

**TODD P. GRAVES
U.S. ATTORNEY
WESTERN DISTRICT OF MISSOURI**

Progress Report



A RECORD OF THE UNITED STATES ATTORNEY'S OFFICE

2001 TO 2006

Table of Contents

A Message from U.S. Attorney Todd P. Graves	2
Introduction to the U.S. Attorney's Office	3
U.S. Attorney Biography	5
The War on Terror	6
Capital Punishment in the Western District of Missouri	8
A New Computer Crimes and Child Exploitation Unit	10
Regional Crime Lab Aids Law Enforcement in Targeting Child Predators	10
Strengthening Efforts to Protect the Community's Children	11
Growth within the U.S. Attorney's Office	13
Teamwork Key in Agencies' Efforts to Accomplish Shared Objectives	14
Creation of Appellate Unit Ensures Justice	18
White Collar Crime/Corporate Fraud Initiative	21
New Technology in the Courtroom and the U.S. Attorney's Office	22
New Awards Recognize Efforts of Law Enforcement Partners	23
Highlighting Significant Cases	25
Statistical Highlights	Addendum

A Message from the U.S. Attorney

Dear Colleagues,

I am providing you this Progress Report for the years 2001 through 2006 to serve as a historical record of the work we have completed during the time I have had the privilege to serve as your United States Attorney.

The Western District of Missouri has experienced significant change during my administration. The events of Sept. 11, 2001, brought a new focus and a shift in priorities for federal law enforcement. New computer technology and the spread of high speed Internet access also posed new challenges.

Computer crimes involving the exploitation of children, such as Internet child pornography and sexual enticement and exploitation, sadly became more common. We created a Computer Crimes and Child Exploitation Unit in 2002 to focus on the Internet exploitation of children as well as such computer-related crimes as identity theft, hacking and intellectual property theft. This district has been in the forefront of efforts nationwide to protect children. The spotlight also was directed toward our business community, as white collar crime increased. We revamped our efforts focusing on white collar crimes and prosecuted fraud cases involving large numbers of victims, Medicare fraud schemes and mortgage fraud.

We also took a new approach to targeting violent crime in the Western District of Missouri, aggressively seeking the death penalty for the worst offenders and forging better relationships with local, state and federal law enforcement agencies to create new strategies for fighting crime. The NITRO task force, launched in 2002, targets narcotics trafficking and firearms violations in northwest Missouri, where there had previously been few federal prosecutions. VIPER, the newest task force, was established in 2005 to fight crime stemming from homicide investigations by the Kansas City Police Department and has already resulted in a dozen cases filed. Project Ceasefire was established in the Kansas City area in 1999 and expanded to include Greene County in 2002. This aggressive effort has been responsible for record-breaking firearms prosecutions, another significant area in which this district has led efforts nationwide. These partnerships have played an integral role in our mission to enforce the law in the Western District of Missouri.

This Progress Report will review the steps we've made toward that collective goal in more detail. You will find that our combined efforts have in fact made the Western District of Missouri a safer community. Thank you for your contributions.

Sincerely,

Todd P. Graves
United States Attorney





Introduction to the U.S. Attorney's Office

The U.S. Department of Justice has been accurately described as the largest law firm in the world. As part of that department, the U.S. Attorney's Office for the Western District of Missouri serves as the "people's law firm" in the western portion of the Show Me State. United States Attorneys serve as the nation's principal litigators under the direction of the U.S. Attorney General. There are 93 U.S. Attorneys stationed throughout the United States, Puerto Rico, the Virgin Islands, Guam and the Northern Mariana Islands. One U.S. Attorney is assigned to each of the judicial districts, with the exception of Guam and the Northern Mariana Islands, where a single U.S. Attorney serves both districts. Each U.S. Attorney is the chief federal law enforcement officer of the United States within his or her particular jurisdiction.

U.S. Attorneys are appointed by, and serve at the pleasure of the President of the United States, with the advice and consent of the U.S. Senate. The office itself serves two basic functions. Its most visible function is to prosecute violations of federal law occurring in the district, such as firearms, narcotics, public corruption, money laundering, child pornography and fraud. But it also provides legal representation to the federal government, its agencies and employees in civil court actions and is responsible for the collection of debts owed to the United States and restitution owed by criminals to their victims.

The U.S. Attorney's Office in the Western District of Missouri is served by a staff of 111, including 60 attorneys and 51 non-attorney support personnel. The district is headquartered in Kansas City, with staffed branch offices in Springfield and Jefferson City. The district is comprised of 66 of Missouri's 114 counties, and encompasses the metropolitan areas of St. Joseph, Columbia, Jefferson City, Springfield, Joplin and Kansas City, Mo.

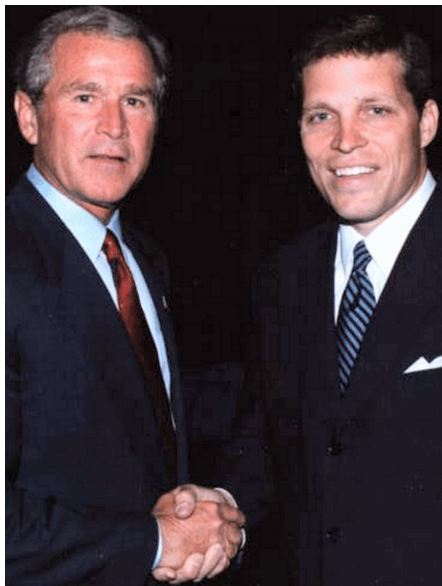


U.S. Attorney's Office Mission Statement

To fairly and justly prosecute violations of federal criminal law and to represent the United States and its agencies in civil litigation; to educate and inform the public, including victims of crime, about the functions of the justice system and the rights of all citizens; to assume a leadership role in crime prevention through speaking engagements and community involvement; and to conduct federal and local law enforcement training and facilitate cooperation and collaboration among law enforcement agencies.



U.S. Attorney Todd P. Graves swears in three Special Assistant U.S. Attorneys including Joseph Vanover, Stefan Hughes and Miller Leonard. The three are among several sworn in during 2004 to assist the office in upholding its mission to prosecute violations of federal criminal law.



Todd P. Graves Biography

Todd P. Graves served as the United States Attorney for the Western District of Missouri from September 2001 to March 2006.

Graves was nominated by President George W. Bush to be the top federal law enforcement official for western Missouri on July 30, 2001. Graves took his oath of office on an interim appointment as U.S. Attorney by the U.S. District Court on September 17, 2001, and his presidential appointment was formally confirmed by the United States Senate on October 11, 2001.

Graves came to the U.S. Attorney's Office from his position as Platte County Prosecuting Attorney, an office to which he was elected in 1994 and 1998. At the time of his election to that post in 1994, he was the youngest full-time prosecuting attorney in Missouri. In that position, he managed six assistant prosecutors and a yearly caseload of approximately 400 felonies, 2,500 misdemeanors and 14,000 traffic offenses.

Prior to his service as Platte County Prosecuting Attorney, from 1992 to 1994, Graves was in private practice with the law firm of Bryan Cave. In 1991, he was employed as an Assistant Attorney General for the State of Missouri, and served that year as a staff assistant on the Governor's Commission on Crime.

In 1988, Graves received an undergraduate degree in agricultural economics, with a minor in political science, from the University of Missouri-Columbia, graduating Summa Cum Laude. He received his law degree and a master's degree in public administration from the University of Virginia in 1991.

Raised on a family farm near Tarkio, Mo., Graves has been married 15 years to his wife, Tracy. The couple have four children, and reside on a 270-acre farm north of Kansas City that has been in the family since 1867.

The War on Terror

The War on Terror became the U.S. Attorney's top priority immediately after he assumed his responsibilities in the Western District of Missouri. Graves entered office just days after the al Qaeda terrorist attacks on Sept. 11, 2001. At that time, the U.S. Department of Justice made the War on Terrorism the top national priority, an effort that spanned the country and included the Western District of Missouri.

Locally, U.S. Attorney Graves developed the Western Missouri Anti-Terrorism Advisory Council (ATAC) in 2001. The purpose of the council is to bring together federal, state, local and industry partners to provide a wide variety of support to these entities. The ATAC's efforts include training, information-sharing and intelligence coordination.

By May 2002, the task force had trained more than 450 law enforcement officials in addressing terrorism-related concerns. Training remains a major focus of the task force, which continued its efforts by training another 200 law enforcement personnel in 2003.

The 40-member ATAC is comprised of local, state and federal law enforcement officials and is charged with addressing concerns in the area as they pertain to terrorism. Since its inception, the ATAC has met on a quarterly basis. Areas of focus have included topics such as developing guidelines for conducting interviews with witnesses and terrorism suspects and addressing various security concerns throughout the district. Additionally, the ATAC participates in the identification of potential terrorism targets and is responsible for recognizing indicators of possible terrorist activity.

In an attempt to better pinpoint those possible activities, the task force invited various financial partners to play a role with the council due to the potential that terrorists might utilize the banking industry to transfer funds between networks. Among those in the financial industry that have partnered with the ATAC are federal agencies such as FICA, various payroll companies and other local financial businesses like DST Systems, Inc., which is an international company headquartered in Kansas City.

Additionally, in 2004 the ATAC began annual meetings with the ATAC representing the District of Kansas to improve communication between Kansas City, Mo., and Kansas City, Kan.

Today, the ATAC continues to support state and local efforts to combat terrorist activity through support from its assigned Intelligence Officer, as well as information sharing on a regular basis via the Chief Information Officer.

In other terrorism efforts, the U.S. Attorney is involved in the Jackson County Terrorism Task Force and also participates in conjunction with the Federal Bureau of Investigation in the review of Suspicious Activity Reports. The reports are filed by local banks and identify possible terrorist financing activities within the district.

The U.S. Attorney also has worked actively with the U.S. Department of Homeland Security to prosecute and deport illegal aliens who may have ties to international terrorism.

Capital Punishment in the Western District of Missouri

During his tenure, U.S. Attorney Graves has pursued the death penalty against eight defendants in cases in which the ultimate punishment fits the ultimate crime. In 2005, nearly 10 percent of criminals on death row in the federal system were prosecuted in the Western District of Missouri, which demonstrates the U.S. Attorney's tough stance on violent crime within our community.

Prior to death penalty convictions against two co-defendants in 2000, the most recent federal death penalty imposed in the Western District of Missouri was a 1953 case against Carl Austin Hall and Bonnie Brown Heady for the kidnaping and murder of 6-year-old Bobby Greenlease of Kansas City. Two defendants have been sentenced to death on the watch of U.S. Attorney Graves, while six defendants await trial.

U.S. Attorney Graves was directly involved in the prosecution of two capital cases.

Perhaps the most visible of these cases is the indictment filed against Lisa Montgomery, a Melvern, Kan., woman who awaits trial in October 2006. Montgomery was charged with kidnaping the infant daughter of Bobbie Jo Stinnett after cutting the baby from Stinnett's womb, resulting in Stinnett's death. Due to the graphic nature of the crime, the Montgomery case received national media coverage.

The U.S. Attorney tried another capital case against Wesley Ira Purkey, 51, who was found guilty on Nov. 5, 2003, of the interstate kidnaping of 16-year-old Jennifer Long of Kansas City, Mo., for the purpose of forcible rape, resulting in her death. The same jury later sentenced Purkey to death. Purkey forcibly kidnaped Jennifer Long and transported her from Kansas City, Mo., to Lansing, Kan., where he raped her on Jan. 22, 1998. After stabbing her to death, Purkey hid her body in a tool box and eventually used a chain saw to dismember her body, then burned her remains in a fireplace.

Two defendants await trial in death penalty cases, while three more defendants have been charged in federal indictments that could potentially result in death sentences.

John "Phil" Street, 42, formerly of Jackson County, Mo., was indicted by a federal grand jury on Sept. 10, 2004, for killing Douglas C. Weil of Independence, Mo., while Street was engaged in the manufacture and distribution of methamphetamine. Street used a firearm to murder Weil, a firearm that he possessed in furtherance of a drug trafficking crime – the manufacture and distribution of methamphetamine. Street killed Weil with the intent to prevent him from communicating with a law enforcement officer about the manufacture and distribution of methamphetamine. If Street is convicted, the government will seek the death penalty.

Thomas D. Smith, 29, a Joplin, Mo.-area resident, was indicted by a federal grand jury on May 2, 2002, for the murders of Paris Harbin and Chandy Bresee-Plumb on Dec. 13, 1999. Smith was also indicted on additional counts related to a conspiracy to distribute crack cocaine in Jasper County, Mo. Both murders were willful, deliberate, malicious, premeditated and committed in the perpetration of a drug trafficking crime. The firearm Smith used in the murders also was used in the commission of a drug trafficking crime. If Smith is convicted, the government will seek the death penalty.

John E. Robinson of Olathe, Kan., was indicted by a federal grand jury on March 1, 2006, for kidnapping resulting in the death of Suzette Trouten. Robinson was convicted in Kansas state court for Trouten's murder and received the death penalty, but the state statute used to convict Robinson was struck down by the Kansas Supreme Court in December 2004. Robinson unlawfully inveigled and decoyed Trouten through false statements and deceit, the federal indictment alleges, to transport her from the state of Michigan through the Western District of Missouri and elsewhere to the state of Kansas. Robinson committed this kidnapping, the indictment says, for the purpose of holding Trouten for his sexual gratification by sadistic sexual abuse, resulting in her death.

Michael L. Dale and Dyshawn L. Johnson, both of Kansas City, Mo., were indicted by a federal grand jury on Feb. 28, 2006, for the 2002 double homicide of Anthony Rios and Olivia Raya. The victims were found by family members after they were shot to death in their home. The indictment charges that the murders were committed in the course of a drug-trafficking crime – a conspiracy to distribute cocaine.

Keith Dwayne Nelson of Kansas City, Mo., was sentenced to death after being convicted in November 2001, of the kidnapping and murder of 10-year-old Pamela Butler. Nelson admitted that on Oct. 12, 1999, he kidnapped Pamela Butler while she was rollerblading on a street in front of her house in Kansas City, Kan., and transported her against her will across the state line to Grain Valley, Mo., where he strangled her to death with a piece of wire. After an extensive manhunt, Nelson was arrested on Oct. 14, 1999, on a river levee in Kansas City, Kan. The next day, Butler's body was discovered beneath a brush pile in a wooded area adjacent to Grain Valley Christian Church. Nelson pleaded guilty and a jury returned the death sentence on Nov. 28, 2001.



U.S. Attorney Todd P. Graves is joined by Assistant U.S. Attorneys John Cowles (far left) and Jeff Valenti (far right) and Det. Greg Wilson of the Overland Park Police Department to announce the federal indictment against John Robinson.

A New Computer Crimes and Child Exploitation Unit

U.S. Attorney Graves launched a new initiative targeting Internet crimes against children as his highest local priority in October 2002. As a result, the Western District of Missouri was not only in the forefront on this issue, but has become a national leader in prosecuting child exploitation crimes. With a record number of child exploitation cases filed in 2005, the district ranks sixth nationally among the 93 federal districts – prosecuting more child exploitation cases than any district east of the Rocky Mountains.

The U.S. Attorney made the initial announcement of the new Computer Crimes and Child Exploitation Unit during a joint appearance with then-U.S. Attorney General John Ashcroft at Briarcliff Elementary School in Kansas



City. School children, teachers, law enforcement officials and members of the media all attended the event.

The U.S. Attorney's top local priority has continued to gain momentum as the Computer Crimes and Child Exploitation Unit expanded to include six prosecutors, a paralegal, a computer forensics investigator and a secretary. Two prosecutors focus exclusively on cases involving the sexual exploitation of children. Attorneys also prosecute computer-related crimes such as hacking, ID theft, Internet fraud and counterfeiting.

Prior to the formation of the Computer Crimes and Child Exploitation Unit, the district averaged about a dozen child exploitation cases per year. That tripled in the unit's first full year, with 36 cases filed in 2004 and 42 child exploitation cases filed in 2005. Those cases included charges related to child pornography, enticing a minor to engage in illicit sexual activity, distributing obscenity to a minor, or sexual abuse of a child. With 13 child exploitation cases filed so far in 2006, the unit is on track to continue that upward trend.

Regional Crime Lab Aids Law Enforcement in Targeting Child Predators

In order to properly equip law enforcement with the tools needed to effectively weed out computer crimes targeting children, the U.S. Attorney worked to bring a state-of-the-art computer forensics laboratory to Kansas City.

The Heart of America Regional Computer Forensics Laboratory has been in the planning stages since 2000 and officially began operating in 2003.

The new facility and the newly created Computer Crimes and Child Exploitation Unit now partner in the investigation and prosecution of several different types of computer crimes in the region.

The state-of-the-art facility has brought a new technological element to the investigation and prosecution of computer crimes that benefitted the law enforcement community in ways the U.S. Attorney's Office and partnering agencies had never seen.

The computer forensics laboratory is used by federal, state and local agencies in the investigation and prosecution of child pornography cases, computer hacking cases, cyber-trespassing cases, copyright infringement cases and identity theft cases.

As one of only 11 of its kind in the nation, the Heart of America Regional Computer Forensics Laboratory provides additional cutting-edge resources for investigators and prosecutors to obtain new evidence on computer crime cases that law enforcement have not had access to in the past.

The new computer forensics laboratory employs about 14 full-time computer examiners, including a full-time examiner from the U.S. Attorney's Office, making it the premier computer forensics lab in the Midwest. Not only do investigators extract evidence at the facility, but the lab also trains law enforcement officers and prosecutors so that they better understand how to seize and present evidence in computer and child exploitation cases.

The Heart of America Regional Computer Forensics Laboratory's executive board is comprised of the United States Attorney for the Western District of Missouri, the United States Attorney for the District of Kansas, the Federal Bureau of Investigation, the Johnson County, Kan., Sheriff's Office, The Kansas Bureau of Investigation, the Kansas City, Kan., Police Department, the Kansas City, Mo., Police Department, the Lawrence, Kan., Police Department, the Lenexa, Kan., Police Department, the Missouri Highway Patrol, and the Overland Park, Kan., Police Department.

Strengthening Efforts to Protect the Community's Children

The creation of the Computer Crimes and Child Exploitation Unit has strengthened the ability of the U.S. Attorney's Office to prosecute violators of computer-related crimes. However, the creation of the new unit is only one of several actions taken by the U.S. Attorney to bolster the office's ability to build cases against those who prey on children.

Shortly after announcing the creation of the new unit, the U.S. Attorney also began working closely with the Computer Crime and Intellectual Property Section and Child Exploitation and Obscenity Section of the U.S. Department of Justice in order to take advantage of additional federal resources. Partnering with local authorities, such as the Platte County, Mo., Sheriff's Department and Prosecutor's Office and the Boone County, Mo., Sheriff's Department and Prosecutor's Office, has enhanced the ability of the U.S. Attorney's Office to stay tuned into the many working investigations being managed within the district.

Additionally, the U.S. Attorney was named co-chair of the U.S. Department of Justice's Child Exploitation and Obscenity Working Group and has remained active with the Cyber Crimes Task Force and the Metro Area Child Exploitation Task Force in Kansas City.

By involving law enforcement agencies and engaging the local media, child exploitation crimes now receive much more attention in the Western District of Missouri, which has resulted in an increased awareness in our neighborhoods, increased enforcement of the law and, most importantly, an increased level of safety for the community's children.

Growth within the U.S. Attorney's Office

The U.S. Attorney's Office has increased its caseload significantly over the past several years and much of that work is attributable to an increase in staff numbers at the offices in Kansas City, Jefferson City and Springfield.

Overall, criminal prosecutions increased 43 percent from 2000 to 2005, with a steady increase each year. In 2000 there were 496 cases filed against 823 defendants. In 2005, there were 711 cases filed against 1,004 defendants. In addition to a larger caseload, more cases went to trial. In 2000, only 18 cases went to trial. In 2005, 52 cases went to trial. The overall conviction rate of 91 percent remains higher than the national average of 90 percent.

There has also been an increase in the number of convicted defendants serving longer prison terms. From 2000 to 2005, there was a six percent increase in the number of convicted defendants sentenced to prison (from 79 percent to 85 percent, well above the national average of 77 percent). There was a three percent increase in the percent of prison sentences that were greater than three years (from 57 percent to 60 percent), as well as a three percent increase in the percent of prison sentences that were greater than five years (from 34 percent to 37 percent) – above the national average in both categories.

U.S. Attorney Graves made growing the office in size a priority in order to bolster the impact the federal prosecutor's office would have in western Missouri. Nineteen new Assistant U.S. Attorneys were hired between 2001 and 2005 and six more were brought on board as Special Assistant U.S. Attorneys. The addition of new prosecutors has increased the number of cases filed in all units of the office.

Agency Partners Team Up to Combat Crime

The benefits of coordinating efforts with federal, state and local law enforcement in Western Missouri have been significant. New task forces and initiatives have been created to forge partnerships with the law enforcement community, focusing on violent crime, narcotics trafficking and firearm violations. These initiatives include the Project Safe Neighborhoods campaign in Kansas City and Springfield, known locally as Project Ceasefire, the NITRO task force in northwest Missouri, the Public Housing Safety Initiative and VIPER, which is the newest initiative created in the U.S. Attorney's Office and focuses on targeting criminals tied to Kansas City homicide investigations.

Project Ceasefire / Project Safe Neighborhoods

Kansas City area residents became familiar with the phrase "One Will Get You Five," as the U.S. Attorney made prosecuting felons for illegally possessing firearms one of his top priorities.



Project Ceasefire, the Project Safe Neighborhoods initiative in the Kansas City, Mo., area, has been recognized nationally as being not only one of the first anti-gun violence programs, but one of the most successful. In 2004, the Western District of Missouri led the nation in the prosecution of gun crimes, with 352 defendants charged with illegally possessing a firearm. In 2005 that number rose to 373 defendants charged, with 114 defendants receiving sentences greater than five years.

A total of 662 defendants have been charged with illegally possessing a firearm. On average, each defendant convicted of being a felon in possession of a firearm had a record of three prior felony convictions. Among those defendants, 33 percent had previous felony convictions for crimes of violence and 28 percent had previous felony convictions for narcotics possession or distribution.

This continued success stems from a 1999 partnership between the U.S. Attorney's Office and the Kansas City Metropolitan Crime Commission to develop and implement a strategy to reduce gun violence in our communities. The addition of contributions from the area business community and other various foundations enabled Project Ceasefire to be launched. Today, the phrase "One Will Get You Five," still sticks with those who have been exposed to the media campaign launched by Project Ceasefire nearly 10 years ago.

In addition to the Kansas City initiative, Project Ceasefire also expanded to include the Springfield, Mo., area in June 2002. The partnership in the southern Missouri communities includes the Greene County Prosecutor's Office and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

The target population of the educational aspect of Project Ceasefire is aimed at convicted felons. In 2001, the research indicated that Project Ceasefire had reached over 92% of the targeted audience, felons. However, more significantly, while the number of crimes committed with firearms had increased, the number of crimes relating to felons in possession of firearms in the target areas in Kansas City had significantly decreased.

Through the extensive media blitz, in which Valentine Radford Advertising used television, billboards, print ads, mailers and other sources to spread Project Ceasefire's message, it is believed that many felons themselves, or under pressure from their families, have chosen not to carry a firearm.

By educating these persons as to the federal laws and mandatory punishments attached to felons carrying firearms, it is expected that the entire population of the target areas will benefit from a decrease in violent crime, fewer firearms injuries and deaths, less disruption to the families of felons due to arrests, injuries, deaths, and family violence, and a lower rate of arrests and incarcerations of convicted felons for firearms offenses.

NITRO – Northwest Missouri Interagency Team Response Operation

U.S. Attorney Graves and Mark S. James, then-Special Agent in Charge of the Bureau of Alcohol, Tobacco, Firearms and Explosives' Kansas City Field Division, joined to announce the creation of NITRO – the Northwest Missouri Interagency Team Response Operation – in October 2002. NITRO targets violent offenders, convicted felons who illegally carry guns, and armed drug traffickers.



NITRO, which includes a 16-county area of northwest Missouri, was originally staffed by full time law enforcement officers from the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Missouri State Highway Patrol, the Maryville, Mo., Public Safety Department and the Cameron, Mo., Police Department. Since its launch, additional law enforcement partners have been added, including Andrew County, Grundy County and Worth County.

Prior to NITRO, federal prosecutions were rare in these rural northwest counties. The number of federal criminal cases prosecuted from northwest Missouri in 2003 was three times higher than the previous year. In addition to the narcotics and firearms investigations that are the focus of NITRO, an increased federal law enforcement presence has resulted in more prosecutions of other crimes as well. For example, NITRO task force officers developed the first leads that ultimately led to the federal indictment of former Sullivan county Associate Circuit Court Judge Jeffrey Sayre, who is now serving a four-year sentence for soliciting a bribe while he was on the bench. In 2005, 10 NITRO cases were filed in the Western District of Missouri.

Since its inception, NITRO has been effective in targeting large narcotics conspiracies in the northwest Missouri area. The cooperation between the federal, state and local law enforcement agencies has resulted in a law enforcement partnership that effectively results in the prosecution of more criminals in some of Missouri's rural communities.

VIPER – Violent Incident Proactive Enterprise Response

In an effort to target violent crime in the Kansas City area, the U.S. Attorney formed VIPER, a new initiative that partners with the Kansas City, Mo., Police Department, the Jackson County, Mo., Prosecuting Attorney's Office, the Drug Enforcement Administration, the Federal Bureau of Investigation and the Bureau of Alcohol, Tobacco, Firearms and Explosives.



VIPER – Violent Incident Proactive Enterprise Response – is a program designed to proactively combat violent crime in Kansas City by targeting gang members, drug traffickers and other violent criminals who are identified during the course of homicide investigations.

In 2005, 12 VIPER cases were filed. As a result of a VIPER investigation, three defendants were indicted by a federal grand jury in March 2006 for a large-scale cocaine conspiracy that included a double homicide; one of those defendants, along with additional co-defendants, was charged by the Jackson County Prosecutor's Office in a separate homicide.

VIPER allows partner agencies to cooperatively look beneath the surface of a homicide in search of related criminal activity surrounding a murder or criminal activity that resulted in a murder. This already was a practice of the Kansas City Police Department but this initiative focuses on additional crimes that can be targeted specifically for federal or state prosecution in aim of taking the next potential shooter off the street.

The U.S. Attorney's Office, working with the Kansas City Police Department, developed a new set of criteria that are applied to each homicide investigation to quickly indicate whether an individual homicide case is part of a larger, more complex ring of illegal activity. When such potential exists, additional resources from federal, state and local agencies are joined with the investigation at the appropriate time to focus specifically on rooting out that underlying criminal activity. This results in the development of a "target list" of individuals who may have directly contributed to the homicide or indirectly been involved through separate but related illegal activity. One of the U.S. Attorney's main goals for VIPER was to take principles of federal prosecution and apply them to Kansas City's homicide investigations.



U.S. Attorney Todd P. Graves is joined by Sgt. Jeff Klienow of the Kansas City Police Department (at left), Special Assistant U.S. Attorney Matt Wolesky, Rebecca Kiser, Special Agent in Charge of the local office of Housing and Urban Development, Office of Inspector General, and Andres Escobar of the Community Capacity Development Office.

Public Housing Safety Initiative

The Public Housing Safety Initiative is a new effort by the U.S. Departments of Justice and Housing and Urban Development along with the Kansas City, Mo., and Independence, Mo., Police Departments.

The Kansas City metropolitan area is one of 10 communities nationwide selected for the new initiative, which will focus on reducing crime in targeted public housing areas, improving tenant conditions and improving interagency collaboration and communication on quality-of-life issues in public housing areas.

In 2005, the Public Housing Safety Initiative provided \$400,000 in federal funding to train police officers and crime analysts, improve surveillance in public housing areas, increase the number of sweeps conducted in these areas, target criminals residing in public housing areas, increase drug enforcement, improve investigations and coordinate with probation and parole efforts. The federal initiative also funded the hiring of a Special Assistant U.S. Attorney to prosecute crimes occurring within federally-assisted housing areas.

The Public Housing Safety Initiative allows each agency to implement its own strategy to accomplish our shared objective. On the local level, the initiative supports our police departments' efforts to enforce the law in these communities. The Public Housing Safety Initiative also better equips our office by enabling us to dedicate a line attorney strictly to prosecuting criminal actions that arise from public housing areas. The initiative dovetails all our agencies' efforts, resulting in a safer environment for those who reside in these communities.

The Department of Justice has made creating safe, federally-assisted housing areas a priority in an attempt to improve the quality of life in these communities.

New Appellate Unit Working for Justice

The U.S. Attorney created the Appellate Unit in 2003 in an attempt to increase the efficiency and overall success of case appeals. The goal of the new unit was to ensure compliance with U.S. Department of Justice policy regarding the office's appeals and to ensure a consistent position on particular issues as they arise.

Previously, each individual Assistant U.S. Attorney was solely responsible for seeing their cases through the appeals process. The Assistant U.S. Attorneys still are involved, however, the Appellate Unit aides in the process.

Among other things, the Appellate Unit is responsible for obtaining U.S. Department of Justice approval for appeals when adverse decisions come out of the court. The unit also strives to continually increase the quality of the office's briefs, which has gained praise from the 8th Circuit.

By means of bringing in two Assistant U.S. Attorneys who are experts in the appellate process, the U.S. Attorney has strengthened the district's ability to handle its appeals. At the time of its creation, the Appellate Unit was one of only a handful of such units in the nation and has since seen a significant number of victories.

The Unit filed 33 decisions in 2004 and 49 in 2003 for a total of 82 during a two-year period.

Significant Victories of the Appellate Unit

U.S. v. Cornelius Peoples

Applying the U.S. Supreme Court's reasoning in *Sattazahn v. Pennsylvania*, the District Court here did not err in denying Peoples' motion to strike the government's notice of intent to seek the death penalty. The government's withdrawal of its intent to seek the death penalty before the jury reached a decision on the issue did not preclude the government from seeking the death penalty on retrial.

U.S. v. Jackie Springer

The District Court's dismissal of the indictment for conspiracy to distribute a controlled substance on the ground that fenfluramine was not a controlled substance at the time at issue was reversed. Although a bill was pending in Congress to remove the drug from the statutory schedule, fenfluramine was listed on the schedule at the time of the events charged in the indictment, and the District Court erred in treating recommendations to remove the drug as a final rule.

U.S. v. Robert Ray Courtney

The Eighth Circuit affirmed the District Court's grant of an upward departure in Courtney's offense level. Since the offense of conviction, combined with other admitted relevant conduct offenses, resulted in significantly more than the five-level limit increase under §3D1.4, the District Court properly increased Courtney's offense level by an additional three levels. The District Court properly reasoned and "justified its upward departure on four grounds: the grouping rules disregarded Courtney's significant number of additional offenses, Courtney significantly endangered public safety, Courtney's conduct caused extreme psychological injury to his victims, and the Guidelines calculations did not take into account Courtney's uncharged criminal conduct." Pharmacist Courtney had diluted several chemotherapy drugs before distributing them for administration to cancer patients.

U.S. v. Phillip O'Malley

The District Court's rulings were reversed. The Eighth Circuit found that the amount of loss suffered by the victim as a result of O'Malley's kickback scheme should have included all funds retained by the co-conspirators as a result of the scheme; and the District Court erred in excluding the \$277,000 from the amount of the loss. The Eighth Circuit also found that the District Court erred in: (1) granting O'Malley a downward departure based on extraordinary restitution because O'Malley's payment of restitution prior to his sentencing did not justify a departure; (2) finding that the seriousness of O'Malley's role was overstated as there was nothing so unusual in the case to warrant a downward departure; and (3) finding that a departure was warranted because of the adverse economic impact of O'Malley's incarceration on his small farming community in that such a consideration is expressly discouraged under the guidelines and the impact was not so exceptional that it would take the case outside the general rule.

U.S. v. Michael LeBrun

In this 7-4 *en banc* opinion, the Eight Circuit held that the District Court erred in suppressing LeBrun's confession to the 1968 murder of his superior officer aboard the USS Cacapon in Subic Bay, the Philippines. The Court found that the District Court erred in concluding that LeBrun was in custody for *Miranda* purposes because although the questioning which led to LeBrun's confession took place in a police station, a reasonable person in his position would have believed he was free to leave and free to terminate the interview. LeBrun's statements were not involuntary as his will was not overborne.

U.S. v. Donald Ray Wallace

The Eighth Circuit reversed the District Court's grant of Wallace's motion for downward departure, which resulted in him receiving a 110-month sentence. The appellate court found that the District Court erred in granting the downward departure motion based on the court's conclusion that Wallace's career offender status, which included three prior felony drug-trafficking convictions, overstated Wallace's threat to the community. The Government pointed out that Wallace's prior convictions, which included assault, domestic abuse, receipt of stolen property, trespass and other crimes, painted a picture suggesting that Wallace had not been

deterred from his continued criminal behavior. The Eighth Circuit agreed, and remanded the matter for resentencing within the Guidelines range of 152-235 months.

U.S. v. William Kirchoff

Defendant Kirchoff appealed the District Court's denial of his motion to dismiss the indictment which claimed that "under Missouri law actual incarceration is not necessary to trigger the restoration exception" under 18 U.S.C. § 921(a)(33)(B)(ii). Kirchoff had been charged with three misdemeanor counts of third degree assault in February 2000. In January 2001, two misdemeanor counts of third degree assault were filed. Kirchoff was released on bond in both cases. His bond was revoked in March 2001, and he was held in jail pending trial. The cases were consolidated in April 2001, Kirchoff pled guilty to Count One of each information. He was sentenced to concurrent sentences of one year, but the court suspended execution of the sentences and he was placed on two years of probation. The District Court had found that because Kirchoff "had not been confined under a sentence of imprisonment, under Missouri law his right to vote had not been taken [a]way and thus could not have been restored." The Eighth Circuit found that under Missouri law, a misdemeanant convicted of domestic assault is ineligible for restoration of his civil rights, and thus the District Court did not err in denying Kirchoff's motion to dismiss his indictment on charges of possession of a firearm by a prohibited person.

U.S. v. Keith D. Nelson

This case involved the kidnap, rape and murder of a ten-year-old girl by Keith Nelson. The government prevailed in Nelson's challenges to the district court's rulings. The Eighth Circuit rejected Nelson's challenge to the voir dire practices in the sentencing phase of his federal death penalty matter. The appellate court found that the district court did not abuse its discretion in denying Nelson's request for a change of venue, or his challenges to the individual jurors. Additionally, the appellate court found that the penalty phase instructions correctly stated the law, and that the admission of the victim impact evidence was proper.

U.S. v. Derrick Smith

Although this was an unpublished decision, this opinion is included as significant because it involved the death of a young lady after she overdosed on cocaine. In this matter, the Eighth Circuit found that the district court did not err in denying Smith's motion for substitution of counsel made the morning of trial, in refusing to give a lesser included offense instruction for simple possession of drugs, or in refusing to grant a two-level reduction for acceptance of responsibility as Smith consistently refused to accept any responsibility for the acts which resulted in the victim's death from a drug overdose. The appellate court further found that in the prosecution for distribution of cocaine resulting in death, the verdict director correctly stated the law that in order to establish Smith's guilt, the government did not need to prove that the transfer of drugs was in exchange for money or that it was foreseeable to Smith that the cocaine he gave the woman would cause her death.

White Collar Crime/Corporate Fraud Initiative

The U.S. Attorney responded to national trends regarding criminal activity in the corporate world by renewing the office's focus on prosecuting white collar crime in the Western District of Missouri. Among the changes was the addition of three financial analysts to the staff to assist investigators and prosecutors in following the money trail, interpreting financial data and computing loss amounts.

To support white collar crime prosecutions, the U.S. Attorney hosted a series of training seminars focusing on different elements of white collar crime. Two of these training seminars were a Basic Money Laundering Seminar and a Federal Criminal Tax Seminar.

The Basic Money Laundering course focused specifically on various federal money laundering statutes that can be utilized to fairly and justly prosecute violations of federal criminal law. The training seminar also focused on charging consideration with regard to indictments and jury instructions. The U.S. Attorney invited Lester Joseph, Principal Deputy Chief of the Asset Forfeiture and Money Laundering Section of the U.S. Department of Justice's Criminal Division, and Stephen M. May, Senior Trial Attorney for the Narcotic and Dangerous Drug Section of the U.S. Department of Justice's Criminal Division to lecture at the event.

The Federal Criminal Tax Seminar focused on a variety of issues regarding crimes that can be charged because of related criminal tax offenses. Jennifer Ihlo, a Senior Trial Attorney for the Criminal Enforcement Section of the U.S. Department of Justice's Tax Division, provided an overview of the Tax Division's guidelines and procedures and lectured on Criminal Tax Offenses and Prosecuting the Illegal Tax Protester. S. Hollis Fleischer, Special Counsel for Civil/Criminal Coordination for the U.S. Department of Justice's Tax Division, lectured on civil tax issues in criminal tax cases, using coordinated civil and criminal investigations and proceedings and using civil injunction proceedings against abusive scheme promoters and return preparers.

In addition to these training seminars, the U.S. Attorney's Office also took on an increased amount of white collar crime and corporate fraud cases, including cases with large numbers of victims spread throughout the country. Two defendants working together in a cattle investment business pleaded guilty in federal court to the largest financial fraud ever prosecuted in the Western District of Missouri. The \$160 million "Phantom Cattle Scheme" involved victims in several Midwestern states. The "Miracle Cars" scheme raised more than \$20 million from victims throughout the United States for the purchase of more than 7,000 automobiles. Four defendants were convicted for their roles in the "Miracle Cars" scheme, which targeted churches and religious groups with the promise of bargain-priced vehicles as a reward for their religious faith.

Mortgage fraud also became a significant focus. Among those cases was Brent Barber, a Kansas City-area mortgage broker, who was convicted of orchestrating a property flipping scheme and mortgage fraud that involved nearly 300 fraudulent loans worth almost \$20 million.

New Technology in the Courtroom and U.S. Attorney's Office

Technology has changed the daily operations of the U.S. Attorney's Office in more ways than most realize. The U.S. Department of Justice coordinated regular updates of the office's operating system and software. However, the technological changes hardly stopped there. The U.S. Attorney has embraced a variety of new technologies to streamline the way the office conducts its business.

Obvious changes include an abundance of new computers, new printers, new copiers and scanners. Less noticeable, but perhaps more significant, changes are also evident.

Perhaps the most significant of these changes is the additional software and hardware tools to aid in supporting the district's trial mission. The entire support staff has become versed in the electronic management and presentation of evidence by using such software programs as CaseMap, TimeMap, Sanction II. These new, more efficient programs have saved the office time and money.

In addition to improving efficiency, new technologies in the courtroom also have improved the prosecution's effectiveness. Electronic evidence used during trials is more persuasive. New tasks as simple as highlighting a document or electronically magnifying a piece of evidence have improved prosecutors' ability to share a story or illustrate a point to a jury.

The U.S. Attorney formed a new committee in 2005 to assess the many ways new technologies can benefit the district. The Automated Litigation Support (ALS) team's goal is to assess the ways in which the office can make use of computer-aided methods to accomplish litigation needs. The ALS team focuses on increasing the quality of courtroom presentations, increasing the efficiency in processing large documents cases and determining which tools are best suited to better case organization.

In addition to technologies used in the courtroom, new technologies also have been used to increase community awareness of the office. The Public Affairs Office created both a public Web site (www.usdoj.gov/usao/mow) and a media blog (www.usamediablog.blogspot.com) for reporters and residents to access information or case updates. The Web site and blog include news releases, links to court documents, photographs and even audio sound bites that all are used regularly by area media to keep the general public updated as to the office's overall progress.

Additionally, the office's information technology team created an internal Web site for employees to access information that is meant to help them do their jobs more efficiently and effectively.

Each of these technological advancements has better equipped the U.S. Attorney's Office to continue to be a leader in the legal field.

New Awards Recognize Efforts of Law Enforcement Partners

Enoch B. Morelock Award

The Enoch B. Morelock Award was created in 2003 to recognize the efforts, hard work and achievements of law enforcement officers in the Western District of Missouri on an annual basis.

Enoch B. Morelock, who became Sheriff of Sullivan County, Mo., in 1845, was the first law enforcement officer to die in the line of duty in the Western District of Missouri. He was killed in 1847. According to the Centennial History of Oregon, Morelock “was a man of fearless courage in whose hands the safety of property and life throughout the county could be entrusted with every assurance of diligent and efficient protection.”

The Enoch B. Morelock Award, created in honor of a fallen law enforcement officer who was committed to ensuring the safety of the citizens in his community, recognizes law enforcement officers of the same caliber.

Morelock’s great-great granddaughter Virginia McArtor, of Sullivan County, presented the first Enoch B. Morelock Award to Sgt. Jon Brady, of the Kansas City, Mo., Police Department’s North Patrol Division, at the Law Enforcement Coordinating Committee’s annual seminar in 2003.

Enoch B. Morelock Award Recipients

2003 – Sgt. Brady, of the Kansas City, Mo., Police Department’s North Patrol Division.

2004 – Sgt. John Wright, of the Clay County, Mo., Sheriff’s Department

2005 – Sgt. David Bernard, of the Kansas City, Mo., Police Department



Roger Kemp (at left) joined Anna Kipper (at podium) and Mark Rea to present the second annual Crystal Kipper & Anna Kemp Memorial Award in 2005.

Crystal Kipper & Ali Kemp Memorial Award

The Crystal Kipper & Ali Kemp Memorial Award is presented every year during National Crime Victims' Rights Week, which marks a special observance on behalf of all victims of crime. The Crystal Kipper & Ali Kemp Memorial Award, created in 2004, is presented in recognition of efforts taken to stop those who would harm or exploit youth.

The annual award honors two young crime victims whose deaths profoundly touched many in the Western District of Missouri.

Crystal Kipper was an 18-year-old Gladstone, Mo., resident who was murdered after her car broke down on Interstate 29, just north of Platte City, on Feb. 24, 1997. Law enforcement officials identified John E. Williams as the primary suspect after he was arrested in a separate case, for which he was later convicted. Graves, who was then Platte County Prosecuting Attorney, was preparing to file first-degree murder charges; however, Williams committed suicide while in custody.

Ali Kemp was a 19-year-old Blue Valley North High School graduate who was murdered on June 18, 2002, while she worked at the Foxborough neighborhood swimming pool in Leawood, Kan.

The parents of Kipper and Kemp regularly participate in the presentation of the Crystal Kipper & Ali Kemp Memorial Award.

Recipients of the Crystal Kipper & Ali Kemp Memorial Award

2004 – Platte County, Mo., Sheriff's Department

2005 – Lamar Advertising Company

Highlighting Significant Cases

Violent Crime

Kansas woman kills pregnant victim, cuts infant from womb – U.S. v. Lisa Montgomery

Lisa Montgomery, 36, of Melvern, Kan., was charged by a federal grand jury with kidnaping resulting in the death of Victoria Jo Stinnett, who Montgomery took across the state line from Skidmore, Mo., to Melvern. Her case is set for trial in October 2006. According to the indictment, Montgomery's actions resulted in the death of Bobbie Jo Stinnett, the baby's mother. The federal indictment alleges that Montgomery strangled Bobbie Jo Stinnett with a rope and then used a kitchen knife to cut her infant daughter from her womb. At the time of her death, the indictment says, Bobbie Jo Stinnett was eight months pregnant.

KC man sentenced to death for killing girl, cutting up body with chainsaw – U.S. v. Purkey

Wesley Ira Purkey of Kansas City, Mo., was found guilty on Nov. 5, 2003, of the interstate kidnaping of 16-year-old Jennifer Long of Kansas City, Mo., for the purpose of forcible rape, resulting in her death. The same jury later sentenced Purkey to death. Purkey forcibly kidnaped Jennifer Long and transported her from Kansas City, Mo., to Lansing, Kan., where he raped her on Jan. 22, 1998. After stabbing her to death, Purkey hid her body in a tool box and eventually used a chain saw to dismember her body, then burned her remains in a fireplace.

John Robinson indicted for kidnaping resulting in death – U.S. v. Robinson

John E. Robinson of Olathe, Kan., was indicted by a federal grand jury on March 1, 2006, for kidnaping resulting in the death of Suzette Trouten. Robinson was convicted in Kansas state court for Trouten's murder and received the death penalty, but the state statute used to convict Robinson was struck down by the Kansas Supreme Court in December 2004. Robinson unlawfully inveigled and decoyed Trouten through false statements and deceit, the federal indictment alleges, to transport her from the state of Michigan through the Western District of Missouri and elsewhere to the state of Kansas. Robinson committed this kidnaping, the indictment says, for the purpose of holding Trouten for his sexual gratification by sadistic sexual abuse, resulting in her death.

KC man indicted for murder in a drug trafficking crime– U.S. v. Street

John "Phil" Street, 42, formerly of Jackson County, Mo., was indicted by a federal grand jury on Sept. 10, 2004, for killing Douglas C. Weil of Independence, Mo., while Street was engaged in the manufacture and distribution of methamphetamine. Street used a firearm to murder Weil, a firearm that he possessed in furtherance of a drug trafficking crime – the manufacture and distribution of methamphetamine. Street killed Weil with the intent to prevent him from

communicating with a law enforcement officer about the manufacture and distribution of methamphetamine. If Street is convicted, the government will seek the death penalty.

Joplin area man indicted for double homicide in a drug trafficking crime– U.S. v. Smith

Thomas D. Smith, 29, a Joplin, Mo.-area resident, was indicted by a federal grand jury on May 2, 2002, for the murders of Paris Harbin and Chandy Bresee-Plumb on Dec. 13, 1999. Smith was also indicted on additional counts related to a conspiracy to distribute crack cocaine in Jasper County, Mo. Both murders were willful, deliberate, malicious, premeditated and committed in the perpetration of a drug trafficking crime. The firearm Smith used in the murders also was used in the commission of a drug trafficking crime. If Smith is convicted, the government will seek the death penalty.

Two men indicted for double homicide in a drug trafficking crime– U.S. v. Dale

Michael L. Dale and Dyshawn L. Johnson, both of Kansas City, Mo., were indicted by a federal grand jury on Feb. 28, 2006, for the 2002 double homicide of Anthony Rios and Olivia Raya. The victims were found by family members after they were shot to death in their home. The indictment charges that the murders were committed in the course of a drug-trafficking crime – a conspiracy to distribute cocaine.

KC man sentenced to death – U.S. v. Nelson

Keith Dwayne Nelson of Kansas City, Mo., was sentenced to death after being convicted in November 2001 of the kidnapping and murder of 10-year-old Pamela Butler. Nelson admitted that on Oct. 12, 1999, he kidnaped Pamela Butler while she was rollerblading on a street in front of her house in Kansas City, Kan., and transported her against her will across the state line to Grain Valley, Mo., where he strangled her to death with a piece of wire. After an extensive manhunt, Nelson was arrested on Oct. 14, 1999, on a river levee in Kansas City, Kan. The next day, Butler's body was discovered beneath a brush pile in a wooded area adjacent to Grain Valley Christian Church.

Greenwood man pleads guilty to 1968 death – U.S. v. LeBrun

Michael Edward LeBrun of Greenwood, Mo., pleaded guilty to a federal information that charges him with voluntary manslaughter for murdering a shipmate while serving aboard a Navy vessel in the Philippines in 1968.

Computer Crimes and Child Exploitation

Fulton man gets 30 years for child porn, obscenity charges – U.S. v. Rogers

Jack Wayne Rogers, of Fulton, Mo., was sentenced to 30 years in federal prison without parole on child pornography and obscenity charges. The U.S. Attorney requested and was granted an upward departure to reflect the extreme circumstances of the case and the danger the defendant poses to the community. Rogers pleaded guilty to 11 counts of a superceding indictment charging him with two counts of possessing child pornography, five counts of distributing child pornography, three counts of distributing obscene materials and one forfeiture count.

Former police officer pleads guilty to child porn, enticing a minor – U.S. v. Enss

Rick E. Enss of Norborne, Mo., a former sergeant with the Richmond, Mo., Police Department, pleaded guilty on Jan. 30, 2006, to possessing child pornography and using the Internet to entice a child to engage in illicit sexual conduct. Under the terms of his plea agreement, both the government and the defendant agree to recommend to the court a sentence of 20 years in federal prison without parole. Enss fully admits to not only the specific child pornography and enticement charges contained in the federal indictment, but also to the long-term sexual abuse of his minor daughter.

Prior sex offender sentenced for producing child porn – U.S. v. Taylor

Stephen M. Taylor of Springfield, was sentenced on Nov. 4, 2005, to 35 years in federal prison without parole, followed by supervised release for the rest of his life, for sexually exploiting a minor for the purpose of producing child pornography and for possessing child pornography. Taylor has prior state convictions for sexually abusing minors, including three counts of first degree sexual abuse in Arkansas in 1988.

Prior sex offender sentenced for producing child porn – U.S. v. Petty

Lary Lee Petty, Jr. of California, who is a registered sex offender, was sentenced on July 20, 2005, to 35 years in federal prison without parole, followed by supervised release for the rest of his life, on charges related to producing child pornography and transporting child pornography over the Internet. Petty has two 1994 criminal felony convictions, for raping a 13-year-old victim and sexually assaulting a 15-year-old victim, both in Moniteau County, Mo., for which he was sentenced to seven years in prison. Petty also has a 2001 criminal felony conviction for possession with intent to create a controlled substance in Moniteau County, for which he was sentenced to seven years in prison. Petty admitted that he enticed or coerced a young girl, a relative of his who was four years old at the time, to engage in sexually explicit conduct for the purpose of producing child pornography for distribution over the Internet. Petty also admitted that he published an advertisement in an Internet chat room, seeking and offering to receive and exchange child pornography. On the same day, Petty admitted that he both received and

transported child pornography over the Internet. Petty also admitted that he was in possession of child pornography on March 15, 2004.

Former associate circuit judge indicted for child porn – U.S. v. Wall

Roger E. Wall of Ava, Mo., a former Douglas County, Mo., judge was indicted on March 9, 2006, for being in possession of child pornography. Wall was an associate circuit judge for Missouri's 44th Circuit prior to his recent resignation. The federal indictment alleges that Wall was in possession of videotapes containing child pornography.

Former mayor, teacher convicted for producing child porn – U.S. v. Warner

A former teacher and mayor of Bethany, Mo., pleaded guilty to producing child pornography. Richard P. Warner, of New Hampton, Mo., pleaded guilty to using a minor to engage in sexually explicit conduct for the purpose of producing child pornography. Warner admitted that he transported child pornography over the Internet. Warner also worked as a foster parent, volunteered in youth church activities and with the Boy Scouts.

Woman sentenced on child prostitution-related charges – U.S. v. Turnbow

Cherri Turnbow of Warrensburg, Mo., who had hoped to earn \$1 million from a man she met on the Internet, was sentenced to three years and 10 months for charges related to child prostitution. Turnbow was sentenced for enticement for prostitution and transportation of a minor for prostitution for enticing a 16-year-old minor to travel with her to New York City because a man she communicated with over the Internet offered \$1 million for a sexual encounter.

Internet operator sentenced for producing child porn – U.S. v. Smith

Gary Lee Smith of Jefferson, Georgia, who operated “teen modeling” sites on the Internet, was sentenced on Oct. 20, 2003, to 19 years and seven months in federal prison without parole for producing and transporting child pornography. The court also ordered Smith to pay \$20,800 in restitution to his victim. The court granted the government's motion for an upward departure in sentencing Smith to a longer term than what is contained in the federal sentencing guidelines. Smith was convicted on all three counts of a federal indictment for taking sexually explicit photographs of a 12-year-old girl in a Nevada, Mo., hotel room in February 2001. Some of those photos were posted on the Internet and offered for sale. Smith traded one photograph on-line in exchange for additional sexually suggestive material.

Sexual abuse of two minors – U.S. v. Turpin

Hayley Kristine Turpin of Clinton, Mich., who was married to a serviceman formerly stationed at Whiteman Air Force Base pleaded guilty in federal court on Nov. 17, 2005, to sexually abusing a 13-year-old boy and a 14-year-old boy at her residence on Whiteman Air Force Base.

Persuading a minor to produce child porn – U.S. v. Thomas

Jeffrey Stephen Thomas of Philadelphia, Penn., pleaded guilty on March 6, 2006, to persuading a minor to engage in sexually explicit conduct for the purpose of producing child pornography. Thomas extensively worked for 18 months to lure a 14-year-old northwest Missouri girl to meet for illicit sexual activity. Thomas persuaded her to take sexually explicit photos of herself and send them to him.

Public Corruption

Corrupt judge convicted of bribing defendants – U.S. v. Sayre:

Jeffrey Sayre, a former Associate Circuit Court Judge in Sullivan County, was convicted of taking a bribe to fix a narcotics case. Sayre, who also admitted that he attempted to obstruct justice by conspiring to kill the person who paid the bribe and later cooperated with federal authorities, was sentenced to four years in federal prison without parole. This sentence reflects an upward departure from the federal sentencing guideline recommendations.



U.S. Attorney Todd P. Graves (at right) and Assistant U.S. Attorney Dan Stewart (at left) spoke with reporters following the sentencing of former municipal judge Deborah Neal.

Former municipal judge sentenced – U.S. v. Neal:

Deborah A. Neal, a former Kansas City, Mo., municipal court judge, was sentenced to two years and four months in federal prison without parole. Neal pleaded guilty to a fraud scheme that involved soliciting money from attorneys and others, including attorneys with cases in which she presided. This sentence reflects an upward departure from the federal sentencing guideline recommendations.

Jackson County official sentenced for lying to FBI – U.S. v. Waris:

William F. “Bill” Waris, a Jackson County, Mo., official, was sentenced to three years of probation and ordered to pay a \$2,000 fine for making a material false statement to FBI agents. Waris, a former county executive, is a lobbyist for Jackson County.

Superintendent embezzles from school district – U.S. v. DeShon:

Ronnie Gene DeShon, the former superintendent of the Pattonsburg School District was sentenced to three years and six months in federal prison without parole and ordered to pay \$854,699 in restitution. DeShon pleaded guilty to embezzling from the school district over a four-year period.

Former Green Hills official sentenced – U.S. v. Johns:

Michael R. Johns, who formerly served as an official with the Green Hills Regional Planning Commission (Green Hills RPC) was sentenced to two years in federal prison without parole and ordered to pay \$479,556 in restitution. Johns pleaded guilty to federal program fraud.

White Collar

\$160 million Phantom Cattle fraud largest ever in District – U.S. v. Young and McConnell:

Two defendants working together in a cattle business were sentenced for the largest financial fraud ever prosecuted in the Western District of Missouri. George L. Young and Kathleen I. McConnell were sentenced and ordered to pay \$182,981,100 in restitution. The defendants offered to purchase cattle for their clients, provide care and feeding of those cattle, and to sell the cattle at a profit. In reality, the defendants admitted, they did not purchase the cattle as claimed, but instead falsified records and made misrepresentations in order to defraud ranchers, farmers, business associates, and federally insured financial institutions.

Miracle Cars scheme victimizes thousands of \$21 million – U.S. v. Nichols, Gomez, Baker and Conway:

The “Miracle Cars” case involved a \$21 million fraud based on the misrepresentation that cars were available from the estate of a wealthy individual, who wanted to reward people of religious faith, by offering vehicles at bargain prices. The fictitious cars were sold to thousands of victims across the country.

Tyson pays \$7.5 million to resolve violation of Clean Water Act – U.S. v. Tyson:

This case involved the prosecution of Tyson Foods and its violation of the Clean Water Act. The case resulted in a \$7.5 million penalty, the highest penalty imposed for an environmental case in the Western District of Missouri.

Wal-Mart pays \$400,000 to settle case involving Clean Air Act – U.S. v. Walmart

The U.S. Attorney settled a case with Wal-Mart Stores, Inc., in January 2004 resolving alleged violations of the Clean Air Act by various Sam’s Club stores in 11 states, including stores in

Independence, Springfield and Joplin, Mo. A federal criminal complaint cited 20 violations of the Clean Air Act. Under the terms of a consent decree, Wal-Mart agreed to pay a \$400,000 civil penalty. Additionally, Sam's Club stores nationwide will stop selling refrigerants that contain ozone-depleting substances.

Branson investment scheme defrauds victims of \$20 million – U.S. v. Weaver

Dennis Ray Weaver, of Jackson, Tenn., pleaded guilty in October 2004 to defrauding hundreds of victims of more than \$20 million through an investment scheme involving two Branson, Mo., hotels. Weaver admitted that he marketed phony time-share investment opportunities in the Branson Inn and Dogwood Inn from July 2000 through August 2003, generating more than \$27 million in revenue and causing an actual loss in excess of \$20 million from several hundred victims.

Real estate investor pleads guilty to \$20 million mortgage fraud – U.S. v. Barber

Brent Barber, a Kansas City-area mortgage broker, pleaded guilty to three separate federal indictments that charged him with orchestrating a property flipping scheme and mortgage fraud that involved nearly 300 fraudulent loans worth almost \$20 million.

\$12.5 million telemarketing fraud lands a business owner, managers in court – U.S. v. Whitehill

The co-owner and six office managers of Gecko Communications, Inc., were indicted in November 2004 for a \$12.5 million telemarketing fraud, wire fraud and money laundering. Zachery T. Whitehill, Christopher L. Calson, Jaime E. Cook, Bradley L. Lovstad, Steven T. Rice, Jason R. Spencer, and Monty E. Wanless were charged in a 24-count indictment in Kansas City. The indictment alleges that the telemarketing fraud promised credit-challenged consumers that, in exchange for an advance fee, they would receive a major credit card and other benefits.

Rural funeral home owner pleads guilty to false insurance claims for 59 – U.S. v. Newman

A Unionville, Mo., funeral home owner pleaded guilty in December 2004 to a fraud scheme that involved \$403,000 in false insurance claims for 59 persons who were not actually deceased. Roger Dean Newman, owner of the Newman Funeral Home, pleaded guilty to five counts of mail fraud and wire fraud, admitting that he made false statements to three different insurance companies in order to receive \$403,000 in unauthorized funeral expense payments.

Church employee convicted of embezzling \$600,000 – U.S. v. Free

A former bookkeeper at Tri-City Ministries in Independence, Mo., pleaded guilty to defrauding the Baptist organization of at least \$617,950 by taking money from its checking account and the checking account of its church camp. William Dwight Free pleaded guilty in December 2004, admitting that he devised a scheme to commit wire fraud against Tri-City Ministries during a five-year period.

Health Care Fraud

Pharmacist dilutes cancer medication to increase profits – U.S. v. Courtney:

Pharmacist Robert Courtney was convicted of selling diluted prescription cancer medication to his customers. Courtney admitted that the dilution of drugs at his two pharmacies began sometime in 1992, and perhaps even earlier. Courtney identified in excess of 60 different drugs that he claims were diluted. Courtney further stated that the drug dilutions were not limited to a finite number of patients being treated by a single doctor, but instead affected numerous doctors and a myriad number of patients. The number of potentially affected physicians in Kansas and Missouri is approximately 400. The number of potentially affected prescriptions in Kansas and Missouri is approximately 98,000. The number of potentially affected patients in Kansas and Missouri is approximately 4,200. In sentencing Courtney, the court granted the request of the United States Attorney's Office and departed upward to a 30-year sentence in federal prison. The court also ordered Courtney to pay restitution of \$10,452,109.67 to his victims, plus a fine of \$25,000.



U.S. Attorney Todd P. Graves (at right) and Larry Sperl, Special Agent in Charge of the Food and Drug Administration's Criminal Investigations office, announced the counterfeit Lipitor indictment at a press conference.

\$42 million Lipitor smuggling, counterfeiting – U.S. v. Albers:

Three businesses and numerous individuals involved in the pharmaceutical wholesale distribution industry were charged, either by indictment or information, with participating in a \$42 million dollar conspiracy to sell counterfeit, illegally imported and misbranded Lipitor and other drugs, and for participating in a conspiracy to sell stolen drugs. An indictment also seeks \$10 million in criminal forfeiture. These charges rose from an investigation that began in 2002, which included a recall of more than 18 million Lipitor tablets – perhaps the largest recall in the history of criminal investigations of counterfeit medications.

Medicare Fraud – U.S. v. Igbokwe

Two physicians and several other individuals involved in medical supply businesses were indicted by a federal grand jury for participating in a scheme to defraud Medicare of millions of dollars through a program that provides motorized wheelchairs to patients. In furtherance of the scheme to defraud Medicare by billing Medicare for power wheelchairs that were not supplied, and billing Medicare for power wheelchairs and scooters which were supplied to Medicare beneficiaries when no medical necessity existed, the defendants submitted more than \$5 million

worth of false and fraudulent claims to Medicare, resulting in their actual receipt of more than \$2 million from Medicare.

Paramedic sentenced for diluting pain-relieving drugs – U.S. v. Starr

A former paramedic who worked for several Northland ambulance services was sentenced for diluting pain-relieving drugs supplied to an ambulance service in Pleasant Valley, Mo. Craig J. Starr, of Liberty, Mo., was sentenced to five years and three months in federal prison without parole for tampering with consumer products. Starr previously admitted that he tampered with Demerol by removing the pain-relieving drug from the carpujects and substituting another substance in its place.

Narcotics

Operation Ice Palace

Operation Ice Palace was a long-term investigation into the illegal sale of large quantities of over-the-counter cold medications to meth manufacturers in southwest Missouri. The series of federal indictments against 38 defendants involved multiple investigative agencies on the federal, state and local levels. Operation Ice Palace targeted businesses that allegedly provided meth cooks with pseudoephedrine, a primary ingredient in the manufacture of methamphetamine. Operation Ice Palace focused on those who profited financially from the meth trade and who fueled the spread of meth in southwest Missouri by providing the necessary ingredients for its manufacture. Disrupting that illegal supply line is an effective strategy for combating meth by stopping it at the source.

Operation Icy Hot

Operation Icy Hot is a massive OCDETF investigation, involving nearly 100 individuals who have been importing high-quality methamphetamine into the Kansas City metropolitan area. Among the defendants charged in the case, nearly 40 already have been convicted and several have been sentenced for their role in the methamphetamine conspiracy.

Colombia cocaine dealer sentenced to life in prison – U.S. v. Hinestroza

Edwin R. Hinestroza of Colombia was sentenced to life in prison after being convicted for his role in the murder of a fellow member of a drug-trafficking operation that was responsible for distributing hundreds of kilograms of cocaine in the Kansas City area. Hinestroza, who lived in Overland Park, Kan., received shipments from the Cali Cartel in Colombia of 10 to 50 kilograms of cocaine each month for about three years.

Head shop owner indicted for selling paraphernalia – U.S. v. Fichman

The owners of two 7th Heaven stores in Kansas City and Sedalia, Mo., were indicted by a federal grand jury for selling more than \$3 million worth of illegal drug paraphernalia. Jan H. Fichman and his wife Anita Fichman, and Adam Geoffrey's, Inc., doing business as 7th Heaven Stores, were charged in a six-count indictment returned by a federal grand jury in Kansas City. Jan Fichman is the president and Anita Fichman is the secretary of Adam Geoffrey's.

Reverse sting nets 400 pounds of marijuana – U.S. v. Deal

A Kansas City, Mo., man was sentenced for his role in a conspiracy to distribute five kilograms of methamphetamine and 400 pounds of marijuana. The case resulted from a “reverse sting” operation in which law enforcement officers delivered a tractor-trailer load of marijuana and methamphetamine to a group of defendants. Jacob L. Deal was one of several defendants to be convicted in the case and has since been sentenced. Others involved in the case include Damon D. Franklin, James D. Fugate, Deandre Fugate, David Searcy, and Brandon L. Franklin, all of the Kansas City area.

Gun Crime

Father of missing children sentenced for illegal firearms

An Independence, Mo., man whose children are missing, was sentenced in May 2005 for illegally possessing four firearms. Daniel W. Porter, 42, of Independence, Mo., was sentenced to a maximum sentence of 10 years in federal prison without parole. Porter previously pleaded guilty to being a felon in possession of four firearms. Porter was originally charged with being a felon in possession of a firearm in an indictment returned by a federal grand jury on Aug. 13, 2004, in Kansas City. The federal case stemmed from a separate investigation into the location of Porter's two children, who have been missing since June 6, 2004.

Organized Crime

New York men convicted for fraudulent dealings with local telephone company

Two New York men, who formerly were controlling owners of the holding company that owns Cass County Telephone Company, were convicted for participating in a nearly \$9 million conspiracy to commit mail and wire fraud. Daniel D. Martino, 55, of Hawthorne, N.Y., was sentenced in November 2005 to a maximum statutory penalty of five years in federal prison without parole. The court also ordered Daniel Martino to forfeit \$500,000, which he already has paid to the government, representing the amount of money he caused to have been lost as a result of the conspiracy. On Feb. 23, 2005, Daniel Martino and Richard T. Martino, 46, of Tuckahoe, N.Y., pleaded guilty to participating in a conspiracy to commit mail and wire fraud that lasted from January 1998 to July 2004. Richard Martino also pleaded guilty to mail fraud. The co-

defendants were originally charged in an indictment returned by a federal grand jury on Jan. 25, 2005, in Kansas City. By pleading guilty, Graves said, the Martinos admitted to their roles in a conspiracy to defraud the Universal Service Administrative Company (USAC), which disperses federal subsidies to rural telephone companies, and the National Exchange Carriers Association (NECA), which handles tariff filings and revenue distribution among carriers. The Martinos, along with Kenneth M. Matzdorff, 48, of Belton, Mo., inflated expenses of the Cass County Telephone Company, LP (known as CassTel) in order to qualify for \$8.9 million in unwarranted subsidies and disbursements. Matzdorff pleaded guilty on Jan. 19, 2005, in a separate but related case, to conspiracy to commit mail and wire fraud.

Civil Rights

White supremacist convicted of racially motivated assault – U.S. v. Heldenbrand

Steven A. Heldenbrand, an avowed white supremacist, was convicted and sentenced for his role in a racially motivated assault at a Springfield, Mo., restaurant. Heldenbrand and four others beat, kicked and stabbed one of the victims.

Two KC men indicted for racially motivated murder – U.S. v. Eye

Two Kansas City, Mo., men were indicted under federal civil rights statutes for the racially-motivated murder of William McCay on March 9, 2005. Gary L. Eye and Steven Sandstrom, both of Kansas City, were charged in a nine-count indictment returned by a federal grand jury in Kansas City.

