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****PRESS RELEASE****

TUESDAY, DECEMBER 6, 2011

**CITY ATTORNEY GATHERS WITH LAW ENFORCEMENT
PARTNERS TO DISCUSS CONTINUED EFFORTS TO COMBAT
COUNTERFEIT AND PIRACY CRIMES DURING HOLIDAY SEASON**

*Charges filed against local merchants for sale of counterfeit items and results of
multi-agency operation "Bell Bottoms II"*

LOS ANGELES – The City Attorney's Office today hosted a press conference to discuss continuing efforts to combat counterfeit and piracy crimes. The City Attorney was joined by representatives from the Federal Bureau of Investigation, Los Angeles County Sheriff's Department, Los Angeles Police Department, Motion Picture Association of America (MPAA), Recording Industry Association of America (RIAA), and Investigative Consultants (IC).

"The manufacture and sale of counterfeit merchandise is a serious offense," said City Attorney Carmen Trutanich. "I will do everything in my power to combat these illegal practices before innocent consumers and legitimate businesses in our community are harmed."

The City Attorney announced the recent filings of eight cases, including four new cases filed yesterday, involving the sale of counterfeit merchandise in the City.

Fahad Mohammad was charged with one count of sale of counterfeit merchandise. On October 25, 2011, Mohammad was caught trying to sell a fake Chanel watch with a retail value of \$4,800 to an undercover officer after advertising on Craig's List. He now faces up to one year in county jail and/or a fine of \$10,000.

Maria Torres was charged with two counts of sale of counterfeit merchandise. Torres sold multiple brands of counterfeit T-Shirts in Santee Alley, Downtown, with a retail value of over \$12,000. She now faces up to four years in county jail and/or a fine of over \$1 million.

Bilsan Garcia was charged with seven counts of counterfeit merchandise and one count of false imprisonment. On September 22, 2011, Garcia allegedly locked the doors to his store when he heard officers approaching and refused to let a customer out. Counterfeit items with a

retail value of almost \$35,000 were seized. Garcia faces up to eight years in county jail and/or over \$2.5 million in fines.

Hassan Bilal was charged with three counts of counterfeit merchandise. On July 1, 2011, during an LAPD and Investigative Consultants (IC) joint operation, Bilal was caught offering to sell counterfeit watches to undercover officers in Santee Alley, Downtown. Counterfeit items with a retail value of \$60,000 were seized. Bilal now faces up to one year in country jail and/or a fine of \$500,000.

The City Attorney's Office Tobacco Enforcement Unit is also prosecuting a case involving the seizure of over 180 cartons of cigarettes with counterfeit tax stamps. **Samuel Dzhulfayan**, dba Water R Us, was charged with four counts of violations of the Revenue and Taxation Code and Business and Professions Code. The defendant is waiting for his arraignment. He faces up to 4 years in jail and/or \$12,000 in fines.

City Attorney Trutanich also applauded the outstanding work of the Federal Bureau of Investigation, Los Angeles Police Department, Investigative Consultants, as well as his prosecutors in the Safe Neighborhoods Division and Gang Division during a multi-agency operation, "Bell Bottoms II", which took place on November 17, 2011, to crackdown on the sales of counterfeit goods in Downtown Los Angeles.

During this takedown, law enforcement seized \$23,000 in cash, \$446,000 in counterfeit goods and arrested 10 people.

In addition, the City Attorney's Office filed nuisance abatement lawsuits against three downtown businesses, El Soclo, Moda Bivalvi, Inc., and Bell of California No. 1, for the alleged sale of counterfeit goods.

El Socalo (201 E. Pico Boulevard) and its owners, Ikhlas Kassim Salim and Ahmad Salim, were sued for allegedly selling and/or possessing for sale at least 7,643 counterfeit items with a retail value of approximately \$639,750.

Moda Bivalvi Inc. (218 E. Pico Boulevard), owner Hamze Khaled Tehfe, and business operator Khaled Kassem Tehfe, were sued for allegedly selling and/or possessing for sale at least 2,608 counterfeit items with a retail value of at least \$444,230.

Bell of California No. 1, Inc. (220 E. Pico Boulevard) and its owners and operators, Hector Ramon Barraza, Linda Castro, Elsa Baraza, Claudia Venegas, and Francisca Morrone, were sued for allegedly selling and/or possessing for sale at least 546 counterfeit items with a retail value of \$446,360.

On all three properties, the lawsuits seek a permanent injunction closing the businesses, restrictions on defendants' future employment as well as a "stay-away" order preventing Defendants from returning to the Fashion District. Civil penalties of up to \$2,500 for each violation of California's anti-counterfeiting laws are also being sought.

City Attorney Trutanich also acknowledged his strong partnership with the Motion Picture Association of America (MPAA) and the Recording Industry Association of America (RIAA).

The City Attorney's Office supported anti-piracy legislation (SB 550) that was recently signed by the Governor. The new law will help reduce music and movie piracy by allowing inspections and verification to ensure that large-scale disc replicating plants are complying with California anti-piracy laws. The law takes effect January 1, 2012.

Counterfeit goods sales disproportionately harm the City and County Los Angeles. The Los Angeles Economic Development Corporation (LAEDC) found that counterfeit goods cost the retail sector \$2 billion in losses and \$5.2 billion in overall lost revenue to the Los Angeles County economy in 2005. According to the LAEDC, piracy costs the Los Angeles economy 106,000 jobs across nine sectors, for a total of \$4.4 billion in lost wages each year. Counterfeiters typically do not pay sales taxes, which depletes the City's General Fund of revenues that could be used for parks, streets, libraries and public safety.

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