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CLEARINGHOUSE DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

BY: _____

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

June 2015 Grand Jury

CR 15 00558

UNITED STATES OF AMERICA,

CR NO. _____

Plaintiff,

I N D I C T M E N T

v.

[18 U.S.C. § 1341: Mail Fraud; 18 U.S.C. § 1028A(a)(1): Aggravated Identity Theft; 18 U.S.C. § 2: Aiding and Abetting and Causing an Act to be Done; 18 U.S.C. § 981(a)(1)(C); 21 U.S.C. § 853, 28 U.S.C. § 2461(c): Criminal Forfeiture]

ARTASHES DARBINYAN,

Defendant.

The Grand Jury charges:

COUNTS ONE THROUGH TWELVE

[18 U.S.C. §§ 1341, 2(a)]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. United States law provided protection for trademarks by allowing holders of trademarks to register their marks with the United States Patent and Trademark Office (USPTO). Once a trademark was registered, the mark, along with the serial number assigned by

1 the USPTO, and the holder's name and address were publicly available
2 on the USPTO's website. The USPTO is located in Alexandria,
3 Virginia.

4 2. United States Customs and Border Protection (CBP) provided
5 a separate registration service. Holders of trademarks already
6 registered with the USPTO could register with CBP, and CBP would
7 screen for and block imports that infringed on marks registered in
8 CBP's database. The service was known as Intellectual Property
9 Rights Recordation (IPR) and cost \$190.
10

11 3. Trademark Compliance Center ("TCC"), which also did
12 business as Trademark Compliance Office ("TCO"), was a California
13 company that purported to offer the IPR registration service as well
14 as a trademark infringement monitoring service. TCC and TCO
15 solicited clients through mass mailings sent through the U.S. mail.
16

17 4. From at least in or about September 2013 to in or about
18 September 2015, defendant ARTASHES DARBINYAN ("defendant DARBINYAN"),
19 a resident of Glendale, California, operated and controlled TCC and
20 TCO.

21 B. THE SCHEME TO DEFRAUD

22 5. Beginning in or about September 2013, and continuing
23 through in or about September 2015, in Los Angeles County, within the
24 Central District of California, and elsewhere, defendant DARBINYAN,
25 aided and abetted by others known and unknown to the Grand Jury,
26 knowingly and with intent to defraud, devised, participated in, and
27 executed a scheme to defraud victim-clients of TCC and TCO, and to
28

1 obtain money and property from victim-clients of TCC and TCO by means
2 of materially false and fraudulent pretenses, representations, and
3 promises, knowing that the pretenses, representations, and promises
4 were false and fraudulent when made.

5 6. The scheme to defraud operated in substance in the
6 following manner:

7 a. Defendant DARBINYAN, using the names of other persons,
8 namely "E.S." and "I.B.", opened accounts for TCC and TCO at virtual
9 office centers, that is, businesses that offered call-answering and
10 mail-forwarding services as well as private and shared office space
11 to its customers, in Washington, D.C.; Arlington, Virginia;
12 Alexandria, Virginia; Encino, California; and Glendale, California
13 (the "Virtual Office Centers").
14

15 b. Defendant DARBINYAN caused solicitations to be sent to
16 U.S. trademark-holders that purported to offer services for a fee.
17 The solicitations were printed and sent by a commercial mailer
18 according to defendant DARBINYAN's instructions. The solicitations
19 purported to come from TCC and TCO, and were formatted to look like
20 official invoices. Through these solicitations, TCC and TCO offered
21 to register the trademark-holders' trademarks with CBP's IPR system,
22 monitor their trademarks for possibly infringing marks, and send
23 regular reports to the trademark-holder in return for a fee of \$385.
24 The solicitations listed the trademark-holder's name and address, the
25 name of the mark, and the USPTO serial number for the trademark.
26
27
28

1 c. The solicitations that defendant DARBINYAN caused to
2 be sent included an envelope in which the trademark-holder was
3 supposed to send the fee for the offered services. The envelopes
4 were pre-addressed to TCC and TCO at the Virtual Office Centers in
5 Washington, D.C., and Virginia.

6 d. Defendant DARBINYAN instructed employees at the
7 Virtual Office Centers in Washington, D.C., and Virginia to send the
8 envelopes they received to the Virtual Office Centers in California.
9

10 e. Defendant DARBINYAN obtained the envelopes and the
11 checks they enclosed from the Virtual Office Centers in California.
12 Thereafter, defendant DARBINYAN deposited the checks in bank accounts
13 he controlled and cashed the checks and kept the proceeds.

14 f. At the time that defendant DARBINYAN sent the
15 solicitations and caused the solicitations to be sent, he did not
16 intend to provide the promised services, and defendant DARBINYAN
17 never did provide the promised services.
18

19 g. In order to effectuate his scheme and hide his role in
20 it, defendant DARBINYAN regularly changed phone numbers, communicated
21 via multiple bogus email addresses, created websites for TCC and TCO,
22 set up "Voice over Internet Protocol" (VoIP) phone lines for TCC and
23 TCO, and logged in from wireless Internet service providers (ISPs),
24 which are harder to trace to individual devices and users.
25

26 h. The accounts and services defendant DARBINYAN used in
27 furtherance of the scheme were all registered under the names of
28 other people and included the following:

1 i. Using "T.G.", defendant DARBINYAN opened a bank
2 account in the name of TCC and deposited and cashed checks.

3 ii. Using "E.S.", defendant DARBINYAN opened a bank
4 account into which proceeds of the scheme were transferred, opened
5 accounts at Virtual Office Centers, registered a website for TCC,
6 created an email account, and set up a VoIP phone line.

7 iii. Using "I.B.", defendant DARBINYAN opened a bank
8 account in the name of TCO and I.B., opened accounts at Virtual Office
9 Centers, registered a website for TCO, created an email account, and
10 deposited and cashed checks.

11 iv. Using "A.K.", defendant DARBINYAN opened bank
12 accounts, one of which was used to transfer proceeds to a gold dealer,
13 opened an account at a Virtual Office Center, created an email
14 account, and set up a VoIP phone line.

15
16 C. USE OF THE MAILS

17
18 7. On or about the dates set forth below, within the Central
19 District of California, and elsewhere, defendant DARBINYAN, for the
20 purpose of executing and attempting to execute the above-described
21 scheme to defraud, knowingly caused the following items to be placed
22 in an authorized depository for mail matter to be sent and delivered
23 by the United States Postal Service and to be deposited with and to
24 be delivered by a commercial interstate carrier, according to the
25 directions thereon:
26

COUNT	DATE	ITEM MAILED
ONE	December 4, 2013	FedEx package from virtual office center in Alexandria, VA, addressed to Trademark Compliance Center and delivered to virtual office center in Encino, CA
TWO	In or about June 2014	Envelope sent via USPS by commercial mailer from Trademark Compliance Center, addressed to S.E.T. and delivered in Monterey Park, CA
THREE	In or about June 2014	Envelope sent via USPS by commercial mailer from Trademark Compliance Center, addressed to F.W.S. and delivered in Costa Mesa, CA
FOUR	July 30, 2014	FedEx package from virtual office center in Alexandria, VA, addressed to Trademark Compliance Center and delivered to virtual office center in Encino, CA
FIVE	In or about August 2014	Envelope sent via USPS by commercial mailer from Trademark Compliance Center, addressed to E.P. and delivered in Los Angeles, CA
SIX	December 31, 2014	FedEx package from virtual office center in Alexandria, VA, addressed to Trademark Compliance Center and delivered to virtual office center in Encino, CA
SEVEN	In or about April 2015	Envelope sent via USPS by commercial mailer from Trademark Compliance Office, addressed to D.L. and delivered in Los Angeles, CA
EIGHT	In or about April 2015	Envelope sent via USPS by commercial mailer from Trademark Compliance Office, addressed to G.C. and delivered in Arcadia, CA
NINE	In or about April 2015	Envelope sent via USPS by commercial mailer from Trademark Compliance Office, addressed to K.T. and delivered in Los Angeles, CA
TEN	April 16, 2015	FedEx package from virtual office center in Arlington, VA, addressed to Trademark Compliance Office and delivered to virtual office center in Glendale, CA
ELEVEN	May 5, 2015	FedEx package from virtual office center in Arlington, VA, addressed to Trademark Compliance Office and delivered to virtual office center in Glendale, CA
TWELVE	June 11, 2015	FedEx package from virtual office center in Arlington, VA, addressed to Trademark Compliance Office and delivered to virtual office center in Glendale, CA

COUNTS THIRTEEN THROUGH SIXTEEN

[18 U.S.C. §§ 1028A(a)(1), 2(b)]

8. The Grand Jury hereby repeats and realleges Paragraphs 1 through 6, including all subparagraphs, as if fully set forth herein.

9. On or about the dates set forth below, in Los Angeles County, within the Central District of California, and elsewhere, defendant DARBINYAN knowingly transferred, possessed, and used, and willfully caused to be transferred, possessed, and used, without lawful authority, a means of identification that defendant knew belonged to another person, that is the social security number, name, and date of birth of the persons set forth below, during and in relation to a felony violation of Title 18, United States Code, Section 1341, as charged in the counts of this Indictment identified below:

COUNT	DATE	MEANS OF IDENTIFICATION	FELONY VIOLATION
THIRTEEN	From in or about Sept. 2013 to in or about Sept. 2015	E.S.	COUNTS ONE THROUGH SIX
FOURTEEN	From in or about Sept. 2013 to in or about Sept. 2015	T.G.	COUNTS ONE THROUGH SIX
FIFTEEN	From in or about Jan. 2015 to in or about Sept. 2015	I.B.	COUNTS SEVEN THROUGH TWELVE
SIXTEEN	From in or about Jan. 2015 to in or about Sept. 2015	A.K.	COUNTS SEVEN THROUGH TWELVE

FORFEITURE ALLEGATION

[18 U.S.C. § 981(a)(1)(C), 21 U.S.C. § 853, 28 U.S.C. § 2461(c)]

10. The allegations contained in Counts One through Twelve of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

11. Upon conviction of the offenses in violation of Title 18, United States Code, Section 1341 set forth in Counts One through Twelve of this Indictment, defendant DARBINYAN shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses. The property to be forfeited includes, but is not limited to, the following: a money judgment in an amount not less than \$1,850,000.00, representing the amount of proceeds obtained as a result of the offenses alleged in this Indictment.


12. If any of the property described above, as a result of any act or omission of defendant DARBINYAN: (a) cannot be located upon the exercise of due diligence; (b) has been transferred or sold to, or deposited with, a third party; (c) has been placed beyond the jurisdiction of the court; (d) has been substantially diminished in value; or (e) has been commingled with other property which cannot be divided without difficulty, the United States of America shall be

1 entitled to forfeiture of substitute property pursuant to Title 21,
2 United States Code, Section 853(p), as incorporated by Title 28,
3 United States Code, Section 2461(c).
4
5
6
7

8 A TRUE BILL

9 151
10 Foreperson

11 EILEEN M. DECKER
12 United States Attorney

13 
14 LAWRENCE S. MIDDLETON
15 Assistant United States Attorney
16 Chief, Criminal Division

17 GEORGE S. CARDONA
18 Assistant United States Attorney
19 Chief, Major Frauds Section

20 ANDREW WEISSMANN
21 Chief, Fraud Section
22 Criminal Division
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24 BENJAMIN D. SINGER
25 Deputy Chief, Fraud Section
26 Criminal Division
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28 WILLIAM E. JOHNSTON
Trial Attorney, Fraud Section
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