

NORTH CAROLINA
DEPARTMENT OF PUBLIC SAFETY
ALCOHOL LAW ENFORCEMENT SECTION



DIRECTOR'S REPORT TO THE SECRETARY

2012

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"To give real service you must add something which cannot be bought or measured
With money, and that is sincerity and integrity."

~ Douglas Adams

TO THE SECRETARY:

I am pleased to submit this report of the activities of the Alcohol Law Enforcement Section for the 2012 calendar year.

Alcohol Law Enforcement continues to focus on the consistent and efficient enforcement of the alcoholic beverage control laws across the state. Through a coordinated effort of education, training, regulation, and enforcement, ALE continues to take the necessary steps to ensure the public safety of the citizens of North Carolina.

We continue to balance enforcement projects that have had an immediate impact on reducing criminal activity with those long-term investigations that result in permanent positive changes within communities. The enclosed report highlights some of these projects and provides a snapshot of the progress ALE personnel are making to advance ALE's mission.

By continuing to use forfeited funds for equipment and training, ALE has procured items needed to support our sworn personnel without depleting the general budget or using taxpayer dollars. This financial approach allows ALE to combine operational effectiveness with fiscal responsibility, thus creating a positive solution that benefits special agents as well as the citizens of the state.

ALE's dedicated and innovative employees made wise use of limited manpower and resources in 2012 to accomplish remarkable feats; we look forward to continuing our mission in 2013.

Mark J. Senter
Interim Director

HISTORY

In the early 1900s, alcohol enforcement across America underwent sweeping changes. The passing of the 18th Amendment in 1919 resulted in an explosion of rampant crime and corruption. Federal enforcement of Prohibition fell to the Bureau of Internal Revenue within the Department of the Treasury, while enforcement at the state level was left on a county-by-county basis under the direction of local police departments and Sheriff's Offices.

There was little coordination of alcohol enforcement at the state level until 1937 when the North Carolina Legislature created the State Alcoholic Beverage Control Commission. Although Prohibition had been repealed four years earlier by the 21st Amendment, splintered enforcement efforts within North Carolina meant that illegal activities such as moonshining and smuggling remained common, unchecked practices in rural areas. In 1949, the State ABC Enforcement Division was formed under the auspices of the State ABC Commission. While there was now a dedicated state agency charged with the regulation of alcohol, State ABC Enforcement officers were afforded very limited powers of arrest. These limitations were addressed in 1971, when the General Assembly granted officers full arrest authority for all criminal offenses throughout the state.

In order to organize many of the law enforcement and public safety services provided by the State of North Carolina, the Department of Crime Control and Public Safety was formed in 1977. To ensure fairness to ABC permit holders, lawmakers realized it was necessary to separate the administration and enforcement of the ABC laws, and moved the Enforcement Division of the ABC Commission to the new Department of Crime Control and Public Safety. The relocated agency was renamed as the Alcohol Law Enforcement Division (ALE), and its enforcement personnel became agents.

Soon after its creation, two important events would occur that would test ALE's preparedness: the passing of liquor by the drink in 1978 and the raising of the legal drinking age to 21 in 1986. Agents had to quickly adapt to new rules and regulations regarding liquor by the drink as counties and municipalities rushed to pass the new provisions. When the legal drinking age was raised and under pressure from the federal government, ALE was faced with striking a balance between the old law and the new law. Suddenly, young people who were of legal age just yesterday were violators if found with an alcoholic beverage the very next day. ALE succeeded in meeting both of these challenges and addressing them in exemplary fashion.

Over the years, ALE has received expanded responsibilities, including controlled substance, tobacco and lottery enforcement, as well as bingo administration, and supervision of the NC Boxing Authority.

In January 2012, ALE once again transitioned to a new department when the former Departments of Correction, Crime Control and Public Safety, and Juvenile Justice and Delinquency Prevention were merged into the Department of Public Safety. Although administrative oversight of ALE has shifted, its mission and focus remain unchanged.

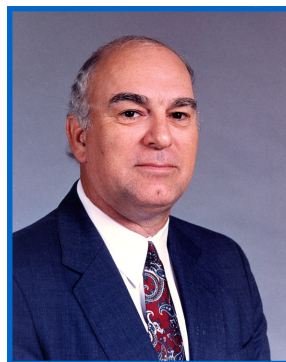
**ALCOHOL LAW ENFORCEMENT DIRECTORS
1979 - 2013**



John B. Brooks
2/1/1979 - 1/1/1980



Donald M. Murray
1/1/1980 - 9/30/1992



Roland W. Dale
3/29/1993 - 2/28/1997



John D. Smith, III
3/1/1997 - 5/31/2002



Michael D. Robertson
10/7/2002 - 10/31/2007



William C. Chandler
11/1/2007 - 11/1/2009



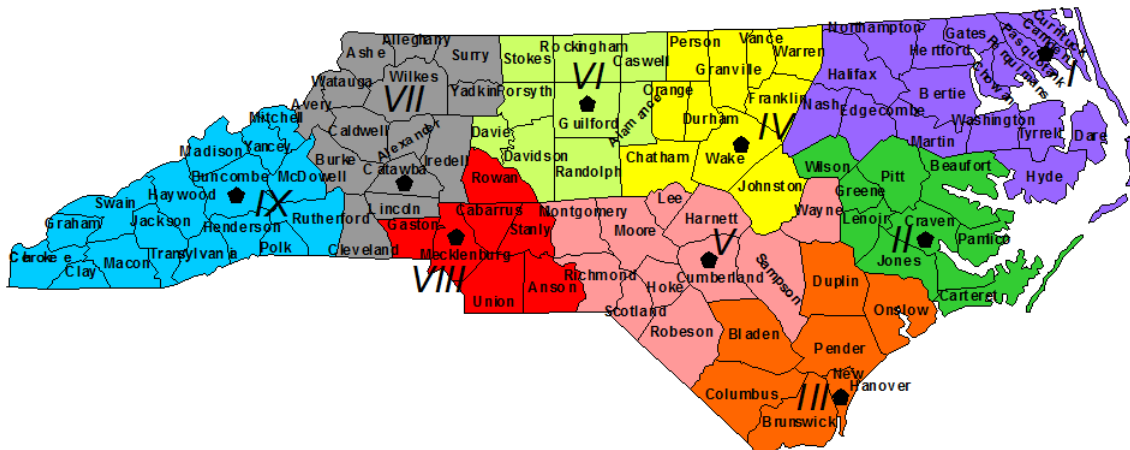
C. John Ledford
11/2/2009 - 1/1/2013

ORGANIZATION

The North Carolina Alcohol Law Enforcement Section is divided into nine geographical areas, or "districts". Each district is supervised by a Special Agent in Charge, with Assistant Special Agents in Charge and Special Agents falling under his or her command. ALE is staffed by 114 sworn members as follows:

- 1 Director
- 1 Deputy Director for Law Enforcement Support Services
- 1 Deputy Director for Operations
- 1 Assistant Director for Professional Standards & Personnel Development
- 1 Assistant Director for Special Investigations
- 9 Special Agents in Charge
- 12 Assistant Special Agents in Charge
- 1 NC Boxing Authority Assistant Special Agent in Charge (receipt-based)
- 2 Special Agents assigned to State/Federal Task Forces
- 85 Special Agents for Field Enforcement*

*Thirteen (13) Special Agents are funded through a contract with the North Carolina Education Lottery for the purposes of lottery investigation and enforcement.



Providing administrative support for field personnel is essential to the efficient day-to-day operation of the Section. In addition to civilian office assistants assigned to field operations, civilian personnel staff positions in Bingo Licensing, the NC Boxing Authority, Tobacco Regulation, and Lottery Sections. Civilian employees are assigned as follows:

- 9 District Office Assistants
- 1 Bingo Licensing Administrator
- 1 Tobacco Enforcement Coordinator (receipt-based)
- 1 NC Boxing Authority Coordinator (receipt-based)
- 1 Accreditation Manager
- 2 Lottery Support Positions**
- 3 Headquarters Support Positions
- 18 Total Civilian Personnel

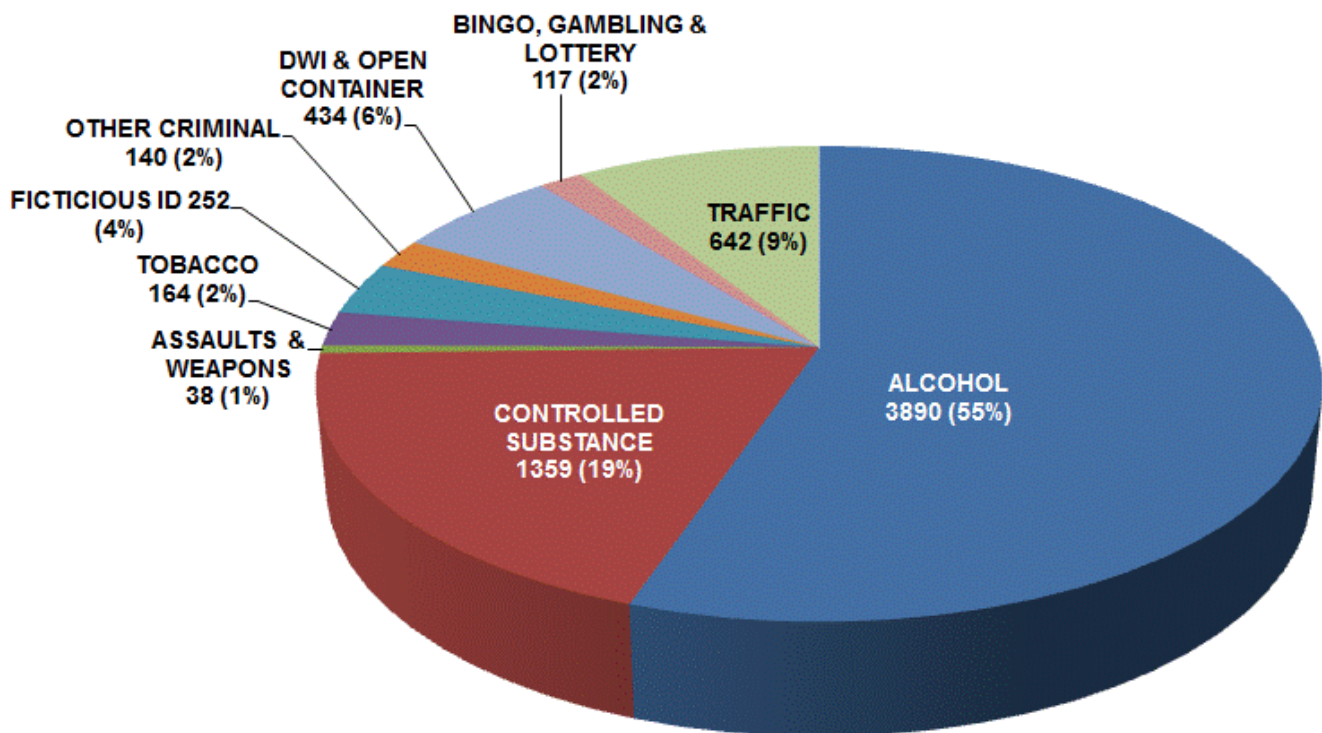
**Two (2) civilian positions are funded through a contract with the North Carolina Education Lottery for the purposes of lottery investigation and enforcement.

The Alcohol Law Enforcement Section's 2012 accomplishments illustrate we are an organization of remarkable people doing great things for the communities we serve. Statistically, we ended the year with excellent results which demonstrate our resolve to keep the citizens of North Carolina safe. Fundamental to our success is a sense of duty on the part of our personnel and a commitment to conduct ourselves in a way which does not discredit the employee, the agency, or the department. ALE is comprised of law enforcement professionals who are highly responsible and welcome a variety of challenges: assisting a federal task force in dismantling a violent street gang or illegal gun-running operation, working a special operation centered on stopping drug activity in a small town neighborhood, or responding to a long-term disaster recovery operation, are but a few examples.

In 2012, ALE agents opened 77 source investigations. ALE agents are routinely called upon by other law enforcement agencies across North Carolina as the lead agency in determining the source of alcohol purchase, possession involving underage, and the illegal activities surrounding alcohol sales.

In 2013, we remain steadfast in our resolve to partner with local, state, and federal law enforcement agencies to reduce violent criminal activities throughout North Carolina. The strategies we have implemented demonstrate ALE is committed to combating illegal activities associated with street gangs, guns, and drugs.

**2012 ARREST CHARGES
BY TYPE**



DISTRICT HIGHLIGHTS—DISTRICT I

The following summaries of investigations, cases, and events from 2012 exemplify the types of work ALE agents routinely carry out.

District I - Elizabeth City
Special Agent In Charge Gilmer P. Forbis

Counties: Bertie, Camden, Chowan,
Currituck, Dare, Edgecombe, Gates, Halifax,
Hertford, Hyde, Martin, Nash, Northampton,
Pasquotank, Perquimans, Tyrrell and
Washington.



District I agents conducted a source investigation following an alcohol-related motor vehicle accident involving a 13 year old driver. The agents identified the origin of the alcohol, located the illegal outlet, and arrested the proprietor for providing an alcoholic beverage to a person less than 21 and contributing to the delinquency of a minor.

Agents were contacted by HSI Investigators regarding a large shipment of powder cocaine being smuggled into the state from California. When the delivery location was moved from Williamston to Raleigh, District I agents partnered with agents from District IV to locate the individuals, interdict the shipment, and seize eight kilos of powder cocaine. Three suspects were arrested and indicted.

While working with an informant on an unrelated case, Special Agent Adam Boyd received information about a double homicide in Greenville. The lead led Special Agent Boyd and Greenville police to the suspect, resulting in a confession.



Eight kilograms of cocaine seized by Special Agents from ALE Districts I and IV.

Special Agent Steven Stile provided assistance to the Tyrrell County Sheriff's Office following an armed robbery at a BB&T Bank. Special Agent Stile followed up on leads, developed a suspect, and along with Special Agent Adam Boyd, applied for a court order to track the suspect's mobile phone. The agents developed and interviewed a witness who made contact with the suspect. With the help of the witness, the agents arrested the suspect, who confessed to the robbery and several other crimes.

District I agents saturated Rocky Mount during Operation Fall Harvest. In three days, agents served five search warrants and made 53 arrests on 200 felony narcotic offenses.

DISTRICT HIGHLIGHTS—DISTRICT II

District II - New Bern
Special Agent In Charge Diane J. Chapin

Counties: Beaufort, Carteret, Craven, Greene,
Jones, Lenoir, Pamlico, Pitt and Wilson.



On Tuesday, March 13, 2012, Special Agent Lauren Burch received information that Wildlife Officer Scott Strickland investigated a wildlife violation posted on Lejeune Yard Sales (an Internet website) where Joseph Winters had several deer mounts, a bear mount, and a .22 caliber rifle for sale. Officer Strickland met with Winters at his residence in Carteret County and issued Winters a criminal citation for the wildlife violations. Inside the residence, Officer Strickland observed the .22 caliber rifle, and later confirmed Winters was a convicted felon. Acting in an undercover capacity, District III Special Agent Kenny Simma contacted Winters regarding the rifle and inquired if the firearm was still for sale. Winters described the rifle and agreed to sell it and some ammunition. On Wednesday, March 14, 2012, Special Agent Burch executed a search warrant at Winters' residence with the assistance of ATF, Emerald Isle PD, and the Carteret County Sheriff's Office. Winters attempted to hide the rifle between two mattresses in a back bedroom. Winters was placed under arrest. ALE seized approximately 79.4 grams of marijuana, drug paraphernalia, ammunition, and the .22 caliber Interarms Rifle. ATF took possession of the firearm and charged Winters federally.



Sampling of narcotics and other items seized from Joseph Winters in Carteret County.

On August 4, 2012, Special Agent Rusty King assisted Washington PD with a drug investigation stemming from a probation search that yielded 1.5 pounds of marijuana. The probationer agreed to order an additional six pounds from his source. The source was stopped for a traffic violation when he entered Washington and the six pounds of marijuana were seized. The source admitted to having more marijuana in his apartment and a consent search yielded just over one pound of marijuana, three digital scales and other packaging supplies. He was charged with possession with intent to sell and deliver marijuana, maintaining a dwelling for controlled substance activity, and possession of drug paraphernalia.

DISTRICT HIGHLIGHTS—DISTRICT II

Special Agent Greg Murphy received information related to the production and sale of counterfeit goods in the New Bern area. A confidential source attempted to make a controlled purchase of counterfeit DVDs but was redirected to another supplier. After the informant made several purchases, agents executed a search warrant and seized approximately 1,100 counterfeit DVDs and CDs and computer equipment. The supplier was charged with felony possession with intent to sell unauthorized audio visual recordings. Agents later returned to the first supplier's residence and conducted a consent search that yielded 1,150 counterfeit movies and equipment. The supplier was charged with one count of possessing a machine to produce a counterfeit trademark and one count of possessing unauthorized video recordings.



Unauthorized DVD seized by District II agents. In total, over 2,000 illegal DVDs were confiscated.

In 2012, Special Agent Frank Huggins was assigned on a part-time basis to the US Marshals/ATF Task Force and another OCDETF task force to combat the increase in violent crime in Lenoir County. The task forces are staffed by the US Marshals Service, ATF, DEA, ICE, ALE, SBI, Kinston PD and Lenoir County Sheriff's Office. The task force has worked to improve the quality of life for the citizens of Lenoir County through overt enforcement and covert investigations with controlled purchases of narcotics and firearms from street level dealers to organized groups trafficking drugs and firearms. The successes of both task forces can be seen in the following measures: 452 felony charges; 146 misdemeanor charges; 87 arrests; 32 federal cases; 35 plus pending arrests; seizure of 16 vehicles and 47 weapons, including handguns, rifles and shotguns; seizure of 12,785 grams of controlled substances with a street value of \$790,195.00 (5,831 grams cocaine, 229 grams crack cocaine, 710 grams marijuana, 1,015 grams methamphetamine); and the seizure of \$143,393.00 in US currency.

A District II agent continues to work a two-year investigation involving diverted prescription medication (Oxymorphone, Oxycodone, Hydrocodone and liquid Hydrocodone). Leads indicated that a subject was selling the prescription drugs from his residence, and after several months of investigation and utilizing a confidential source, agents made a controlled purchase of prescription drugs from the residence. A later consent search of the residence revealed 150 pills of Oxycodone and Hydrocodone, which were seized. With the assistance of Wilson PD, the investigation expanded to five suspects who will be charged with various controlled substance offenses, to include sale, possession, and trafficking. This investigation has resulted in the seizure of 1,800 Schedule II dosage units and 8 bottles of liquid Hydrocodone, with a total street value of \$42,000. This case is pending federal adoption.

DISTRICT HIGHLIGHTS—DISTRICT III

**District III - Wilmington
Special Agent In Charge William I. Berryhill**

Counties: Bladen, Brunswick, Columbus,
Duplin, New Hanover, Onslow and Pender.



In April, 2012, ALE District III agents received information an Onslow County school teacher was providing alcoholic beverages to underage high school students and allowing the students to consume alcoholic beverages in her home. The investigation determined approximately 11 high school students consumed alcoholic beverages in the teacher's home over a seven month period. The teacher was charged with giving alcoholic beverages to underage persons and aiding and abetting underage persons in the possession and consumption of alcoholic beverages. She pled guilty in Onslow County District Court and resigned her position with the Onslow County School System.

On August 2, 2012, District III agents acted on a tip of a liquor still in Pender County. After locating the property and explaining the complaint to the property owner, a search of the house and grounds was conducted with the property owner's consent. In addition to six jars of non-tax paid liquor, a felony amount of marijuana was discovered, along with explosives, and approximately 60 firearms. A pot used to make non-tax paid liquor was discovered on the property as well. The property owner was arrested and charged with 13 misdemeanor charges and seven felony charges, and was jailed on a \$36,000 secured bond.



Weapons retrieved during the execution of a search warrant in Pender County.

On October 13, 2012, a District III ALE agent conducted a written inspection at an ABC licensed business in Whiteville whose ABC permits had been recently suspended for the possession of illegal pharmaceutical drugs. While conducting the inspection, the agent discovered 26 bottles of spirituous liquor on the premises, as well as \$2,179.85 in pharmaceutical drugs. The store owner store was arrested for operating an unlicensed pharmacy and placed in the Columbus County jail under a \$10,000 secured bond.

DISTRICT HIGHLIGHTS—DISTRICT III

On August 18, 2012, District III ALE was requested by NC Wildlife to assist with the stop of a 24-foot cabin cruiser along the New River in Onslow County, as the boat was emitting a strong odor of marijuana. Consent was received from the captain to search the vessel, and as a result, a quarter pound of marijuana was seized along with a stolen firearm, US currency, and packaging materials. The captain was arrested on drug and weapons charges and held in the Onslow County Jail.



ALE agents investigate crimes in a variety of locations, as evidenced by these items seized aboard a boat on the New River.

In January 2012, ALE District III agents began working with the Duplin County Sheriff's Office and ATF investigating a Hispanic gang selling firearms. A confidential informant advised the gang was sawing off barrels of shotguns and bragging about committing home invasions. An undercover law enforcement officer infiltrated the gang by posing as someone willing to pay to have a home invasion robbery committed on a residence. The undercover officer met with members of the gang on several occasions at ABC licensed outlets in Wilmington. During the meetings members of the gang brandished weapons and threatened to kill law enforcement officers if they became involved. In March, 2012, investigators arrested all eight members of this group. Search warrants were executed on two residences in Mt. Olive, NC, where ammunition and multiple firearms, including sawed off shotguns, were seized. The suspects have been charged with a variety of federal weapon and drug offenses, as well as violations of the Federal Hobbs Act.

DISTRICT HIGHLIGHTS—DISTRICT IV

District IV - Raleigh
Special Agent In Charge Jeffrey L. Lasater

Counties: Chatham, Durham, Franklin,
Granville, Johnston, Orange, Person, Vance,
Wake and Warren.



From March 26 through March 29, 2012, District IV agents partnered with members of the Henderson Police Department to conduct a Community Revitalization Project in the city. Special Agent Tony Mills coordinated the operation, a three day event during which 159 persons were charged with 211 total charges, including 51 drug charges and 24 orders for arrest. A search warrant was executed during the operation which resulted in multiple arrests for sales and possession of heroin.

In 2012, District IV agents conducted investigations related to the illegal manufacturing of alcoholic beverages. Responding to complaints from the community as well as developed information, Agents detected 10 illegal distilleries during the year, charging 10 people with 38 criminal violations. A total of 10,592 gallons of mash valued at \$35,205.00 and 473 gallons of non-tax paid liquor valued at \$10,600.00 were seized during the investigations.

In February, 2012, Special Agent Aaron Woodlief served search warrants at two locations in Stem, where complaints had been received alleging illegal gambling and intoxicated drivers leaving the premises. Both the property owner and the operator of the poker games were charged with multiple gambling offenses. Five other employees of the business were charged with operating games of chance, and 27 patrons were charged with gambling. A total of \$25,653.00 and various gambling paraphernalia were seized as a result of the search warrants.



Illegal distillery discovered during an ALE District IV investigation in 2012.

ALE District IV agents partnered with local agencies to continue community betterment initiatives in Durham in 2012. In April, ALE, Durham PD and Durham ABC served seven search warrants at businesses purchasing stolen goods. Ten people were charged with 25 felony and 44 misdemeanor charges. Items seized during the investigations included 24 firearms, a motor

DISTRICT HIGHLIGHTS—DISTRICT IV

vehicle, more than \$14,000.00 in US currency, stolen items, counterfeit merchandise and drug paraphernalia. Violation reports were submitted to the ABC Commission detailing the charges against the establishments. In a follow-up investigation, Special Agent Mike McKeithan arranged for the sale of approximately \$100,000.00 worth of cigarettes represented as stolen, resulting in three felony charges and \$33,922.00 seized from the buyer. In November, the same agencies partnered to serve three search warrants at different businesses suspected of purchasing stolen goods. Three persons were charged with 45 charges related to receiving and possessing stolen goods.

District IV agents conducted approximately 20 source investigations in 2012. One of the most notable occurring on January 7, when two teenagers, 16 and 17 respectively, were involved in a motor vehicle accident in which one died. The investigation determined the teens had been consuming alcoholic beverages prior to the accident. Special Agents Kyle Barbee and Wayne Bissette initiated a source investigation, and through multiple interviews they learned the teens and two other underage persons had obtained two bottles of spirituous liquor from an unknown male at an ABC Store in Raleigh. Through the investigation, the agents were able to identify the seller who was subsequently arrested and charged with four counts of aiding and abetting underage alcohol consumption. They also learned the teens had attended a party where they consumed some of the spirituous liquor they had purchased. Agents identified the 18 year old host of the party and charged her with two counts of aiding and abetting underage persons in possessing alcoholic beverages. Two other underage persons were also charged during the investigation. ALE received significant media coverage as a result of the investigation and subsequent arrests.

DISTRICT HIGHLIGHTS—DISTRICT V

District V - Fayetteville
Special Agent In Charge David O. Williams

Counties: Cumberland, Harnett, Hoke, Lee, Montgomery, Moore, Richmond, Robeson, Sampson, Scotland and Wayne.



In February, District V agents responded to a complaint and request for assistance from the Robeson County District Attorney's Office regarding an organized dog fighting event scheduled to take place in Robeson County, with spectators and participants from multiple states. Agents began 24-hour surveillance of the location to procure evidence of the crime and provide probable cause for a search warrant. The operation included 90 law enforcement officers and agents from multiple federal and state agencies as well as members of the Atlanta Humane Society. Agents executed the search warrant just as the dog fight was beginning, arresting 27 people as they attempted to flee the scene of the crime. Agents seized multiple weapons, 234 grams of marijuana, and over \$43,000.00 in cash. In addition, 22 dogs, many of whom had serious wounds, scars and injuries from current and previous fights, were rescued and turned over to the Humane Society. The US Attorney's Office adopted the case for federal prosecution.



Two of the 22 fighting dogs rescued during an operation led by ALE District V agents.

Agents in District V utilized their investigative skill to successfully complete two source investigations in 2012. Both motor vehicle collisions resulted in the death of underage persons who had been consuming alcohol. The results of the investigations were turned over to the Robeson and Sampson county District Attorney's Offices, and resulted in those responsible for providing the alcohol to the underage person being charged and criminally prosecuted.

During 2012, agents continued to focus on problem ABC licensed establishments in Cumberland, Richmond and Wayne counties which were the source of violent crimes such as homicides, shootings, stabbings and fights. The violence at these establishments negatively affects the quality of life of the citizens in these communities, and these businesses were the source of over 1,000 combined calls for service to law enforcement, placing a tremendous

DISTRICT HIGHLIGHTS—DISTRICT V

burden and strain on local law enforcement agencies. Agents focused enforcement efforts on these locations resulting in emergency summary suspensions (injunctions) being issued against three establishments by the ABC Commission.

In May, District V agents concluded a long term investigation into a high stakes illegal gambling and drug operation in Moore County. Agents charged 20 people with 31 criminal charges including trafficking in cocaine, trafficking in opium, possession of drugs, possession of narcotics and drug paraphernalia, operating a game of chance and gambling. Agents seized 35 grams of cocaine, \$60,000.00 in US currency, 4.8 grams of opiates, 7 grams of marijuana and various items of gambling paraphernalia.

In June, District V agents closed the investigation of a commercial size illegal liquor manufacturing operation in Sampson County. Agents located a 1,000 gallon cooker and approximately 4,000 gallons of mash ready for processing during a search of the manufacturing facility, which was equipped with a forklift and floor jacks to move the thousands of pounds of sugar used to manufacture the liquor. Agents charged the owner/operator with four alcohol manufacturing and possession offenses.



Agents in ALE District V closed a high stakes gambling and drug ring in Moore County, charging 20 people.

DISTRICT HIGHLIGHTS—DISTRICT VI

District VI - Greensboro
Special Agent In Charge Rodney T. Beckom

Counties: Alamance, Caswell, Davidson,
Davie, Forsyth, Guilford, Randolph,
Rockingham and Stokes.



After a nearly eight month investigation, District VI agents and the Stokes County Sheriff's Office identified targets involved in a cocaine and methamphetamine network operating inside the county. Investigators began an intense surveillance and undercover effort which ultimately resulted in DEA involvement and three search warrants. The investigation is still evolving and more arrests and seizures are expected. To date, five suspects have been arrested on 17 felony drug charges, including nine trafficking charges for cocaine, methamphetamine, and marijuana. Agents seized eight pounds of marijuana, 280 grams of cocaine, 112 grams of methamphetamine and over \$15,000 in US currency. Agents also seized 62 gallons of non-tax paid liquor and recovered a stolen ATV.



Agents seized 62 gallons of non tax-paid liquor in Stokes County as part of a joint investigation with the Sheriff's Office.

During the first quarter of 2012, District VI coordinated a community betterment initiative in Davidson and Guilford counties by partnering with local police in Thomasville and High Point to address known drug targets and locations in neighborhoods around the two cities. Agents organized and implemented multiple phases of enforcement which allowed for the execution of four search warrants (three in Thomasville and one in High Point) and the arrest of eight subjects on 20 criminal controlled substance charges. Agents also seized over 170 grams of controlled substances such as marijuana, cocaine, oxycodone, as well as US currency. Agents made an additional arrest during surveillance at a licensed outlet, resulting in drug trafficking charges and the seizure of 81.26 grams of cocaine, and over \$2,000.00 in US currency.

During the first quarter of 2012, District VI agents concentrated efforts on a problem ABC licensed outlet in Greensboro and illegal liquor houses in Alamance and Randolph counties. Agents partnered with the sheriff's deputies and police to address citizen complaints

DISTRICT HIGHLIGHTS—DISTRICT VI

regarding these violent and illegal outlets. Agents executed a search warrant in Alamance County that resulted in four arrests and nine criminal charges. In Asheboro, agents executed a search warrant that resulted in eight arrests on 12 criminal charges. Collectively, agents seized over 2,000 liters of malt beverages, nearly 30 liters of spirituous liquor, cocaine, marijuana, and US currency. The licensed outlet in Greensboro was raided after an extensive undercover operation, resulting in the arrest of seven subjects, including the manager and several employees, on multiple felony drug and alcohol charges. Agents seized over 38 grams of cocaine, marijuana, drug paraphernalia, and US currency, and the outlet was shut down.

District VI agents combined resources with Thomasville police during a four month mid-level drug investigation in Davidson County. Agents conducted an extensive undercover and surveillance operation to investigate multiple drug networks operating in communities within the city of Thomasville. This initiative resulted in 51 indictments. In December, ALE agents, along with several local and federal agencies, initiated the apprehension phase of the long term effort. Eleven search warrants were executed and over 45 targets arrested on over 240 criminal drug charges. ALE seized large amounts of marijuana and trafficking amounts of cocaine and prescription medications.



A cooperative effort in Davidson County led to the arrest of 45 members of drug networks operating in Thomasville, NC.

In May, District VI agents completed a goal-related investigation at a local Internet sweepstakes business in High Point. Agents worked the alcohol and drug investigation with assistance from local agencies. ALE conducted surveillance, intelligence acquisition and undercover operation phases throughout the investigation. The effort concluded with the execution of two search warrants, yielding two arrests on 17 charges, including trafficking in marijuana. Agents seized over 12 pounds of marijuana, three vehicles, over \$12,900 in US currency, non-tax paid liquor, and drug paraphernalia.

DISTRICT HIGHLIGHTS—DISTRICT VII

District VII - Conover

Special Agent In Charge Samuel D. Ashley

Counties: Alexander, Alleghany, Ashe, Avery, Burke, Caldwell, Catawba, Cleveland, Iredell, Lincoln, Surry, Watauga, Wilkes and Yadkin.



On January 20 and 21, 2012, Special Agent Bobby Crumpler conducted Operation Red Solo Cup, an initiative to conduct covert surveillance at ABC licensed outlets to detect violations and gather intelligence related to who, when and where kegs of beer were being sold and to follow the transportation of those kegs back to locations where selling without permits was suspected. The second part of the operation was designed to assist Boone police with complaints of house parties where underage persons were in possession of and consuming alcoholic beverages. This operation resulted in 28 arrests on 34 charges.

On June 27, 2012, Special Agent Jonathan Marley concluded an investigation involving an indoor/outdoor marijuana grow operation in Wilkes County. Based on intelligence gathered from a confidential source, rural surveillance revealed marijuana growing in an open area near an outbuilding. The outbuilding was wired and equipped with electricity and climate controlled equipment. A search warrant was issued and the subsequent search revealed 70 potted marijuana plants in the building. Two arrests were made on three felony charges.

On January 25, 2012, a joint undercover investigation between the Alleghany County Sheriff's Office and District VII agents led to the execution of a search warrant at a business in Sparta that was operating under a sub-lease and selling alcoholic beverages without proper ABC licensing. Three arrests were made the night the search warrant was executed on charges of possession with intent to sell and deliver Alprazolam pills, possession of Roxycodone, Oxycontin and Oxycodone pills, possession of marijuana, possession of drug paraphernalia, one count of selling alcoholic beverages without a permit and two counts of possessing alcoholic beverages without permits. Additional charges were filed on three other individuals for selling alcoholic beverages without permits and possessing alcoholic beverages for sale without permits.



Marijuana plants discovered in Wilkes County during an indoor/outdoor grow investigation.

DISTRICT HIGHLIGHTS—DISTRICT VII

On August 11, 2012, District VII agents worked in conjunction with members of other ALE districts, deputies from the Avery and Watauga County Sheriff's Offices, and Beech Mountain and Banner Elk Police Departments on a three-day mobile enforcement operation in Beech Mountain. The "Festival of Gnarnia" music festival attracted approximately 5,000 people from across the nation. At the conclusion of the event, a total of 108 people had been arrested on 258 charges, many of which were related to felony controlled substance trafficking. During the event, several people were transported by EMS for overdose complications. A search warrant served at a dwelling occupied by several concert attendees revealed numerous illegal narcotics.



Sampling of the controlled substances seized by agents during the "Festival of Gnarnia" music festival in Beech Mountain, NC.

In April, Special Agent Matt Stemple concluded a five month investigation of an ABC licensed business, Thee Playhouse, that began following a death at a nearby hotel. Information from local law enforcement indicated the deceased had previously been at Thee Playhouse and while there had consumed illegal prescription narcotics. Utilizing undercover agents from ALE District VIII, Agent Stemple began an undercover operation purchasing illegal prescription narcotics at the licensed outlet. Eleven people were arrested on felony controlled substance charges as well as other criminal and ABC violations.

DISTRICT HIGHLIGHTS—DISTRICT VIII

District VIII - Charlotte
Special Agent In Charge John R. Griffin

Counties: Anson, Cabarrus, Gaston,
Mecklenburg, Rowan, Stanly and Union.



District VIII agents came together as a team to work concerts, NASCAR races, street festivals and other similar events on nearly a monthly basis in 2012, with an emphasis on underage possession and consumption of alcoholic beverages and the controlled substance laws. During 11 events in 2012, agents charged 378 people.

In April, Special Agents Robbie Huneycutt, Scott Minderlein and Chris Klutz assisted Homeland Security Investigations with a controlled delivery of marijuana from Mexico to Charlotte. Over 3,000 pounds of marijuana were discovered concealed inside farm equipment as it was transported by tractor trailer over the Mexican border, destined for Charlotte. Agents assisted with continuous surveillance for a period of eleven days as the shipment was delivered and dismantled. The marijuana was concealed in three different farm cultivators. A total of nine drug smugglers were indicted by a federal grand jury. Seizures included 3,168 pounds of marijuana, two kilos of cocaine, and approximately \$200,000.00 in US currency.



A portion of the 3,168 pounds of marijuana that had been concealed inside farm equipment shipped from Mexico to the US.

In March, Special Agent Logan Shoaf assisted Homeland Security Investigations with a drug smuggling investigation. HSI Agents in Laredo, Texas, detected a tractor trailer shipping a load of jalapeño peppers from Mexico to Charlotte. Bundles of marijuana were concealed within the load of peppers. Agents performed a controlled delivery of the shipment to an address in Charlotte. Agents Shoaf and Mark Lesassier from ALE District VII provided surveillance of the controlled delivery of 3,310 pounds of marijuana. Agents Shoaf and Lesassier captured video and audio evidence of the transaction and assisted with the identification and arrests of numerous subjects involved in the trafficking operation.

A photograph showing various pieces of laboratory equipment and supplies. On the left is a large yellow plastic jerrycan with a black handle. Next to it is a blue bucket filled with water and some white plastic bottles. In the center is a blue rectangular container with the word 'GROWIN' printed on it. To the right is a green plastic crate containing several white plastic bottles. In the foreground, there is a clear plastic bottle with a yellow label, a glass graduated cylinder, and a small black container. The items are arranged on a light-colored surface.

Methamphetamine components seized by ALE agents under their purview of Chapter 90 of the NC General Statutes.

DISTRICT HIGHLIGHTS—DISTRICT IX

District IX - Asheville
Special Agent In Charge David P. Hales

Counties: Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania and Yancey.



Pursuant to an investigation that started with an arrest for possession of three ounces of marijuana, Special Agent Web Corthell targeted a Hispanic male suspected of dealing in cocaine. The subsequent investigation resulted in an arrest for possession with intent to sell or deliver cocaine, and the seizure of five grams of cocaine and \$1,343.00 in US currency.

Special Agent Travis Campbell concluded the investigation of a repeat offender who sold methamphetamine multiple times and cocaine. Following an investigation and the service of a search warrant, the suspect was charged as a habitual felon.

Special Agent Dave Miller assisted NCSHP with a traffic stop involving two suspects with terrorist associations. Agent Miller contacted HSI in Henderson County and was assisted with the execution of a search warrant on the two suspects for counterfeit goods. Information from the traffic stop was forwarded to FBI terrorism task force.

Special Agent Antwan Happoldt conducted a source investigation in McDowell County where six underage people were injured in a single vehicle traffic accident. Two of the injured were paralyzed and another is recovering from internal injuries. Information developed during the investigation indicated a parent of one of the injured may have provided the alcohol. Agent Happoldt obtained surveillance video from the Marion ABC Store and used the video to determine the identity of the suspected parent provider.



ALE agents routinely investigate traffic accidents suspected to be alcohol-related, including this one in McDowell County.

Special Agent Scott Ogle investigated a non tax-paid liquor distillery case in Jackson County that resulted in one arrest and a seizure of a large quantity of distillery parts including a complete still. Several large bags of sugar and containers along with 24.5 gallons of non tax-paid liquor were also seized.

FUGITIVE APPREHENSION STRIKE TEAM

ALE's Fugitive Apprehension Strike Team (FAST) was assembled at the direction of the Department of Public Safety Secretary's Office in April of 2012 following a report from the Division of Adult Correction that identified approximately 14,000 probation and parole absconders in North Carolina. The primary mission of the 13-member FAST team is to locate and arrest the most violent absconders in order to ensure the safety of the citizens of North Carolina. A secondary mission of FAST is to locate and arrest offenders who have active arrest warrants or Orders for Arrest as requested by law enforcement agencies in various jurisdictions in North Carolina. FAST members have been very successful at fulfilling both missions.



FAST members have utilized a variety of methods to locate and arrest absconders including vehicle pursuits, foot chases, vehicle stops, search warrants on residences, surveillance in woods, and tracking in thick woodlands. FAST has been successful using traditional and non-traditional investigative techniques including covert surveillance, interviews, and utilizing confidential human sources.

In 2012, FAST arrested 85 violent absconders, the majority of whom have been actively hiding or frequently moving to avoid being captured by law enforcement. Of those 85, 28 have had additional outstanding warrants that FAST members were able to resolve.

FAST has been requested by local, state, and federal law enforcement agencies to assist with the secondary responsibility of locating and arresting subjects with active arrest warrants or orders for arrest. In addition, FAST partnered with the Department of Public Safety's Division of Juvenile Justice in May and again in August to locate five juveniles who escaped from two separate juvenile detention centers across the state. In September, the Division of Adult Correction utilized the FAST team to locate and apprehend an escapee from Tillery Correctional Center who was serving three consecutive life sentences for robbery and murder.

SPECIAL OPERATIONS GROUP

The presence of a specially trained and highly skilled team of law enforcement officers has been known to substantially reduce the risk of injury or loss of life to citizens, police officers, and suspects when conducting unusually dangerous and high risk law enforcement operations such as raids, arrests, search warrants, and critical incidents in high crime communities or locations where recurring acts of violence present a clear danger. With this in mind, the Alcohol Law Enforcement Section created the Special Operations Group (SOG), a select group of self-motivated and highly-skilled ALE special agents who are specifically trained for and equipped to substantially reduce the risks associated with high risk enforcement operations in support of ALE field districts and other law enforcement agencies.



The ALE Special Operations Group is a fifteen member team which consists of a special agent in charge (team leader), assistant special agent in charge (assistant team leader), special agent tactical EMT medic, and 12 special agent operators. SOG members serve in an on-call capacity for state-wide district operations in addition to completing their full time duties as ALE special agents. Many also serve on additional specialized teams with advanced training such as the Fugitive Apprehension Strike Team (FAST), the Technical Surveillance Unit (TSU), the Polygraph Unit, and in the Tactical EMT Medics program. SOG members train together as a team once a month in advanced and specialized disciplines such as precision marksmanship, tactical movement, high risk building entries, building breaching, arrest warrant service and vehicle assaults to extract suspects or rescue a fellow agent held hostage in a vehicle during an undercover buy. SOG also trains in specialized urban and rural surveillance, man tracking, and advanced techniques for operational planning.

The primary objective of SOG is to support ALE district operations across the state. SOG's surveillance and intelligence gathering techniques provide case agents with information essential to further develop operational plans. Their building entry, vehicle assault procedures, and physical security protocols enable other law enforcement professionals and ALE special agents to operate within a secured environment within high crime and violent communities. By adding the SOG team to the execution of search and arrest warrants, police officer and special agent safety risks are minimized while the seizure of strong case evidence is maximized.

In 2012, SOG augmented ALE district operations by conducting 13 missions across the state in crime-ridden communities where extreme violence occurred on a regular basis. SOG members also provided additional tactical training to district personnel. At their request, SOG also assisted ATF and HSI with two high risk searches and apprehensions.

DEMOCRATIC NATIONAL CONVENTION

From September 1 through September 7, 2012, 83 ALE special agents served the nation and the state at the 2012 Democratic National Convention in Charlotte, NC. Due to ALE's overt and covert expertise in working within large crowds during festive events and prior dignitary protection assignments with federal and state law enforcement partners, the Charlotte Mecklenburg Police Department and the United States Secret Service requested ALE's assistance. Seventy-five percent (75%) of ALE's sworn members were committed to ensure the safety of the public for this event.

ALE Headquarters staff and District VIII supervisory personnel participated in numerous planning and preparation meetings during the months leading up to the event. In July, District VIII ASAC Stacy Cox was assigned full time to the Charlotte Mecklenburg Police Department Intelligence Unit in preparation for the convention. ASAC Cox attended meetings, coordinated and vetted intelligence and possible threats, provided daily briefings to ALE members, and coordinated event assignments to include travel and lodging for the ALE special agents assigned to the convention.



ALE was one of many federal, state and local agencies to provide security at the DNC in 2012.

ALE special agents partnered with the FBI, SBI, ATF, and USSS, and worked in capacities which included but were not limited to: dignitary protection, including the convention arena, presidential and vice presidential motorcades; covert surveillance; protective intelligence; and coordinating intelligence and investigations from the central command post.

OFFICE OF SPECIAL INVESTIGATIONS

Charged with conducting complex civil investigations, the ALE Office of Special Investigations helps North Carolina law enforcement agencies (including police departments, sheriff's offices, and district attorneys) in targeting, investigating, and filing civil lawsuits against property owners who allow public nuisances to exist on their property. When local law enforcement lacks the resources or experience in nuisance cases, ALE sends special agents, upon request, to any part of the state to provide technical assistance initiating nuisance abatement investigations. After prosecuting attorneys determine sufficient evidence exists, a nuisance abatement lawsuit, prepared by ALE personnel, will be filed on behalf of the state. ALE personnel provide technical assistance for the duration of the litigation. In short, ALE is an all-inclusive resource for North Carolina law enforcement agencies to permanently eliminate havens for criminal activity.

Nuisance abatement investigations are not initiated to prove property owners, both commercial and residential, are guilty of illegal activity. Rather, the investigations are designed to show land owners allowed illegal activities on their property. Lawsuits are filed when property owners fail to make reasonable attempts to stop illegal activities. Through a streamlined, collaborative effort of local law enforcement agencies and district and city attorneys, a number of problem properties have been cleaned up throughout the state. In several areas of North Carolina, the specter of nuisance abatement lawsuits brought by local governments has communicated loud and clear that property and business owners are being held accountable and will no longer profit from their patrons' or their own unsavory conduct.

In 2012, North Carolina law enforcement agencies requested ALE nuisance abatement assistance 13 times. Three of those requests culminated with the filing of nuisance abatement lawsuits. The state prevailed in all three actions. In one case, a defendant property owner was ordered to demolish a mobile home which was used in excess of 20 years by a family to conduct their illegal activities. Two other cases were successfully resolved when property owners, after receiving notices to abate, took steps to eliminate illegal activities on their property.

In addition to overseeing civil nuisance abatement investigations, the ALE Office of Special Investigations manages activities of special agents assigned to multijurisdictional law enforcement task forces. Most multijurisdictional task forces are led by federal agencies partnering with state and local law enforcement departments. The Alcohol Law Enforcement Division provides resources to



*Iredell County mobile home before court-ordered demolition.
This structure was used for illegal activities for over two decades.*

OFFICE OF SPECIAL INVESTIGATIONS

federal agencies including the FBI, DEA, the Department of Homeland Security, the U.S. Marshal Service, and the North Carolina Secretary of State. ALE Special Agents serving in multijurisdictional task force assignments assist with controlled substance investigations, illegal firearms investigations, street gang investigations, and counterfeit merchandise investigations.

The sale of counterfeit merchandise exacts a heavy toll on intellectual property rights, adversely impacts profits for legitimate businesses, results in lost tax revenues, and adversely impacts public safety. Often, organized crime syndicates are financed by proceeds from the sale of counterfeit merchandise. During 2012, ALE special agents assigned to multijurisdictional task forces participated in investigations targeting counterfeit merchandise including footwear, NFL jerseys, and a unique automotive commodity. Automotive industry reports indicate due to the high replacement cost of authentic airbags, the counterfeit airbag industry is mushrooming and becoming an increasing public safety concern. In August, ALE special agents assisted in an investigation which resulted in the seizure of more than 1500 counterfeit airbags valued at \$1,968,000.00. One person was arrested.



Counterfeit automobile airbag seized in Mecklenburg County.

Operation Wipeout is one component in the effort to reduce violent crime in eastern North Carolina. In early 2012, ALE special agents assigned to a multijurisdictional task force responded to complaints of felons in eastern North Carolina possessing firearms. Searches at two homes resulted in the seizure of 17 handguns, 7 shotguns, and 7 rifles. Several people were arrested on various federal firearms charges.

Throughout 2012, ALE worked with the U.S. Marshal Violent Fugitive Multijurisdictional Task Force targeting street gang members and distribution of controlled substances in eastern North Carolina. This collaborative effort resulted in more than 250 arrests and the seizure of controlled substances with a value of more than \$765,900.00. Nearly 100 handguns were seized.

Another eastern North Carolina operation focused on ALE personnel assisting the Bureau of Alcohol, Tobacco, Firearms, and Explosives during an operation targeting powder cocaine brought to North Carolina from New Mexico. The operation resulted in the seizure of eight kilograms (over 15 pounds) of powder cocaine and three arrests. The estimated value of the seizure was \$240,000.00.

OFFICE OF SPECIAL INVESTIGATIONS

In the Charlotte area, ALE provided resources to the Department of Homeland Security in two major operations which resulted in the seizure of more than 5 pounds of crystal methamphetamine. At least two people were arrested. Two other investigations culminated with the seizure of 6,000 pounds of marijuana and 2 kilograms (over 4 pounds) of cocaine. At least nine people were arrested. The marijuana was hidden in metal construction barrels.

Led by the FBI, an ALE special agent is assigned to the Safe Streets multijurisdictional task force. During March 2012, ALE personnel played a pivotal role in this task force seizure of more than 15 firearms and 7,000 rounds of ammunition from a home in Person County. Some of the weapons seized were fitted



Metal construction barrels used to conceal marijuana. 6,000 pounds of marijuana were seized.

with sound suppressors and others were illegally modified to continually fire with one trigger squeeze (fully automatic). One person, a convicted felon known as “a major weapons dealer” and reputed for selling firearms to street gang members, was arrested. He faces a minimum sentence of 170 years in federal prison.

Other significant operations in the triangle area were supported by ALE personnel assigned to a Drug Enforcement Administration multijurisdictional task force. These particular investigations resulted in a combined seizure of 27 kilograms (over 55 pounds) of cocaine valued at more than \$875,000.00. Six people were arrested.

During 2012, the Office of Special Investigations continued providing assistance to the North Carolina ABC Commission investigating complaints against employees of local ABC systems. One investigation focused on the alleged theft of liquor by employees. During an interview, the manager, whose employment had been terminated, confessed to engaging in unseemly conduct with female patrons in exchange for free liquor products. The investigative report is being reviewed by the district attorney. A second investigation centered on a local ABC Board misusing credit cards and awarding no-bid contracts for services. Other allegations include secretly held board meetings and the system manager intentionally altering board meeting minutes. This particular investigation is on-going. In late 2012, the ABC Commission requested ALE to conduct an investigation into an allegation of embezzlement of money from a small ABC system in the Triad area.

PROFESSIONAL STANDARDS AND DEVELOPMENT

The Alcohol Law Enforcement Section continues to expect and demand that our personnel be professional and accountable for their actions. In 2012, the Professional Standards and Personnel Development Unit investigated 20 internal inquiries or investigations, a decrease of 20% from 2011. A continued emphasis on professionalism and customer service, combined with the agents' understanding of the importance of taking the agency to a higher level, played a role in the decreased number of complaints. Agents realize that internal investigations are necessary to maintain and improve accountability, and having a fair system in place instills pride and professionalism among Division personnel. We believe this standard ensures that ALE continues to provide the highest quality service to North Carolina citizens.

This year, the Section transitioned from an ALE Basic School to an ALE Training Academy with an emphasis on advanced techniques and training curriculum aimed at reducing redundancy from BLET and to stress the core mission of ALE agents. This approach led to twelve weeks and over 450 hours of specialized training which helped prepare new agent trainees for immediate acclimation into their roles as special agents. The 28th ALE Training Academy graduated eight special agents on November 2, 2012.

During 2012, each special agent completed 39 hours of training mandated by the North Carolina Education and Training Standards Commission, the Commission on Accreditation for Law Enforcement Agencies (CALEA), and the Occupational Safety and Health Administration (OSHA).

In addition to the mandated annual training, special agents attended other training: field intelligence, surveillance/countersurveillance, building entry, rapid deployment, and TASER, just to name a few. ALE special agents are encouraged to continue expanding their knowledge through utilizing resources at local community colleges and the NC Justice Academy.



Graduates of the 28th Alcohol Law Enforcement Training Academy.

ACCREDITATION

The Alcohol Law Enforcement Section believes that accreditation is a continual process, essential to setting and maintaining the high level of law enforcement service and professionalism owed to the citizens of North Carolina. It is the responsibility of the accreditation office to ensure that professionalism and integrity run as parallel threads in every component of the Section.

ALE is working toward our fourth accreditation award, having received Advanced Accreditation with Excellence from the Commission on Accreditation for Law Enforcement Agencies (CALEA) in July 2011. In addition, ALE provided accreditation expertise and assistance to numerous local law enforcement agencies during the 2012 calendar year. ALE's Accreditation Manager was selected by CALEA to assess the New Hampshire Liquor Commission's Bureau of Enforcement in their quest for accredited status.

In conjunction with accreditation duties, the accreditation office is responsible for the compilation of annual analyses for the Section's high liability areas, including but not limited to uses of force, grievances, internal affairs investigations, and the Section's internal personnel early warning system. These analyses serve as a check and balance to ensure that the Section is serving the general public and the members of the agency with professionalism, integrity, and consistency.

ALE's seven-member polygraph unit is responsible for conducting all of the Section's pre-employment and administrative (IA) polygraph examinations. Upon request, the examiners also conduct criminal and administrative polygraph exams for other law enforcement agencies. In July of 2012, ALE became the fifth state and/or local law enforcement agency in the United States and the first agency in North Carolina to achieve national accreditation through the United States National Center for Credibility Assessment (NCCA).

In 2012, ALE examiners conducted a total of 65 polygraph examinations, including 61 pre-employment examinations (56 for ALE and five for Butner Public Safety). Of the 56 examinations conducted for ALE, only 33 applicants moved forward to the next phase of the application process. In 2012, ALE examiners conducted six specific issue examinations related to internal affairs and/or criminal investigations involving law enforcement and correctional officers.



Members of the Alcohol Law Enforcement Section Polygraph Unit.

NORTH CAROLINA BOXING AUTHORITY

The Boxing Authority regulates all professional boxing matches, toughman, amateur and professional mixed martial arts (MMA) matches, and professional kick boxing events. Pursuant to 14A NCAC 12.0404, the Boxing Authority is assigned the task of assuring all fighters receive a blood test every 180 days for Human Immunodeficiency Virus (HIV), Hepatitis B surface antigen and Hepatitis C antibody. Fighters are also required to take a dilated eye exam every 12 months. These tests are required by the North Carolina Boxing Authority and no fighter is allowed to participate in any sanctioned combat sport without being tested. All tests must be submitted, reviewed and approved by the Boxing Authority. Approved testing allows a fighter to compete in a sanctioned combat sport, lessening the spread of these diseases to the other fighters, fighter's family members, boxing representatives, and spectators.



Well-trained officials not only protect the integrity of sanctioned events, but the safety of the participants as well.

2012 was a busy year protecting the safety and welfare of all fighters in these sports. The Boxing Authority issued over 1,500 licenses to promoters, matchmakers, managers, cornermen, judges, referees, timekeepers, announcers, and fighters. The Boxing Authority maintains records on over 10,000 amateur and professional fighters.

During 2012, the Boxing Authority worked 68 sanctioned events. MMA events continued to be most popular, accounting for more than 70% of the events. In February, the Boxing Authority sanctioned a "Fight Night for Kids" charity benefit boxing event in Charlotte attended by Roberto Duran and Sugar Ray Leonard. The Boxing Authority also regulated the first XFC live show in Charlotte with Nick Newell.

Through the assistance of District VI, Special Agent Eric Hill assisted the Boxing Authority with stopping an illegal toughman man event at the Inferno night club in Guilford County. An illegal MMA event at the Long Branch located in Wake County was also stopped.

The Boxing Authority employs more than 30 civilians as boxing/MMA judges and referees, and twelve inspectors. Six ALE agents are trained to assist and serve as Boxing Authority representatives in the field. These representatives, along with all judges and referees, have taken a special judges and referee course. These certification courses are given in January and all officials must re-certify each year with a minimum score of 80 percent.

The Boxing Authority strives to keep their officials well-educated and the fighters and the spectators safe. The Boxing Authority remains vigilant in working with citizens throughout the great state of North Carolina in making this sport safer one fight at a time.

BINGO LICENSING

The Alcohol Law Enforcement Bingo Licensing Section is responsible for the regulation of non-profit bingo operations throughout North Carolina. This responsibility includes the processing of applications to conduct non-profit bingo operations and the issuance of an annual license to operate bingo games.

In 2012, the Bingo Licensing Section processed over 185 bingo licenses. In addition to the issuance of each license, the section also conducts an annual audit of each licensee, including a review of all operational reports, and a thorough examination of the distribution of bingo proceeds. These audits ensure each licensed bingo organization is in compliance with North Carolina General Statutes and that gaming participants are afforded fair gaming opportunities. In 2012, non-profit bingo operations in North Carolina receipts are projected to be in excess of 17 million dollars with over 1.4 million dollars donated to charitable organizations.

Over the past year, more than 1,000 phone inquiries from license holders, the general public, and local law enforcement were fielded by the Bingo Licensing Section and over 100 bingo-related complaints were investigated.

In addition to the responsibilities set forth by statute, ALE is also the lead state agency for tobacco enforcement. This designation came as a result of Executive Order 123 signed by former Governor James B. Hunt. It is part of ALE's core mission to keep age-restricted tobacco products out of the hands of minors. To accomplish this goal, ALE combines merchant education with a compliance check program.

In 2012, ALE special agents and minors conducted 1,329 state tobacco compliance checks, detecting 164 illegal sales for a 12.3% non-compliance rate, well within the State non-compliance goal of 20% or less. During 2012, ALE continued to award an incentive, a lapel pin and thank you card, to retail clerks that did not sell tobacco products to the minor during tobacco compliance checks. The lapel pin carries the message "Kids Can't Buy 'Em Here" and "I didn't sell." The pin serves as a reminder to check purchaser identification during sales of tobacco and other age-restricted products. Special agents distributed 657 awards during this year and have awarded more than 2,900 lapel pins since their introduction last year.

Also during 2012, the Food and Drug Administration (FDA) commissioned and trained 67 ALE Special Agents to begin conducting FDA tobacco retailer compliance check inspections under the Family Smoking Prevention and Tobacco Control Act.

In a continuing effort to educate merchants about the state's youth access to tobacco law, ALE mailed Red Flag Reminder postcards to about 7,109 retail outlets throughout the state. The postcard focused on the NC driver license color codes and highlighted tips to avoid getting caught selling tobacco products to underage persons.

In May 2012, ALE hosted four regional workshops "Partnering to Reduce Youth Access to Tobacco Products: Exploring New Opportunities" across the state that brought together more than 100 stakeholders in reducing youth access to and use of tobacco products. These workshops included law enforcement, grantees, local coalitions, and youth organizations. The workshops, held in Greenville, Fayetteville, Burlington, and Morganton, focused on current youth access efforts/partnerships, new opportunities such as the FDA's enforcement program, and other new tools.

Also in 2012, ALE participated in the Counter Tobacco Advocacy and Statewide Tobacco Retailer Mapping Project developed by Dr. Kurt Ribisl and his team at the UNC Gillings School of Global Public Health. The Counter Tobacco Mapping project involved the creation of an interactive website to



show ALE compliance checks data and to make it readily available to the general public so users can map violations and identify compliance for specific locations.

The Tobacco Regulation section continues to respond to requests for technical assistance from grantees, schools and other local agencies to provide compliance check data, retailer location lists, Red Flag merchant education materials, Power Point presentations, planning and brainstorming to enhance their local tobacco use prevention programs. Additionally, ALE Special Agents have participated in Red Flag training sessions and Tobacco Reality Unfiltered (TRU) youth group meetings and presentations during the year.

During the course of 2012, ALE had the opportunity to recognize several special agents for their professionalism, performance, and dedication. The ALE Commendation Award is presented for outstanding or commendable performance above and beyond that which is expected for normal duty. Special Agents Adam Boyd, Web Corthell, Chris Kluttz, and Natalie Mason received this award in 2012.

The Award of Excellence is given to those members who perform an act or series of acts over a period of time which demonstrates a high degree of professional excellence through the success of difficult projects, programs, investigations, situations involving life sustaining actions which involved no personal hazard to the member. Recipients of Awards of Excellence in 2012 were Assistant Director Alan Fields, and Special Agents Eric Hill, Brian Irwin, Natalie Mason, Mike McKeithan, Chess McQueen, and Chris Poole.

In December of 2012, the Secretary of the Department of Public Safety recognized the ALE Fugitive Apprehension Strike Team (FAST) for their professionalism, dedication, and efficiency in removing more than 85 violent probation and parole absconders from the streets and communities of our state. FAST team members awarded the Secretary's Gold Circle Award included Assistant Special Agents in Charge Bryan House and Brad Putnam as well as Special Agents Tommy Bisette, Derwin Brayboy, Web Corthell, Eric Hill, Dan Huthmacher, Jonathan Marley, Chess McQueen, Israel Morrow, Scottie Shoaf, Matt Stemple, Aaron Woodlief, and Scott Young.



Members of ALE FAST recognized for their efforts during the ALE awards ceremony in December 2012.

The Meritorious Service Award is given to those members of the ALE Section who knowingly perform an act that demonstrates a high level of courage and/or credible police enforcement action. Special Agents Rusty King and Matt Knight were nominated for and received Meritorious Service Awards in 2012.