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FOR IMMEDIATE RELEASE

Glendale Man Indicted for Fraud, Theft in Business Opportunity Scam

(Phoenix, Ariz. – Dec. 15, 2008) Attorney General Terry Goddard today announced that John Daniel, 63, of Glendale, has been indicted on one count of fraudulent schemes and artifices and 19 counts of theft. The charges, all felonies, relate to a scam Daniel orchestrated that has defrauded at least 18 Valley residents of \$148,950 since 2003.

According to court documents, Daniel solicited “investments” ranging from \$3,500 to \$60,000 for a non-existent company named Global Food Exports (GFE). He allegedly claimed GFE purchased large quantities of flour in the United States and sold them to a company in Mexico for a substantial profit. It is further alleged that Daniel told victims that they would become GFE “associates” with lucrative opportunities to assist in developing contracts with U.S. companies.

Documents state that Daniel provided no investment contracts to the individuals. He did allegedly provide some with an operations manual, company policies and various memoranda regarding the non-existent company’s practices.

Assistant Attorney General Monica Klapper is prosecuting this case in Maricopa County Superior Court. A copy of the indictment is attached.

Fraudulent business opportunities consistently rank among the most common scams reported to the Attorney General’s Office. Goddard recommends consumers take the following precautions to avoid becoming the victim of a scam when approached with a business opportunity:

- Be cautious when subjected to hard pressure sales or “pep rally” type sign-up sessions.
- Use care when considering investing in a business opportunity. Don’t invest unless you are satisfied that the opportunity is genuine and the business can be validated.
- Always meet personally with representatives of the company, view the physical location of the company and verify the actual earning potential.
- If you purchase a business opportunity, carefully evaluate all subsequent offers of upgrades and enhancements. Be prepared to cut your losses once you begin to suspect a problem.
- *Never invest more than you can afford to lose.* Speak with a professional financial advisor before making any large investments.

Additional information on how to avoid these and other scams are available for free in the Attorney General's *Top 10 Consumer Scams* booklet. This booklet, which is updated annually, can be downloaded from the Attorney General's Web site, www.azag.gov.

Attorney General's Office staff members are available to give presentations on common consumer topics of interest, such as business opportunity scams and identity theft. To schedule a presentation, contact the Community Services Program at communityservices@azag.gov or call (602) 542-2123.

For additional information, contact Anne Hilby at (602) 542-8019.

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