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NEWS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Kenneth James Hall, age 33, of York County, Virginia, pleaded guilty today in United States District Court in Norfolk, to participating in a conspiracy with gun trafficker Shawn Pettaway and others to making false statements on official government forms to purchase firearms; theft from a federal firearms licensee; and sale of firearms to a convicted felon. He faces a maximum penalty of 5 years imprisonment for the conspiracy offense and 10 years for each of the remaining firearm charges when sentenced on July 13, 2004, by United States District Judge Rebecca Beach Smith.

An 18-count indictment charging Hall was unsealed on March 8, 2003. The indictment detailed how Hall, a former employee of Winfree Firearms, Inc., in York County, agreed with gun traffickers to circumvent federal firearms laws by illegally transferring 54 firearms to 24 different straw purchasers who were buying them at the traffickers' request. Hall was also charged with personally transferring approximately 10 firearms to Pettaway, a convicted felon, and with stealing firearms from Winfree Firearms, Inc.'s business inventory to sell to Pettaway. The firearms were subsequently transported out of state and sold by gun traffickers on the streets of New York City, Baltimore, Maryland and elsewhere. According to the indictment, 28 of the firearms sold by Hall were recovered. Today in court, Hall admitted to having committed these offenses and Pettaway and the others have been convicted of gun trafficking in the Bronx and sentenced to prison.

The investigation originally targeted the break up of a major gun trafficking ring operating in the Peninsula area of Hampton Roads in January of 2003. The gun traffickers were prohibited by federal law from purchasing firearms legally, so they recruited and utilized straw purchasers to buy these firearms for them at six Peninsula area firearms dealers.

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Through the ATF National Tracing Center, and ATF New York and Washington Regional

Crime Gun Centers, the firearms were traced back to gun dealers in the Peninsula area of Hampton Roads. Subsequently, the Norfolk ATF Firearms Task Force launched an investigation into the individuals responsible for straw purchasing the firearms, and the base level of the trafficking ring was dismantled. The investigation revealed over 150 firearms were purchased in the Peninsula area of Hampton Roads for further transportation and distribution to New York City, Baltimore, Maryland, and Syracuse, New York.

Mr. McNulty stated: "We are cracking down on criminals who circumvent the law by making firearms available to those who cannot legally possess them. They put illegal guns in the hands of criminals who will not hesitate to use them, and they pose a serious threat to the well-being of our communities."

The investigation was conducted by Special Agents of the Norfolk and New York offices of the Bureau of Alcohol, Tobacco, Firearms and Explosives, and detectives from the Newport News and New York City Police Departments. Assistant United States Attorney Fernando Groene prosecuted the case for the U.S. Attorney's Office.

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