



# Department of Justice

United States Attorney Billy J. Williams  
District of Oregon

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## **GRESHAM MAN CHARGED WITH SMUGGLING AND IMPORTING MISBRANDED CHLOROQUINE FROM CHINA FOR ATTEMPTED RESALE**

PORTLAND, Ore.—U.S. Attorney Billy J. Williams announced today that a Gresham, Oregon man has been charged with illegally purchasing, importing, and offering for sale chloroquine, the active pharmaceutical ingredient in prescription drugs used to treat malaria.

Matthew Owens, 42, has been charged by criminal complaint with smuggling and the receipt in interstate commerce of misbranded drugs and the delivery thereof for pay.

“Together, Americans are facing a public health emergency without precedent in our lifetimes. We are heartened by the countless examples of public service by front-line health workers, law enforcement, and ordinary Americans alike. These heroic acts of service inspire us all,” said U.S. Attorney Williams. “And yet, there are some individuals actively trying to profit off the pandemic, and, in the process, putting more lives at risk. We will not let these selfish and dangerous criminal acts continue unchecked.”

“Drugs that are produced and distributed outside the FDA’s oversight present the prospect of harm to the public health. The FDA’s drug approval process is designed to ensure that patients receive safe and effective drugs,” said Special Agent in Charge Lisa L. Malinowski, FDA Office of Criminal Investigations (FDA-OCI) Los Angeles Field Office. “The FDA will not tolerate those who attempt to place the public health at risk, especially during a pandemic and we will take appropriate action to protect consumers from bad actors who take advantage of a crisis to deceive the public.”

“It’s unconscionable that individuals would prioritize their own greed over the health of others, particularly during a public health crisis,” said Eben Roberts, Acting Special Agent in Charge of Homeland Security Investigations (HSI) Seattle. “Illicit distribution of narcotics put unsuspecting consumers at serious risk. HSI, and our law enforcement partners, will continue to seek and bring to justice anyone who attempts to use the current health emergency to exploit others.”

According to court documents, on April 13, 2020, HSI contacted FDA-OCI after a package containing 122.8 grams of a white powder was intercepted at a FedEx facility in Memphis, Tennessee. The package originated in Xiaoshan, China, and was addressed to Owens' Gresham apartment. The enclosed substance was declared as ammonium polyphosphate but was later determined to be chloroquine. An invoice included with the substance described it as a "sample" having "no commercial value", statements commonly used by persons improperly importing items and attempting to avoid detection.

Investigators searched FDA records and found neither "Hangzhou Weishi Electronic Commerce Co Ltd," the entity who shipped the package, nor "Matthew Owens" as having registered any drug manufacturing facilities. A search of Oregon Medical Board, Oregon Board of Pharmacy, and Oregon State Board of Nursing public databases found no records indicating that Owens was a physician, pharmacist, or registered nurse.

As the investigation continued, special agents from FDA-OCI and HSI learned that two additional shipments were sent from China to Owens' apartment. One contained resveratrol, a chemical commonly found in dietary supplements. The second contained polyacrylamide, a chemical compound primarily used in wastewater treatment, but also as an ingredient in certain cosmetics.

On April 27, 2020, agents from HSI, FDA-OCI, FBI, and the U.S. Postal Inspection Service (USPIS) executed a search at Owens' apartment. They seized laptop computers, cell phones, an unopened bag of clear, empty capsules for encapsulating pharmaceuticals, a foil bag containing an unknown powder, and a material safety data sheet for polyacrylamide.

A forensic search of Owens' cell phones and Facebook Messenger messages associated with his cell phone number revealed conversations discussing the purchase and receipt of chloroquine from Alibaba.com, the world's largest online business-to-business trading platform. Other messages discussed the offering of chloroquine for sale as a treatment for COVID-19.

Owens made his first appearance in federal court today after having been served a summons to appear on May 8, 2020. If convicted, Owens faces a maximum sentence of 23 years in federal prison, 3 years' supervised release, and a \$500,000 fine.

A criminal complaint is only an accusation of a crime, and a defendant is presumed innocent unless and until proven guilty.

This case was investigated by the FDA-OCI and HSI with assistance from the FBI and U.S. Postal Inspection Service (USPIS). It is being prosecuted by the U.S. Attorney's Office for the District of Oregon.

On March 27, 2020, the FDA issued a public notice warning of the dangers of using chloroquine phosphate and warning the public to be wary of anyone claiming to have a product to prevent or cure COVID-19. The U.S. Attorney's Office joins the FDA in imploring the public

not to take any form of chloroquine unless it has been prescribed by a licensed healthcare provider and is obtained through a legitimate source.

If you or someone you know is in danger or experiencing a health emergency, please call 911.

The year 2020 marks the 150th anniversary of the Department of Justice. Learn more about the history of our agency at [www.Justice.gov/Celebrating150Years](http://www.Justice.gov/Celebrating150Years).

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