



**U.S. Department of Justice  
National Drug Intelligence Center**



# **Philadelphia/Camden High Intensity Drug Trafficking Area**



## **Drug Market Analysis 2010**

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**U.S. Department of Justice  
National Drug Intelligence Center**



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**Philadelphia/Camden  
High Intensity Drug  
Trafficking Area**



**Drug Market Analysis 2010**

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.



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## Strategic Drug Threat Developments

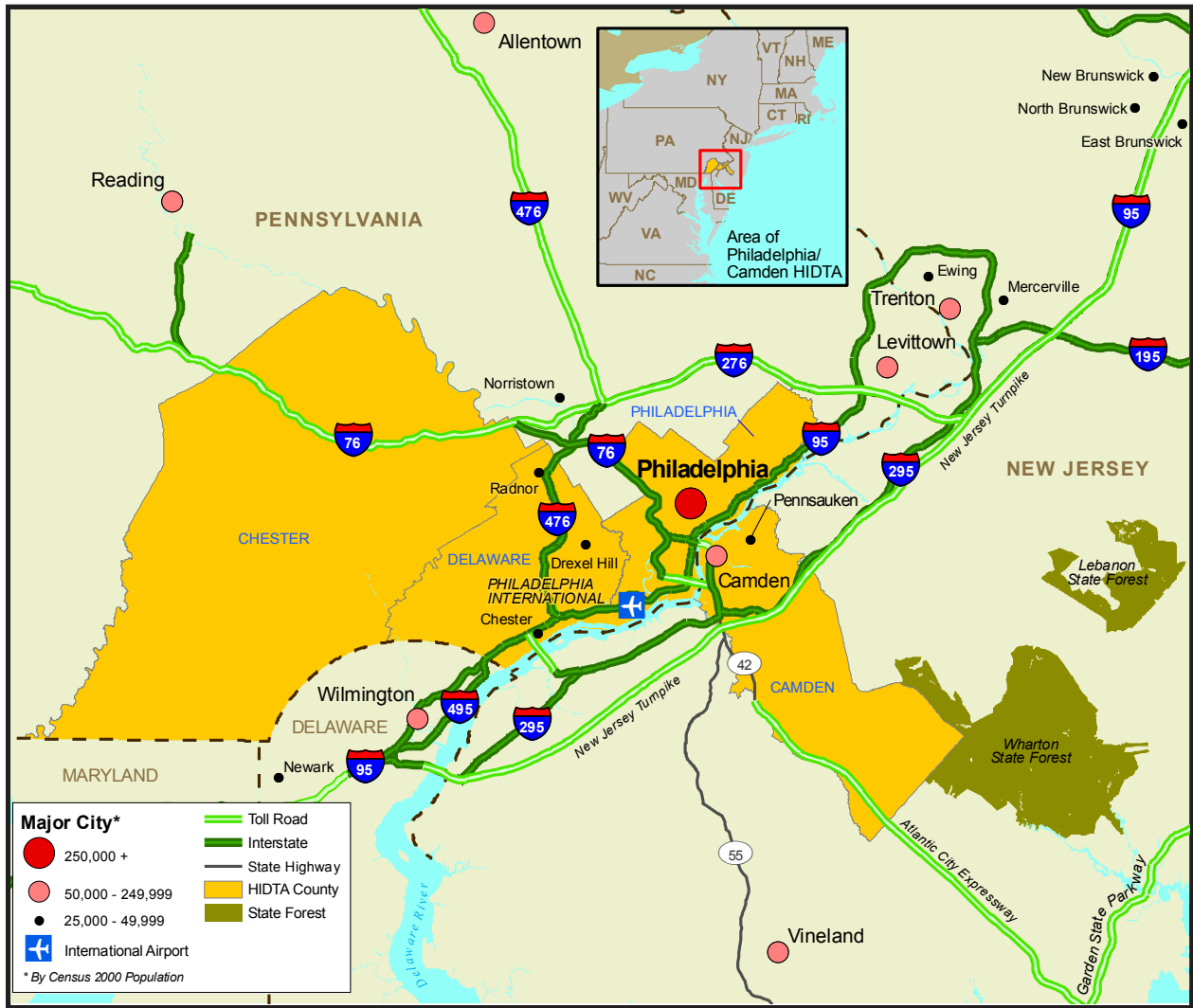
Cocaine (particularly crack) poses the principal drug threat in the Philadelphia/Camden High Intensity Drug Trafficking Area (PC HIDTA) region because of high levels of abuse and the violence attendant to street gang distribution of the drug. Heroin, marijuana, and controlled prescription drugs (CPDs) are also significant threats to the region.

The following are significant strategic drug threat developments in the PC HIDTA region:

- Mexican drug trafficking organizations (DTOs) are expanding their drug trafficking operations in the HIDTA region, and as a result, the direct influence of New York City-based Colombian DTOs in the region has diminished significantly. The influence of Dominican traffickers is also growing because they have strengthened their associations with Mexican DTOs operating both in the region and along the Southwest Border.
- Hispanic and African American street gangs are expanding their retail-level drug distribution activities from urban areas to suburban and rural areas of the HIDTA region. Street gangs are vying with other gangs and local independent groups for these new distribution territories, leading to increased violence.
- Heroin abuse is increasing in suburban and rural areas of the region, especially among teens and young adults. Availability of the drug has been elevated by increased heroin distribution by street gangs coupled with cocaine shortages in these areas that have caused some cocaine distributors to begin selling heroin.
- The New Jersey Compassionate Use Medical Marijuana Act, which permits the use of medical marijuana for qualifying patients, became law in January 2010. Conflicting federal and state laws regarding medical marijuana will complicate law enforcement efforts targeting marijuana trafficking in the HIDTA region. States with similar laws have experienced increases in illegal indoor growing operations and confusion regarding federal and state laws.
- CPDs are abused by an increasing number of teenagers and young adults in the PC HIDTA region. One or more of these drugs<sup>a</sup> were found in more than 73 percent of decedents for whom toxicology screens indicated drug-positive results in the Philadelphia Metropolitan Area in 2008 (the latest available data).

a. Benzodiazepines, hydrocodone, fentanyl, methadone, and oxycodone.

Figure 1. Philadelphia/Camden High Intensity Drug Trafficking Area





## HIDTA Overview

The PC HIDTA region comprises Chester, Delaware, and Philadelphia Counties in Pennsylvania and Camden County in New Jersey. The HIDTA region and surrounding counties (Bucks and Montgomery Counties in Pennsylvania and Burlington and Gloucester Counties in New Jersey) make up the Philadelphia metropolitan area, which has an estimated population of more than 5.1 million and is the fifth-largest metropolitan area in the United States and the second-largest on the East Coast. Approximately 100 million people—more than a third of the U.S. population—live within a day’s drive of Philadelphia, providing many distributors and abusers with ready access to illicit drugs distributed from the HIDTA region.

The PC HIDTA region is ethnically diverse, allowing many foreign-born drug traffickers to assimilate into communities and mask their illicit activities. Philadelphia has the second-largest Jamaican population and the fourth-largest African American population in the nation. In recent years, the Hispanic and Asian American (Chinese, Korean, and Vietnamese) populations have significantly increased. Hispanics, mostly Puerto Ricans, have settled throughout the city, especially around El Centro de Oro, an area on the east side of North Philadelphia. Philadelphia now has the third-largest Puerto Rican population in the continental United States. The Asian population, once concentrated in Philadelphia’s thriving Chinatown, is expanding throughout the region. The majority of Camden residents are African American; however, the local Hispanic population is rapidly increasing, especially in the East Camden section of the city.

## Drug Threat Overview

Cocaine (particularly crack) poses the principal drug threat in the PC HIDTA region because of the high levels of abuse and the high number of cocaine-related deaths and cocaine-related treatment admissions to publicly funded facilities, as well as the violence attendant to street gang distribution of the drug. Heroin, marijuana, and CPDs are also significant threats in the region. According to data from the National Drug Intelligence Center (NDIC) National Drug Threat Survey (NDTS) 2010,<sup>b</sup> 12 of the 27 law enforcement agency respondents in the PC HIDTA region identify either powder cocaine or crack as the greatest threat to their jurisdictions, 11 identify heroin, 3 identify CPDs, and 1 identifies marijuana.

Law enforcement officials in many parts of the region report that cocaine is being distributed at the wholesale level in smaller quantities than in previous years because of decreased availability of the drug. Despite lower wholesale cocaine availability, the drug is generally available at the retail level. According to NDTS 2010 data, 25 of the 27 law enforcement agency respondents in the PC HIDTA region report that powder cocaine is available at moderate to high levels in their jurisdictions, and 21 of these respondents report that crack cocaine is available at moderate to high levels. Reporting from PC HIDTA Initiatives indicates that nearly 171 kilograms of powder cocaine and more than 9 kilograms of crack cocaine were seized in 2009. (See Table 1 on page 4.)

Heroin trafficking poses a growing threat to the region. Law enforcement reporting indicates that abuse is increasing in suburban and rural areas of the region, especially among teens and young adults, because of street gang expansion into these areas and cocaine shortages that caused some cocaine distributors to begin selling heroin. The purity of South American (SA) heroin, the predominant type available in the region, remains the highest on the East Coast, despite gradual decreases over the past several years. Declining heroin purity has contributed to local abusers injecting larger doses or injecting heroin more frequently.

Marijuana availability and abuse pose considerable threats to the PC HIDTA region. While commercial-grade Mexican marijuana is the most widely available and abused illicit drug in the region, high-potency Canadian and locally produced marijuana are increasing in availability throughout the region, in large part because of a rising demand among young people and college students. Passage of the New Jersey Compassionate Use Medical Marijuana Act in January 2010, permitting the use of medical marijuana for qualifying patients, is expected to complicate law enforcement efforts regarding marijuana trafficking. (See text box on page 4.)

b. NDTS data for 2010 cited in this report are as of March 3, 2010. NDTS data cited are raw, unweighted responses from federal, state, and local law enforcement agencies solicited through either NDIC or the Office of National Drug Control Policy (ONDCP) HIDTA program. Data cited may include responses from agencies that are part of the NDTS 2010 national sample and/or agencies that are part of the HIDTA solicitation lists.

**Table 1. Drug Seizures in the Philadelphia/Camden HIDTA, in Kilograms, 2009**

Drug	Amount Seized	Wholesale Value
Heroin	9.252	\$982,395
Powder cocaine	170.650	\$6,138,141
Crack cocaine	9.476	\$199,648
Marijuana	3,117.331	\$8,443,508
Methamphetamine	16.364	\$163,640
MDMA (in dosage units)	2,905.000	\$58,100
Hydrocodone (in dosage units)	10,030.000	\$80,240
Methadone (in dosage units)	30.000	\$180
Oxycodone (in dosage units)	13,668.000	\$109,344
OxyContin (in dosage units)	6,860.300	\$102,904
PCP	0.737	\$5,125
Percocet (in dosage units)	15,577.000	\$109,039
Vicodin (in dosage units)	68.000	\$476
Xanax (in dosage units)	393.000	\$1,179
<b>Total Wholesale Value</b>		<b>\$16,393,919</b>

Source: Philadelphia/Camden High Intensity Drug Trafficking Area.

### **New Jersey Compassionate Use Medical Marijuana Act**

The New Jersey Compassionate Use Medical Marijuana Act, which permits the use of medical marijuana for qualifying patients, became effective January 18, 2010. Conditions that make a patient eligible to receive medical marijuana include cancer, glaucoma, human immunodeficiency virus (HIV)/acquired immune deficiency syndrome (AIDS), multiple sclerosis, and Crohn's disease. Under the act, a state registry program will issue identification cards to patients qualified to use marijuana for medical purposes and to individuals qualified to serve as a primary caregiver on behalf of a designated patient. A primary caregiver can have only one qualifying patient at a time and cannot be the qualifying patient's physician. Under the act, a patient who has been issued a registry identification card is permitted to possess up to one ounce of usable marijuana and is allowed to cultivate, or designate a caregiver to cultivate, up to six plants. Various safeguards, such as Department of Health approval of dispensaries and tracking of patients by the Division of Consumer Affairs, need to be in place before doctors and patients can legally buy medical marijuana in New Jersey. New Jersey is the fourteenth state in the nation to allow use of the drug for medicinal purposes.<sup>1</sup>

Source: New Jersey Compassionate Use Medical Marijuana Act.

1. Alaska, California, Colorado, Hawaii, Maine, Michigan, Montana, Nevada, New Mexico, Oregon, Rhode Island, Vermont, and Washington previously approved medical marijuana programs.

The diversion and abuse of CPDs pose significant and growing threats to the PC HIDTA region, as evidenced by high abuse levels and the considerable number of property crimes associated with CPDs. According to NDTs 2010 data, 25 of the 27 law enforcement agency respondents in the PC HIDTA region report that CPDs are available at moderate to high levels in their jurisdictions. The most widely available and commonly abused CPDs are hydrocodone products, methadone, OxyContin, Percocet, Vicodin, and Xanax (alprazolam). Law enforcement officials report that because of the effectiveness of prescription drug monitoring programs (PDMPs)<sup>c</sup> in the PC HIDTA region,<sup>d</sup> some CPD traffickers and abusers are traveling to areas such as South Florida, where they illicitly obtain CPDs and bring them back to the region to use or sell for profit.

c. PDMPs are systems in which controlled substance prescription data are collected in a centralized database and administered by an authorized state agency to facilitate the early detection of trends in diversion and abuse.

d. As of January 2010, 35 states (including Pennsylvania) had operational PDMPs; 5 states (including New Jersey) have enacted legislation to establish PDMPs, but the programs are not fully operational.

## Drug Trafficking Organizations

Mexican DTOs are expanding their drug trafficking operations in the HIDTA region, and as a result, the direct influence of New York City-based Colombian DTOs in the region has diminished significantly. Mexican DTOs and criminal groups transport drugs from Southwest Border states and, increasingly, Atlanta. They are the principal suppliers of wholesale quantities of cocaine, heroin, marijuana, and ice methamphetamine in the PC HIDTA region. Mexican DTOs also transport significant quantities of cocaine and heroin on behalf of Colombian DTOs operating in South America. Mexican traffickers do not supply significant quantities of Mexican heroin to the region because SA heroin is preferred by abusers.

Dominican DTOs are becoming more influential in the illicit drug trade in the HIDTA region, controlling much of the midlevel cocaine and heroin distribution. Dominican DTOs have increasingly become the midlevel distributors for Mexican DTOs operating both in the region and along the Southwest Border. They also are branching out and obtaining cocaine and heroin from sources in the Caribbean. In turn, the Dominican DTOs are supplying other Hispanic DTOs that conduct street-level operations in the HIDTA region.

Asian, Jamaican, and Puerto Rican DTOs also operate in the PC HIDTA region. Asian DTOs, primarily Chinese and Vietnamese, based in Canada have emerged as significant transporters and distributors of MDMA (3,4-methylenedioxy-methamphetamine, also known as ecstasy) and high-potency marijuana in the region. They also continue to produce high-potency marijuana in Canada and have increased indoor cannabis cultivation operations in the HIDTA region. Jamaican and Puerto Rican DTOs obtain cocaine, heroin, and marijuana supplies from Mexican and Dominican distributors, either locally or in southwestern drug markets; they also supply marijuana from Florida and the Caribbean to the region.

Hispanic (primarily Latin Kings, Mara Salvatrucha (MS 13), Ñetas, and Sureños) and African American (primarily Bloods and Crips) street gangs are expanding their retail-level drug operations and gaining control over distribution in suburban and rural areas in the region. Gang members distribute primarily crack cocaine; however, many sell more than one type of drug. Street gangs in the region are typically unorganized neighborhood gangs that define their territories based upon the street or housing project where their members live. Some Hispanic street gangs, however, display a more organized and structured organization than other gangs in the region. Asian street gangs, such as Asian Boyz, have also increased their presence in the region and are emerging as key suppliers of Canadian MDMA and high-potency marijuana. Outlaw motorcycle gangs (OMGs) such as Pagan's, Warlocks, and Outlaws distribute illicit drugs in the PC HIDTA region to a limited extent.

### The Bloods Street Gang

Bloods, the largest street gang in the PC HIDTA region, continues to expand as members move into Camden from northern New Jersey. The gang is gaining control over drug distribution in surrounding suburban and rural areas that were previously supplied by local independent groups, a situation that has contributed to increased violence in the region. Bloods recruits heavily within public and private schools; impressionable school children, often looking to fit in, are regularly persuaded by members to join the gang. Gang members who are past juvenile age are often urged to obtain jobs in law enforcement or branches of the military to obtain skills or training that would benefit the gang. Some recruits are advised to avoid getting gang-related tattoos in order to stay "under the radar." The Bloods gang also recruits heavily in correctional facilities throughout the region by promising protection and status within the prisons. Upon being released or paroled from prison, many of the recruits continue their allegiance to the gang.

## Production

Illicit drug production in the PC HIDTA region consists of indoor cannabis cultivation and limited small-scale powder methamphetamine production.

Indoor cannabis cultivation takes place throughout most of the HIDTA region and appears to be increasing as cultivators attempt to attain higher profits through the production of high-potency marijuana. For instance, in Philadelphia, seizures of indoor grow sites nearly doubled from 8 in 2008 to 15 in 2009. Marijuana trafficking groups, primarily Asian DTOs and criminal groups in the region, are replicating methods used at indoor cannabis grow sites in Canada, such as using elaborate hydroponic equipment, bypassing electrical meters, and using entire buildings for grow operations. Some Asian DTOs in the region are purchasing high-priced houses in residential neighborhoods to use as grow sites and are using abandoned buildings in Philadelphia and Camden for the same purpose.

### Largest Seizure of Indoor-Grown Marijuana in New Jersey History

On March 10, 2010, State Attorney General Paula T. Dow announced the arrests of two men and a woman and the seizure of more than \$10 million worth of marijuana—the largest seizure of indoor-grown marijuana in New Jersey history. In total, 10 search warrants were executed over 5 days by numerous agencies in Monmouth, Ocean, and Middlesex Counties. Along with a vast array of indoor cultivation equipment, 3,370 plants, 115 pounds of harvested marijuana, and \$65,000 in cash were seized. The multiagency probe dismantled a sophisticated Vietnamese criminal syndicate, a type of operation most often seen in Canada, authorities said. It had operated undetected in the region for 2 years.

The growing operation was first detected in February 2010, when a Monroe Township police officer smelled the odor of burnt marijuana coming from the chimney of a home in the Middlesex County community. Law enforcement officials report that a man inside the home was found to be burning unusable parts of marijuana plants in the fireplace. The discovery led authorities to five more rented homes in Millstone, Old Bridge, Manahawkin, and Manalapan Townships.

Source: U.S. Attorney, District of New Jersey.

Methamphetamine production is very limited in the PC HIDTA region but is slowly increasing, particularly in adjacent rural areas. National Seizure System data indicate that four methamphetamine laboratories were seized in the PC HIDTA region in 2009, compared with only two seizures in the previous 4 years. Increased methamphetamine production immediately outside the region, such as the Pocono Mountains in northeastern Pennsylvania, is attributed mainly to individuals and criminal groups that circumvent pseudoephedrine sales restrictions by making numerous small-quantity purchases of products containing pseudoephedrine and by using the “one-pot” cook method. (See text box.) Most clandestine methamphetamine laboratories in and near the PC HIDTA region are operated by OMGs—particularly Pagan’s and Warlocks—that typically produce only retail quantities of the drug. Local independent Caucasian individuals also produce limited amounts of methamphetamine, mostly for personal use.

### “One-Pot” or “Shake and Bake” Methamphetamine Production

A one-pot cook is a variation of the lithium ammonia method of production—also commonly referred to as the “Nazi” method. Instead of producing methamphetamine through a series of sequential steps—normally used in the Nazi method—the one-pot method is concluded in a single reaction vessel (typically a 2-liter plastic soda bottle), and all ingredients are mixed together at the outset. The mixture is left to react, naturally producing the necessary ammonia, which then reacts with the lithium metal to convert the pseudoephedrine to methamphetamine. Like all clandestine methamphetamine production operations, the one-pot method is dangerous because the reactions are volatile and difficult to control.

## Transportation

The PC 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 1 on page 2.) Drug traffickers exploit the region’s geographic location between these areas to transport drugs into, through, and from the HIDTA region.

Traffickers use various means of conveyance to transport illicit drugs into and through the region, principally from sources of supply in Atlanta, Miami, and New York City; Southwest Border states; and countries such as Canada, Colombia, Mexico, Venezuela, and the Caribbean nations. DTOs most commonly use private and commercial vehicles to transport illicit drugs into and through the region via primary roadways and sometimes transport drug proceeds back to source areas using the same conveyances and routes. Traffickers often use Interstate 95 (I-95) to transport illicit drugs from New York City to the HIDTA region and to markets in eastern Pennsylvania (Allentown, Harrisburg, Reading, and York), Delaware, southern New Jersey, and the eastern shore of Maryland. Traffickers also use I-95 to transport illicit drugs into the region from Miami and Atlanta. Traffickers and abusers also use rail, air, and maritime conveyances to transport drugs into and throughout the region. For instance, PC HIDTA officials report that CPD distributors purchase inexpensive round-trip airline tickets and

travel from Philadelphia to Miami, where they obtain CPDs from pain management clinics, subsequently distributing the drugs in the HIDTA region at the retail level. Drug shipments arriving in the PC HIDTA region are typically broken down into smaller quantities for local distribution within the region or transportation to other cities throughout Pennsylvania, New Jersey, and Delaware.

## Distribution

Mexican DTOs are increasing their involvement in wholesale drug distribution in the region, particularly the sale of cocaine and SA heroin. They distribute most of the commercial-grade marijuana in the region and significant quantities of powder and ice methamphetamine. Mexican DTOs also supply most midlevel and retail-level distributors in the region. They often use stash locations in the region to store illicit drugs prior to distribution.

Dominican DTOs based in the PC HIDTA region also supply midlevel and retail-level distributors in the region. They supply cocaine and heroin to smaller cities in eastern Pennsylvania, such as Allentown, Bethlehem, Easton, and Reading, and suburban and rural areas, such as Hazleton, Sunbury, and the Pocono Mountains area.

Other DTOs, criminal groups, gangs, and independent dealers of various nationalities and races distribute illicit drugs at the wholesale and retail level in the PC HIDTA region. (See Table 2.)

**Table 2. Drug Distribution Activities in the Philadelphia/Camden HIDTA, 2009**

Group	Wholesale Distribution		Retail Distribution
	Upper Level	Midlevel	
<b>African American</b>	Powder cocaine and marijuana	Powder cocaine, crack, heroin, and marijuana	Powder cocaine, crack, heroin, and marijuana
<b>Asian</b>	Marijuana and MDMA	Marijuana, MDMA, and ice methamphetamine	Marijuana, MDMA, and ice methamphetamine
<b>Caucasian</b>	Powder cocaine, marijuana, and diverted pharmaceuticals	Powder cocaine, crack, heroin, marijuana, methamphetamine, MDMA, and diverted pharmaceuticals	Powder cocaine, crack, heroin, marijuana, methamphetamine, MDMA, and diverted pharmaceuticals
<b>Colombian</b>	Powder cocaine and heroin	None	None
<b>Dominican</b>	Powder cocaine and heroin	Powder cocaine, crack, heroin, marijuana, ice methamphetamine, and MDMA	Powder cocaine, crack, heroin, marijuana, ice methamphetamine, and MDMA
<b>Jamaican</b>	Powder cocaine and marijuana	Powder cocaine, crack, and marijuana	Powder cocaine, crack, and marijuana
<b>Mexican</b>	Powder cocaine, heroin, marijuana, and powder and ice methamphetamine	Powder cocaine, heroin, marijuana, and powder and ice methamphetamine	Powder cocaine, heroin, marijuana, and powder and ice methamphetamine
<b>Puerto Rican</b>	Powder cocaine and heroin	Powder cocaine, crack, and heroin	Powder cocaine, crack, heroin, and marijuana
<b>Street gangs</b>	None	Powder cocaine, crack, heroin, marijuana, and PCP	Powder cocaine, crack, heroin, marijuana, ice methamphetamine, MDMA, PCP, and diverted pharmaceuticals
<b>Outlaw motorcycle gangs</b>	None	Cocaine and methamphetamine	Cocaine, heroin, marijuana, MDMA, methamphetamine, and diverted pharmaceuticals

Source: Philadelphia/Camden High Intensity Drug Trafficking Area.



## Drug-Related Crime

Drug-related violent crimes and property crimes often occur within the HIDTA region as distributors, particularly street gang members, protect their distribution operations and abusers seek funds to sustain their addictions. Law enforcement officials in Camden County report that territorial violence is increasing among street gangs in their jurisdiction and that the majority of homicides in the county occur in areas with high levels of street gang activity and drug (primarily crack) distribution. Law enforcement officials in Philadelphia report that drug-related violence in the city sometimes occurs between dealers and customers. NDTs 2010 data indicate that 17 of the 27 law enforcement agency respondents in the PC HIDTA region identify crack cocaine as the drug that most contributes to violent crime in their jurisdictions, and 13 of the 27 identify heroin as the drug that most contributes to property crime.

## Abuse

Cocaine, heroin, and marijuana are abused at particularly high levels in the PC HIDTA region. Cocaine, especially crack, is a primary contributor to drug-related deaths, emergency department visits, and treatment admissions to publicly funded facilities. Heroin abuse is increasing in the region, especially among teens and young adults. Marijuana is the most widely available and commonly abused illicit drug in the region.

CPDs are widely available throughout the HIDTA region, and an increasing number of teenagers and young adults are abusing them. Treatment providers indicate that the abuse of CPDs alone or in combination with illicit drugs has contributed to an increasing number of drug-related deaths. For example, benzodiazepines, hydrocodone, fentanyl, methadone, and oxycodone are frequently reported on toxicology screens conducted on decedents in the HIDTA region. Additionally, one or more of these drugs were found in over 73 percent of the decedents for whom toxicology screens indicated drug-positive results in the Philadelphia Metropolitan Area in 2008 (the latest available data). Benzodiazepines, a family of tranquilizers and sedatives, were noted in more than 35 percent of cases, generally in combination with illicit drugs such as cocaine and heroin. Many teenagers in the region reportedly obtain CPDs by stealing them from family members and friends who have legitimate prescriptions. As a result, in November 2009, New Jersey established a program to highlight the issue of prescription and over-the-counter medicine abuse and theft. (See text box.)

### Operation Medicine Cabinet New Jersey Yields More Than 9,000 Pounds of Prescription and Over-The-Counter Medicine



On November 14, 2009, more than 9,000 pounds (3.5 million tablets) of prescription and over-the-counter medicine with a street value of over \$35 million were collected during Operation Medicine Cabinet New Jersey. This operation—the first statewide day of disposal for unused, unwanted, and expired medicine in the nation—hosted collection sites at 440 local police and sheriff's departments in all 21 New Jersey counties. According to the Partnership for a Drug-Free New Jersey, Operation Medicine Cabinet New Jersey drew unprecedented attention to the issue of CPD and over-the-counter medicine abuse and caused tens of thousands of New Jersey residents to look at their medicine cabinets as a potential source for young people to access highly addictive and deadly drugs.

Source: Drug Enforcement Administration.

PCP (phencyclidine) abuse has increased in the HIDTA region but poses a much lower threat than cocaine, heroin, marijuana, and CPD abuse because of the limited number of users. However, PCP's hallucinogenic and sometimes violence-inducing effects pose risks not only to users but also to those who may encounter them. PCP-related incidents such as shootings, assaults, overdoses, and arrests have increased over the past 2 years in New Jersey, particularly in Camden County. PCP is often sold as "wets," which are leafy materials such as mint leaves or cigarettes dipped in liquid PCP and smoked by the abuser.

## Illicit Finance

Drug traffickers in the PC HIDTA region launder illicit drug proceeds through a variety of methods. Mexican, Dominican, and Colombian wholesale drug distributors typically transport bulk cash drug proceeds from the region to drug source areas such as Atlanta, Miami, New York City, and the Southwest Border area and Mexico in commercial or private vehicles. In 2009, PC HIDTA initiatives reported the seizure of \$4,895,260 in cash. Traffickers also launder illicit drug proceeds by investing in real estate and purchasing luxury items; some exploit casinos in the region to launder illicit funds. Law enforcement officials report that some family-based criminal groups in the HIDTA region hide drug money in bulk, spending the cash to purchase items such as vehicles or jewelry rather than using banks or government institutions, which they generally distrust. According to NDTS 2010 data, 14 of the 27 law enforcement agency respondents in the PC HIDTA region report that wholesale traffickers in their jurisdictions use bulk cash smuggling to move illicit drug proceeds, and 11 of the 27 report that wholesale traffickers use money services businesses to launder illicit drug proceeds.

## Outlook

Mexican DTOs are well positioned to increase their wholesale drug distribution operations from the Southwest Border and Atlanta in the coming year. NDIC analysts expect Dominican DTOs to increase their influence in the region as they further develop Mexican and Caribbean sources for cocaine and heroin supplies. Hispanic and African American street gangs will increase their retail-level distribution operations, particularly in suburban and rural areas, leading to violent confrontations over distribution territories.

Cocaine availability in the PC HIDTA region is expected to fluctuate but remain at levels sufficient to support market demand. Heroin abuse in suburban and rural areas of the region will result in a rising number of heroin-related treatment admissions and overdoses. The availability of high-potency marijuana from local production and from Canada is expected to rise to meet increasing demand for the drug in the PC HIDTA region. Moreover, the New Jersey Compassionate Use Medical Marijuana Act will create new challenges for law enforcement officials as cannabis cultivators and abusers seek to exploit state medical marijuana laws. Programs such as Operation Medicine Cabinet in New Jersey are expected to stabilize or reduce the number of CPD abusers in the PC HIDTA region, particularly among teenagers and young adults.

## Sources

### State and Local

#### New Jersey

Camden Police Department  
New Jersey National Guard  
New Jersey State Police  
State Attorney General's Office  
Camden County Prosecutor's Office

#### Pennsylvania

City of Philadelphia  
Drug and Alcohol Abuse Program  
Pennsylvania Attorney General's Office  
Pennsylvania Bureau of Narcotics Investigation and Drug Control  
Pennsylvania Department of Health  
Pennsylvania National Guard  
Pennsylvania State Police  
Philadelphia Medical Examiner's Office  
Philadelphia Police Department  
Narcotics Bureau  
University of Pennsylvania Police Department

### Regional

Middle Atlantic–Great Lakes Organized Crime Law Enforcement Network

### Federal

Executive Office of the President  
Office of National Drug Control Policy  
High Intensity Drug Trafficking Area  
Philadelphia/Camden  
U.S. Department of Commerce  
U.S. Census Bureau

U.S. Department of Health and Human Services  
Centers for Disease Control and Prevention  
National Institutes of Health  
National Institute on Drug Abuse  
Community Epidemiology Work Group  
Substance Abuse and Mental Health Services Administration  
Drug Abuse Warning Network  
Treatment Episode Data Set  
U.S. Department of Homeland Security  
U.S. Coast Guard  
U.S. Immigration and Customs Enforcement  
U.S. Department of Justice  
Bureau of Alcohol, Tobacco, Firearms and Explosives  
Drug Enforcement Administration  
Domestic Monitor Program  
El Paso Intelligence Center  
National Seizure System  
New Jersey Division  
Philadelphia Division  
Federal Bureau of Investigation  
Philadelphia Office  
National Institute of Justice  
Arrestee Drug Abuse Monitoring Program  
U.S. Attorneys Offices  
District of New Jersey  
Eastern District of Pennsylvania  
U.S. Marshals Service  
U.S. Department of the Treasury  
Internal Revenue Service  
U.S. Department of Transportation  
Federal Aviation Administration  
Federal Highway Administration  
U.S. Postal Inspection Service  
U.S. Sentencing Commission

### Other

Associated Press  
*Northeast Times*  
*The Philadelphia Inquirer*

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