



NEWS RELEASE

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CHESTER FANNON, VIRGINIA GAMEFOWL BREEDERS ASSOCIATION INDICTED FOR CONSPIRACY, MONEY LAUNDERING

Acting United States Attorney for the Western District of Virginia Julia C. Dudley, Criminal Chief for the Western District Thomas J. Bondurant Jr., Special Agent in Charge for the Federal Bureau of Investigation's Richmond Division Jennifer Smith Love, Special Agent in Charge for the Internal Revenue Service Criminal Investigation C. Andre' Martin and Special Agent in Charge of the Northeast Region for the Department of Agriculture Brian L. Haaser, announced today the unsealing of an indictment charging Chester William Fannon III, age 47, of Middleburg, Virginia and the Virginia Gamefowl Breeders Association, Incorporated [VGBA] with violating federal campaign contribution laws and conspiring to sponsor an animal fighting venture, and other charges.

A Federal Grand Jury sitting in the United States District Court for the Western District of Virginia in Abingdon returned a four-count indictment under seal on October 22, 2008. That indictment was unsealed today following Fannon's arrest.

Fannon and the VGBA were each charged with one count of conspiracy, one count of making false statements, one count of operating a business enterprise involving gambling and one count of money laundering.

"It is critical that we as American citizens and voters know exactly who is contributing money to the political campaigns of those individuals seeking public office," Acting United States Attorney Julia C. Dudley said today. "These are serious allegations. Allegations that Mr. Fannon and the Virginia Gamefowl Breeders Association must answer to."

The indictment alleges that Fannon is the President of the VGBA, a statewide organization devoted to the preservation of gamefowl, also known as fighting roosters. The VGBA raises money through annual membership dues of \$30 per person. Membership in the

group ranged from approximately 791 to 2,246 people between April 2005 and June 2007. During the course of the conspiracy, the VGBA collected \$128,593 in membership dues and fees.

According to the indictment, Fannon and the VGBA conspired with others to sponsor an animal fighting venture, specifically the Little Boxwood Cockpit in Page County, Virginia, in which animals were moved in interstate commerce. As with almost all cock fighting ventures, entry fees and wagers were made during the fights at Little Boxwood. During the course of the conspiracy, persons traveled from Delaware, Maryland, Massachusetts, New Jersey, New York, Ohio, West Virginia and Canada to both enter roosters or be spectators.

The indictment alleges that Fannon and the VGBA engaged in a scheme to conceal the fact that VGBA was funding contributions to Senatorial, Congressional and Presidential candidates by making it appear to the Federal Election Commission that Chester William Fannon was funding the contributions. These actions caused the entry of false statements into the records of the Federal Election Commission. Fannon and the VGBA made contributions to candidates they believed would attempt to repeal existing criminal laws relating to cockfighting and resist enhancing existing laws related to cockfighting.

According to the indictment, it was part of the scheme to have Fannon fund these contributions from his personal account and then be reimbursed by VGBA because it is a violation of federal law for corporations to make campaign contributions. All told, Fannon made contributions to eight candidates, including three different, unidentified candidates for the United States Senate, two different, unidentified candidates for the United States House of Representatives and one unidentified Presidential candidate. In all, Fannon, on behalf of the VGBA contributed over \$11,000 in VGBA funds to various candidates.

If convicted on all counts, the maximum penalty faced by the defendants is 35 years imprisonment and/or a fine of \$1,000,000.

The investigation of the case was conducted by Phil Barnett of the Internal Revenue Service, the Federal Bureau of Investigation, Jim Knorr of the United States Department of Agriculture, and Wayne Sumner of the Virginia State Police. Criminal Chief for the United States Attorney's Office, Western District of Virginia Thomas J. Bondurant Jr. and Assistant United States Attorney Zach Lee are prosecuting the case for the United States.

A Grand Jury indictment is only a charge and not evidence of guilt. The defendant is entitled to a fair trial with the burden on the government to prove guilt beyond a reasonable doubt.

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