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HYPERALLERGIC

World's Largest Native American Art Forgery Ring Distributed \$12M of Fakes

The US government attorney supports 18-month sentences and fines for the accused, but in many ways the damage is done, casting both real and fake Native American artworks into doubt.



Kealey Boyd20 hours ago



Gold House shop front in Santa Fe, NM (screenshot via Google Maps Street View)

History's largest Native American art fraud case will come through the courts this year after multiple family businesses manufactured, imported, and falsely distributed Native American-style jewelry as genuine between 2010 and 2015. The trade value reached nearly \$12 million across 300 shipments in five years — now, five men and two businesses are charged with violating the Indian Arts and Crafts Act, importation by false or fraudulent practice, and failure to mark goods with their country of origin as required by customs law.

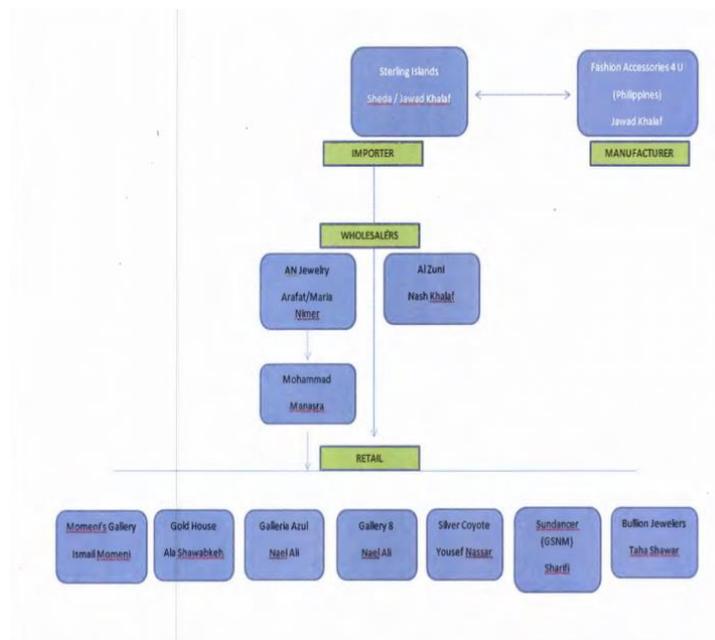
One supply chain involved Albuquerque importer Sterling Islands Inc, which purchases jewelry from its Philippines-based manufacturer Fashion Accessories 4 U. Both entities were owned and operated by the Khalaf family.

Nashat Khalaf, brother to Jawad Khalaf (the owner of Fashion Accessories 4 U and Sterling), owns large jewelry wholesaler Al Zuni Global Jewelry, which is based in Gallup, New Mexico. 18 search warrants executed in October of 2015 allege several members of the Khalaf family participated in the fraudulent selling of counterfeit Native American jewelry, but none of the Khalafs have been charged to date.

Simultaneously, a different alleged scheme was operated by the Aysheh family, which assembled their counterfeit jewelry through its Philippines-registered business, Imad's Jewelry, owned and operated by Imad Aysheh. Delivering the goods through their family-owned and operated importer, IJ Wholesale Inc, the Aysheh family used a California-based jewelry store owned and operated by Raed Aysheh called Golden Bear as a distribution hub and public retail store. Four members of the Aysheh family — Imad, Nedal, Iyad, and Raed — were charged in 2017. Their hearings have been continually postponed.

Nael Ali owned and operated Gallery 8 (Albuquerque, NM) and Gallery Azul (Albuquerque and formerly of Scottsdale, AZ). He also served as a significant retailer for both Sterling and IJW-imported counterfeit jewelry at these locations. On at least one occasion he sold 166 pieces for \$13,000 to a Virginia jewelry store, Turquoise Canyon. Federal agents determined at least 69 pieces were imported by Sterling and Filipino-made. Nael Ali pled guilty for fraudulently

selling, offering and displaying imported jewelry as genuine Native American jewelry.



Sterling Island Inc supply chain outlined in court documents (image via 2015 search warrant)

On August 27, 1935, Congress created the Indian Arts and Crafts Board (IACB) to improve the economic status of Native Americans through the development and promotion of authentic Native American arts and crafts. The 1935 Act adopted criminal penalties for selling items misrepresented as Native American made. In response to growing sales of counterfeit products, Congress passed the Indian Arts and Crafts Act (IACA) of 1990, to include the importation of knock-offs which undercut Native American economies and cultural heritage. This Act is designed as a truth-in-advertising law meant to prevent products falsely marketed as “Indian made.”

While the maximum penalty for violating the Indian Arts and Crafts Act is a fine of \$250,000 and or imprisonment of five years, the US attorney recommended to the judge a sentence of 18 months.

Instead, this August Ali was sentenced to six months in federal prison, becoming the first person to go to jail for violating the Indian Arts and Crafts Act. He was ordered to pay \$9,048.78 in restitution. His co-defendant, wholesaler Mohammad Manasra, was sentenced to two days in jail, a \$500 fine, and a year of supervised release.

During the court hearing, Native American artist Liz Wallace said, “I don’t think calling this cultural appropriation is adequate. It’s economic colonization.”

According to search warrants executed in 2015 in the Sterling Islands case, the Department of the Interior, U.S. Fish and Wildlife Service, and the Indian Arts and Crafts Board have been conducting a nationwide investigation of the sale of counterfeit Native American jewelry. Paul Elmore, gallery director at Shiprock Santa Fe, which deals antique Native American jewelry and crafts in New Mexico asserts that enforcement is increasing, not the violations.

A veteran jewelry dealer in Albuquerque, Skip Maisel notes he is aware of the fakes in neighboring businesses but doesn’t see it often himself. “We never buy blocks or imports,” he told Hyperallergic in a phone call. “We acquire individual pieces that are Indian handmade or commission pieces. I seldom see [fakes] because they are run out when they bring it in my store.”

Undercover federal agents posed as customers at various retailers distributing Sterling Islands’ jewelry, and say they were repeatedly presented with Philippine-made jewelry labeled as Navajo or Hopi.

In one 2015 search warrant, federal agents detailed that jewelry was fabricated to have initials stamped on the reverse side of the object, a common maker mark denoting the artisan’s name. For example, in 2014, Gallery 8 in Albuquerque made representations to an undercover federal agent that rings marked “CK” were made by Navajo artist “Calvin Klee.” Researching Navajo Tribal affiliations revealed no such person existed. Later that same year, Galleria Azul in Albuquerque falsely informed an undercover federal agent that a cloud symbol stamped on a Native American style ring made in the Philippines was a signifier that it was a product of the Navajo Tribe.

Candice Hopkins, a curator and writer based in Albuquerque, notes the signatures are a primary identifier for jewelry experts in the Southwest, along with how the piece is made. According to Hopkins, both casual buyers and connoisseurs would look for a maker’s mark.



Silver Coyote shop front in Santa Fe, New Mexico, an alleged distributor of fake Native American jewelry (screenshot via Google Maps Street View)

The US government attorney supports 18-month sentences and fines for the accused, but in many ways the damage is done, casting both real and fake Native American artworks into doubt. Skip Maisel, who is retiring from the industry after operating his business for half a century, notes, “it hurts the whole industry, people mistrust it.”