

US Nabs Man In Fake 5-Hour Energy Plot After Decade On Run

By **Gina Kim**

Law360 (June 16, 2025, 7:18 PM EDT) -- A Mexican national entangled in a sprawling indictment accusing 11 people of producing and selling millions of counterfeit bottles of 5-Hour Energy drinks in a long-running criminal scheme has been extradited from Italy and made his initial appearance in California federal court Friday, after being a fugitive for the last decade.

Juan Romero, was initially indicted alongside nine others in 2015 in the Northern District of California on charges of conspiracy to traffic counterfeit goods, conspiracy to commit criminal copyright infringement and conspiracy to introduce misbranded food into interstate commerce.

Romero and his co-schemers were accused of relabeling bottles of 5-Hour Energy that were only meant to be sold in Mexico. The group replaced Spanish labels with English ones and sold them for 15 percent less than the authentic bottles in the U.S., federal prosecutors had alleged.

As the group ran out of the legitimate bottles, they'd create sham bottles that were filled with mysterious liquids, eventually selling retailers more than 3 million bogus energy drinks, the government alleged.

Romero was accused of acquiring blank bottles and caps to hold the sham 5-Hour Energy drinks from his company in Mexico, Envases Plasticos, before shipping them to his co-defendants to be sold in the U.S., according to the federal indictment.

Romero made his first appearance before U.S. Magistrate Judge Susan van Keulen on Friday, and is set to appear Tuesday for a detention hearing, where the government is expected to ask the court to keep Romero in custody pending trial.

On Friday, the U.S. Attorney's Office for the Northern District of California filed a motion for detention pending trial, arguing that Romero posed a serious flight risk and had refused to appear in his case, even though he knew of the criminal proceedings against him and his co-defendants, who were sentenced after either pleading guilty or being brought to trial and convicted.

"Romero was aware of the proceedings from their inception and had appointed counsel in the case, but he declined to personally appear," Friday's detention motion said. "The Court issued a bench warrant.



Geoffrey Potter



Tom Kurland

Yet, through counsel, he filed papers in the proceedings. And he remained on the lam. That was, until 2024, when he went to vacation in Italy and was arrested by Italian authorities because of a warrant arising from this case."

On Friday, attorneys from Patterson Belknap Webb & Tyler LLP, who represent Living Essentials LLC — which makes the energy shot — and its parent Innovation Ventures LLC, filed a victim impact statement that also urged the court to keep Romero in custody pending trial.

Living Essentials' victim impact statement noted that it uncovered Romero's conduct in the scheme, and that the New York federal court overseeing the company's civil case ultimately adopted the company's findings when it determined the defendant willfully counterfeited the supplements and violated Living Essentials' registered trademarks.

Romero's fugitive status rendered the plaintiff's civil judgment "essentially uncollectable," Living Essentials' victim impact statement said.

"The upshot is that Juan Romero has never had to face the consequences of his blatantly criminal actions, and has never paid Living Essentials a single cent of what it is owed," Living Essentials' statement said. "Because of his tremendous outstanding civil liability to Living Essentials, there is a real risk that, if Juan Romero is not detained pending trial, he will flee the United States again. To allow him to evade justice yet again would only embolden other counterfeiters by suggesting that their conduct has no real consequences, no matter the risk to public that they impose."

According to court papers, husband-and-wife duo Joseph and Adriana Shayota, who owned Baja Exporting, entered into a business deal with Living Essentials LLC where the couple agreed to sell Spanish-labeled versions of the supplement in Mexico only.

Living Essentials gave Baja Exporting the entire product, but the business deal eventually ended when Baja was facing distribution challenges in Mexico.

Joseph Shayota then tried to divert the Spanish-labeled brand and sell it in the U.S. by teaming up with another co-conspirator, Walid Jamil, and orchestrated a plot to repackage the legitimate 5-Hour Energy drink that was only to be sold in Mexico to sell it in the United States, the government alleged.

Jamil scouted other participants, including Romero, to create labels, packaging and product, the government alleged. Romero was the linchpin of the manufacturing process, as he created the fake supplements, and obtained blank bottles and caps to fill them with the sham products, according to prosecutors.

"Between December 2011 through November 2012, Romero and others ordered more than seven million counterfeit label sleeves and hundreds of thousands of counterfeit display boxes, often switching the lot and expiration codes on the bottles and boxes to parallel the valid codes being used on authentic product," Friday's detention motion said.

Throughout the years, most of the participants in the criminal plot admitted to the charges, including the Shayotas' nephew Justin Shayota, Raid Jamil, Leslie Roman, Walid Jamil, Kevin Attiq and Mario Ramirez.

Joseph and Adriana Shayota maintained their innocence, and went to trial. Both were convicted in

2016 and sentenced the following year. Joseph Shayota received a seven-year prison term while his wife received a two-year prison sentence. Their convictions were upheld by the Ninth Circuit in 2019.

Living Essentials initiated a civil anti-counterfeiting action in the Eastern District of New York in 2012 against a slew of companies after conducting a comprehensive probe at its own expense that uncovered the massive conspiracy. In March 2016, U.S. District Judge Kiyoo Matsumoto awarded the 5-Hour Energy creators a \$20 million judgment against the defendants.

The government is represented by Craig H. Missakian, Martha Boersch and Christoffer Lee of the U.S. Attorney's Office for the Northern District of California.

Living Essentials is represented by Geoffrey Potter and Thomas Kurland of Patterson Belknap Webb & Tyler LLP.

Counsel information for Romero was not immediately available Monday.

The case is U.S. v. Juan Romero, case number 5:15-cr-00264, in the U.S. District Court for the Northern District of California.

--Editing by Michael Watanabe.