

Internal Revenue Service  
Criminal Investigation Division



Memorandum of Interview

**In Re:** VICTOR CONTE, JR. **Location:** Balco Laboratories  
**Investigation #:** 940330013 **1520 Gilbreth Road**  
**Date:** September 3, 2003 **Burlingame, CA 94010**  
**Time:** 1:00 p.m. to 4:00 p.m. Approximately  
**Participant(s):** Jeff Novitzky, Special Agent, IRS-CI  
Jon Colombet, Supervisory Special Agent, SMNTF

During the execution of a search warrant on the business location of Balco Laboratories, Victor Conte agreed to speak with agents and answer questions. SSA Colombet and I led Conte to a rear conference room in the building. I (S/A Novitzky) informed Conte that he was not under arrest and that there were no plans to arrest him this day. I told Conte that he was free to leave the premises any time he wished, however if he chose to leave, because of site safety and site integrity concerns, he would not be allowed to return until the conclusion of the search. Conte made the following statements in response to our questioning:

1. Conte's full name is Victor Conte Jr. His date of birth is July 10, 1950. His residence address is 716 27th Avenue in San Mateo, California. His home phone number is 650-341-6377. His cell phone number is 415-602-9993. Conte's social security number is 569-72-2175. His e-mail accounts are [conte@balcolab.com](mailto:conte@balcolab.com), [vcj716@aol.com](mailto:vcj716@aol.com) and [send2victor@yahoo.com](mailto:send2victor@yahoo.com). Initially, Conte only disclosed the [conte@balcolab.com](mailto:conte@balcolab.com) account, but upon further questioning he revealed the other two. All of the above e-mail accounts are shared by Conte and Balco's vice president, Jim Valente. No one else has access or uses them.
2. Conte has been in the laboratory business since 1984, when he started as a distributor in a lab in Santa Barbara. Conte bought the medical rights to the equipment and in 1989, he moved to the Bay Area and began operations at Balco Labs. According to Conte, Balco Laboratories is in the business of providing the "elemental analysis of blood and urine samples". Balco charges \$95 per test. Conte's other business, SNAC System Inc., which is operated from the same facility, sells nutritional supplements. The supplements are sold in bulk powder to distributors and as well as under the SNAC name through the Internet, an 800 number and through walk-ins. The majority of Conte's revenue is earned from the sale of bulk powder to distributors.
3. The employees at the business include Victor Conte, the president, James Valente, the vice president, Joyce Valente, the office manager, two girls named Sheryl and Joanie, who work in reception and in the lab. Robert Brucker is the technical director for the lab and Brian Goldman is the lab's medical director. Conte and Jim Valente share the office in the front of the business. They also share the computers in that area. The computer in the front of the business, in the area which enters into Conte/Valente's office, is used by Joyce Valente for bookkeeping duties. Brucker oversees and runs the equipment at the lab. He is at the lab on a

weekly basis. Dr. Goldman oversees operations in the lab as required by the state. Dr. Goldman is present at the business a few days per week. He also works at a clinic in the East Bay called the Amen Clinic. He is a medical doctor who specialized in psychiatry. Conte's accountant is Rick Schiller of Joan/Schiller and Co.

4. Balco labs receives blood samples from doctors all over the country. The doctors usually mail the blood samples to them through Fed Ex. When athletes come to Balco to have their blood tested, they are usually sent to Peninsula Hospital. Balco has a signature stamp for Dr. Goldman. Letters are prepared at Balco authorizing the drawing of blood from athletes and Goldman's signature stamp is applied.

5. Mandy Tubbs is Conte's girlfriend. She stays with Conte at his residence. She also maintains a residence at 1860 Washington Street, #204, in San Francisco, CA. Both of Conte's vehicles are registered to Mandy Tubbs because he has poor credit. Conte owns the home at 716 27th Avenue in San Mateo and it is in his name. He has approximately a \$500,000 loan on the house.

6. Conte receives mail at the business and at his residence and also rents three private mailboxes. The mailboxes at 345 California Drive, numbers 22 and 34 are for personal mail and SNAC System mail respectively. Conte also rents a mailbox at 1336 El Camino Real in Millbrae. Conte did not have an explanation for having so many mailboxes.

7. Conte distributes athletic performance enhancing substances to elite athletes. He calls them "the clear" and "the cream". The clear is a liquid with anabolic effects that Conte received from Patrick Arnold. It helps the athlete with recovery. Athletes take just a small amount of the clear orally. Conte does not know what exact substance the clear consists of. Conte got it from Arnold a couple of years ago. He bought a big supply and he still has some left. Conte paid Arnold a total of \$450 for the supply, which has lasted him ever since. The cream is a testosterone cream and epitestosterone cream combination. It is rubbed directly on the athlete's skin. The epitestosterone in the cream enables the athlete to apply it without causing a spike in the T/E ratio, and enables the athlete to pass a drug test. Conte gets the testosterone cream from Dr. Renna, a doctor in Texas. Conte, Valente and Balco order the epitestosterone from a company called Sigma-Aldrich. The testosterone and epitestosterone is sent to Miles Wierre of Texas, a friend of Patrick Arnold's, who Conte believes has a pharmaceutical background. Wierre mixes the substances together and sends it back to Conte. Conte stated that he gives "the clear" and "the cream" to athletes so they can increase athletic performance without getting caught by the testers.

8. Conte only gives the "clear" and the "cream" to athletes personally when they visit the lab. Conte charges \$350 for a cycle of "the clear" and \$350 for a cycle of "the cream". He does not mail these substances. Conte has given "the clear" and "the cream" and advised on its use to the following professional athletes in the following sports:

|                 |                   |                |
|-----------------|-------------------|----------------|
| Track and Field | NFL               | MLB            |
| Regina Jacobs   | Bill Romanowski   | Barry Bonds    |
| Marion Jones    | Dana Stubblefield | Gary Sheffield |
| Tim Montgomery  | Josh Taves        | Jason Giambi   |
| Kevin Toth      | Barrett Robbins   | Jeremy Giambi  |

John McEwen  
Alvin Harrison  
Zhanna Block  
Ogla Vasdeki  
Calvin Harrison  
Eric Thomas  
Michelle Collins  
Dwain Chambers  
Kelli White  
Chrystie Gaines  
Ramon Clay

Chris Cooper  
Johnny Morton  
Daryl Gardner

Armando Rios

Conte has had other athlete clients who he only dealt with on the legal nutritional side. These athletes included John Elway (NFL), Bubby Brister (NFL), Dan Marino (NFL), Kareem Abdul-Jabbar (NFL), Tyrone Wheatley (NFL) and John Capel (Track and Field).

9. Although Conte insisted that Kelli White does have narcolepsy and has a legitimate medical reason for modafinil, Conte, through Dr. Goldman, has given other athletes modafinil to combat jet lag. Conte stated that his references to "Vitamin S" in the e-mails that I had obtained refer to the drug modafinil.

10. Conte confirmed that the letter that was located in his trash where Kevin Toth was asking for his "next cycl" (sic), referred to "the clear" and "the cream" that he was supplying to him.

11. At the beginning of this major league baseball season, Greg Anderson, a personal trainer at Bay Area Fitness who works closely with several major league baseball players, brought in several of the players to Balco in order to obtain the undetectable cream and clear. This was done because of Major League Baseball's new drug testing policy. Barry Bonds was one of the players that Anderson brought to Conte to obtain "the clear" and "the cream". Bonds takes "the clear" and "the cream" on a regular basis. The protocol for using the substances is two times per week for "the clear" and two times per week for "the cream". The athletes do this for three weeks then take one week off. Jim Valente deals more with Anderson than Conte does. Anderson last got some of "the clear" and "the cream" from Conte for his athletes about three (3) or (4) weeks ago.

12. Conte keeps "the clear" and "the cream" in a storage locker located on Adrian Road in Burlingame. Conte agreed to a consent search of the locker and SSA Colombet, IRS-CI Mike Wilson, USADA's Dr. Larry Bowers and I accompanied Conte to a "Public Storage" locker located at 1761 Adrian Road in Burlingame, locker number A-26. Conte signed a "consent to search" form in the presence of the three agents and Dr. Bowers. He was specifically instructed that agents did not have a search warrant and that he had no obligation to let the agents search the locker. Conte waived his rights, signed the form and opened up the locker for the agents to search. Conte assisted the agents in removing several boxes of pharmaceuticals, including his remaining supply of "the clear", "the cream", and numerous other anabolic steroids and other athletic performance-enhancing drugs. "The cream" is contained in plastic containers with red tops. Conte also pointed out two boxes containing files on professional athletes. He stated that these boxes contained the medical records of many of the athletes. The agents seized all of the

drugs and substances in the locker as well as the athlete files. An inventory of these items was prepared by IRS-CI special agent Mike Wilson. Upon the completion of the search of the locker, we returned to Balco Laboratories to continue the interview of Conte.

13. Conte stated that all of the steroids, growth hormone and other athletic performance-enhancing drugs we located, other than "the clear" and "the cream" are for his personal use. Conte informed us that he uses a lot of anabolic steroids and other prescription substances. Conte stated that he receives these things from Miles Wierre of Texas, the same person who mixes the testosterone/epitestosterone cream for him. Conte stated of the human growth hormone that was located, it is for his personal use but he "may have given it to someone" at one point. All the EPO is for Conte and he uses it three times per week.

14. Another service that Conte's offers to athletes is sending their urine to Quest Diagnostics and other labs for steroid testing, to determine if the athlete would test positive for the presence of anabolic steroids. Most of the tests come back negative because the athletes are taking "the clear" and "the cream", both undetectable steroids.

15. Conte does not provide steroids to bodybuilders. He only gives them the legal nutritional supplement stuff.

16. All of the third-party check payments from athletes into Conte's personal account are for "the clear" and "the cream" that he provides. Conte usually charges \$350 for a cycle of "the clear" and "the cream" each. He keeps the athletes "on a short leash", only giving them a little at a time. An exception to this is Josh Taves, to whom he recently sold approximately \$2400 of "the clear" and "the cream". A check for \$2400 from Taves was deposited to Conte's personal account.

17. Bill Romanowski was the "first guy" that Conte began distributing athletic performance-enhancing to.

18. The alphabetic code Conte referred to in his e-mails represents the following:

L=Clear

C=Cream

E=Vitamin E (needed to help "the clear" work well)

T=Thyroid Hormone (a prescription drug Conte's acquires from Miles Wierre)

Vitamin S=Modafinil

19. Marion Jones was provided "the clear" and "the cream" by Conte in exchange for her endorsement of SNAC products, especially ZMA. Conte has not had contact with her since 2001. Jones' current boyfriend, Tim Montgomery, was also provided "the clear" and "the cream" by Conte. This was done just prior to him setting the world 100 meter dash record. Conte also helped Montgomery financially, but Montgomery never paid him back. Conte has not worked with Montgomery for some time.

20. Conte was the author of the letter in the trash regarding Trevor Graham. Conte got the information that Trevor was providing his athletes with oral steroids from another athlete. Conte stated that he received this information from an athlete and that the letter was accurate in

reflecting that a friend of Chandra Sturup's, Andrew Tynes, of Laredo, Texas, was going into Mexico to purchase the oral steroid testosterone undecionate. Conte never submitted the letter to USADA or IAAF doping officials.

21. The following individuals have the following roles relative to Conte's businesses:

|                            |   |
|----------------------------|---|
| <b>Emeric Delczeg:</b>     | A consultant/business associate who helps Conte promote his products in the nutrition industry. Delczeg uses steroids and Conte has obtained testosterone from Delczeg in the past. |
| <b>Charlie Francis:</b>    | A consultant.   |
| <b>Will Brink:</b>         | A consultant and writer.  |
| <b>Jeff Feliciano:</b>     | Writer for Weider. Pays him to write good things about his products.  |
| <b>Richard Goodman:</b>    | Photographer and writer.  |
| <b>Mark Block:</b>         | Track coach and husband of Zhanna Block.  |
| <b>Andreas Linartádos:</b> | Distributes SNAC products for Conte in Greece. He either wires or sends checks, which are deposited to the SNAC System account.   |
| <b>Renri Korchemny:</b>    | Coach of track athletes. "Old man" who is not involved or who has no knowledge of the steroid distribution. Conte and others keep him out of the loop.                              |

22. Conte has also distributed appetite suppressants to professional athletes. In particular, some of the "fat athletes" that he has given these drugs to include Barrett Robbins and Dana Stubblefield of the Oakland Raiders.


22. Barry Bonds does not pay Conte for "the clear" and "the cream" that he receives. Bonds' payment is in the form of promotion for Conte's ZMA product.

23. Victor Conte knew that the distribution of "the cream" was illegal because it contains testosterone, a scheduled anabolic steroid. He was unsure about the distribution of "the clear" because he claims that it's not technically a listed steroid.

I prepared this memorandum on September 5, 2003, after the interview with Victor Conte on September 3, 2003.

  
JEFF NOVITZKY  
Special Agent

I certify that this memorandum has in it details of all pertinent matters discussed with Victor Conte on September 3, 2003.

  
John Colombet, SSA  
San Mateo County Narcotics  
Task Force