



CITY OF HUNTINGTON BEACH

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POLICE DEPARTMENT

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Chief of Police

PRESS RELEASE

Release Date: August 25, 2011 **Time:** 3:30 PM **Prepared by:** Lt. Russell Reinhart

Type of Incident: Major Fraud Investigation

Location: City of Huntington Beach

Date/Time of Occurrence: Ongoing Active Investigation **Case Number:** 11-004718

Details:

In March 2011, the Huntington Beach Police Department Fraud Unit was contacted by a resident reporting an alleged theft of \$280,000. The victim allegedly invested in a gold purchasing contract. The gold was supposed to be delivered in the immediate future. When the victim started calling about the delivery of the gold, the person she invested with started providing various stories about the delays in the delivery.

Detectives were able to identify the organizer of this scheme as William Scott Spalding. The victim only had a telephone contact for him since his business address in Beverly Hills ended up being fictitious. The detectives attempted to contact Spalding, but his phone was soon turned off and the leads to his whereabouts went cold.

Detectives found Spalding was a wanted fugitive for a prior Redondo Beach fraud case in 2007. Spalding was convicted to 40 months in Federal Prison for that case in November 2008, but was released early to pay restitution to the victims. Immediately after Spalding's release, he fled and has been a fugitive since.

A team of U. S. Deputy Marshals, assisted by Detectives from Huntington Beach, investigated Spalding for over 8 months and developed information he was hiding in the City of Irvine. On August 23, 2011, U.S. Marshals Service arrested Spalding in Irvine where he had been living in luxury. He is currently being held in federal custody without bail.

Detectives believe there will likely be additional victims of Spalding's fraud. In the Redondo Beach crime, he used an elaborate story of being a film producer. In this Huntington Beach investigation, Spalding allegedly used a story of purchasing large quantities of gold. His two recent business identities are Gibraltar Capital Group and Marbella Entertainment Group, both with fictitious addresses in Beverly Hills. William Scott Spalding legally changed his name to Jonathan Scott Morgan in April of 2011, possibly used as an alias to avoid detection.

Anyone with information about William Scott Spalding, 46 years old, 5'08", 270 pounds, brown hair and brown eyes, or have anyone who may be a victim of a crime involving him, is asked to call Detective Brad Smith at 714-960-8848 or Sergeant Dale Shields at 714-536-5948.