

ARCHIVED



Atlanta

High Intensity Drug Trafficking Area

Drug Market Analysis 2009



NATIONAL DRUG INTELLIGENCE CENTER
U.S. DEPARTMENT OF JUSTICE





Atlanta

High Intensity Drug Trafficking Area

Drug Market Analysis 2009

This assessment is an outgrowth of a partnership between the NDIC and HIDTA Program for preparation of annual assessments depicting drug trafficking trends and developments in HIDTA Program areas. The report has been coordinated with the HIDTA, is limited in scope to HIDTA jurisdictional boundaries, and draws upon a wide variety of sources within those boundaries.



NATIONAL DRUG INTELLIGENCE CENTER
U.S. DEPARTMENT OF JUSTICE



This page intentionally left blank.

Table of Contents

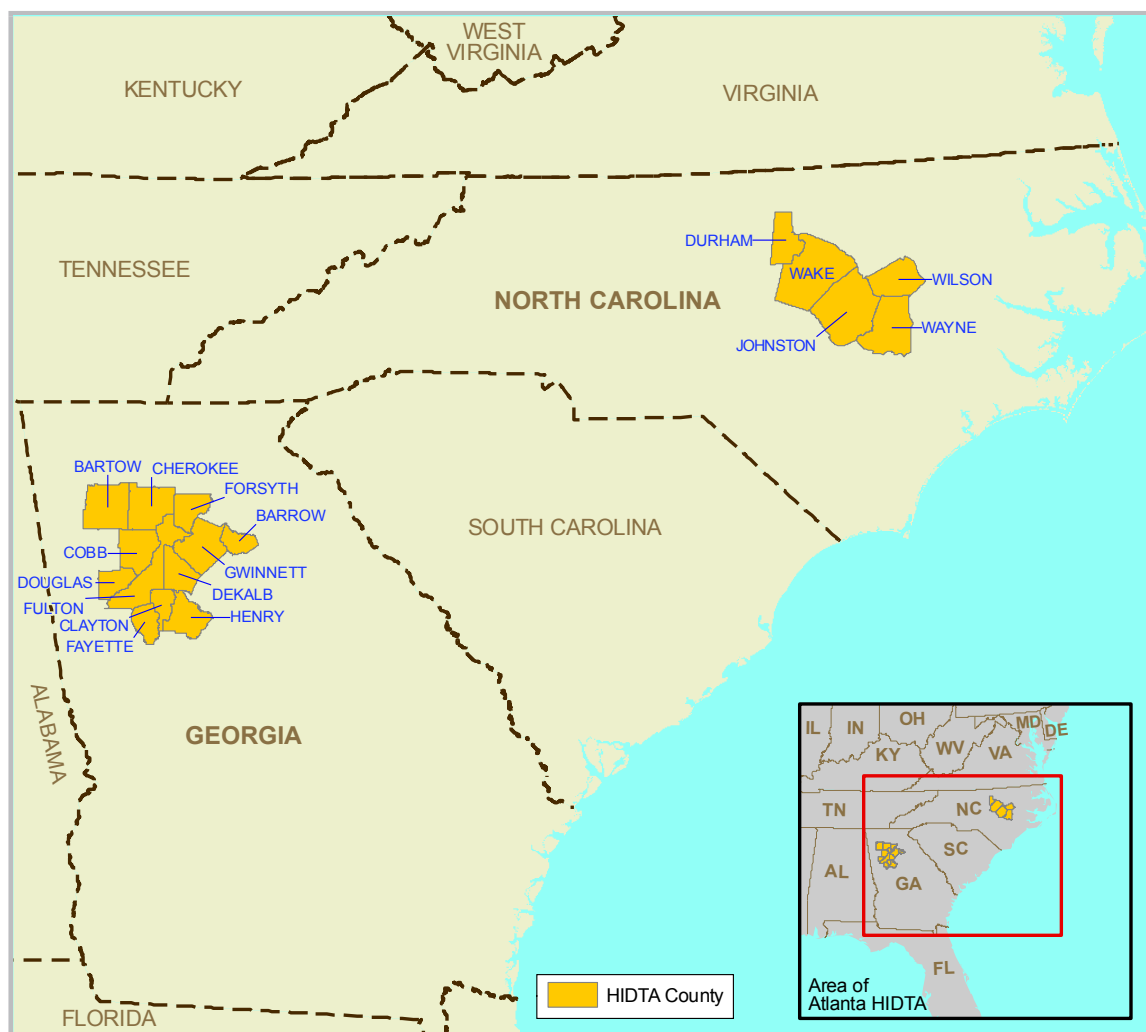
| | |
|---|----|
| Preface..... | 1 |
| Strategic Drug Threat Developments..... | 2 |
| HIDTA Overview | 2 |
| Drug Threat Overview | 4 |
| Drug Trafficking Organizations | 6 |
| Production..... | 8 |
| Transportation..... | 10 |
| Distribution | 11 |
| Drug-Related Crime..... | 13 |
| Abuse | 13 |
| Illicit Finance | 15 |
| Outlook | 15 |
| Sources..... | 16 |

This page intentionally left blank.

Preface

This assessment provides a strategic overview of the illicit drug situation in the Atlanta High Intensity Drug Trafficking Area (HIDTA), highlighting significant trends and law enforcement concerns related to the trafficking and abuse of illicit drugs. The report was prepared through detailed analysis of recent law enforcement reporting, information obtained through interviews with law enforcement and public health officials, and available statistical data. The report is designed to provide policymakers, resource planners, and law enforcement officials with a focused discussion of key drug issues and developments facing the Atlanta HIDTA.

Figure 1. Atlanta High Intensity Drug Trafficking Area



Strategic Drug Threat Developments

- The Atlanta HIDTA region is a principal drug distribution center for Mexican drug trafficking organizations (DTOs) that supply illicit drugs to drug markets in the eastern United States. These DTOs also use the region as a bulk cash consolidation center, storing millions of dollars in suburban Atlanta stash houses before transporting the cash to the Southwest Border area and Mexico.
- The influence exerted by Mexican DTOs on the Atlanta HIDTA region is unmatched by any other trafficking organization or group. Mexican DTOs with ties to the Southwest Border area and Mexico supply the vast majority of powder cocaine, ice methamphetamine, commercial-grade marijuana, and heroin available in the Atlanta HIDTA region.
- In 2008, violent acts committed by Mexican DTOs against other Mexican traffickers increased in the Atlanta area; this violence is often initiated to collect money owed from drug debts and to intimidate other drug traffickers in the region.
- Shortages in wholesale quantities of powder cocaine first noted in 2007 continued to be reported by several law enforcement officers in the Atlanta HIDTA region in 2008; law enforcement officers report that the price for cocaine remains high.
- Eradication data suggest that indoor cannabis cultivation decreased significantly in Georgia, including Georgia counties in the Atlanta HIDTA region. The total number of indoor cannabis plants eradicated in Georgia decreased 70 percent from 2007 through 2008.

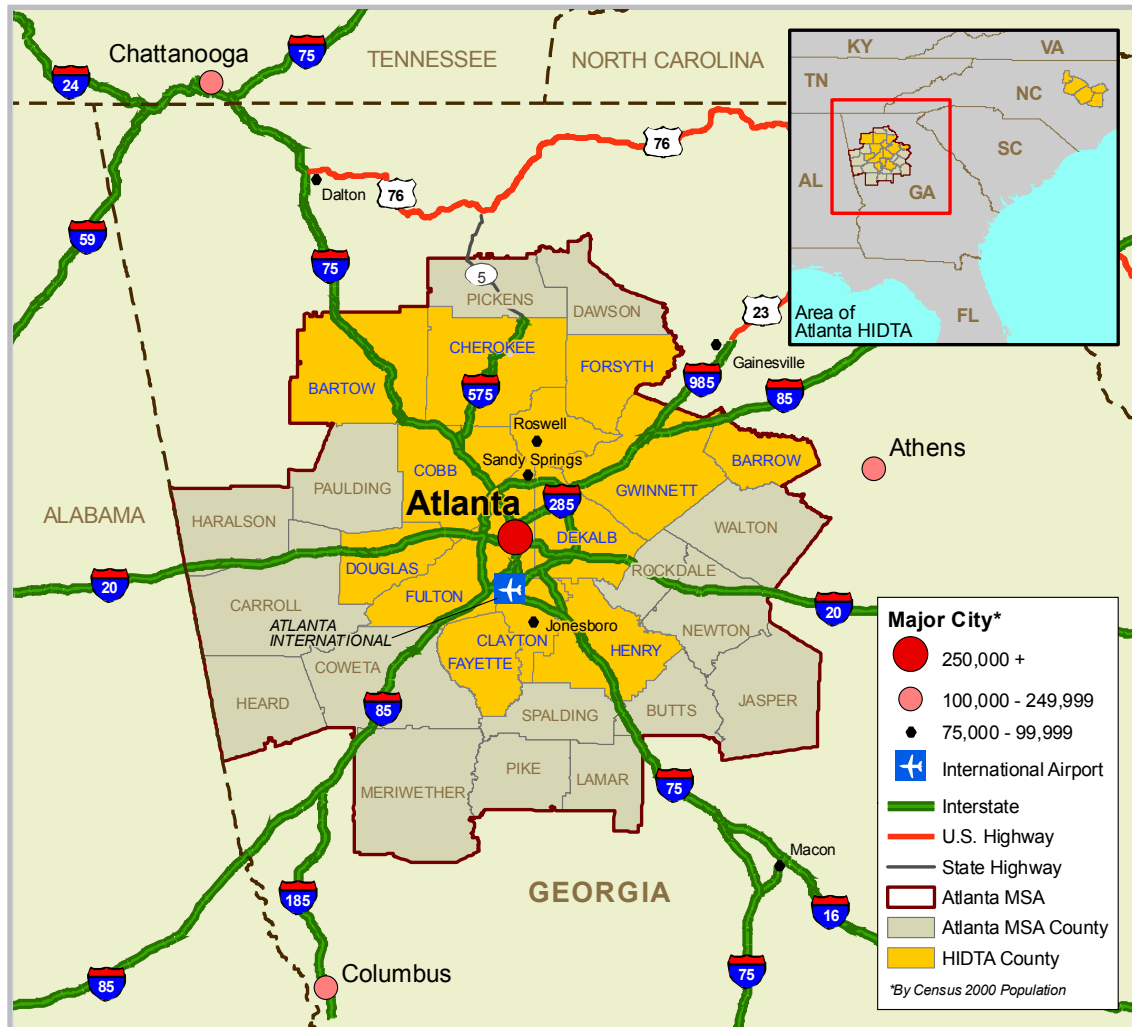
HIDTA Overview

The Atlanta HIDTA region comprises Barrow, Bartow, Cherokee, Clayton, Cobb, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett and Henry Counties, which compose a large portion of the Atlanta, Georgia, metropolitan area, and Durham, Johnston, Wake, Wayne, and Wilson Counties, which encompass most of the Raleigh metropolitan area in North Carolina. (See Figure 1 on page 1.) Moreover, many HIDTA initiatives and investigations extend into counties within the Atlanta Metropolitan Statistical Area (MSA) that are adjacent to the HIDTA region.¹ (See Figure 2 on page 3.)

The Atlanta area is the leading drug distribution and bulk cash consolidation center for Mexican DTOs that supply illicit drugs, particularly powder cocaine, to drug markets in the eastern United States and transport illicit drug proceeds from those markets to the Southwest Border area and Mexico.² The drug flow from the Atlanta HIDTA region has positioned it as a national-level drug distribution center for many eastern U.S. drug markets. Mexican DTOs distribute illicit drugs from the Atlanta HIDTA region to cities throughout the eastern United States, including Baltimore, Maryland; Cincinnati and Dayton, Ohio; Columbia, South Carolina; Gainesville, Jacksonville, Miami, and Tampa, Florida; Memphis and Nashville, Tennessee; Birmingham and Montgomery, Alabama; Pittsburgh, Pennsylvania; and Roanoke, Virginia. Moreover, these DTOs distribute ice methamphetamine from Atlanta to southeastern drug markets. The illicit drugs

1. The Atlanta Metropolitan Statistical Area (MSA) includes the following 28 counties: Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Newton, Paulding, Pickens, Pike, Rockdale, Spalding, and Walton.
2. According to the *Rand McNally Road Atlas and Travel Guide 2008*, the eastern United States consists of Alabama, Connecticut, Delaware, Florida, Georgia, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, and West Virginia.

Figure 2. Atlanta Metropolitan Area Transportation Infrastructure

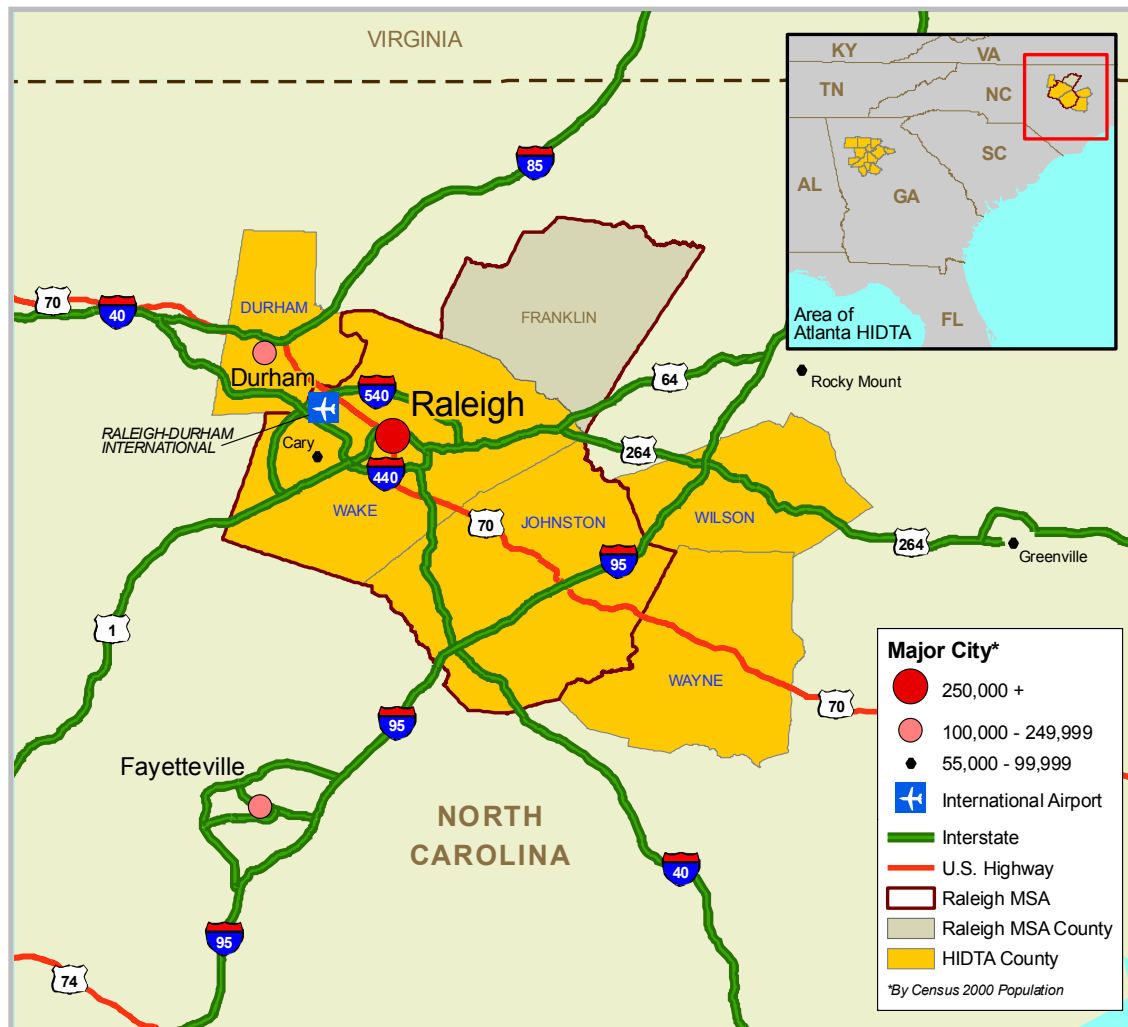


distributed from the Atlanta HIDTA region are generally smuggled across the U.S.–Mexico border by Mexican traffickers and then through California and Texas en route to the HIDTA region. Moreover, Mexican DTOs use the Atlanta area as a bulk cash consolidation center, storing millions of dollars in suburban Atlanta stash houses before transporting the cash to the Southwest Border area and Mexico.

The Atlanta HIDTA region has a highly accessible transportation system, including major roadways that link it to the Southwest Border and

major eastern U.S. drug markets. (See Figure 2, above, and Figure 3 on page 4.) Mexican DTOs exploit the Atlanta HIDTA region’s geographic location between these areas to transport illicit drugs to Atlanta and then on to eastern drug markets; these DTOs also transport illicit drugs directly to distribution points in North Carolina for further distribution to eastern drug markets. Mexican DTOs frequently transport illicit drugs into North Carolina counties of the Atlanta HIDTA region from Atlanta using Interstate 85 or from California using I-40.

Figure 3. North Carolina Counties in the Atlanta HIDTA Region Transportation Infrastructure



Drug Threat Overview

Cocaine trafficking and abuse pose the greatest drug threats to the Atlanta HIDTA region. The large quantities of cocaine available in the area, the level of violence associated with cocaine (particularly crack) distribution and abuse, and the number of cocaine-related treatment admissions to publicly funded facilities are indications that cocaine is a greater drug threat than any other illicit drug. According to data from the National Drug Intelligence Center (NDIC) National Drug Threat Survey (NDTS) 2009, 14 of the 31 law enforcement agency respondents in Georgia counties in the Atlanta HIDTA region report that

cocaine is the greatest drug threat in their jurisdictions, and 15 of the 16 respondents in North Carolina counties in the HIDTA region report that cocaine is the greatest drug threat in their jurisdictions.³ Shortages in wholesale quantities of powder cocaine first noted in 2007 continued to be reported by some law enforcement

3. National Drug Threat Survey (NDTS) data for 2009 cited in this report are as of February 12, 2009. NDTS data cited are raw, unweighted responses from federal, state, and local law enforcement agencies solicited through either the National Drug Intelligence Center (NDIC) or the Office of National Drug Control Policy (ONDCP) High Intensity Drug Trafficking Area (HIDTA) program. Data cited may include responses from agencies that are part of the NDTS 2009 national sample and/or agencies that are part of HIDTA solicitation lists.

officers in the Atlanta HIDTA region in 2008. In fact, the Drug Enforcement Administration (DEA) Atlanta Field Division reported limited availability of cocaine in the Atlanta HIDTA region in 2008. Also the Greensboro Police Department in North Carolina reported that some retail-level distributors were selling fake cocaine as a result of the cocaine shortages in the area in late 2008 and early 2009. Wholesale cocaine prices also reflect the shortages: wholesale prices remain high, and cocaine sold for as much as \$25,000 per kilogram in 2008.⁴ Nonetheless, some law enforcement agencies in the Atlanta HIDTA region report that quantities of cocaine are sufficient to meet local demand and to distribute to other markets, such as Baltimore, Cincinnati, Jacksonville, and Birmingham. Reporting from Atlanta HIDTA Initiatives⁵ indicates that over 817 kilograms of powder cocaine were seized in 2008. (See Table 1 on page 7.)

The production, trafficking, and abuse of powder and ice methamphetamine pose a significant threat to the Atlanta HIDTA region. According to data from the NDTs 2009, 6 of the 47 law enforcement agency respondents in the Atlanta HIDTA region report that powder methamphetamine is the greatest drug threat, and 4 respondents report the same for ice methamphetamine. Locally produced powder methamphetamine and high-purity Mexican ice methamphetamine are available to varying degrees throughout the Atlanta HIDTA region. According to data from

the NDTs 2009, 28 of the 47 law enforcement agency respondents in the Atlanta HIDTA region report that ice methamphetamine is available at moderate to high levels, and 26 report the same for powder methamphetamine. Mexican DTOs supply significant quantities of powder and ice methamphetamine to the Atlanta HIDTA region. Methamphetamine is also produced in the Atlanta HIDTA region at low to moderate levels; however, methamphetamine laboratory seizure data suggest rising methamphetamine production throughout North Carolina. This increased production may subsequently lead to increased methamphetamine availability in the Atlanta HIDTA counties in North Carolina.

Cannabis cultivation and subsequent marijuana distribution and abuse pose serious threats to the Atlanta HIDTA region. Marijuana is widely available throughout the HIDTA region and is abused by members of all racial/ethnic and social groups. Most of the marijuana available in the region is produced in Mexico or Canada, but some is produced locally at outdoor and indoor cannabis grow sites. Most cannabis cultivated in the Atlanta HIDTA region is grown at outdoor sites; however, severe drought conditions throughout the southeastern United States in 2007 caused a sharp decrease in the amount of cannabis cultivated and eradicated in Georgia, North Carolina, and the Atlanta HIDTA region during the year. Despite a continued drought, growing conditions improved in 2008, leading to increased cannabis eradication in Georgia, North Carolina, and the Atlanta HIDTA region during the year. According to Domestic Cannabis Eradication/Suppression Program (DCE/SP) data,⁶ the number of cultivated plants eradicated from outdoor grow operations in Georgia increased from 11,851 plants in 2007 to 47,607 plants in 2008, and the number of cultivated plants eradicated

4. Intelligence and law enforcement reporting indicates that the decrease in cocaine availability in U.S. drug markets was most likely the result of several simultaneous factors that obstructed the flow of cocaine from South America through Mexico to U.S. drug markets. The probable factors include several exceptionally large cocaine seizures made while the drug was in transit to the United States, counterdrug efforts by the Mexican Government, U.S. law enforcement operations along the Southwest Border, a high level of intercartel violence in Mexico, and expanding cocaine markets in Europe and South America. It is unclear which of these factors contributed most to the decrease in cocaine availability.

5. Atlanta HIDTA funds are allocated to nine initiatives (program areas): Metro Atlanta Task Force, DeKalb Task Force, Intelligence, Administration, Crime Lab, Prosecution, Training, Facilities, and Prevention. Initiatives contain subcategories such as Groups 1 through 6 within the Metro Atlanta Task Force.

6. Domestic Cannabis Eradication/Suppression Program (DCE/SP) data are available only at the state level; thus, the number of cannabis plants and grow sites eradicated and seized reflect the entire states of Georgia and North Carolina, not just the Atlanta HIDTA region.

from outdoor grow operations in North Carolina increased from 15,115 plants in 2007 to 103,711 plants in 2008. Eradication data suggest that indoor cannabis cultivation, however, decreased significantly in Georgia, including Georgia counties in the Atlanta HIDTA region. According to DCE/SP data, the number of cultivated plants eradicated from indoor grow operations in Georgia decreased from 9,585 plants in 2007 to 2,840 plants in 2008. Law enforcement reporting suggests that this decrease can be partially attributed to effective law enforcement investigations in 2007 that targeted large Cuban DTO-operated indoor cannabis grow operations in Georgia. However, the number of cultivated plants eradicated from indoor grow operations in North Carolina increased from 1,253 plants in 2007 to 1,489 plants in 2008. Many of the indoor grow sites seized in Georgia and North Carolina in 2008 were small, independent grow sites that cultivated personal use quantities of cannabis.

Controlled prescription drugs (CPDs)⁷ and MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) are considerable threats to the Atlanta HIDTA region, while heroin poses a low threat. The most widely available and commonly abused CPDs are hydrocodone, oxycodone, and diazepam.⁸ Law enforcement officials report that CPD abuse is a growing problem among Caucasian young adults. MDMA supplied primarily by Asian DTOs (predominantly Laotian and Vietnamese) is available at moderate to high

levels in the region. Asian DTOs operating in the Atlanta HIDTA region maintain sources of supply in Canada; these traffickers smuggle MDMA across the U.S.–Canada border and transport it to Atlanta in private vehicles or on commercial airline flights. Moreover, law enforcement officials report that they have seized combination MDMA/methamphetamine tablets in the region.⁹ MDMA producers in Canada add methamphetamine during MDMA manufacturing to stretch their supplies and increase their profit margins. Heroin availability and abuse are stable at low levels in the Atlanta area; however, law enforcement officers in Durham, North Carolina, report that heroin is available at high levels in their jurisdiction. The high availability of heroin in Durham is most likely the result of Mexican traffickers increasingly distributing large quantities of Mexican heroin throughout North Carolina.

Drug Trafficking Organizations

Mexican DTOs dominate the wholesale distribution of cocaine, ice methamphetamine, and marijuana; they exert more influence over illicit drug trafficking in the Atlanta HIDTA region than any other trafficking organization or group. Mexican DTOs use a complex network of transportation and distribution cells to coordinate drug shipments from sources of supply operating in California, Texas, or Mexico to the HIDTA region. Law enforcement reporting indicates that Mexican DTOs located along the Southwest Border or in Mexico often manage cell leaders in the region. In addition to the Atlanta area, Mexican drug trafficking cells in North Carolina are using cities such as Charlotte as drug distribution

7. Not all prescription drugs are controlled prescription drugs (CPDs) under the federal Controlled Substances Act (CSA). However, many prescription drugs are listed in Schedules I through V of the CSA because of their high potential for abuse or addiction. Schedule I through V prescription drugs are primarily narcotic pain relievers and central nervous system depressants and stimulants. A complete list of CPDs, by schedule, is available on the Drug Enforcement Administration (DEA) Office of Diversion Control web site at <http://www.deadiversion.usdoj.gov/schedules/schedules.htm>.
8. Schedule II drugs include several prescription drugs such as Duragesic (fentanyl), methadone, morphine, OxyContin (oxycodone), and Percocet (oxycodone in combination with acetaminophen). Schedule III drugs include several prescription drugs such as Vicodin (hydrocodone in combination with acetaminophen). Schedule IV drugs include several prescription drugs such as Ambien (zolpidem), Ativan (lorazepam), Darvon (propoxyphene), Valium (diazepam), and Xanax (alprazolam).

9. Combination tablets that contain MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) and methamphetamine or other substances have been transported south across the U.S.–Canada border since at least 2000. Various data suggest that the flow of MDMA tablets from Canada to the United States has been consistently increasing since 2003, and it is highly likely that the flow of combination tablets has risen at the same time.

Table 1. Atlanta HIDTA Drug Seizures, by Initiative, in Kilograms, 2008

| HIDTA Initiative | Powder Cocaine | Crack Cocaine | Ice Methamphetamine | Powder Methamphetamine | Marijuana | Hydroponic Marijuana | Heroin | GHB (gamma-hydroxybutyrate) | MDMA (in dosage units) |
|---|----------------|---------------|---------------------|------------------------|-----------------|----------------------|--------------|-----------------------------|------------------------|
| DeKalb | 47.08 | 0.98 | 6.27 | 1.49 | 1,024.69 | 35.95 | 0.00 | 3.63 | 34,486 |
| Metro (Groups 1-3, Financial, Transportation) | 247.14 | 0.40 | 1.91 | 4.91 | 2,513.26 | 6.94 | 14.05 | 0.00 | 45,990 |
| Expanded Operations (Jan–June) | 26.23 | 0.27 | 0.24 | 0.00 | 158.44 | 0.00 | 0.01 | 0.00 | 685 |
| North Carolina Triangle (Jul–Dec) | 10.56 | 0.00 | 0.00 | 2.24 | 0.10 | 0.00 | 1.48 | 0.00 | 79 |
| Domestic Highway Drug Enforcement (DHDE) | 486.33 | 0.00 | 48.43 | 0.00 | 1,506.66 | 0.00 | 0.12 | 0.00 | 2,043 |
| Total | 817.34 | 1.65 | 56.85 | 8.64 | 5,203.15 | 42.89 | 15.66 | 3.63 | 83,283 |

Source: Atlanta High Intensity Drug Trafficking Area.

centers. To illustrate, in July 2008, Tennessee law enforcement officials stopped a vehicle for speeding along I-40. A search of the vehicle revealed 20 kilograms of Mexican black tar heroin in a hidden compartment. The driver and passenger of the vehicle, both Mexican citizens, admitted that they were traveling from Charlotte to Tacoma, Washington.

Other DTOs and criminal groups of various races/ethnicities, including African American, Caucasian, Dominican, and Jamaican, distribute drugs in the Atlanta area. Most of the traffickers obtain powder cocaine, ice methamphetamine, and marijuana from Mexican DTOs. African American criminal groups typically distribute crack cocaine, marijuana, and MDMA at the retail level. Caucasian criminal groups distribute marijuana, CPDs, and other dangerous drugs (ODDs) in the HIDTA region; Caucasian DTOs and independent dealers also cultivate cannabis in the region. Dominican DTOs distribute small quantities of powder cocaine in the Atlanta area and often arm themselves with assault weapons. Asian DTOs, predominantly Laotian and Vietnamese, distribute MDMA and small quantities of Canadian marijuana in the Atlanta area. These

DTOs maintain sources of supply in Canada; they smuggle MDMA and Canadian marijuana across the U.S.–Canada border and transport the drugs to Atlanta in private vehicles or on commercial flights.

Street gangs distribute illicit drugs at the retail level in many areas of the Atlanta HIDTA region; the level of drug distribution by street gangs is generally moderate to high in the region. According to NDTs 2009 data, 20 of the 47 law enforcement agency respondents in the Atlanta HIDTA region report that the level of gang drug activity increased in their jurisdictions during the past year. This increased activity most likely is the result of an increase in the supply of illicit drugs by Mexican DTOs to street gangs in the region. Street gang activity is prevalent among African American and Hispanic youths in the Atlanta HIDTA region. Most street gangs in Atlanta are locally based; they commonly adopt multiple facets of gang culture from national-level street gangs that members often garner from the Internet. Moreover, local gangs typically do not exhibit the organizational structure, written code, or

Drug Trafficking Organizations, Criminal Groups, and Gangs

Drug trafficking organizations are complex organizations with highly defined command-and-control structures that produce, transport, and/or distribute large quantities of one or more illicit drugs.

Criminal groups operating in the United States are numerous and range from small to moderately sized, loosely knit groups that distribute one or more drugs at the retail level and midlevel.

Gangs are defined by the National Alliance of Gang Investigators' Associations as groups or associations of three or more persons with a common identifying sign, symbol, or name, the members of which individually or collectively engage in criminal activity that creates an atmosphere of fear and intimidation.

defined member roles associated with national-level street gangs. African American street gangs such as Most Dangerous Click (MDC), Dangerous Killer Click, and 30 Deep typically distribute crack cocaine and marijuana at the retail level; these street gangs depend on Mexican traffickers as their source for powder cocaine, which they generally convert to crack cocaine. Hispanic street gangs such as Sureños 13 (Sur 13) and Vatos Locos maintain a strong presence in the Atlanta HIDTA region; they typically distribute cocaine and marijuana obtained from Mexican DTOs. Hispanic street gangs appear to be more organized than African American street gangs and exhibit more violence in direct support of their drug distribution activities. The presence of Mara Salvatrucha (MS 13) in North Carolina and Georgia is growing. Law enforcement officials report increased coordination of criminal activity among MS 13 cliques in the Atlanta metropolitan area.

Production

Illicit drug production in the Atlanta HIDTA region primarily involves the conversion of powder cocaine to crack cocaine, cannabis cultivation, and small-scale powder methamphetamine production. Crack cocaine conversion takes place principally in urban areas of the region. Cannabis cultivation and small-scale methamphetamine production often take place in rural areas of the Atlanta HIDTA region.

Retail-level crack cocaine distributors, generally African American criminal groups and street gangs, convert powder cocaine to crack at various locations, including crack houses and stash houses. Once the powder cocaine is converted to crack, it is broken into small pieces, or rocks, and distributed in the neighborhoods where it was produced. Moreover, many crack cocaine distributors are selling loose rocks of crack without packaging; the absence of packaging most likely indicates that the drug was recently converted.

Most of the marijuana available in the Atlanta HIDTA region is produced in Mexico or Canada, but some is grown locally at outdoor and indoor grow sites. Most cannabis cultivated in the Atlanta HIDTA region is grown at outdoor sites. Many outdoor cannabis grow sites are secreted by traffickers on public lands and parks to prevent the seizure of private property if discovered, and individual cannabis plants are often spread among other vegetation to hinder law enforcement detection. Severe drought conditions throughout the southeastern United States in 2007 caused a sharp decrease in the amount of cannabis cultivated and eradicated statewide in Georgia and North Carolina, as well as in the Atlanta HIDTA region. Despite a continued drought in the region, growing conditions improved in 2008, leading to increased cannabis eradication in 2008. Nonetheless, HIDTA officials report that fluctuations in the number of cannabis plants eradicated each year are frequently the result of

Table 2. Cannabis Plants Eradicated at Outdoor and Indoor Grow Sites in Georgia and North Carolina 2004–2008

| | Outdoor | | | | | Indoor | | | | |
|-----------------------|---------------|---------------|----------------|---------------|----------------|--------------|--------------|--------------|---------------|--------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2004 | 2005 | 2006 | 2007 | 2008 |
| Georgia | 18,122 | 27,067 | 64,995 | 11,851 | 47,607 | 616 | 642 | 1,610 | 9,585 | 2,840 |
| North Carolina | 32,572 | 68,491 | 99,379 | 15,115 | 103,711 | 3,393 | 2,391 | 2,110 | 1,253 | 1,489 |
| Total | 50,694 | 95,558 | 164,374 | 26,966 | 151,318 | 4,009 | 3,033 | 3,720 | 10,838 | 4,329 |

Source: Domestic Cannabis Eradication/Suppression Program, as of February 5, 2009.

available eradication resources and are not necessarily indicative of a change in the amount of cannabis cultivated.

Eradication data suggest that indoor cannabis cultivation decreased significantly in Georgia, including Georgia counties in the Atlanta HIDTA region. The number of cultivated plants eradicated from indoor grow operations in Georgia decreased from 9,585 plants in 2007 to 2,840 plants in 2008. (See Table 2.) Law enforcement reporting suggests that this decrease can be partially attributed to effective law enforcement investigations that targeted large Cuban DTO-operated cannabis grow operations in 2007. Small-scale indoor grow sites—producing quantities of marijuana for personal use and limited retail distribution—are operated by independent cultivators of all racial/ethnic backgrounds, including African Americans, Asians, Caucasians, and Hispanics.

Caucasian independent producers operate a limited number of small-scale powder methamphetamine laboratories in the Atlanta HIDTA region. Law enforcement officials report low to moderate levels of methamphetamine production throughout most of the Atlanta HIDTA region, largely the result of legislation that restricted precursor chemical sales. Methamphetamine laboratory seizure data suggest rising methamphetamine production throughout North Carolina, which may lead to increased methamphetamine availability in the Atlanta HIDTA counties in North Carolina in the near term. The number of reported methamphetamine laboratory seizures

in HIDTA counties in North Carolina fluctuated from 2004 through 2008.¹⁰ However, the number of methamphetamine laboratories seized statewide in North Carolina increased from 70 laboratories in 2007 to 89 laboratories in 2008. (See Table 3 on page 10.) This increase in methamphetamine production has been accomplished largely by individuals and criminal groups that circumvent precursor chemical sales restrictions by making numerous small-quantity purchases of products containing pseudoephedrine (often referred to as smurfing¹¹) and by using the one-pot cook method, sometimes called the shake and bake method. (See text box on page 10.)

Most of the methamphetamine laboratories seized in the Atlanta HIDTA region are those in which less than 2 ounces of methamphetamine can be produced per production cycle; however, the 2008 seizure of a large methamphetamine conversion laboratory and the seizure of large amounts of pseudoephedrine in the region suggest that large-scale methamphetamine production may be an emerging threat. The Mexican

10. Most methamphetamine laboratories seized in the region used pseudoephedrine with the iodine/red phosphorus or anhydrous ammonia method of production.

11. Ephedrine and pseudoephedrine smurfing is a method used by some methamphetamine traffickers to acquire large quantities of precursor chemicals. Methamphetamine producers purchase the chemicals in quantities at or below legal thresholds from multiple retail locations. Methamphetamine producers often enlist the assistance of several friends or associates in smurfing operations to increase the speed of the operation and the quantity of chemicals acquired.

One-Pot or Shake and Bake Methamphetamine Production

A one-pot cook is actually a variation of the anhydrous ammonia method of production; however, in this method a combination of commonly available chemicals is used to synthesize the anhydrous ammonia that is essential for methamphetamine production. Individuals using this method are able to produce the drug in approximately 30 minutes at nearly any location by mixing ingredients in easily found containers, such as a 2-liter plastic soda bottle, as opposed to using other methods that require hours to heat ingredients on a stove and result in toxic fumes, primarily from the anhydrous ammonia. Producers often use the one-pot method while traveling in vehicles and dispose of waste components along roadsides. Discarded plastic bottles may carry residual chemicals that can be toxic, explosive, or flammable.

Table 3. Methamphetamine Laboratory Seizures in Georgia, 2004–2008

| Area | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|------|------|------|------|------|
| Georgia counties in the Atlanta HIDTA (Barrow, Bartow, Cherokee, Clayton, Cobb, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry) | 29 | 29 | 14 | 3 | 4 |
| North Carolina counties in the Atlanta HIDTA (Durham, Johnston, Wake, Wayne, Wilson) | 5 | 9 | 7 | 8 | 8 |
| Atlanta HIDTA (all counties) | 34 | 38 | 21 | 11 | 12 |
| Georgia (all counties) | 215 | 204 | 111 | 52 | 55 |
| North Carolina (all counties) | 241 | 174 | 88 | 70 | 89 |

Source: National Seizure System, run date March 16, 2009.

DTO-operated methamphetamine conversion laboratory was seized by federal and local law enforcement officers in Cobb County in December 2008 along with approximately 180 pounds of liquid methamphetamine. Law enforcement officers report that the laboratory operators did not use pseudoephedrine to produce methamphetamine at the laboratory; Mexican traffickers transported methamphetamine oil from an unknown location to the Atlanta laboratory for conversion into powder or ice methamphetamine. Moreover, law enforcement reporting indicates that some of the bulk pseudoephedrine obtained through large-scale pseudoephedrine smurfing operations in the southwestern United States is destined for Atlanta and that large quantities of pseudoephedrine tablets are also transported to Atlanta from the northeastern United States. For example, in December 2008, North Carolina law enforcement officers in Iredell County stopped

a vehicle operated by Mexican nationals who were allegedly traveling from the New York/New Jersey HIDTA region to Atlanta. A search of the vehicle revealed 90,000 pseudoephedrine tablets wrapped in 42 separate packages that were further concealed in hidden compartments in the vehicle.

Transportation

DTOs use various means of conveyance to transport illicit drugs into and through the Atlanta HIDTA region, principally from sources of supply in the Southwest Border area and, to a lesser degree, Canada. DTOs most commonly use private and commercial vehicles to transport illicit drugs into and through the region along primary roadways; DTOs also transport drug proceeds back to source areas using the same conveyances and routes. Mexican DTOs commonly transport illicit drugs into the Atlanta HIDTA region from

California, Texas, and Mexico in private and commercial vehicles along Interstates 10, 20, and 40; these DTOs also transport drug proceeds back to California, Texas, and Mexico using the same means. According to the DEA Atlanta Field Division, Mexican DTOs have altered their usual transportation routes on I-10 and I-20 in an attempt to avoid high enforcement efforts along those routes and are increasingly transporting illicit drugs from the Southwest Border area to Atlanta on I-40. Some Mexican traffickers are also transporting large amounts of cocaine, heroin, methamphetamine, and marijuana directly to North Carolina on I-40 in an attempt to avoid law enforcement operations in the Atlanta area.

Traffickers also transport illicit drugs into the Atlanta HIDTA region through the U.S. Postal Service and package delivery services; additionally, they use couriers to transport drugs on commercial flights. Drug traffickers and some abusers frequently transport illicit drugs such as marijuana and CPDs through the mail and package delivery services. Various traffickers transport limited quantities of illicit drugs into the Atlanta HIDTA region on commercial airlines through the Hartsfield-Jackson Atlanta International Airport, which is the world's busiest passenger airport and a major connecting hub serving numerous destinations around the world. In December 2008, U.S. Customs and Border Protection (CBP) officials arrested a Dominican Republic national who was attempting to smuggle 7 pounds of cocaine through Atlanta Hartsfield-Jackson International Airport; the cocaine was concealed inside wooden clothes hangers.

Distribution

Mexican DTOs use the Atlanta HIDTA region as a principal distribution center for drugs, particularly powder cocaine, destined for drug markets in much of the eastern United States. Mexican DTOs use their expansive

transportation networks and distribution cells to provide illicit drugs from the Atlanta HIDTA region to eastern drug markets, including Baltimore; Cincinnati and Dayton; Columbia, Gainesville, Jacksonville, Miami, and Tampa; Memphis and Nashville; Birmingham and Montgomery; Pittsburgh; and Roanoke.

Mexican DTOs control the wholesale and midlevel distribution of powder cocaine, ice methamphetamine, marijuana, and heroin in the HIDTA region. Most midlevel and retail-level distributors depend on Mexican DTOs as their sources for these illicit drugs. Mexican DTOs typically stash the illicit drugs they transport to the region in houses located in middle-class neighborhoods and in more rural areas of the region—locations that the traffickers believe receive limited law enforcement scrutiny. Moreover, effective law enforcement efforts against Mexican DTOs operating in the Atlanta area have caused some DTOs to move their distribution operations into North Carolina to spread their operations over a larger geographic area in an attempt to minimize the risk of apprehension by Atlanta law enforcement officials. To this end, Mexican traffickers operating in North Carolina have formed a cooperative relationship to facilitate control of drug trafficking in the southeast and to increase market share; they are increasingly distributing Mexican brown powder heroin and black tar heroin in the state.

A number of DTOs, criminal groups, and local independent dealers distribute illicit drugs at the retail level in the Atlanta HIDTA region (see [Table 4 on page 12](#)), and their methods of operation change little from year to year. In Georgia counties in the HIDTA region, retail-level distribution takes place at open-air drug markets, at housing projects, in local clubs, in private residences, and at prearranged meeting sites such as parking lots. However, in 2008, Atlanta city officials relocated residents of several public housing projects and demolished the public

Table 4. Retail-Level Drugs, by Distributor, in the Atlanta HIDTA Region, 2008

| Distributors | Retail-Level Drugs |
|------------------|--|
| African American | Powder and crack cocaine, heroin, MDMA, marijuana, and ice methamphetamine |
| Asian | High-potency marijuana and MDMA |
| Caucasian | Powder cocaine, GHB, MDMA, marijuana, locally produced powder methamphetamine, Mexican ice methamphetamine, and CPDs |
| Dominican | Powder cocaine |
| Hispanic | Powder cocaine, marijuana, and ice methamphetamine |

Source: Atlanta High Intensity Drug Trafficking Area.

housing buildings; most of these areas were retail drug markets controlled by street gangs. The street gang members who resided in those public housing areas relocated to new areas of the city, particularly Clayton County, where they formed new street gangs. These new street gangs are competing with established gangs over drug turf, which has resulted in increased violence among street gangs in these areas. Heroin distribution in Atlanta remains confined to the “Bluff” area northwest of the Georgia Dome. MDMA is generally distributed in pool halls and dance clubs in Buckhead (northern Atlanta) and Midtown. Jonesboro, located south of Atlanta in Clayton County, is an open-air market for ounce quantities of powder and crack cocaine. Ice methamphetamine is typically not distributed in open-air markets because of the erratic behavior often displayed by methamphetamine abusers; methamphetamine distributors usually deliver the drug directly to abusers at their residences or other locations that receive limited law enforcement and public scrutiny. In North Carolina counties in the HIDTA region, illicit drugs are sold in many of the same types of locations as in the Atlanta area. Crack is distributed primarily by African American street gangs operating out of public housing projects. Crack and heroin traffickers

in Durham also distribute drugs from open-air markets on street corners and from crack houses concentrated on the east side of the city.

Traffickers and abusers illicitly obtain CPDs through traditional diversion methods such as doctor-shopping, theft, and forged prescriptions as well as through unscrupulous physicians and pharmacists who work alone or in association. CPDs are also diverted through sales by rogue Internet pharmacies.¹² However, the number of sites offering such drugs has decreased, most likely because of increased law enforcement pressure through improved cooperation among federal and state law enforcement agencies, Internet service providers (ISPs), package delivery services, and financial services companies typically used by rogue Internet pharmacy operators. Federal legislation designed to reduce the number of rogue Internet pharmacies that sell CPDs was enacted in 2008. (See text box.) Drug traffickers are increasingly attempting to circumvent law enforcement efforts to prevent CPD

The Ryan Haight Online Pharmacy Consumer Protection Act of 2008

The Ryan Haight Online Pharmacy Consumer Protection Act of 2008 was enacted in October 2008. This federal law amends the Controlled Substances Act and prohibits the delivery, distribution, and dispensing of CPDs over the Internet without a prescription written by a doctor who has conducted at least one in-person examination of the patient. Provisions of the law increase the criminal penalties for illegal Internet prescribing of Schedules III, IV, and V controlled substances. The law will most likely deter some Internet pharmacy operators from engaging in “script mill” practices, which provide alleged medical consultations (for a fee) and prescriptions that are sent to local pharmacies or directly to customers, who can take them to a pharmacy to be filled.

12. Rogue Internet pharmacies are unlicensed, fraudulent, and disreputable businesses that sell CPDs illegally.

diversion in the Atlanta area by obtaining these drugs in Florida because of their wide availability.

Retail-level drug distributors typically facilitate drug sales in the Atlanta HIDTA region using electronic communications, usually cellular telephones and the Internet. These distributors prefer to conduct drug-related conversations over cellular telephones with point-to-point capabilities, believing that these communications are difficult for law enforcement officials to intercept. Many traffickers use a particular cellular telephone only for a limited time before switching to a new cellular telephone with a new number to reduce the possibility of law enforcement monitoring. Traffickers also use cellular telephones with removable subscriber identity module (SIM) cards,¹³ maintaining multiple SIM cards and one cellular telephone. By changing SIM cards, traffickers can use multiple numbers while using only one telephone, again reducing the possibility of law enforcement monitoring. Moreover, SIM cards are more easily destroyed than cellular telephones should the trafficker be arrested. In addition, the Internet has become a popular method of communication for drug traffickers. Traffickers use Internet chat rooms and blogs to arrange drug sales. Further, African American street gang members use the Internet to communicate, facilitate gang activities, and spread gang culture.

Drug-Related Crime

Drug-related violent and property crimes often occur within the Atlanta HIDTA region as distributors, particularly street gang members, protect their distribution operations and abusers seek funds to sustain their addictions. According to NDTs 2009 data, 11 of the 31 law enforcement agency respondents in Georgia counties in the Atlanta HIDTA region identify crack cocaine, and 10 of

the 31 respondents identify methamphetamine as the drug that most contributes to violent crime in their jurisdictions. In North Carolina counties in the HIDTA region, 15 of the 16 law enforcement agency respondents identify crack cocaine as the drug that most contributes to violent crime in their jurisdictions. Moreover, 15 of the 31 respondents in Georgia counties and 13 of the 16 respondents in North Carolina counties in the HIDTA region identify crack cocaine as the drug that most contributes to property crime.

Mexican traffickers are increasingly committing violent acts in the Atlanta area, according to several law enforcement officers. Mexican DTO members are increasingly traveling from Mexico to the Atlanta area and committing violent acts, such as kidnappings, against members of rival organizations and members who owe drug debts to their organization. For example, in July 2008, Mexican traffickers lured a Rhode Island man who owed them money to Gwinnett County, kidnapped him, and held him for ransom until law enforcement officers rescued him. Violence has also increased among retail-level distributors over increased distribution of fake or poor-quality drugs.

Abuse

Cocaine, both powder and crack, is the primary illicit substance most often identified in treatment admissions to publicly funded facilities in the Atlanta MSA. According to data from the Georgia Department of Human Resources, Division of Mental Health, Developmental Disabilities and Addictive Diseases (MHDDAD), the number of cocaine-related treatment admissions in the Atlanta MSA in state fiscal year (SFY)¹⁴ 2007 and SFY2008 (the latest period for which such data are available) was greater than the number of treatment

13. SIM (subscriber identity module) cards are removable smart cards that contain a cellular telephone subscriber's account information, including telephone number. Removable SIM cards are legitimately used to allow cell phone subscribers to maintain their accounts and personal information when purchasing new phones.

14. The state fiscal year (SFY) runs from July through June.

admissions for heroin, marijuana, methamphetamine, or other illicit substances.¹⁵ (See Table 5).

Ice methamphetamine abuse levels are stable throughout the region; the drug is typically of high purity. Public health authorities report that most methamphetamine abusers are Caucasians and Hispanics and that female abusers outnumbered male abusers in the Atlanta MSA among individuals seeking treatment for the abuse of amphetamines, which include methamphetamine.

CPDs and MDMA are considerable threats to the Atlanta HIDTA region. The most widely available and commonly abused CPDs are hydrocodone, oxycodone, and diazepam. Law enforcement officials report that CPD abuse is a growing problem among Caucasian young adults. MDMA available in the Atlanta HIDTA region is generally abused in combination with other substances, including alcohol, cocaine, and marijuana. MDMA is most commonly available in Buckhead (northern Atlanta) and Midtown and is used mainly by Caucasian youths; however, MDMA abuse has increased among African Americans in the region. The abuse and availability of MDMA tablets combined with other dangerous substances are increasing in the Atlanta HIDTA region; adulterated MDMA tablets have also been seized throughout Georgia. Law enforcement and intelligence reporting reveals that MDMA tablets available in the region are often adulterated with substances such as methamphetamine, MDA (3,4-methylenedioxyamphetamine), LSD (lysergic acid diethylamide), BZP (N-benzylpiperazine), TFMPP (1-(3-trifluoromethylphenyl) piperazine), ketamine, and caffeine. MDMA adulterated with methamphetamine, known in the Atlanta HIDTA region as double stacks, is increasingly available and abused, particularly among African Americans. The DEA Atlanta Field

15. Treatment Episode Data Set (TEDS) data are not available for the state of Georgia after 2006 because of a revision in the methodology in which treatment admissions are counted in Georgia.

**Table 5. Primary Drug Treatment Admissions
Atlanta Metropolitan Statistical Area
SFY2007–SFY2008***

| Primary Drug at Admission | 2007 | 2008 |
|--|--------------|--------------|
| Cocaine (powder and crack) | 2,435 | 2,190 |
| Heroin/morphine | 389 | 358 |
| Marijuana/hashish/THC** | 1,902 | 1,904 |
| Methamphetamine/speed | 857 | 598 |
| All other substances, excluding alcohol | 763 | 732 |
| Total admissions, excluding alcohol | 6,346 | 5,782 |

Source: Georgia Department of Human Resources, Division of Mental Health, Developmental Disabilities and Addictive Diseases.

*Figures in this table represent the number of consumers who had at least one admission during the SFY in which the primary "substance problem at admission" was the substance shown. A consumer is counted only once per calendar year per primary substance problem, regardless of the number of admissions for that problem. Note that a consumer may be counted in more than one category per SFY, because the consumer may have had separate admissions for different primary substances. This table includes only those admissions to services funded or operated by the State of Georgia Department of Human Resources, Division of Mental Health, Developmental Disabilities and Addictive Diseases and does not include admissions to services of any other providers, public or private.

**THC (delta-9-tetrahydrocannabinol).

Division reports that adulterated MDMA is usually distributed by Canada-based Asian DTOs as a means to open new methamphetamine markets. According to the Canada Border Services Agency (CBSA), Canada-based DTOs are increasingly producing adulterated MDMA tablets, and in some cases these tablets do not contain any MDMA but, rather, are a combination of other substances, particularly methamphetamine because it is easier and less expensive to produce than MDMA.

Heroin abuse is limited throughout most of the Atlanta HIDTA region. Heroin abuse is largely confined to an established population of long-term Caucasian heroin abusers in the Atlanta area. However, law enforcement officers in North Carolina report the increasing availability and abuse of Mexican heroin in Atlanta HIDTA counties in North Carolina; the drug is distributed by Mexican traffickers and African American distributors.

Illicit Finance

Mexican traffickers use the Atlanta area as a bulk cash consolidation center, storing large sums of cash in stash houses before moving bulk cash shipments to the Southwest Border area and Mexico in commercial or private vehicles. For example, federal and local law enforcement officials seized \$7.65 million in U.S. currency from a single stash house located in Gwinnett County, Georgia, in May 2008. Moreover, seizure data indicate that traffickers are moving large amounts of bulk cash through Atlanta en route to the Southwest Border area and Mexico. According to the U.S. Department of Homeland Security (DHS) Blue Lightning Operations Center (BLOC), law enforcement officers in the southeastern United States seized more than \$29 million in bulk cash that was being transported from Atlanta to the Southwest Border area in 2008.¹⁶

Traffickers in the region use money services businesses, structured bank deposits, purchases of real estate and luxury items, and cash-intensive businesses to launder drug proceeds; they also engage in “asset substitution.”¹⁷ Members of Mexican distribution cells use wire transfers and money remitters to send drug proceeds to their sources of supply in Mexico. Traffickers in the region also use front companies, cash-intensive businesses, and real estate to launder drug proceeds.

16. The U.S. Department of Homeland Security (DHS) Blue Lightning Operations Center (BLOC) provides the Gulf Coast HIDTA with 24-hour phone communications and the El Paso Intelligence Center (EPIC) with real-time information from various databases.

17. Asset substitution involves a third party, often a facilitator or criminal associate, who purchases items such as used automobiles or boats in the United States and then ships the vehicles to another country for resale. Drug traffickers purchase the vehicles from the third party in cash, usually at inflated prices; the purchaser’s identity is often concealed. The traffickers then resell the vehicles to unwitting buyers, generally within the same community.

Outlook

Mexican DTOs will continue to dominate the wholesale transportation and distribution of powder cocaine, commercial-grade marijuana, ice methamphetamine and, increasingly, heroin to the Atlanta HIDTA region. Cocaine availability at the wholesale level may continue to fluctuate in the region because of increased security at the U.S.–Mexico border and continued efforts against Mexican DTOs operating in Mexico; however, it is quite unlikely that sporadic cocaine shortages will have a significant impact on cocaine availability at the retail level.

The recent seizure of a methamphetamine conversion superlab in the Atlanta area and the seizure of large amounts of pseudoephedrine in the region suggest that large-scale methamphetamine production may pose an emerging threat. Moreover, the resurgence of small-scale methamphetamine laboratories fueled by pseudoephedrine smurfing operations in the region creates conditions conducive to an increase in local methamphetamine production.

Heroin availability may increase in some Atlanta HIDTA cities that had not been considered heroin markets, but overall availability will remain low. Mexican DTOs have increasingly marketed heroin in the Atlanta HIDTA region, specifically in portions of North Carolina where heroin abuse is most likely to increase.

Hispanic street gangs in the Atlanta HIDTA region will distribute increasing amounts of illicit drugs at the retail level; this increased distribution may lead to violent confrontations over territories with other street gangs and retail distributors in the region. Mexican DTOs will continue to provide Hispanic street gangs with a steady supply of drugs that they will use to continue expanding their distribution operations.

Sources

Local, State, and Regional

California

Bureau of Narcotic Enforcement

Georgia

Adairsville Police Department
 Atlanta Police Department
 Ball Ground Police Department
 Bartow County Sheriff's Office
 Carroll County Sheriff's Office
 Carrollton Police Department
 Cherokee Multi-Agency Narcotics Squad
 Clayton County Police Department
 Gang Violence Task Force
 Clayton County Sheriff's Office
 Clayton County Police Drug and Gang Violence Task Force
 Cobb County Police Department
 Cobb County Sheriff's Department
 Organized Crime Unit Narcotics
 College Park Police Department
 DeKalb County Police Department
 Narcotics Unit and HIDTA Task Force
 DeKalb County Sheriff's Office
 Douglas County Sheriff's Office
 Douglasville Police Department
 East Point Police Department
 East Metro Drug Enforcement
 Fairburn Police Department
 Fayetteville Police Department
 Forsyth County Sheriff's Office
 Fulton County Police Department
 Georgia Bureau of Investigation
 Investigative Division
 Georgia Department of Human Resources
 Division of Mental Health
 Developmental Disabilities and Addictive Diseases
 Georgia State Highway Patrol
 Georgia State University
 Gwinnett County Police Department
 Hampton Police Department
 Henry County Police Department
 Lithonia Police Department
 Marietta Police Department
 Organized Crime Unit Narcotics
 Norcross Police Department
 Riverdale Police Department
 Smyrna Police Department
 Organized Crime Unit Narcotics

Suwanee Police Department

Tyrone Police Department

North Carolina

Cary Police Department
 Durham County Sheriff's Office
 Durham Police Department
 Garner Police Department
 Goldsboro Police Department
 Greensboro Police Department
 Holly Springs Police Department
 Johnston County Sheriff's Office
 Kenly Police Department
 North Carolina Alcohol Law Enforcement Division
 North Carolina State Bureau of Investigation
 Raleigh Police Department
 Selma Police Department
 Wake County Sheriff's Office
 Wayne County Sheriff's Office
 Wilson County Sheriff's Office
 Wilson Police Department

Federal

Executive Office of the President
 Office of National Drug Control Policy
 High Intensity Drug Trafficking Areas
 Atlanta
 Central Florida
 Gulf Coast
 Southwest Border
 West Texas Region
 U.S. Department of Commerce
 U.S. Census Bureau
 U.S. Department of Health and Human Services
 U.S. Department of Homeland Security
 Blue Lightning Operations Center
 U.S. Customs and Border Protection
 U.S. Immigration and Customs Enforcement
 U.S. Department of Justice
 Drug Enforcement Administration
 Atlanta Field Division
 Charlotte District Office
 Domestic Cannabis Eradication/Suppression Program
 El Paso Intelligence Center
 National Seizure System
 Federal Bureau of Investigation
 Uniform Crime Report
 U.S. Attorneys Office
 Northern District of Georgia

Other

Atlanta Journal-Constitution

**Questions and comments may be directed to
Southeast/Florida/Caribbean Unit, Regional Threat Analysis Branch.**

National Drug Intelligence Center

319 Washington Street 5th Floor, Johnstown, PA 15901-1622 • (814) 532-4601

NDIC publications are available on the following web sites:

INTERNET www.usdoj.gov/ndic ADNET <http://ndicosa.adnet.sgov.gov> RISS ndic.riss.net
LEO <https://www.leo.gov/http://leowcs.leopriv.gov/lesig/ndic/index.htm>