

MEDIA REPORTS – MIDDLE EAST CONNECTION

ORGANIZED RETAIL CRIME

Detroit Free Press: March 30, 2006 – Nine members of an alleged Dearborn-based smuggling operation were arrested Wednesday, accused of taking part in a global scheme involving bootlegged cigarettes, phony Viagra and counterfeit tax stamps, and sending a cut of their illicit profits to Hizballah. The gang was also involved in the theft of infant formula. The 37-page indictment charges the group with a racketeering conspiracy and lists more than 100 separate criminal acts by its various members.

The Detroit News: December 24, 2005 – The FBI is investigating criminal ties between members of the international street gang Mara Salvatrucha and fencing rings operated by Middle Easterners suspected of trafficking in millions of dollars in stolen medicine and other retail goods. FBI Director Robert S. Mueller III has said fencing operations working with similar rings are suspected of providing support to terrorist groups such as Hamas and Hizbollah.

The Christian Science Monitor: June 29, 2005 – In Texas, Operation Blackbird uncovered a retail theft gang that specialized in reselling stolen infant formula where proceeds were wired to the Middle East. The FBI has traced money from these traffickers back to nations where terrorist groups, such as Hamas and Hizbullah, are active. Texas authorities seized some \$2.7 million in stolen assets, including \$1 million worth of infant formula.

Texas Star Telegram: April 6, 2004 - Law enforcement authorities in North Texas successfully broke up an organized retail crime ring that specialized in the theft of baby formula, glucose strips, nicotine patches, razor blades and Viagra. The ring generated millions of dollars in illegal proceeds, some of which went overseas to countries such as Jordan and Egypt.

CBS News: May 11, 2005 - CBS News reported that this North Texas retail crime ring was investigated by the FBI's Joint Terrorism Task Force and other law enforcement agencies, including the alleged shipment of millions in illegal proceeds to the Middle East to help finance terrorist groups.

Wall Street Journal: February 27, 2004 - In North Carolina, four people were arrested on charges relating to the theft of infant formula and that the group could be part of a larger operation that resells stolen infant formula and funnels the money to terrorist groups.

Ohio G2 Bulletin: October 6, 2003 – Police in Cincinnati broke a money laundering scheme using dozens of convenience stores in the city's poorest neighborhoods. More than \$100 million was raised by selling stolen goods including cigarettes and teeth-whitening stripes. Police and prosecutors believe the money might have been used to fund terrorism around the globe.

The Arizona Republic: July 30, 2003 – A terrorism task force of federal and state agents arrested 15 individuals accused of trafficking more than \$22 million in stolen infant formula. These individuals are facing charges of conspiracy to commit interstate transportation, receipt of stolen property and conspiracy to commit money laundering.

Washington Post: August 12, 2002 – Arab gangs in Canada truck millions of tablets of pseudoephedrine – an over-the-counter medicine ingredient into the United States where it is sold to Mexican gangs that use it to manufacture methamphetamine. Authorities have tracked \$10 million in the gang's profits to the Middle East