



Drug Market Analysis

2008

Oregon

High Intensity Drug Trafficking Area



NATIONAL DRUG INTELLIGENCE CENTER
U.S. DEPARTMENT OF JUSTICE





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This assessment is an outgrowth of a partnership between the NDIC and HIDTA Program for preparation of annual assessments depicting drug trafficking trends and developments in HIDTA Program areas. The report has been coordinated with the HIDTA, is limited in scope to HIDTA jurisdictional boundaries, and draws upon a wide variety of sources within those boundaries.



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PREFACE

This assessment provides a strategic overview of the illicit drug situation in the Oregon High Intensity Drug Trafficking Area (HIDTA), highlighting significant trends and law enforcement concerns related to the trafficking and abuse of illicit drugs. The report was prepared through detailed analysis of recent law enforcement reporting, information obtained through interviews with law enforcement and public health officials, and available statistical data. The report is designed to provide policymakers, resource planners, and law enforcement officials with a focused discussion of key drug issues and developments facing the Oregon HIDTA.

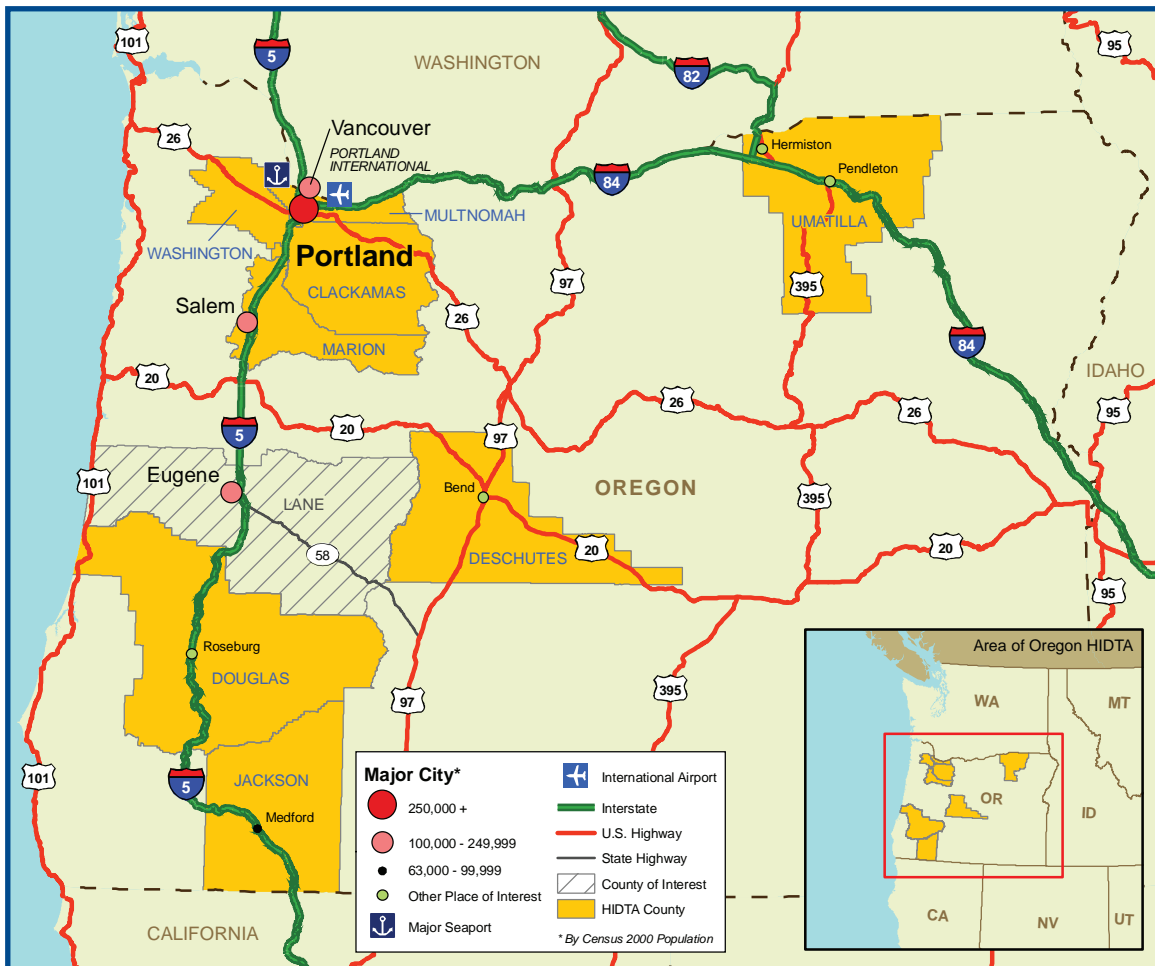


Figure 1. Oregon High Intensity Drug Trafficking Area.



STRATEGIC DRUG THREAT DEVELOPMENTS

- The trafficking and abuse of Mexican ice methamphetamine¹ are the greatest drug threats in the Oregon HIDTA region. As local methamphetamine production declines within the region, Mexican drug trafficking organizations (DTOs) are supplanting locally produced powder methamphetamine with Mexican ice methamphetamine.
- Well-organized Asian DTOs are increasing their production of high-potency marijuana at indoor grow sites, which often are operated year-round in Portland.
- According to law enforcement officials, some indoor cannabis cultivators use the Oregon Medical Marijuana Plan (OMMP) as a pretext for conducting indoor grow operations in which high-grade marijuana is produced for distribution.
- Mexican DTOs are cultivating cannabis at an increasing number of remote outdoor grow sites. Increased profits generated from numerous harvests has led some Mexican groups to plant newly developed cannabis seeds that mature faster to yield extra harvests each season.
- The availability of powder cocaine has increased in Portland.² The drug is transported from California through Salem to Portland, where retail-level distributors convert most of the powder to crack cocaine.
- The distribution and abuse of Mexican black tar heroin are increasing in Portland. Mexican DTOs transport heroin into the city and distribute it to Hispanic retail distribution groups. These groups are located primarily in the inner city of Portland.

1. For the purposes of this report, ice methamphetamine refers to methamphetamine that has been crystallized from powder methamphetamine.

2. Portland comprises three counties: Clackamas, Multnomah, and Washington.

HIDTA OVERVIEW

The Oregon HIDTA region encompasses eight Oregon counties—Clackamas, Deschutes, Douglas, Jackson, Marion, Multnomah, Umatilla, and Washington. Major transportation routes that facilitate the distribution of licit and illicit goods from domestic and foreign source areas transit each of these counties. Interstate 5 offers a direct north-south route from Canada to Mexico and traverses six of the eight HIDTA counties (Clackamas, Douglas, Jackson, Marion, Multnomah, and Washington). Interstate 84 crosses the state in an east-west direction, connecting the HIDTA counties of Multnomah and Umatilla to drug markets in other states, particularly Idaho. U.S. Highway 97, a north-south route from the U.S.–Canada border to northern California, crosses the state in Deschutes County and is a favored alternative route for drug traffickers attempting to avoid law enforcement scrutiny on I-5. (See Figure 1 on page 1.) In addition to these roadways, drug traffickers consistently use the state’s airways, railways, seaports, and waterways to transport drugs to and through the HIDTA region.

DRUG THREAT OVERVIEW

Ice methamphetamine poses the most significant drug threat to the Oregon HIDTA, and according to the Oregon HIDTA, distribution and abuse of the drug have strained existing law enforcement and public health treatment resources. In fact, 19 of the 20 state and local law enforcement agencies in the region that responded to the National Drug Threat Survey (NDTS) 2007 identified methamphetamine as the greatest drug threat to the region. Mexican ice methamphetamine is the predominant type of methamphetamine available in HIDTA counties. Mexican ice methamphetamine has supplanted locally produced powder methamphetamine as local production has decreased sharply in Oregon. Local production decreased after legislation was passed in August 2005 requiring a prescription to purchase medications containing ephedrine or pseudoephedrine—

the precursor chemicals used in the production of methamphetamine. As local methamphetamine production declined, Mexican DTOs expanded local networks to distribute ice methamphetamine produced in Mexico. Mexican DTOs became—and remain—the primary suppliers of the drug in the HIDTA region. However, progressively tightening restrictions in Mexico on the importation and legitimate distribution of ephedrine and pseudoephedrine beginning in 2005 have reduced methamphetamine production in Mexico, particularly in 2007. As a result, the availability and purity of Mexican methamphetamine have recently decreased in some areas of the HIDTA region. Distributors are increasingly “cutting” the drug—sometimes with baby formula, but typically with methylsulfonylmethane (MSM)—in an attempt to stretch supplies and sustain their profits. (See text box.)

Marijuana is the most commonly abused illicit drug in the region, and the threat posed by the drug is increasing. Asian criminal groups have increased their indoor cannabis grow operations in the HIDTA region, particularly since 2005. During this same period Mexican DTOs have increased

outdoor cannabis cultivation. According to law enforcement reporting, outdoor cannabis cultivation is increasing, a trend reflected in cannabis eradication data that show an increase in eradication in 2007 to the highest level ever recorded. In fact, outdoor cannabis eradication in the HIDTA region increased by 272.7 percent, from 29,291 plants in 2005 to 109,160 plants in 2007. Indoor cannabis eradication increased by 142 percent, from 5,058 plants in 2005 to 12,239 plants in 2007. Overall, cannabis eradication in the HIDTA region accounts for a significant portion of the plants eradicated statewide. For example, in 2007, 46.3 percent (121,399 of 262,013 plants) of cannabis plants eradicated in Oregon were located in the HIDTA counties.

Cocaine is readily available in the HIDTA counties, and in some areas availability is increasing. According to law enforcement agencies in the Willamette Valley and Portland areas, the availability of powder cocaine is increasing. Crack cocaine is available, distributed, and abused, primarily in urban areas of the HIDTA region, such as Portland. In fact, the Portland Police Department has identified crack cocaine as the greatest drug threat in its area because of the violent crime associated with the distribution and abuse of the drug in the inner city of Portland. However, the Portland Police Department was the only department in the Oregon HIDTA area that reported crack cocaine as its greatest drug threat.

Heroin trafficking and abuse pose significant drug threats in urban areas such as Portland and Salem. According to the Oregon Department of Human Services, Office of Addictions and Mental Health Division, the number of treatment admissions for heroin abuse exceeds the number of admissions for abuse of any other drug in the counties that compose Portland. Heroin abuse is the third leading cause of treatment admissions in Marion County, where Salem is located. (See Figure 9 on page 12.) Heroin-related deaths are also highest within the counties that compose Portland, which recorded the highest number of heroin-related deaths in the state (64) in 2007,

MSM Used as a Cutting Agent

MSM, the common commercial name for the chemical methylsulfonylmethane, is also known as methylsulfone and dimethylsulfone (DMSO₂). As a cutting agent for methamphetamine, MSM offers many advantages. Pure MSM is an odorless, white crystalline powder that is highly soluble and mixes readily with most substances without leaving a residue. MSM is usually added to methamphetamine during the final stages of production. Methamphetamine cut with MSM often appears to be uncut because after the chemicals are combined and the mixture cools, the MSM recrystallizes, resembling pure methamphetamine. MSM is readily available in powder and tablet forms at livestock feed and equine tack stores, “super” pet food chains, warehouse stores, human nutrition centers, and upscale grocery stores. MSM is also available through equine and veterinary supply mail order catalogs and on numerous Internet sites.



followed by Marion County (12). Heroin is transported into these cities in shipments ranging in size from less than a kilogram to multiple kilograms; such shipments are typically transported via private vehicles.

Club drugs and diverted pharmaceuticals are a growing concern to law enforcement in the HIDTA region. MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy), GHB (gamma-hydroxybutyrate), LSD (lysergic acid diethylamide), and ketamine (ketamine hydrochloride) are generally abused by teenagers and young adults in the HIDTA region. Club drugs are abused primarily at social venues such as at raves, bars, nightclubs, and private parties in urban areas and on college campuses. According to the Oregon HIDTA, the abuse of MDMA is spreading throughout the region. Another club drug, Foxy Methoxy (5-methoxy-N, N-diisopropyltryptamine), is sometimes available and sold with MDMA, LSD, and psilocybin (hallucinogenic mushrooms); Foxy abuse is sometimes combined with abuse of other drugs, such as cocaine, heroin, marijuana, or methamphetamine. In addition to the increasing threat posed by the trafficking and abuse of club drugs, the abuse of diverted pharmaceutical drugs is occurring at relatively high levels in the HIDTA region, according to the Oregon HIDTA. In fact, according to the Substance Abuse and Mental Health Services Administration (SAMHSA), Oregon ranks fourth among all states in the rate of abuse for prescription pain relievers by teenagers. This high level of pharmaceutical abuse among youth is also prevalent in HIDTA counties.

DRUG TRAFFICKING ORGANIZATIONS

Mexican DTOs and criminal groups are the primary transporters and wholesale distributors of illicit drugs in the Oregon HIDTA region. Mexican DTOs are very organized and compartmented, and they are often tight-knit, family-based groups. Mexican DTOs are expanding their influence and control over the primary drug markets in

the region (Portland, Salem, and the Roseburg/Medford/Pendleton areas). The expanded influence of Mexican DTOs is demonstrated through their increasing outdoor cannabis cultivation on public lands and their coordination of a growing amount of the ice methamphetamine, cocaine, heroin, and marijuana shipped from the Southwest Border and California to the Oregon HIDTA region. According to 2000 U.S. Census data, six of the eight HIDTA counties (Washington, Multnomah, Clackamas, Umatilla, Jackson, and Marion) experienced triple-digit growth in the Hispanic population from 1990 to 2000. The increasing growth of the Hispanic population has aided the expansion of Mexican DTOs as their members blend with growing Mexican and Central American communities. Small, rural law enforcement agencies, constrained by a lack of resources, are often unable to counter the expansion of Mexican DTOs in their areas.

Since 2004, the presence of Asian DTOs in the HIDTA region has increased. They have expanded their criminal activities to include large indoor cannabis grow operations operated primarily by Vietnamese criminal groups. This expanded local indoor cannabis cultivation enables Asian DTOs to reduce the amount of Canadian-grown marijuana that they smuggle into the HIDTA, thus avoiding law enforcement at the U.S.–Canada border and reducing transportation costs. Asian DTOs are also the primary wholesale distributors of MDMA produced in Canada and smuggled to the HIDTA counties.

Caucasian independent dealers are involved primarily in the production, transportation, and distribution of marijuana. DTOs and criminal groups, such as the Gypsy Joker outlaw motorcycle gang (OMG), and street gangs operate in the region. According to the Portland Metro Gang Task Force, an estimated 80 to 100 gangs with a total membership of over 3,000 operate in the city. These groups typically are involved in midlevel and retail-level drug distribution. ([See Table 1 on page 5.](#))

Table 1. Oregon HIDTA Retail Distributors by Drug

Drug	Distributors	Market
Methamphetamine	Hispanic street gangs, Caucasian local independent dealers	All markets
Crack cocaine	African American street gangs, independent dealers	All markets
Marijuana	Hispanic street gangs, Asian criminal groups, African American street gangs, Caucasian local independent dealers	All markets
Heroin	Hispanic street gangs, local independent dealers, Caucasian local independent dealers	Portland, Salem
MDMA	Asian criminal groups, local independent dealers	All markets

Retail drug distributors use cell phones to facilitate drug sales in the HIDTA region. Distributors also use pagers to negotiate transactions and prearrange meetings with customers. Traffickers prefer to conduct business conversations on phones with point-to-point capabilities, believing that these communications are difficult for law enforcement to intercept. They typically use cell phones for a limited time before switching to a new phone with a new number to further reduce the possibility of having calls monitored by law enforcement.

Drug Trafficking Organizations, Criminal Groups, and Gangs

Drug trafficking organizations are complex organizations with highly defined command-and-control structures that produce, transport, and/or distribute large quantities of one or more illicit drugs.

Criminal groups operating in the United States are numerous and range from small to moderately sized, loosely knit groups that distribute one or more drugs at the retail level and midlevel.

Gangs are defined by the National Alliance of Gang Investigators' Associations as groups or associations of three or more persons with a common identifying sign, symbol, or name, the members of which individually or collectively engage in criminal activity that creates an atmosphere of fear and intimidation.

PRODUCTION

Illicit drug production is limited in the HIDTA region. Marijuana is the primary illicit drug produced. According to the Oregon HIDTA, the production of marijuana in the HIDTA region has increased since 2005. Large outdoor cannabis grow sites generally are located in remote, rural locations, often on public lands. These outdoor grow sites are usually controlled by Mexican DTOs and local independent criminal groups. Additionally, some Mexican DTOs plant cannabis on tribal lands, such as the Umatilla Indian Reservation in Umatilla County, sometimes working with Native Americans.

Some Mexican DTOs operating in Washington County are planting a faster-growing cannabis seed that matures more quickly, enabling growers to plant and harvest crops in 90 days. (By comparison, it takes 5 to 6 months for ordinary marijuana plants to grow outdoors.) The Oregon HIDTA reports that the switch to faster-growing seeds is an attempt by cultivators to gain additional harvests each year and thus increase their profits. The number of outdoor cannabis plants eradicated in the HIDTA region increased 272 percent, from 29,291 plants in 2005 to 109,160 plants in 2007.

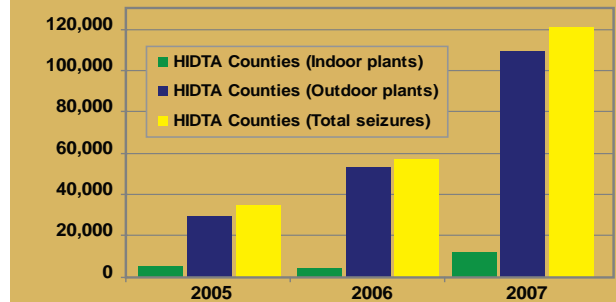
The number of cannabis plants eradicated from indoor grow sites has also increased in the region. According to the Oregon HIDTA, indoor cannabis eradication increased 142 percent from



2005 to 2007. (See Figure 2.) Since 2004, Asian DTOs and criminal groups that typically operated smaller indoor grow sites have increasingly been establishing large-scale indoor cannabis cultivation operations that produce high-potency marijuana. Because of this increase in grow site capacity, law enforcement is making increasingly large seizures of Vietnamese indoor grows in the Portland area. Indoor cannabis cultivators typically establish grow sites in multiple residences, often using hydroponic technology. Indoor growers prefer this controlled environment because they believe they can avoid law enforcement detection while achieving higher profits through a year-round cultivation season, which allows a new crop of higher-potency marijuana to be planted and harvested every 90 days. These operations sometimes bypass electric meters to eliminate high energy-use readings, large electric bills, and subsequent possible law enforcement scrutiny. Caucasian criminal groups and independent dealers typically operate smaller indoor grows than those operated by Vietnamese groups.

Indoor cannabis grow sites pose considerable safety and health concerns for law enforcement officers, first responders, and unwitting citizens. According to law enforcement officials, buildings used for indoor grow sites are 40 times more likely to catch fire than buildings not used as grow sites. This is due to the highly flammable chemicals, fertilizers, high-intensity lighting, electrical equipment, and reconfigured electrical systems often present in structures used as grow sites. High levels of carbon dioxide and carbon monoxide may also be present at indoor grow sites as a result of damaged exhaust systems. Moreover, the prolonged high humidity at indoor grow sites can ruin the buildings that contain them because of the growth of toxic molds. Cleanup of indoor grow operations can often be cost-prohibitive for small law enforcement departments. The cleanup requires specialized equipment including basic air monitoring equipment, respirators, protective coveralls with attached hoods, and ultraviolet protection with the use of sunglasses, rubber gloves, and disposable boot covers.

Figure 2. Cannabis Plants Seized From HIDTA Counties, 2005–2007



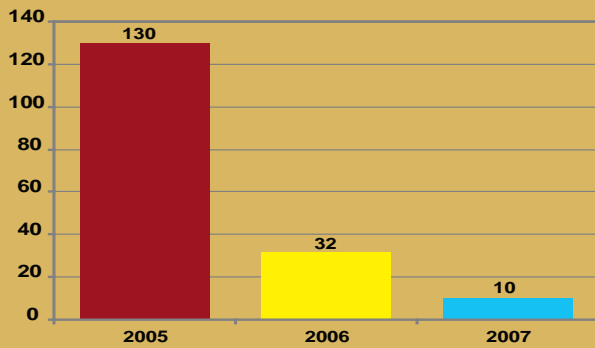
Source: Oregon High Intensity Drug Trafficking Area.

Some illegal cannabis cultivators use the Oregon Medical Marijuana Plan as a pretext for conducting indoor grow operations in which high-potency marijuana is produced as a remedy for specific medical conditions. Some of these individuals, who are able to obtain a medical marijuana registry identification card, are operating beyond the limits established by OMMP. According to law enforcement officials, the OMMP allows individuals with specific medical conditions to possess up to six mature cannabis plants and 24 ounces of usable marijuana.³ In October 2007 Oregon State Police seized approximately 40 pounds of marijuana after a traffic stop on I-5 near Aurora in Marion County. The driver, an OMMP registered cardholder had greatly exceeded the marijuana possession limits allowed under the OMMP. The driver claimed that he had “medical marijuana” in his vehicle and was transporting it from a registered grow site to his residence.

Powder methamphetamine is produced within the HIDTA region. However, law enforcement initiatives and state legislation requiring a doctor’s prescription for all over-the-counter (OTC) medications containing pseudoephedrine or ephedrine

3. For the purpose of the Oregon Medical Marijuana Plan (OMMP), mature cannabis plants are defined as “12 inches or more wide, or 12 inches or more tall, or flowering.” Immature plants are defined as “less than 12 inches wide, or less than 12 inches tall, or not flowering.” Usable marijuana is defined as “dried leaves or buds” and does not include the root ball, stems, or branches.

Figure 3. Methamphetamine Laboratories Seized in HIDTA Counties, 2005–2007



Source: Oregon High Intensity Drug Trafficking Area.

have reduced the amount of powder methamphetamine produced locally and have contributed to the decreased number of laboratory seizures. (See Figure 3.)

Crack cocaine conversion is a significant concern, especially in the urban areas of the Oregon HIDTA, where the drug is associated with high levels of abuse, violence, and property crime. Retail-level crack cocaine distributors, primarily African Americans, convert powder cocaine to crack for distribution. Typically the conversion occurs in neighborhoods where the drug is sold.

DRUG-RELATED CRIME

Violent crime and property crime in the HIDTA region are often associated with the distribution and abuse of illicit drugs, particularly ice methamphetamine. Nineteen of the 20 state and local law enforcement agencies that responded to the National Drug Threat Survey 2007 reported that methamphetamine is the drug most responsible for property crimes in their jurisdictions. For example, the Oregon HIDTA reports that methamphetamine addicts in Portland and Salem often commit thefts, such as stealing and selling copper pipes, to fund their drug habit.

Street gangs are also responsible for many of the violent crimes perpetrated in the HIDTA region. The Portland Metro Gang Task Force

reports that street gangs that distribute drugs at the retail level, such as Rollin 60s, Hoovers, and 18th Street, are involved in most of the assaults, robberies, drive-by shootings, home invasions, and homicides that occur in the Portland area. Portland has the largest gang problem in the Oregon HIDTA region.

In addition to drug trafficking, Mexican DTOs and criminal groups engage in various illegal activities in the Oregon HIDTA region, such as human trafficking and illegal gambling. For example, according to the U.S. Attorney for the District of Oregon, the Mexican DTO that distributed methamphetamine, powder cocaine, and crack cocaine also operated an illegal cockfighting enterprise in the HIDTA counties of Clackamas and Marion.

Violence associated with cannabis cultivation is a problem in the region. According to the Oregon HIDTA, an increasing number of individuals at outdoor and indoor cannabis cultivation sites are armed in an effort to protect their crops from law enforcement and rival growers. Weapons recovered from outdoor grow sites include assault rifles, shotguns, pistols, and booby traps. Weapons recovered from indoor grows include shotguns and handguns. Because cannabis crop tenders are often armed, these cultivation operations represent a threat to the safety of law enforcement officers and unwitting visitors, hunters, and hikers. Moreover, law enforcement officers in Roseburg have encountered cannabis grow sites in their area.

ILLICIT FINANCE

A variety of money laundering techniques are used by traffickers in the Oregon HIDTA region. Bulk transportation of illicit proceeds is the primary laundering method used by Mexican traffickers, who typically smuggle money to Mexico via private and commercial vehicles. Asian traffickers also employ bulk transport to launder drug proceeds. They smuggle bulk currency to Canada via private and commercial vehicles or to Asian countries via aircraft, maritime conveyances, and



package delivery services. Mexican and Asian traffickers also launder drug proceeds through money transmittal businesses located in their own ethnic communities. They own businesses such as import/export operations that function as money remitters either legitimately or illegally. Another method used to launder drug proceeds is the purchase of property such as real estate, cars, electronics, and livestock.

MAJOR DRUG MARKETS

The Oregon HIDTA region encompasses the major drug markets of Portland, Salem, Roseburg, Medford, and Pendleton. The drug situations in Roseburg, Medford, and Pendleton are similar; therefore, these cities have been combined into one section of this report.

PORTLAND

MARKET OVERVIEW

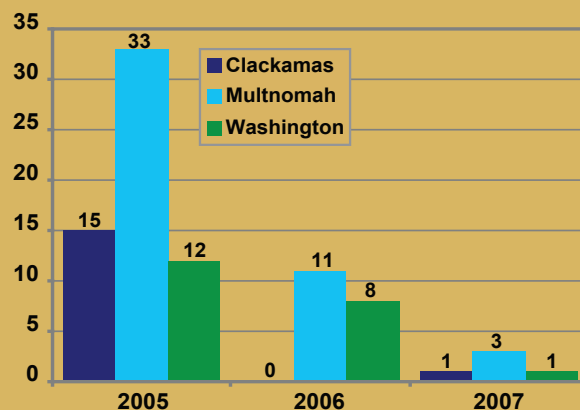
Portland's size, geographic location, and vast transportation infrastructure, as well as the significant amount of drugs moving to and through the city, make it a major market area in the Oregon HIDTA. Portland, the most populous city in the state (with almost 540,000 residents), is located along I-5, which leads north to Canada and south to California in the northwestern region of Oregon, along the Columbia River and the Washington-Oregon border. The city is located primarily in Multnomah County; however, the Portland metropolitan area extends into two other counties: Clackamas and Washington. Portland's highly developed transportation infrastructure enables legitimate and illegal goods to be transported to and from the HIDTA region by land, air, and sea and includes Interstates 5 and 84, US 26, the Portland International Airport, and the Port of Portland. In 2007 the Port of Portland handled 13.3 million tons of cargo and imported 57,400 containers from around the world. The port's high volume of traffic does not allow for inspection of all goods imported into the area, and drugs can easily be secreted with legitimate cargo.

Ice methamphetamine is the primary drug problem in Portland and the surrounding counties; however, the Portland Police Department reports that crack cocaine is the greatest drug threat in the inner city.⁴ Heroin (particularly Mexican black tar heroin) and marijuana are also widely available and abused in the city. Portland serves as a regional and national distribution center for illicit drugs, which are transported through and from Portland for distribution throughout Oregon as well as to other states, especially Washington, and north to Canada.

PRODUCTION

Powder methamphetamine production is decreasing in the HIDTA region as a result of strict precursor chemical laws that make it difficult to acquire pseudoephedrine and ephedrine. Independent operators are still producing limited quantities of powder methamphetamine for personal use and distribution within small, close-knit groups. While these producers remain a concern to law enforcement, the number of laboratory seizures in and around the city is decreasing, with only five laboratories seized in 2007. (See Figure 4.) In fact, during the first quarter of 2008, only one methamphetamine laboratory was discovered in Multnomah County.

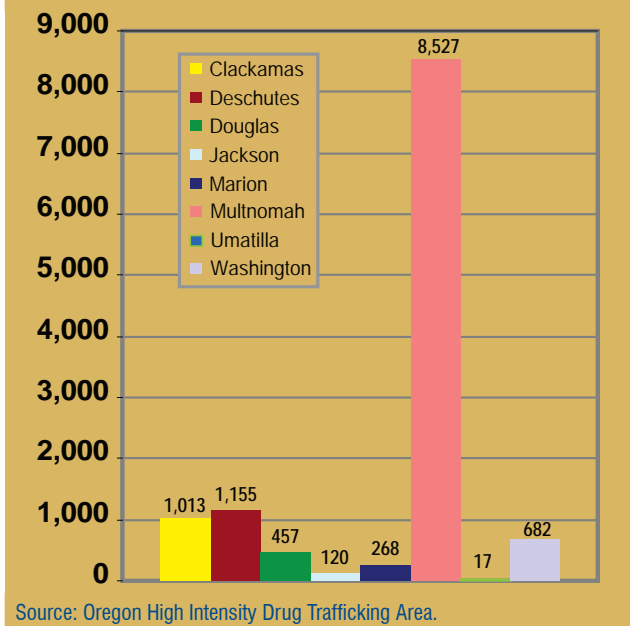
Figure 4. Methamphetamine Laboratories Seized in Clackamas, Multnomah, and Washington Counties, 2005–2007



Source: Oregon High Intensity Drug Trafficking Area.

4. In response to the National Drug Threat Survey (NDTS) 2007, the Portland Police Department reported that crack cocaine was the greatest drug threat in its jurisdiction.

Figure 5. Indoor Cannabis Plant Seizures in HIDTA Counties, 2007



Asian DTOs are increasing indoor cannabis cultivation in and around the Portland area. These DTOs, primarily Vietnamese, purchase houses in middle-income areas in or near Portland. The DTOs then establish indoor cannabis grow operations in the purchased houses. The cultivation operations typically operate on 90-day planting and harvest cycles and produce between 300 and 500 plants per cycle. In 2007 more cannabis plants were eradicated from indoor cannabis grow sites in Multnomah County (8,527 plants) than in any other Oregon county.⁵ (See Figure 5.)

TRANSPORTATION

Mexican DTOs are the primary transporters of illicit drugs to the Portland area. Powder cocaine, marijuana, ice methamphetamine, and heroin are transported to the area from Mexico and California along the I-5 corridor. In addition, Asian DTOs transport high-potency marijuana, also known as

5. According to law enforcement officials, Asian drug trafficking organizations (DTOs) pay transporters approximately \$500 per pound to smuggle marijuana across the U.S.–Canada border.

BC Bud, and MDMA from Canada to and through Portland using Canadian Highway 99 and then I-5. Portland has direct north-to-south access (to Canada and Mexico, respectively) via I-5 and west-to-east access via I-84. These organizations typically transport the drugs in private vehicles or tractor-trailers. Various illicit drugs are smuggled through the Portland International Airport, the Port of Portland, and numerous small ports and docks along the Columbia and Willamette Rivers, but on a much smaller scale.

Drugs also transit the area for delivery in Washington and Canada. From October 2007 through March 2008, the Oregon State Police (OSP) made four major cocaine seizures totaling more than 72 kilograms from vehicles traveling north along I-5. On March 4, 2008, OSP seized 20 kilograms of cocaine during a traffic stop; the drug, concealed in a sport-utility vehicle (SUV) traveling north on I-5 south of Woodburn, was valued at \$400,000.

DISTRIBUTION

Portland is the largest drug market in the state of Oregon. Mexican DTOs are the dominant drug smuggling organizations operating in the area and are drawn to the area because of its size, geographic location along I-5, and large Hispanic population. These DTOs distribute drugs at the wholesale level to many criminal groups and gangs in the region who, in turn, distribute the drugs at the midlevel and retail level.

According to the Portland Metro Gang Task Force, there are between 80 and 100 street gangs in the Portland area, with more than 3,000 members. Hispanic and African American street gangs are retail distributors of methamphetamine, heroin, powder cocaine, and crack cocaine in the city; they obtain these drugs from Mexican DTOs and criminal groups. These gangs include Hoovers and Rollin’ 60s (composed primarily of African Americans), 18th Street, and Sureño gangs (composed primarily of Hispanics). In contrast, Caucasian criminal groups distribute marijuana at the midlevel and retail level.



Asian DTOs cultivate and process cannabis and distribute the high-potency marijuana they produce locally as well as the marijuana they transport into the region. They also distribute MDMA that they transport into the region from Canada. Most drugs are distributed at open-air drug markets in the city, although some distribution is arranged by cell phone. Primary open-air markets in the city include the Transit Mall, Old Town, and various areas near the MAX Light Rail Line. Methamphetamine, heroin, powder cocaine, and marijuana are available at each of these locations; however, crack cocaine availability is generally limited to the Old Town area in the city of Portland. Many Mexican distributors prefer to sell heroin by appointment only and require purchasers to call them by cell phone to establish a meeting time and location.

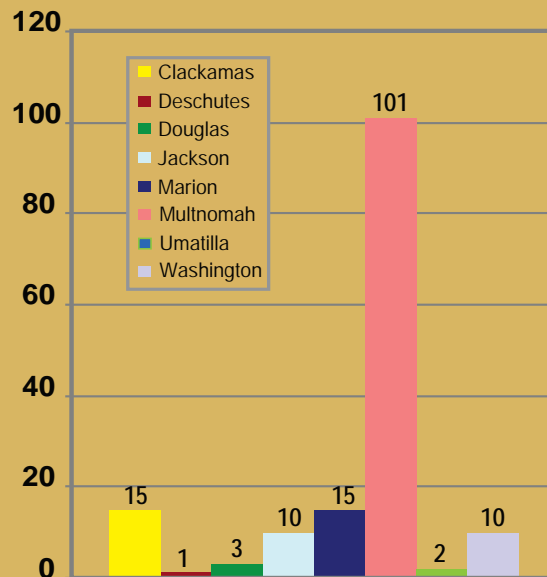
Recently the availability of powder cocaine has increased in Portland. The drug is usually transported to the city from California through Salem. Some of this powder cocaine is converted into crack cocaine and distributed in the city. In February 2008 a Rollin' 60s gang associate was sentenced to 10 years in federal prison for intent to distribute 5 grams of crack cocaine. According to the Portland Police Department, the Rollin 60s street gang is one of the most active gangs in Portland and distributes powder cocaine, crack cocaine, and marijuana.

ABUSE

A total of 126 drug-related deaths were reported in the counties that compose Portland in 2007. Multnomah County recorded most of these deaths (101), ranking it first in the state for the number of drug-related deaths, according to the Oregon Medical Examiner's Office. (See Figure 6.) In fact, Multnomah County led in total deaths for every drug type, including methamphetamine and cocaine, with more deaths related to heroin abuse (66) than to the abuse of any other drug.

Drug-related treatment admissions to publicly funded facilities for heroin and amphetamine/methamphetamine declined from 2005 to 2007,

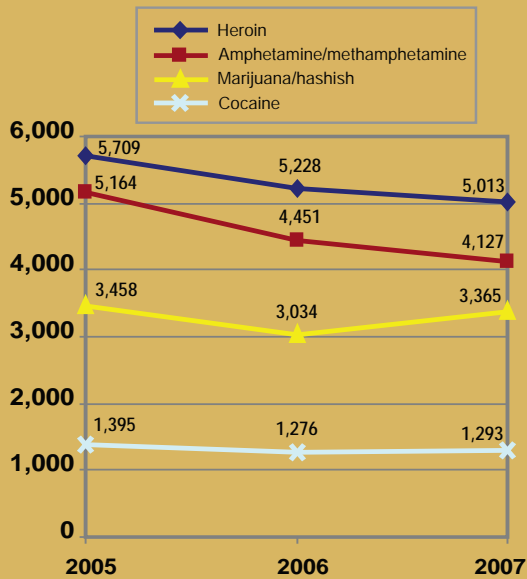
Figure 6. Drug-Related Deaths in HIDTA Counties, 2007



Source: Oregon Medical Examiner's Office.

while cocaine and marijuana/hashish admissions increased from 2006 to 2007. The reason for this fluctuation is unclear. However, public awareness campaigns regarding the adverse health effects of methamphetamine abuse along with lower purity levels and periods of reduced availability may have contributed to the declining admissions for methamphetamine. The number of treatment admissions for cocaine remains relatively low. (See Figure 7 on page 11.)

Figure 7. Treatment Admissions for Clackamas, Multnomah, and Washington Counties, 2005–2007^a



Source: Oregon Department of Human Services, Addictions and Mental Health Division.

a. Most treatment admissions for “Amphetamine/methamphetamine” were for methamphetamine, and most treatment admissions for “Marijuana/hashish” were for marijuana.

SALEM

MARKET OVERVIEW

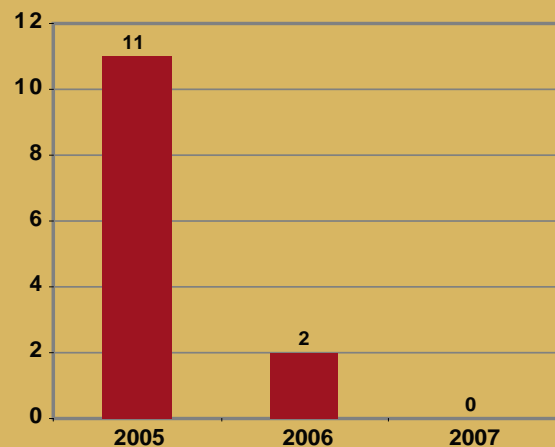
Salem, located in Marion County, is the second-largest city in Oregon, with an estimated population of 152,239. Ice methamphetamine is the leading drug threat to the city. The drug is widely distributed and abused and contributes significantly to crime in the area, particularly property crime. Marijuana and Mexican black tar heroin are also available and abused in the city. Cocaine is much less available than methamphetamine; however, shipments of cocaine through Salem en route to Portland have increased recently. Limited quantities of MDMA, diverted pharmaceuticals, and other dangerous drugs (ODDs) such as GHB, LSD, and psilocybin mushrooms are occasionally available and abused in Salem; however, they do not figure significantly in its overall drug problem. Most of these drugs are transported into Salem on I-5.

PRODUCTION

According to the Oregon HIDTA, outdoor cannabis cultivation is increasing, especially on timber company lands, as indoor cannabis cultivation seizures decrease in the Salem area. Mexican DTOs are the primary cultivators of cannabis on timber company lands. According to HIDTA officials, 2,983 cannabis plants were eradicated from outdoor grows on timber company lands in 2007, compared with only 86 plants in 2006. The number of indoor plants eradicated in the Salem area decreased from 556 plants in 2006 to 268 plants in 2007. According to the Oregon HIDTA, the eradication decrease is possibly due to illegal cultivators growing cannabis under the OMMP, which tends to complicate law enforcement investigations of indoor grow sites. Most indoor cannabis eradication occurred within the city limits of Salem and in the surrounding suburbs.

No large-scale methamphetamine production was detected in the Salem area in 2007. In fact, no methamphetamine laboratories were seized in 2007 or during the first quarter of 2008. (See Figure 8.) Some small laboratories may be operating in the area, but their production capacity most likely is limited to less than 1 pound of methamphetamine per production cycle.

Figure 8. Methamphetamine Laboratories Seized in Marion County, 2005–2007



Source: Oregon High Intensity Drug Trafficking Area.



TRANSPORTATION

Mexican DTOs control most drug transportation to and from Salem. These DTOs transport heroin, ice methamphetamine, marijuana, and powder cocaine to the city from source areas in Mexico and California along I-5. Salem is a transshipment and regional distribution point for heroin and ice methamphetamine. Methamphetamine is transported through Salem to other market areas throughout the Oregon HIDTA region, and owing to high demand for the drug, it typically is not warehoused but distributed as soon as it reaches the city. In the last few years, large quantities of heroin have been warehoused in the Salem area prior to being transported to and distributed in Portland; Eugene; and Seattle, Washington. Powder cocaine is transported through Salem destined for the Portland market. In January 2008 Oregon State Police officers arrested the driver of an SUV during a traffic stop. The driver had been traveling north to Portland, transporting 31 kilograms of cocaine in a false compartment of the vehicle. The cocaine was valued at \$600,000.

DISTRIBUTION

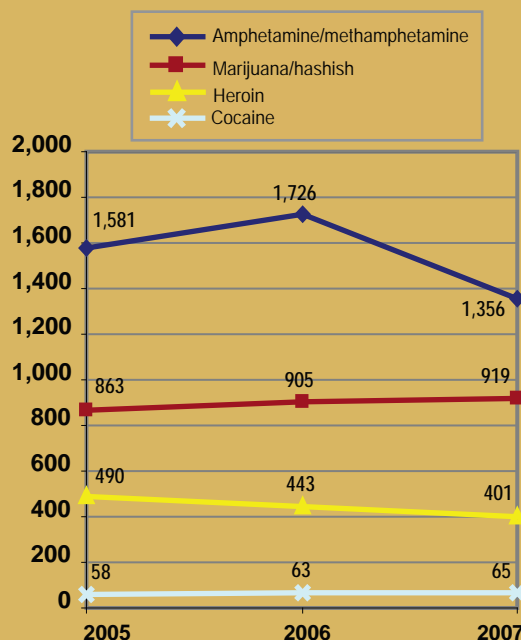
Mexican DTOs and criminal groups are the primary distributors of illicit drugs in the city. These DTOs distribute large quantities of ice methamphetamine, Mexican black tar heroin, and marijuana at the wholesale level. Mexican DTOs also dominate the retail distribution of methamphetamine, heroin, and powder cocaine available in the Salem area. These DTOs and Caucasian independent dealers dominate the retail distribution of marijuana in the city, and Asian DTOs are the primary distributors of MDMA at all levels of distribution. Retail drug distribution occurs in a variety of locations, including private residences, bars, and parking lots. For example, on February 26, 2008, the Salem Police Department arrested five individuals after observing a drug deal in a North Salem parking lot in which a juvenile male delivered methamphetamine to two buyers. Law enforcement officers seized 23 grams of methamphetamine valued at \$1,200 and a scale coated with methamphetamine residue. Further investigation at the juvenile’s residence revealed 26

ounces of methamphetamine valued at \$39,000, 4.5 ounces of cocaine valued at \$6,600, and 1 ounce of heroin valued at \$2,000.

ABUSE

Marion County ranked fourth in the state for the number of drug-related deaths (15) in 2007. Heroin accounted for the most deaths, followed by methamphetamine. Amphetamine/methamphetamine-related treatment admissions to publicly funded facilities in Marion County exceeded admissions for any other drug; however, the number of such admissions declined from 1,726 in 2006 to 1,356 in 2007. Cocaine and heroin treatment admissions ranked lowest. Crack cocaine is not widely abused in the city, and respondents to the NDTs 2007 in Marion County reported low availability for powder and crack cocaine. Marijuana is the most widely abused drug, and treatment admissions for this drug have been steadily increasing recently. (See Figure 9.)

Figure 9. Treatment Admissions for Marion County, 2005–2007^a



Source: Oregon Department of Human Services, Addictions and Mental Health Division.

a. Most treatment admissions for “Amphetamine/methamphetamine” were for methamphetamine, and most treatment admissions for “Marijuana/hashish” were for marijuana.

ROSEBURG/MEDFORD/PENDLETON

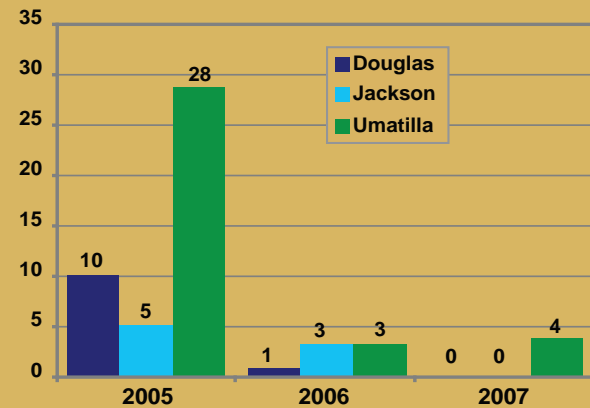
MARKET OVERVIEW

Roseburg has an estimated population of 20,991 and is located 70 miles south of Eugene and 180 miles south of Portland in Douglas County. Interstate 5, a primary drug trafficking route in the Oregon HIDTA region, traverses the county in a north-south direction. Medford is also located on this roadway south of Roseburg in Jackson County. Medford has an estimated population of 71,168 residents. Pendleton has an estimated population of 16,589 and is situated along I-84 in Umatilla County, another popular route used to smuggle drugs into and through the area. Drug trafficking and abuse trends in Roseburg, Medford, and Pendleton are similar; therefore, a discussion of these markets has been combined in this section. Ice methamphetamine poses the greatest drug threat to these areas. Mexican DTOs transport ice methamphetamine, heroin, marijuana, and powder cocaine from Mexico through California to and through these areas. Asian DTOs transport high-potency Canadian marijuana to Pendleton.

PRODUCTION

According to the Oregon HIDTA, the outdoor cultivation of cannabis is increasing in the region around Roseburg, Medford, and Pendleton. Outdoor cannabis eradication in Douglas (Roseburg), Jackson (Medford), and Umatilla (Pendleton) Counties increased from 51,918 cannabis plants in 2006 to 102,286 plants in 2007. Jackson County accounted for over half of the eradication, with 54,482 plants seized. Cannabis grow sites in the Roseburg area are typically located on timber company lands, while cannabis grow sites in Jackson County are typically located on Bureau of Land Management and Forest Service lands. In contrast, eradication of cannabis plants from indoor grow sites declined from 670 plants in 2006 to 594 in 2007, possibly because illegal cultivators have been growing cannabis under the OMMP, which tends to complicate law enforcement investigations of indoor grow sites. Many

Figure 10. Methamphetamine Laboratories Seized in Douglas, Jackson, and Umatilla Counties, 2005–2007



Source: Oregon High Intensity Drug Trafficking Area.

of these cultivators grow cannabis in numbers that far exceed the legal state limit.⁶ For example, the indoor cultivation of cannabis under the OMMP is popular in Roseburg and Medford, with many growers exceeding the number of plants allowed.

Roseburg, Medford, and Pendleton have experienced a decline in powder methamphetamine production over the last few years as a result of precursor chemical laws limiting the availability of essential chemicals used in the production of methamphetamine. Few laboratories were seized in 2007, and during the first quarter of 2008, no methamphetamine laboratories were seized in these areas. (See Figure 10.)

TRANSPORTATION

Drugs are transported to Roseburg and Medford on I-5 from Mexico through California and to Pendleton on I-84. Vietnamese DTOs transport high-potency Canadian marijuana and MDMA into these areas. Drug distributors in Pendleton, who have Canadian sources of supply, obtain their drugs from transporters en route to Boise, Idaho, on I-84 or from midlevel distributors in the Tri-Cities area (Richland, Pasco, and Kennewick) of Washington.

6. OMMP allows individuals with specific medical conditions to possess up to six mature cannabis plants and 24 ounces of usable marijuana.



Drug transporters use private and commercial vehicles to move drugs, which they typically conceal in hidden compartments, baggage, and trash bags. For example, in November 2007 two men were arrested by the Oregon State Police during a traffic stop on I-84 in the Pendleton area. During the stop the occupants consented to a search. With the assistance of a drug-detection canine, troopers found approximately 19 pounds of marijuana in a suitcase and clothing bag in the cab of the pickup. The marijuana was valued at approximately \$30,000. During an earlier traffic stop, in October 2007, the Oregon State Police discovered 14 pounds of marijuana in a black garbage bag in the back of an SUV.

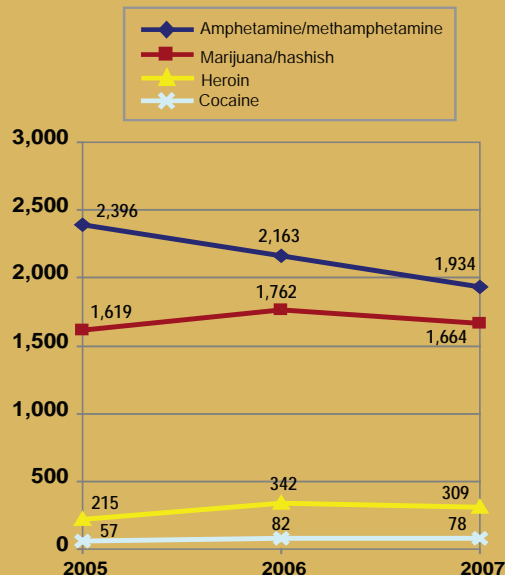
DISTRIBUTION

Mexican DTOs based in the Oregon HIDTA region control most drug distribution at the wholesale level in Roseburg, Medford, and Pendleton. Mexican criminal groups distribute ice methamphetamine, marijuana, powder cocaine, and heroin at the retail level from a variety of public areas such as bars, open-air markets, parking lots, and restaurants. In May 2008 the Jackson County HIDTA Task Force arrested two Mexican illegal aliens in Roseburg after they were found to be in possession of 6 ounces of methamphetamine. These individuals were believed to be suppliers of midlevel amounts of methamphetamine in Jackson County. Caucasian criminal groups also distribute retail-level quantities of ice methamphetamine, marijuana, and heroin.

ABUSE

The number of drug-related treatment admissions to publicly funded facilities in Roseburg, Medford, and Pendleton is relatively low compared with the number of admissions in Portland and Salem. The counties in which these cities are located reported a total of 23 drug-related deaths in 2007, with Jackson County reporting the majority of these deaths (10). Amphetamine/methamphetamine and marijuana/hashish are the primary drugs of abuse reported in treatment admissions for Douglas, Jackson, and Umatilla Counties. Despite the high numbers, treatment admissions for amphetamine/

Figure 11. Treatment Admissions for Douglas, Jackson, and Umatilla Counties, 2005–2007^a



Source: Oregon Department of Human Services, Addictions and Mental Health Division.

a. Most treatment admissions for “Amphetamine/methamphetamine” were for methamphetamine, and most treatment admissions for “Marijuana/hashish” were for marijuana.

methamphetamine abuse are declining overall, except in Umatilla County, where admissions increased from 628 in 2006 to 661 in 2007. Nevertheless, admissions in Umatilla County are lower than the 724 admissions that took place in 2005. In these counties the overall number of admissions for amphetamine/methamphetamine and marijuana/hashish far surpasses the number of admissions for cocaine and heroin. (See Figure 11.)

Diverted pharmaceuticals are abused in Roseburg and Medford. Law enforcement reporting from Roseburg indicates that the threat posed by prescription drugs, such as OxyContin (oxycodone), Vicodin (hydrocodone), and methadone, has increased significantly. Abusers in Roseburg steal prescription drugs from neighbors’ mailboxes, and adolescent abusers steal prescription drugs from family members and then congregate with their peers at “pill parties”⁷ to exchange the drugs.

7. Pill parties are informal gatherings at which adolescents exchange pills and experiment with the medications.

OUTLOOK

Mexican ice methamphetamine trafficking and abuse will continue to pose the most significant drug threats in the Oregon HIDTA. Mexican ice methamphetamine will remain the predominant form of methamphetamine in the region because local producers will not be able to regain the production capability that they had prior to the passage of legislation regulating access to precursor ingredients. Key members of Mexican DTOs are well entrenched in the Hispanic community and have developed a smuggling and distribution network that will enable them to dominate the wholesale transportation and distribution of ice methamphetamine, marijuana, powder cocaine, and heroin in the region.

Local indoor and outdoor cannabis cultivation will increase. Indoor cultivators will most likely continue to produce more high-potency marijuana to meet growing demand, and Asian DTOs, primarily Vietnamese, will continue to move operations from Canada. Remote areas, well suited to outdoor cannabis cultivation, will most likely be increasingly exploited for large, outdoor grow operations.



SOURCES

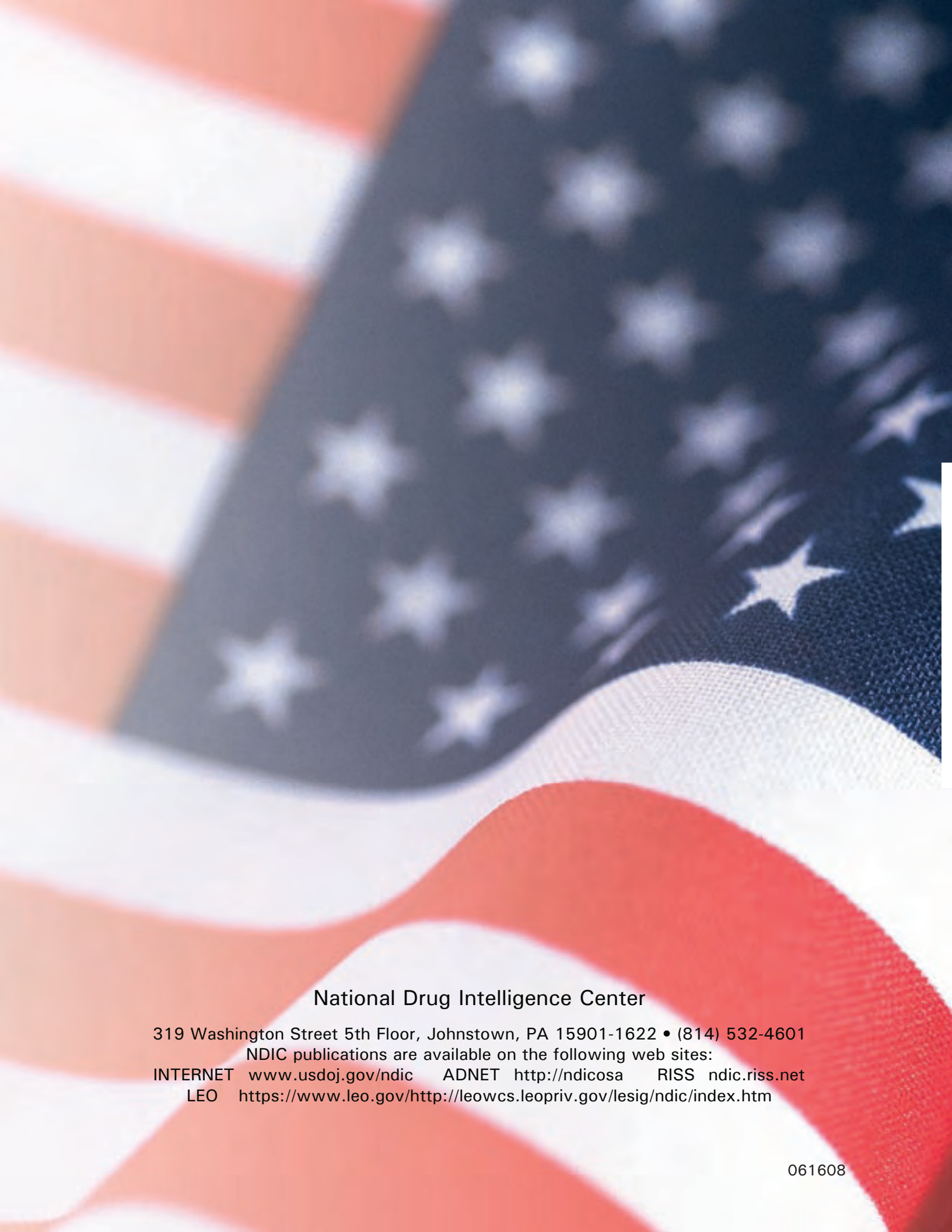
Local and State

Oregon

- Blue Mountain Enforcement Narcotics Team
- Central Oregon Drug Enforcement Team
- Douglas Interagency Narcotics Team
- Regional Organized Crime Narcotics Agency
- Oregon Department of Human Services
 - Office of Addictions and Mental Health Division
- Oregon Department of Justice
 - Criminal Justice Division
- Oregon Department of State Police
 - Drug Enforcement Section
 - Oregon State Medical Examiner Division
- Portland Metro Gang Task Force
- Portland Police Department

Federal

- Executive Office of the President
 - Office of National Drug Control Policy
 - High Intensity Drug Trafficking Area
 - Oregon
- U.S. Department of Commerce
 - U.S. Census Bureau
- U.S. Department of Health and Human Services
 - Substance Abuse and Mental Health Services Administration
 - Office of Applied Studies
 - Drug Abuse Warning Network
 - Treatment Episode Data Set
- U.S. Department of Justice
 - Drug Enforcement Administration
 - U.S. Attorneys Office
 - District of Oregon



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