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New York Corporation and its President Sentenced for Importing Counterfeit **Trademarked Clothing**

(Richmond, VA) – JAT International Corporation, of 350 Fifth Avenue, Suite 1210, New York, New York, and its President, Feng Yu, age 48, of Bayside, New York, were sentenced today for importing and trafficking in counterfeit brand-name clothing. Yu, who was convicted of entry of goods by means of fraudulent statements, was sentenced to 24 months' imprisonment and a fine of \$12,500. In addition, JAT, which was convicted of conspiracy to traffic in counterfeit clothing, was sentenced to 3 years' probation and ordered to forfeit \$12,890,934 in proceeds from trafficking in counterfeit clothing. United States District Judge Henry E. Hudson imposed the sentence, which was announced by Chuck Rosenberg, United States Attorney for the Eastern District of Virginia; and Special Agent-in-Charge Jennifer Love, Richmond Field Office, Federal Bureau of Investigation.

According to court documents, JAT was an export/import business that imported apparel from China via air or cargo ship and sold the goods to wholesale clothing businesses in the United States. Yu was President and owner of JAT. One of JAT's principal customers was a wholesale counterfeit clothing business ("Gizmo Wear") in New York, New York. Gizmo Wear, which carried various other names, offered clothing bearing counterfeit marks at a substantial discount from prices charged by the holders of the trademarks in question. Trusted buyers could purchase counterfeit clothing in person at a store at 18 West 27th Street, New York, New York, or by telephone, via United Parcel Service shipments.

Beginning in approximately 2004, JAT began to supply Gizmo Wear with clothing bearing counterfeit marks, including the counterfeited trademarks of Rocawear, Sean John, Akademik, Girbaud, Evisu, Lacoste, and Baby Phat, among others. Gizmo Wear would regularly order apparel from JAT by providing samples of brand-name clothing purchased at legitimate stores. JAT would thereafter cause counterfeited versions of the clothing to be manufactured in China, shipped to the United States, and delivered to Gizmo Wear. Gizmo Wear would in turn sell the clothing provided by JAT to retail businesses throughout the United States.

In 2005 and 2006, as payment for shipments of clothing bearing counterfeit marks, JAT received from Gizmo Wear 341 checks issued to JAT, totalling \$12,890,934. In return, during the same period, JAT imported and delivered to Gizmo Wear multiple shipments of clothing

bearing counterfeit marks.

Yu also specifically admitted in connection with his plea that between August and October 2004, he attempted to introduce into the commerce of the United States imported merchandise, namely, approximately 470 cartons of men's jackets and men's pants manufactured in China and bearing counterfeit "Rocawear" marks, by means of fraudulent documents that described the imported goods as "men's knitted fleece hooded pullovers" and omitted the material fact that all of the goods bore counterfeit Rocawear trademarks and were prohibited from being imported.

The case was prosecuted by Assistant United States Attorneys John S. Davis and G. Wingate Grant.

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