

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
EUGENE DIVISION

UNITED STATES OF AMERICA

6:19-cr-5101-MC

v.

INDICTMENT

GENE LEROY THOMPSON, JR.,
a.k.a Eugene Leroy Thompson, Jr. and

18 U.S.C. §§ 2320 and 2323

GUOJIAO ZHANG,
a.k.a. Becky Zhang,
a.k.a. Becky Thompson,

UNDER SEAL

Defendants.

THE GRAND JURY CHARGES:

COUNT 1
(Conspiracy to Traffic in Counterfeit Goods)
(18 U.S.C. § 2320(a))

1. From at least in or about September 2017 and continuing until at least the date of this Indictment, in the District of Oregon and elsewhere, Defendants, **GENE LEROY THOMPSON, JR.**, a.k.a. Eugene Leroy Thompson, Jr., and **GUOJIAO ZHANG**, a.k.a. Becky Zhang, a.k.a. Becky Thompson, knowingly and intentionally conspired and agreed with each other and with others known and unknown to the Grand Jury, to intentionally traffic in goods, namely Vera Bradley handbags, while knowingly using on and in connection with such goods counterfeit marks, the use of which counterfeit marks was likely to cause confusion, mistake, and deception;

Indictment

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In violation of Title 18, United States Code, Section 2320(a).

OBJECT OF THE CONSPIRACY

2. It was an object of the conspiracy that Defendants and their co-conspirators unjustly enriched themselves by fraudulently selling handbags and other goods bearing counterfeit Vera Bradley trademarks and purporting to be manufactured by Vera Bradley.

MANNER AND MEANS

3. At all times relevant to this Indictment, Defendant GENE LEROY THOMPSON, JR. was employed by the Department of State as an Information Programs Officer for the United States Embassy in Seoul, Korea. THOMPSON, JR. engaged in overt acts in furtherance of the conspiracy from his work station at the Embassy inside an Information Program Center which is considered a Sensitive Compartmented Information Facility, a secure facility designed to protect classified information.

4. At all times relevant to this Indictment, Defendant GUOJIAO ZHANG was married to THOMPSON, JR. and resided with him in Seoul, Korea.

5. It was part of the conspiracy that THOMPSON, JR. created accounts on e-commerce platforms such as eBay, Poshmark, and Mercari, using his Department of State computer, which used Internet Protocol ("IP") addresses in the United States. THOMPSON, JR. then conveyed the login credentials for these accounts to GUOJIAO ZHANG, who took primary responsibility for operating the account, communicating with customers, and procuring stock. Once an online transaction was completed, ZHANG conveyed the transaction information as well as a prepaid shipping label to a co-conspirator in the District of Oregon, who was responsible for storing and shipping the counterfeit goods from his home in the District of Oregon. The proceeds

of the sales on e-commerce platforms were then deposited into bank accounts in Defendants' name, including accounts at Navy Federal Credit Union and SunTrust Bank.

6. As part of the scheme, Defendants conspired to traffic in the following counterfeit trademarks, which are registered in the Principal Register of the United States Patent and Trademark Office:

Company	Registration Number	Description of Trademark
Vera Bradley	5,136,200	VERA BRADLEY
Vera Bradley	1,745,799	VERA BRADLEY
Vera Bradley	2,962,647	<i>Vera Bradley</i>

OVERT ACTS

7. In furtherance of the conspiracy, Defendants committed various overt acts, including but not limited to the following:

8. On or about December 26, 2017, THOMPSON, JR. posted a listing on Poshmark through the account beckyondiscount for a "NEW Vera Bradley Triple Zip Hipster Impressionista," which sold on or about December 29, 2017. On or about January 2, 2018, a co-conspirator in the District of Oregon mailed the item through the United States Post Office in Nyssa, Oregon. Vera Bradley later determined the item was counterfeit and contained counterfeit trademarks.

9. On or about April 23, 2018, Vera Bradley sent cease-and-desist letters to the co-conspirator's home in Nyssa, Oregon. On or about April 26, 2018, that co-conspirator conveyed

the information in the cease-and-desist letter to THOMPSON, JR. via e-mail, saying that Vera Bradley is “requesting that you immediately cease and desist from offering for sale any Vera Bradley counterfeit products and destroy any violating products.” THOMPSON, JR. replied, “OK, I thought this would happen. Stop all shipment.” THOMPSON, JR. then sent an e-mail to ZHANG stating, “Take all of the listing for VB down. VB has caught you.”

10. Subsequently, Defendants began creating e-commerce accounts in the name of aliases and used those accounts to continue selling counterfeit Vera Bradley merchandise.

11. For example, on or about September 13, 2019, Defendants sold a bag described as a “Vera Bradley Campus Backpack Rosewood” through their Poshmark account isale2everyone. The co-conspirator in the District of Oregon then mailed the item through the United States Postal Service in Ontario, Oregon, to a Post Office Box in Portland, Oregon. Vera Bradley later determined the product was counterfeit and contained counterfeit trademarks. The Poshmark account was registered to “Debbie Bellah.”

12. Similarly, on or about October 7, 2019, Defendants sold a bag described as a “Vera Bradley Hipster Disney Midnight with Mickey” through their Poshmark account jennifersettle. The co-conspirator in the District of Oregon then mailed the item through the United States Postal Service in Ontario, Oregon, to a Post Office Box in Portland, Oregon. Vera Bradley later determined the product was counterfeit and contained counterfeit trademarks. The Poshmark account was registered using the name “Jennifer Settle.”

13. During the conspiracy, ZHANG directed THOMPSON, JR. to post listings on e-commerce platforms. For example, on or about January 14, 2019, ZHANG sent an e-mail to THOMPSON, JR. with the subject line “Vera Bradley Super Tote Mediterranean [sic] White, list

1, \$40". The e-mail contained photographs of the handbag as well as a description for the listing, which stated "New without tag, No offer accepted. Measuring approximately 23.5" Wide x 16" High x 7.5" Deep with quilted double straps that drop approximately 10 inches, this travel bag is airline carry-on compliant. There are 4 exterior pockets, 6 interior pockets, a key clasp and a sturdy base. Great for everyday, travel, baby, beach etc!!"

14. Additionally, ZHANG sent shipping labels and instructions to other members of the conspiracy. For example, on or about March 11, 2019, ZHANG sent a co-conspirator in the District of Oregon a shipping label for "2 bags to [Jane Doe]" and described the items using a code, that is, "LD39 + VT6."

In violation of Title 18, United States Code, Section 2320(a).

COUNTS TWO AND THREE
(Trafficking In Counterfeit Goods)
(18 U.S.C. § 2320(a)(1))

15. Paragraphs 3 through 5 above are re-alleged and incorporated herein by reference.

16. On or about the dates set forth below, in the District of Oregon and elsewhere, Defendants **GENE LEROY THOMPSON, JR.** and **GUOJIAO ZHANG**, did intentionally traffic in and aid and abet in trafficking in goods, namely, Vera Bradley-branded merchandise, and knowingly used on or in connection with such goods a counterfeit mark, to wit a spurious mark identical to or substantially indistinguishable from the Vera Bradley word mark (Registration No. 2,962,647) and the Vera Bradley stylized cursive trademark (Registration No. 2,962,647), which marks were in use and registered for those goods or services on the principal register of the United States Patent and Trademark Office, the use of which counterfeit marks was likely to cause confusion, to cause mistake, and to deceive;

In violation of Title 18, United States Code, Section 2320(a)(1).

COUNT	SHIPMENT DATE	ITEM	MARK(S)
TWO	September 16, 2019	Shipment of "Vera Bradley Campus Backpack Rosewood" to Post Office Box in Portland, Oregon	5,136,200 2,962,647
THREE	October 9, 2019	Shipment of "Vera Bradley Hipster Disney Midnight with Mickey" to Post Office Box in Portland, Oregon	5,136,200 2,962,647

FORFEITURE ALLEGATION

Upon conviction of one or more of the offenses alleged in Count 1-3 of this Indictment, defendants **GENE LEROY THOMPSON, JR.**, a.k.a. Eugene Leroy Thompson, Jr. and **GUOJIAO ZHANG**, a.k.a. Becky Zhang, a.k.a. Becky Thompson shall forfeit to the United States pursuant to 18 U.S.C. §§ 981(a)(1)(C), 2323(a)(1) and (b)(1), and 28 U.S.C. § 2461(c), any property constituting or derived from proceeds obtained directly or indirectly as a result of the aforesaid violations and any property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of said violations.

Dated: December 11, 2019.

A TRUE BILL

OFFICIALIZING FORERERSON

Presented by:

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