Leader of counterfeit ring in jail after two-year investigation

Tuesday, November 15, 2011
A two-year investigation into a counterfeit check cashing operation in Texas and Louisiana has landed its leader in jail in Caddo Parish, said Sheriff Steve Prator and Police Chief Willie Shaw.

Detectives with the Caddo-Shreveport Financial Crimes Task Force arrested Charles Smith, 51, of DeBerry, Texas, following a brief stand-off this morning at an apartment complex in the 8200 block of Pines Road.

Smith was arrested on four warrants alleging 13 counts of forgery. His total bond on the charges is $316,000. He also faces charges of resisting an officer, obstruction of justice, possession of schedule II narcotics, and possession of drug paraphernalia from this morning's arrest. Detectives say more charges associated with the counterfeit ring are forthcoming.

Detectives have been tracking Smith for nearly two years as he recruited locals to cash counterfeit checks at area liquor stores, grocery stores, and banks. At least 200-300 fraudulent checks with stolen account numbers were cashed in Caddo Parish, detectives say. They are still calculating the exact amount of the fraud, but say it's well over $50,000.

Smith was able to elude local law enforcement by providing few details about himself to those he recruited. For over a year, authorities knew him only by the name of "Blue" or "C Note." During that time, detectives with the joint Caddo Sheriff's Office and Shreveport Police Department task force arrested over 25 people who received a portion of the stolen proceeds for cashing the fake checks.

In recent months, detectives were able to piece enough information together to identify Smith and obtain warrants for his arrest. This morning, they found him in an apartment at Foxborough Cove. When Caddo Sheriff's Detectives Bobby Herring and Frank Edmondson and Shreveport Police Detective Rob Webster went to that location to arrest Smith, the door was slammed shut and barricaded by three people inside - including Smith. The Caddo Sheriff's Office, Shreveport Police Department, and Shreveport Police K-9 Unit were called to assist. After a half hour, Herring was able to talk Smith into surrendering.

A search of the apartment turned up a laptop, documents, and printer cartridges that had been thrown into the washing machine and toilet in an attempt to destroy evidence. Detectives also found $3,500 in cash and fraudulent checks valued at $6,000 waiting to be cashed.