



U.S. Department of Justice
Drug Enforcement Administration
Chicago Field Division
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**TWO SUBURBAN CHICAGO RESIDENTS CHARGED WITH ILLEGALLY SELLING
NARCOTICS OVER THE INTERNET; LAW ENFORCEMENT SEIZES WEBSITES**

CHICAGO — Two suburban Chicago residents have been charged with federal drug offenses for illegally selling fentanyl or fentanyl precursors over the internet, and authorities have seized their websites.

LIANGFU “LARRY” HUANG used his company, Ark Pharm Inc., to sell controlled substances – including a fentanyl precursor – over the internet, despite not registering with federal or state authorities, according to a criminal complaint and affidavit filed in federal court in Chicago. Ark Pharm, which is based in Arlington Heights, Ill., offered various drugs for sale on its website (<http://www.arkpharminc.com>). Huang, 53, of Northbrook, Ill., was arrested Wednesday night after arriving at O’Hare International Airport in Chicago on a flight from China. He is charged with one count of conspiracy to knowingly and intentionally possess with intent to distribute, and to distribute, a controlled substance.

In a related case, WEI XU, also known as “Scarlett Hsu,” used her company, 1717 CheMall Corp., to illegally sell fentanyl and other controlled substances without registering with federal or state authorities, according to the complaint against her. 1717 CheMall Corp., which is based in Mundelein,

Ill., offered various drugs for sale on its website (<http://www.1717chem.com>), including the opioids oxycodone, hydrocodone and hydrocodone/oxycodone, the complaint states. Visitors to the website could search for a drug and order it from the site's "estore," the complaint states. Xu, 52, of Vernon Hills, Ill., was arrested Wednesday. She is charged with one count of knowingly distributing a controlled substance.

Also Wednesday, law enforcement agents carried out court-authorized searches of Ark Pharm's and 1717 CheMall's businesses and seized their websites.

The charges were announced by Attorney General Jeff Sessions; Brian McKnight, Special Agent-in-Charge of the Chicago Field Division of the U.S. Drug Enforcement Administration; John R. Lausch, Jr., United States Attorney for the Northern District of Illinois; and Gabriel L. Grchan, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division in Chicago. Valuable assistance was provided by the U.S. Food and Drug Administration; U.S. Customs and Border Protection; Mundelein, Ill., Police Department; Arlington Heights, Ill., Police Department; Skokie, Ill., Police Department; Northern Illinois Police Alarm System (NIPAS); and Weapons of Mass Destruction Special Response Team North.

"Synthetic opioids killed 20,000 Americans in 2016--more than any other kind of drug," said Attorney General Sessions. "The vast majority of these drugs originated in China and then either shipped through the mail or smuggled across our porous Southwest Border. Under President Trump's strong leadership, the Justice Department has taken historic new steps to target Chinese drug traffickers, and today's indictments are our next step. I want to thank DEA, U.S. Attorney John Lausch, Assistant U.S. Attorney Devlin Su, our partners with CBP, IRS, and the FDA and especially our state and local law enforcement partners who helped make this possible. The Department of Justice will remain relentless in our efforts to keep these deadly drugs out of our country and finally put an end to this unprecedented drug epidemic."

"Powerful pharmaceutical medications, fentanyl and fentanyl-related substances are creating a chokehold on our society," said Special Agent-in-Charge McKnight. "Today's enforcement actions

send a clear message to those who utilize the internet to poison our communities: We will find you and you will be held accountable.”

“The charges announced today are the result of an exhaustive and far-reaching investigation,” said U.S. Attorney Lausch. “Whether it’s online or on the streets, our office is committed to aggressively stopping the flow of illegal drugs.”

“There is no room in the Chicagoland area for the illegal selling of fentanyl and other pharmaceuticals,” said Special Agent-in-Charge Grchan. “IRS Criminal Investigation is committed to using its resources and financial expertise to partner with all law enforcement agencies in order to keep our communities safe from the illegal distribution and usages of these and other dangerous drugs.”

Huang and Xu appeared today before U.S. Magistrate Judge Mary M. Rowland, who ordered them to remain in federal custody. A detention hearing is set for June 5, 2018, at 11:00 a.m.

According to the complaint, authorities at the U.S. border seized a dozen packages of crystal meth and other controlled substances that had been shipped from China to Ark Pharm’s headquarters. The shipments purported to contain routine goods such as plastic toys. From November 2016 to earlier this month, law enforcement surreptitiously corresponded with email accounts belonging to Ark Pharm, and conducted five undercover purchases of controlled substances from the company. The drugs were shipped via FedEx, often with Huang’s name listed as the sender, the complaint states.

Authorities performed similar controlled purchases of narcotics at 1717 CheMall Corp. from August 2017 to earlier this month. During the ordering process, agents corresponded via email and phone with Xu, who was using her “Scarlett Hsu” alias, according to the complaint. The drugs from 1717 CheMall were shipped via FedEx, with Xu’s name listed as the sender, the charges allege.

The public is reminded that a complaint contains only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt. The charges against Huang and Xu each

carry a maximum sentence of 20 years. If convicted, the Court must impose reasonable sentences under federal sentencing statutes and the advisory United States Sentencing Guidelines.

Assistant U.S. Attorney Devlin N. Su represents the government.

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