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INDICTMENT CHARGES 5 MEN INVOLVED IN SCHEME TO STEAL AND SELL CATALYTIC CONVERTERS

Vanessa Roberts Avery, United States Attorney for the District of Connecticut, James Ferguson, Special Agent in Charge, ATF Boston Field Division, and Joleen D. Simpson, Special Agent in Charge of IRS Criminal Investigation. Boston Division, today announced the unsealing of a nine-count indictment that charges five men with federal offenses related to their participation in a stolen catalytic converter trafficking ring.

The indictment, which was returned by a federal grand jury in New Haven on August 16, charges **ALEXANDER KOLITSAS**, 28, of Wolcott; **BRYANT BERMUDEZ**, 31, of East Hartford; **ROBERTO ALICEA**, 30, of New Britain; **FRANCISCO AYALA**, 22, of Ansonia; and **THEODORE ROOSEVELT OWENS**, 21, of Hartford.

As alleged in court documents and statements made in court, law enforcement has been investigating the theft of catalytic converters from motor vehicles across Connecticut. A catalytic converter contains precious metals, can easily be removed from its vehicle, and is difficult to trace, making it a desirable target for thieves. The average scrap price for catalytic converters currently varies between $300 and $1,500, depending on the model and type of precious metal component.

The indictment alleges that Kolitsas owned and operated Downpipe Depot & Recycling LLC ("Downpipe Depot"), which had a warehouse on Park Avenue in East Hartford. Bermudez started working with Kolitsas at Downpipe Depot in November 2021. At Downpipe Depot, Kolitsas and Bermudez purchased stolen catalytic converters from a network of thieves, including Alicea, Ayala and Owens. Kolitsas and Bermudez instructed their suppliers on the types of catalytic converters that would obtain the most profit upon resale. Kolitsas and Bermudez then transported and sold the catalytic converters to recycling businesses in New York and New Jersey.

The indictment alleges that, as part of the scheme, Downpipe Depot received $237,329 via wire transfer shortly after Kolitsas transported a load of catalytic converters, including stolen converters, to Freehold, New Jersey, in October 2021. Also, on two occasions in March 2022, Kolitsas transported catalytic converters, including stolen converters, to Island Park, New York, and sold them for a total of approximately $300,000 in cash.

The indictment further alleges that Kolitsas and Bermudez acquired and maintained firearms as Kolitsas's residence and Downpipe Depot's warehouse.

"Catalylic converter thefts are more than just an annoying property crime for victims, they increase insurance rates for all car owners and increase pollution in the air we breathe," said U.S. Attorney Avery. "We have also seen a rise in violence connected to catalytic converter theft incidents. This criminal activity would not exist but for the salvagers and metal processors who orchestrate these thefts and purchase the stolen converters. I thank the ATF and IRS-Criminal Investigation agents, and all members of our partner state and local law enforcement agencies, for diligently investigating this matter and exposing the alleged participants in this scheme."

U.S. Attorney Avery noted that the investigation is ongoing.

"Organized criminal activity, such as this, is extremely costly to victims," said ATF Special Agent in Charge Ferguson. "Often times these types of crimes fund larger more violent criminal enterprises that place citizens at even greater risk. This indictment is an example of what can be accomplished when local, state, and federal law enforcement agencies work together."

"Today's arrests and indictments effectively shut down a multi-state property theft ring which peddled in stolen catalytic converters," said IRS-CI Special Agent in Charge Simpson. "While this is a first of its kind federal prosecution, we know that there are similar schemes all across the country. If nothing else, this case should serve as a stark warning to all of those involved in these types of schemes that it's not a matter of 'if' you will be brought to justice but 'when.'"

The indictment charges Koltisas, Bermudez, Alicea, Ayala and Owens with one count of conspiracy to transport stolen property, an offense that carries a maximum term of imprisonment of five years, and with one or more counts of interstate transportation of stolen property, an offense that carries a maximum term of imprisonment of 10 years.

The indictment also charges Kolitsas with one count of promotional money laundering, which carries a maximum term of imprisonment of 20 years, for using proceeds from the theft and sale of catalytic converters to purchase a Ford Transit Van. He is also charged with two counts of engaging in monetary transactions with proceeds of specified unlawful activity, an offense that carries a maximum term of imprisonment of 10 years on each count, related to his using Downpipe Depot funds to make a payment to a Mercedes Benz dealership in Florida, and to purchase a home entertainment system.

Kolitsas is also charged with one count of possession of firearms by an unlawful drug user or addict, an offense that carries a maximum term of imprisonment of 10 years.

On June 1, 2022, law enforcement executed multiple court-authorized search warrants and seized five firearms from Kolitsas, approximately $47,007 in cash from Kolitsas, approximately $20,100 in cash from Bermudez, approximately $8,020 in cash from Downpipe Depot, the Ford Transit Van, a 2018 Chevrolet Silverado, and a 2016 Polaris Slingshot. The indictment seeks the forfeiture of this property, as well as approximately $92,581 that is held in a Downpipe Depot bank account.

Kolitsas was surrendered to law enforcement today. His arraignment is scheduled for 12:30 p.m. via videoconference before U.S. Magistrate Judge Maria E. Garcia in New Haven.

Bermudez and Alicea were arrested yesterday. Bermudez is released on a $150,000 bond and Alicea is detained pending a hearing scheduled for August 26 at 3:00 p.m.

Ayala is currently in state custody, and Owens is currently in federal custody for an unrelated offense.

U.S. Attorney Avery stressed that an indictment is not evidence of guilt. Charges are only allegations, and each defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt.

This investigation is being led by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the Internal Revenue Service – Criminal Investigation Division (IRS-CI), and the East Hartford Police Department. The case is being prosecuted by Assistant U.S. Attorneys Lauren C. Clark and A. Reed Durham.

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