

KAREN L. LOEFFLER
United States Attorney

JACK S. SCHMIDT
Assistant U.S. Attorney
Federal Building & U.S. Courthouse
709 W. 9th St., Room 937
P.O. Box 21627
Juneau, AK 99802
Phone: (907) 796-0400
Fax: (907) 796-0409
Email: jack.schmidt@usdoj.gov

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

UNITED STATES OF AMERICA,	) No.
	)
Plaintiff,	) <u>COUNT 1:</u>
	)
vs.	) MISREPRESENTATION OF INDIAN
	) PRODUCED GOODS
VINOD "VINNY" L. SIPPY d.b.a.	) Vio. 18 U.S.C. §§1159(a) and
DIAMOND ISLAND, ICY STRAIT,	) (b)(1)(B)(i)
and GEMSTONE HEAVEN	)
	)

I N F O R M A T I O N

The United States Attorney charges that:

//

//

GENERAL ALLEGATIONS

At all times relevant to this Information:

1. VINOD “VINNY” L. SIPPY was the owner and operator of DIAMOND ISLAND, ICY STRAIT, and GEMSTONE HEAVEN located in Juneau, Alaska.
2. DIAMOND ISLAND, ICY STRAIT, and GEMSTONE HEAVEN sold a wide range of gift items including carvings and handicrafts. Some of the products sold were made by Alaska Native artists and other items sold were crafted based upon traditional Alaska Native designs or styles, but were not made by Alaska Natives or members of any American Indian tribe.

INDIAN ARTS AND CRAFTS ACT

3. Under the Indian Arts and Crafts Act (IACA) makes it is unlawful, to offer, display for sale, or sell any good in a manner that falsely suggest that it was Indian produced, an Indian product, or the product of a particular Indian tribe, resident in the United States. 18 U.S.C 1159(a).

4. Congress adopted the IACA as a truth-in -marketing law with the purpose of requiring those who produce and market art and craft work to honestly represent and clarify the degree of Indian involvement in the production of the art and craft work when it is sold, displayed, or offered for sale. 25 C.F.R 309.7

5. Under the IACA, an “Indian” means any individual who is a member of an Indian tribe or certified by an Indian tribe as a non-member Indian artisan.

18 U.S.C. 1159(c)(1) and 25 C.F.R. 309.2 (a). An “Indian artisan” means an individual who is certified by an Indian tribe as a non-member Indian artisan.

25 C.F.R. 309.2 (b). An “Indian product” means any art or craft made by an Indian.

The term “made by an Indian” means that an Indian has provided the artistic or craft work labor necessary to implement an artistic design through a substantial

transformation of materials to produce the art or craft work. This may include more than one Indian working together, however, the labor component of the product

must be entirely Indian for the Indian art or craft object to be an “Indian product.”

25 C.F.R. 309.2 (d). “Indian products” include, but is not limited to art made by an

Indian in a traditional or non-traditional style or medium, craft work made by an

Indian in a traditional or non-traditional style or medium, or a handicraft made by an

Indian. 25 C.F.R. 309.2 (2)(i-iii).

6. The following are not considered “Indian product”: a product in the style of an Indian art or craft product or designed by an Indian but produced by non-Indian labor; a product in the style of an Indian product assembled from a kit; a product originating from a commercial product, without substantial transformation by Indian artistic or craft work labor; Industrial products that have an exclusively

functional purpose which do not serve do not serve as a traditional artistic medium and do not lend themselves to an Indian embellishment; a product in the style of an Indian art and craft product that is produced in an assembly line or related production line using multiple workers not all whom are Indians. 25 C.F.R. 309.2 (3)(i-vi).

7. An “Indian tribe” means any Indian tribe, band, nation, Alaska Native village, or organized group or community which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians; or any Indian group that has been formally recognized as an Indian tribe by a State legislature or by a state commission or similar organization legislatively vested with state tribal recognition authority. 25 C.F.R. 309.2 (e)(1)(2).

USFWS INVESTIGATION

8. On August 26, 2015, an undercover U.S. Fish and Wildlife Service (USFWS) agent entered into DIAMOND ISLAND and contacted VINOD “VINNY” L. SIPPY and asked him about two bone carvings, each carved by different artists that the agent knew were not an Alaska Native or member of any American Indian tribe. VINOD “VINNY” L. SIPPY falsely represented that the bone carvings were made by individuals who were “Inuit Indian” and “Native Inuits.”

The agent purchased both bone carvings for \$1,985.00 and subsequently re-confirmed that both artists were not Alaska Native or a member of an American Indian tribe.

9. On September 23, 2015, two USFWS agents contacted VINOD “VINNY” L. SIPPY at DIAMOND ISLAND. The USFWS agents identified themselves as USFWS agents and asked VINOD “VINNY” L. SIPPY if he knew whether the two artists identified during the undercover operation were Alaska Natives. VINOD “VINNY” L. SIPPY responded he had met one of the artists in January 2015 and knew he was not “Alaska Native” and the other artist was also not “Alaska Native” because his supplier whom he purchases the carvings from told him the artist was not an “Alaska Native.”

10. The artists who made the bone carvings live and work in Alaska but are not an Alaska Native or member of any American Indian tribe.

//

//

COUNT 1

11. Paragraphs 1 and 10 are re-alleged and incorporated herein.

12. On or about August 26, 2015, the defendant, VINOD “VINNY” L. SIPPY d.b.a. DIAMOND ISLAND within the District of Alaska, did knowingly offer and display for sale and sell goods, specifically two bone carvings that were not made by an Alaska Native, in a manner that falsely suggested these goods as being Indian produced and Indian products, in particular that they were authentic Alaska Native handicrafts knowing that they were not.

All of which is in violation of Title 18, United States Code, §§1159(a) and (b)(1)(B)(i).

RESPECTFULLY submitted on this 3rd day of March, 2016, at Juneau, Alaska.

KAREN L. LOEFFLER
United States Attorney

s/Jack S. Schmidt
JACK S. SCHMIDT
Assistant U.S. Attorney
United States of America