

December 4, 2009

No Saint

Houston Division Tackles Alleged New Orleans Schemer Who Targeted Retirees

It's all about "safeguarding your nest egg," Matthew Pizzolato cooed to retirees lulled into investing with Gulf Region Guaranty, Inc. and its 19 affiliated companies in southern Louisiana, including New Orleans and Baton Rouge. It was more about feathering his own nest, a federal grand jury in New Orleans had decided, charging Pizzolato in a 64-count Ponzi scheme that allegedly defrauded 160 investors of nearly \$20 million. As "one of the (self-described) top 10 financial planners in the United States," Pizzolato assured elderly clients their life savings would be "immune from market volatility and secure from losses." Instead, the 26-year-old spent nearly all of their money on such purchases as an elaborate home, luxury cars, cruises, sporting events (he's a big fan of the New Orleans Saints, the New Orleans Hornets, and Louisiana State University teams), and a \$35,000 diamond engagement ring. Other funds went into high-risk futures trading, commercial real estate, and millions of dollars handed out to family and friends. He used the mail extensively to correspond with his investors, lured into the scheme from newspaper ads laced with adjectives such as "guaranteed," "safe," "no-risk," "conservative," and "insured" to describe his investment offerings that promised higher than market-rate returns. He also used the mail to make "lulling payments" that kept investors from questioning his scheme, the indictment charges. Inspector Richard Batchelder of the Houston Division's New Orleans Field Office is the case Inspector.

What Happens in Vegas?

Find Out: Join the Baker-to-Vegas Challenge Cup Relay Team

The annual Baker to Vegas Challenge Cup Relay (B2V) across the Mohave Desert is the largest, and perhaps most prestigious, athletic event in law enforcement. Each spring the arduous 120-mile course that begins in Baker, CA, and ends on the famous Las Vegas Strip draws 5,000 runners. They're clustered into some 250 teams representing local, state, and federal law enforcement agencies from Arizona to Australia and most places in between. The race's 20 legs range from 4.5 miles to just over eight miles; some legs cover flat desert and others encompass challenging mountainous terrain. Every runner enjoys protection and encouragement from a support vehicle crew until handing off the baton to a

teammate at the leg's completion. "The end of the race is something to be seen, as all the teams gather at the finish line inside the Las Vegas Hilton Hotel, and where the race ends, the party begins," says Los Angeles Division Inspector David McKenna, who is organizing the Inspection Service team for the 2010 B2V Relay, scheduled for April 17 – 18. "It is my considered opinion that the B2V Challenge Cup Relay is the premier law enforcement event in the world," Inspector McKenna says. "I also think it's the single most important liaison event for the Inspection Service, not to mention the camaraderie and esprit de corps it fosters within our ranks." He's inviting runners and supporters from all divisions to join the Inspection Service team. Time is short, though, since teams must register by the end of December. Dig out those running shoes and reach Inspector McKenna at 323-586-1971; or dbmckenna@uspis.gov. Inspectors must remember that since they will be representing the Inspection Service each Division participating in the Relay must complete PS Form 3337-A prior to participating. These forms will be forwarded by the INC, through the appropriate DCI, to National Headquarters for review and approval. Within thirty days following the end of the relay the participating divisions must complete PS Form 3337-B to document how this event benefited the agency. The completed PS Form 3337-B will also be forwarded through channels to National Headquarters.

Growth or Consequences

Human Growth Hormone Importer, Distributor Now Faces Decades in Prison

You can't just stroll into a local pharmacy and buy Human Growth Hormone (HGH), but you could order it from Rana Hunter. After an investigation conducted by the Los Angeles Division-sponsored Identity Theft and Economic Crime (ITEC) Task Force, a federal jury in California has convicted Hunter of smuggling HGH into the United States from China and selling it to doctors and spas across the country. Hunter's business, Westgate Distributors, claimed to offer Botox for sale in addition to HGH; laboratory analysis showed the HGH was genuine, but the substance being sold as Botox contained no *Botulinum toxin*. The investigation that began in March 2007 tracked numerous packages containing vials of HGH and counterfeit Botox from China to Westgate's mailbox in Marina Del Ray, CA. Hunter, who has been imprisoned since her arrest 17 months ago, was also convicted of identity theft in the scheme, which used identities from newspaper obituaries to further Internet sales. She faces up to 39 years in prison when she is sentenced February 8. ITEC was established five years ago in response to increased complaints of identity theft in Southern California. Since its inception, the ITEC Task Force has arrested more than 260 suspects, executed nearly 530 search warrants, and seized more than \$2.4 million in assets. Los Angeles Division Inspector Eric Shen led the Hunter investigation.

Software Sleuthing

SF Division Tracks California Counterfeiter via Post Office Box in Nevada

Last February San Francisco Division Inspectors initiated an investigation into counterfeit Adobe Systems software being distributed through the mail. The probe led to Roosevelt Anderson, Jr., who had established a seller account on *PriceGrabber.com*, where he

advertised Adobe products. He also sold software on his Web site, *anderson9000.com*, which accepted postal money orders for payment. The site directed the payments to be mailed to a Post Office box rented in Anderson's name in Las Vegas, where he also used a commercial mail receiving agency to accept returns from dissatisfied customers. A federal search warrant executed on three of Anderson's e-mail accounts revealed he was also selling counterfeit Apple and Microsoft software. Case Inspector Chris Morris, who arrested Anderson in Las Vegas during Thanksgiving week, says special thanks are due to Inspector Gregory Boyakins and Contract Fraud Analyst Bob Hernandez of the Los Angeles Division's Las Vegas Domicile for their assistance in the investigation, which was handled solely by the Inspection Service. The case, with charges of mail fraud and criminal copyright infringement, is being prosecuted in the Northern District of California.

Listen Up!

Straight from the Chief:

The Chicago Division's arrest of a former Major League Baseball player, Seattle Mariners pitcher Bobby Madritsch, reminded me how consistently the Inspection Service is knocking homeruns out of the park in our pursuit of organizations and individuals who use the mail to traffic in narcotics. We were the lead agency in the Chicago case, and Inspector Freddie Lorenzana was the case Inspector in the arrest of Madritsch, who accepted and signed for a Priority Mail package containing more than 14 pounds of marijuana. We're making drug arrests and getting convictions across the country, often as a result of fine cooperation among divisions. Here are a few of our recent successes.

- n The New York, Los Angeles, and San Francisco divisions—working on an investigation led by New York case Inspector Jim Buthorn—have disrupted an Asian drug trafficking ring. They arrested seven suspects who allegedly used Express Mail to ship almost 400 pounds of marijuana with a street value of more than \$2.5 million, as well as narcotics-generated cash concealed in hollowed-out books.

- n Inspector June Beinhorn of the Denver Division's St. Paul, MN, Field Office led an investigation resulting in the indictments of Nicholas Lundsten and Patrick Barron for receiving counterfeit drugs from China and illegally mailing more than 1,500 Click-N-Ship drug parcels.

- n Boston Division Inspector John Stassi and Inspector Sam Perez of the Newark Division's San Juan Field Office collaborated to arrest two suspects for sending 16 Express Mail parcels containing cocaine.

- n New York Division case Inspector Enzo Grgurovich successfully investigated and arrested suspects who used Express Mail to traffic in large quantities of narcotics; one case involved cocaine mailed from Puerto Rico, and the other (originating with a tip from the Phoenix Division) is believed to be part of a significant marijuana trafficking operation in the Rosedale, NY, area.

- n Up north, a methamphetamine trafficker who was also fond of Express Mail has been convicted thanks to great teamwork by Inspector-Team Leader April Hindin and Inspectors Andrea Avery, Michael Kaminski, and Norman Longaza of the Seattle Division's Anchorage, AK, Domicile.

Worth Reading:

FederalNewsRadio.com: [Collector Sells \\$3.2 Million Stamp Collections to Help Expand Smithsonian Postal Museum](#)

AZCentral.com: [80 Girls in Arizona, Nation Sent Sexually Explicit Letters](#)

FederalTimes.com: [OPM Director: Managers Need Options for Dealing with Poor Performers](#)

U.S. Postal Inspection Service Public Web Site: [Inspectors in the News](#)

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Comments? E-mail us at update@uspis.gov

Got a question for the Chief Postal Inspector? E-mail him at CPI@uspis.gov