ILLEGAL METHAMPHETAMINE LABORATORIES IN THE DELAWARE VALLEY

A REPORT
OF THE
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INTRODUCTION

Select Committee member, Representative Lawrence Coughlin of Pennsylvania prompted a Committee investigation of illegal methamphetamine manufacturing laboratories in the Delaware Valley, involving organized crime elements and outlaw motorcycle gangs.

Following investigation by Committee staff, a Committee hearing was held on July 7, 1980, to explore the nature and extent of the problem and the effectiveness of Federal and local law enforcement authorities to suppress the illegal laboratories.

Background

Preliminary reports provided by the Drug Enforcement Administration (DEA) stated that nearly 38 percent of the total clandestine laboratory seizures in the Nation during this fiscal year were methamphetamine laboratories. From 1975 to 1979, operation of these laboratories increased over 1,200 percent. DEA has documented that 299 illicit methamphetamine and 45 illicit amphetamine laboratories were seized over that period of time. To illustrate the recent rise in methamphetamine operations, DEA reported that there were 157 methamphetamine laboratories seized in 1979, in contrast to 11 in 1975.

Methamphetamine

On the street the term "speed" refers to either amphetamines or methamphetamines. These two drugs are so closely related chemically that differences can only be detected by laboratory analysis. Amphetamines were first prescribed in the mid-1930's to treat narcolepsy, a rare disorder resulting in an uncontrollable desire for sleep. After the introduction of amphetamines into medical practice, the number of conditions for which they were prescribed multiplied, and so did the quantities available.

For a time, amphetamines were sold without prescriptions in inhalers and over-the-counter preparations. Abuse of the inhalers became widespread especially among teenagers and prisoners. Housewives, student, and truck drivers were among those who used amphetamines orally in excessive amounts, and "speed freaks," who injected them, won notoriety in the drug culture for their bizarre and often violent behavior. A prescribed dose of methamphetamine is between 2.5 and 15 milligrams per day; those on a speed binge have been known to inject as much as 1,000 mg, every 2 or 3 hours.

Recognition of the deleterious effects of these drugs brought about a limitation of the medical use and a reduction in the availability of products containing them. Medical use of amphetamines is now limited to narcolepsy, appetite control in cases of obesity, and hyperkinetic behavioral disorders in children. The drug is available now by prescription only.
Amphetamines/Methamphetamines can promote:

(a) Physical dependence
(b) A high psychological dependence
(c) Tolerance

Duration of effects: 2-4 hours.

Possible effects: Increased alertness, excitement, euphoria, increased pulse rate and blood pressure, insomnia, and loss of appetite.

Withdrawal syndrome: Apathy, long periods of sleep, irritability, depression, and disorientation.

Examples of drugs: Dextroamphetamine (Dexedrine), methamphetamine (Methedrine, Desoxyn), amphetamine (Benzedrine); the majority of these drugs are placed under Schedule II of the CSA.

Laboratory operations range from small set-ups where only a small amount of chemicals, glassware and finished product are involved, to highly sophisticated facilities with major distribution organizations. The predominant location of seized clandestine laboratories continues to be in private residences or apartments. However, a few have been located in mobile homes or trucks which can be moved to avoid detection by law enforcement agencies. One other site which is used for clandestine laboratories is existing illicit facilities, such as college laboratories and industrial plants. There are very few laboratories in the latter category due to the lack of privacy resulting from the presence of a number of people who could observe any illicit activity. The Los Angeles, Detroit, Washington, D.C. and Texas environs show the heaviest concentrations of clandestine laboratory seizures. Philadelphia is another area where clandestine laboratory activity is prevalent; however, few methamphetamine laboratories were seized there during 1978 and 1979 (seven and eight, respectively).

Hearing

A hearing was conducted on July 7, 1980, at the Ceremonial Courthouse of the U.S. Federal Court House in Philadelphia.

Witnesses at the morning session of the hearing were Honorable Robert S. Walker, U.S. Representative from Pennsylvania, and N. John Wilder, Special Agent-in-Charge of the Philadelphia District Office, Drug Enforcement Administration. Special Agent Wilder was accompanied by several representatives of the DEA's Philadelphia District office, including Joseph Dino, Jr., Assistant Special Agent-in-Charge; Frank Wickes, Intelligence Supervisor; Douglas Chandler, Group Supervisor; Special Agent Don Jerry Miller. The Committee also received testimony from a hooded, confidential witness who had been an operator of illegal laboratories in the Philadelphia metropolitan area. Also appearing at the morning session were Trooper George Ellis, Pennsylvania State Police; Sgt. Michael Carroll, Chester County Detective Division; Special Agent Gil Amoreno, Drug Enforcement Administration; Chief Harry Walsh, Philadelphia Fire Department; Fire Marshal Patrick J. McGinley, Philadelphia Fire Department; Deputy Chief Rudy Neiling, Montgomery County Fire Department; and Chief Richard Shapiro, Bucks County Fire Department.

The witnesses who testified during the afternoon session of the hearing included: David Abrahamson, Philadelphia County Assistant District Attorney, Narcotics Division; Frank Hazel, Delaware County District Attorney; Joseph Smyth, Montgomery County District Attorney; Alan M. Rubinstein, Chief Deputy District Attorney of Bucks County; and Peter F. Vaira, U.S. Attorney, Eastern District of Pennsylvania, accompanied by Edward Dennis, Jr., Assistant U.S. Attorney, Deputy Chief, Criminal Division; and John Reilly, Assistant U.S. Attorney.

Also, Capt. Anthony Scalfi, Narcotics Division, Philadelphia Police Department, accompanied by Sgt. Robert Collison, Delaware State Police; Sgt. Thomas St. John, New Jersey State Police; Cpl. Francis Becon, Pennsylvania State Police; Dr. Christopher D'Amandis, Chief Medical Officer, Coordinating Office for Drug and Alcohol Abuse Programs; Ian Lennox, Executive Vice President, Citizen's Crime Commission; Lonnie McDonald, Representative of HELF, Inc.; and Dr. Tully Speaker, Toxicologist, Temple School of Pharmacy.

SUMMARY

Testimony presented to the Committee on clandestine drug manufacturing in the United States revealed a pattern of increasing drug laboratory seizures. From 1973 to 1979, the Drug Enforcement Administration stated that seizures had increased over 700 percent.

The national drug trend of clandestine laboratories in 1979 was markedly different from prior years. While in earlier years, phencyclidine (PCP) was the dominant drug produced, methamphetamine in 1979 became the leading illicitly produced drug.

The Committee was advised that there has been a 50 percent increase over the past 2 years, in the number of hospital emergency room admissions associated with the use of amphetamines. The city of Philadelphia Medical Examiner's Report for 1980 shows 112 mortalities with amphetamines present in their tissues. This increase is almost 1,000 percent over those recorded a decade ago.

Clandestine Laboratories

The choice of laboratory sites used in making illicit drugs is varied. The Philadelphia office of the Drug Enforcement Administration has encountered laboratory sites in apartments, family homes, rented
This arrest, he continued to engage in operating other laboratories. He had been involved in these operations for a period of 4 years and was referred to at the hearing as "Mr. Jones." Jones is a highly educated man who was pursuing a professional career when he became involved in the manufacturing of methamphetamines. He testified that he sold precursor chemicals to the laboratory and acted as the chemist in the operation of six different clandestine laboratories. He had been involved in these operations for a period of 5 years and was arrested while operating a clandestine laboratory. Subsequent to this arrest, he continued to engage in operating other laboratories. He was convicted in Federal court for the manufacture of methamphetamines and served a prison sentence. During his testimony to the Committee, Jones acknowledged that he earned, "well over $100,000 a year" from his laboratory activities.

According to Jones, one of the advantages of manufacturing speed was the ability to transport it to other areas. He could not get the proper chemicals. They used chemicals with cyanide in them and didn't filter the cyanide out. He thought it important that we get across to young people who are the primary users of speed and other similar drugs that they are in a bad risk to take. Aside from the illegality and potential criminal penalties, he couldn't get the proper chemicals. They used chemicals with cyanide in them and didn't filter the cyanide out. He thought it important that we get across to young people who are the primary users of speed and other similar drugs that they are in a bad risk to take.

The drugs that are illegitimately manufactured, the potential for physical harm, sickness, illness, death, and the possibility of the dangerous substances that have been manufactured, are actually harmful. They used chemicals with cyanide in them and didn't filter the cyanide out. He thought it important that we get across to young people who are the primary users of speed and other similar drugs that they are in a bad risk to take. Aside from the illegality and potential criminal penalties, he couldn't get the proper chemicals. They used chemicals with cyanide in them and didn't filter the cyanide out. He thought it important that we get across to young people who are the primary users of speed and other similar drugs that they are in a bad risk to take. Aside from the illegality and potential criminal penalties, he couldn't get the proper chemicals. They used chemicals with cyanide in them and didn't filter the cyanide out.

Jones also stated:

One of the problems with the speed that is on the street today is that three-quarters of the people who manufacture it—we call them cooks—are actually burglars who aren't doing well enough in the burglary business, so they have gotten into manufacture of speed.

He added, because of the lack of quality control in the manufacture of this drug, over a period of time, it's virtually certain that you are going to end up with some bad speed.

One of the chemicals left in during manufacturing is a methylene salt.

Mr. Jones concluded his testimony as follows:

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Organized Crime

DEA representatives testified that they consider organized crime to be a factor in clandestine methamphetamine laboratories in the Philadelphia area. The high profits have encouraged elements of traditional organized crime to infiltrate the upper echelons of methamphetamine manufacturing operations. DEA also informed the Committee that organized crime is involved in the financing of the operation, obtaining chemists, locating the site, and financing all of the operations rather than with the actual street dealing and retailing. Of the individuals identified by DEA as laboratory operators, approximately 25 are suspected to be affiliated with organized crime. The operators are not members of organized crime families, but are employed to run the laboratories by individuals with ties to traditional organized crime. DEA also informed the Committee that organized crime operations in the Philadelphia area probably would become more involved with drug activities in the near future.

Motorcycle Gangs

Testimony was given by U.S. Representative Robert Walker, who had previously held an ad hoc hearing on the illegal and violent activities of the outlaw motorcycle gangs in the Delaware Valley area. Representative Walker stated, "The outlaw motorcycle gang problem can only be dealt with a coordinated attack. It is beyond the capability of local law enforcement officials.

* * * State and local law enforcement officials are frustrated by its interstate charac-
teristics, and only a Federal overview and a Federal commitment to handle the problem is likely to have much effect."

In order to gain the perspective of local and Federal law enforcement, the Committee assembled a panel comprised of Sgt. Michael Carroll, Chester County Detective Division, Trooper George Ellis, Pennsylvania State Police, and Special Agent Guilford Amoroso from the Drug Enforcement Administration. Their testimony consisted of a discussion into the extent of the involvement of the outlaw motorcycle gangs in the illicit operation and distribution of methamphetamine in the Delaware Valley area.

DEA identified the outlaw motorcycle gang as being very much involved in the illicit production and distribution of controlled substances. Recent DEA intelligence estimates that from 20 to 30 percent of the clandestine methamphetamine distribution in the United States is controlled by outlaw motorcycle gangs, and at least 50 percent of the methamphetamine traffic in the tri-State area is controlled by outlaw motorcycle gangs.

The involvement of motorcycle gangs in illicit drug traffic is a national problem. It provides a network of clubs ranging from small local organizations to mother clubs of regional, national, and international dimensions. Congressman Walker stressed that outlaw motorcycle gangs are developing into sophisticated criminal organizations, possibly in the same state of evolution as traditional organized crime activities in the late 1920's and early 1930's.

Special Agent Wilder testified that only eight of the 237 clandestine laboratory seizures in the United States during 1979 were known to be directly controlled by outlaw motorcycle gangs. These eight seizures involved a gang member who was actually manufacturing the drug. He cautioned that the figure is somewhat misleading since bike gangs are known to hire chemists and this arrangement is not reflected in the seizure figure.

Special Agent Amoroso testified that he felt that the "Hells Angels" are probably the most well-organized group of violent people in the United States. He noted that because of their close-knit organization they have been able to move into drug traffic without much interference from others. Moreover, it is virtually impossible for law enforcement to penetrate them. According to Amoroso, as much as 30 percent of the methamphetamine traffic in the Delaware Valley area, in one form or another, is controlled by the outlaw motorcycle gangs. Moreover, he added, "very little of the actual production can be attributed to the outlaw gangs themselves." Financing for clandestine laboratories and for the purchase of large quantities of methamphetamine for distribution is derived from prostitution, massage parlors, extortion, and even armed robbery.

Trooper George Ellis informed the Committee that after many years of harassment tactics used by the restrictions also were highlighted to illustrate the need for more funding from State and Federal sources to combat methamphetamine trafficking effectively.

While DEA received wide praise from the law enforcement officials on the intelligence, funding, and manpower assistance which could be provided to State and local authorities, testimony showed there is need for coordination of information and intelligence among local police municipalities, State police, and Federal agency officials.
Sgt. Thomas St. John felt that the judicial system's failure to expedite the legal process against methamphetamine traffickers, allowed "the defendants in these cases to have the luxury of continuing in their illegal enterprises." He further explained, "In the process of suppressing motions and delays in prosecution, sometimes the effect of the arrest is lost due to the fact that the case is not presented to trial for maybe 3 or 4 years."

Prosecutors

District Attorney Frank Hazel testified that prosecutors face an "attitudinal problem" when trying a defendant on an illicit drug manufacturing charge. He said many people in today's society consider drug abuse and its related problems as victimless crimes—more of an economic than criminal transaction. Hazel stated, "I do not believe any emphasis therefore is placed on what can happen if drugs are abused. There is no instruction through our educational institutions in any respectable fashion as to what can occur in the event of drug abuse."

In addition, he said there is a problem of credibility of prosecution witnesses in these cases since many of these are Commonwealth witnesses and come to court "with unclean hands." He noted they are people who are testifying only because the Commonwealth has a hammer over them.

Hazel stated the courts should also have a "realistic approach to the issue of probable cause as interpreted by both Federal and State Courts. I do not think we should be afraid of words other than 'probable cause.' I do not think the words 'reasonable suspicion' would make words that would make our forefathers turn over in their graves, provided those words were administered properly and the courts understand the use of law enforcement in these areas.

He also testified, "I believe sentences for drug abuse have to be two things. They have to be firm, and almost as important, they must be consistent. Because if the sentencing is not consistent throughout a State or the Nation, we are not solving the problem, we are indeed becoming the very essence of that problem."

District Attorney Joseph Smyth testified that, "A large percentage of burglaries, robberies, and other minor crimes that occur in this county (Montgomery) are committed by serious drug users to support their addiction. An examination conducted by my office of the sentencing sheets of the Common Pleas Court of Common Pleas, reveals that 40 percent of all those sentenced for burglary in 1979 have a drug problem. Smyth said he is attempting to form a county-wide undercover squad composed of State, local, and county detectives under his direction to infiltrate the drug culture. "The main thrust of this concept, will be to focus investigative resources on target crime areas, working closely under the direction of the District Attorney, he testified.

Smyth also stressed the need for better coordination and exchange of information among all authorities involved and stated that local governments do not have the resources to combat the drug trafficking problem.

Budgetary restrictions hamper drug trafficking cases. According to Assistant District Attorney David Abrahamsen, "In the fourth, I guess soon to be the fifth largest city in the United States (Philadelphia), you have less than 1 percent of the police manpower assigned to narcotics investigation on a police force that has had to lay people off because of budgetary problems. The nacs are allowed to spend $100 on a buy—you can imagine what they can buy for that. It's a joke."

Attitudes of some of the judges are also a problem for prosecutors, they testified. It is difficult for law enforcement agencies to find methamphetamine drug traffickers and make an arrest. Prosecutors find it difficult to convict these individuals. Once these are convicted, District Attorney Abrahamsen stated, some judges do not recognize the seriousness of the drug offenses.

District Attorney Alan M. Rubenstein of Bucks County testified, "One of the difficulties we encounter is the problem of sentencing. I would not like to take out of the hands of the judges the power to impose sentences as they see fit, although I would like to see some more uniformity in sentencing. I do believe that severe penalties, stiff sentences, long terms of imprisonment, severe fines equal to the type of crime being prosecuted would send the word out to many people involved in the manufacture of methamphetamine, that this is a crime which is not profitable and this is a crime for which severe penalties will be imposed."

In an effort to implement this policy the prosecutor's office in Bucks County, according to Rubenstein, "will not under any circumstances plea bargain in any cases which involve the sale or distribution of any controlled substances in Schedule I or II.""
Mr. Dennis advised the Committee that, "The problems of drug use and drug abuse are, in part, perpetrated by a romanticized aspect to this. Young people are very impressionable. They feel, perhaps, that this is a way to impress others in their peer group or that this is the thing to do, so when you have that type of attitude being encouraged on a commercial level, I think you have a real problem."  

Treatment  
Chief Medical Officer Dr. Christopher D'Amanda testified to a need for accurate and comprehensive data-gathering from the National Institute on Drug Abuse, the National Institute on Alcoholism and Alcohol Abuse, and the National Institute of Mental Health in order to plan accurately for responsive drug and alcohol abuse programs in the city of Philadelphia. He stressed that no single community of skilled practitioners, "can presume to do sufficient battle against drug abuse in our country."

Dr. D'Amanda told of a vital need "for each of the Institutes to agree on some common 'core' of data to be collected by all three so that appropriate, coordinated interpretation of their data systems could be forthcoming."

He also stated that a coordinated cooperation between various law enforcement, judicial, correctional, and treatment organizations would enhance efforts combatting drug abuse in the Nation. "We need to work together and to share information across the boundaries of our daily work as well as beyond the limits of our authority and responsibility. Where such capability does not exist, it must be established in a formal and lasting fashion," he testified.

Ms. Lonnie McDonald, representative of HELP Incorporated, advised the Committee of the introduction of drugs to school children at increasingly younger ages. She emphasized the need for drug abuse education and treatment programs in the schools and communities.

The lack of quality control in street drugs was stressed by Dr. Tully Speiser, toxicologist, Temple School of Pharmacy. He testified that initial treatment in Philadelphia emergency rooms was inadequate because of the lack of knowledge of what drugs were ingested by the patient. He said cases where the patient believed he had taken cocaine, have "turned out to be methamphetamine or heroin, sometimes with cocaine."

The Citizens Crime Commission of Philadelphia believes the current problem regarding illicit drugs to be a real, present threat to the community—one which must be properly addressed now, or it will reach alarming proportions, according to Mr. H. Lennex, Executive Vice President of the Commission. He said the situation "calls for increased vigilance and efforts on the part of law enforcement officials, the continued assistance of Federal agencies to local government and the constant informed concern of parents and other members of the community."

**FINDINGS**

1. Recognition of the deleterious effects of amphetamine finally brought about a limitation of its medical use and a corresponding reduction in the availability of proprietary products containing it. Medical use of amphetamine is now limited to narcolepsy, appetite control in cases of obesity, and hyperkinetic behavioral disorders in children. The Food and Drug Administration is now considering the removal of appetite control in cases of obesity from the approved usage list. As legitimate pharmaceutical firms reduced and/or discontinued manufacturing amphetamine, the illicit laboratories increased their production to meet the demands for this product, which is known as methamphetamine. The illicit use of methamphetamine and amphetamine closely parallels that of cocaine in its short- and long-term effects. Despite broad recognition of the risk, clandestine laboratories produce vast quantities of these products for distribution on the illicit market.

2. A 55-gallon drum of phenylacetone, a necessary precursor in the production of methamphetamine, can wholesale on the black market for between a quarter and a half million dollars. Approximately 400 pounds of methamphetamine can be manufactured from such a drum. A pound of methamphetamine wholesales for approximately $10,000, making the ultimate profit in excess of $90,000,000 for one 55-gallon drum of phenylacetone.

3. The Philadelphia district office of DEA has been able to identify 161 laboratory operators. In addition, another 125 have been identified as suspects, thus making clandestine methamphetamine laboratories the number one priority in the Philadelphia area.

4. The average sentence of a laboratory operator is 3.5 years, but few serve more than one-half of the sentence before getting a parole. "The sentence is just not severe enough to prevent recidivism. It is not a deterrent," according to the Special Agent-in-Charge of the Philadelphia district DEA office.

5. The apparatus for setting up a methamphetamine laboratory cost a one-time expense of $1,000. The chemicals for each batch cost an additional $225. The only limiting factor in the selection of a laboratory site is the masking or speedy dispersion of odors caused by the manufacturing processes.

6. Illicit laboratory operators do not necessarily need a background in chemistry to manufacture amphetamines and the profits in this business can easily exceed $100,000 annually.

7. Methamphetamines produced in illicit laboratories pose significant danger to the lives and health of users since there is little or no "quality control" exercised by operators or "speed cooks." Use of lethal liquids including poisons have been documented as substitutes for needed chemical mixing agents. The risk is much greater for heavier users since they eventually will end up with quantity of "bad speed."

8. Present day society is drug-oriented. Our educational institutions have not provided adequate instruction as to the dangers of drug abuse. This adds to the problems that the prosecutors face when trying a defendant in an illicit operation of a drug laboratory or in any drug-related case. This attitudinal problem exists because the public in general feels that drug abuse and its related problems are "victimless crimes." It is also considered by many to be a nonviolent crime, since a large number of drug transactions take place without the commission of violence.

9. A large percentage of burglaries, robberies, and other major crimes that occur are committed by heavy drug users to obtain money to support their addiction.
5. A common “core” of drug data be collected at a central headquarters by the National Institute on Drug Abuse (NIDA), the National Institute of Alcohol Abuse and Alcoholism (NIAAA), and the National Institute of Mental Health (NIMH). This “clearinghouse” could be located in the Department of Health and Human Services to insure that accurate gathering and correlation of data will be made available to treatment agencies and the public.

6. The Drug Enforcement Administration (DEA) should expand its precursor liaison program which was established several years ago. The Committee is impressed by DEA’s success with this program and urges DEA to impress upon manufacturers and the public the need for continued cooperation in this effort. Testimony revealed problems developing with foreign manufacturers of precursors. The Committee recommends that DEA study this problem and submit its recommendations to the Congress if legislation is deemed necessary.
END