



PRESS ROOM

April 22, 2004

**THIRD DEFENDANT PLEADS GUILTY
IN NATIONWIDE MOVING COMPANY PROSECUTION**

MARTIN KIRK II, age 24, of Phoenix, Arizona, pleaded guilty yesterday in United States District Court in Tacoma, Washington, to six counts of Interference with Commerce by Extortion. (Violation of Title 18, United States Code, Sections 1951 and 2.) KIRK is one of seven defendants who have been charged in the case United States v. NATIONWIDE MOVING SYSTEMS (aka NORTHSTAR MOVING & STORAGE, aka AMERICAN STAR MOVING & STORAGE). Kirk is the third of the seven defendants to enter a guilty plea.

The Indictment in this case charges that NATIONWIDE MOVING SYSTEMS, its owners ERIK and TANYA DERI, and other employees including YOSEF NAHAM, YUVAL DEREI, and MARTIN KIRK II, conspired to lure customers into doing business with NATIONWIDE by intentionally offering fraudulently low moving estimates and then inflating the price of the move. Once the goods were loaded onto the moving truck, the indictment charges they threatened to withhold delivery of the customers' goods until the customers paid the inflated price to NATIONWIDE.

In support of his guilty plea, KIRK admitted in his Plea Agreement that he participated in a variety of techniques and ruses intended and designed to coerce the NATIONWIDE customers into paying prices for their moves that substantially exceeded the company's original bid. Those practices included: underpacking the boxes of the customers in order to overcharge them for unnecessary packing materials and to deceive them regarding the volume of their goods; underpacking the moving trucks to deceive the customers regarding the volume of their goods; making false statements to customers regarding the capacity of the moving trucks in order to deceive the customers regarding the volume of their goods; pressuring customers to sign blank bill of lading forms to confuse the customers, and to use the documents later to facilitate extortion; deceiving customers regarding the weighing of moving trucks prior to picking up a customer's goods; and knowingly falsifying the weight of the moving trucks when they were weighed.

Interference with Commerce by Extortion, as charged in the six counts to which KIRK pleaded guilty, is punishable by twenty years imprisonment and a fine of \$250,000.00.

MARTIN KIRK II has a sentencing date of July 9, 2004. The trial date for the remaining defendants is May 10, 2004.

The case was investigated by the United States Department of Transportation's Office of Inspector General, with assistance provided by the Federal Motor Carrier

Safety Administration.

For further information, please contact Public Affairs Officer Emily Langlie at (206) 553-4110, or Assistant United States Attorney Kathryn Warma, at (206) 553-2279.