

Final Defendant in Conspiracy to Manufacture, Import, and Sell Counterfeit Military Clothing and Gear Sentenced to Federal Prison - GSA Office of Inspector General

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U.S. Attorney's Office
District of Rhode Island
October 20, 2022

PROVIDENCE – Terry Roe, 49, of Burlington, ND, the final defendant to be sentenced in a wide-ranging conspiracy that developed, manufactured, and imported \$20 million worth of Chinese-made counterfeit U.S. military uniforms and gear that were passed off as genuine American-made products to the U.S. military was sentenced today to 24 months in federal prison, announced United States Attorney Zachary A. Cunha.

Roe, a now-former manager at a North Dakota supplier that purchased counterfeit clothing and gear from members of the conspiracy, acted as the point-of-contact with personnel at military Base Supply Centers. According to documents filed with the court many of the counterfeit goods acquired and sold by the North Dakota supplier, for which Roe acted as a middleman, were ultimately worn or carried by American airmen. Roe pleaded guilty in February 2022 to conspiracy to commit wire fraud and traffic in counterfeit goods.

On October 13, 2022, Ramin Kohanbash, 52, Brooklyn, NY, a clothing and goods wholesaler who directed the effort to design, manufacture, import, and distribute counterfeit products that lacked crucial safety features or failed to meet safety specifications, therefore endangering the health and safety of the military personnel who wore them, was sentenced to forty months in federal prison and ordered to forfeit \$20 million in proceeds that he obtained from the sale of the counterfeit goods.

Additionally, according to court documents, Kohanbash paid Roe for his role in the conspiracy. Roe collected over \$60,000 from Kohanbash during the conspiracy, including a \$39,617 kickback from Kohanbash that resulted from an overcharge to Roe's employer. Roe also collected a \$5,000 payment from Kohanbash within weeks of a trademark holder's discovery and complaints that counterfeit jackets had been provided to Air Force Base Supply Centers endangering the military personnel who wore them.

Roe was sentenced today by U.S. District Court Judge William E. Smith to twenty-four months in federal prison to be followed by three years of federal supervised release. Restitution as it pertains to this defendant will be determined at a later date by the court.

A third defendant, Bernard Klein, 41, of Brooklyn, was sentenced in April 2021 to eighteen months of incarceration to be followed by three years of federal supervised release; ordered to pay a fine of \$15,000; and to pay restitution in the amount of \$400,000. In tandem with the criminal case, Klein also entered into a civil settlement agreement under which he has paid \$348,000 to resolve liability to the United States under the federal False Claims Act for goods sold to certain government purchasers.

As part of this effort, the United States has also reached three separate settlements under the federal False Claims Act in connection with this conduct. These civil settlements, with Klein, Kohanbash, and the Dakota Outerwear Company of Minot, ND, have recovered a total of \$2,042,398 for these defendants' roles in a

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scheme to procure and sell counterfeit, and in some cases, defective and nonconforming goods, to federal purchasers.

The cases were prosecuted by Assistant U.S. Attorneys Sandra R. Hebert, Richard B. Myrus, and Lee H. Vilker.

The matter was investigated by the U.S. Defense Criminal Investigative Service, Northeast Field Office; General Services Administration Office of Inspector General, New England Regional Investigations Office; Army Criminal Investigation Division, Major Procurement Fraud Field Office; the U.S. Air Force Office of Special Investigations, Office of Procurement Fraud Detachment 6, Joint Base Andrews, MD; Homeland Security Investigations, Newark, NJ; and Customs and Border Protection, New York Field Office.

Source: U.S. Attorney's Office [press release](#)