



IPRC CONNECTIONS

Intellectual Property Rights Coordination Center

JULY 2020

Operation Stolen Promise seizures top \$5 million



Homeland Security Investigations (HSI) Baltimore special agents teamed up with Maryland law enforcement partners, seizing more than 14,000 unapproved COVID-19 treatment capsules and several unapproved COVID-19 test kits as part of Operation Stolen Promise (OSP), a national enforcement effort combatting COVID-19 fraud and other related criminal activity.

In one seizure, HSI-Baltimore, Customs and Border Protection (CBP) and Maryland Natural Resources Police intercepted a shipment of unapproved COVID-19 test kits that originated in China. In another case, HSI special agents and U.S. Postal Inspection Service (USPS) inspectors intercepted a package from Hong Kong containing nearly 500 unapproved COVID-19 treatment capsules. Seizures elsewhere have also included personal protective equipment.

As of June 26, HSI special agents have seized more than \$5 million dollars in illicit proceeds; made 29 arrests; executed 56 search warrants; and analyzed more than 44,000 COVID-19 domain names. Working with CBP, nearly 800 shipments of mislabeled, fraudulent, unauthorized or prohibited COVID-19 test kits and other related items have been seized.

IPR Center participates in COVID-19 health fraud webinar

THE GLOBE AND MAIL EVENTS

VIDEO

SLIDES

Coronavirus Health Fraud: Discussion

Moderator:

- Alexandra Posadzki
Telecom Reporter
The Globe and Mail
@alexposadzki
- Sandra Hanna
Pharmacist and CEO,
Neighbourhood Pharmacy
Association of Canada
@pharmacy_CAN
- Steve K. Francis
Assistant Director, HSI Global
Trade Investigations Division,
and Director,
National IPR Coordination
Center
@IPRCenter
- April Miller
Assistant Attaché,
Homeland Security
Investigations
U.S. Consulate General
Toronto
@usconsortoro
- Jeffrey Thomson
Senior RCMP Intelligence
Analyst, Canadian Anti-
Fraud Centre
@canantifraud

Presenting Sponsor: **ASOP CANADA** Tech issues? Let us know in the Q&A panel. Powered by **THE GLOBE AND MAIL EVENTS**

National Intellectual Property Rights Coordination Center Director Steve Francis joined law enforcement authorities and healthcare experts from the U.S. and Canada on a webinar to discuss the rise in COVID-19 health fraud, and – more importantly – what’s being done to address it. Francis, who also serves as an assistant director of HSI’s Global Trade Investigations Division (GTID), pointed out that fake pharmaceuticals sold as ‘cures’ for COVID-19 are among the most harmful items seized since the launch of OTS in April. Other participants included:

April Miller, assistant attaché with HSI assigned to the U.S. Consulate General in Toronto. She pointed out that authorities often intercept fake products at U.S.-Canadian border crossings.

Sandra Hanna, a practicing pharmacist and CEO of the Neighbourhood Pharmacy Association of Canada, who said 90 percent of websites selling pharmaceuticals are not legitimate pharmacies.

Jeffrey Thomas, senior Royal Canadian Mounted Police intelligence analyst with the Canadian Anti-Fraud Centre, who revealed that less than five percent of fraud is reported because many victims of fraud are embarrassed and reluctant to come forward.

The webinar was presented by The Globe and Mail in partnership with the Alliance for Safe Online Pharmacies. You can listen to the entire presentation [here](#).

IPR Center hosts webinars supporting global pandemic enforcement efforts

The IPR Center's Outreach and Training Unit held its first webinar to discuss Operation Stolen Promise with field personnel to help them address issues associated with COVID-19 enforcement efforts. IPR Center National Program Manager Bobbie Smith conducted the webinar for more than 40 participants representing supervisors and agents assigned to various HSI field offices throughout the country.

The IPR Center conducted a webinar for more than 60 members of the United Arab Emirates law enforcement community on efforts to help ensure public safety during the pandemic. Speaking on behalf of the GTID, IPR Center Director Steve Francis explained how HSI's Operation Stolen Promise (OSP) leverages public, private, and international partnerships to identify and dismantle COVID19 related criminal activity that ultimately strengthens global supply-chain security.

The IPR Center also participated in a webinar hosted by HSI Singapore to provide information on HSI's response to the criminal activity surrounding COVID-19. IPR Center Program Manager Bobbie Smith detailed OSP for nearly 40 officials representing Singapore law enforcement, customs, financial and health investigative agencies.

The IPR Center also teamed up with the National Targeting Center (NTC) for the second in the series of training and informational webinars for field personnel supporting efforts against counterfeit and fraudulent items that have emerged as a result of the COVID-19 pandemic. It focused on the NTC role in OSP and the resources it offers to assist with investigations related to commercial fraud and IPR violations.

Counterfeit designer face masks seized in New Orleans, Shreveport



CBP officers assigned to the ports of New Orleans and Shreveport seized more than 2,000 unapproved face masks bearing counterfeit designer logos. In a shipment seized in early June, CBP inspectors discovered more than 1,200 face masks with Burberry, Supreme and Gucci logos. A second shipment was discovered in Shreveport, containing nearly 1,000 face masks bearing Chanel logos. Both shipments were seized for bearing counterfeit trademarks. The shipments were found in express consignment facilities and had been shipped from Vietnam and China.

Exporting defective, misbranded masks leads to federal charge

A Chinese manufacturer faces charges of producing and exporting more than 140,000 misbranded and defective masks into the U.S., falsely purported to be KN95 respirators, in a case investigated by HSI, U.S. Postal Inspection Service, CBP, FDA, Secret Service, and the National Institute for Occupational Safety and Health. Here's the full [story](#).

Massachusetts home forfeited, website seized in probe of weapons of mass destruction

The U.S. Attorney's Office in Boston has filed a civil forfeiture action against a Waltham home that was the former residence and business location of a couple previously indicted in connection with a scheme to smuggle goods out of the United States while supplying services to Syria. The U.S. website of the Syrian-based company Electronic Katranji Trading (ekt2.com) was also seized for allegedly facilitating the illegal export of merchandise from the U.S. The actions follow an HSI-Boston investigation conducted jointly with Boston's FBI field office. The Department of Commerce and Defense Criminal Investigative Service assisted with the investigation. Here's [more](#).

46-month jail terms for trafficking counterfeit DVDs

A federal judge in Covington, Kentucky has sentenced three individuals to 46 months each in federal prison for trafficking in counterfeit DVDs. All three pleaded guilty in October 2019 after being implicated in a conspiracy to sell counterfeit DVDs which were imported from China and sold via eBay over a two-year period. Click here for more [details](#).

Did You Know... that the theft of intellectual property is costing the United States and its companies at least \$300 billion a year? It's just one of many findings listed in the U.S. Intellectual Property Enforcement Coordinator's Annual Intellectual Property Report to Congress. Read more about it on www.iprcenter.gov



The IPR Center encourages companies and private industry organizations to help fight (IP) theft and trade law violations by displaying the "Report IP Theft" button on websites that will link users with a form to detail their allegations. For more information on how to obtain this tool, please visit our website: <https://www.iprcenter.gov>.

For more information on these stories, or to submit information for stories in future editions of *IPRC Connections*, please contact Chuck Jackson, charles.e.jackson@ice.dhs.gov, or (703) 603-3941. In the meantime, you can follow us on Twitter: [@IPRCenter](https://twitter.com/IPRCenter)