



# NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY  
WESTERN DISTRICT OF MISSOURI

**TODD P. GRAVES**

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**FOR IMMEDIATE RELEASE**

## **FORMER KC MAN INDICTED FOR 'BAYWATCH' FRAUD**

**KANSAS CITY, Mo.** – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a former Kansas City, Mo., man was indicted by a federal grand jury today for a fraud scheme that bilked investors out of nearly \$360,000.

**David William Port**, 49, of Kansas City, Mo., was charged in a five-count indictment returned by a federal grand jury in Kansas City. Port is a subject of Great Britain.

Victims of the scheme thought they were investing in a company that would produce high returns because of its worldwide syndication rights to the popular "Baywatch" TV show, Graves explained. Victims were allegedly told that "Baywatch" star David Hasselhoff was also investing in the company, Graves added, and that a chain of "Baywatch" restaurants would take over the Planet Hollywood franchise.

The federal indictment alleges that, from October 1998 until October 2000, **Port** devised a scheme to defraud potential investors in Kansas City-based PCG Media, a production and marketing company. **Port** solicited potential investors in PCG Media, according to the indictment, by means of false and fraudulent representations. **Port** then allegedly misappropriated the victim-investors funds for his own and others' benefit.

As part of the fraud scheme, the indictment alleges, **Port** told potential investors that PCG Media owned the rights to syndicate the television program "Baywatch" to 17 foreign countries and the rights to merchandise "Baywatch" promotional items, when in fact it did not own such rights. **Port** allegedly told potential investors that PCG Media had entered into an agreement to open "Baywatch" restaurants, which were to take over the Planet Hollywood restaurants, when in fact it never entered into such an agreement. **Port** allegedly told investors that he had met several times with "Baywatch" star David Hasselhoff, and that Hasselhoff was investing in PCG Media, neither of which was true.

**Port** also told potential investors, according to the indictment, that PCG Media was the

biggest buyer of t-shirts from the Fruit of the Loom company and had a current multi-million dollar transaction in the t-shirt printing industry, when in fact neither was true. **Port** allegedly claimed that his merchandising clients included Coca-Cola, McDonalds, the UK Lottery and Philip Morris, which also was not true.

The indictment also alleges that **Port** failed to disclose to potential investors that he was convicted in 1994 in the United Kingdom of obtaining property by deception, as a result of which he was sentenced to three years' imprisonment.

The indictment alleges that **Port** fraudulently represented to a potential investor that PCG Media was financially sound, with a value of approximately \$20 million, when in fact the company was not financially sound and the value of the company was negligible. **Port** allegedly represented to a potential investor that PCG Media had a cash balance of \$275,000, providing a balance sheet that was materially false and fraudulent, when in fact the cash balance was approximately \$1,000 or less.

From February to October 2000, the indictment alleges, **Port** fraudulently told victim-investors that PCG Media had merged with the Home Gambling Network and that he owned several hundred thousand shares of stock in the new company. Once he was able to sell the stock, **Port** allegedly told victim-investors, he would repay their losses.

**Port** allegedly told potential investors that he owned the publicly-held and publicly-traded company PCG Media, when in fact the company was neither publicly held nor publicly traded but instead was privately held. **Port** also allegedly told potential investors that PCG Media was traded on the NASDAQ market, and issued phony stock certificates.

Count One of the federal indictment alleges that, on Nov. 6, 1998, a victim-investor of this scheme to defraud sent a wire transfer in the amount of \$74,985 from a bank in England for deposit into an account at a Kansas City bank on which **Port** was a signatory.

Count Two of the federal indictment alleges that, on Jan. 29, 1999, funds of several victim-investors of this scheme to defraud were sent a wire transfer in the amount of \$60,000 from a bank in Salt Lake City, Utah, for deposit into an account at a Kansas City bank.

Count Three of the federal indictment alleges that, on March 11, 1999, funds of a victim-investor of this scheme to defraud were sent a wire transfer in the amount of \$5,000 from a bank in Salt Lake City, Utah, for deposit into an account at a Kansas City bank.

Count Four of the federal indictment alleges that, on Aug. 10, 1999, a victim-investor of this scheme to defraud sent a wire transfer in the amount of \$5,000 from a bank in New York City, New York, for deposit into an account at a Kansas City bank.

Count Five of the federal indictment alleges that, on Oct. 14, 1999, a victim-investor of this scheme to defraud sent a check in the amount of \$25,000 from Coronado, Calif., to Kansas City.

Graves cautioned that the charges contained in the indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

The case is being prosecuted by Assistant U.S. Attorney Linda Parker Marshall. The case was investigated by the Federal Bureau of Investigation and the Internal Revenue Service.

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This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

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