

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Criminal No. 14-
	:	
v.	:	
	:	18 U.S.C. § 371
BARRY STEINLIGHT	:	

INFORMATION

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

The Defendant and Raw Deal, Inc.

1. At all times relevant to this Information:
 - a. Defendant BARRY STEINLIGHT was President and Owner of Raw Deal, Inc., a New Jersey corporation located in Flanders, New Jersey (“Raw Deal”).
 - b. Raw Deal sold bulk amounts of dietary ingredients and dietary supplements—as well as proprietary blends of those ingredients—to its customers, who then repackaged these products for sale to consumers.

FDA Regulation of Dietary Ingredients and Supplements

2. At all times relevant to this Information:
 - a. The United States Food and Drug Administration (“FDA”), was the federal agency charged with the responsibility of protecting the health and safety of the public by enforcing the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301-399f (“FDCA”). One of the purposes of the FDCA was to ensure that foods entering interstate commerce are safe to eat and bear labeling containing true and accurate information.

b. The FDCA defined “food” as “articles used for food or drink for man or other animals” and “articles used for components of any such article.” 21 U.S.C. § 321(f)(1) and (3). The FDCA defined a dietary supplement, in part, as “a product (other than tobacco) intended to supplement the diet that bears or contains one or more of the following dietary ingredients. . . (A) a vitamin; (B) a mineral; (C) an herb or other botanical. . . .” 21 U.S.C. § 321(ff)(1). A dietary supplement was deemed to be a food within the meaning of the FDCA. 21 U.S.C. § 321(ff). As a component of dietary supplements, dietary ingredients are also deemed to be “food” under the FDCA. 21 U.S.C. § 321(f)(3).

c. Food was adulterated under the FDCA if “any valuable constituent has been in whole or in part omitted or abstracted therefrom,” if “any substance has been substituted wholly or in part therefore,” or if “any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.” 21 U.S.C. § 342(b)(1), (2), and (4). Food was misbranded under the FDCA if “its labeling is false or misleading in any particular.” 21 U.S.C. § 343(a)(1).

The Conspiracy

3. From at least in or about 2009 through at least in or about November 2013, in the District of New Jersey, and elsewhere, the defendant,
BARRY STEINLIGHT,
did knowingly and willfully conspire and agree with C.P., a co-conspirator not charged herein, and others to commit an offense against the United States, that is, to devise a scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, and for the purpose of executing and attempting to execute the scheme and artifice, did knowingly and intentionally cause to be transmitted by means of wire

communications in interstate commerce, writings, signs and signals, namely, electronic mails as more fully described in paragraphs 9(d) through 9(g) below.

Contrary to Title 18, United States Code, Section 1343.

Object of the Conspiracy

4. The object of the conspiracy was for defendant STEINLIGHT and his co-conspirators to decrease Raw Deal's costs and increase its profits by diluting the dietary ingredients and supplements sold to Raw Deal's customers.

Manner and Means of the Conspiracy

5. It was part of the conspiracy that, starting at least in or about 2009, defendant STEINLIGHT directed Raw Deal employees to add various less expensive "fillers," including maltodextrin, Viobin Cocoa Replacer ("VCR"), caramel, sipernat, and white and brown rice flour, to the dietary ingredients and supplements packaged by Raw Deal for its customers. These "fillers" were added without the customer's consent or knowledge. As a result, the dietary ingredients and dietary supplements distributed by Raw Deal to its consumers were adulterated under the FDCA.

6. It was a further part of the conspiracy that defendant STEINLIGHT directed Raw Deal employees not to list the "fillers" as ingredients on the Certificates of Analysis ("COAs") issued by Raw Deal to its customers along with the dietary ingredients and supplements.

7. It was a further part of the conspiracy that defendant STEINLIGHT directed Raw Deal employees not to produce any "blended" products (products containing both listed dietary ingredients and supplements and fillers) during an FDA inspection of Raw Deal's manufacturing facility in 2012.

8. It was a further part of the conspiracy that defendant STEINLIGHT directed Raw Deal employees to create COAs that falsely certified that certain products were “kosher” and that others were “organic,” and to otherwise falsely list the properties of the products, including microbial plate counts, on COAs to lead customers to believe that the products conformed to their specific orders and requests.

Overt Acts

9. In furtherance of the conspiracy and to effect its unlawful objects, defendant STEINLIGHT and his co-conspirators committed, and caused to be committed, the following overt acts in the District of New Jersey and elsewhere:

a. In or about February 2012, during an FDA inspection of Raw Deal’s manufacturing facility, FDA requested the ingredient listing for one of Raw Deal’s blended products, and defendant STEINLIGHT instructed C.P. to falsely alter the ingredient listing before providing it to FDA.

b. In or about March 2012, after an FDA inspection of Raw Deal’s manufacturing facility, defendant STEINLIGHT ordered Raw Deal employees to destroy STEINLIGHT’s handwritten instructions on how to formulate dietary ingredients and blends, which documented the large quantities of “fillers” being added to Raw Deal’s products.

c. In or about April 2013, in response to a Raw Deal customer order of 25 kilograms of Odorless Garlic Powder, defendant STEINLIGHT directed Raw Deal employees to fill the order with a formulation consisting of 4 kilograms of garlic powder, 10.5 kilograms of white rice flour, and 10.5 kilograms of maltodextrin. After following these directions, Raw Deal employees shipped the product to the customer, at defendant STEINLIGHT’s direction, with a COA that failed to list either white rice flour or maltodextrin as

ingredients.

d. . . On or about July 15, 2013, in response to an email from a Raw Deal employee regarding a customer request for kosher certifications for cilantro powder, broccoli powder, and other products, STEINLIGHT directed the employee to obtain kosher certifications from suppliers other than the one from whom the allegedly kosher products were purchased, stating “Get [other supplier’s] Kosher Certs.. [other supplier] is Kosher Certified at least for the Cilantro .. get a spinach one from China .. use this cert for the Broccoli.”

e. . . On or about July 25, 2013, in response to an email from C.P. detailing that a particular Raw Deal customer was requesting COAs for Raw Deal product and inquiring which COA should be sent to the customer, defendant STEINLIGHT replied: “send him different COAs than the ones we would send [another named Raw Deal customer]...doesn’t matter where you get them from.”

f. . . On or about July 29, 2013, in response to an email from a Raw Deal employee inquiring about shipping a sample blend to a Raw Deal customer, defendant STEINLIGHT sent a reply email stating: “we don’t really need the Collard...we just need to match the color...remember?”

All in violation of Title 18, United States Code, Section 371.

FORFEITURE ALLEGATION


1. As the result of committing the offense of conspiracy to commit wire fraud, contrary to 18 U.S.C. § 1343, in violation of 18 U.S.C. § 371, the defendant, BARRY STEINLIGHT, shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said conspiracy offense, and all property traceable thereto, including, but not limited to, a sum of money equal to \$1,036,834, representing the proceeds of the offense charged in this Information.

Substitute Assets Provision

2. If any of the property described above, 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 person;
- (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 subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to forfeiture of any other property of the defendant, BARRY STEINLIGHT, up to the value of the forfeitable property.


PAUL J. FISHMAN
United States Attorney

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UNITED STATES OF AMERICA

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BARRY STEINLIGHT

INFORMATION FOR

18 U.S.C. § 371

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