

Public Affairs SANDY RAYNOR Telephone: (602) 514-7625 Cell: (602) 525-2681

THREE CONVICTED BY JURY OF CHARGES RELATED TO A LARGE SCALE MARIJUANA TRAFFICKING ORGANIZATION

PHOENIX – Joy Doreen Watson, 45, of Sherman Oaks, Calif., Stewart Edwards, 36, a resident alien in the United States from Jamaica; and Joel Eras-Machado, 28, of Mexico, were found guilty by a jury yesterday of charges related to marijuana trafficking. Watson and Edwards were found guilty of conspiracy to possess with intent to distribute more than 100 kilograms of marijuana and possession with intent to distribute more than 100 kilograms of marijuana. Watson was also found guilty of conspiracy to commit money laundering. Eras-Machado was found guilty of possession with intent to distribute less than 100 but more than 50 kilograms of marijuana. Seven other defendants entered guilty pleas before trial.

During the investigation DEA agents seized over 450 pounds of marijuana from two suspected stash houses in Laveen, Ariz. The seized marijuana was anticipated to be part of a planned 760 pound deal with a negotiated price of \$550 per pound. The bulk transaction value of the marijuana was \$418,000. Watson and others agreed to broker the deal by bringing together multiple sources of supply of the marijuana and a buyer. Watson's organization would earn the difference between the price demanded by the sources of supply for their marijuana and the price Watson's organization negotiated with the buyer. Edwards assisted Watson and others to help the drug trafficking organization function. Eras-Machado and others brought approximately 200 pounds, or approximately 90 kilograms, of marijuana to one of the Laveen stash houses to be part of the larger 760 pound transaction.

Special Agents of the DEA and IRS teamed up to conduct an investigation into Watson's money laundering activities. They found bank accounts opened by Watson in the name of another person with nearly \$400,000 moving in and out of the accounts over an eight month period. This was done in an effort to conceal the nature, source, ownership and control of money derived from marijuana trafficking. They also found hundreds of receipts for cash purchases related to the organization. The receipts showed that money derived from marijuana trafficking was also used to promote the drug trafficking organization by paying rent and utilities for stash houses, purchasing packaging and shipping materials, paying co-conspirators, and paying for other things that helped promote the success of the organization. The investigation found that Watson was otherwise unemployed at the time. No legitimate source of income could be found for her.

Watson, Edwards, and Eras-Machado were convicted after a 10 day jury trial culminated in the jury's verdicts on April 23, 2009. Sentencing is scheduled for July, 6, 2009.

The investigation in this case was conducted by the Drug Enforcement Administration, the Internal Revenue Service Criminal Investigation Division, and the U.S. Postal Service Inspection Service. The prosecution is being handled by Jennifer E. Green and Glenn B. McCormick, Assistant U.S. Attorneys, District of Arizona, Phoenix.

CASE NUMBER: CR-05-0264-PHX-SRB RELEASE NUMBER: 2009-138(Watson)

###