners at the RCMP up in Canada. More to come on that later.

Jake Gibson

Great. Thank you.

Operator

Our next question comes from Claire Hines from CBS News.

Claire Hines

Sorry about that. I was working on mute. I just--if I could, I would like to reiterate Mike Balsamo's first question, which was how big of a dent has this made in the opioid landscape across the country?

Jeffrey Rosen

Do you mind repeating the question?

Claire Hines

Sure. How big of a dent has this operation made in the United States--the opioid landscape here?

Timothy Shea

Yes. I think it's fair to say it's significant in our dark web investigations. I mean, some of these individuals were under investigation already by the DEA and others, but this operation increased that scrutiny, and we were able to arrest the numbers that we mentioned before.

I think with respect to darknet activity, I think it's a significant impact. Again, I think a lot of--there are a lot of ways to get illegal drugs into the United States. Smuggling directly by the Mexican cartels is the majority of it. In the overall pictures, it's part of the solution and not the complete solution.

But we continue to push our ability to disrupt the smuggling across the southwest border. Virtually all of the meth and a lot of the fentanyl used in the United States comes across that border. That's been our focus. And whether it's facilitated by the darknet or whether it's directly smuggled in the traditional way we continue to do that. But this is a significant operation.

Jeffrey Rosen

Let me just add to that, too, that from an overall perspective, one of the key elements of this is that there are people on the darknet who perceive themselves as being immune or safe or unlikely to be detected. And one of the key messages from this operation is they were wrong. They are not safe, and we will find them. And there's tangible indications today to show that from the numbers we've talked about, both in the United States and abroad.

The international partnership that's involved--and our European partners are announcing this today as well--makes the important point that I alluded to in my initial remarks is that anyone who thinks there's going to be a safe haven in cyberspace is sorely mistaken.

Operator

Our next question comes from Kristine Phillips from USA Today. Please go ahead with your question.

Kristine Phillips

Hi. My question has been asked and answered, so thank you.

Jeffrey Rosen

All right. Then we'll take another.

Operator

Once again, if you would like to ask a question, please press star and then one to join the question queue. To remove yourself from the queue, you may press star and two. And our next question comes from Evan Perez from CNN. Please go ahead with your question.

Evan Perez

Yes. This is, I think, for the Deputy Attorney General. The President has made a commitment to go after some of the companies that were behind the opioid crisis. Can you give us an update on your efforts to negotiate perhaps a settlement with some of the big companies that brought us to this place?

Jeffrey Rosen

Well, I think when there's something to announce on any of those topics, we'll do so, but I think for today, I don't really have an update for you on that.

Operator

And, ladies and gentlemen, thank you for joining today's press conference. We are now going to end the call. Please also note that the video of the press conference will be posted later today on Justice.gov. We do thank you for attending today's presentation. You may now disconnect.