

November 13, 2000

CONTACT: GARY WOSK/MARC LITTMAN MTA MEDIA RELATIONS (213) 922-2712/922-2700 FOR IMMEDIATE RELEASE

## SPECIAL LAPD SQUAD NABS MAJOR MTA BUS PASS COUNTERFEITER

For the second time in less than one year, LAPD detectives have arrested and charged a Los Angeles man with counterfeiting thousands of MTA bus passes.

Members of the LAPD's Transit Group Revenue Protection Unit arrested Pedro Sotelo, under surveillance, last Thursday after investigators seized several fake passes in his possession. Before his arrest, Sotelo, scheduled to be arraigned tomorrow, allegedly had engaged in a conversation with a middleman.

A later search of his apartment revealed several hundred fake counterfeit passes, with a street value of \$16,000, and sophisticated equipment used to print up to 10,000 passes each month.

Sotelo, 30, was arrested on Dec. 30, 1999 along with two women for allegedly manufacturing and distributing fake bus passes. After being briefly held on \$100,000 bail, a judge placed Sotelo on probation. Detectives were able to trace his current whereabouts after a 10-month investigation that included the investigation of other bogus pass sellers and go-betweens. A second suspect was questioned and released.

Each year, police estimate that counterfeit rings cost the MTA more than \$2 million in lost revenues but that figure increases to between \$4 and \$8 million per year in lost revenue because of fare evasion.

"It appeared Sotelo could supply any demand of from 500 to 10,000 passes or more a month," said Detective Tim Gipson, LAPD Revenue Protection Unit supervisor. "Once he obtained a bus pass, we believe he was capable of duplicating it and distributing passes on the street within a day and a half."

MORE...

## Page 2 Police Nab Major Counterfeiter

Gipson estimated that a counterfeiter would have to produce at least 1,500 to 2,000 fake passes each month to have a profitable operation. At a street price of \$20 each, production would have reaped the counterfeiter \$30,000 to \$40,000 a month.

Besides the passes, printing plates and high-speed production equipment discovered in his apartment, detectives also found 267 rolls of foil, enough to make tens of thousands of bus passes.

"The quality of his work seems to be the best of any counterfeit passes we've seen," said Agapito Diaz, MTA director of Revenue.

###

MTA-121