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## **LEADER OF CASINO-CHEATING CRIMINAL ENTERPRISE PLEADS GUILTY TO RACKETEERING CONSPIRACY TARGETING AT LEAST 16 CASINOS**

WASHINGTON – Phuong Quoc Truong, also known as John Truong and “Pai Gow” John, pleaded guilty today in San Diego to conspiring to participate in the conduct of the affairs of a racketeering enterprise, the “Tran Organization,” in a scheme to cheat at least 16 casinos across the country out of millions of dollars, Criminal Division Assistant Attorney General Alice S. Fisher, U.S. Attorney for the Southern District of California Karen P. Hewitt, and U.S. Attorney for the Western District of Washington Jeffrey C. Sullivan announced today.

Truong also pleaded guilty to conspiring to commit theft from an Indian tribal gaming establishment, namely the Emerald Queen Casino, in the vicinity of Tacoma, Wash.

A three-count indictment was returned in San Diego on May 22, 2007 and unsealed on May 24, 2007 charging Phuong Quoc Truong and 13 others each with one count of conspiracy to participate in the affairs of a racketeering enterprise; one count of conspiracy to commit several offenses against the U.S., including conspiracy to steal money and other property from Indian tribal casinos; and one count of conspiracy to commit money laundering.

The indictment also charged five separate individuals each with one count of conspiracy to commit several offenses against the U.S., including conspiracy to steal money and other property from Indian tribal casinos; and one count of conspiracy to commit money laundering.

On May 24, 2007, the U.S. Attorney’s Office for the Western District of Washington announced that a grand jury indictment charged Truong and seven others for alleged violations relating to card-cheating activity at Emerald Queen Casino. As part of his plea agreement, Truong consented to the transfer of that indictment to San Diego for plea purposes.

Truong is the seventh defendant to plead guilty in the San Diego indictment. Duc Cong Nguyen; Han Truong Nguyen; George Michael Lee; Martin Lee Aronson; Tuan Mong Le; and Willy Tran have previously entered guilty pleas and are awaiting sentencing. Truong’s

sentencing is set for September 15, 2008 in San Diego, before District Judge John A. Houston, in U.S. District Court for the Southern District of California.

The racketeering conspiracy charge carries a maximum sentence of 20 years in prison. The conspiracy charge relating to theft from an Indian tribal gaming establishment carries a maximum sentence of five years in prison.

In his plea agreement, Truong admitted that in or about August 2002, he, with co-conspirators Van Thu Tran, Tai Khiem Tran and others, created a criminal enterprise defined in the indictment as the "Tran Organization" based in San Diego and elsewhere for the purpose of participating in gambling cheats at casinos across the U.S.

Truong admitted to targeting at least 16 casinos in the racketeering conspiracy, including:

- 1.) Cache Creek Indian Bingo and Casino in Brooks, Calif.;
- 2.) Emerald Queen Casino in Tacoma, Wash.;
- 3.) Beau Rivage Casino in Biloxi, Miss.;
- 4.) Foxwoods Resort Casino in Ledyard, Conn.;
- 5.) Resorts East Chicago Hotel and Casino in East Chicago, Ind.;
- 6.) Isle of Capri Casino in Westlake, La.;
- 7.) Gold Strike Casino Resort in Tunica, Miss.;
- 8.) Horseshoe Casino and Hotel in Tunica, Miss.;
- 9.) Sycuan Resort and Casino in El Cajon, Calif.;
- 10.) Imperial Palace Casino in Biloxi, Miss.;
- 11.) Mohegan Sun Resort Casino in Uncasville, Conn.;
- 12.) Majestic Star Casino in Gary, Ind.;
- 13.) Argosy Casino in Baton Rouge, La.;
- 14.) Trump 29 Casino in Coachella, Calif.;
- 15.) Isle of Capri Casino in Bossier City, La.; and
- 16.) Horseshoe Casino in Bossier City, La.

In the plea agreement, Truong admitted that he and his co-conspirators unlawfully obtained up to \$7 million during card cheats. For forfeiture purposes, Truong admitted that the proceeds of the racketeering conspiracy amounted to at least \$2,791,146. He agreed to a personal money judgment in that amount, which shall be entered by way of a preliminary order of forfeiture. He also acknowledged that the restitution that he may be ordered to pay by the court at sentencing is not limited by the forfeiture amount. In partial satisfaction of the personal money judgment, Truong agreed to the forfeiture of his interests in various assets, including two houses in the San Diego area, two properties in Vietnam, a 2001 Porsche Carrera, a Rolex Presidential watch and a white gold Mercedes logo diamond-encrusted pendant.

According to the indictment, the defendants and others executed a "false shuffle" cheating scheme at some of the listed casinos during blackjack and mini-baccarat games. The

indictment alleges that members of the criminal organization bribed casino card dealers and supervisors to perform false shuffles during card games, thereby creating “slugs” of un-shuffled cards. According to the indictment, after tracking the order of cards dealt in a card game, a member of the organization would signal to the card dealer to perform a “false shuffle,” and then members of the group would bet on the known order of cards when the slug appeared on the table. By doing so, members of the conspiracy repeatedly won thousands of dollars during card games – up to \$868,000 on one occasion.

The indictment also alleges that the members of the organization used sophisticated mechanisms for tracking the order of cards during games, including hidden transmitter devices and specially created software that would predict the order in which cards would reappear during mini-baccarat and blackjack games.

An indictment is merely an allegation and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government’s burden to prove guilt beyond a reasonable doubt.

The case is being investigated by the Federal Bureau of Investigation’s San Diego Division; the Internal Revenue Service - Criminal Investigation; the San Diego Sheriff’s Department; and the California Department of Justice’s Bureau of Gambling Control. The investigation has received assistance from federal, state, tribal and foreign authorities, including: the Ontario Provincial Police; the National Indian Gaming Commission; the U.S. Attorney’s Office for the Western District of Washington; the FBI’s Gulfport, Miss., Tacoma, Wash., and Toledo, Ohio Resident Agencies; the Indiana State Police; the Rumsey Rancheria Tribal Gaming Agency; the Sycuan Gaming Commission; the Barona Gaming Commission; the Mississippi Gaming Commission; the Washington State Gambling Commission; and others. The prosecution of the case is run by the U.S. Department of Justice’s Organized Crime and Racketeering Section, headed by Bruce G. Ohr, in Washington, D.C. Department of Justice Trial Attorneys Robert S. Tully, Joseph K. Wheatley, and Gavin A. Corn are prosecuting the indictment in San Diego.

Assistant U.S. Attorney J. Tate London, of the U.S. Attorney’s Office for the Western District of Washington, is prosecuting the case in Seattle relating to alleged cheating at the Emerald Queen Casino.

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