

Memphis Press-Scimitar

WEATHER FORECAST: Partly cloudy today, tonight; 30 percent chance of thundershowers. High in low 80s. Partly cloudy tonight. (Details on Page 2.)

100TH YEAR—NO. 165

MEMPHIS, TENN., WEDNESDAY, MAY 21, 1980

TELEPHONES: MEMPHIS AND GENERAL CIRCULATION WANT ADS

1980 MAY 21 1980

PRICE FIFTEEN CENTS

FINAL
EDITION

Dow Jones Industrial

Average: **OH 2.48**

At **3:00 P.M. EST**

Markets on Pages 45x, 45y

UNDER COVER: Super-Secret Police Intelligence Network Operates in Memphis Amid Controversy

By KAY PITTMAN BLACK

Press-Scimitar Staff Writer

Behind the locked doors of an elaborate suite on the 30th floor of the 100 North Main Building sprawls the nerve center of a super-secret law enforcement intelligence network which calls itself a private organization but is funded by the federal government to the tune of \$2.5 million a year.

The Regional Organized Crime Information Center — equipped with a surveillance van, computers, powerful cameras, radio scrambler devices and a sophisticated telephone system which one observer says is comparable to that used by the nation's president when he travels — has been in Memphis two years. Yet few Memphians are aware of it.

It's so hush-hush, in fact, that even U.S. Attorney Mike Cody — the city's highest-ranking official in the Justice Department, which funds ROICC — insists he didn't know such a group was operating in Memphis.

"I never even heard of it," he said. ROICC's top man is Rex Armistead, 39, a former criminal intelligence officer of the Mississippi Highway Patrol, and his top assistant is Bill Price, former Memphis police chief. They supervise a staff that numbers between 20 and 30.

Armistead, described by some officials as a James Bond-like super-agent, founded the center and is credited with helping set



"I never even heard of it." — U.S. Attorney Mike Cody

up similar organizations in seven other areas of the country. He said ROICC serves as a clearinghouse for information on "traveling criminals — the modern, mobile type" for member law enforcement agencies in 15 states.

Highly Mobile

ROICC itself has been highly mobile since Armistead started it 4½ years ago in Jackson, Miss. It later moved its nerve center to New Orleans before coming to Memphis. Now there are reports of an impending move to Southaven. Armistead and Price say no such move is planned.

Armistead admits that the organization does not like to attract public attention and he refuses to allow his picture to be taken. But despite the secrecy, controversy has surfaced regarding ROICC.

• The federal money for the center was once channeled through the Memphis Police Department, but the police — while

maintaining membership in the organization — called a halt to the "grantee" role because they felt they had no control over how the money was spent.

• ROICC was spending hundreds of thousands of dollars on super-sensitive electronic equipment, hundreds of thousands on travel and informers and for what it got an accounting of how and for what it was being spent," said Police Director B. Winslow Chapman. The Justice Department now channels the funds through North Carolina, one of the states under the ROICC umbrella.

• Civil libertarians are concerned that the center may be spying on private citizens as well as criminals. The West Tennessee chapter of the American Civil Liberties Union is making inquiries. ACLU attorney Bruce Kramer wrote the city attorney's office asking if ROICC was engaged in any domestic surveillance activity and if the reported plan to move to

Southaven was an attempt to circumvent a federal court consent decree entered into by ACLU and the City of Memphis in the 1975 decree, the city agreed not to keep files on political activists and engage in domestic intelligence and surveillance of private citizens.

Spying Denied

City Attorney Cliff Pierce said his office has found "no evidence of any violation of the consent decree, no evidence of any domestic surveillance."

The city is expected to direct the ACLU inquiries to Cody.

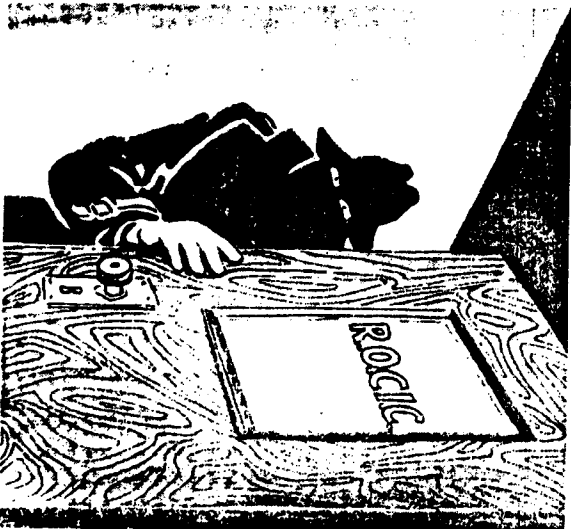
Price said the organization "engages in no domestic intelligence. We are scrupulous about that. Mr. Armistead has made sure of that."

Price added that ROICC has "no intention of moving to Southaven. In fact, he said, it has an 18-month lease on its offices at 100 North Main.

Until a few weeks ago, the offices had been located on the 30th floor of the skyscraper. Still to be moved to the 35th floor is its elaborate computer equipment.

The center's offices open at 7 a.m. and close at midnight seven days a week. Officials say about 600 telephone calls are received a day.

Turn to Page 14 — INTELLIGENCE



Intelligence Network Operates From Downtown Building

From Page 1

ROCC's telephone number is unlisted. Neither is the office included among the numbers in the lobby directory of the 100 North Main Building.

The large door to the organization's suite, which takes up almost the entire fifth floor, features two red and blue marble emblems on each side of the entrance portico. A lighted button glow. A sign above the button tells visitors to ring and identify themselves for admission. Over the door Roman-style letters in gold bear the initials ROCC.

Center officials say they will soon place a camera on each side of the doorway to get pictures of visitors. All visitors admitted behind the locked doors are given identity tags to wear while in the suite. The tags bear the red and blue star emblem, designed by a ROCC official who is a former New Orleans law enforcement officer. Visitors are also required to sign a book, giving their name and their company organization.

Armistead, a muscular six-footer, slightly balding, who moves as quietly as a large jungle cat, has a colorful background in law enforcement.

Armistead's Background

In 1967, Mississippi Gov. Paul Johnson gave him an "Officer of the Year" award. Armistead had dropped his gun to approach an armed convict who held a Greenville police officer and three women as hostages. He offered himself as a hostage in exchange for the the "convict's" freedom because of his efforts they were released.

In 1974 on an undercover assignment, he posed as a hit man in a bizarre Atlanta case which involved a Georgia multi-millionaire's alleged attempt to have the husband of his secretary killed.

Armistead has also infiltrated numerous organized crime groups and worked with the men who caused the late "Duke" Mafia, a reference to criminals in the Southern underworld.

He also is one of the 10 members of the President's committee on Organized Crime.

Armistead said that a few years ago he and other law enforcement officers in the South realized they needed to have a safehouse where information could be collected and stored.

He had meetings together to discuss what we felt needed to be done," he said. "But we soon learned that it didn't make sense to have a safehouse where we would be sitting and then everything we were planning."

The initial idea of the information through friends, police and in their own way. That knowledge of the city, which is shared in some police departments, he said, caused him to improve tight controls over information as well as membership when ROCC was formed.

Armistead points out that the FBI has virtually abandoned what he calls "street crimes," including bank robbery and auto theft rings, and has been concentrating its efforts on white collar crimes. Without ROCC and other agencies across the country like it, law enforcement groups would have to operate on their own, he said.

Price said law enforcement agencies have the funds to make extensive long-distance telephone calls to other agencies to check out information. Membership in ROCC allows them to call the Memphis-based agency at no expense and receive information.

The territory covered by the center extends from North Carolina to Oklahoma to Florida and to the Texas-Mexico border.

Agencies Rejected

There are 75 law enforcement organizations in MOCC's 15-state region. Members pay \$1,000 to join the exclusive club, which has rejected the applications of 200 agencies, Price said.

Armistead said agencies are rejected because of a belief that security over records could not be maintained. "For instance," Armistead said, "there is no way to secure the Memphis and Dallas police departments. So with them, we only deal with the intelligence staff. If a patrolman wants some information from us, he has to give his request to the intelligence unit and they channel it to us. We know who gets the information or files and if anything is leaked, we know who to point to."

He said all police departments simply cannot be trusted by members.

Of 30 law enforcement agencies who applied for membership in Mississippi, only two were accepted," he said. In order to qualify to be in the files of ROCC, a person must be a convicted felon in three or more jurisdictions and be known as a "traveling criminal" who moves between states as part of criminal activity, Price said. "We are not interested in purely local crimes," he said.

Price said member agencies are also furnished "support systems" — the exotic transmitter and other electronic devices that are combined in shiny metallic enclosures — used in surveillance work.

An agency may call and say it needs to use these devices, detail the case it is working on, and the devices are dispatched to them. Money for traveling and other expenses may also be given the member agencies because law enforcement budgets for sophisticated criminal investigations are generally non-existent, Price said.

Memphis, he said, is one of the few cities that have never called on ROCC for any surveillance aid.

Federal officials need the need to deal with fast-moving felons led in government funding of the center.

"It was recognized that big-city and small-city law enforcement agencies needed to pool their resources and their knowledge to keep up with the mobile modern criminal," said Jim Golden, director of criminal cooperation for the Law Enforcement Assistance Administration (LEAA), a part of the Department of Justice.

"The traveling criminal of today can get on a plane in Tulsa in the morning, go to Atlanta and pull a job, and get on another plane and be back in Tulsa that night," Golden said. "Thus, this regional pooling of knowledge was devised."

Funds Channeled

He said the \$1.3 million in annual funds for ROCC is channeled from the Justice Department to the state attorney general's office in North Carolina, which is in the ROCC region. Staff members from that office are assigned to the center's headquarters office in Memphis. Golden's organization is responsible for reviewing and auditing ROCC's operations. Overall policies are under the control of the Justice Department, Golden said, although the center is in no way connected with any of the federal government's strike-force operations against organized crime.

More light on ROCC and the reservations of the police department came from Police Lt. Richard O. Parler, who preceded Price as the center's assistant administrator. Parler quit the job in November and is now back in his former position as a planner with the Metro Law Enforcement Planning Agency.

"Well, there was a problem with how the city thought the spending of money should be conducted," Parler explained. "For instance, my ROCC wanted to buy some tires. They would just go out and buy them. The city wanted them put up for bids. ROCC objected to doing business that way."

Henry Evans, the city's chief administrator, agreed. "Their refusal to go along with the bid system was a problem for us. For instance, one time they leased a van without our approval, things like that," Evans said.

"We just cannot be responsible for grants in which we have no control over how the money is spent. We want the agency here in Memphis and understand how and why it operates the way it does, but we cannot allow money we are technically responsible for not to be accountable to the city."

Evans said inconsistencies over domestic intelligence work operated with money spent on informer operations played no part in the city's decision to abandon its sponsorship.

Price said no money is spent by ROCC on its own informers, but instead the money is channeled to the

member law-enforcement agencies for their informers.

Disagreement Mutual

Armistead said the disagreement with the city over financial matters was not one-sided. "The city wanted us to adjust our pay scale to theirs," he said. "For instance, they wanted our intelligence analysts to be paid what they paid clerks. Our people are more experienced. They wanted the people they assigned to us to be paid MPD-type salaries, which we discovered were about the lowest in the region. We don't pay that low."

"The city also wanted our office to close on all city holidays. We didn't close in New Orleans for Mardi Gras. What is Mardi Gras in New Orleans or a holiday in Memphis is not a holiday, for instance, in Tulsa. We operate seven days a week."

Concern with the effect of ROCC on domestic surveillance is not limited to the ACLU. The national Quaker American Friends Service Committee has charged that LEAA funding for urban intelligence units has been a significant factor in the accelerated growth of local police surveillance.

And various civil libertarian groups have recently challenged the Law Enforcement Intelligence Unit, a quasi-private network of more than 200 law enforcement agencies on the West Coast. ROCC officials say they are not connected, even in an indirect way, with LEU. Golden also denies there is an LEU connection.

However, descriptions of how LEU operates, obtained through civil libertarian lawsuits, indicate that the structural set-up of the two organizations and their physical operations are similar.

In 1974, a former police intelligence officer told the Senate Select Committee on Intelligence that he had supplied LEU members with information on political activists, including attorneys for the ACLU. The officer claimed that the targets of the surveillance were not connected to any criminal investigations.

The testimony was supported by the LEU representative for the Hayward, Calif., police department, who admitted that LEU files contained information on citizens who were members of "political process" groups.

Armistead said these problems are avoided by ROCC. "The agencies that get in trouble mix their domestic intelligence files with their criminal intelligence," he

said. "We follow strictly the national criminal intelligence guidelines."

"For instance, if some information comes in about a criminal and in that information it identifies the suspect as a black Muslim, we don't make any reference to Black Muslim. We are not interested in such aspects."

Armistead said the center does not engage in wrap-up and that all law enforcement agencies must have court orders to engage in it.

But there are some groups which feel no such responsibility, he said.

"There are 10 wrap-ups existing in Jackson (Mississippi) today and none is under the auspices of a law enforcement agency. In other words, all of those wrap-ups have been placed by criminal elements," Armistead said.

"That is why criminal surveillance is so necessary today. Criminals are very sophisticated tools."