United States Attorney's Office
District of Arizona

# Memorandum

**To:** Mike Morrissey

**From:** Emory Hurley

**Subject:** Manuel Celis Acosta Trafficking Investigation

**Date:** January 5, 2010

Today I met with ATF regarding their investigation centered around Manuel Celis Acosta, suspected of trafficking firearms to Mexico. He is the center of a hub-and-spokes conspiracy involving [redacted] or more straw purchasers. Based upon inspection of 4473s, the case involves more than 600 firearms purchased to date. There have been recoveries of approximately 100 firearms in both the US and Mexico, including a seizure of nine firearms in Douglas, Arizona, and the Naco seizure of forty-one AK variants.

We have reviewed the available evidence thus far and agree that we do not have any chargeable offenses against any of the players. In the past, ATF agents have investigated cases similar to this by confronting the straw purchasers and hoping for an admission that might lead to charges. This carries a substantial risk of letting the members of the conspiracy know that they are the subject of an investigation and not gain any useful admissions from the straw buyer. In the last couple of years, straw buyers appear to be well coached in how to avoid answering question about firearms questions. Even when the straw buyers make admissions and can be prosecuted, they are easily replaced by new straw buyers and the flow of guns remains unabated.

In this case, ATF has discovered that the central target of their investigation is linked to a state wire case being run out of the DEA wire room. They have reviewed a number of "dirty" calls from the Celis Acosta regarding gun trafficking and believe that they could pursue a federal T-III. They are also pursuing pole cams and other surveillance. It is believed that the guns are beings stored at a number of locations, including an auto-body shop. We currently have RC-3 [redacted] to link the various players in this investigation.

ATF believes that there may be pressure from ATF headquarters to immediately contact identifiable straw purchasers just to see if this develops any indictable cases and to stem the flow of guns. Local ATF favors pursuing a wire and surveillance to build a case against the leader of the organization. If a case cannot be developed against the hub of the conspiracy, he will be able to replace the spokes as needed and continue to traffic firearms. I am familiar with the difficulties of building a case only upon the interviews of a few straw purchasers and have seen many such investigations falter at the first interview. I concur with Local ATF's decision to pursue a longer term investigation to target the leader of the conspiracy.

Please let me know if you need additional information on this matter. Thank you.