



New York Post, Don Halsey

Sitting behind just some of the 500,000 counterfeit watches seized by feds are (from left) N.Y. customs boss Dennis Fagen, U.S. Customs Commissioner William Von Raab, U.S. Attorney Rudolph Giuliani and Asst. U.S. Attorney Michael Tabak.

Time has run out for watch band...

By JIM NOLAN
U.S. CUSTOMS agents arrested 20 people — one of them a rabbi — and seized 500,000 counterfeit watches in cracking a multi-million-dollar international phony watch ring, authorities announced yesterday.

The fake watches — sold under a variety of brand names including Gucci, Rolex, Cartier, Piaget and Sanyo — had a street value of \$10 million, said U.S. Customs Commissioner William Von Raab.

They were sold primarily on

the street for between \$30 and \$300, he said.

The bust was the largest fraud scheme ever uncovered in the 200-year history of the Customs Service, Von Raab said.

Customs agents and the U.S. attorney's office charged Julius Pinkasz of Brooklyn, his brother Jacob and son Chaim as the masterminds of the operation, known as South American Watch Co.

Also charged was Rabbi Meyer Leffer of the Congregation Emunath Israel on W. 23d

Street, for allegedly peddling the counterfeit merchandise out of his Manhattan home.

The ring was centered at the company's headquarters at 1261 Broadway.

Vietnamese workers there would affix fake brand name logos to watch parts imported from a supplier in Hong Kong, said Asst. U.S. Attorney Michael Tabak.

"This was fakery on a world-class scale," Von Raab said.

If convicted, those charged face up to 20 years in prison.

Agents seize \$10 million in counterfeit big-name watches, perfume

NEW YORK (AP)—Phony Rolex watches, ersatz Chanel perfume and other counterfeit goods worth more than \$10 million were seized in what could be the largest counterfeit-fraud scheme in U.S. Customs history, officials said yesterday.

"This is truly fakery on a world-class scale," said William von Raab, commissioner of the U.S. Customs Service.

The goods were confiscated—and 20 people were arrested—in a series of raids Tuesday by 200 customs agents in Miami, Philadelphia, New York and Laredo, Texas, von Raab said.

He said about half a million counterfeit watches falsely identified as being manufactured by Rolex, Piaget, Cartier and others, as well as smaller amounts of counterfeit Gucci, Estee Lauder and Chanel No. 5 perfume and Ray-Ban sunglasses, were seized.

He estimated the merchandise was worth \$10 million wholesale, but represented only a fraction of a multimillion-dollar counterfeit ring. The investigation will continue, he said.

"Counterfeiters such as these drain the very lifeblood of legitimate business; this is not free enterprise, it is criminal enterprise," von Raab said.

"This case is possibly the largest counterfeit fraud scheme ever uncovered in the 200-year history of the U.S. Customs Service," he added.

Criminal complaints were filed in federal court in Manhattan charging 14 people with conducting a racketeering enterprise which imported, assembled and distributed counterfeit merchandise; five were charged with trafficking in counterfeit goods, and one was charged with perjuring himself when questioned before a federal grand jury, said von Raab.

Three more defendants remained at large, he said.

Some of the merchandise and machinery used to counterfeit the watches

was confiscated at 1132 Broadway, the Manhattan office of Dynamic Supply Inc., allegedly a major source of the counterfeit watch operation with offices also in Hong Kong.

One individual, Baruch Feder, of 74 Ross St., Brooklyn, was arrested operating a booth at the Jacob Javits Convention Center and was found with two suitcases full of counterfeit watches.

The principal defendant in the case, Julius Pinesz, also known as "Julio" and "Pinesy," was charged with running an organization operating

through a variety of companies that imported cheap imitations of name brand watches, mainly from Hong Kong, affixed counterfeit names and logos and distributed them to the public.

He is alleged to have been trafficking in vast quantities of counterfeit merchandise for over a decade in an international multimillion-dollar enterprise with sales spanning the United States, Puerto Rico and much of South America, according to Rudolph W. Giuliani, the U.S. attorney who conducted the investigation with the Customs

Service.

Pinesz, 55, of 1365 46th St., Brooklyn, and his twin brother Jacob, of 1405 46th St., and their firm, the South American Watch Company, had been enjoined several times previously from selling the imitations.

"Each time they were brought into court they didn't even contest it," Giuliani said. "They would agree to the injunction and go right out and continue to do it (import and sell the counterfeits) on a larger and larger scale."

Fourteen of the defendants were being charged with conspiring to oper-

ate an organization as a racketeering enterprise. Such a charge carries a maximum sentence of 20 years per count and allows for the forfeiture to the government of any profits resulting from the enterprise.

The counterfeit watches, sold mainly in flea markets and discount retail outlets, could often be distinguished from the legitimate goods in quality, weight and price, officials said.

John F. Flaherty, an attorney representing Rolex, whose watches cost up to \$8,000, said he was "thrilled" with the arrests.