NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

BETH PHILLIPS

Contact Don Ledford, Public Affairs ● (816) 426-4220 ● 400 East Ninth Street, Room 5510 ● Kansas City, MO 64106
www.usdoj.gov/usao/mow/index.html

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FOR IMMEDIATE RELEASE

BLACK MARKET TRAVEL AGENTS

38 DEFENDANTS INDICTED IN MULTI-MILLION DOLLAR FRAUD

LOCAL INVESTIGATION EXPOSES NATIONWIDE NETWORK THAT USED STOLEN IDENTITIES, CREDIT CARDS TO PURCHASE AIRLINE TICKETS

KANSAS CITY, Mo. – Beth Phillips, United States

Attorney for the Western District of Missouri, announced today that 38 defendants from across the United States have been charged in a series of indictments that allege an extensive network of black market travel agents who used the stolen identities of thousands of victims as part of a multi-million dollar fraud scheme to purchase airline tickets for their customers.

"What began as a local law enforcement investigation ultimately exposed an extensive nationwide black market for airline tickets," Phillips said.

"Six federal indictments allege that 38 defendants used stolen credit and debit card information from thousands of identity theft victims to purchase tickets, which they sold to their customers at a steep discount," Phillips added. "These separate criminal conspiracies resulted in an estimated total loss of more than $20 million to numerous domestic airline companies, financial institutions, other merchants and cardholders."

Conspirators used several strategies to obtain the credit and debit card information of identity theft victims, according to the federal indictments. In some cases, conspirators allegedly purchased stolen information from unindicted co-conspirators in Bangladesh, Vietnam and elsewhere. Some of the defendants allegedly stole customer information at hotels, a bank and a customer call center where the defendants were employed.

This stolen identity information was allegedly used by other conspirators – identified as black market travel agents – to purchase airline tickets at no cost to themselves. They used computers and cell phones to make online purchases through the Web sites of various airlines, the indictments say, utilizing not only private Internet connections but also public Internet connections at airports, hotels, libraries and other businesses. They often purchased reservations

close to the time of departure, in order to increase the likelihood that their fraudulent purchases would not be detected. As a result, a passenger could often complete his or her trip before the credit or debit card was detected as being compromised.

According to the indictments, black market travel agents profited from the scheme by purchasing stolen credit and debit card information at a nominal cost, then using the stolen information to purchase the airline tickets at no cost to themselves, then selling the ticket to their customers. Many of their customers, who usually paid $75 to $250 per ticket, knew that the tickets were not legitimately purchased. Some of the customers have been charged in the indictments.

Some conspirators acted as passenger brokers or referral sources to carry out the scheme by referring customers to the black market travel agents.

According to the indictments, the investigation began when co-defendants **Sabrina Bowers**, 29, of Kansas City, Mo., and **Deidre Turner**, 27, of Peculiar, Mo., stole a Dell laptop computer from a residence in Overland Park, Kan., on Nov. 21, 2005, in order to use it in the fraud scheme. In related incidents, Overland Park and Shawnee, Kan., police officers recovered numerous pieces of mail and credit card numbers that did not belong to them in the possession of both **Bowers** and **Turner**, according to records on file with the District Court of Johnson County, Kan. One of those credit card numbers had allegedly been used to purchase several airline tickets.

Bowers and **Turner** allegedly obtained stolen credit and debit card information from hotels in Overland Park and the Atlanta, Ga., metro area where the identity theft victims had stayed as guests. **Bowers** and **Turner** worked with co-defendant **Demetria Harrison**, 40, who allegedly acted as a black market travel agent while living in

Kansas City, Mo., and later in the Atlanta, Ga., area. **Bowers**, **Turner** and **Harrison**, along with **Harrison's** son, are charged together in one of the six indictments.

Investigators tracked the black market activities of these defendants from Kansas City to Atlanta. As the investigation continued, law enforcement officers developed leads to similar conspiracies operating throughout the United States.

"This case highlights the importance of the strong working relationships among federal, state and local law enforcement," said US. Postal Inspection Service Deputy Chief Inspector Gregory Campbell, Jr. "The U.S. Postal Inspection Service is committed to working with our partners to ensure the continued trust people place in the mail and protecting the public from financial victimization by enforcing the laws that defend the nation's mail system from illegal use."

The federal indictments specifically refer to identity theft victims in Kansas City, Mo., Lee's Summit, Mo., Gladstone, Mo., Raytown, Mo., Springfield, Mo., Branson, Mo., Columbia, Mo., Jefferson City, Mo., Brookline, Mo., and Baldwin City, Kan., as well as victims in Washington, D.C., Saskatchewan, Canada, and in 26 other states, including Texas, Tennessee, Georgia, New Jersey, Illinois, New York, Pennsylvania, Oklahoma, Kentucky, Connecticut, Virginia, West Virginia, Nevada, Michigan, Washington, Ohio, Arizona, Florida, Utah, Nebraska, Colorado, North Carolina, South Carolina, Massachusetts, Alabama and Indiana.

According to the indictments, tickets were purchased for flights into or out of Kansas City International Airport, Springfield-Branson National Airport and other airports across the country, primarily on Delta Air Lines, US Airways and United Airlines, as well as American Airlines, Northwest Airlines, Southwest Airlines,

Continental Airlines, AirTran Airways, Virgin America Airlines, Spirit Airlines, Alaska Airlines and Frontier Airlines.

"The assistance of the airlines was invaluable to the federal investigation," Phillips said. "Airlines provided significant information and devoted substantial resources during the course of this lengthy investigation. I appreciate their cooperation and applaud their contribution to this successful conclusion."

A series of six indictments have been returned under seal by a federal grand jury in Kansas City, Mo., over the past year. Four of the six indictments were returned under seal on July 1, 2010. All of the indictments have been unsealed and made public upon the arrests and initial court appearances of the defendants.

Phillips cautioned that the charges contained in these indictments are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

These cases are being prosecuted by Assistant U.S. Attorneys John E. Cowles and Matt Hiller. They were investigated by the U.S. Postal Inspection Service, the Overland Park, Kan., Police Department, and the Kansas City Secret Service Task Force, and with the assistance of the Drug Enforcement Administration.

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This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

http://www.justice.gov/usao/mow/index.html