



# ON THE RECORD

The Newsletter of the U.S. Attorney's Office, Western District of Tennessee

Fall 2013

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## Leading the Next Generation

U.S. Attorney Edward L. Stanton III gives tour to Cub Scout den

## A Message from the U.S. Attorney

Recently, U.S. Attorney General Eric H. Holder, Jr. announced the Justice Department's "Smart on Crime" initiative. This visionary effort provides a measured approach to modernizing the criminal justice system. It also offers a sensible alternative to the "one-size-fits-all" approach to criminal prosecutions that has proven to be flawed and ineffective.



U.S. ATTORNEY  
EDWARD L. STANTON III

And to protect the most vulnerable among us, I created a dedicated civil rights unit in our office in 2011. Their diligent work has resulted in groundbreaking and successful prosecutions of sex traffickers, corrupt public officials, and hate crimes. We also have a nationally recognized Project Safe Childhood program, which fights the very real threat of child sexual exploitation.

Through these targeted programs – each of which involves careful coordination with law enforcement – we have been able to concentrate our resources on the unique criminal threats that arise in West Tennessee.

The Smart on Crime initiative encompasses a number of core objectives, including: (1) focusing on the most serious criminal cases that implicate substantial federal interests; (2) reforming sentencing laws and policies; (3) pursuing alternatives to incarceration for non-violent offenders; (4) improving reentry efforts; and (5) protecting the most vulnerable members of our communities.

I am pleased that in the Western District of Tennessee, we already have a head start on implementing strategies that further these objectives. For example, our office has worked with the U.S. District Court to launch a federal reentry and drug court program. We have also emphasized the use of diversion as an alternative to incarceration, when warranted for non-violent offenders.

In addition, to enforce the laws more fairly and in a more cost-effective way, our prosecutors are taking a hard look at each case to determine what the best course of action may be. For instance, pursuant to the Attorney General's new charging policy for drug cases, we will be able to reserve the most severe penalties for serious, high-level, and violent drug traffickers, while seeking smarter and less draconian sentences for low-level, non-violent offenders. Along these lines, we continue to work with our law enforcement partners to ensure that our scarce resources are devoted to going after the "worst of the worst."

I want to be clear: our office, and our law enforcement partners, will not let up. Whether in the inner cities or rural areas of West Tennessee, we will continue our relentless pursuit of those who commit acts of terror, criminals threatening our neighborhoods through senseless acts of violence, those who commit fraud or financial crimes, and those who prey upon vulnerable victims.

But while we will never stop being tough on crime, we can also be smarter on crime. Prioritizing prosecutions and "surging" resources to the most critical cases will allow us to move away from the system of mass incarceration that has done little to make us safer.

In the end, getting Smart on Crime will benefit everyone involved: prosecutors, victims, law enforcement officials, taxpayers, and defendants who deserve individualized treatment by the criminal justice system. This innovative approach will allow federal prosecutors to not only be more effective at deterring crime and reducing recidivism, but also more consistent with our nation's commitment to treating all Americans as equal under the law.

### Mission Statement

The mission of the United States Attorney's Office for the Western District of Tennessee is to enforce compliance with federal law, act as legal representation of all federal agencies within the District, and provide public safety within the District through equal and fair administration of justice.

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## Keeping Kids Safe

### "Friends," Not Strangers, Pose Biggest Threat to Children Online

By Deb Ireland

If asked, many parents will say their greatest technology-related fear is that their child will become the victim of an internet predator. And while it is true there are people who go online specifically to seek out vulnerable kids, these "strangers" are not the greatest threat to children's safety. That distinction goes instead to someone on a child's friends list.

Overall, the lessons of "stranger danger" have been embraced by generations of parents, and for good reason. Teaching the impropriety of getting into a car with an unfamiliar adult offering candy is an effective way to help ensure kids' safety in the physical world. It stands to reason, then, that telling our kids to "only friend people you know" will keep them safe from harm online, too. Unfortunately, the "stranger" concept just doesn't translate well to cyberspace, where everyone seems to have something in common with everyone else's friend of a friend of a friend (FOF). And in most cases, it is the FOFs who pose the greatest risk.

In a child's world, it doesn't take much to pass the bar to friend status. Kids generally only need to be able to recognize someone's face or name, and associate that person with another known entity (another acquaintance, or a school, for example) in order to consider that person to be "someone you know." Are you a friend of a trusted friend? Have you commented on the same status update, and liked the same page? You want to follow my tweets? Wow! We have so much in common. We are friends!

Harassment, cyberbullying, solicitation and sextortion are all more likely to be committed against your



Assistant U.S. Attorney Deb Ireland (second from right) talks to parents in Covington following an internet safety presentation.

child by your child's acquaintances, friends, and FOFs than by the creepy internet stranger. Why? In one word: opportunity. Someone who has a connection with a child can leverage it. Regardless of how it is done, whether by manipulating a child with threats to expose shared secrets or convincing an adolescent that they are participating in a magical, secret online romance, the emotional consequences can be devastating.

There are some things parents can do to help build a stronger buffer between children and potentially harmful online relationships. First, review (and edit) your child's list of friends. If your child can't tell you anything about someone on the list other than the names of other people with whom the person is friends, it is time to defriend. Then, set clear standards for who can be added to the list in the future—only people who have been to your home, for example,

or people who are members of your child's youth group.

Second, teach your children to use passwords, change them often, and do not share them. If a friend knows the password to your email or social media account, they have access to all your most personal information. That means they can use it against you if you have a fight or disagreement. They can lock you out of your own accounts by changing the password. And they can send harmful messages from your account,

making it seem as if you are the true sender.

Third, log out of your email and social media accounts every time you use them. An open account is a vulnerable account.

Finally, remember that any device that connects to the internet is a potential avenue for two-way communication. iPods and iTouch units can receive voicemail and text messages over WiFi. Games played on tablet computers can connect you over the internet to others playing the game. Game systems like the PS Vita, Kinect, and X-Box allow voice and text communication with other players. Know how to use all your electronic devices and how to set the parental controls to limit how much information is shared with gaming "friends."

### Kids' Internet Safety Tips for Parents and Caregivers

1. Review and edit your child's list of friends and set standards for who can be added as friends.
2. Ensure that children use passwords and change them regularly.
3. Log out of email and social media every time you use them.
4. Remember that any device that connects to the internet is a potential avenue for two-way communication.



## Meet Judge Jimmy Croom

### Former AUSA Sworn in as Bankruptcy Judge

By Jennifer Ragan

Jimmy L. Croom, who served for 17 years as an Assistant U.S. Attorney in the Memphis and Jackson U.S. Attorney's Offices, was sworn in as a U.S. Bankruptcy Judge for the Western District of Tennessee on July 12, 2013.

Judge Croom's investiture was held in the U.S. District Court in Jackson before a standing room only crowd. He replaces retired Bankruptcy Judge G. Harvey Boswell, who was in attendance and spoke highly of his successor; "We will never find anyone with better integrity. . . I've watched Judge Croom as he has progressed and he has not lost his character."

Judge Croom has practiced bankruptcy law for his entire legal career. During his tenure with the U.S. Attorney's Office, Judge Croom handled bankruptcy and civil matters on behalf of the United States. He also served as the Jackson Branch Office's Deputy Chief for the past 15 years.

After attending the Investiture, Branch Office Chief Vic Ivy spoke fondly of Judge Croom. "In the 17 years I have worked with Judge Croom, he is the most knowledgeable bankruptcy attorney I have encountered. I applaud the Sixth Circuit for making a most logical appointment. The Bench's gain is our loss of a good friend and an accomplished attorney."

Many in the room included Judge Croom's extended family and friends from Greenfield, Tennessee, where he lives, attends church and works on his family's farm. During the Investiture, Judge Croom sat with family including his mother, Marie Croom, daughters Callie and Laura Beth, and his wife Diane.

In his remarks, Judge Croom fondly remembered his wife's contributions to his success. "My wife and best friend for 29 years," he said. "This day would not be possible without her. She went to work and put me through law school." Former colleague and Milan, Tennessee



As his wife Diane looks on, former AUSA Jimmy Croom (left) is sworn in as a U.S. Bankruptcy Judge for the Western District of Tennessee by Chief Bankruptcy Judge David S. Kennedy.

attorney Jerry Flippin spoke of hiring Judge Croom as a law clerk in 1984. He credited the selection panel on making a solid choice.

"We could not have found a better man if they had scoured the country," Flippin said. The Honorable Bernice B. Donald, United States Judge for the Sixth Circuit Court of Appeals, echoed those sentiments in her remarks.

"Jimmy Croom has been a consummate professional," she said. "He is a model worthy of emulation. Mr. Croom was the absolute best person in all of the land for this position."

Chief Bankruptcy Judge David S. Kennedy issued Judge Croom's oath of office and swore him in as the Eastern Division's second Bankruptcy Judge. Judge Croom's daughters Callie and Laura Beth assisted their mother, Diane, in putting on the newly sworn in Judge's robe.

"I'm humbled, honored and very blessed," Judge Croom said, "I look out at all the people who have helped shape and mold my career." Former Bankruptcy Judge G. Harvey Boswell summed up the majority opinion of Judge Croom by saying, "He is a man who loves God and you can see it in his character."

ON THE RECORD

## Synthetic Drugs Present New Dangers

### Dangerous Side Effects and Addiction Are Common in Users

In the past few years, a new and dangerous series of drugs has begun spreading throughout West Tennessee and the nation. Controlled substance analogues, as they are known legally, are substances that are designed to simulate the effects of other, better known drugs.

When they first appeared on the market, distributors were able to take advantage of loopholes in the law in order to sell them legally. Today, laws are in place at the federal level that criminalize the production and distribution of these substances.

In order to be considered a controlled substance analogue, a substance must be: (1) chemically and pharmacologically similar to a schedule I or II controlled substance; and (2) intended for human consumption. These statutory criteria require extensive investigation and analyses, as well as a qualified expert's opinion regarding the chemical and pharmacological characteristics of the substance.

Analogues generally fall into two categories: synthetic cannabinoids and synthetic cathinones. Synthetic cannabinoids, often known by the street names "Spice" or "K2," mimic the hallucinogenic effects of marijuana with the added side effects of hallucinations, seizures, and dependency/addiction not usually associated with marijuana users.

Additional concerns arise from their method of manufacture. Often the base chemicals are manufactured and shipped from foreign countries with no standards to ensure quality control. Then the final products are often prepared in basements and garages. This means users literally have no idea what they are putting in their bodies.

Synthetic cathinones, better known as "bath salts" or "plant food," produce a high similar to methamphetamine, MDMA or cocaine. Abusers experience chest pain, increased blood pressure, agitation, panic attacks, irrational behavior, hallucinations, paranoia, delusions, and even heart attacks and strokes.

To date, poison control centers in the United States have



U.S. Attorney Edward L. Stanton III takes questions via video teleconference from Jackson, TN during a press conference to announce the indictments of more than 40 individuals for their role in the synthetic drug trade.

received hundreds of calls related to the side effects of and overdoses from the use of these products from 45 states and the District of Columbia. There is very limited information regarding the biological effects of these substances and it is unknown what may be the potential acute and long-term effects on humans.

What is known about these chemicals is disconcerting. There have been reports in the media of overdoses from ingestion of "bath salt" products which resulted in emergency room visits, hospitalizations, and severe psychotic episodes, some of which have led to violent outbursts, self-inflicted wounds, and in at least one instance, suicide.

On June 26, 2013 more than 400 law enforcement officers across West Tennessee raided businesses and homes as part of "Project Synergy." A DEA initiative, this represents the largest-ever coordinated law enforcement strike against designer drugs, targeting manufacturers, distributors, and retailers of more than 250 synthetic drugs being abused every day in the United States and globally. Forty individuals alleged to be part of the synthetic drug trade in West Tennessee were named in indictments unsealed that day. During the takedown, at least 76 search warrants and 35 arrest warrants were executed and hundreds of seizures were made from more than 34 storefronts.

"These indictments, arrests and seizures demonstrate that the manufacturing, distribution and purchase of these highly addictive and potentially lethal substances will not be tolerated, and those who are brazen enough to sell this poison, particularly to our children and young adults, will be held accountable," said U.S. Attorney Edward L. Stanton III.





**AMISH BARN AND THREE ACRES – AUCTION PENDING**



**COIN COLLECTION – AUCTION PENDING**



**IRISH DRAFT HORSES – AUCTION PENDING**

## Everything but the Kitchen Sink

Financial Litigation Unit Continues to Collect for U.S.

*By Harriett Halmon*

The Financial Litigation Unit (FLU) of the U.S. Attorney's Office is working diligently and efficiently to uphold its mission of collecting civil and criminal debts owed to the United States and victims of crime. The goal is to collect these debts in a timely, aggressive, efficient and cost effective manner.

In fiscal 2013, the FLU has collected more than \$3.5 million in civil debts to date. These include defaults on government loans such as student loans, Small Business loans, and mortgage loans; overpayments made by the United States; money owed to the United States as a result of civil fraud prosecutions; and environmental fines and penalties. Additionally, the FLU has collected approximately \$1.5 million owed by criminal defendants for restitution, fines and penalties. Included in that amount is almost \$280,000 collected from defendants' retirement and investment accounts and more than \$29,500 collected from the sale of criminal defendants' vehicles and personal property.

Other tools utilized by the FLU to collect are liens, wage garnishments, installment payment plans and government offsets. The FLU has also begun pre-judgment enforcements in criminal cases, working with prosecutors and law enforcement agents to locate potential assets during the pendency of the investigation and litigation of the underlying criminal case. The FLU is also charged with the task of seeking bond forfeitures when defendants violate the terms and conditions of their bond while awaiting trial. In fiscal 2013, the FLU obtained two bond forfeiture judgments. Recently, the office assisted the Department of Justice in locating discrimination victims in this district who are entitled to receive compensation as a result of a national fair lending settlement agreement reached in *U.S. v. Wells Fargo Bank, N.A.*

The FLU currently has approximately 88 civil cases and over 3,000 criminal cases. Most criminal collections cases do not expire until 20 years after a defendant is released from prison or dies, or until the debt is satisfied. Needless to say, some debtors can be recalcitrant. Often debtors attempt to evade their responsibilities. Some try to hide themselves or their assets. Accordingly, the FLU utilizes many tools to locate the debtors and their assets such as internet search tools, debtor examinations, and even private investigation services.

The FLU works closely with the U.S. Marshals Service to seize assets once they are located and to liquidate them. Once seized, assets are sold at auction. The FLU also works closely with the United States District Court Clerk's Office, the U.S. Probation Office and other agencies. Here are a few examples of assets that were located by the FLU and seized by the Marshals Service.



**ANTIQUE STEINWAY PIANO – SOLD FOR \$15,000**



**PICASSO PLATE AND PRINT – AUCTION PENDING**



**2001 TOYOTA CAMRY: SOLD FOR \$3,700**



**2004 CADILLAC ESCALADE – SOLD FOR \$12,900**



## Americans with Disabilities Act Turns 23 Act Prohibits Discrimination and Ensures Reasonable Accommodations

By Gary Vanasek

It has been 23 years since the Americans with Disabilities Act (ADA) of 1990 was signed into law by President George H.W. Bush. The Act had a tremendous positive impact on the work and life of citizens across the Western District of Tennessee and the nation.

The Americans with Disabilities Act of 1990 prohibits private employers, state and local governments, employment agencies and labor unions from discriminating against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, job training, and other terms, conditions, and privileges of employment. The Rehabilitation Act of 1973 provides similar protections for federal employees.

For approximately 13 years the Civil Division of the United States Attorney's Office for the Western District of Tennessee has been investigating complaints alleging violations of the ADA in cooperation with the Disability Rights Section in the Civil Rights Division of the Department of Justice. To help ensure access to goods and services available to the public, the ADA requires that businesses open to the public be physically accessible to persons with disabilities. Other provisions of the ADA are designed to ensure access to goods and services by persons using service animals and to deaf individuals.

In the late 1990's Attorney General Janet

Reno enlisted U.S. Attorney's Offices across the country in an effort to ensure that 911 call centers could receive text calls from deaf individuals. Thereafter, the Civil Rights Division invited U.S. Attorneys to work on other individual ADA cases. Our office accepted this invitation and has been handling complaints ever since.

The first major case handled by our office arose from a complaint by a young man who was paralyzed from the waist down and used a wheelchair. When he entered a popular fast food chain restaurant to eat, he also attempted to use the restroom, but was prevented from doing so because the restroom door was only 22 inches wide and was not wide enough for his wheelchair. Our office investigated the complaint, filed suit, and ultimately negotiated a settlement which required the owner of all its fast food restaurants in West Tennessee to remove barriers to access by widening doors, constructing ramps, making restroom facilities more accessible, and improving


the dining facilities, at all of its restaurants in West Tennessee. The settlement agreement also provided for the payment of damages to the victim of the discrimination caused by the lack of accessible facilities as well as the payment of a fine to the United States.

Since this first case our office has reached a similar agreement with another large fast food restaurant chain, negotiated a settlement with yet another restaurant chain to ensure access to the restaurants for customers using service animals, and negotiated a comprehensive agreement with a major hospital to ensure the provision of interpreting services for deaf patients.

"I don't think anyone can fully appreciate the difficulties faced by individuals with disabilities when they are faced with trying to do the same things that able-bodied individuals take for granted," said U.S. Attorney Edward L. Stanton III. "ADA has given these individuals the ability to participate in important aspects of life such as going to the movies, having dinner in a restaurant, or visiting a doctor, with a measure of dignity and independence."

While many milestones and achievements of the ADA have been implemented throughout our workforce, our office will continue to make strides in promoting equal opportunity and access to persons with disabilities. For more facts about the ADA visit the EEOC's website at <http://www.eeoc.gov/facts/fs-ada.html>.

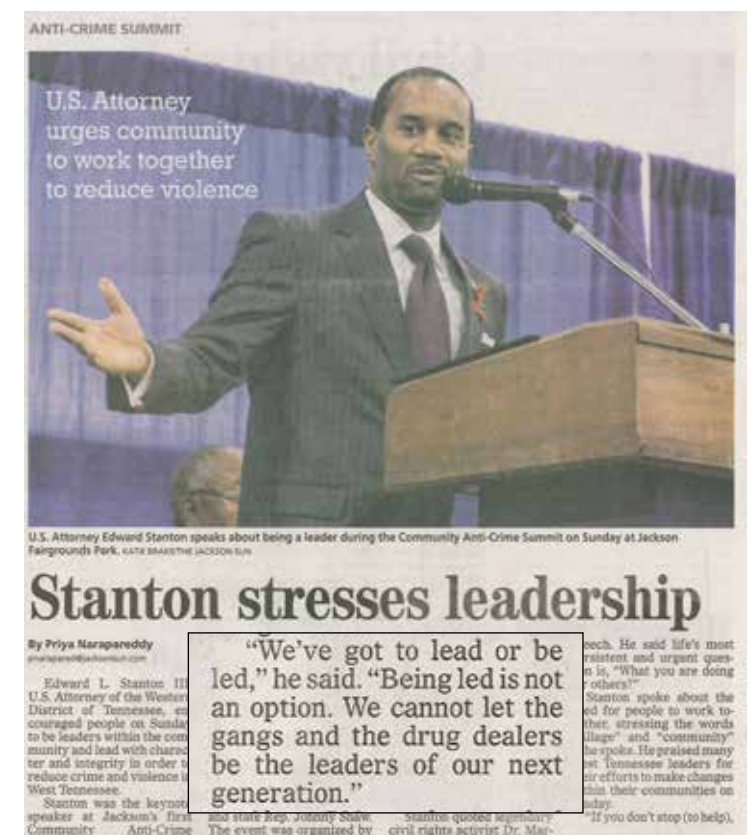




**Department of Justice**  
United States Attorney Edward L. Stanton III  
Western District of Tennessee

**As Seen in  
the News...**

**August 19, 2013  
The Jackson Sun**



**June 20, 2013  
The Lauderdale Voice**



**August 23, 2013  
The Commerical  
Appeal**





## Craig Petties Receives Nine Life Sentences

After Years on the Run, Notorious Drug Kingpin Faces the Consequences

After evading authorities for years, Craig Petties, 36, of Memphis, TN was sentenced on August 22, 2013 to nine life sentences by United States District Judge Samuel H. Mays.

In 2009, Petties pleaded guilty to 19 charges related to his role as the ringleader of one of the largest drug trafficking organizations ever prosecuted in West Tennessee. Petties and the other members of his criminal racketeering enterprise conspired with cocaine traffickers in Mexico, Texas, Mississippi, North Carolina, Georgia, Tennessee, and elsewhere. As part of the conspiracy, cocaine was prepared, packaged and/or stored prior to distribution to buyers in "stash houses." The defendant and the co-conspirators used these "stash houses" to avoid detection by law enforcement authorities.

It was further part of the conspiracy that the defendants and their co-conspirators sorted, counted, packaged, and stored large amounts of cash derived from the sale of controlled substances in various co-conspirators' premises in West Tennessee. Large amounts of currency derived from the sale of cocaine were delivered to Texas and Mexico. In order to facilitate continued drug trafficking and in order to prevent others from cooperating with law enforcement authorities, that the defendant and the co-conspirators did kill other people. Petties pleaded guilty to murder in aid of racketeering and conspiracy to commit murder for hire, and he admitted to a role in at least four murders. Petties also later pleaded guilty to a separate charge of possessing a weapon while in custody at the Federal Correctional Institution in Memphis.

Over 40 people have been charged and convicted as part of this investigation. The sentencing of Petties represented the end of these successful prosecutions in the U.S. District Court for the Western District of Tennessee.

"Craig Petties was the ringleader of one of the largest and



U.S. Attorney Edward L. Stanton III and AUSA David Pritchard respond to the media following Craig Petties' sentencing.

most violent criminal organizations to ever operate in the state of Tennessee. The court's sentence of life without the possibility of parole holds Petties accountable for his ruthless acts," said U.S. Attorney Edward L. Stanton III. "It should also send a clear message to those who distribute poison into our communities and protect their criminal activity by any means necessary: you will not get away with it, and you will be prosecuted to the fullest extent of the law. I hope the sentence imposed can provide a meaningful measure of closure to the families of those murdered and victimized by the Petties organization, as well as the community as a whole."

Because there is no parole in the federal prison system, Petties will spend the rest of his life in prison. This case was investigated by the Drug Enforcement Administration, the United States Marshals Service, the Memphis Police Department, the Shelby County Sheriff's Department and the Olive Branch Police Department. The case was prosecuted by Assistant United States Attorneys David Pritchard Greg Gilluly on behalf of the government.



Nearly 250 local, state, and federal law enforcement professionals from across West Tennessee attended the 2013 Anti Terrorism Advisory Conferences in Memphis and Jackson. Organized by the United States Attorney's Office and the Federal Bureau of Investigation, the conference gave attendees the opportunity to learn some of the latest information concerning domestic and international terrorism, and Sovereign Citizens. (Above, center) Shelby County Sheriff's Office Chief Deputy Bill Cash welcomed Memphis attendees to the SCSO training center. (Above, right) USAO Intelligence Analyst Steve Rutledge was responsible for the planning and successful execution of both conferences.

## In the Community

National Night Out, Meeting with Police Chiefs, TNGIA Conference



AUSA Justin Bailey (left) attended a National Night Out block party in the Evergreen Terrace area of Midtown.



Memphis firefighters were on hand during the National Night Out block party sponsored by Vollintine Evergreen Community Association.



U.S. Attorney Edward L. Stanton III, First Assistant Michelle Kimbril-Parks, Jackson Branch Chief Vic Ivy, and Criminal Chief Joe Murphy met with police chiefs from across the 28th Judicial District as part of the office's ongoing effort to reach out to local law enforcement. The chiefs of police received information about federal firearm laws.

Assistant U.S. Attorney David Pritchard was one of the presenters at the Tennessee Gang Investigators Association's conference here in Memphis. The conference drew more than 200 law enforcement professionals.





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## The Parting Shot



Former Chief U.S. District Judge Jon Phipps McCalla (top row, third from right) accepted senior status in a ceremony on August 23, 2013, in his courtroom at the Federal Courthouse. His wife Dr. Mary R. McCalla (left) unveiled the portrait commemorating change of status along with daughters Kate and Clair. Judge McCalla was originally nominated to the federal bench by President George H.W. Bush on August 1, 1991 and confirmed by the Senate on February 6, 1992.