

# Marc Cohodes' Last Stand With MiMedX (w\_ Grant Williams) \_ I...

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## SUMMARY KEYWORDS

people, fraud, aurora, marc, docket number, medics, thinking, money, revenue recognition, short sellers, petite, twitter, story, va, tax evader, exposing, shit, tweeting, year, fbi

## SPEAKERS

Grant Williams, Marc in intro, Aurora, Marc

M

Marc in intro 00:06

Someone's gonna die on this MiMedx hill - and it ain't gonna be me. I don't care if I lose money. If I make money, great. But I will take these guys now, if it's the last thing I do, I am focused on ending and exposing this fraud. Period.

G

Grant Williams 00:37

12 months ago, I traveled to a chicken farm in Sonoma County, California, to talk with legendary short seller Marc Cohodes, about the pressures involved in building a career around his chosen discipline. During that conversation, Marc highlighted one company, which he called the biggest fraud he'd ever seen.

M

Marc 00:55

I sort of view it like as a cattle drive. Right? You know, I'm gonna get the MiMedx cows from Omaha to Fort Worth. I'm gonna get them there. But I may get a couple arrows in my ass on the cattle drive. Right. I just have to make sure I don't get them in my back. Right, right. I mean, I've gotten many arrows in my ass. I just don't want them in my back. So that's just that's just something you always have to to watch for. But, man, I love the cattle drive. Yeah, I mean, there's there's nothing better than a good old cattle drive to.

You know, you feel like you're getting the job done.

G

Grant Williams 01:30

Yeah, no kidding.

M

Marc 01:32

And the thing that's just like an absolute pisser is, at the end of the day when this MiMedx is one, two or three. Everyone's gonna say how easy it was. Yeah. It was, or Yeah, that was so simple. Or, you know,

G

Grant Williams 01:45

well, let's talk about MiMedx, because this is something we've mentioned it a lot already. Yeah. Let's, let's tell that story. Let's go back to the beginning how it came on your radar and just walk us through the story. Because what I follow your Twitter feed, I follow the presentation. It's just just a fascinating story.

M

Marc 02:00

The beauty of MiMedx is I have certain tales, right, I always say on Twitter that my wig indicator, right, literally CEOs who wear wigs, I think I think I'm 13 out of 14. And this guy Pete Petite, he sued capital forum for writing research, caught my attention. he sued anonymous bloggers to get their name- caught my attention. But then on his website, he mentions me and my former partner David Rocker. He says I'm a member of a Cali Cartel, tax evader, believe me, I'm not a tax evader. Money, launderer- I'm not one of those. All this stuff. And Carson brought it to my attention. And my lawyer sent him a letter to take it down or we'll sue you. And when they took it down, and sent a letter, right, saying they took it down, I put it on my Twitter. And Pete Petite has bullied so many women, former employees, customers. The second I put it out on Twitter, my direct messaging

G

Grant Williams 03:18

This is him backing down

M

Marc 03:19

Him backing down to me. It was almost like a symbol that Mugabe has been overthrown in Zimbabwe. People, you know, got into the streets and celebrated. And that was, I think,

the sign that there was a big change.

G

Grant Williams 03:35

But, what why do you think he went off to you in the first place? why did he-

M

Marc in intro 03:38

he was he was stupid. And he bought off on the rhetoric that I'm this all powerful guy who controls all the skeptics right and actually believed in all this Wolf Pack bullshit rhetoric that's out out.

G

Grant Williams 03:51

If he'd seen you in the pink Crocs, then maybe he wouldn't have it wouldn't have bought into that.

M

Marc in intro 03:55

If he would have just called me up and said, What's going on? That would have been different. But I always say there's no greater motivator than disrespect. And this guy showed me the ultimate disrespect by defaming me and accusing me of a bunch of shit. I figure if you're doing something like this, you have a ton of stuff to hide.

G

Grant Williams 04:16

Yeah.

M

Marc 04:17

And the stuff that has come loose in my way. I've never seen the amount of evidence of criminal activity, kickbacks, Medicaid, VA, channel stuffing, revenue recognition, bullshit in my year. So when people asked me on Twitter, what I think of my medics, first I said it's in my top 20 all the time. Then I said it's in my top 10 all time now. It's in my top five. I think I think their sales are overstated by 70%. I think it's a criminal operation. I think Pete's the mastermind behind it. I think people are gonna go to jail, probably him and maybe their general counsel. And they all hassle me and follow me on Twitter, right through anonymous things and threaten me and this ad and the other and it's, it's it's just wonderful.

G

Grant Williams 05:08

So how do you go about the battle lines are drawn, they come off to you, right? You push back. Now you're starting to get people come to you and say, You don't know the half of it, here's what's going on. How do you then build that into something tangible that you can put a case forward?

M

Marc in intro 05:26

I'll just this past weekend, someone in Georgia, a company was doing business with MiMedx. And they have proof of revenue recognition, fraud at MiMedx. And there's some lawsuit most people can search under MiMedx or the plaintiff or the defendant and find things. But in this weird state court, you need a docket number. Yeah. So this guy reached out to me and he said, You should look up this vs MiMedx, and I look it up and a friend who has LexisNexis looks it up and other someone else looks it up... No, we can't find shit. Like this is on a Saturday 10 o'clock, right, right pacific time. So I bet go back and I say I need a case number, docket number gives me the docket number. And we get all this shit. And I spent my Saturday reading his deposition, reading the complaint, reading the exhibits. And I say fuck! This stuff is just dynamite! And it's proof of revenue recognition fraud. It's proof. So I take it, distill it, rewrite it, highlight it, keyword it, we put some of it out on the website, send part of it to the government. Government didn't know about it. exhibits, people didn't know about it. And you start weaving this and I say to myself, Fuck, if they're doing it with this guy, who else are they doing it with? And it builds or it helps build the mosaic that MiMedx, which even though they have 90%, gross margins, they don't really make much money. Because it's an sgma fraud. They're kicking back to the doctors through sgma. And they're playing games, giving doctors stock to create a pod to create, distribute, you know, just all these illegal activities.

G

Grant Williams 07:17

None of these are new, right? These have been going on forever.

M

Marc in intro 07:20

Exactly. But as I said, there's only really six frauds. It's like primary colors. Again, I wasn't too good in school. I vaguely remember the primary color thing. But MiMedx is a shade of red. Right. I don't know if it's crimson. Or I don't know if it's sunset red. I don't know exactly what it is. But it's Get-your-ass-thrown-in-jail-red! I'm Playing for Keeps here. This is not shorting a stock at 13. Yeah, and covering it nine and in eight. Yeah, making four points and saying, God, aren't I smart? No, no, no, no, no, no, no, no, no! This is for the whole

enchilada. Because I think you're running a fraud. And, and my lot in life is exposing people like you. And this is what I will do. And the- and the deeper you go, and the more you lie and put out these bogus press releases, the more I'll dig in. And that's what he doesn't understand. And that's what people don't understand about me. Because at the end of the day, I'll save the system money. I'll save the VA money. I'll save Medicare money. I'll save his customers money. Crooked docs may go to jail like they did with ANSYS. I think they're being investigated by the DOJ, SEC, VA, HHS and probably the FDA. That's speculation on my part, right? The company has yet to put out an 8k saying who they're being investigated by, right? They, they they dance around the thing. I don't know if they're gonna get rated tomorrow, a week from tomorrow, a month from tomorrow or a year from tomorrow. But I play till not only the whistle blows, I hear to the echo of the whistle. And I'll keep lobbying stuff over to the government. I'll keep giving stuff to journalists. I'll keep the website updated. I'll keep tweeting about it till this thing blows. And what they don't understand is I won't stop.

G

Grant Williams 09:24

The year on I'm returning to all the line farm to hear the full story of Mark's battle with MiMedx and to get a look behind the headlines at the pressure and pain that come with taking on a powerful company and to hopefully demonstrate the important role that short sellers play in financial markets. hello, my friend!

M

Marc 09:44

how's it going, Grant?

G

Grant Williams 09:45

Good. Been up too much lately.

M

Marc 09:48

been quiet.

G

Grant Williams 09:48

You know, it's it's it's hard to believe it was a year ago- a little bit over a year ago that you and I walked around on the farm talking about the life of the short seller and during that conversation You brought up the MiMedx story, which at that point in time was kind of new. Right? It's, it's, you've been looking at it a couple of months, I guess, or a few months.

And you made a big, bold call about that thing, which a lot of people aren't used to seeing people make those kind of calls in public. And I'm here today, so we can find out what happened since because we've all been following it in the press and stuff. But I know from my conversations with you, it's a much bigger, much deeper story than that.

**M** Marc 10:31

It really is. But I was really looking forward to you guys coming out here- for a long time. And I'm looking forward to the prison party. But there's something I need to give you. means a lot to me. Because you were there when this started, right? always speak truth to power. This shows that this is not staged, right. So

**G** Grant Williams 11:02

there's nothing in your life that stays that way. So I've learned about you.

**M** Marc 11:05

Nothing in my life is stage so, so Grant, this is from me to you. There's two of them. One's on my car, and one's in your hands.

**G** Grant Williams 11:13

Oh, man, thank you!

**M** Marc 11:14

please keep that in pride.

**G** Grant Williams 11:16

This will never be on Ebay! that much I can promise you!

**M** Marc 11:18

there, there are only two of those. And it means a lot. Me giving that to you. I've always wanted to give it to you from when this piece of shit hit the wall. Aurora gave me those plates. For my birthday. Little did I know what all was going to happen. And also, because MiMedx is an Atlanta based thing, I want to give you an AED rolling in friends, special holiday shirts,

- G** Grant Williams 11:44  
I'm making out like a bandit here! This is awesome. Thank you very much. Thank you very much. Well, I'm gonna put these here for now, because we got a lot of things to talk about.
- M** Marc 11:51  
Sure.
- G** Grant Williams 11:51  
Thank you so much.
- M** Marc 11:51  
We sure do. But I just I wanted to give you that,
- G** Grant Williams 11:54  
thank you, I really appreciate this, this is gonna get take pride of place believe it. So let's go back to November 2017 was when when you and I talked about this first. And you know, at the time, the city made some bold calls. And we went away and we edited the interview and we put it up. And I came to talk to you about short selling because it's something that I've always been fascinated by. And it's something that there is just an unbelievable misperception about amongst the general public who who've never done it before. Because you guys that you are painters, evil short sellers, and we had this all the stuff with a cabal is a truth is so different to that. And that's what I want to get into today just to show people, how much work you have to do to to do what you've done with this story, what you've had to go through through this last year. And I'm hoping we can persuade Aurora to come and sit with us for a little bit of this because this is not about one guy on a phone, throwing mud at people. This is about a family going through hell and trying to expose a fraud, which is ripping off not just investors, but veterans and the government and health insurance agencies. I mean, this was a gigantic fraud.
- M** Marc 13:07  
Yeah. And some stuff we'll share later and talk about I called it a 12 step fraud that I and others exposed. But the crazy part about this is I'm just a guy, right? I don't have a firm. I

don't manage outside money. I manage my money, I manage my son's money and manage my wife's money, but she's so jittery. I wouldn't be able to sleep at night. And you need a clear mind to be able to do something as sane as this. But I think at the time I told you I thought my medics was the biggest pound for pound fraud I'd ever seen you did. And it's a bigger fraud now, I think by a factor of five than I thought back then. And the abuse, the threats, intimidation, that I and Aurora and Max have been part of is this past year has been absolutely incredible. People don't know about they'll I think they'll figure it out by the time we're done today. But my son max always says it's not what they call you. It's what you answer to. And it's really true if you do not have a thick skin an inordinate amount of confidence in yourself and your ability to analyze and fight through adversity. You have zero chance at this. You have zero chance and I'm not a ball player or football player this happening either but I I think I know what people like Reggie Jackson were going through, when he stepped up to the plate. He'd have a bunch of people cheering for him. And he'd have a whole lot of people bowing him. And I always say, there's no greater motivator than disrespect. And these my medics guys brought out my a game, and then some, they, they literally brought out everything I had. And then some stuff, stuff that I didn't even know. I was theoretically capable of, especially at age 58. Because, you know, I always say that shorts age in dog years. So I think dog years. For every one, it's seven and people. So that would make me essentially 420 years old. But But this was, this was the greatest thing I've ever done. And I think I've done some, some decent stuff over time.

G

Grant Williams 15:55

Well, let's go back to a year ago. And we won't rehash how you got dragged into this thing, because you did get dragged kicking and screaming into this whole situation right by my medics themselves a decision that I'm sure they will regret. And seriously, at this point, anyone that wants to catch up on that story can go back and watch our original issue, which I should do anyway. But you know, just after we left here, we haven't filmed that interview, things started getting crazy.

A

Aurora 16:23

Mark was in the house with Max and two men approached, and they said they were with the FBI. And my first thought was that someone was threatening Marc's life. And I said, Okay,

M

Marc 16:36

you're so You're so adorable. You missed the whole run up to it. That was a Friday, midday. And my friend, who since passed away, Billy Buckingham, he, he was fighting cancer for



four years at that time. He came up to have lunch with me, which meant a lot to me, meant a lot to him. And we were talking about my medics. And Max was at the table, drinking tea. And Billy and I were talking about my medics. Now go ahead.

A

Aurora 17:11

And they they, I heard the car and I was walking out of the house. And I approached them and they said they were looking for Mark and I, they said there were the FBI. And I again, as I said, I thought that perhaps there was a threat. And I said, Do you have some ID? And honestly, I asked because their suits were so bad that I was concerned. And one of them-

M

Marc 17:34

They looked Joseph bank-centric.

A

Aurora 17:36

One of them showed me a badge, but didn't show me anything else. And I said, stay here. I'll go get marc. And they followed me, which irritated me and I said, stay here. I don't want his son upset.

M

Marc 17:50

Yeah.

A

Aurora 17:50

So I made them stay. And then we invited them in the house. Because again, at this point, we were thinking someone was threatening marc, because that's typical.

M

Marc 17:58

Well, you knock on the door, and you see, there's two guys here to see you. I said, Well, tell them I'm busy. I'm here with Billy and Aurora goes they're with the FBI. And I'm thinking, Oh, goody, goody, they finally taken my MiMedx information I've sent in seriously, I'll go talk to them.

A

Aurora 18:21

So they came in and, and sat down at the table, and Marc sat down with them. And I

stood back a little bit. And a young man who was doing some work with Marc was here also sort of standing off in the background with me. And and right away. Immediately, they started with the "you need to shut up". I mean, not exactly those words. I'll let Marc go into that more specifically, but enough that, that I was listening very carefully to what they were saying. And then



Marc 18:55

they said you need to quit tweeting about Mr. Petite. And I'm like thinking what the hell?



Grant Williams 19:03

So, at this point, suddenly you'll have like



Marc 19:05

I'm like thinking what the hell? First of all, I said, Do I need to call my lawyer and they said, No, no, you shouldn't call your lawyer. They said, You need to stop tweeting about Mr. petite Aurora's sort of standing in the foreground. And-



Aurora 19:22

actually what I started doing when I when when this was the the line of conversation, I started taking pictures, I walked behind one of them and I flipped open his wallet, his ID was on the table and I flipped it open. I'm thinking this can't be a real FBI agent. He wouldn't let me touch his things. And at this point, I think Marc and I both were thinking they were fake FBI.