

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon.
	:	
v.	:	Crim. No. 13-
	:	
NING GUO,	:	18 U.S.C. §§ 2320 and 1956
a/k/a "Danny,"	:	
a/k/a "Peter,"	:	
a/k/a "The Beijing Kid"	:	

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

Count One

(Conspiracy to Traffic in Counterfeit Goods)

Overview

1. Beginning in or around August 2008 and continuing through in or around February 2012, defendant NING GUO participated in an international conspiracy to smuggle and distribute counterfeit goods. Through the conspiracy, defendant NING GUO and his co-conspirators (collectively, the "Co-Conspirators") imported a total of more than 35 containers accounting for more than 100 tons of counterfeit goods (the "Counterfeit Goods") with a retail value in excess of \$25 million. The Counterfeit Goods included counterfeit Nike sneakers and UGG boots; Burberry, Louis Vuitton, Coach, and Gucci handbags; and cigarettes, among other items. Defendant NING GUO also conspired to launder the proceeds of the counterfeit goods scheme through banks in the United States and the People's Republic of China.

Background

2. At all times relevant to this Information:

a. The Port Newark-Elizabeth Marine Terminal (the “Port”) was operated by the Port Authority of New York and New Jersey. It was the largest container port in the eastern United States.

b. The standard units of international trade, including the shipment of goods from China to the United States, were corrugated steel containers, also known as “boxes.”

c. Over 90 percent of all international non-bulk cargo worldwide moved by containers stacked on transport ships. Of these, more than one quarter originated in China.

d. Each container of goods imported into the United States through the Port was accompanied by, and tracked using, several kinds of documents (collectively, the “Customs Paperwork”). The Customs Paperwork included “Bills of Lading,” which declared a container’s contents and provided the terms of the contract between the shipper and the transportation company hired by the shipper to send a container to its destination.

e. Each container of goods imported into the United States through the Port had to undergo entry procedures administered by United States Customs and Border Protection (“CBP”), the United States government agency responsible for inspecting imported goods.

f. Law enforcement maintained a “front company” to act as an importer of goods at the Port. Through this front company, undercover law enforcement agents (collectively, the “UCs”) posed as individuals with unspecified “connections” at the Port,

which connections could make the importation of counterfeit goods easier, and undetectable by law enforcement officers, in exchange for cash payments.

g. The Co-Conspirators included the following individuals who have not been named in this Information: J.Z.M., G.H.Z, W.P.R., H.H., Y.J.C., Y.F.L., Y.B.L., K.B.Q., M.Z., G.Q.Z., and B.I.

The Conspiracy

3. From at least as early as in or about August 2008 to in or about February 2012, in Essex and Union Counties, in the District of New Jersey, and elsewhere, defendant

NING GUO,
a/k/a "Danny,"
a/k/a "Peter,"
a/k/a "The Beijing Kid,"

did knowingly and intentionally conspire and agree with others, namely J.Z.M., G.H.Z, W.P.R., H.H., Y.J.C., Y.F.L., Y.B.L., K.B.Q., M.Z., G.Q.Z., and B.I., to traffic and attempt to traffic in goods and services and knowingly used counterfeit marks on and in connection with such goods and services, contrary to Title 18, United States Code, Section 2320(a)(1), and to traffic and attempt to traffic in labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hangtags, documentation, and packaging of any type and nature, knowing that counterfeit marks had been applied thereto, the use of which was likely to cause confusion, to cause mistake, and to deceive, contrary to Title 18, United States Code, Section 2320(a)(2).

Object of the Conspiracy

4. The object of the conspiracy was for defendant NING GUO and others to import counterfeit goods from China into the United States and profit from the subsequent sale of these counterfeit goods.

Manner and Means of the Conspiracy

Importing Counterfeit Goods

5. It was part of the conspiracy that the Co-Conspirators arranged to have the Counterfeit Goods manufactured in China with counterfeit labels that appeared authentic.

6. It was further part of the conspiracy that the Co-Conspirators arranged for the importation of the Counterfeit Goods through the Port using fraudulent Customs Paperwork. Among other things, the fraudulent Customs Paperwork falsely declared the goods within the containers. Certain Co-Conspirators, including defendant NING GUO, J.Z.M., G.H.Z., W.P.R., Y.J.C., Y.F.L., H.H., and K.B.W., obtained fraudulent bills of lading, and other varieties of Customs Paperwork, and used this false documentation to import the Counterfeit Goods for sale in the United States.

Handling Counterfeit Goods in the United States

7. It was further part of the conspiracy that certain Co-Conspirators arranged with one another to pay individuals who, the Co-Conspirators believed, worked for an importing/exporting company and could provide “assistance” in removing counterfeit goods from the Port. Unbeknownst to the Co-Conspirators, these individuals were UCs, and the company was a front company created by law enforcement. Certain Co-Conspirators, including defendant NING GUO, J.Z.M., and Y.F.L., discussed the logistics of obtaining money to provide to the UCs, and how the payoffs were to be handled.

8. It was further part of the conspiracy that certain Co-Conspirators managed the storage, modification, and distribution of the Counterfeit Goods once those goods arrived in the United States. Certain Co-Conspirators, including defendant NING GUO, Y.F.L., J.Z.M., W.P.R., and G.H.Z., operated warehouses which received large shipments of the Counterfeit Goods. These Co-Conspirators and others then managed the logistics for distribution of the

Counterfeit Goods throughout the United States, including by managing warehouses filled with counterfeit goods, controlling trucking operations to transport counterfeit goods to wholesalers, and collecting proceeds of the conspiracy from clients.

9. It was further part of the conspiracy that certain Co-Conspirators acted as wholesalers for the Counterfeit Goods, supplying the retailers who sold the Counterfeit Goods to the ultimate customers in the United States. Certain Co-Conspirators, including Y.J.C., W.P.R., G.H.Z., H.H., and K.B.W., acted as wholesalers, and obtained large volumes of counterfeit goods to supply their customers.

Overt Acts of Defendant NING GUO

10. During a recorded meeting with UCs on or about May 11, 2010, defendant NING GUO stated, among other things, that defendant GUO was involved in the transportation and storage of counterfeit merchandise in the New Jersey/New York area. Defendant NING GUO claimed to own and operate four warehouses where he stored counterfeit merchandise for his customers. Defendant NING GUO described his business model as follows: when his clients ordered counterfeit goods from China they usually had no way of storing the goods or delivering the goods to retail locations. Defendant NING GUO stated that he provided this service.

11. On or about June 14, 2010, during a recorded meeting, defendant NING GUO told UCs that he had two containers of counterfeit goods ready to be shipped from China to the United States, and that he would like the UCs to clear these counterfeit goods through Customs. The UCs informed defendant NING GUO that the price for moving these containers into the United States would be approximately \$30,000 per container.

12. In or about June 2010, defendant NING GUO began importing containers of counterfeit goods through the UCs. As just one example, on or about June 24, 2010, defendant

NING GUO sent an e-mail to a UC which read, in pertinent part, “Hi [UC] I need you company info and tax number, by the way i give you two container #tclu5227700 and #cbhu8180934 this two container already in port nework. see something you can do, if you can i haver more like this. Danny[.]” These containers were inspected by law enforcement, and determined to contain counterfeit goods.

13. On or about August 31, 2010, one of these containers was delivered to defendant NING GUO, and the UCs received approximately \$50,000 in payment for these counterfeit goods.

14. Defendant NING GUO also frequently utilized fraudulent Customs Paperwork in furtherance of the counterfeit goods scheme. As just one example, on or about September 2, 2010, defendant NING GUO sent an e-mail to a UC. The e-mail read, in pertinent part: “This is tow boxes ISF. Danny.” Attached to the e-mail were “ISF” forms – a type of Customs Paperwork – for two containers of counterfeit goods. These forms contained false and fraudulent information.

All in violation of Title 18, United States Code, Section 2320(a).

Count Two

(Conspiracy to Launder Money)

1. Paragraphs 1, 2, and 5 through 14 of Count One of this Information are hereby alleged and incorporated as though set forth in full herein.

2. From in or around September 2010 to in or about February 2012, in Essex and Union Counties, in the District of New Jersey, and elsewhere, defendant

NING GUO,
a/k/a "Danny,"
a/k/a "Peter,"
a/k/a "The Beijing Kid,"

did knowingly conspire with Y.F.L., M.Z., G.Q.Z., and with others to knowingly conduct financial transactions, affecting interstate and foreign commerce, which transactions were represented to involve the proceeds of specified unlawful activity, namely gambling, among others, and knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of property that was believed to be the proceeds of the specified unlawful activity, contrary to Title 18, United States Code, Section 1956(a)(3)(B).

Object Of The Conspiracy

3. The object of the conspiracy was for defendant NING GUO and others to profit unlawfully by taking money from UCs that NING GUO and his Co-Conspirators believed were the proceeds of specified unlawful activities, launder those funds, and return those funds, minus a fee for defendant NING GUO and his Co-Conspirators, to the UCs.

Manner And Means Of The Conspiracy

4. It was part of the conspiracy that when defendant NING GUO received money from the UCs to be laundered, he would then contact an individual physically located in the United States – later revealed to be Co-Conspirator M.Z.

5. It was further part of the conspiracy that M.Z. would then contact a Chinese-based Co-Conspirator, and transfer the money to locations in China.

6. It was further part of the conspiracy that the money (less a fee taken by the Co-Conspirators) would be transferred from in or around Fujian, China to a bank in or around Guangzho, China where it would be subsequently withdrawn and physically transported via courier to a bank in Hong Kong.

7. It was further part of the conspiracy that the final transfer would be from the bank in Hong Kong to the UCs' bank account.

8. It was further part of the conspiracy that defendant NING GUO stated to UCs that his contacts in China did not care that the money they were proposing to launder had been obtained illegally, and that for every \$50,000 in cash the UCs provided, defendant NING GUO and others would return approximately \$42,500 – via wire transfers from banks in China – into a bank account set up by the UCs.

Overt Acts Of Defendant NING GUO

9. Beginning in or around November 2010, UCs began providing defendant NING GUO with money to be laundered.

10. For example, on or about December 21, 2010, during a recorded meeting, UCs provided defendant NING GUO with approximately \$50,000 to launder.

11. Soon afterwards on or about the same day, defendant NING GUO called Co-Conspirator M.Z. and engaged in a conversation with M.Z. about the logistics of dropping off the money to be laundered.

12. On or about December 29, 2010, just as defendant NING GUO had described the scheme to the UCs, defendant NING GUO caused approximately \$42,500 to be wired from China into a bank account controlled by the UCs.

All in violation of Title 18, United States Code, Section 1956(h).

Forfeiture Allegation

The allegations contained in this Information are hereby realleged and incorporated by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

The United States hereby gives notice to the defendant that, upon his conviction of the offense alleged in the Information, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offenses to forfeit any property constituting or derived from proceeds obtained directly or indirectly as a result of such offenses, including but not limited to:

- a. 2008 Honda Accord, Vehicle Identification Number 1HGCP26458A09513, seized from Jian Zhi Mo on March 2, 2012;
- b. \$1,019.00 USD seized from Jian Zhi Mo on March 2, 2012;
- c. 2007 Honda Accord, Vehicle Identification Number 1HGCM56837A146457, seized from Yuan Bo Lai on March 2, 2012;
- d. \$1,161.25 USD seized from Ning Guo on March 2, 2012;
- e. \$351 in Caesar's gaming chips seized from Ning Guo on March 2, 2012;
- f. \$1,040.00 USD seized from Hui Huang on March 2, 2012;
- g. \$10,100 in Caesar's gaming chips seized from Hui Huang on March 2, 2012;
- h. The real property located at 184 Westwood Avenue, Staten Island, New York;
- i. \$79,418 USD seized from Da Yi Huang on March 2, 2012 (seized from 184 Westwood Ave., Staten Island, New York);

j. \$15,567 USD seized from Fei Ruo Huang on March 2, 2012 (seized from 57 Tillman Street, Floor 1, Staten Island, New York);

k. \$2,541 USD seized from Dao Feng Shi on March 2, 2012 (seized from 236 Columbus Ave., Unit B, Palisades Park, New Jersey);

l. \$2,061 USD seized from Jian Chun Qu on March 2, 2012 (seized from 207-08 42nd Ave, Bayside, New York);

m. \$1,864 USD seized from Wu Lin on March 2, 2012 (seized from 52-11 69th Place, Maspeth, New York);

n. \$160,413 USD seized from Xiance Zhou on March 2, 2012 (seized from 207-08 42nd Ave, Bayside, New York);

o. \$57,453 USD seized from TD Bank (155 Canal Street) safety deposit box # 851 on March 2, 2012;

p. \$189,900 USD seized from HSBC Bank (11 East Broadway, New York)safety deposit box # 709503859 on March 2, 2012; and

q. 56 items of jewelry (bracelets, rings, necklaces, earrings, and charms) seized from JP Morgan Chase (Ridgefield NJ) safety deposit box # 34 on March 6, 2012.

If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- 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;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of such defendants up to the value of the forfeitable property described above.



PAUL J. FISHMAN
United States Attorney

CASE NUMBER:

United States District Court
District of New Jersey

UNITED STATES OF AMERICA

v.

NING GUO

INFORMATION FOR

18 U.S.C. § 2320; 18 U.S.C. § 1956(h)

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