

# Shkreli Says He Won't Take Stand to Testify at Fraud Trial

By **Chris Dolmetsch** and **Misyrlena Egkolfopoulou**

July 24, 2017, 2:05 PM MST *Updated on* July 24, 2017, 3:49 PM MST

- 'Pharma Bro' decision comes as prosecution prepares to rest
- Retrophin co-founder accused of running funds as Ponzi schemes

Martin Shkreli has been as vocal as ever on social media during his trial. But in court he's choosing to stay mum.

Shkreli on Monday told the judge in his fraud case that he won't be testifying in his own behalf after the government wraps up its case this week. It's a surprising turn for a man who has spent months lashing out at critics and declaring to all who would listen that he will beat the charges against him.

Shkreli's disclosure came as federal prosecutors in Brooklyn, New York, presented what may be their final witness, an FBI agent who helped build the case. His decision not to testify suggests that Shkreli's lawyers may believe they have poked enough holes in the government's claim that he defrauded investors in his fund and the company he co-founded, [Retrophin Inc.](#)

It may also indicate that they don't want to risk alienating jurors due to his "long track record of inflammatory remarks," said James Goodnow, an attorney at Fennemore Craig who has been following the case.

In court, U.S. District Judge Kiyoo Matsumoto asked Shkreli after jurors left for the day whether it was "your decision not to testify?"

"Correct," Shkreli replied.

## [Shkreli Has Days to Decide Whether to Take Stand at Trial](#)

Shkreli is accused of operating Retrophin and his hedge funds as Ponzi schemes, taking investors' money without their permission to start the drug company and then using \$11 million from Retrophin to repay the funds' investors.

From the start, Shkreli has been outspoken in his defense. Even before he was arrested, he tried to persuade prosecutors not to file charges. Since the trial began last month the brash 34-year-old known as Pharma Bro has gone live on Facebook from his Manhattan apartment each day to interact with his followers.

But in court, Shkreli will allow his lawyers to do the talking.

The jury selection process probably didn't encourage Shkreli to take the witness stand. Dozens of people were rejected as jurors after voicing contempt for the former executive who became notorious for raising the price of a potentially life-saving drug by 5,000 percent, and defense lawyers may not have wanted to risk that Shkreli would alienate the ones who said they could judge him fairly.

Michael Braconi, one of the two FBI special agents assigned to investigate the case, took the witness stand on Monday to review documents that detailed Shkreli's alleged lies to his investors about the funds' financial status.

### Your cheat sheet on life, in one weekly email.

Get our weekly Game Plan newsletter.

Enter your email  [Sign Up](#)

The records show that while Shkreli was telling investors that his fund MSMB Capital had about \$3 million in assets in February 2011, the ending balance was actually \$58,502, Braconi said. Shkreli also sent an email to an investor notifying him that his \$150,000 investment was worth about \$165,000 in December 2011. In reality, the balance of the fund's bank and brokerage accounts was zero, Braconi said.

The case is U.S. v. Shkreli, 15-cr-0637, U.S. District Court, Eastern District of New York (Brooklyn).

Before it's here, it's on the Bloomberg Terminal. [LEARN MORE](#)

## From The Web



Mizuno Women's 9-Spike Swift 4 Low Metal Fastpitch Cleat  
\$59.95 - [teamexpress.com](#)



William Tull Painting  
\$12,500 - [1stdibs.com](#)

Sponsored Links by Taboola



\$46.49 - Easton Square It Up Baseball Batting Tee  
\$46.49 - [epicsports.com](#)

