

By Postal Inspector Barry G. Mew,
San Francisco Division

from *Pakistan* to the *United States*

**U.S. Postal Inspectors
Untangle a Web of Mail
Fraud, Credit Card
Fraud, Internet Fraud,
and Identity Theft**

Khurram Iftikhar was an unproductive college drop-out in Karachi, Pakistan. With a loan from his father, he started a business selling used refrigerators, air conditioners, VCRs, and TVs, which he sold in the United Arab Emirates. Most of his products were shipped through Singapore.

The business eventually failed, but not before Iftikhar learned a lot about shipping routes and freight-forwarding operations in Asia, Europe, and America. He already knew about online auction sites. He also knew he could easily steal credit card numbers from auction transactions. And he couldn't resist the temptation.

Soon Iftikhar was auctioning non-existent equipment, stealing credit card numbers of buyers, and using them to order more equipment online. Naturally, he never sent the buyers any of the items they had paid for. In legal terms, that's "failure to deliver." That's mail fraud. That's what put U.S. Postal Inspectors on Iftikhar's tail.

Meanwhile, new and refurbished computers, inkjet cartridges, laptops, memory cards, Intel processors, monitors, printers, and CD drives flowed into Pakistan. Most of it got there after traveling from the United States and Canada through Singapore, and through the United Arab Emirates. Tracking the shipments was difficult, because several freight-forwarding companies were used.

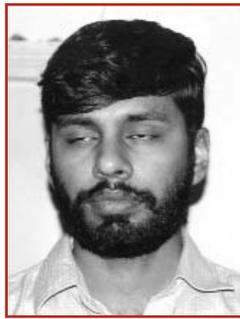
Postal Inspector Barry Mew was still new to the



intricacies of Internet fraud when he took a call from the Monterey, California, Sheriff's Office in November 1999. The deputy reported that someone using an alias of Alexy Stanley had ordered Hewlett Packard inkjet toner cartridges from Office Depot's Internet Web site and had paid for them with a stolen credit card. The delivery address was a Mail Boxes Etc., but the MBE clerk had orders to forward the packages to Singapore.

Alexy Stanley had faxed his (bogus) photo ID to Mail Boxes Etc. along with prepaid shipping labels with forwarding addresses in Paris, Singapore, and the United Kingdom. There were now multiple reports of similar Internet purchases made with stolen cards. All of the items were delivered to various Mail Boxes Etc. stores, and each store had instructions to ship the customer's mail overseas.

Inspector Mew called MBE's manager of Public Affairs to suggest the chain issue a nationwide fraud alert to its stores. The tactic was immediately successful,



Khurram Iftikhar

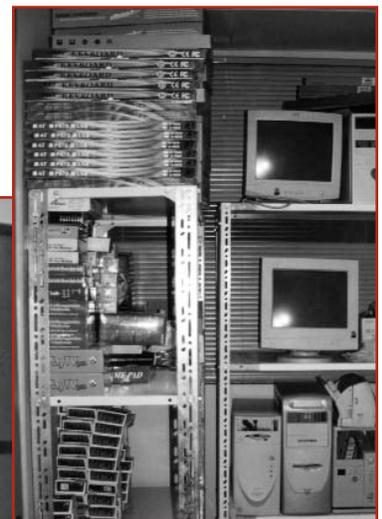
prompting new reports of fraudulent transactions. Mew then helped MBE set up "red flags" for clerks so they could recognize and halt bad transactions, return the fraudulently ordered items to merchants, and help gather intelligence on the growing problem. The Inspector also spoke with Office Depot's regional loss prevention manager, Mike Ogden, and got lists of his store's bad online transactions and dollar losses. Mike Riebs, a Hewlett Packard investigator in Boise, Idaho, provided Mew with information showing the online buyer was accessing the Internet from sites in Pakistan and the United Arab Emirates.

Postal Inspector Mew next spoke with the people whose credit cards had been stolen and used to purchase the online goods. After interviews and analyses, Inspector Mew identified the one thing shared by all of the

victims: Each had bought computer items online at Internet auction sites, such as Yahoo.com and Ubid.com. Fraudulent charges to Internet merchants began appearing shortly thereafter. Mew knew the auctions were scams, set up only for the purpose of stealing people's credit card numbers.

Inspector Mew had to put the case on hold when he was assigned to the FBI's Emergency Operations Center in San Francisco, part of the Postal Inspection Service's response to the tragic events of September 11, 2001, and the anthrax mailings. In between answering emergency calls, Mew mentioned the Singapore fraud scheme to fellow investigators at the center.

Michael Pak, a U.S. Customs senior special agent sitting nearby, showed interest in the case. Pak was transferring to an investigative assignment in Singapore. The men exchanged



Iftikhar's store



e-mail addresses for future follow-up.

Inspector Mew's next step was to contact Singapore Police overseas. He asked the officers about an address where the stolen goods were being shipped. But it was another dead end: The address belonged to Merstar, a freight-forwarding company that gave them no information.

Mike Ogden set up new procedures at Office Depot to capture the online addresses of buyers. Inspector Mew could now see the fraudulent orders were coming from Dubai in the United Arab Emirates and from Karachi, Pakistan. Western Union money transfers sent to Mail Boxes Etc. also came from Dubai.

U.S. Customs Agent Michael Pak called Inspector Mew in March 2002. Agent Pak and Singapore Police checked the Merstar address Mew gave them. Pak told Mew the packages were held at Merstar until they could be shipped, via Emirates Airlines, to a company called Topoli, located in Dubai. When Agent Pak spoke with Emirates Airlines, he learned that, when the shipments arrived in Dubai, they were forwarded yet again, this time to a company called Fast Track in Karachi, Pakistan.

But Agent Pak had already given Inspector Mew the name of the person he considered to be the primary suspect in the case, based on information he'd gotten from Mew and Pakistani police. It was a Karachi man, Khurram Iftikhar.

U.S. Customs Senior Special Agent Brian Whitlock in Great Forks, North Dakota, called Inspector Mew in October 2002 after he was alerted to the fraud scheme by Mail Boxes Etc. in North Fargo. Agent Whitlock helped Mew convey case information to Pak in Singapore via U.S. Customs communications channels. At the time, MBE reported forwarding nearly 60 shipments of computer merchandise to Singapore, all of it ordered with stolen credit card numbers.

Senior Special Agent Michael Pak traveled to Karachi in November 2002 and spoke with the U.S. Consulate's Security Advisor Zahoor Bashir and Regional Security Officer Michael Lombardo about the case. They exchanged information on computer addresses being used to place



**U.S. Consulate Security Advisor in Karachi
Zahoor Bashir**



**Former Regional Security Officer in Karachi
Michael Lombardo**



Michael Pak, former U.S. Customs Senior Special Agent and now eBay's Director of Trust and Safety for Asia-Pacific



U.S. Customs Senior Special Agent Brian Whitlock

the fraudulent orders. Mr. Bashir also began communicating via e-mail with Inspector Mew, who compiled the information and began to track the transactions over the Internet.

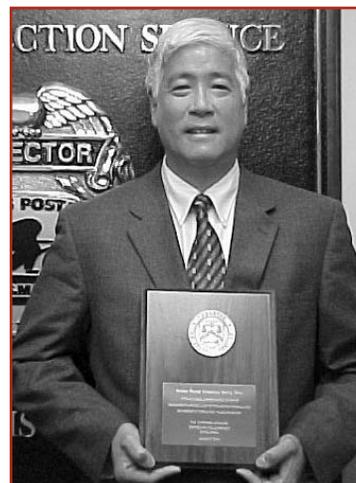
In December 2002, Pak went with Singapore Police to the Merstar International freight-forwarding company at the Changi Airport in Singapore. They examined and photographed 29 shipments of Compaq, Dell, and Gateway equipment that had arrived recently from the United States. The shipments had already been consolidated at Merstar's warehouse, but were waiting for shipping instructions and payment from the customer. The customer was Khurram Iftikhar.

Mew continued to track reports from the many MBEs who were still shipping merchandise. Then he got a long-awaited call from Karachi on December 20. Based on information received from the Postal Inspection Service and provided to U.S. Customs, the Federal Investigation Agency (FIA) in Karachi had intercepted and seized two shipments of 15 allegedly stolen Gateway laptop computers that had been sent from Dubai to Karachi. FIA agents detained the two men who arrived to pick up the items. Both shipments were under consignment to Fast Track, a

computer company in Karachi owned by Khurram Iftikhar, and had been ordered from Topoli Electronics in Dubai.

The Federal Investigation Agency conducted searches at four sites related to Khurram Iftikhar: his Fast Track store, his home, and two storage warehouses he used. The agents seized 200 computer-related items, plus more than 100 Hewlett Packard printers from one of the warehouses.

FIA agents arrested four men, including Khurram Iftikhar. They were kept in custody for six months without bail—an almost unheard of punishment in that country. The four now await prosecution.



U.S. Postal Inspector Barry Mew, San Francisco Division, received a plaque in August 2003 from the U.S. Customs office in Singapore in appreciation for his "tremendous effort and outstanding cooperation" in the case.

Special thanks go to Michael Pak, former U.S. Customs Senior Special Agent and now eBay's Director of Trust and Safety for Asia-Pacific, for his outstanding efforts in Singapore and Pakistan on this case. More thanks and appreciation for outstanding work go to Zahoor Bashir, U.S. Consulate Security Advisor in Karachi; Michael Lombardo, former Regional Security Officer in Karachi; Brian Whitlock, U.S. Customs Senior Special Agent in Grand Forks, North Dakota; and the Federal Investigation Agency of Karachi, Pakistan, for helping to stop this international fraud scheme.

Postal Inspectors Put \$100 Million Federal Reserve Note—and Its Owner—Out of Commission

New Jersey financial management company Pershing, a subsidiary of Credit Suisse, handled securities clearances, offered investment banking, and managed large-scale business development projects around the world. On June 14, 2000, Pershing Vice President William Talbot got a call from Felix McElroy, a broker from Advantage Capital. McElroy's client, Kevin Jackson, wanted to

redeem a 1934 Federal Reserve note. The note had a face value of \$100 million.

Inspector Patricia Mathews. Inspector Mathews listened to the story and agreed to take the case. Then she got approval to use electronic surveillance. AUSAs John Carney and Patrick Rocco, along with Inspectors Pat Mathews and J.V. Barret, devised a plan, which Talbot



By Postal Inspector Patricia Mathews, New Jersey/Caribbean Division

Talbot was suspicious. In his long career as a securities expert, he'd never heard of a Federal Reserve note issued at that amount. He told McElroy to mail the paperwork to Pershing's offices and to have Kevin Jackson mail them the note. Then he had one of Pershing's lawyers call the U.S. Attorney's Office in New Jersey.

Assistant U.S. Attorney John Carney immediately contacted U.S. Postal





and Pershing's attorneys helped put into action.

Inspector Mathews would play the part of Pat Miller, a fictitious assistant vice president of custody operations at Pershing. Talbot was told to call Felix McElroy and advise him that Pat Miller would be calling to help him with arrangements to redeem the note. Their conversations would be recorded. Inspector Mathews was given a phone number so she could receive calls under the name of Pat Miller at Pershing.

Inspector Mathews called Felix McElroy from her Pershing office and introduced herself as VP Pat Miller. When she asked for background information on the note, she was referred to Kevin Jackson's attorneys, Neal Factor and Joseph Yalley. Yalley allegedly had power of attorney for Kevin Jackson's trust account. Yalley gave Jackson's phone number to the Inspector.

Mathews used electronic surveillance to record all subsequent conference calls between herself, McElroy, Yalley, and Jackson.

Kevin Jackson told Mathews that he got the note from a Filipino man named Carlos Gonzalez, as payment for his "good works" in that country. Gonzalez allegedly got the note from his great uncle, a general in the Philippines. Jackson said he was given the note with the understanding that he would use the proceeds to fund projects in the United States and underdeveloped countries. The Inspector got the whole story on tape.

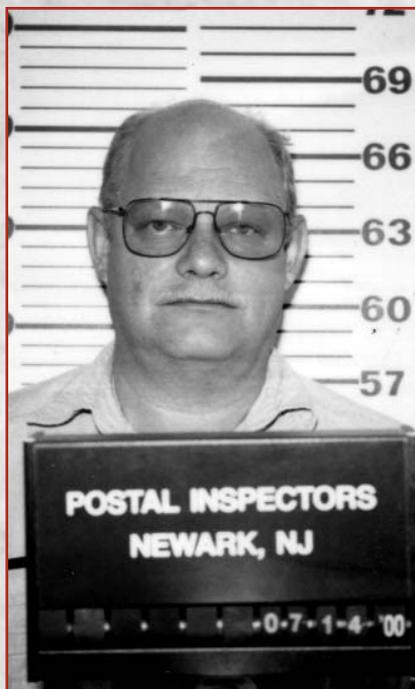
Jackson next told Mathews that an expert had determined the note was authentic, and he produced a letter from Utah State University Professor Ronald Gilmore verifying the age of the note via carbon-date testing.

Inspector Mathews checked with Utah State, but Jackson had been leading her on: The school had never employed a Professor Gilmore. Even the letterhead was a fake.

On June 19, Joseph Yalley spoke with Mathews again, this time to ask for a \$10 million advance on the note, so that Jackson could "meet commitments he had made to some Indian tribes." Jackson was brought in on the conference call to confirm his request. Mathews told Jackson he needed to submit the request in writing and provide still-missing ownership information.

Jackson mailed a written request for the advance, which had now grown to \$20 million. But Inspector Mathews—posing as Assistant VP Miller—responded with another request for background on the note and proof of its authenticity. Kevin Jackson mailed her the information.

When she received Jackson's letter on June 22, Inspector Mathews signed a criminal complaint and obtained an arrest warrant against Kevin Jackson. Mathews, along with Postal Inspector Randy Tuckett of the Salt Lake City Domicile, Denver Division, arrested Jackson at his place of business in Utah. After



Kevin Jackson

signing a Warning and Waiver of Rights, Kevin Jackson agreed to talk.

Jackson claimed he had 26 notes worth \$100 million each, and had placed 25 of them in safekeeping in a Utah bank. The bank's manager had alerted the U.S. Secret Service after receiving a call alleging the notes were fraudulent. Jackson said he met with Secret Service agents, who informed him the notes were "no good" and confiscated all 25 of them as contraband. But Jackson still had the \$100 million note he had left hidden in California. This was the note he had sent to Pershing for redemption.

The Inspectors turned to the Postal Inspection Service's Forensic & Technical Services Division. They needed to prove the 1934 \$100 million Federal Reserve Note was bogus, and they needed to know its origins, manufacture, and date of production to support their case against Jackson.

Analysts at the forensic lab examined the note and called Mathews to report their less-than-surprising results: The note was a fraud. And they had definite proof to back their findings.

The highest denomination of Federal Reserve notes issued by the U.S. Government for external use was \$10,000. The portrait of Benjamin Franklin that appeared on the face of Jackson's note was taken from \$100 Federal Reserve notes that were first issued in 1996. The words "The United States of America" that appeared around Franklin's portrait were introduced in 1990 as a new security feature. The seal of the U.S. Treasury inscribed in English had been in use only since 1966—prior inscriptions were in Latin. The seal of the Federal Reserve Bank indicated the note was issued in Cleveland, but the Federal Reserve letter and number designations indicated it was issued in Dallas.

And there was more. The note wasn't produced from engraved plates using the intaglio method of printing, as are genuine Federal Reserve notes, and the paper on which it was printed did not contain embedded red and blue security fibers. Worse, the words at the bottom contained an error, reading "One Hundred Million Dollar," rather than dollars.

A federal grand jury in Newark, New Jersey, indicted Kevin Jackson in November 2000 on one count of conspiracy, two counts of mail fraud, and one count of transporting a counterfeit security. Jackson pled not guilty, and his trial commenced in May 2001 in Newark.

U.S. Secret Service forensic expert Lorelei Pagano testified that the 25 \$100 million notes confiscated by the Secret Service were fraudulent. Forensic Analyst Roy Mantle from the U.S. Postal Inspection Service's National Forensic Laboratory testified that the \$100 million note Jackson sent to Pershing was fraudulent as well. He backed his claim with a wealth of forensic evidence. Inspector Mathews presented the details of the investigations and introduced the recorded conversations into evidence.

After a five-day trial, the jury convicted Kevin Jackson of one count of conspiracy and two counts of mail fraud. On October 3, 2002, less than one year from the time Inspector Pat Mathews got on the case, Jackson was sentenced to four years and three months in prison and three years' probation.

NARPI Reunions Serve Multiple Purposes

*By NARPI Secretary and Web Site Coordinator
Mike Ryan*

One of the best features of membership in the National Association of Retired Postal Inspectors (NARPI) is the opportunity to attend regional reunions. Four reunions are held each year, one in each region, and one of them is designated the National Reunion. For example, the four reunions held in 2003 were in Daytona Beach, Colorado Springs, Duluth, and Hyannis on Cape Cod; the latter was this year's National Reunion. The 2004 schedule is not yet complete, but the National Reunion is set for late September 2004 in Memphis, home of the Beale Street blues, the *Memphis Belle* (a famous World War II bomber), and a dynamic tourist atmosphere.

The reunions provide an excellent venue for getting together with former classmates and associates. While that alone may be a sufficient reason to attend reunions, the events also provide an excuse to visit family and friends along the way. Naturally, that benefit depends on the location and the mode of travel, but most members have friends and relatives in different areas of the country.

We realize that many Inspectors segue into new careers following their retirement. It's a tribute to the valuable skills accumulated by Inspectors during their working years. A new career, however, is not a good reason to delay membership in NARPI. Many members are enjoying the benefits of NARPI while pursuing second careers.

If any Inspector believes that joining NARPI means he or she is nearing "rocking chair-hood," we respectfully suggest they are mistaken. Joining NARPI and taking part in its social gatherings as you begin your retirement is the best way to maximize the benefits of membership.

We cordially invite all of you who are nearing retirement, or who are already retired but have not yet joined NARPI, to visit our Web site at www.narpi.org for more information and to download an application form. And we look forward to seeing you at one of the 23 chapter meetings held nationwide, or at an upcoming reunion. We're confident you won't regret your decision.

Good Works by Good People

Postal Inspector Lori Groen gives body and soul to help ailing youngsters

Postal Inspector Lori Groen, from the Milwaukee Field Office of the Chicago Division, knows there are intangible rewards to be gained from brightening the life of a young person with a serious medical condition. She learned this from personal experience.

Inspector Groen chose to donate her bone marrow some years ago to a little boy suffering from leukemia. But when she got to the hospital, Lori decided she wanted to do even more. “I saw children who’d lost their hair due to chemotherapy, and I wanted to do something to help ease the effects of their treatment,” she said.

Lori heard about “Locks of Love,” a charity that creates hairpieces for children who lose hair due to an illness or medication, and whose families have no money to spare. Lori remembers thinking, “What a wonderful way to make a difference.”

Lori contacted the charity for information and decided she wanted to contribute to the cause. She allowed her blonde hair to grow for two-and-a-half years—long enough for a 12-inch ponytail, the preferred length for styles favored by young girls. Volunteers at Locks of Love explained that two inches of hair are lost in the process of creating a hairpiece. “I normally wear my hair very short,” said Lori, “but I grew it long for the donation.” Ten to 15 ponytails are required for each hairpiece.

Lori’s good works gained their own momentum. “Three people told me they donated their hair after hearing my story. One of them was in her 60s,” Lori recalled. “It took me better than two years to grow my hair out, but I’m glad I did.”

More than 1,000 children from Locks of Love are glad as well. The boost to their self-esteem from the extra locks can make all the difference in coping with illness.

And as for providing bone marrow to that “little boy” years ago, Lori said the now healthy, grown-up recipient owns and operates his own computer company.

The value of gifts like Lori’s may be hard to measure, but they are easy to appreciate.

Thank you, Lori.



Inspector Beth Bendel Receives National Exploited Children’s Award and Is Named ‘Officer of the Year’

Attorney General John Ashcroft presented Miami Postal Inspector Beth Bendel with one of six National Missing and Exploited Children’s Awards at a ceremony in the Great Hall of the Department of Justice. Held in cooperation with the National Center for Missing and Exploited Children (NCMEC), the event honored federal and state law enforcement personnel for their excellence in investigating incidents of missing, abducted, and exploited children during the year. Nominations for the awards are submitted by law enforcement agencies and departments from across the United States.

Inspector Bendel received the award for her investigation of a child pornography distributor in Miami Beach, Florida. Ecuadorian Angel Mariscal was arrested by Inspector Bendel in September 2002 for using a commercial mail receiving agency address to sell videotapes and DVDs depicting child pornography. Mariscal is suspected of producing the child pornography he sold, and sexually abusing more than 150 underage females in the process.

An especially tragic aspect of the case is that Mariscal was discovered to be HIV positive. Investigators arrested five conspirators in Cuba and Ecuador, and a number of child victims were located and tested for the HIV virus.

Inspector Bendel and other award recipients were again honored at the Congressional Breakfast and National Missing and Exploited Children’s Awards Ceremony, which was attended by nearly 400 people, including members of Congress and top law enforcement officials. At the conclusion of the ceremony, the Officer of the Year Award was announced and presented by Assistant Attorney General Deborah Daniels. The selection was made from among the six National Award recipients. Top honors this year went to Postal Inspector Beth Bendel.

This was the fifth consecutive year that Postal Inspectors



received the prestigious awards for outstanding investigations involving the sexual exploitation of children. Postal Inspectors have been named Officers of the Year three times over the last five years. No other agency has achieved such acclaim.

Friends and Colleagues Pitch in to Speed the Recovery and Return of Postal Inspector Bill Paliscak

Postal Inspectors and fellow law enforcement officers continue to show their support for Washington Division Postal Inspector Bill Paliscak as he continues to battle the effects of

exposure to anthrax.

In February, Inspector Paliscak received the Federal Law Enforcement Officers Association's (FLEOA) 2002 National Bravery Award. Richard Gallo, the FLEOA National President; Gary Eager, the Inspection Service's FLEOA President; and Tom



A jersey autographed by the Washington Capitals was presented to Bill as (left to right) Inspector in Charge Tom Brady, Team Leader Barbara Meyer, and Bill's wife Allison look on.

Brady, the Washington Division's Inspector in Charge, made the presentation at the association's 25th Anniversary Awards Banquet, held at the Sheraton Premier Hotel in Tyson's Corner, Virginia. Robert E. Van Etten, Inspector General for the Port Authority of New York and New Jersey, representing the FLEOA Foundation, presented a check for \$10,000 to Bill and his wife, Allison. Postal Inspectors from the Washington Division and National Headquarters were among approximately 350 people who attended the event.

In March, a special ceremony was held for Bill at the Northwest Hospital Center in Randallstown, Maryland, where he was undergoing physical therapy. INC Tom Brady presented him with an engraved crystal award inscribed with the words, "Duty, Honor, and Determination" as a gift from the division. Formerly an avid hockey player, Bill was also presented with a jersey signed by the Washington Capitals hockey team. In all, approximately 30 division personnel gathered at the hospital to show their support to Bill and to wish him well.

Bill attended the Washington Division meeting in April and received the Inspector in Charge Award, along with a check for \$4,800 from the Police Emerald Society. He was grateful for the support and encouragement given by other Inspection Service Divisions and law enforcement agencies.

Bill continues to recover from a troubling illness that surfaced following his search for evidence of anthrax in October 2001 at the Brentwood mail facility in Washington, D.C. He fell ill soon afterwards and was admitted to Sinai Hospital in Baltimore. He has been undergoing tests and treatment there and at other medical facilities ever since.

During Bill's absence from work, a group of devoted Inspectors have tried to minimize the disruption his illness has caused in his home life. Over the past two years, Inspectors have visited the Paliscaks in Maryland to mow their grass; trim bushes; chop, deliver and stack firewood; and shovel snow. The couple expressed their appreciation for the continued support of the Inspection Service family, and all look forward to the day Bill returns to work as a Postal Inspector.

Postal Inspection Service Employees from the Los Angeles Division Saluted for Support of Victims and Witnesses

Six Los Angeles Division employees of the U.S. Postal Inspection Service were honored by the U.S. Attorney's Office of Victim-Witness Coordinators for their outstanding work in aiding victims and witnesses of federal crimes.

U.S. Attorney Debra Yang presented commendations to Postal Inspectors Debra Rikli, Julie Larson, Rebecca Knowles,



Left to right: Los Angeles Division Assistant Inspector in Charge Daniel S. Cortez, Inspector John A. Mallgren of the Long Beach Domicile, Inspector Rebecca S. Knowles of the San Bernardino Domicile, Inspector Teresa M. Timar of the San Bernardino Domicile, Inspector Julie K. Larson of the Santa Ana Domicile, Los Angeles Division Operations Coordinator Edward R. Thompson, and Inspector in Charge of the Los Angeles Division Janice Somerset. (Missing from the awards photo is Postal Inspector Debra A. Rikli of the Santa Ana Domicile.)

Teresa Timar and John Mallgren, as well as Inspection Service Operations Coordinator Edward Thompson, during a ceremony at the Federal Building in Los Angeles, California.

Victims and witnesses of federal crimes may experience a range of emotions, including anger, confusion, fear, and frustration. Postal Inspectors work with Victim-Witness Coordinators at U.S. Attorney's Offices to resolve victims' problems during lengthy investigations, advise victims of their rights, and assist them in resolving case-related issues.

Postal Inspector John Mallgren of the Long Beach External Crimes Team has located and worked extensively with more than 100 victims of identity theft since becoming a Postal Inspector in 1998. Postal Inspectors Rebecca Knowles and Teresa Timar notified hundreds of victims of a mail theft suspect and kept them informed of case developments. The Inspectors' close rapport with victims greatly aided the investigation. The suspect was eventually convicted, sentenced to prison, and ordered to make more than \$58,000 in restitution.

Postal Inspectors Debra Rikli and Julie Larson ended a phony ostrich investment scheme that bilked 83 people of more than \$800,000. The Inspectors spent years locating and visiting victims and witnesses of the scam, providing testimonies crucial to the case. One of the victims had lost all his money and broke off contact with his family. After finding him in a homeless shelter in Denver, Colorado, the Inspectors convinced him to testify against the principals in the case and later helped him reunite with his family after a 10-year silence.

Inspection Service Operations Coordinator Edward Thompson alerts people who are victims of identity theft, helps them repair damage to their credit and limit liability, and provides them with prevention tips for future protection. His dedication to helping people has elicited many letters of gratitude from victims, who praised his good work.

Inspector in Charge Janice Somerset of the Los Angeles Division said of the group, "Their commitment to victims and witnesses of crime upholds the finest traditions of the Inspection Service."

Creative Minds at Work: U.S. Postal Inspection Service Videos and Publication Win Industry Recognition

The Employee Development office of the Human Resource Performance group won three awards for two training videos it produced for Postal Inspection Service employees: "PS Form 991 Exposed" and "Get With the Program." Congressional & Public Affairs garnered an APEX 2003 Award of Excellence in the "Brochures, Manuals, and Reports" category for its Publication 162, *Because the Mail Matters*.



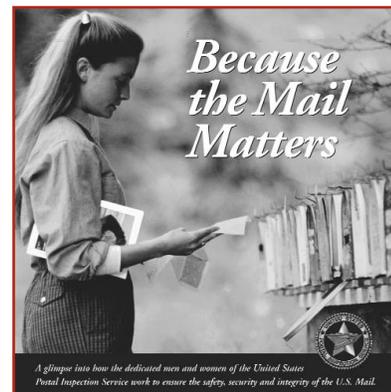
Patricia Ward and Leo Resop

"PS Form 991 Exposed," which provides tips on how to complete postal job applications, won a Bronze Telly Award, which is a prestigious honor in the commercial video industry. The Telly recognizes outstanding non-network and cable commercials. "Inspection Service employees love 'PS Form 991 Exposed,'" said Patricia Ward, who co-produced both videos with Training Specialist Leo Resop and the Bolger Media Unit in Potomac, Maryland. She cites growing employee awareness that "a well-written 991 vastly improves your chances of being noticed by a review board." The video was broadcast on PSTN and is now part of a classroom workshop called "411 on the 991," which includes a 36-page handout for participants.

"Get With the Program," which introduces the Supervisory Training Program (STP), won the Crystal Communicator Award for excellence in visual communications. It also won the Videographer Award, an international competition that drew 2,400 submissions from communications professionals. STP combines Web-based, classroom, and eLearning training methods.

Publication 162, *Because the Mail Matters*, won an APEX 2003 Award of Excellence. The booklet is intended as a public information guide that provides a snapshot of the history, mission, and operations of the Postal Inspection Service. Since its publication, the Topeka Material Distribution Center has had to reprint it three times due to its overwhelming popularity.

APEX 2003, the 15th Annual Awards for Publication Excellence, is an international competition that recognizes outstanding publications. With close to 5,000 entries, competition was exceptionally intense this year. It is the second year the Inspection Service has won an APEX Award. In 2002, the agency won an APEX Award for its 2001 Annual Report of Investigations.



Chief Postal Inspector and Miami Division Inspector in Charge Present Awards and Appreciation for Resolution of Letter Carrier Kidnapping and Hostage Incident

Chief Postal Inspector Lee R. Heath presented the Chief Inspector Award to Carlos Alvarez, Director of the Miami-Dade Police Department, in May 2003. The award was an expression of appreciation for the Miami-Dade Police Department's timely response to the scene of the January 31, 2003, kidnapping and hostage incident involving Postal Service Letter Carrier Tonya Mitchell.

Deputy Chief Inspector Anthony J. Crawford and Inspector in Charge James K. Belz of the Miami Division presented certificates of appreciation to Miami-Dade Lead Detective Gerry Starkey and Commander of the Special Response Team Captain Lou Battle. The lead prosecutor in the case, Deputy Assistant U.S. Attorney Bruce Brown and his co-counsel AUSA John Delionado, received framed and engraved aerial photos of the kidnapping scene. Miami Division Postal Inspector Delfin M.

Alvarez, lead agent on the case, and Inspectors Rosario Priolo and Elizer Julian, as well as 15 other Inspectors, were recognized for their contributions to the case.

Postal Inspector Scott Padgett Named 'Federal Agent of the Year'

Postal Inspector Scott Padgett of the Greensboro, North Carolina, Domicile, Charlotte Division, was named Federal Agent of the Year for 2003 at a Recognition of Heroes luncheon sponsored by the Greensboro Optimist Club. Federal, state, and local law enforcement agencies, as well as staff from the Assistant U.S. Attorney's Office, attended the event.

Inspector Padgett's nomination papers stated that he "works tirelessly to protect consumers and businesses. His performance exemplifies the highest ideals of excellence in his work and personal life."

Scott Padgett became a Postal Inspector in February 1993 and has worked cases in



Charleston, West Virginia, and Greensboro in the areas of mail fraud, Internet fraud, and child pornography. He is a firearms instructor for the Charlotte Division and coordinates firearms qualifications and Threat Management Training. He oversees the latter program for nearly 100 Postal Inspectors in six states.

The Optimist Club is an international, non-profit organization with chapters throughout the United States. Its purpose is "to foster an optimistic way of life for the improvement of individuals and society, through local Optimist Clubs dedicated to ever-expanding service to youth, community, and the world."



In an aerial photo taken during the incident, some of the more than 100 local, state, and federal officials can be seen during the kidnapping of Letter Carrier Tonya Mitchell. Miami Division Postal Inspector Delfin M. Alvarez, lead agent on the case, and Inspectors Rosario Priolo and Elizer Julian responded to the scene after a report that an unidentified male had jumped into a postal mail truck at NW 185th Street and 39 Court in Miami. Inspector Alvarez positioned his car four vehicles behind the postal truck in pursuit of the hijacker. During the slow-speed chase, the suspect fired two shots, one from a 357 Magnum and the other from a 380 Baikal pistol, but fortunately missed both police and Inspectors on his trail. Four hours later, the suspect released the carrier, who was unharmed, and he himself surrendered an hour later. After a one-week trial, the jury took only an hour to find the suspect, Nevia Abraham, guilty. He was sentenced to three consecutive terms of life in prison.

Inspector in Charge Anita Davidson Focuses on Diversity

Chicago Division Inspector in Charge Anita Davidson was intrigued when she heard about a contest being sponsored by *Panorama*, the U.S. Postal Service's Diversity Development newsletter. For Anita, the hook was that entries must illustrate diversity in the workplace through photojournalism.

Anita saw the competition as an opportunity to highlight the ethnic diversity of Postal Inspection Service employees, while revealing the variety of talents and skills such diversity brings to the job. Contest judges obviously agreed with Davidson's vision: They selected her photograph as one of the top six entries from more than 100 submissions.

INC Davidson's winning entry (below) captures Postal Police Officers participating in a law enforcement sharpshooters' competition. It was published in a special edition of the newsletter.

Although this was her first photo contest, Anita has been capturing special moments with her Nikon 35mm camera for the past 30 years, while on vacations, at family events, and on work-related travel. Her interest in photography was kindled in high school, where she was a photographer and editor for her school's newspaper and yearbook.

Anita describes her avocation with real passion. "A great photograph can capture the essence of a person's soul, as well as the exact, defining moment of an event," she says. Her creative sensi-

bilities elevated the sharpshooters' competition into an ideal vehicle for promoting USPS diversity goals.

"The four-hour pistol competition was the perfect environment for capturing camaraderie among federal, state, and local law enforcement officers," Anita explained in *Panorama*. "It shows a diverse group of officers sharpening their skills and preparing themselves to protect the employees and assets of the Postal Service."

In addition to seeing her photo published, Davidson received a plaque and a cash prize.



INC Anita Davidson



Left to right: Postal Inspector William A. Bonney, Assistant Inspector in Charge Jennifer Broussard, and Postal Inspector Lou Desselle of the Houston Division.

Postal Inspectors Louis S. Desselle and William A. Bonney are Good as Gold

Postal Inspectors Louis S. Desselle and William A. Bonney, both from the New Orleans Field Office of the Houston Division, received Honorary Gold Record Awards from the Recording Industry Association of America (RIAA) for their successful investigation of a bootleg recording operation.

Inspectors Desselle and Bonney were joined by investigators from the Federal Bureau of Investigation and Louisiana Department of Justice to seize approximately 100,000 counterfeit CDs from Guy Mouledoux. Mouledoux was convicted of violating the federal anti-bootlegging statute after Inspectors proved he had illegally reproduced, trafficked, and distributed recordings by artists such as the Beatles and the Beach Boys. Mouledoux was sentenced to five years' probation and four months' detention in a halfway house. He forfeited \$205,000 to the RIAA and to the investigative agencies, and \$51,000 of that is allotted to the Postal Inspection Service.

The inscription on the awards reads: "In appreciation of your efforts to combat sound recording piracy and protect the creative rights of record companies, artists, musicians and composers."

San Francisco Postal Inspectors Greenspan, Witt, and Crabb Awarded for Excellence in Law Enforcement

Postal Inspectors Marius E. Greenspan, Richard L. Witt, and Gregory S. Crabb of the San Francisco Division received the Excellence in Law Enforcement Award from the Federal Law Enforcement Administrators of the San Francisco Bay Area. The organization comprises leaders from 20 federal law enforcement

agencies in Northern California who meet monthly to discuss issues facing their agencies.

Inspector Greenspan's award was the result of his exemplary contributions to mail theft and identity theft cases. In particular was an investigation he conducted of a man who was later sentenced to nearly nine years in prison for possessing 7,000 pieces of stolen mail and 2,000 stolen access-device numbers.

Inspector Crabb was nominated by the U.S. Secret Service for his contributions as a member of the San Francisco Bay Area Electronic Crimes Task Force. In one instance, Crabb successfully investigated \$8 million worth of fraudulent warranty claims filed against a Bay-area computer company. Other cases involved corporate Web sites that were "spoofed" by fraudsters, and computer hackers who stole and then sold personal financial information.

Inspector Witt earned recognition for resolving the carjacking, robbery, and assault of a letter carrier. After two suspects were taken into custody, Inspector Witt's skills as an interrogator were credited in eliciting their confessions, which led to the identification of a third suspect and the recovery of nine modified arrow-lock keys. The recovery of the keys saved the Postal Inspection Service hundreds of investigative hours and prevented further mail theft. The three suspects were convicted of kidnapping, assault, robbery, and possession of postal keys.

Los Angeles Division Inspectors Bring Master-Sort, Inc. and Its Manager to Justice, Resulting in \$3 Million in Restitution for the Postal Service

A five-year investigation by Postal Inspector Deborah Waller, supported by a task force of 10 other Inspectors and support staff from the Los Angeles Division, resulted in 23 counts of mail fraud against California direct mailer Master-Sort, Inc., its production manager Jayprakash Dhanak, and Dhanak's wife Leela in June 2000, representing an estimated \$7.9 million in losses to the Postal Service. A civil complaint filed under the False Claims Act claimed roughly \$23 million in damages against the company.

Postal Inspectors found the Dhanaks had directed their employees to alter codes used by Master-Sort's computers to identify its customers' permit and metered mailings, resulting in fraudulent claims for postage refunds from the Postal Service. The Dhanaks also "double-counted" metered mail to claim even larger—but still fraudulent—refunds and ensured their actions were undetected by altering mail samples submitted to the Postal Service for verification purposes.

Just as a trial was about to begin in October 2002, Master-Sort, Inc. and Dhanak pled guilty to one count of mail fraud. Master-Sort agreed to pay \$3 million in restitution to the Postal



Left to right: Deputy Chief Inspector Michael Ahern of the Los Angeles Division and Chief Postal Inspector Lee Heath presented plaques to Postal Inspector Deborah J. Waller, Team Leader Debra A. Harris (Santa Ana Domicile), Inspector in Charge Janice Somerset, and Postal Inspector Robert J. Nigg in recognition of their successful, five-year investigation of direct mailer Master-Sort, Inc. for defrauding the Postal Service.

Service for losses suffered from January 1995 through 1997, and Jayprakash Dhanak will be jointly liable for \$2.5 million of that amount. The company was placed on probation for five years, but sentencing for Dhanak is scheduled for October 2003. Postal Inspector Deborah Waller received the Chief Inspector's Award for her extensive role in preparing this complex case for trial.

Postal Inspector Robert J. Goodrich Is Presented with a Distinguished Achievement Award



Postal Inspector Robert J. Goodrich (center) of the Los Angeles Division is presented with a Distinguished Achievement Award at the 14th Annual Salute to Federal Law Enforcement, Medal of Valor luncheon. The award was presented by Inspector in Charge Janice Somerset and Deputy Chief Inspector Michael Ahern. Inspector Goodrich was recognized for his investigation of the shooting of a letter carrier who was delivering his route. Goodrich identified and arrested a suspect, who pled guilty and was sentenced to more than 10 years in prison.

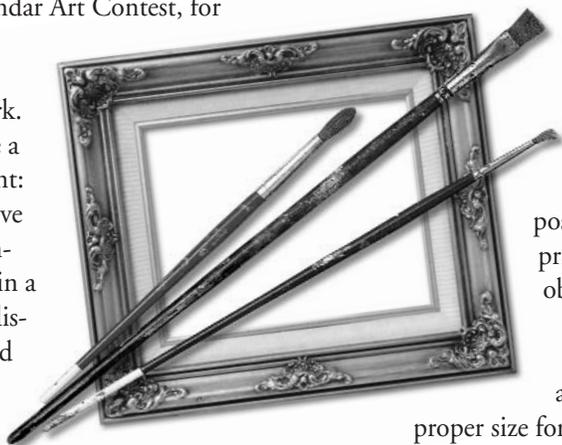
Call for Entries

A Contest of Calendars

Attention all active and retired employees of the U.S. Postal Inspection Service: Here's a chance to show off your creative abilities. For the first time ever, Congressional & Public Affairs is holding a Postal Inspection Service Calendar Art Contest, for publication in 2005. We encourage all artists and photographers to submit their work.

Contests generally involve a prize, and this one's no different: The 12 winners will each receive a \$100 gift certificate, and winning entries will be published in a 2005 calendar, which will be distributed to all active and retired employees.

Submissions must have a Postal Inspection Service or postal theme. The judges will look for art or photography, in color or black and white, that will be effective when printed on an 8½-inch x 11-inch page.



■ Entries must have a horizontal orientation or be appropriate for reproduction on a horizontal 8½-inch x 11-inch piece of paper.

■ If your art has a personal or actual value, we recommend you submit a digital file, color slide, or photo of the piece for judging purposes. We will contact you prior to the final judging to obtain the original.

■ Include a self-addressed mailer of the proper size for any artwork you wish us to return. We will make every effort to return your work, but we can't be responsible for loss or damage.

■ Send as many entries as you like, but indicate the medium used (watercolor, acrylic, color transparency, etc.), your name, name of your division or domicile where you work (or last worked, if retired), your home address, and your home and work telephone numbers.

■ The Postal Inspection Service will have the right to reproduce winning entries on a 2005 Postal Inspection Service Calendar, and possibly in other Inspection Service publications.

■ Entries must be postmarked by July 31, 2004.

Contest Rules

■ All active and retired Postal Inspection Service employees are eligible to enter, except the Inspector in Charge of Congressional & Public Affairs.

■ Only original artwork and photographs by submitters will be considered. Copies of other works or reproductions with minor alterations will not be accepted.

■ All work must be done on your own time.

■ The artwork must relate to the Postal Inspection Service or Postal Service, but stamp art will not be considered.

■ You may use any reproducible art medium.

Mail entries to:

U.S. Postal Inspection Service
Congressional & Public Affairs
Calendar Art Contest
475 L'Enfant Plaza SW Rm 3500
Washington DC 20260-2175
Attn: Debbi Baer



Bulletin, October 2003 Vol. 51, No. 1

The Bulletin is published by the U.S. Postal Inspection Service for all Inspection Service employees to share their professional and personal success stories. We encourage all of our readers to send submissions, articles, and photographs to:

U.S. Postal Inspection Service
Congressional & Public Affairs
475 L'Enfant Plaza SW, Room 3500
Washington, DC 20260-2175
ATTN: Bulletin Editor

Lee R. Heath
Chief Postal Inspector

Daniel L. Mihalko
Inspector in Charge, Congressional & Public Affairs

Debbi Baer
Editor

Martin Communications, Inc.
Design

Vist our Web site at www.usps.com/postalinspectors