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 14 IN THE UNITED STATES DISTRICT COURT
 15 FOR THE EASTERN DISTRICT OF CALIFORNIA

16 208 - CR - 566 ~~XXX~~

17 UNITED STATES OF AMERICA,)
)
 18 Plaintiff,)
)
 19 v.)
)
 20 RANDALL LEE RAHAL,)
)
 21 Defendant.)
 22 _____)

No.
 VIOLATIONS: 18 U.S.C. § 1962(d)
 - Conspiring to Conduct the
 Affairs of an Enterprise
 Through a Pattern of
 Racketeering Activity; 18
 U.S.C. § 1957 - Money
 Laundering; 15 U.S.C. § 1 -
 Price Fixing, and 18 U.S.C. § 2
 - Aiding and Abetting

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 24
 25 I N F O R M A T I O N

26 COUNT ONE: [18 U.S.C. § 1962(d) - Conspiring to Conduct the Affairs
 27 of an Enterprise Through a Pattern of Racketeering
 28 Activity]

1 The United States Attorney charges:

2 RANDALL LEE RAHAL

3 defendant herein, as follows:

4 The Enterprise

5 1. At all times relevant to this Information, SK Foods, L.P.
6 was a limited partnership, with principal places of business in
7 Monterey, Williams, Ripon, and Lemoore, California. SK Foods, L.P.
8 and its related corporate entities ("SK Foods") is a grower and
9 processor of tomato products and other food products for sale to
10 food product manufacturers, food service distributors and marketers,
11 and retail outlets. For purposes of this Information, "processed
12 tomato products" includes, among other things, bulk tomato paste and
13 diced tomatoes.
14

15 2. SK Foods, including its leaders, employees and associates,
16 constituted an "enterprise" as defined in Title 18, United States
17 Code, Section 1961(4) (hereinafter "the enterprise"), that is a
18 legal entity that was engaged in, and whose activities affected,
19 interstate and foreign commerce.
20

21 3. At all times relevant to this Information, Intramark USA,
22 Inc. ("Intramark"), was a New Jersey-based company holding itself
23 out as a wholesaler of food ingredients, including processed tomato
24 products, and an importer of juice concentrates. In that capacity,
25 Intramark acted on behalf of itself and others in selling processed
26 tomato products to customers.
27

28

1 4. At all times relevant to this Information, Intramark was
2 owned and operated by defendant RANDALL LEE RAHAL ("RAHAL").
3 Through Intramark, RAHAL worked on behalf of SK Foods as a sales
4 broker. In that capacity, RAHAL oversaw among other things the
5 negotiation and execution of contracts between SK Foods and many of
6 its customer companies. Through Intramark, RAHAL also acted as an
7 advisor and director of SK Foods, giving direction to and receiving
8 periodic reports regarding various aspects of SK Foods' business
9 from SK Foods employees, including certain co-conspirators.

11 5. At various times relevant to this Information, RAHAL, and
12 others known and unknown were leaders, employees and associates of
13 SK Foods, an enterprise whose leaders, employees and associates
14 engaged in acts of mail fraud, wire fraud and bribery, and which
15 operated principally in the Eastern District of California, the
16 Northern District of California and the District of New Jersey.

18 Purposes of the Defendants

19 6. The purposes of the defendant and other leaders, employees
20 and associates of the enterprise included the following:

21 a. providing SK Foods and its leaders, employees and
22 associates with an expanding base of corporate customers for
23 processed tomato products and other food products;

25 b. preserving and protecting SK Foods' profits and
26 customer base through acts of mail fraud, wire fraud and bribery;

27 c. causing the purchasing agents and others employed by
28

1 SK Foods' customers to act in contravention of the customers'
2 interests, and depriving the customers of their rights to their
3 employees' honest services;

4 d. promoting and enhancing the enterprise and its
5 leaders, employees and associates' activities;

6 e. enriching the leaders, employees and associates of the
7 enterprise; and
8

9 f. concealing and otherwise protecting the conspiracy and
10 its participants from detection and prosecution.

11 Means and Methods of the Defendants

12 7. Among the means and methods by which the defendant and
13 other leaders, employees and associates of the enterprise conducted
14 and participated in the conduct of the affairs of the enterprise
15 were the following:
16

17 a. RAHAL and other leaders, employees and associates of
18 the enterprise engaged in a scheme to defraud and deprive various SK
19 Foods customers of their respective rights to the honest services of
20 certain of their own employees through acts involving bribery, which
21 were intended to: (1) ensure that those customers purchased
22 processed tomato products and other products from SK Foods rather
23 than from its competitors; (2) ensure those customers paid an
24 inflated price for such products; and (3) induce the purchasing
25 agents to disclose bidding and other proprietary information of
26 certain of SK Foods' competitors.
27
28

1 b. Bribery payments to the purchasing agents of SK Foods'
2 customers were made with the knowledge and at the direction of SK
3 Foods' owners, leaders, employees and associates.

4 c. RAHAL, assisted by other leaders, employees and
5 associates of the enterprise, constructed and transmitted to SK
6 Foods' customers fraudulent financial and business information to
7 induce the enterprise's customers to do business with, and release
8 funds to the enterprise.
9

10 d. RAHAL, assisted by other leaders, employees and
11 associates of the enterprise, knowingly and routinely directed the
12 sale of processed tomato products to SK Foods' customers, which did
13 not meet the specifications outlined in those customers' contracts.
14 In order to conceal the fact that the product was noncompliant with
15 contractual requirements, and to induce the enterprise's customers
16 to do business with, and to release funds to the enterprise, RAHAL,
17 assisted by other leaders, employees and associates of the
18 enterprise, knowingly and routinely directed the falsification of
19 both internal documentation, and customer-bound product labels,
20 invoices, bills of lading, and Certificates of Analysis ("COA"), in
21 order to make it appear as if the quality and content of the
22 processed tomato products shipped to customers satisfied contractual
23 requirements.
24
25

26 The Racketeering Conspiracy

27 8. Beginning in or about January 2004, and continuing through
28

1 about April 2008, within the Eastern District of California and
2 elsewhere, defendant RANDALL LEE RAHAL, together with others, being
3 persons employed by and associated with SK Foods, an enterprise,
4 which engaged in, and the activities of which affected interstate
5 and foreign commerce, knowingly and intentionally conspired to
6 violate 18 U.S.C. § 1962(c), that is, to conduct and participate,
7 directly and indirectly, in the conduct of the affairs of SK Foods
8 through a pattern of racketeering activity, as that term is defined
9 in Sections 1961(1) and 1961(5) of Title 18, United States Code,
10 consisting of multiple acts indictable under the following
11 provisions of federal law: 18 U.S.C. §§ 1341 and 1346 (honest
12 services mail fraud); 18 U.S.C. § 1341 (mail fraud); and 18 U.S.C. §
13 1343 (wire fraud), and multiple acts involving bribery chargeable
14 under the following provisions of state law: N.J. STAT. ANN. §
15 2C:21-10 (2008); CAL. PENAL CODE § 641.3 (2008); and TEX. PENAL CODE §
16 32.43 (2008).

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18
19 9. It was a further part of the conspiracy that RAHAL agreed
20 that a conspirator would commit at least two acts of racketeering
21 activity in the conduct of the affairs of the enterprise.

22 All in violation of Title 18, United States Code, Section
23 1962(d).

24
25 COUNT TWO: [18 U.S.C. § 1957 - Money Laundering]

26 The United States Attorney further charges: T H A T

27 RANDALL LEE RAHAL

28 defendant herein, on or about April 16, 2007, in District of New

1 Jersey, did knowingly engage and attempt to engage in a monetary
2 transaction, by, through and to a financial institution, affecting
3 interstate and foreign commerce, in criminally derived property of a
4 value greater than \$10,000, that is, a withdrawal in the amount of
5 \$12,896 by way of a check drawn on Sun National Bank account number
6 XXXXXX5624, in the name of Intramark USA, such property having been
7 derived from a specified unlawful activity to wit: a scheme to
8 defraud in violation of 18 U.S.C. §§ 1341, 1343 and 1346.
9

10 All in violation of Title 18, United States Code, Sections 1957
11 and 2.

12 COUNT THREE: [15 U.S.C. § 1 - Price Fixing, and 18 U.S.C. § 2 -
13 Aiding and Abetting]

14 The United States Attorney further charges:

15 RANDALL LEE RAHAL

16 defendant herein, as follows:

17 1. The allegations contained in paragraphs 1 through 6 of
18 Count One of this Information are realleged and incorporated herein
19 as if fully set forth.
20

21 2. Beginning at least as early as February 2006 and continuing
22 until approximately April 2008, the defendant RANDALL LEE RAHAL and
23 co-conspirators entered into and engaged in a combination and
24 conspiracy to suppress and restrain competition for processed tomato
25 products sold in the United States, in unreasonable restraint of
26 interstate trade and commerce, in violation of the Sherman Act,
27 Title 15, United States Code, Section 1.
28

1 3. The charged combination and conspiracy consisted of a
2 continuing agreement, understanding, and concert of action among the
3 defendant and co-conspirators, the substantial terms of which were:

4 a. to allocate among the defendant and conspirators
5 contracts for the sale of processed tomato products;

6 b. to fix prices for, and submit collusive,
7 noncompetitive, and rigged bids for contracts for the sale of
8 processed tomato products; and
9

10 c. to provide product and receive payment from customers
11 as a result of the allocation and collusive bidding.

12 4. For the purpose of forming and carrying out the charged
13 combination and conspiracy, the defendant and co-conspirators did
14 those things that they combined and conspired to do, including,
15 among other things:
16

17 a. participating in meetings, conversations, and
18 communications to discuss the prices of processed tomato products;

19 b. agreeing, during those meetings, conversations, and
20 communications, to fix prices of processed tomato products to charge
21 to customers located in the United States; and

22 c. issuing price quotations in accordance with the
23 agreements reached.
24

25 5. Various corporations and individuals, not made defendants
26 in this Information, participated as co-conspirators in the offense
27 charged in this Information and performed acts and made statements
28 in furtherance of it.

1 6. During the period covered by this Information, defendant
2 RAHAL and co-conspirators sold and distributed processed tomato
3 products in a continuous and uninterrupted flow of interstate trade
4 and commerce to customers located in states other than the states in
5 which the co-conspirators produced processed tomato products.
6

7 7. The business activities of defendant RAHAL and co-
8 conspirators that are the subject of this Information were within
9 the flow of, and substantially affected, interstate and foreign
10 trade and commerce.

11 8. The defendant, RANDALL LEE RAHAL, aided, abetted,
12 counseled, commanded, induced, and procured the combination and
13 conspiracy charged in this Count and willfully caused others to
14 perform acts and make statements in furtherance of the charged
15 combination and conspiracy, in violation of Title 18, United States
16 Code, Section 2.
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All in violation of Title 15, United States Code, Section 1,
and Title 18, United States Code, Section 2.

Dated: December 10, 2008

Respectfully Submitted,

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