News Release

U.S. Department of Justice

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Chinese National Indicted with Trafficking in Counterfeit Merchandise of over 1000 Items

Steven M. Dettelbach, United States Attorney for the Northern District of Ohio, announced today that a federal grand jury in Cleveland, Ohio, returned an indictment charging Zhi Xian Zhou, age 27, of Bronx, New York, with Trafficking in Counterfeit Merchandise.

The indictment charges that on or about July 18, 2011, Zhou intentionally trafficked and attempted to traffic over 1,000 items, including 302 designer handbags, 161 designer wallets, 16 designer scarves, 760 pairs of designer sunglasses, 132 designer watches, 45 designer key chains, 25 designer lighters, 1,147 designer bracelets, earrings and other jewelry and 1 designer sports cap, each of which contained counterfeit marks, logos, labels and hangtags. The marks on the merchandise were identical to and substantially indistinguishable from marks used on genuine merchandise, and were in use and registered for such goods on the principle register of the United States Patent and Trademark Office. Also, the indictment alleges that the use of such counterfeit marks was likely to cause confusion, mistake or to deceive.

According to a criminal complaint previously filed in this matter, Zhou's vehicle was stopped in North Lima, Ohio, on July 18, 2011, for a traffic law violation. Upon stopping the vehicle, police officers observed numerous items in plain view inside the vehicle which appeared

to be counterfeit merchandise. Zhou was arrested and the vehicle was searched pursuant to a State of Ohio search warrant. It was subsequently determined that Zhou, a Chinese National, had a standing order for removal from the United States and was wanted for deportation from the United States.

If convicted, the defendant's sentence will be determined by the Court after review of factors unique to this case, including the defendant's prior criminal record, if any, the defendant's role in the offense and the characteristics of the violation.

This case is being prosecuted by Assistant U.S. Attorney Robert W. Kern, Coordinator of the Cybercrimes and Intellectual Property Crimes unit of the Cleveland U.S. Attorney's Office, following an investigation by the Cleveland Office of the Department of Homeland Security, Office Immigration and Customs Enforcement.

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.