



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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Contact: *CI-HQ-COMMUNICATIONSEDUCATION@ci.irs.gov
IRS – Criminal Investigation

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Owner of Pennsylvania Diet Supplement Business Sentenced to 30 Months Imprisonment for Selling Misbranded Drugs as Weight Loss Products over the Internet

The U.S. Attorney's Office of the Middle District of Pennsylvania announced today that Cheryl Floyd, age 52, of Harrisburg, Pennsylvania, owner of Floyd Nutrition LLC, was sentenced to 30 months in federal prison by U.S. District Court Judge Sylvia H. Rambo of the Middle District of Pennsylvania today in Harrisburg for introducing misbranded drugs into interstate commerce and money laundering. Judge Rambo also ordered Floyd to pay \$10,000 in fines and \$7,530 in restitution.

According to summaries presented to the court by Assistant U.S. Attorney Christy H. Fawcett of the Middle District of Pennsylvania in connection with the guilty plea and the sentencing hearing, Floyd, also known as Cheryl Floyd Brown, was the owner and operator of an internet-based business known as Floyd Nutrition LLC, based at her Harrisburg residence and with warehouse facilities in the Harrisburg area.

The items offered for sale between 2010 and 2014 were purported all-natural dietary supplements sold as weight loss products. They contained the drugs sibutramine and phenolphthalein which are not listed as ingredients in the product labels.

According to the U.S. Food and Drug Administration (FDA), sibutramine was the active pharmaceutical ingredient in Meridia, a prescription weight loss drug removed from the market in 2010 following studies that showed increased instances of heart attack and stroke in the studied population. Phenolphthalein was an over-the-counter drug until 1999, when the FDA reclassified it as not generally safe because it posed a carcinogenic risk.

As a result of the health risks, the FDA detained shipments of the products coming from China intended for Floyd's business. In July 2014, search warrants executed at locations used by Floyd's business resulted in seizure of a large quantity of the products. The products were sold over the internet by Floyd under names such as Slim Trim U, ZXT Slim Bee Pollen, Magic Slim, ZXT Bee Pollen, ZXT Gold Infinity, Lean Body Extreme, Bnew Beauty and Body and Natural Body Solutions.

"Manufacturing and selling products marketed as 'all-natural' dietary supplements put U.S. consumers at risk of serious injury or death when they actually contain dangerous pharmaceutical ingredients," said Director George M. Karavetsos of the FDA Office of Criminal Investigations. "We will continue working with our law enforcement partners to protect consumers from public health risks and fraud."

"I would first like to commend the United States Attorney's office and the FDA Office of Criminal Investigations for their fine work on this investigation," said Special Agent in Charge Akeia Conner of

Internal Revenue Service-Criminal Investigation (IRS-CI). "Today's sentence, along with the seizure of over \$1,000,000 in assets, sends a clear message to those considering similar conduct. The Internal Revenue Service-Criminal Investigation stands committed to providing the financial expertise in these investigations and uncovering the flow of money which is the lifeblood of any drug enterprise."

Floyd pleaded guilty in May 2015 pursuant to a plea agreement that included an agreement to forfeit five properties in Harrisburg owned by the defendant, a 2014 Chevy truck and nine bank accounts. Three of the properties forfeited thus far have netted \$1,016,943. Floyd is to surrender to the Federal Bureau of Prisons on Nov. 16, 2015.

This case was investigated by the FDA Office of Criminal Investigations, IRS-CI and the Dauphin County Drug Task Force, and was prosecuted by Assistant U.S. Attorney Fawcett.

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