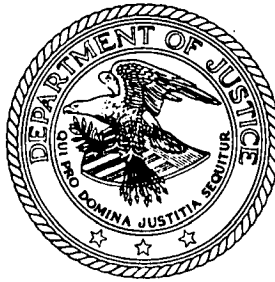


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NEWS NOTES

LEAA AWARDS \$6.5 MILLION TO FINANCE COLLEGE STUDIES BY LAW ENFORCEMENT PERSONNEL

January 2, 1969: Attorney General Ramsey Clark announced the award of \$6.5 million to finance college studies by law enforcement personnel and promising students preparing for careers in law enforcement. The funds were the first distributed by the new Law Enforcement Assistance Administration (LEAA) to carry out a key education provision of the Omnibus Crime Control and Safe Streets Act.

Patrick V. Murphy, the LEAA Administrator, said the \$6.5 million is for use in the second half of the current academic year and will help finance the studies of some 14,000 persons during the six-month period ending June 30. Priority will be given to persons already in law enforcement work.

The funds were given to 485 colleges and universities, which will make all of the grants and loans. Some 1800 schools are expected to eventually take part in the program.

Study courses approved under the program include those offering degrees or certificates in such fields as police science, criminology, criminalistics, police administration, law enforcement, technology, criminal justice, public safety administration, corrections, penology, and correctional administration. Certain related fields, including psychology, sociology, and computer technology, also will be eligible for assistance.

A.G. RELEASES ANNUAL REPORT ON ANTI-CRIME ACTIVITIES OF THE DEPARTMENT OF JUSTICE

January 8, 1969: Attorney General Ramsey Clark, in the annual report of the Department of Justice, said that 1968 was a year of historic progress for criminal justice. Some of the more significant developments of this past year were the success of the organized crime "strike forces" and the creation of two major crime-fighting units, the Law Enforcement Assistance Administration and the Bureau of Narcotics and Dangerous Drugs. Highlights of the Annual Report are set out below.

ORGANIZED CRIME

Federal "strike forces"--teams of attorneys and investigators from key federal agencies who move comprehensively against organized crime

in a single geographic area--dramatically strengthened the federal campaign against organized crime.

Individuals indicted during 1968 as a result of strike force strategy numbered 71 in Brooklyn, 67 in Detroit, 34 in Buffalo, 12 in Chicago and 5 in Philadelphia. Twenty-one others had been indicted the previous year in Buffalo.

Some 800 persons were indicted and about 435 convicted in cases handled by the Organized Crime and Racketeering Section of the Criminal Division. Comparative figures from the previous year were 710 indicted and 342 convicted.

Convictions of racketeering and gambling figures resulting from FBI investigation reached an all-time high of 290, up from 206 the previous year.

Of 234 known or suspected members of La Cosa Nostra indicted or convicted during the past 13 years, 65 were indicted or convicted during 1968.

Mr. Clark said the number of attorneys in the Organized Crime and Racketeering Section was increased to a record total of 74 during 1968.

NARCOTICS AND DANGEROUS DRUGS

The Bureau of Narcotics and Dangerous Drugs was formed in 1968 by the merger of the Treasury Department's Bureau of Narcotics and the Department of Health, Education and Welfare's Bureau of Drug Abuse Control in the Department of Justice, with John E. Ingersoll named as Director of the Bureau.

Mr. Clark said the Bureau rapidly brought increased effectiveness and efficiency to the control of narcotics and dangerous drugs. The Bureau reported some 3,600 arrests in 1968, up from 3,150 the previous year. Federal narcotics seizures totaled 456.9 kilograms compared with 178.59 in 1967. Of the 1968 total, the Bureau of Narcotics and Dangerous Drugs seized 259.7 kilograms and the Bureau of Customs seized 197.2 kilograms. Marihuana seizures were up from 26,594.26 kilograms in 1967 to 33,519.85 kilograms.

Mr. Clark revealed that the Bureau of Narcotics and Dangerous Drugs is developing its own system of laboratories for the analysis of drugs. The first laboratory began operations in Chicago in late 1968 and others will be established during the next few weeks in New York, Washington, Dallas and San Francisco.

The Bureau awarded 17 contracts totalling \$753,000 in its scientific program to develop information on the effects of drugs. An education and information center was established by the Bureau at Rochester University to furnish data to institutions of higher learning.

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

A new era of federal support for local and state law enforcement began in mid-1968 when the Law Enforcement Assistance Administration was established in the Department of Justice. Patrick V. Murphy, former director of public safety in Washington, D.C. and former deputy chief inspector of the New York City police department, was appointed administrator of the program. Named associate administrators were Wesley A. Pomeroy, former undersheriff of San Mateo County, California, and Dr. Ralph G. H. Siu, former deputy director of development and engineering of the U. S. Army Materiel Command. With a \$63 million budget for fiscal 1969, the Administration promptly began its grant program, designed to strengthen the Nation's entire system of criminal justice. On August 31, nearly \$4 million was awarded to 40 states, the District of Columbia and Puerto Rico for a variety of riot control projects. Later, 48 states requested and received 20 percent advances in the funds allocated them from the \$19 million appropriated for developing comprehensive statewide improvement plans. A high degree of enthusiasm for the program was indicated when all 50 states--along with the District of Columbia, Puerto Rico and the Virgin Islands--met a December deadline to apply for the full planning allocations. At year's end, the Administration awarded \$6.5 million to finance college studies by law enforcement personnel and promising students preparing for careers in law enforcement.

FBI

The National Crime Information Center, a computerized index of information on crime and criminals established in early 1967, was expanded during 1968 to cover 46 states, the District of Columbia and Canada. Training assistance was extended by the FBI to more than 197,000 local and state law enforcement officers in some 6500 schools. The FBI National Academy graduated 200 officers. And the FBI conducted 282 law enforcement conferences on means of reducing crimes against banks and other financial institutions.

BUREAU OF PRISONS

The number of inmates in federal prisons rose for the second consecutive year, from 19,627 to 20,037. The average age of inmates declined to 28 years, the lowest in history and a drop of a full year since 1967.

The work release program, under which federal inmates hold outside jobs during the day and return to their institutions at night, was accelerated successfully during 1968. Since the program was inaugurated in 1965, more than 5,000 offenders have earned a total in excess of \$4.2 million while serving their sentences.

More than 1,000 offenders spent the last weeks of their prison terms in one of the federal community centers in eight cities. More than 400 offenders obtained jobs each month through one of 26 Bureau of Prisons placement offices.

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POINTS TO REMEMBER

RECENT CASES UPHOLDING CALL-UP OF READY RESERVISTS

A number of cases have been filed in recent months by ready reservists in the Armed Forces who have been called to active duty as a result of Public Laws 89-687 and 90-40. Cases of this type often involve requests for expedited relief and United States Attorneys' offices should be aware that a number of recent cases upholding these acts are now published:

Winters v. United States, 281 F.Supp. 289 (E.D. N.Y. 1968), aff'd 390 F.2d 879 (2d Cir. 1968), certiorari denied, _____ U.S. _____.

Fox v. Brown, 286 F.Supp. 855 (S.D. N.Y. 1968), aff'd unreported.

Even v. Clifford, 287 F.Supp. 334 (S.D. Cal. 1968).

Pfile v. Clifford, 287 F.Supp. 554 (D. Colo. 1968).

Ali v. United States, 289 F.Supp. 530 (C.D. Cal. 1968).

Morse v. Boswell, 289 F.Supp. 812 (D. Md. 1968), aff'd per curiam unreported.

Linsalata v. Clifford, 290 F.Supp. 338 (S.D. N.Y. 1968).

Goldstein v. Clifford, 290 F.Supp. 275 (D. N.J. 1968).

The Supreme Court has denied a stay in the Morse case, 37 U.S.L.W. 3129.

ANTITRUST DIVISION
Assistant Attorney General Edwin M. Zimmerman

DISTRICT COURT

SHERMAN ACT

CHEMICAL COMPANIES CHARGED WITH VIOLATING SECTION 1
OF ACT

United States v. The Globe Chemical Co., Inc., et al. (S. D. Ohio,
Cr. 11428; December 20, 1968; D. J. 60-122-81)

On December 20, 1968, a grand jury for the Southern District of Ohio, Western Division, returned an indictment against five Cincinnati, Ohio industrial chemical distributors and two individual defendants on a charge of conspiring to fix, raise, and maintain prices and other terms and conditions of sale of industrial chemicals in violation of Section 1 of the Sherman Act. The indictment alleges that from sometime prior to 1964 and continuing up to date the defendants raised prices and fixed transportation charges for industrial chemicals in the Cincinnati area.

"Industrial chemicals" are those chemical compounds and elements such as mineral acids, alkalis, water purification chemicals and solvents, used in industry, and in the operations of various governmental agencies. The area involved is the Cincinnati market which comprises the City of Cincinnati, Ohio and the territory surrounding it within a radius of approximately fifty miles.

The defendants are: The Globe Chemical Co., Inc. (at one time a division of Ashland Oil & Refining Company), The Herbert Chemical Co., Foremost-McKesson, Inc., Calvert Chemical Co., Chemicals, Inc. -- U.S.A., Joseph B. Engelhardt (Vice President, Globe Chemical Co., Inc.) and James R. Harrington (President, The Herbert Chemical Co.).

Arraignment is scheduled to take place on January 2, 1969.

Staff: Carl L. Steinhouse, Joseph J. Calvert, John A. Weedon
and Robert A. McNew (Antitrust Division)

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CIVIL DIVISION

Assistant Attorney General Edwin L. Weisl, Jr.

COURT OF APPEALSLONGSHOREMEN'S AND HARBOR WORKER'S COMPENSATION ACT

STATUS OF DECEASED AS "MEMBER OF A CREW OF VESSEL" IS TO BE DETERMINED BY TRIER OF FACT; IMPOSITION OF PENALTY OF 20% ADDITIONAL COMPENSATION FOR DELAY IN PAYMENT UPHeld. 33 U.S.C.A. 914(b).

Hardaway Contracting Co. & the Fidelity & Casualty Co. of New York
v. Wm. M. O'Keefe (C.A. 5, Nos. 25276 and 25492; November 14, 1968;
D.J. 83-17-5)

The decedent was employed as a laborer to assist in the construction of a bridge. His chief duty was to construct wooden forms into which concrete was later poured. The deceased was transported to the jobsite each morning in appellant's boat. In assisting in transferring fuel tanks from the boat in which he usually rode, to another boat owned by the appellant, the deceased sustained a fatal injury. The Deputy Commissioner found that the decedent was a bridge-building laborer and not a vessel crew member and that the accident occurred while the deceased was engaged in loading a vessel on the navigable waters of the United States. From these facts, the Deputy Commissioner concluded that the claim came within the provisions of the Longshoremen's Act and awarded benefits accordingly.

The district court affirmed the Deputy Commissioner's award of benefits and additionally awarded claimant those benefits which had accrued under the original award together with 20 per cent additional compensation for delay in payment. The Court of Appeals for the Fifth Circuit affirmed.

The Court, noting that the same test applies in determining whether an employee is a "seaman" under the Jones Act, 46 U.S.C. 688, or a "member of a crew of a vessel" under the Longshoremen's Act, supra, indicated nonetheless that under similar facts divergent results may be reached by the finders of fact. Consequently, the Court limited its review to whether the finder of fact had a reasonable basis for his determination; and concluded that the facts of this case were not sufficient to support a holding that the deceased was, as a matter of law, a "member of the crew of a vessel". Thus the decision of the Deputy Commissioner was upheld.

The appellant also asserted that the requirement that the judgment be paid prior to appeal violated its constitutional rights since, under Jackson v. Lykes Bros. Steamship Co., 386 U.S. 731, the Longshoremen's Act no longer constitutes a bar to a subsequent suit for negligence or unseaworthiness in this case. The Court summarily rejected this argument, noting that it was aware of no constitutional limit upon Congress' power to effect such a result.

Staff: Leavenworth Colby (Civil Division)

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T A X D I V I S I O N
Assistant Attorney General Mitchell Rogovin

DISTRICT COURT

EVIDENCE

SPECIAL AGENT MUST WARN TAXPAYER OF RIGHT TO COUNSEL
IF TAXPAYER THINKS HE IS IN CUSTODY.

United States v. Lackey (N. D. Ind., Lafayette Criminal No. 177;
October 2, 1968, D.J. 5-26-886)

A revenue agent, who had been investigating Lackey's returns, referred the case to a special agent who then interviewed Lackey informally several times. On May 21, 1965, the special agent asked him whether he would be willing to appear in an Internal Revenue office on May 27, 1965, for a formal examination. Lackey appeared and gave a lengthy statement. He was ultimately indicted and filed a motion to suppress the evidence obtained as a result of the formal statement on the ground that the special agent did not give the warnings required by the Miranda case (384 U.S. 436).

The motion to suppress simply alleged that the investigation had begun as a routine audit; that it had shifted to a criminal investigation; and that the Miranda warnings were never given. At the hearing the district court called attention to the "custody" aspect of Miranda and asked that facts be developed as to any curtailment of Lackey's freedom at the formal examination. There was evidence that Lackey felt that he had to submit to the interview and that he was not free to leave until it had been completed. The interview took place in a small, bare office in the basement of a federal building, with a tape recorder on the table and no one present other than Lackey and the two agents. There was also evidence that Lackey had been told, when first invited to the interview, that he could have counsel present, and that he had been warned at the outset of the interview that he could refuse to answer any questions or to supply any information.

The district court held that Lackey had been "deprived of his freedom of action in a significant way", within the meaning of the Miranda case, and that the full warning of right to counsel should have been given. The court ruled that it had to look at the facts as they appeared to Lackey at the time of the interview, and that, under this purely subjective test, Lackey's liberty had been curtailed. The court further stated that this conclusion was corroborated by the objective evidence of the circumstances under

which the interview was held. Although not expressly relying on United States v. Turzynski, 268 F. Supp. 847 (N. D. Ill.), the district court seems to have been strongly influenced by the language of that opinion.

The Solicitor General has authorized an appeal to the Seventh Circuit under Title VIII of the Omnibus Crime Control Act of 1968. Appeals to the Seventh Circuit have also been authorized in two other similar cases, United States v. Dickerson (N. D. Ill.), and United States v. Habig (S. D. Ind.), which will be noted in later issues of the Bulletin.

Meanwhile the courts of appeals continue to reject any application of Miranda to tax investigations unless some actual curtailment of the taxpayer's liberty is established. On December 18, 1968, the Eighth Circuit affirmed two convictions, United States v. Cohen (No. 19181), and United States v. Muse (No. 19259), in which this was the sole issue on appeal. Both cases will be noted in an early issue of the Bulletin.

Staff: United States Attorney Alfred W. Moellering (N. D. Ind.);
Vincent P. Russo (Tax Division)

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