



# Department of Justice

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## **NEWPORT FAMILY MEMBERS SENTENCED IN ILLEGAL STEROID CONSPIRACY**

GREENEVILLE, Tenn. – Five members of the Pasternak family of Newport, Tennessee, have been sentenced by the Honorable J. Ronnie Greer, U.S. District Judge, for their roles in a large illegal steroid conspiracy in east Tennessee. In May 2017, these individuals pleaded guilty to a federal indictment charging them with conspiring to manufacture and distribute anabolic steroids, a Schedule III controlled substance, and conspiring to launder money.

Joel Logan Pasternak, 28, was sentenced to serve 108 months in federal prison and pay a \$2.8 million monetary judgement. Edward Stanley Pasternak, 59, was sentenced to serve 36 months in federal prison. Lori Pasternak, 52, was sentenced to serve 12 months and one day in federal prison. Edward Pasternak and Lori Pasternak were also ordered to jointly pay a monetary judgement of \$100,000. Upon their release from prison, all three of these individuals will be supervised by U.S. Probation for three years. Two other family members Joshua Pasternak, 32, and Jared Pasternak, 23, were both sentenced to serve four days of intermittent confinement, followed by five years of probation. Additionally, Joshua and Jared were each ordered to pay a \$10,000 monetary judgement.

In addition to the prison sentences and fines outlined above, the United States forfeited real estate, cars, and boats which were derived from the criminal organization or were used to commit the crimes.

The Pasternak criminal organization included 17 additional individuals who have pleaded guilty and are awaiting sentencing. Their scheme involved importing raw steroid powders shipped in misbranded packaging from China and other countries, which were converted to liquid, pill, and tablet form and marketed via the internet using the Incredible Hulk image and the name Hulkbody. Customers purchased the steroid products by sending money to Western Union, MoneyGram, and Walmart-to-Walmart Money Transfer using false identities. Over a three-year period, the Pasternak drug organization operated five different clandestine steroids labs in the Johnson City area, derived more than \$2.8 million in criminal proceeds, engaged in thousands of sales transactions, and involved a total of 22 co-conspirators. Law enforcement officers found what is described as one of the largest clandestine steroids lab in the United States as part of the investigation.

Agencies involved in this investigation included the Drug Enforcement Administration, Internal Revenue Service-Criminal Investigation, U.S. Postal Inspection Service, U.S. Department of Homeland Security Investigations and the Washington County Sheriff's Office. Helen C.T. Smith, Assistant U.S. Attorney represented the United States in court proceedings.

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