

Heath investment fraud trial assigned to Corona

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By LOU HIRSH / The Press-Enterprise

Unless a change of venue is granted, the long-delayed trial of three defendants in the D.W. Heath investment fraud case will be held in the Corona courtroom of Riverside County Superior Court Judge Ronald Taylor.

Taylor, assigned to the case on Friday, must still rule on three pre-trial motions filed last month by a defense attorney, including one that would, if granted, move the trial out of Riverside County. Those motions are expected to be heard next week.

Daniel W. Heath, who was president of D.W. Heath & Associates, along with his father, John Heath, and Denis O'Brien, were arrested in July 2004 and charged with numerous felony counts of securities fraud and grand theft.



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Prosecutors say they have lined up between 60 and 70 witnesses to testify at the trial, which is expected to last several weeks.

With motion hearings and jury selection expected to last all of next week, Deputy District Attorney Michael Quesnel said Friday that opening arguments in the trial likely won't begin until at least July 16.

The defendants are accused of bilking more than 1,600 investors, many of them seniors who turned over their life savings and retirement accounts. Prosecutors said investors put more than \$192 million into what they contend was a Ponzi scheme that used money from new investors to pay earlier ones.

The firm was shut down by a federal court in 2004, and the defendants remain in Riverside County Jail without bail. Attorneys for all three maintain their clients' innocence.

The defendants are seeking a change of venue from Riverside County Superior Court, citing extensive pre-trial media coverage. The attorney for Daniel Heath, Barry O. Bernstein, also filed June 15 to have the county's judges recused and the Riverside County District Attorney's office disqualified from prosecuting the case.

Prosecutors say the motions are without merit.

Quesnel said it is not unusual for supervising judges in the Riverside courthouse - in this case, Helios Hernandez - to assign cases anywhere in the county where a courtroom is available.

Quesnel, who is prosecuting the case with Deputy District Attorney Michael Silverman, said some alleged victims in the case will find it easier to get to Corona for the trial.

He said about half of the Heath investors are from Riverside County, and that some in the other half are from Orange County.

Chad Firetag, defense attorney for John Heath, said he was concerned about having the trial in Corona due to the health and age of Heath, who is 80 and uses a wheelchair. The defendants will be transported back and forth each day between Corona and the county jail in downtown Riverside.

Firetag said he will ask that the location be reconsidered, but added that a change back to Riverside is unlikely.

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