

## News Release

FOR IMMEDIATE RELEASE

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### **Marijuana Dispensaries Linked to Fatal Car Crash** *Dispensary Sold Drugs to Man Who Crashed into C.H.P. Officer While Under the Influence of Marijuana*

**MAY 27** --(LOS ANGELES) The owner-operator of six Los Angeles-area "medical marijuana" dispensaries and his wife were arrested this morning on a host of federal charges, including operating several dispensaries within 1,000 feet of schools and churches. Authorities are seeking a third defendant, an employee who allegedly sold a pound of marijuana out the back door of one of the dispensaries.

The investigation into three THC outlets in Compton, Gardena and Los Angeles, as well as Western Caregiver Group in Los Angeles, MedXnow.com in Los Angeles and Southern California Caregivers in Van Nuys, began after a horrific accident in which a CHP officer was critically injured and the driver he had stopped was killed.

"The consequences of marijuana use extend far beyond those who abuse and traffic the drug," said Timothy J. Landrum, Special Agent in Charge of the DEA in Los Angeles. "The individuals arrested today claimed to sell marijuana for medicinal use, but it is clear that they are nothing more than drug traffickers. DEA is committed to enforcing federal laws that exist to prevent similar tragedies like this one from occurring in the future."

The defendants arrested this morning are: Virgil Edward Grant III, 41, of Carson and Grant's wife, Psytra Monique Grant, 33, also of Carson. The Grants were indicted by a federal grand jury on May 21, 2008 and are expected to make their initial court appearances this afternoon in U.S. District Court in Los Angeles.

The third defendant named in the indictment is THC employee Stanley Jerome Cole, 39.

On December 19, 2007, CHP Officer Anthony Pedferri was conducting a routine traffic stop on the shoulder of Highway 101 near Faria Beach, just north of the City of Ventura. Officer Pedferri was speaking to driver Andreas Parra at the driver's side window of Parra's car when a pick-up truck drifted onto the shoulder and struck Parra's vehicle. Parra was killed, and Pedferri was gravely injured. He remains paralyzed.

The pick-up truck was driven by Jeremy White, who is currently being prosecuted by the Ventura County District Attorney's Office for gross vehicular manslaughter while intoxicated. The investigation revealed a large amount of marijuana and marijuana edibles in White's vehicle. According to search warrants filed in federal court, in his post-arrest statement, White acknowledged being under the influence of marijuana when the accident took place, saying he had purchased the marijuana from a "medical marijuana" dispensary in Compton.

After meeting with local investigators in Ventura County, federal investigators determined that White had purchased the marijuana from THC in Compton. After a number of undercover buys at several of Grant's dispensaries – including a \$5,700, one-pound transaction facilitated by Cole – the grand jury indicted the Grants and Cole.

"This case demonstrates the harm that can occur when individuals seek to line their pockets while operating under the guise of California's medical marijuana laws," said United States Attorney Thomas P. O'Brien. "The dispensaries involved in this case were simply drug-dealing enterprises designed to generate profits for those who chose to ignore federal law and flout state law. The tragic accident that killed Andreas Parra and crippled CHP Officer Pedferri can be directly linked to this disregard of the laws."

Debra D. King, Special Agent in Charge of IRS-Criminal Investigation's Los Angeles Field Office,

stated: "The indictment of Virgil Grant, Pshyra Grant, and Stan Cole on narcotics trafficking, money laundering and asset forfeiture charges is the result of a highly successful multi-agency investigation into the Grant's marijuana trafficking operation. The investigation resulted in not only criminal narcotics and money laundering charges, but also asset forfeiture charges. IRS-Criminal Investigation plays a unique role in federal law enforcement's counter-drug effort in that we target the profit and financial gains of drug traffickers. IRS-Criminal Investigation specializes in following the money in illegal narcotic operations, enabling increased criminal prosecutions and asset forfeitures as a result."

This case is the result of an investigation by the Drug Enforcement Administration and IRS-Criminal Investigation.

An indictment contains allegations that a defendant has committed a crime. Every defendant is presumed innocent unless proven guilty in court.