



National Intellectual Property Rights Coordination Center

Stakeholder Update

from the IPR Center's

Outreach and Training Section



HSI investigates counterfeit sex enhancement pill distribution network

The pills were branded as 'herbal' medicine

LOS ANGELES – A three-year investigation by Homeland Security Investigations (HSI) into a criminal organization responsible for illegal imports and sales of male sexual enhancement pills branded and marketed as 'herbal' medicine has resulted in multiple criminal convictions. The convictions are part of a larger investigation into the importer and initial distributor of the drug, eventually identified as John Lee, who was recently sentenced to 100 months in federal prison.

Earlier this month, Manuel Gonzalez, owner/operator of M. Gonzalez Distribution, was convicted in the Central District of California on charges that resulted in \$127,000 in criminal fines, three years' probation, 100 hours of community service and enrollment in a compliance program.

Contenda Health and Cranfords

Chase Cranford was convicted on charges that resulted in criminal fines totaling \$778,000. A federal judge imposed a sentence of five years' probation, 400 hours of community service and a ban on selling any ingestible products or pills for life.

Randall Cranford was convicted and sentenced to 300 hours of community service and banned from selling any ingestible pill or product for life. He was also ordered to pay \$10,000 in criminal fines.

Contenda Health was convicted and sentenced to one year of probation. There was no criminal fine, per the request of the government.

Premiere Sales Group and Ronald Scott

Ronald Scott was convicted. His sentence included \$20,000 in criminal fines, five years' probation, and 400 hours of community service. In the same court, Premier Sales Group was convicted on charges that resulted in \$500,000 in criminal fines, five years' probation, and enrollment in a compliance program. All of the convictions occurred in the Central District of California.

BACKGROUND

In July 2016, HSI special agents in Los Angeles, with the assistance of HSI special agents in Pittsburgh, began an investigation into parcels from China that were being shipped from Pittsburgh to Los Angeles. An inspection of the parcels, seized by Customs and Border Protection, revealed a white powdered substance comprised of ingredients used in male sex enhancement drugs. The counterfeit products containing substances that require a medical prescription posed a potential threat to public health.

The HSI-Los Angeles-led Trade Fraud and Cultural Property Group – with expertise investigating the illicit trafficking of counterfeit narcotics – determined the true identity of an individual listed as "Mr. Park" to be John Lee.

As a result of the investigation into Lee and his activities, HSI-Los Angeles served multiple search warrants on properties owned and/or linked to him, resulting in 26 seizures including more than 100 kilograms of counterfeit Tadalafil, a drug used to treat erectile dysfunction, with an estimated street value of more than \$373 million. Agents also seized a bank account with more than \$400,000 cash.

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