



Department of Justice

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TWO FLORIDA RESIDENTS PLEAD GUILTY TO DEFRAUDING AND THREATENING SPANISH-SPEAKING CONSUMERS

WASHINGTON - Two individuals charged with running a telemarketing operation that defrauded Spanish-speaking consumers pleaded guilty today to one count of conspiracy to commit mail fraud, the Department of Justice and U.S. Postal Inspection Service (USPIS) announced. Daniel Carrasco, 54, and Federico Martin Gioja, 45, both of Miramar, Fla., pleaded guilty in the U.S. District Court for the Southern District of Florida in Miami to charges alleging they owned and operated Florida companies that used a telemarketing sales room in Argentina to consistently lie to consumers about products they would receive and to threaten consequences of failure to pay for shipments.

“The Department of Justice is committed to protecting consumers from fraud,” said Stuart F. Delery, Assistant Attorney General for the Civil Division. “As these guilty pleas demonstrate, we will be particularly vigilant towards schemes that target specific populations, and we will not be deterred by those who seek to evade detection by changing the name of their fraudulent companies.”

Carrasco’s and Gioja’s telemarketers promoted products such as vitamins, lotions and English-language training products. They also promised buyers would receive valuable gifts such as expensive watches and perfumes, gift cards and medical assistance and insurance. However, the companies frequently did not deliver products ordered by consumers. Since the companies did not have many of the products they promised to send to consumers, consumers received other products instead. Then, after consumers refused delivery of the companies’ shipments, the Argentinian phone room telemarketers called and falsely threatened consumers with arrest, deportation or fines on their gas and electric bills.

Wifredo A. Ferrer, U.S. Attorney for the Southern District of Florida, stated: “Fraud, of any kind, is unacceptable. Fraud by threat and intimidation is particularly troublesome because it targets the perceived, but oftentimes real, vulnerabilities of those preyed upon. In this case, the defendants targeted Spanish-speaking consumers and falsely threatened them with arrest and deportation when the consumers refused delivery for products they had not ordered. Such tactics are intolerable. Together with the Department of Justice’s Civil Division, Consumer Protection Branch, we stand united to stem such fraud.”

As part of their guilty pleas, Carrasco and Gioja admitted they routinely changed the names of the companies under which they did business to evade consumer complaints, regulators and law enforcement. A variety of state agencies contacted the businesses regarding their illicit practices. Those working with Carrasco and Gioja, in emails cited in the affidavit in support of arrest, referred to these companies tainted by complaints as “burnt.” Rather than changing the “burnt” companies’ practices, Carrasco and Gioja incorporated new companies and started the same illegal practices again.

Also in pleading guilty, Carrasco and Gioja admitted their telemarketers falsely represented to consumers that they were affiliated with Spanish-language television networks. The alleged fraud first came to light when the Spanish language network Univision informed the USPIS they believed a company was involved in a fraud scheme in which it misrepresented its affiliation with the network. Subsequently, the Postal Inspection Service investigated the case, submitted the affidavit in support of the criminal complaint and arrested the defendants.

"The U.S. Postal Inspection Service is committed to unraveling operations that scheme to defraud innocent people," said Ronald Verrochio, U.S. Postal Inspector in Charge in Miami. "Our postal inspectors aggressively investigate mail fraud scams such as this one, with a concerted effort to protect consumers."

Carrasco and Gioja originally were charged by criminal complaint and arrested on June 26, 2013. Both defendants were later indicted on July 25, 2013. They have remained incarcerated since that time. Carrasco and Gioja, and a third individual, Romino Tasso, also were named in a civil suit filed by the Justice Department. In the civil case, the Justice Department requested and obtained a preliminary injunction barring further lies to consumers and freezing the assets of Carrasco, Gioja, Tasso and companies under their control.

Assistant Attorney General Delery commended the Postal Inspection Service for their investigative efforts and thanked the U.S. Attorney’s Office for the Southern District of Florida for their contributions to the civil case. The criminal case was prosecuted by Assistant Director Richard Goldberg with the Department of Justice’s Civil Division, Consumer Protection Branch and Assistant U.S. Attorney Timothy Abraham of the Southern District of Florida.

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