

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

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For Immediate Release

**FORMER PRO CYCLIST FLOYD LANDIS ADMITS DEFRAUDING DONORS AND AGREES
TO PAY HUNDREDS OF THOUSANDS OF DOLLARS IN RESTITUTION**

NEWS RELEASE SUMMARY - August 24, 2012

United States Attorney Laura E. Duffy announced that former professional cyclist Floyd Landis appeared today in Federal Court in San Diego before Magistrate Judge Jan M. Adler and entered a Deferred Prosecution Agreement in which he admitted defrauding 1,765 individuals who donated money to the Floyd Fairness Fund. Landis also agreed to repay \$478,354 in restitution as a result of receiving these funds based upon falsely representing to victims that he had not used performance enhancing drugs ("PEDs") during his career as a professional cyclist.

According to the charging documents, during his career as a professional cyclist, Landis raced for a number of teams including the United States Postal Service and Phonak cycling teams. In 2006, Landis won the Tour de France (the "Tour") while racing for Phonak. Landis's victory, however, was vacated when France's National Laboratory for Doping Detection ("LNDD") found that his urine "A" sample (taken after Stage 17 – St. Jean de Maurienne to Morzine) tested positive for the presence of exogenous (not naturally produced) testosterone. This adverse analytical finding was triggered because Landis's test

sample contained an unusually high ratio of the hormone testosterone to the hormone epitestosterone (*i.e.*, a T/E ratio of approximately 11:1).

The charging documents reveal that Landis denied the use of exogenous testosterone and the International Cycling Union ("UCI") subsequently tested his "B" sample. Pursuant to UCI protocol, the "B" sample was tested at LNDD by a different laboratory analyst for the presence of exogenous testosterone. The results of this test were also positive for the presence of testosterone, which was not produced naturally by his own body. Based upon the "B" sample test results, Landis was disqualified from the 2006 Tour and stripped of his title. UCI protocol, though, mandated that the final decision as to whether Landis used a performance enhancing drug ("PED") fell within the jurisdiction of USA Cycling, the national cycling federation in the United States. USA Cycling, in turn, deferred the decision to the United States Anti-Doping Agency ("USADA"), the national anti-doping organization for Olympic-related sports in the United States.

After an initial attempt to have USADA's review board dismiss the charges failed, Landis engaged in a lengthy legal battle with USADA. On September 20, 2007, an American Arbitration Association panel upheld USADA's finding that Landis had, in fact, tested positive for testosterone. This result led to Landis being officially banned from the sport for two years. Landis appealed the finding of the arbitration panel to the Court of Arbitration for Sport ("CAS"). On June 20, 2008, the Court denied Landis's appeal. In September 2008, Landis moved in federal District Court to vacate CAS's decision. This case was withdrawn by the parties with prejudice in December 2008.

Court records also reveal that when litigating the propriety of his 2006 positive test result, Landis spent over \$2 million. These funds were derived from a variety of sources, including the Floyd Fairness Fund, which was established to "support Floyd Landis against unsubstantiated doping allegations." In 2007 and 2008, Landis and the fund raised \$478,354 from 1,765 donors. These donations – as well as additional funds – were raised through town hall-style meetings, online videos, charity rides, a book, and personal appeals. Although the purpose of the Floyd Fairness Fund was multifaceted, Landis's appeal to donors was based, in large part, on his consistent denial of having used PEDs during his professional cycling career. For example, in his 2007 book, *Positively False: The Real Story of How I Won the Tour de*

France, Landis falsely claimed: "I did not use PEDs in the 2006 Tour de France or any other time in my career." Landis repeated this lie in a wide variety of venues following the 2006 Tour and throughout 2007, 2008 and early 2009 (including the time he was soliciting donations for the Floyd Fairness Fund).

In truth, Landis's repeated denials to using PEDs were false. As Landis himself admitted in May 2010, he used a staggering array of PEDs – including several forms of testosterone, human growth hormone, insulin, pregnancy hormones, and erythropoietin (commonly referred to as "EPO") – throughout his professional career. Although Landis maintains that he did not use exogenous testosterone immediately prior to Stage 17 of the 2006 Tour, he admitted to having used PEDs while with the United States Postal Service and Phonak cycling teams, and to "blood doping" – a process in which an athlete receives transfusions (typically of their own blood) to replenish red blood cells during competition.

According to Assistant United States Attorneys Phillip L.B. Halpern and Peter J. Mazza who handled the case, the government has agreed to ultimately dismiss the Information filed against Landis in three years provided he makes restitution to the donors and otherwise lives up to the term of the agreement. The prosecutors observed that Landis has previously acknowledged that he "lied to trusting people" who donated funds on his behalf; now it is time for him to pay back the people who he knowingly deceived.

United States Attorney Duffy praised the enforcement work by the FBI who diligently pieced together the full scope of the charity fraud.

DEFENDANT **Criminal Case No. 12cr3481-BEN**

Floyd Landis

SUMMARY OF CHARGES

Count 1: Title 18, United States Code, Section 1343 – Wire Fraud
 Maximum penalties: 20 years custody; \$250,000 fine; \$100 S/A; 3 year supervised release.

INVESTIGATING AGENCY:

Federal Bureau of Investigation