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MEDIA RELEASE
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**MASSACHUSETTS MAN PLEADS GUILTY TO
MULTI-MILLION DOLLAR NEW HAMPSHIRE INTERNET CONSPIRACY**

CONCORD, NEW HAMPSHIRE: United States Attorney Tom Colantuono and Kenneth W. Kaiser, Special Agent in Charge of the Boston Division of the Federal Bureau of Investigation today announced that John K. Lawler, age 38 of 51 West Central Street, Natick, MA pleaded guilty to charges that between 1999 and February of 2002 he conspired with others in Florida, Massachusetts, New York, California and Canada to traffick in counterfeit luxury items such as Rolex and Cartier watches over the Internet, a violation of Title 18, United States Code, Sections 371 and 2320.

Lawler came to the attention of the FBI in March of 2001 when a private investigator, who had been hired by a legitimate watch manufacturer to investigate Lawler, provided information concerning a web site being used for the sale of counterfeit watches. The FBI conducted an investigation and learned that Lawler, along with his co-conspirators, ran two web sites on which they advertised and sold fake watches. Those watches were virtually identical in appearance to, and illegally carried the trademarks of, many legitimate companies including Rolex, Cartier, Omega, Movado and Tag Heuer.

As part of the investigation the FBI established an undercover operation in New Hampshire through which it purchased several counterfeit watches. Those watches were mailed from California in packaging which falsely identified the point of shipment as Phoenix, AZ. The FBI had those watches examined by an expert who determined all of them to be counterfeit.

At the plea hearing, Lawler admitted to United States District Judge Joseph A. DiClerico, Jr. that, as part of the conspiracy, two Nevada corporations were established, each with a mailing address in Phoenix, AZ, which were used to hide the true location of the businesses. All mail sent to Arizona was forwarded to Massachusetts where both companies were run and managed. Lawler also admitted that he hired several people in Massachusetts to answer phones and process orders as part of the conspiracy. Additionally, he admitted that during a one year period he deposited over \$1.6 million in sales proceeds into just one of his bank accounts used for the conspiracy.

Lawler is scheduled to be sentenced on September 30, 2003 at which time he faces up to five years in prison followed by a three year period of supervised release and up to a \$250,000 fine. He will also be ordered to make full restitution to all identifiable victims of his crime.

After the plea of guilty was entered U.S. Attorney Colantuono stated: "The internet is a valuable resource to the citizens of New Hampshire which unfortunately is being abused by criminals for ill-gotten financial gain. My office will continue to work with the FBI, as well as all other law enforcement agencies, to insure that those who commit crimes through the internet in New Hampshire are brought to justice."

The case was investigated by the FBI Computer Squad in Boston, MA and is being prosecuted by Assistant United States Attorney Arnold H. Huftalen.