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STEVEN M. LARIMORE CLERK U.S. DIST. CT. S.D. OF FLA. MIAMI

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
12-20216-CR-GRAHAM/GOODMAN**

Case No. _____
18 U.S.C. § 371
18 U.S.C. § 1956(h)
18 U.S.C. § 981
18 U.S.C. § 982

UNITED STATES OF AMERICA

vs.

WILLIAM D. RODRIGUEZ,

Defendant.

_____ /

INFORMATION

The United States Attorney charges that:

GENERAL ALLEGATIONS

At all times relevant to this Information:

Federal Law Governing the Distribution of Prescription Drugs

1. The Prescription Drug Marketing Act of 1987 ("PDMA") required that any person or entity that engaged in the wholesale distribution in interstate commerce of prescription drugs be licensed by the State from which the person or entity distributed the drugs. Under the PDMA, the term "wholesale distribution" is defined as the distribution of drugs other than to a patient or consumer.

2. The PDMA required that each person or entity who engaged in the wholesale distribution of prescription drugs and who is not the manufacturer or an authorized distributor of such drugs, before each wholesale distribution of such drugs, must provide to the purchaser of

the drugs a statement that identifies each prior sale, purchase, or trade of the drug, including the date of each transaction and the names and addresses of all parties to the transaction. This statement is commonly referred to as a “pedigree.”

3. The PDMA was part of the Federal Food, Drug, and Cosmetic Act (“FDCA”), the law enacted by Congress to regulate the approval, manufacture, distribution, and safety of prescription drugs in the United States.

4. The Food and Drug Administration (“FDA”) was an agency of the United States Department of Health and Human Services. The FDA was responsible for enforcing the FDCA and PDMA.

Prescription Drug Diversion

5. Prescription drug “diversion” refers to various ways in which prescription drugs are removed from lawful distribution channels and then reintroduced into the wholesale marketplace for eventual resale to individual consumers. Common types of diversion include theft and buying prescription drugs from patients who are willing to resell their medications.

Corporations

6. Ocean Pharmed LLC (“Ocean”) was incorporated in or around March, 2007, in the State of South Carolina and had principal places of businesses in Irmo and Columbia, South Carolina. Ocean was licensed under South Carolina law as a wholesale distributor of prescription drugs.

7. Medpharma LLC (“Medpharma”) was incorporated in or around June, 2008, in the State of South Carolina and had a principal place of business in Columbia, South Carolina. Medpharma was licensed under South Carolina law as a wholesale distributor of prescription drugs.

The Defendant

8. The defendant, **WILLIAM D. RODRIGUEZ**, was a resident of Miami-Dade County, and controlled the operations of Ocean and Medpharma.

COUNT 1
Conspiracy to Defraud the United States and Commit Federal Offenses
(18 U.S.C. § 371)

1. Paragraphs 1 through 8 of the General Allegations Section of this Information are realleged and incorporated by reference as though fully set forth herein.

2. From in or around March 2007, and continuing through in or around July 2009, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

WILLIAM D. RODRIGUEZ

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate, and agree with others known and unknown to the United States Attorney to defraud the United States by impairing, obstructing, and defeating, and attempting to impair, obstruct, and defeat, the lawful functions of the Food and Drug Administration, an agency of the United States Department of Health and Human Services, and to commit certain offenses against the United States, that is:

a. to knowingly engage in the wholesale distribution in interstate commerce of prescription drugs subject to Title 21, United States Code, Section 353(b), in the State of Florida, without being licensed by the State of Florida, in violation of Title 21, United States Code, Sections 331(t), 333(b)(1)(D), and 353(e)(2)(A);

b. to knowingly engage in the wholesale distribution of a prescription drug subject to Title 21, United States Code, Section 353(b), with intent to defraud and mislead, and, before each such distribution, to fail to provide to the person who receives the drug a statement that

identifies each prior sale, purchase, and trade of such drug, in violation of Title 21, United States Code, Section 331(t), 333(a)(2), and 353(e)(1)(A);

c. to knowingly transport, transmit, and transfer in interstate commerce any goods, wares, and merchandise, of the value of \$5,000 and more, knowing the same to have been stolen, converted, and taken by fraud, in violation of Title 18, United States Code, Section 2314; and

d. to knowingly receive, possess, conceal, store, barter, sell and dispose of any goods, wares, and merchandise, of the value of \$5,000 and more, which have crossed a State boundary after being stolen, unlawfully converted, and taken, knowing the same to have been stolen, unlawfully converted, and taken, in violation of Title 18, United States Code, Section 2315.

Purpose of the Conspiracy

3. It was the purpose of the conspiracy for the defendant and his co-conspirators to unlawfully enrich themselves by: (a) distributing prescription drugs wholesale where such drugs had been acquired from unlicensed distributors and otherwise diverted; (b) transferring and reselling diverted prescription drugs; and (c) impeding the FDA in its oversight of wholesale prescription drug distribution and in protecting consumers from the dangers posed by diverted prescription drugs.

Manner and Means of the Conspiracy

The manner and means by which the defendant and his co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

4. **WILLIAM D. RODRIGUEZ** purchased and caused to be purchased wholesale quantities of prescription drugs in the State of Florida from individuals he knew were not properly licensed to engage in the wholesale distribution of prescription drugs and who had

diverted the drugs from lawful channels of wholesale distribution, including drugs that had been stolen from interstate cargo shipments or purchased in street-level transactions from individuals who were willing to sell their own prescription drugs.

5. **WILLIAM D. RODRIGUEZ** caused diverted prescription drugs to be sent by private and commercial interstate carriers from the Southern District of Florida to Ocean and Medpharma in South Carolina.

6. **WILLIAM D. RODRIGUEZ** caused diverted prescription drugs to be delivered to Ocean and Medpharma by trucks that traveled in interstate commerce.

7. **WILLIAM D. RODRIGUEZ** negotiated the sale of diverted prescription drugs from Ocean and Medpharma to a South Carolina-based company that was owned and controlled by another member of the conspiracy. **RODRIGUEZ** sold the diverted prescription drugs at a price well below their typical wholesale acquisition cost.

8. The South Carolina-based company resold the diverted drugs wholesale, causing them to be distributed into interstate commerce, where they eventually were acquired by retail pharmacies, which filled prescriptions for unsuspecting consumers.

9. To avoid detection of the scheme, **WILLIAM D. RODRIGUEZ** and his co-conspirators created and used false and fraudulent records, including false pedigrees and invoices, in order to create the fiction that the prescription drugs had been acquired and distributed lawfully.

10. To facilitate the scheme, **WILLIAM D. RODRIGUEZ** and his co-conspirators used interstate wire communications, including facsimile transmissions, emails, and wire transfers.

Overt Acts

In furtherance of the conspiracy, and to accomplish its objects and purpose, at least one of conspirators committed and caused to be committed, in the Southern District of Florida, and elsewhere, at least one of the following overt acts, among others:

1. On or about March 18, 2008, **WILLIAM D. RODRIGUEZ** sent an email from Miami-Dade County to a co-conspirator in South Carolina, attaching a document entitled "Acct # 2," a list of unlicensed prescription drug wholesale distributors from whom **RODRIGUEZ** was purchasing prescription drugs and reselling them to the company of the co-conspirator in South Carolina.

2. On or about March 19, 2009, **WILLIAM D. RODRIGUEZ** sent a facsimile from Miami-Dade County consisting of a fraudulent drug pedigree statement that falsely identified a nationally known authorized distributor of prescription drugs as the source of prescription drugs that were being sold by MedPharma to a co-conspirator in South Carolina.

All violation of Title 18, United States Code, Section 371.

COUNT 2
Conspiracy to Commit Money Laundering
(18 U.S.C. § 1956(h))

From in or around March 2007, and continuing through in or around July 2009, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

WILLIAM D. RODRIGUEZ,

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate, and agree with persons known and unknown to the United States Attorney to commit violations of Title 18, United States Code, Section 1957, that is: to engage in

monetary transactions by, through, and to a financial institution, affecting interstate and foreign commerce, such transactions involving criminally derived property of a value greater than \$10,000 and such property having been derived from specified unlawful activity, in violation of Title 18, United States Code, Section 1957.

It is further alleged that the specified unlawful activity was knowingly receiving in interstate commerce unlawfully converted merchandise of the value of \$5,000 or more, in violation of Title 18, United States Code, Section 2315.

All in violation of Title 18, United States Code, Section 1956(h).

FORFEITURE
(18 U.S.C. §§ 981 and 982)


1. The allegations of Counts 1 and 2 of this Information are realleged and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture to the United States of America of certain property in which the defendant, **WILLIAM D. RODRIGUEZ** may have an interest.

2. Upon a conviction of a conspiracy to violate Title 18, United States Code, Section 2315, pursuant to Title 18, United States Code, Section 371, as alleged in Count 1 of this Information, defendant, **WILLIAM D. RODRIGUEZ**, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), as incorporated by Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes, or is derived from, proceeds traceable to such violation.

3. Upon a conviction of a violation of Title 18, United States Code, Section 1956(h), as alleged in Count 2 of this Information, the defendant, **WILLIAM D. RODRIGUEZ**, shall forfeit to the United States any property, real or personal, involved in such violation, or any property traceable to such property, pursuant to Title 18, United States Code, Section 982(a)(1).

4. The property which is subject to forfeiture includes, but is not limited to, the following: the sum of \$55,000,000 which sum represents the gross proceeds obtained, directly or indirectly, by the defendant as a result of the commission of the violations alleged in Counts 1 and 2.


All pursuant to Title 18, United States Code, Sections 981 and 982, Title 28, United States Code, Section 2461, and the procedures outlined in Title 21, United States Code, Section 853, as made applicable by Title 18, United States Code, Section 982(b)(1).



WIFREDO A. FERRER
UNITED STATES ATTORNEY



JON M. JUENGER
ASSISTANT UNITED STATES ATTORNEY



DAVID A. FRANK
TRIAL ATTORNEY
U.S. DEPARTMENT OF JUSTICE
CONSUMER PROTECTION BRANCH

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

CASE NO. _____

vs.

CERTIFICATE OF TRIAL ATTORNEY*

WILLIAM D. RODRIGUEZ,

Defendant.

Superseding Case Information:

Court Division: (Select One)

X Miami _____ Key West _____
_____ FTL _____ WPB _____ FTP _____

New Defendant(s) Yes _____ No _____
Number of New Defendants _____
Total number of counts _____

I do hereby certify that:

- I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
- I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) Yes
List language and/or dialect Spanish

4. This case will take 0 days for the parties to try.

5. Please check appropriate category and type of offense listed below:

	(Check only one)		(Check only one)
I	0 to 5 days <u>X</u>	Petty	_____
II	6 to 10 days _____	Minor	_____
III	11 to 20 days _____	Misdem.	_____
IV	21 to 60 days _____	Felony	<u>X</u>
V	61 days and over _____		

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes: Judge: _____ Case No. _____
(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) No

If yes: Magistrate Case No. _____

Related Miscellaneous numbers: _____


Defendant(s) in federal custody as of _____

Defendant(s) in state custody as of _____
Rule 20 from the _____ District of _____

Is this a potential death penalty case? (Yes or No) No

7. Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? _____ Yes X No

8. Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to September 1, 2007? _____ Yes X No



JON M. JUENGER
ASSISTANT UNITED STATES ATTORNEY
Florida Bar No./Court No. 56108

*Penalty Sheet(s) attached

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: WILLIAM D. RODRIGUEZ

Case No:

Count #: 1

Conspiracy to Defraud the United States and Commit Federal Offenses

Title 18, United States Code, Section 371

* Max. Penalty: Five (5) years' imprisonment

Count #: 2

Conspiracy to Commit Money Laundering

Title 18, United States Code, Section 1956(h)

*Max. Penalty: Ten (10) years' imprisonment

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**