

## 3 — Enforcement Information

The trace information collected and analyzed in the annual *Crime Gun Trace Reports* is used in Federal, State, and local investigations of the illegal diversion of firearms, particularly involving felons, youth offenders, and juveniles. During the period 1996-1998, approximately 60 percent of ATF's firearms trafficking investigations involved crime gun tracing and 68 percent involved State and local law enforcement agencies.<sup>13</sup>

**Recent Investigations Involving Trafficked Firearms.** During the first 2 quarters of Fiscal Year 2000, ATF's 23 Field Divisions initiated 874 illegal firearms trafficking investigations, involving 231 youth and juvenile firearms possessors, 161 youth and juvenile firearms traffickers, 54 youth and juvenile straw purchasers, and 11 youth and juvenile firearms burglars. Nearly 40 percent (348) of these investigations have been forwarded by ATF agents to Federal, State, and local prosecutors for prosecution. These 348 investigations yielded a total of 460 defendants, including 205 illegal firearms possessors, 133 illegal firearms traffickers, 101 straw purchasers, 16 corrupt licensed dealers, and 11 firearms burglars. ATF agents estimated that some 14,600 firearms were trafficked in these 874 firearms trafficking investigations. Because 60 percent of the investigations are still in progress, it is likely that the ATF agents will uncover higher numbers of trafficked firearms as their investigations develop further. Based on previous analysis, ATF has found that nearly a quarter of its trafficking investigations involve convicted felons illegally buying, selling, or possessing firearms. During the first 2 quarters of Fiscal Year 2000, ATF agents also initiated 242 investigations into *prohibited persons in possession of firearms* (18 U.S.C. Sec. 922(g)).

**The Illegal Market in Firearms.** Trace information and analysis of cases are contributing to a more precise picture of the structure of the illegal firearms market that supplies guns to criminals, unauthorized juveniles, and other prohibited persons. This section describes aspects of the illegal market illuminated by crime gun tracing and cases developed as part

of the Youth Crime Gun Interdiction Initiative, the youth-focused component of ATF's firearms enforcement program.

**Trafficking and Illegal Diversion of Firearms.** Virtually all crime guns start off as legally owned firearms. For this reason, the term "firearms trafficking," in contrast to the common reference to drug trafficking, refers to the illegal diversion of a legal product from lawful commerce into unlawful commerce, often for profit. ATF also uses the term "diversion." A broader term than trafficking, diversion encompasses any movement of firearms from the legal to illegal marketplace through an illegal method or for an illegal purpose. For example, a criminal who steals a firearm from a Federal firearms licensee (FFL) for his own personal use is participating in the illegal diversion of firearms, but he is not a trafficker. Thus, while the theft of firearms may involve a criminal stealing one or more firearms for his own use, or may involve subsequent trafficking, addressing stolen firearms is an important part of a firearms trafficking strategy because theft constitutes one means of the illegal supply of firearms.

**Types of Trafficking.** Firearms trafficking includes:

- **Trafficking in new firearms**, interstate and intrastate, including by federally licensed firearms dealers, large-scale straw purchasers or straw purchasing rings, or small-scale straw purchasers from gun stores, gun shows, or other premises;
- **Trafficking in secondhand firearms**, interstate and intrastate, including by licensed firearms dealers, including pawnbrokers; large-scale straw purchasers or

<sup>13</sup> *Following the Gun: Enforcing Federal Laws Against Firearms Traffickers*, Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, June 2000.

straw purchasing rings; or small-scale straw purchasers, unlicensed sellers, including at gun shows, flea markets, or through newspaper ads, gun magazines, the Internet, and personal associations, and bartering and trading within criminal networks; and

- **Trafficking in new and secondhand stolen firearms**, involving guns stolen from federally licensed dealers, including pawnbrokers, manufacturers, wholesalers, and importers, theft from common carriers, home invasions, and vehicle theft.

## Case Examples

### **Trafficking in New and Secondhand Firearms by Corrupt Federal Firearms Licensee.**

*St. Louis, Missouri.* ATF analyses of firearms trace data revealed that hundreds of crime guns were traced to Marshal's Gun Shop, a Federal firearms licensee. From January 1988 through March 1999, approximately 611 crime guns were traced back to Marshal's. Although some were secondhand guns, most were new. They included Mossberg 12 gauge shotguns, Davis Industries .380 and 9mm caliber semiautomatic pistols, Lorcin Engineering .380 caliber semiautomatic pistols, Smith & Wesson .38 caliber revolvers, Ruger 9mm caliber semiautomatic pistols, Glock G.m.b.H. .40 and .45 caliber semiautomatic pistols, Maverick Arms 12 gauge shotguns, and North China Industries 7.62x39mm caliber rifles.

Many of these guns were recovered from youth under the age of 24 and in different States. Over 200 were sold through straw purchases to convicted felons, gang members, youth, and juveniles. Several of the trafficked firearms were subsequently recovered in a variety of crimes, including drug violations, unlawful use of a weapon, homicides, robberies, and assaults.

On August 5, 1999, the 69-year-old owner of the gun store pled guilty to violations of 18 U.S.C. Sec. 922 (m), *knowingly making false entries in required records*, and was sentenced to 6 months' imprisonment and 3 years' supervised

release. The two employees pled guilty to violations of 18 U.S.C. Sec. 922 (m) in Spring 1999 and were sentenced to 3 years' supervised release.

**Interstate Trafficking by Large-Scale Straw Purchaser Buying from an Unlicensed Gun Show Dealer.** *Philadelphia, Pennsylvania.* This investigation began on May 8, 1998, as a result of a request by the Philadelphia School Board Investigations Unit to trace two firearms recovered on school grounds. In the early morning hours of December 14, 1997, Philadelphia Police Officers arrested two 18-year-old males for discharging firearms in the schoolyard of William Penn High School. Both firearms had the serial numbers obliterated. The Philadelphia Police Firearms Identification Unit was able to restore the serial numbers of the firearms. ATF then initiated a trace of the firearms and determined that an individual residing in Greensboro, North Carolina, purchased both firearms just 48 hours prior to their recovery.

During the course of the investigation, which involved both crime gun tracing and Project LEAD, ATF uncovered a trafficking conspiracy. The individuals trafficked an estimated 50-70 firearms purchased from an unlicensed dealer at gun shows. In addition to these recoveries, three additional firearms with obliterated serial numbers purchased by the Philadelphia defendant were recovered by the Philadelphia Police in firearms offenses. The defendants from whom the firearms were recovered were ages 19, 24, and 25. One additional firearm was recovered by the New York City Police Department.

By infiltrating the organization, an undercover operative was able to purchase approximately 24 firearms from this organization. The type of firearms included: 15 Lorcin Engineering 9mm caliber semiautomatic pistols, three Intratec 9mm caliber semiautomatic pistols, one Glock G.m.b.H. .357 SIG caliber semiautomatic pistol, one Llama .45 caliber semiautomatic pistol, one Bryco Arms 9mm caliber semiautomatic pistol, one Hi-Point 9mm caliber rifle, and two North China Industries 7.62x39mm caliber rifles. All of the undercover purchases took place in Philadelphia. All but two of the purchased firearms had serial numbers obliterated.

On March 2, 1999, a resident of West Philadelphia and the purchaser of the firearms from Greensboro, North Carolina, were indicted by a Federal Grand Jury in the Eastern District of Philadelphia for *conspiring to engage in the business of dealing in firearms without a license, aiding and abetting, and receiving firearms while under indictment.*

On March 10, 1999, the Philadelphia Firearms Trafficking Task Force arrested them both for firearms violations. On April 23, 1999, the Philadelphia defendant pled guilty to *conspiracy* (18 U.S.C. Sec. 371), *engaging in the business of dealing firearms without a license* (18 USC 922 (a)(1)(A)), *aiding and abetting* (18 U.S.C. Sec. 2), and *unlawful interstate shipment of firearms* (18 U.S.C. Sec. 922 (n)). On September 24, 1999, he was sentenced to 46 months' incarceration, 3 years' supervised release, \$500 fine, and 100 hours of community service. On July 28, 1999, the North Carolina defendant pled guilty to *conspiracy* (18 U.S.C. Sec. 371), *engaging in the business of dealing firearms without a license* (18 U.S.C. Sec. 922 (a)(1)(A)), and *aiding and abetting* (18 U.S.C. Sec. 2). He was sentenced on October 29, 1999, to 24 months' imprisonment, 3 years' supervised release, a \$500 fine, and a \$200 special assessment fee.

**In-State Trafficking in New Firearms by Small-Scale Family Member Straw Purchaser for Juvenile Gang Offenders.** *Milwaukee, Wisconsin.* Between 1997 and 1998, guns recovered in various crimes and police actions were traced and entered into Project LEAD. The incidents included a search warrant for drugs, a search warrant for a suspect in a shooting, and recovery of a gun when a suspect pursued by police discarded the weapon. In partnership with the Milwaukee Police Department, ATF reviewed the Multiple Sales Database and found that these firearms were purchased as part of multiple sales. ATF subsequently examined the business records of the FFL where the guns were purchased. In February 1999, a 21-year-old made a multiple purchase of three handguns from the FFL and ordered four more handguns. After he took delivery of the four handguns, he was interviewed. He admitted that he had solicited his

uncle to straw purchase handguns for himself and his cousin when they were underage. The uncle had straw purchased 11 handguns for his nephews, both at the time under the age of 21 and members of street gangs. The new firearms included Keltec Industries Inc. 9mm caliber semiautomatic pistols, a Heritage Manufacturing 9mm caliber semiautomatic pistol, a Tanfoglio .45 caliber semiautomatic pistol, a Star .45 caliber semiautomatic pistol, a Taurus .45 caliber semiautomatic pistol, a Lorcin Engineering .380 caliber semiautomatic pistol, a Haskell .45 caliber semiautomatic pistol, a Tanfoglio 9mm caliber semiautomatic pistol, a Tanfoglio .45 caliber semiautomatic pistol, and a Bryco Arms 9mm caliber semiautomatic pistol. The cousin was a member of the Black Gangster Disciples and wanted firearms to continue a "gang war" with members of the Vice Lords. The cousin, while armed with one of the firearms acquired by his uncle, was killed by members of the Vice Lords.

The 21-year-old defendant pled guilty to *conspiracy* (18 U.S.C. Sec. 371) and to *falsifying ATF Form 4473* (18 U.S.C. 922 (a)(6)) and cooperated with the Government. In September 1999, he was sentenced to 15 months' imprisonment and 3 years' supervised release. The uncle, who had no prior criminal record, was found guilty of *conspiracy* (18 U.S.C. Sec. 371) and *falsifying ATF Form 4473* (18 U.S.C. Sec. 922 (a)(6)) for his straw purchase activities. In October 1999, he was sentenced to 37 months' imprisonment, 3 years' supervised release, and fined \$1,000.

**Trafficking in New and Secondhand Firearms by Unlicensed Seller and Convicted Felon through Magazines and Gun Shows.** *Louisville, Kentucky.* ATF regulatory inspectors examined an FFL's multiple sales and business records and found that certain individuals had acquired 70 firearms in 2 years. NCIC and Project LEAD searches showed that 11 of the 70 firearms had been recovered by the Louisville Police Department or traced. These firearms, some of which were recovered in the possession of youth, included semiautomatic pistols such as the Raven Arms .25 caliber, the Ruger 9mm caliber, the Davis Industries .32 caliber, the Colt .380 caliber, as well as .38 caliber revolvers made by Smith & Wesson.

In March 1997, ATF initiated a case against a convicted felon and another individual. The investigation showed that they had purchased the new and secondhand firearms from nearby FFLs and resold the firearms in-State and out-of-State at gun shows and through a local trade publication, the "Bargain Mart." At times, the men placed up to 20 ads offering firearms for sale every week. ATF agents executed two search warrants in June 1997 at the defendants' residences and seized approximately 64 firearms.

One defendant pled guilty to *conspiracy* (18 U.S.C. Sec. 371), *engaging in the business of dealing in firearms without a license* (18 U.S.C. Sec. 922 (a)(1)(A)), and *sale of a firearm to a prohibited person* (18 U.S.C. Sec. 922 (d)). In February 1999, he was sentenced to 6 months' home incarceration and 3 years' probation. He received a downward departure of seven levels in his sentence as a result of the cooperation he provided to the Government. The second defendant pled guilty to *conspiracy* (18 U.S.C. Sec. 371), *engaging in the business of dealing in firearms without a license* (18 U.S.C. 922 (a)(1) (A)), and *felon in possession* (922 (g)). On August 28, 1998, he was sentenced to 24 months' imprisonment and 3 years' supervised release.

**In-State and Interstate Trafficking in Firearms Stolen by Juvenile and Adult from Residences.** *Cincinnati, Ohio.* In November 1998, a juvenile and an adult stole 15 firearms from a residence in Fairfield, Ohio. With the help of three other juveniles, the firearms were sold to an individual who was subsequently arrested for receiving stolen property. This individual admitted selling at least 13 of the firearms to individuals in Cincinnati and other areas of Ohio as well as West Virginia. Most of the stolen firearms have been recovered and subsequently traced by ATF. Further investigation conducted by the Fairfield, Ohio Police Department and ATF revealed that the juveniles had been involved in many home burglaries, some of which involved the theft of additional firearms.

The stolen firearms included: a North China Industries SKS 7.62x39mm caliber rifle, a North China Industries MAK- 90 7.62x39mm

caliber rifle, a Sears, Roebuck & Company, JC Higgins brandname .30-06 caliber rifle, a Remington .35 caliber rifle, a Remington 16 gauge shotgun, a Mossberg .410 gauge shotgun, a Savage/Stevens .22 caliber rifle, a Savage/Stevens 16 gauge shotgun, a WW II Japanese 7.7mm military rifle, an unidentified Marakov type 9x18mm caliber semiautomatic pistol, a Smith & Wesson .38 caliber revolver, a Smith & Wesson .32 caliber revolver, a Taurus .357 caliber revolver, a Ruger .22 caliber pistol, and a Harrington & Richardson, Inc. .32 caliber revolver. The juveniles, as well as the adult who participated in the theft of the 15 firearms, were all prosecuted in State Court. In September 1999, the individual who trafficked the firearms to Ohio and West Virginia pled guilty in Federal Court to a violation of 18 U.S.C. Sec. 922 (a)(5), *illegal transportation of firearms*. In January 2000, he was sentenced to 180 days' home incarceration and 3 years' probation.

**Interstate Bartering and Trading New and Secondhand Firearms Stolen from Federally Licensed Firearms Dealer for Drugs.** *Cincinnati, Ohio.* In April 1999, Cincinnati police officers stopped a vehicle and arrested four individuals from Kentucky and two Cincinnati residents. The four individuals aged 16, 18, 21, and 27, were transporting 26 handguns. The recovered firearms were run through NCIC records by Kentucky State Police, which revealed these new and secondhand guns had been stolen 2 days earlier from a federally licensed gun dealer in Flemingsburg, Kentucky. A 23-year-old co-conspirator was subsequently arrested and it was learned that the individuals were transporting the guns from Kentucky into Cincinnati, Ohio, for the purpose of trading them for drugs.

The handguns recovered in their vehicle were: an IMI .40 caliber semiautomatic pistol, a Smith & Wesson .22 caliber semiautomatic pistol, a Sig Sauer 9mm caliber semiautomatic pistol, a Smith & Wesson 9mm caliber semiautomatic pistol, a Smith & Wesson .22 caliber semiautomatic pistol, an FEG .380 caliber semiautomatic pistol, a Llama 9mm caliber semiautomatic pistol, a Bersa .380 caliber semiautomatic pistol, an Auto Ordnance .45 caliber semiautomatic pistol, a Ruger 9mm

caliber semiautomatic pistol, a Beretta .40 caliber semiautomatic pistol, an FEG .380 caliber semiautomatic pistol, an Accu-Tek .380 caliber semiautomatic pistol, a Charter Arms .22 caliber revolver, a Smith & Wesson .38 caliber revolver, a Smith & Wesson .357 caliber revolver, a Taurus .357 caliber revolver, a Rossi .38 caliber revolver, a Colt .357 caliber revolver; a Smith & Wesson .38 caliber revolver, an AMT .40 caliber pistol, a Smith & Wesson 9mm caliber semiautomatic pistol, a Smith & Wesson .357 caliber revolver, a Smith & Wesson

.38 caliber revolver, and a Colt .44 Magnum caliber revolver. Three of the four co-defendants from Kentucky pled guilty to carrying concealed weapons and possession of stolen property in the Court of Common Pleas, Cincinnati, Hamilton County, Ohio. Their sentences ranged from 18 months to 7 years. The 23-year-old co-conspirator pled guilty in Federal Court to violations of 18 U.S.C. Sec. 922 (u), *theft from an FFL*, and 18 U.S.C. Sec. 2, *aiding and abetting*. He received 18 months' incarceration.