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FORMER SACRAMENTO MAN CONVICTED IN eBay AUCTION SCAM

*DEFENDANT FAILED TO DELIVER SPORTING EVENT TICKETS
AND ROLEX WATCHES*

SACRAMENTO--United States Attorney McGregor W. Scott announced today that GILBERT VARTANIAN, 37, formerly of Sacramento was convicted by a jury of carrying out an extensive fraud on eBay, a popular Internet auction house. Although the defendant received payment from numerous customers, he failed to deliver the products or make a full refund. The trial began on July 31, 2007.

The case is the product of an extensive investigation by the United States Postal Inspection Service.

According to Assistant United States Attorney Robin Taylor, who prosecuted the case, the defendant was convicted of nine counts of mail fraud arising from a scheme to defraud. The defendant advertised season tickets to sporting events and luxury watches on eBay, which he did not intend to deliver. Specifically, the defendant offered tickets to attend games played by teams such as the New York Knicks, Pittsburgh Steelers, New England Patriots, New York Giants, Green Bay Packers, Philadelphia 76ers, and the New York Jets. He also offered Rolex watches.

According to the evidence at trial, the defendant created multiple eBay user identifications, which he used to carry out the fraud. After bidding on the listings, and being identified as the winner, the victim purchasers sent their checks and money orders to the defendant's post office mail box and other addresses used by him to carry out the fraud. A few victims received packages from the defendant, only to find that the envelope sent to them was empty. Others received nothing at all. After sending and receiving e-mail about the status of their purchases and a few phone calls with the defendant, the purchasers stopped hearing anything at all. The defendant cashed and deposited the checks and used the money for personal expenses.

United States District Court Judge William B. Shubb remanded the defendant to the custody of the United States Marshal's Service. Sentencing in this case is scheduled for October 22, 2007.

Defendant VARTANIAN faces a maximum of up to 20 years imprisonment per count of Mail fraud, a \$250,000 fine, and mandatory restitution. However, the actual sentence will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and any applicable statutory sentencing factors.

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