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Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Friday, May 20, 2022

Bergen County Man Charged for Participating in Multimillion-Dollar Counterfeit Trafficking Conspiracy

NEWARK, N.J. – A Bergen County, New Jersey, man was arrested today on charges of participating in a multimillion-dollar conspiracy to traffic counterfeit computer networking devices, U.S. Attorney Philip R. Sellinger announced.

Musa Karaman, 35, of North Arlington, New Jersey, is charged by complaint with one count of conspiracy to commit mail and wire fraud. He appeared by videoconference today before U.S. Magistrate Judge Cathy L. Waldor in Newark federal court and was released on \$300,000 unsecured bond.

According to documents filed in this case and statements made in court:

From at least September 2017 through May 2021, Karaman, Israfil “David” Demir and another an uncharged conspirator, formed and operated numerous entities in the business of selling computer networking equipment, particularly, networking devices manufactured by Cisco Systems Inc., a major U.S. technology conglomerate. Although Karaman and his conspirators advertised the Cisco products they offered for sale as new and genuine, the products were in fact counterfeit Cisco devices that the conspirators procured from various illicit suppliers based in China.

In May 2021, federal agents executed a search warrant at a Woodland Park, New Jersey warehouse used by Karaman and his conspirators as their business headquarters and discovered thousands of counterfeit Cisco devices, including 7,260 counterfeit Cisco transceivers with a total manufacturer’s suggested retail price of approximately \$13.77 million. Cisco informed law enforcement officials that this is one of the largest volumes of counterfeit Cisco transceivers ever seized in the United States, and that the total value of the seized counterfeit Cisco transceivers was unprecedented. From September 2017 to May 2021, U.S. Customs and Border Protection seized approximately \$3.8 million worth of counterfeit Cisco products contained in over 20 shipments sent by illicit China-based suppliers to various locations under the control of Karaman and his conspirators, including their warehouse and home addresses, often under bogus names.

Demir was charged by criminal complaint on May 26, 2021, in this matter.

The conspiracy to commit mail and wire fraud count carries a maximum potential penalty of 20 years in prison and a maximum fine of either \$250,000 or twice the gain or loss from the offense, whichever is

greatest.

U.S. Attorney Sellinger credited special agents of the U.S. Department of Homeland Security, Homeland Security Investigations (HSI), Newark Office, under the direction of Special Agent in Charge Jason J. Molina; officers from the Port of New York/Newark, U.S. Customs and Border Protection, Office of Field Operations New York Field Office, under the direction of Acting Port Director TenaVel T. Thomas, and the U.S. Department of Defense, Office of Inspector General, Defense Criminal Investigative Service, Northeast Field Office, under the direction of Special Agent in Charge Patrick J. Hegarty, with the investigation leading to today's arrest.

The government is represented by Assistant U.S. Attorney Andrew M. Trombly of the Cybercrime Unit in Newark.

The charges and allegations contained in the complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

Attachment(s):

[Download Karaman.Complaint.pdf](#)

Topic(s):

Financial Fraud

Component(s):

[USAO - New Jersey](#).

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