

Operation Bullpen



**Federal Bureau of Investigation
Internal Revenue Service
U. S. Attorney's Office**

**San Diego, California
April, 2000**

Operation Bullpen Speakers Order of Appearance



William D. Gore
Special Agent in Charge
Federal Bureau of Investigation

Gregory A. Vega
United States Attorney
Southern District of California

Michael S. Kochmanski
Chief of Southern California District
Criminal Investigation Division
Internal Revenue Service

Mr. Tony Gwynn
San Diego Padres



Operation Bullpen Guests



Kevin M. Hallinan
Executive Director of Security
Major League Baseball

Sergeant Bob Nunley
San Diego Police Department
Major League Baseball Security for the
San Diego Padres

Richard McWilliams
President
The Upper Deck Company

Anthony West
Security Operations Supervisor
The Upper Deck Company

Katherine Sai Wichmann
Department Administrator
Investigations/Security
The Upper Deck Company



Operation Bullpen Table of Contents



Speakers - Order of Appearance.....	i
Guests.....	ii
Table of Contents.....	1
Crime Problem.....	2
The Investigation	3
The Takedown.....	5
Accomplishments.....	7
Selected Search Results.....	13
Violations.....	15
Public Awareness.....	16
Investigating Agencies.....	18
Seized Items.....	19
Disposition of Evidence.....	20
Information.....	21
Notes	



Operation Bullpen Crime Problem

During the 1990's, the FBI identified a major problem threatening the entire sports and celebrity memorabilia market. In the mid-1990's, the Chicago Division of the FBI initiated a sports memorabilia fraud investigation targeting a group of individuals who forged, fraudulently authenticated, and distributed Chicago athletes' autographed memorabilia, (including Michael Jordan). To date, this case has resulted in the conviction of fourteen individuals in five states (Illinois, California, New Jersey, Massachusetts, and Minnesota) involved with forging and distributing forged memorabilia. Information developed by the Chicago FBI's "Foul Ball" investigation suggested that the problem might be national in scope.

While it is impossible to definitely estimate the percentage of forged memorabilia, most industry experts concede that over half of the autographed memorabilia is forged. In fact, some cooperating subjects and memorabilia experts believe that up to ninety percent of the memorabilia on the market is forged. Industry experts estimate that the autographed memorabilia market in the United States is approximately \$1 billion per year. Using these estimates, forged memorabilia comprises between \$500,000,000 and \$900,000,000 of the market.

In 1997, the FBI in San Diego utilized the information from Operation Foul Ball and by the Upper Deck Company to institute an undercover operation designed to infiltrate the nationwide memorabilia fraud network.

The FBI (and the United States Attorney's Office) invited the Internal Revenue Service, Criminal Investigation Division, to participate in this investigation in order to take advantage of their ability to document money laundering and tax violations, as well as their expertise in tracing proceeds to identify unreported income.

Another trafficker told the Undercover Agent that the Internet is a great method of selling forged memorabilia because it is not policed by anybody. A trafficker also emphasized that by obtaining bogus Certificates of Authenticity, you are buying a scapegoat. This same trafficker told the Undercover Agent that he rationalizes selling forgeries to the public by thinking about how good the forged memorabilia makes the customer feel as long as they don't know it is fake.

Others involved in the illegal trade recommended to the Undercover Agent that he change his business name and location regularly to avoid law enforcement detection, boasting that his current business can disappear in a few minutes. One conspirator stated, it is all about the money...greed and that he did not understand why people are so greedy, that there is enough money for everyone.

During the investigation, various conspirators became suspicious about a law enforcement investigation and scheduled a breakfast meeting at a restaurant in Carlsbad, California. The conspirators discussed how to avoid law enforcement detection, attempted to identify individuals who might cooperate with law enforcement and developed a strategy if confronted by law enforcement, in which they would tell them to not say one word. All of these statements were overheard by several pairs of Agents having breakfast at adjacent tables.

The investigation also revealed that the conspirators attempted to avoid detection by conducting transactions in cash and by using nominee names on bank accounts and other assets. Many maintained substantial amounts of currency which they used to pay bills, purchase vehicles and real estate, and additional memorabilia.

The San Diego Office of the FBI also sought and received the assistance of professional baseball players Tony Gwynn of the San Diego Padres and Mark McGwire of the St. Louis Cardinals. Both athletes assisted the FBI by identifying forgeries of their autographs and thus provided investigators significant leads regarding the identities of individuals involved in this illegal activity.

Operation Bullpen The Investigation

In 1997, the Government devised an undercover scenario in which an Undercover Agent would pose as a distributor of American memorabilia in Asia. This scenario enabled the FBI to purchase evidence without being forced to sell forged items to the public. It also made the criminals more likely to openly discuss the counterfeit nature of the memorabilia because it was "going overseas" beyond the reach of U. S. law enforcement agencies. To support this "cover story", the FBI established the Nihon Trading Company in Oceanside, California. The goal of the Undercover Operation was to infiltrate the forged memorabilia market and obtain recorded statements from those individuals who were identified as forgers, authenticators and distributors of fraudulent memorabilia.

The key evidence in this investigation was recorded statements which provide evidence of the individuals knowing involvement in forging, fraudulently authenticating and/or distributing forged memorabilia. In total, the San Diego Division of the FBI conducted well over 1,000 consensually recorded audio and video tapes. During the consensually recorded conversations, numerous co-conspirators made incriminating statements which illuminate the nature and common practices involved with sports memorabilia fraud. For example, one of the conspirators liked to joke to the Undercover Agent how Mickey Mantle still has one arm out of the grave doing autographs. Other conspirators were noting how Wilt Chamberlin was still available for signing weeks after his death.

Another conspirator used to complain about memorabilia retailers who sold the forged memorabilia too cheaply, thus calling attention to the industry. The same conspirator told the Undercover Agent that sooner or later they (the FBI) are going to

Operation Bullpen The Takedown

On October 13, 1999, based upon an extensive amount of evidence, Special Agents of the FBI and the Internal Revenue Service executed approximately sixty (60) search warrants at residences and businesses in five (5) states, including California, New Jersey, Nevada, Pennsylvania, and Florida. Over 400 Special Agents were involved in the operation.

While executing the search warrants, the FBI and IRS seized over \$500,000 cash and approximately \$10 million of forged memorabilia. The seized memorabilia included over 10,000 forged baseballs, signed by a variety of athletes and celebrities:

- Mother Teresa
- President Ronald Reagan
- Babe Ruth
- Ty Cobb
- Mickey Mantle
- Roberto Clemente
- Mark McGwire
- Sammy Sosa
- Tony Gwynn

The FBI and IRS also seized or purchased hundreds of "cut" autographs. These are pieces of paper containing an autograph of an individual who has died many years ago. The autograph cuts which were seized or purchased included:

- George Washington
- Abraham Lincoln
- Teddy Roosevelt
- John F. Kennedy
- Jimmy Dean
- Marilyn Monroe
- Elvis Presley
- James Cagney
- Walt Disney

- Charles Caplin
- Ty Cobb
- Babe Ruth
- Christy Mathewson
- Cy Young
- Robert Clemente

The government investigation revealed that the counterfeiters used ink, writing implements and paper which were produced when the forged individual was living. To acquire the "old paper", they tore blank pages from old books which they purchased at thrift stores.

The evidence seized during this investigation is currently being stored in a 10,000 square foot warehouse.

Operation Bullpen Accomplishments

To date, Operation Bullpen has accomplished a wide variety of objectives. One of the most significant accomplishments is the infiltration and dismantlement of a major, nationwide network of forgers, authenticators, wholesalers, and retailers. This organization is responsible for the creation and sales of up to \$100 million of forged memorabilia. This network distributed forged memorabilia directly to retailers in fifteen states including California, Nevada, Arizona, Oregon, Hawaii, Kansas, Illinois, Florida, Georgia, Tennessee, South Carolina, New Jersey, New York, Massachusetts, and Pennsylvania. In addition, the wholesalers sold forged memorabilia to retail businesses and consumers in virtually every state in the country.

The first group of individuals is scheduled to be arraigned on fraud and tax charges on or about April 11, 2000. This group of individuals includes forgers:

Greg Marino
Angelo Marino
Mike Moses
Mike Lopez
David Tabb
Richard Mitchell.

This group also includes a number of authenticators and distributors:

1. Wayne Bray

Date of Birth: July 9, 1964

Residence: San Marcos, California

Authenticator and Wholesaler, dba:

- a. Sports & Celebrity Authentic Autographs
San Marcos, California and
- b. WW Sports Cards
San Marcos, California

2. **John Marino**

Date of Birth: June 3, 1963
Residence: Escondido, California

Gloria Marino

Date of Birth: September 29, 1935
Residence: Escondido, California

Kathleen Marino

Date of Birth: March 20, 1961
Residence: Escondido, California
Assisted Forgers and Wholesalers, dba:
Front Page Art
Escondido, California

Greg Marino

Date of Birth: March 26, 1961

Angelo Marino

Date of Birth: May 21, 1932

3. **Mike Moses**

Date of Birth: January 30, 1967
Residence: Newport Coast, California
Forger, Wholesaler, and Authenticator, dba

- a. Sports Management Group
Aliso Viejo, California
- b. Universal Authentic Memorabilia
San Clemente, California
- c. Sports Alley
Laguna Niguel, California

Robyn Moses

Wholesaler
Date of Birth: June 2, 1966
Residence: Newport Coast, California

4. **Reno Ruberti**

Date of Birth: November 21, 1957
Residence: San Clemente, California
Wholesaler, d.b.a.
Universal Authentic Memorabilia
San Clemente, California

Karen Ruberti

Date of Birth: April 1, 1959

5. **David Tabb¹**

Date of Birth: January 13, 1967

Residence: Costa Mesa, California

Forger, Wholesaler, and Authenticator, d.b.a.

- a. Hollywood Dreams
Santa Ana, California
- b. Classic Memorabilia
Santa Ana, California
- c. Hollywood Collectibles
Santa Ana, California

6. **Ricky Mitchell**

Date of Birth: August 1, 1969

Residence: San Diego, California

Forger and Wholesaler

7. **Mike Lopez**

Date of Birth: January 16, 1958

Residence: Rosemead, California

Forger and Wholesaler, d.b.a.

International Sports Marketing

Rosemead, California

8. **Mike Bowler**

Date of Birth: September 6, 1951

Residence: Oceanside, California

Forger and Wholesaler, d.b.a.

- a. Catch a Star
Oceanside, California
- b. JMC Distributors
Oceanside, California
- c. J & M Sports Cards
Oceanside, California

¹Tabb was the subject of two television investigative reports regarding the sale of forged memorabilia in the lobbies of theaters in California and Arizona.

9. **Ricky Weimer**
Date of Birth: November 15, 1946
Residence: Escondido, California
Wholesaler, d.b.a.
Rick's Collectibles
Escondido, California
10. **Sheldon Jaffe**
Date of Birth: November 21, 1934
Residence: Tustin, California
Wholesaler, d.b.a.
Shelly's Cards
Tustin, California
11. **Richard Laughlin**
Date of Birth: June 16, 1944
Residence: Mission Viejo, California
Wholesaler, d.b.a.
Framed Images
San Juan Capistrano, California
12. **Michael Tapales**
Date of Birth: December 10, 1966
Residence: Buena Park, California
Wholesaler and "Runner", d.b.a.
Prime Time Sports Cards
Buena Park, California
13. **Carmen "Chip" Lombardo**
Date of Birth: November 20, 1956
Residence: Del Mar, California
Wholesaler, d.b.a.
Home Field Advantage
Del Mar, California
14. **Jon Hall**
Date of Birth: August 27, 1941
Residence: San Diego, California
Retailer, d.b.a.
Del Mar Sports Cards
San Diego, California

15. **Lowell Katz**
Date of Birth: September 17, 1963
Residence: Long Beach, California
Retailer, d.b.a.
The Beautiful and the Unusual
Long Beach, California

16. **Bruce Gaston**
Date of Birth: October 1, 1961
Residence: San Diego, California
Retailer, d.b.a.
La Jolla Sports Cards
La Jolla, California

17. **Frosty Golembeske**
Date of Birth: August 24, 1951
Residence: Fullerton, California
Retailer, Wholesaler, d.b.a.
Frosty's

18. **Anthony Marino**
Wholesaler d. b. a.
Pro Sport Memorabilia
Date of Birth: October 22, 1957
Residence: Apple Valley, California

19. **Scott Harris**
Wholesaler, d. b. a.
Universal Authentic Memorabilia
Date of Birth: March 14, 1931
Residence: San Clemente, California
Mary Lou Harris
Wholesaler, d. b. a.
Universal Authentic Memorabilia
Date of Birth: October 17, 1932
Residence: San Clemente, California

The Government's investigation in San Diego is continuing and it is anticipated that many additional individuals will be charged with fraud and tax evasion charges.

In addition to charging all those responsible with fraud and tax offenses, the

FBI and the IRS - Criminal Investigation Division are seizing assets, assessing fines, and determining tax liability. The seized assets include two homes with a combined value of approximately \$1,000,000, a 38-foot boat valued at \$34,000, jewelry worth approximately \$56,000, a Ferrari, a Harley Davidson Sportster, and cash or fines totaling over \$1,000,000.

Through the execution of approximately sixty (60) search warrants and Undercover Agent/Informant evidence purchases, the FBI and the IRS seized approximately \$10,000,000 of forged memorabilia which would have been sold to the unsuspecting public.

Operation Bullpen

Selected Search Results

	Baseballs	Photos/ Posters	Bats	Cuts	Jerseys	Hats/ Helmets	Other Balls, Pucks	Albums, CDs, etc	Misc.
La Jolla Sports Cards (Bruce Gaston) La Jolla, CA	264	145	39	0	19	70	12	0	96 Lithographs
Shelly's Cards (Shelly Jaffe) Tustin, CA	144	104	13	1	4	22	1	0	
Home Field Advantage (Chip Lombardo) Del Mar, CA	40	30	1	0	0	6	9	0	
Mike Lopez Rosemead, CA	40	110	80	0	96	33	5	0	
Ricky Weimer Escondido, CA	66	151	206	31	3	0	5	0	44 Lithos
Framed Images (Dick Laughlin) San Juan Capistrano CA	0	45	1	50	2	1	0	0	
LNN (Nate Harrison) San Marcos, CA	322	0	0	300	300	150	50	0	
Universal (Mike Moses) San Clemente, CA	14	47	3	1	0	5	6	2	
Ricky Mitchell San Diego, CA	100	20	3	10	0	1	0	0	
Catcha Star (Mike Bowler) Oceanside, CA	85	804	7	50	7	75	77	61	200 Lithos
Beautiful/Unusual (Lowell Katz) Long Beach, CA	0	180	0	85	0	0	0	5	

Forrest Golembeske Fullerton, CA	15	17	0	0	4	0	288	0	25 Lithos
Mike Moses Newport Coast, CA	234	180	31	0	38	44	15	0	
John Marino Escondido, CA	150	310	19	100	10	7	30	0	
WWSC San Marcos, CA	60	50	1	50	0	0	12	20	
Del Mar Sports Cards (Jon Hall) Del Mar, CA	100	350	25	50	4	3	20	20	
Dave Tabb Costa Mesa, CA	1	260	0	2	0	0	0	2	
Greg Marino Escondido, CA	20	60	0	2	2	1	0	1 Guitar	300 Lithos
Bristol Storage Orange County, CA	15	4	10	0	1	1	5	0	
A+ Storage (Rino Ruberti) Orange County, CA	224	350	54	0	20	13	53	8	

Operation Bullpen Violations



Mail Fraud

Title 18, United States Code
Section 1341

Wire Fraud

Title 18, United States Code
Section 1343

Racketeering

Title 18, United States Code
Section 1961

Money Laundering

Title 18, United States Code
Section 1956 and 1957

Trafficking in Counterfeit Goods

Title 18, United States Code
Section 2320

Tax Offenses

Title 26, United States Code
Sections 7201 and 7206

Conspiracy

Title 18, United States Code
Section 371



Operation Bullpen Public Awareness

Perhaps the most important objective of this investigation is to increase public awareness regarding the substantial memorabilia fraud problem which may account for upwards of \$500,000,000 in losses annually. While there are legitimate and reputable companies selling authentic memorabilia, the industry has been plagued with high-quality forgeries making it difficult for legitimate companies to compete. It also defrauds thousands of unsuspecting consumers each year.

While the only way to absolutely guarantee that the autographed memorabilia is authentic is to personally witness the autograph, there are several ways to avoid becoming a memorabilia fraud victim. These recommendations include:

✓ *If the price is too good to be true, it is probably a fake.* If a company offers an autographed item well below competitors prices and market value, then consumers should be wary. An example would include Michael Jordan basketballs, which some companies sell for as low as \$150.00. Given Jordan's current exclusive contract with Upper Deck and difficulties associated with obtaining his autograph, the Tuff Stuff Magazine market value of an autographed Jordan Basketball is \$500, while Upper Deck Michael Jordan autographed basketballs retail for up to \$1,500. (Caution - a high price does not by any means suggest authenticity either.)

✓ *Certificates of authenticity are not guarantees of authenticity.* Individuals and companies involved with selling forged memorabilia often include a Certificate of Authenticity, allegedly from a third party expert. Often, the authenticator is either a knowing or unknowing, but incompetent, participant in the fraud. Carefully read the Certificate of Authenticity, looking for the authentication "language", an address, telephone number and name of the authenticators. Do not accept copies of Certificates of Authenticity.

✓ *A photograph of an athlete or celebrity signing an autograph is no guarantee the item is authentic.* This investigation revealed that it is a common practice of forged memorabilia traffickers to include a photograph of the athlete/celebrity signing the item along with a Certificate of Authenticity. Traffickers also include photographs of themselves with the athlete/celebrity to lend credibility to their forged memorabilia.

✓ An individual or company having a paid signing session with an athlete or celebrity is no guarantee of authenticity. Operation Bullpen has revealed that is a common practice for forged memorabilia traffickers to "mix-in" forged memorabilia with items signed during an autograph session. For example, a company may pay to have an athlete sign 500 items. After the signing, the company will "mix-in" forgeries with the authentic autographs. The company also may continue to sell forged items after the authentic items have been sold claiming that they were from the autograph session.

✓ The method of selling the memorabilia should not affect skepticism about the items authenticity. The investigation revealed that forged memorabilia traffickers sell their forgeries through a variety of methods which may lend credibility to the forgeries. One such sales method is through charity auctions in which the trafficker splits the profits with the charity. At charity auctions, buyers often overpay for items and do not question the authenticity of the memorabilia. Traffickers also sell forged items through trade publications, television shopping networks, trade shows, retail businesses, and the Internet.

✓ Before purchasing autographed memorabilia, especially "vintage" or deceased athlete/celebrity memorabilia, ask questions about the history and circumstances relating to the autograph. Be wary of far-fetched or elaborate stories which are difficult, if not impossible to verify. Common false stories suggest connections to an athlete, or "runners" employed to get autographs. Whenever possible, attempt to verify the history and circumstances of the autographed items before making the purchase.

✓ If an individual is seeking an autograph of a current player, send a request for an autograph directly to the athlete's team. Include a letter requesting that the enclosed item be autographed along with a self-addressed, stamped envelope or container. Only send photographs, cards or baseballs. Large items such as bats and jerseys should not be sent directly to the athlete. In the letter requesting an autograph, request information relating to where you can purchase authentic autographed items if the athlete does not sign autographs through mailed requests. The athlete or the team may direct the buyer to a company which has an autograph contract with the athlete.

✓ To counter the forged memorabilia problem, many athletes and celebrities are either creating their own autograph company or are signing exclusive contracts with specific sports memorabilia companies. Dealing directly with the athlete's company or with an exclusive contract company will greatly reduce the likelihood of purchasing forged memorabilia.

Operation Bullpen Investigating Agencies



Federal Bureau of Investigation
San Diego Division

Internal Revenue Service
San Diego Office



Other agencies which have assisted in this investigation include:

The Upper Deck Company

New York City Department of Consumer Affairs

Major League Baseball

San Diego Padres

eBay

San Diego Police Department

Oceanside Police Department

California State Attorney General's Office



Operation Bullpen Seized Items

U. S. Currency	\$409,838
Bank Accounts (3)	\$239,330
Bank Account (1)	\$101,000
Miscellaneous Items of Jewelry	\$ 56,274
Authentic Items of Miscellaneous Sports and Celebrity Memorabilia	\$50,000 (estimate)
Fraudulent Items of Miscellaneous Sports and Celebrity Memorabilia	\$10,000,000 (estimate)
1999 Maxum Vessel	\$ 34,000
1997 Harley Davidson Motorcycle	\$ 6,350
1983 Ferrari	\$ 33,000
One Residence in San Marcos, California	\$195,000
One Residence in Escondido, California	\$700,000
E-Trade Account	\$ 35,000 equity
Total Value	<u>\$11,859,792</u>

Operation Bullpen Disposition of Evidence



The majority of seized autographed sports equipment
will be donated to local charities after the
items have been marked as forgeries.





United States District Court
Southern District
of
California

Information

