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| District Court, City and County of Denver, Colorado City and County Building, Room 209 1437 Bannock Street Denver, CO 80202 | <p style="text-align: center;">COURT USE ONLY</p> |
| <p>Plaintiff: THE PEOPLE OF THE STATE OF COLORADO</p> <p>Defendant: RANDY LYNN HASTINGS</p> | |
| Case Number: Grand Jury No. 15CR2B Div.: Criminal Ctrm: 209 / ____ | |
| INDICTMENT | |

TAX VIOLATION, C.R.S. 39-21-118(2) (F5) <40022> 1, 3 (2 counts)

TAX EVASION, C.R.S. 39-21-118(1) (F5) <40021> 2, 4 (2 counts)

TRADEMARK COUNTERFEITING, C.R.S. 18-5-110.5(1),(2)(a)(II)(B) (M1) <10163>
 5 through 9 (5 counts)

The Grand Jury presents the within Indictment and the same is ordered filed.

Dated this _____ day of _____, 2015.

Morris B. Hoffman
 Presiding Judge
 Denver District Court

1. The facts noted below are in support of all of the counts in this Indictment.
2. Between and including January 1, 2013, and November 4, 2015, Randy Lynn Hastings (Hastings) knew that it was unlawful to intentionally manufacture, display, advertise, distribute, offer for sale, sell, and/or possess with intent to sell or distribute, counterfeit trademarked products. In 2008, Hastings was notified by United States Department of Homeland Security Immigration and Customs Enforcement agents that it was unlawful to intentionally manufacture, display, advertise, distribute, offer for sale, sell, and/or possess with intent to sell or distribute, counterfeit trademarked products, as noted in the facts below.
3. On August 18, 2008, an undercover United States Department of Homeland Security Immigration and Customs Enforcement (ICE) agent purchased a counterfeit Coach brand purse and a counterfeit Gianni Versace brand purse from Hastings in the Highlands Ranch area of the State of Colorado. At that time, Hastings told the undercover agent the following information:
 - a) Hastings guaranteed the products and there would be no worries buying from him;
 - b) Everything he sells comes from Canal Street in New York;
 - c) Designer brand handbags range from \$45.00 to \$70.00;
 - d) Hastings preferred checks or money orders, but could also take credit cards;
 - e) Hastings asked the agent to tell her friends about his merchandise and arrange a “purse party;”
 - f) A “purse party” organizer would receive 10% of the sales toward the purchase of Hastings’ counterfeit products.
4. On October 23, 2008, ICE agents, posing as customers interested in purchasing counterfeit merchandise, approached Hastings, who was in the parking lot of the ICE Colorado headquarters. At that time, Hastings opened the rear doors to his van and displayed the merchandise he had for sale. ICE agents seized all of the merchandise in the van because it was all counterfeit. Among the counterfeit items seized from Hastings on that date were two hundred (200) trademarked purses, one hundred twenty five (125) trademarked wallets, forty (40) trademarked scarves, four (4) trademarked jackets, two (2) pairs of trademarked shoes, seven (7) trademarked baseball caps, twenty five (25) trademarked watches, ninety one (91) trademarked jewelry pieces, and four hundred ninety three (493) trademarked glasses. Randy Lynn Hastings told ICE agents the following information:
 - a) Hastings knew that selling counterfeit merchandise was against the law, but did not think law enforcement officers cared that he sold counterfeit goods;
 - b) Hastings had been selling counterfeit merchandise for five or six years;
 - c) Hastings had recently recruited a junior partner to sell counterfeit merchandise in the Evergreen, Colorado area and gave ICE agents that person’s contact information;
 - d) Hastings obtained counterfeit products from a contact in New York;
 - e) Hastings had driven to Canal Street in New York three times to pick up product, but it became too expensive, so Hastings made arrangements to have counterfeit products shipped to Colorado;
 - f) Hastings had the counterfeit products shipped C.O.D. to the UPS facility at 13101 James E. Casey Avenue in Englewood, Colorado;

- g) Hastings tipped UPS employees \$10.00 per box to hold the boxes at the facility until Hastings could pick up the boxes;
- h) Hastings stated he had five to eight boxes currently at the UPS facility to pick up, and the value of the counterfeit product in those boxes was about \$8,000.00;
- i) Hastings stated he made \$30,000.00 to \$35,000.00 in monthly gross sales;
- j) Hastings stated he had no other employment;
- k) ICE agents informed Hastings that he needed to cease buying, selling, and distributing counterfeit products because doing so was in violation of criminal and civil laws;
- l) Hastings stated that he understood and that he would comply with the law.

5. On October 23, 2008, ICE agents seized an additional eighty five (85) counterfeit trademarked purses, four (4) counterfeit trademarked scarves, two (2) counterfeit trademarked baseball hats, and sixty one (61) counterfeit trademarked glasses from Hastings' junior partner in Evergreen, Colorado.

6. On October 24, 2008, ICE agents seized five (5) boxes addressed to Hastings at the UPS facility at 13101 James E. Casey Avenue, in Englewood, Colorado. Among the counterfeit items seized from UPS on that date were one hundred fifteen (115) counterfeit trademarked handbags and twenty eight (28) counterfeit trademarked wallets.

7. In November, 2009, Hastings filed a Colorado Business Registration form with the Colorado Department of Revenue, 1375 Sherman Street, in the City and County of Denver, State of Colorado. Hastings listed his business as the retail sales of "handbags," indicated that he made less than \$300.00 in sales per month, and that he would be filing quarterly retail sales reports. Hastings paid a \$50.00 State Sales Tax deposit and \$20.00 for a state sales tax license. No tax payments were ever made to the State of Colorado using that sales tax license. Hastings did not renew that license.

8. In July, 2010, Hastings filed a Colorado Business Registration form with the Colorado Department of Revenue, 1375 Sherman Street, in the City and County of Denver, State of Colorado. Hastings listed his business as the retail sales of "selling junk (trash)," indicated that he made less than \$300.00 in sales per month, and that he would be filing quarterly retail sales reports. Hastings paid a \$50.00 State Sales Tax deposit and \$12.00 for a state sales tax license. No tax payments were ever made to the State of Colorado using that sales tax license. Hastings did not renew that license.

9. In July, 2012, Hastings registered "Randy Hastings DBA R.L. Hastings Promotions" with the Colorado Secretary of State as a tradename in the State of Colorado. Hastings described the business as "Retail Sales." That trade name was not renewed and expired on August 1, 2013.

10. At all times relevant to this Indictment, Hastings unlawfully and intentionally shipped, displayed, advertised, distributed, offered for sale, sold, and possessed with intent to sell or distribute thousands of counterfeit trademarked products in the State of Colorado.

11. At all times relevant to this Indictment, Hastings had counterfeit products shipped from suppliers to Hastings' prior address, 6052 Blue Ridge Drive, Unit #C, Littleton, Colorado, 80130-3640. Hastings did not reside at that address. Hastings paid UPS employees, in cash or products, to re-route or hold boxes at the UPS facility located at 13101 James E Casey Avenue, Douglas County, State of Colorado, until Hastings could pay the cash on delivery (C.O.D.) charges for each box and accept delivery.

12. At all times relevant to this Indictment, suppliers, including, but not limited to, "Top Fashion, Inc.," shipped counterfeit products C.O.D. from the Paclot Supplies Shipping and Packaging Center located at 126 Lafayette Street, New York, New York, to Hastings in the State of Colorado. The Paclot shipping store is located near the corner of Canal Street and Lafayette Street.

13. At all times relevant to this Indictment, Hastings advertised himself and his business as "Randy The Purse Guy" or "Knock Offs High Quality Simulations" through business cards and contacts with customers.

14. At all times relevant to this Indictment, Hastings used a succession of vans to display, advertise, distribute, offer for sale, sell, and possess with intent to sell or distribute counterfeit trademarked products. Hastings drove those vans to various locations within the State of Colorado, and displayed and sold counterfeit trademarked products to a variety of customers. Hastings' primary locations to sell counterfeit trademarked goods were beauty salons and spas throughout the Front Range of Colorado, including frequent trips to salons and spas in the Colorado Springs area. Hastings approached salon owners, employees, and customers, and sold counterfeit trademarked merchandise for a fraction of the cost of authentic trademarked merchandise. Among the locations in the State of Colorado that Hastings sold counterfeit trademarked merchandise are the following:

- a) The street corner of University Boulevard and 2nd Avenue in Denver;
- b) Blondie's Beauty Shop located at 763 South University Boulevard in Denver;
- c) Salon Utopia located at 300 Josephine Street, Suite #110, in Denver;
- d) Wells Fargo Bank parking lot located at 4165 Wildcat Reserve Parkway in Highlands Ranch;
- e) Phoebe Therese Salon located at 3037 E. 3rd Avenue in Denver;
- f) Rock Star Beauty Lounge located at 2683 E. 120th Avenue in Thornton;
- g) Cost Cutters Salon located at 8533 Church Ranch Boulevard #D400, in Westminster;
- h) Rock Star Nail Salon and Spa located at 12047 Pecos Street in Westminster;
- i) Phenix Salon Suites located at 5191 W. 112th Avenue in Westminster;
- j) Fancy Fingers located at 9116 W. Bowles Avenue, Suite 2, in Littleton;
- k) Jula Salon & Spa located at 6510 S Academy Boulevard, Suite C, in Colorado Springs;
- l) Tanglz & Company located at 3355 S. Wadsworth Boulevard, Unit H111, in Lakewood;
- m) Salon Odyssey located at 12045 Pecos Street in Northglenn;
- n) Elite Aesthetics LLC located at 13701 W. Jewell Avenue in Lakewood;

- o) Sola Salons located at 13923 E. Exposition Avenue in Aurora;
- p) Sola Salons located at 6001 S. Willow Drive in Greenwood Village;
- q) Hair Design Quarter located at 7718 Grandview Avenue in Arvada;
- r) Sola Studios Cherry Creek North, located at 299 Detroit Street, #131, in Denver;
- s) Shear Perfection Salon located at 8966 W. Bowles Avenue, Suite Q, in Littleton;
- t) Salon Priority One located at 8911 Harlan Street in Westminster;
- u) Solera Salon and Spa located at 8770 East Arapahoe Road in Centennial;
- v) Salon M located at 9459 University Boulevard in Highlands Ranch;
- w) I Capelli Salon located at 5123 S. Yosemite Street in Greenwood Village;
- x) Liquid Salon and Spa located at 9265 S. Broadway #100, in Highlands Ranch;
- y) Phenix Salon Suites located at 3333 S. Tamarac Drive, Unit A, in Denver.

15. At all times relevant to this Indictment, Hastings also displayed and sold counterfeit trademarked merchandise to customers who contacted him through the phone number printed on “Randy The Purse Guy” and “Knock Offs High Quality Simulations” business cards. Those customers arranged to meet Hastings at locations in the State of Colorado to purchase merchandise from him.

16. Hastings also sold counterfeit trademarked merchandise through “purse parties” at private residences arranged by customers, including but not limited to 4835 Willowstone Heights, Colorado Springs, El Paso County, State of Colorado.

17. At all times relevant to this Indictment, Hastings did not represent that the products he was selling were authentic. Hastings’ customers knew that they were purchasing counterfeit “knock-offs” of authentic trademarked products.

COUNT ONE

TAX VIOLATION, 39-21-118(2) C.R.S. (F5) <40022>

Between and including **January 1, 2013 and November 4, 2015**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS**, who was required by law to collect, account for, or pay over a tax, unlawfully, feloniously, and willfully failed to collect or truthfully account for or pay over the tax; in violation of section 39-21-118(2), C.R.S.

COUNT TWO

TAX EVASION, 39-21-118(1) C.R.S. (F5) <40021>

Between and including **January 1, 2013 and November 4, 2015**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS**, unlawfully, feloniously, and willfully attempted to evade or defeat a tax administered by the Colorado Department of Revenue, or the payment thereof, namely **INCOME TAX**; in violation of section 39-21-118(1), C.R.S.

The facts supporting Counts 1 and 2 are as follows:

1. The facts supporting all other counts in this Indictment are incorporated herein by reference.
2. In July, 2012, Hastings registered “Randy Hastings DBA R.L. Hastings Promotions” as a tradename in the State of Colorado with the Colorado Secretary of State’s office. Hastings described his business as “Retail Sales.” That trade name was not renewed but was valid through August 1, 2013.
3. Between and including January 1, 2013, and December 31, 2013, Hastings received, in the State of Colorado, at least ninety three (93) C.O.D. boxes shipped from Paclot Supplies Shipping and Packaging Center located at 126 Lafayette Street, New York, New York.
4. In March, 2015, Hastings traded in one van for another van at Peak Kia, located at 5077 S. Wadsworth Way in the City and County of Denver, Colorado. At that time, Hastings provided copies of his 2013 and 2014 Federal tax documents to Kia for proof of income. In the Federal Form 1040 for Tax Year 2013, Hastings reported a taxable income of \$96,014.00. (Form 1040, line 43). Hastings reported a profit of \$68,313.00 for his stated business of “Womens Purse Sales” for Tax Year 2013. (Schedule C, Line 31).
5. Hastings did not file any tax documents with the Colorado Department of Revenue for the Tax Year 2013. Hastings did not pay any income tax or sales tax to the State of Colorado for the Tax Year 2013.
6. The State of Colorado Department of Revenue was and is located at 1375 Sherman Street in the City and County of Denver, State of Colorado.

COUNT THREE

TAX VIOLATION, 39-21-118(2) C.R.S. (F5) <40022>

Between and including **January 1, 2014 and November 4, 2015**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS**, who was required by law to collect, account for, or pay over a tax, unlawfully, feloniously, and willfully failed to collect or truthfully account for or pay over the tax; in violation of section 39-21-118(2), C.R.S.

COUNT FOUR

TAX EVASION, 39-21-118(1) C.R.S. (F5) <40021>

Between and including **January 1, 2014 and November 4, 2015**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS**, unlawfully, feloniously, and willfully attempted to evade or defeat a tax administered by the Colorado Department of Revenue, or the payment thereof, namely **INCOME TAX**; in violation of section 39-21-118(1), C.R.S.

The facts supporting Counts 3 and 4 are as follows:

1. The facts supporting all other counts in this Indictment are incorporated herein by reference.
2. Between and including January 1, 2014, and December 31, 2014, Hastings received, in the State of Colorado, at least three hundred thirty two (332) C.O.D. boxes from Paclot Supplies Shipping and Packaging Center located at 126 Lafayette Street, New York, New York.
3. Between and including January 1, 2014, and December 31, 2014, Hastings deposited an aggregate of at least \$240,000.00 in cash and/or personal checks into eight different banking accounts held and controlled by Hastings in the State of Colorado. That income was received as a result of selling counterfeit trademarked products.
4. In March, 2015, Hastings traded in one van for another van at Peak Kia, located at 5077 S. Wadsworth Way in the City and County of Denver, Colorado. At that time, Hastings provided copies of his 2013 and 2014 Federal tax documents to Kia for proof of income. In the Federal Form 1040 for Tax Year 2014, Hastings reported a taxable income of \$97,412.00. (Form 1040, line 43). Hastings reported a profit of \$67,410.00 for his stated business of "Womens Purse Sales" for Tax Year 2014. (Schedule C, Line 31).
5. Hastings did not file any tax documents with the Colorado Department of Revenue for the Tax Year 2014. Hastings did not pay any income tax or sales tax to the State of Colorado for the Tax Year 2014.
6. The State of Colorado Department of Revenue was and is located at 1375 Sherman Street in the City and County of Denver, State of Colorado.

COUNT FIVE

TRADEMARK COUNTERFEITING, 18-5-110.5(1),(2)(a)(II)(B) C.R.S. (M1) <10163>

On or about **July 17, 2014**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS** unlawfully and intentionally manufactured, displayed, advertised, distributed, offered for sale, sold, or possessed with intent to sell or distribute marks, goods, or services that the defendant knew were, bore, or were identified by one or more counterfeit marks and had possession, custody, or control of more than twenty-five items bearing a counterfeit mark. Further, the violation involved one hundred or more items; in violation of section 18-5-110.5(1),(2)(a)(II)(B), C.R.S.

The facts supporting Count 5 are as follows:

1. The facts supporting all other counts in this Indictment are incorporated herein by reference.
2. On July 17, 2014, Laura Bifano (Bifano) was the manager of the Louis Vuitton store located in the Cherry Creek Shopping Mall, 3000 E. 1st Avenue in the City and County of Denver, State of Colorado. Bifano was notified by customers that “Randy the Purse Guy” was selling Louis Vuitton branded merchandise from a van and canopy at the corner of 2nd Avenue and University Boulevard. That intersection is near the northwest corner of the Cherry Creek Shopping Mall. Customers told Bifano that the “Louis Vuitton” merchandise being sold by “Randy the Purse Guy” was priced at a small fraction of authentic merchandise prices in the Louis Vuitton store.
3. On July 17, 2014, Bifano notified Denver Police Detective Alfredo Ybarra (Ybarra) about the possible sale of counterfeit trademarked merchandise. Bifano and Ybarra walked to the van and canopy of “Randy the Purse Guy” at 2nd Avenue and University Boulevard. Bifano looked at the merchandise on display and found dozens of counterfeit Louis Vuitton branded purses and wallets for sale. Bifano saw counterfeit products from other trademarked brands. Ybarra and Bifano saw more than one hundred counterfeit trademarked items for sale in the canopy and van, including, but not limited to, purses, wallets, watches and glasses.
4. Ybarra was dressed in plainclothes and did not identify himself as a police officer. Hastings gave Ybarra a business card identifying his business as “Randy the Purse Guy” with a phone number of 720-629-2459.
5. After leaving the canopy and van, Ybarra notified uniformed Denver Police officers to contact Hastings at 2nd Avenue and University Boulevard to seize the counterfeit trademarked products. However, Hastings packed up his canopy and products and left the scene before Denver Police officers could contact him.

COUNT SIX

TRADEMARK COUNTERFEITING, 18-5-110.5(1),(2)(a)(II)(B) C.R.S. (M1) <10163>

On or about **August 19, 2014**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS** unlawfully and intentionally manufactured, displayed, advertised, distributed, offered for sale, sold, or possessed with intent to sell or distribute marks, goods, or services that the defendant knew were, bore, or were identified by one or more counterfeit marks and had possession, custody, or control of more than twenty-five items bearing a counterfeit mark. Further, the violation involved one hundred or more items; in violation of section 18-5-110.5(1),(2)(a)(II)(B), C.R.S.

The facts supporting Count 6 are as follows:

1. The facts supporting all other counts in this Indictment are incorporated herein by reference.
2. On Sunday, August 17, 2014, Denver Police Department Detective Teresa Driscoll (Driscoll), operating in an undercover capacity, contacted Hastings through the telephone number on the “Randy the Purse Guy” business card obtained by Ybarra, to arrange a meeting for the purpose of buying counterfeit trademarked merchandise. Driscoll asked if she could set up an appointment at his showroom during the upcoming week. Hastings told Driscoll that he was working on Monday and to just call him when she was ready. Hastings indicated that he did not have a showroom, that he was mobile throughout the day, and that he would work Driscoll in between other sales. Driscoll asked if she could meet him on Tuesday, instead, and Hastings stated he would meet her on Tuesday, August 19, 2014.
3. On Tuesday, August 19, 2014, Hastings, through a series of phone conversations, directed Driscoll to meet him in the parking lot of Blondies Beauty Shop, located at 763 S. University Boulevard in the City and County of Denver, State of Colorado. Driscoll, in a video and audio recorded contact, met Hastings in the parking lot of 763 S. University Boulevard at approximately 11:10 AM. Hastings’ van was parked in the handicapped spot at the front of the parking lot. Hastings immediately opened doors on all sides of his blue Dodge minivan to display his merchandise to Driscoll. Driscoll saw approximately two hundred (200) purses, wallets, sunglasses, and other trademarked merchandise covering the entirety of the back of the van. Driscoll saw that the merchandise was well displayed. Driscoll saw purses hanging on orange clips from bars that had been installed into the van. Driscoll saw purses that displayed the trademarks of Prada, Louis Vuitton, Celine, Michael Kors, Coach, and other brands.
4. While Driscoll was selecting items to purchase from the van, Hastings took several purses from the van and walked into Blondie’s Beauty Shop to sell to Blondie’s Beauty Shop clientele. When Hastings returned to the van, Driscoll purchased a pair of counterfeit “Coach” brand sunglasses, a counterfeit “Louis Vuitton” branded wallet, a counterfeit “Louis Vuitton” branded purse, and a counterfeit “Celine” branded purse, all for a total of \$190.00 cash. Hastings did not collect any sales tax for this retail sale.

5. Driscoll asked Hastings if he still did “purse parties.” Hastings stated that he did. Driscoll asked if he would be interested in putting on a purse party at the Denver Country Club, and Hastings stated he would. Hastings stated that he would only commit to staying an hour, and that he had to keep his product in the van instead of setting up a display outside of the van. Hastings explained that he preferred to set a one hour time limit so the ladies would know to get out to the van and make their purchases quickly. He stated he had done parties in the past where he set up inside, but that was a waste of four or five hours.

6. Driscoll told Hastings that Hastings would be surprised that wealthy women that she knew were interested in “knock off” purses, even though they had the money to purchase authentic items. Hastings stated that he was not surprised, that he has been doing purse parties for wealthy women for fifteen years, and that he “was no stranger to the danger.” Hastings stated he always had fun at the purse parties.

7. Hastings told Driscoll that two weekends ago, (August 8, 2014), he had been hired to work a “Spa and Boutique” party at a five million dollar home in Colorado Springs in the Broadmoor Resort Community. Hastings stated that the host had “valet service for all the girls that came, you could get botox done, there was a walk-in boutiques where you could buy clothes and try them on... the whole thing was catered, open bar. I had a good time.” Hastings described the host as a customer of his from a salon in Colorado Springs.

8. A subsequent analysis of Hastings’ cell phone revealed a text message to Hastings on August 8, 2014, directing Hastings to 4835 Willowstone Heights in the Broadmoor Resort Community.

9. Hastings told Driscoll that rich women love to have a few of the “real thing,” but supplemented their inventory with his products. Hastings stated “they can have a bunch of these (indicating his merchandise) instead of one or two of the real things. Even rich people don’t blow their money right and left.” Hastings stated “They’ll have what they want, and then they’ll have this stuff, too.” Hastings told Driscoll that he has known Gina (Martinez), the owner of Blondies, for fifteen years, and has sold to her clientele since Gina operated Madeline’s salon in Cherry Creek. Hastings stated that, on two occasions, he sold a thousand dollars’ worth of his merchandise to a well-known socialite at Madeline’s, and felt that she was “buying for her servants.”

10. Hastings told Driscoll that his inventory changed weekly, and that he constantly received new products.

COUNT SEVEN

TRADEMARK COUNTERFEITING, 18-5-110.5(1),(2)(a)(II)(B) C.R.S. (M1) <10163>

On or about **February 26, 2015**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS** unlawfully and intentionally manufactured, displayed, advertised, distributed, offered for sale, sold, or possessed with intent to sell or distribute marks, goods, or services that the defendant knew were, bore, or were identified by one or more counterfeit marks and had possession, custody, or control of more than twenty-five items bearing a counterfeit mark. Further, the violation involved one hundred or more items; in violation of section 18-5-110.5(1),(2)(a)(II)(B), C.R.S.

The facts supporting Count 7 are as follows:

1. The facts supporting all other counts in this Indictment are incorporated herein by reference.
2. On Wednesday, February 25, 2015, Driscoll, operating in an undercover capacity, contacted Hastings by telephone to arrange a meeting for the purpose of buying counterfeit trademarked merchandise. Hastings agreed to meet Driscoll at around 2:00 PM. Driscoll told Hastings that she would not be available at that time and would prefer to meet the next day. Hastings advised Driscoll to call him in the morning and he would have a better idea of a time and a place to meet.
3. On Thursday, February 26, 2015, Hastings, through a series of phone conversations and text messages, directed Driscoll to meet him in the parking lot of Blondies Beauty Shop, located at 763 S. University Boulevard in the City and County of Denver, State of Colorado. Driscoll, in a video and audio recorded contact, met Hastings in the parking lot of 763 S. University Boulevard at approximately 11:20 AM.
4. Driscoll observed that Hastings was parked in the same handicapped parking spot as before at the front entrance to Blondie's Beauty Shop and set up for making sales. Hastings was driving the same van that he had driven on August 19, 2014. Driscoll specifically asked Hastings for "Celine" trademarked handbags. Hastings directed Driscoll to one that he had in the van, but Driscoll advised him that it was the same model of purse that she purchased the last time, just a different color. Driscoll told Hastings that she would look for something else. Hastings went into Blondie's Beauty Shop after telling Driscoll that he would be right back, and to feel free to "dig through" the merchandise in the van.
5. Driscoll selected a counterfeit "Prada" brand purse and a counterfeit "Tory Burch" branded small wrist wallet for a total of \$85.00 cash. Hastings did not collect any sales tax for this retail sale.
6. Hastings told Driscoll that he was now in the business of selling "All Leather" handbags from various trademarked brands that were of higher quality and looked more authentic. Hastings stated he had, or could get, all leather bags with Hermes, Prada, Chanel, and Louis Vuitton labels. Hastings stated that he was selling those for \$270.00 to \$360.00 each. Hastings

stated that he only gets a few of these purses in every week. Hastings told Driscoll that she would have to pay him in advance for the higher quality counterfeit purses. Hastings told Driscoll that she would have to let him know early because he had a client who has been buying all that he received as soon as he got them from his suppliers. Hastings reiterated that the higher quality counterfeit purses he sold for around \$300.00 "look exactly like a real one at ten grand."

7. Hastings told Driscoll that he receives about three (3) boxes per week, and that each box contains a variety of trademarked merchandise. Driscoll told Hastings that she felt that Hastings had the best selection of quality knock-offs that she had seen since she visited Canal Street in New York City. Hastings told Driscoll that he was very familiar with Canal Street and that he had driven to New York three times in one month to buy products for sale. Hastings told Driscoll that he also "met people" in New York to buy more products to sell. Hastings told Driscoll that he was familiar with the City of New York due to the fact that he had been in the Navy and stationed there.

8. Driscoll saw that Hastings possessed hundreds of counterfeit trademarked items in his van for sale, including glasses, jewelry, wallets, and purses.

9. After Driscoll completed the purchase of the two counterfeit products noted above, she left the scene. Shortly thereafter, Hastings left the parking lot. Undercover police officers followed Hastings for approximately two hours and saw Hastings make sales from his van at the following locations:

- a) Phoebe Therese Salon located at 3037 E. 3rd Avenue in Denver;
- b) Rock Star Beauty Lounge located at 2683 E. 120th Avenue in Thornton;
- c) Cost Cutters Salon located at 8533 Church Ranch Boulevard #D400, in Westminster;
- d) Rock Star Nail Salon and Spa located at 12047 Pecos Street in Westminster; and
- e) Phenix Salon Suites located at 5191 W. 112th Avenue in Westminster.

COUNT EIGHT

TRADEMARK COUNTERFEITING, 18-5-110.5(1),(2)(a)(II)(B) C.R.S. (M1) <10163>

On or about **April 23, 2015**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS** unlawfully and intentionally manufactured, displayed, advertised, distributed, offered for sale, sold, or possessed with intent to sell or distribute marks, goods, or services that the defendant knew were, bore, or were identified by one or more counterfeit marks and had possession, custody, or control of more than twenty-five items bearing a counterfeit mark. Further, the violation involved one hundred or more items; in violation of section 18-5-110.5(1),(2)(a)(II)(B), C.R.S.

The facts supporting Count 8 are as follows:

1. The facts supporting all other counts in this Indictment are incorporated herein by reference.
2. On Monday, April 6, 2015, ICE Special Agent Andy Melissaratos (Melisseratos) conducted surveillance on Hastings for approximately one hour in the morning. During that time, Melissaratos saw Hastings enter and exit the JP Morgan Chase Bank located at 5076 S. Wadsworth Blvd. in Lakewood, and the Colorado State Bank and Trust located at 9561 S. University Boulevard in Littleton. Melissaratos also observed Hastings drive to a Wells Fargo Bank located at 4165 Wildcat Reserve Parkway in Highlands Ranch. At the Wells Fargo Bank, a female met Hastings in the parking lot. Hastings opened the doors to his van to reveal his merchandise for sale. The female looked at the merchandise for approximately 10 minutes and then purchased two handbags.
3. Subsequent analysis of Hastings' JP Morgan Chase Bank account revealed a cash deposit of \$1,580.00 on April 6, 2015.
4. Subsequent analysis of Hastings' Colorado State Bank and Trust account revealed a cash deposit of \$100.00 on April 6, 2015.
5. On Tuesday, April 21, 2015, Driscoll, operating in an undercover capacity, contacted Hastings by telephone to arrange a meeting for the purpose of buying counterfeit trademarked merchandise. Hastings told Driscoll to call him around 1:00 PM on Wednesday, April 22, 2015, to see if they could meet after he returned from making sales in Colorado Springs.
6. On Wednesday, April 22, 2015, Hastings, through a series of phone conversations, directed Driscoll to meet him in the parking lot of Blondies Beauty Shop in the afternoon, after he returned from making sales in Colorado Springs, Colorado. Driscoll agreed to meet Hastings and reminded Hastings that Hastings had mentioned that he now had a higher quality of counterfeit handbags for sale but he had to have some notice in advance. Driscoll asked Hastings if he had any in his inventory and he advised that he accepted cash only for these purses and that she would have to pay him in advance. Driscoll requested that he bring some photos of the purses for her to look at. Hastings agreed to do so.

7. On Wednesday, April 22, 2015, Driscoll, operating in an undercover capacity, went to Salon Utopia located at 300 Josephine Street, Suite #110 in Denver. Surveillance had followed Hastings to that location on at least two prior occasions. Driscoll saw Hastings' counterfeit products in full display from the front business window. Driscoll went into the salon and saw that the purses were being sold for \$90.00 and the wallets for \$40.00, marked up from Hastings' usual prices for similar items.

8. On Wednesday, April 22, 2015, in the afternoon, Hastings called Driscoll and stated that he was coming back too late from Colorado Springs and wanted to reschedule their meeting for the following day.

9. On Thursday, April 23, 2015, Hastings, through a series of phone conversations, directed Driscoll to meet him in the parking lot of Blondies Beauty Shop located at 763 S. University Boulevard, in the City and County of Denver, State of Colorado. Driscoll, in a video and audio recorded contact, met Hastings in the parking lot of 763 S. University Boulevard at approximately 10:00 AM. When Driscoll arrived she saw that Hastings was already meeting with three other customers in the parking lot.

10. Driscoll complimented Hastings on his new van. Hastings told Driscoll that there were fewer miles on this vehicle but it was the same model as his prior van. Hastings told Driscoll that he drives approximately 50,000 miles per year from salon to salon, including trips to Colorado Springs, Colorado, every Wednesday and Saturday.

11. Hastings showed Driscoll and other customers a new "Chanel Boy Bag" that he had recently received. Hastings showed Driscoll a picture of this item on his phone and told Driscoll that he would charge \$320.00 for this particular style. Hastings used his cell phone to show Driscoll and other customers several photos of higher quality counterfeit merchandise. Hastings stated that Driscoll would have to order these bags, pay in advance, and expect to wait two to three weeks for delivery. Driscoll saw images of Louis Vuitton, Chanel, Celine, and Balenciaga handbags. Hastings stated that he only had one real leather "Hermes" bag in his possession at this time.

12. Hastings told Driscoll that he has a customer who buys every real leather knock off purse that he gets. Hastings stated he was trying to get real leather "Chanel Boy Bag" purses in each available color for that customer. Hastings stated "I have a customer that everything I send her a picture of, if she doesn't have it, she buys."

13. A subsequent analysis of Hastings' cell phone revealed a series of text messages and images between "Alysa" in Cherry Hills Village and Hastings, in March and April, 2015, regarding high quality leather knock offs. On April 18, 2015, Alysa directs Hastings to get "Boy Bag in LARGE and other colors!! It comes in an olive green that looks cool, blue, metallic, etc." Hastings then passed that directive on to his contact in Florida.

14. While Driscoll was talking to Hastings about the higher quality counterfeit bags, another customer told Hastings that she had a meeting and asked Hastings if he would be there long enough for her to leave and come back. Hastings told that customer that he would not be there

for long. She asked Hastings for his website or E-mail and he stated that he works exclusively through the phone. Hastings provided his business card to her.

15. Hastings introduced Driscoll to another customer whom he identified as the sister of the owner of Blondie's Beauty Shop. Hastings told Driscoll that he has conducted business with her for seventeen (17) years.

16. Driscoll asked about the price of a Jimmy Choo purse and Hastings stated that it was \$50.00. Driscoll then inquired about ordering the higher quality purses from Hastings. He stated that when he gets a box there is always a higher quality purse in the merchandise, but he never knows what is coming unless he specifically orders a style and brand for a customer. Hastings stated that he would be receiving a new shipment that evening and the following night. Hastings told Driscoll that he unpacks in the evening and gets the items ready for sale. Hastings told Driscoll to call him that evening or the next night and he would tell her what new merchandise he had received.

17. Driscoll purchased a counterfeit Louis Vuitton branded purse for \$70.00 and a counterfeit Coco Chanel branded wallet for \$30.00 in cash from Hastings. Hastings did not collect any tax for this retail sale.

18. Driscoll complimented Randy Lynn Hastings on his business prowess and reminded him that they had talked about Canal Street in New York. Hastings told Driscoll that in March of 2006 he drove to New York three times in one month to conduct business on Canal Street.

19. Hastings told Driscoll that he had been in the business of selling coupons for car washes, auto shops, and restaurants. Hastings stated that he got into the counterfeit purse business when he was at a car wash in Denver trying to sell coupons when the customer offered to trade him a Rolex for the coupon. Hastings told Driscoll that he and that guy talked about the business and became fast friends. Hastings stated that they have now been in business together for the last fifteen (15) years. Hastings stated that his friend had been in the business for ten (10) years longer than Hastings. Hastings told Driscoll that the other guy has since relocated to the State of Florida, and that he has long been employed as a baggage handler with an unnamed airline. Hastings told Driscoll that Hastings now just places orders with him and pays him a little extra for that service. Hastings told Driscoll that boxes are then shipped to Denver for Hastings to pick up. Hastings stated that everything is shipped C.O.D. by UPS due to the fact that people in the business are reluctant because they are afraid of the cops and being "burned on money". Hastings stated that now he never meets the distributors, and that his friend takes care of finding new distributors if a current distributor disappears.

20. Hastings told Driscoll that every box contains between \$1,200.00 and \$1,500.00 worth of merchandise. Hastings told Driscoll that he gets three boxes per week, every week, throughout the year. Hastings told Driscoll that the airline employee also sells counterfeit merchandise in the State of Florida and is known at festivals where he sets up canopies. Hastings stated that setting up canopies was too much work for him, and that he had found that he has had more success being mobile.

21. Hastings showed Driscoll how he inventoried his product and kept track of his sales. Hastings showed her itemized sheets that were hanging from the rearview mirror of the van and stated that he keeps notes and bank records in his briefcase. Hastings showed Driscoll the open briefcase in the van. Hastings stated that he kept track of where he had meetings with customers, what they bought, and what was owed.

22. Driscoll then concluded her business with Hastings and walked off. Uniformed Denver Police Officers, detectives, and ICE agents contacted Hastings before he could leave the parking and seized all of the counterfeit trademarked merchandise. Driscoll had purchased the items with pre-recorded U.S. currency. All of those funds were recovered from Hastings. Hastings was arrested for Trademark Counterfeiting, fingerprinted, photographed, and released pending the filing of charges. After being released, Denver Police Officer Castine transported Hastings to Salon Utopia located at 3rd Avenue and Josephine Street, at Hastings' request.

23. On Thursday, April 23, 2015, after Hastings had been arrested, Melisseratos and Ybarra interviewed Gina Martinez (Martinez), owner of Blondie's Beauty Shop. Martinez stated she has known Hastings for about twenty (20) years. Martinez stated that there is no set schedule for Hastings to come to the salon. Martinez stated she prefers other types of purses to the ones that Hastings sells, but that younger employees and some customers buy Hastings' merchandise. Martinez stated she does not receive anything for allowing Hastings to sell products at her salon.

24. On April 24, 2015, Driscoll and Ybarra contacted David Leon (Leon) at Salon Utopia located at 300 Josephine Street, Suite #110, in Denver. Leon is the owner of the Salon. Driscoll and Ybarra saw that all of the counterfeit trademarked merchandise had been removed from the Salon. Leon told Driscoll and Ybarra that he (Leon) had removed the items after Leon spoke with Hastings on April 23, 2015. Leon stated that he had known Hastings for several years and had been letting Hastings drop off counterfeit purses at his salon to display and to sell. Leon stated he would pay Hastings after Leon sold the merchandise. Leon stated he kept a small profit on each purse sold. Leon stated, for example, that he would buy the purses or wallet for \$50 apiece and then he would mark the product up and sell it to his customers. On May 1, 2015, Leon turned over to Ybarra twelve (12) counterfeit trademarked purses and two (2) counterfeit trademarked wallets that Leon stated he had obtained from Hastings.

25. Among the counterfeit items seized from Hastings on April 23, 2015, were seventy nine (79) trademarked purses, sixty nine (69) trademarked wallets, sixteen (16) trademarked necklaces, four hundred ninety-three (493) trademarked sunglass bags, ten (10) trademarked watches, fifty four (54) trademarked earring sets, and seventy seven (77) trademarked glasses. The estimated retail (street) value of the counterfeit trademarked items, based on the prices charged by Hastings, was over \$10,000.00.

COUNT NINE

TRADEMARK COUNTERFEITING, 18-5-110.5(1),(2)(a)(II)(B) C.R.S. (M1) <10163>

On or about **April 29, 2015**, at and triable in the City and County of Denver, State of Colorado, **RANDY LYNN HASTINGS** unlawfully and intentionally manufactured, displayed, advertised, distributed, offered for sale, sold, or possessed with intent to sell or distribute marks, goods, or services that the defendant knew were, bore, or were identified by one or more counterfeit marks and had possession, custody, or control of more than twenty-five items bearing a counterfeit mark. Further, the violation involved one hundred or more items; in violation of section 18-5-110.5(1),(2)(a)(II)(B), C.R.S.

The facts supporting Count 9 are as follows:

1. The facts supporting all other counts in this Indictment are incorporated herein by reference.
2. On April 29, 2015, ICE agents seized three (3) boxes addressed to Hastings at the UPS facility at 13101 James E. Casey Avenue, in Englewood, Colorado. The first box was shipped from 126 Lafayette Street, New York, NY 10013 (Paclot Shipping), addressed to Randy Hastings, (727) 776-5986, Unit #C, 6052 Blue Ridge Drive, Littleton, CO 80130-3640. The label was marked "Billing: P/P COD Cashiers CK/MO Only \$1,380.00." That box contained twenty three (23) counterfeit trademarked designer handbags, thirty six (36) counterfeit trademarked designer sunglasses, and five (5) counterfeit Michael Kors brand trademarked bracelets.
3. The second box was shipped from 126 Lafayette Street, New York, NY 10013 (Paclot Shipping), addressed to Randy Hastings, (727) 776-5986, Unit #C, 6052 Blue Ridge Drive, Littleton, CO 80130-3640. The label was marked "Billing: P/P COD Cashiers CK/MO Only \$1,326.00." That box contained thirty five (35) counterfeit trademarked designer handbags and ten (10) counterfeit Tory Burch brand trademarked wallets.
4. The third box was shipped from 126 Lafayette Street, New York, NY 10013 (Paclot Shipping), addressed to Randy Hastings, (727) 776-5986, Unit #C, 6052 Blue Ridge Drive, Littleton, CO 80130-3640. The label was marked "Billing: P/P COD Cashiers CK/MO Only \$1,463.00." That box contained twenty five (25) counterfeit trademarked designer handbags, ten (10) counterfeit trademarked designer sunglasses, ten (10) counterfeit Tory Burch brand trademarked necklaces, and five (5) counterfeit Chanel brand trademarked earrings.
5. A subsequent analysis of Hastings' cell phone revealed that the phone number on the shipping labels, 727-776-5986, was listed as "Don" in the phone's contacts section. Many text messages between Randy Lynn Hastings and "Don" regarding orders for counterfeit products were recovered from the cell phone.