

DELOREAN MEETINGS WERE TAPED, FEDS SAY

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LOS ANGELES -- **John Z. DeLorean** 's plan to enter into a potential multimillion-dollar cocaine scheme was so thoroughly penetrated by federal agents that one affidavit filed here Wednesday indicates he attended at least one meeting where every participant except **DeLorean** was working for the government.

The affidavits say that **DeLorean** was so desperate to save his failing **DeLorean Motor Co.** that he agreed to give away half- ownership if the cocaine deal ultimately reached \$60 million and he could keep the firm alive.

The man to whom he made the offer turned out to be an undercover federal agent, the affidavit says.

Many of the meetings, according to the file that accompanied **DeLorean** 's arraignment in U.S. District Court on drug conspiracy charges, were videotaped in hotel rooms previously prepared for surveillance by government officials.

Agents for the Drug Enforcement Agency and the Federal Bureau of Investigation also received important help from an informant, identified in the affidavits only as the "co- operating individual," or "CI."

The informant videotaped the meeting at which **DeLorean** was the only person who wasn't a federal worker, according to the papers filed Wednesday.

The presence of that informant as well as the numerous undercover officers and the television surveillance involved in the case led **DeLorean** 's Los Angeles attorney, Bernard Minsky, to characterize **DeLorean** himself as "a victim."

According to an affidavit by Jerry G. West, an FBI agent assigned to Los Angeles' DEA-FBI Task Force who "was present at the videotaping" of several of the **DeLorean** meetings, the sequence of events that led to **DeLorean** 's arrest went like this:

On Sept. 4, 1982, a DEA agent named **John M. Valestra** met with **DeLorean** and the "co- operating individual" at the L'Enfant Plaza Hotel in Washington, D.C. There **DeLorean** talked, according to the affidavit, about "the importation of heroin from Thailand and cocaine from South America as a means of generating large amounts of capital to be put into **DeLorean Motor Company.**"

Valestra was posing as a drug financier named **John** Vicenza, who, according to the plan discussed, was to finance a large portion of an extended narcotics purchase and sale agreement and then distribute the drugs. The profits were to prop up the auto company, according to West.

In subsequent meetings in California, according to West, it was agreed that **DeLorean** was to furnish \$1.8 million in cash, and "Vicenza" was to supply \$3.2 million for an initial purchase.

West's affidavit said, "The profits realized . . . were to be given to **DeLorean** . After \$60 million of the generated profits were given to **DeLorean** . . . Valestra (Vicenza) was to own a 50 percent share of DMC (**DeLorean** Motor Co.)."

AT **DELOREAN** 'S arraignment , assistant U. S. attorney James Walsh said that **DeLorean** in fact had signed some stock over to Valestra and to another undercover officer using the name James T. Benedict. That appeared to be the cover name used by Benedict J. Tisa, who played a prominent role in the investigation.

West's affidavit said the drugs **DeLorean** and Valestra were buying were to be supplied by William M. Hetrick, 54, the owner of Morgan Aviation, an aircraft service company in Mojave, Calif.

Federal law enforcement officials say privately that their prime target in the investigation was Hetrick rather than **DeLorean** . Hetrick was arrested by undercover officers along with an associate, Stephen L. Arrington, 31, after a drug transaction last Monday night.

Hetrick, said one federal official, was the "big fish. Then, along came **DeLorean** . . . He just stumbled into the deal."

Comments by Richard T. Bretzing and information in the affidavits suggest that the confidential informant was someone close to Hetrick

A federal agent said Hetrick was "almost penniless in 1977-78. But today, you couldn't begin to spend the interest on his assets. And you don't make that kind of money we're talking about here legally . Not in three or four years, anyway."

In March, according to Capt. Paul Lydick of the suburban Ventura Police Department, the names of Hetrick "and a number of his associates" began turning up in an investigation being conducted by Ventura police into an opration "that was laundering large amounts of U.S. currency."

Laundering means taking cash from one source -- usually an illegal enterprise -- and moving into other, usually legitimate, suirces to make it appear as if the money was obtained legally.

According to his reports, Lydick said money was being move "from here to L.A. and then to other U.S. locations and then, obviously, out of the country."

Lydick said he gave his information to federal authorities, "who jelled it into a drug case they were working on."

The affidavits do not make clear how **DeLorean** and Hetrick were first brought together.

NONETHELESS, the critical encounter between **DeLorean** and Hetrick, according to the affidavit, occurred on Sept. 20 in Los Angeles' Bel Air Sands Hotel. Also attending the meeting was FBI undercover officer Tisa, whose role was to ensure "that the financial portion of the transaction was consummated to the satisfaction of all parties."

At that Sept. 20 meeting, according to West, "Hetrick discussed with **DeLorean** and Tisa his expertise and experience in smuggling cocaine into the United States" and said he could supply 100 kilograms (220 pounds) for \$25,000 per kilo from outside the U.S. in 10 days, or more quickly from San Francisco at a price of \$50,000 per kilo. Police have said that much cocaine would reap about \$24 million on the street.

The affidavit says that **DeLorean** would later make additional purchases, but not necessarily from Hetrick, for up to a total of \$60 million in cocaine

Eight days later, **DeLorean** and the "CI" met with Valestra at the Bonaventure Hotel in Los Angeles, agreed to co-operate in the drug purchase from Hetrick and talked about Valestra acquiring half of the company.

Three weeks later, last Monday, Hetrick met with Tisa, Valestra, the informant and a Drug Enforcement Agent named Gerald V. Scotti (who spent four years with the Wayne County Sheriff's Department, three of them as a narcotics investigator, before joining the DEA).

According to Scotti's affidavit, Hetrick had just flown to Los Angeles from Florida with a load of cocaine. Tisa picked Hetrick up and drove him to the Sheraton Hotel, also in Los Angeles.

Hetrick reportedly told Tisa that he had brought only 25 kilos of cocaine, which he would sell for \$1.8 million -- the amount **DeLorean** had said he would provide. He promised more to come in a day or two if the transaction went smoothly, according to Scotti.

Scotti and Valestra joined Hetrick, Tisa and the informant early in the evening, Scotti carrying a briefcase containing the \$1.8 million.

Eventually, Scotti said, he rode with Hetrick's associate, Arrington, to a car parked at Van Nuys Airport, where the cocaine was stashed, while Hetrick and Tisa went off to dinner.

Scotti said Arrington told him "he had been working for Hetrick in the same capacity for 'a long time' but that he wasn't paid enough for the risks involved."

When they reached the car -- which had a specially rigged rear seat that popped forward to reveal the hidden cocaine -- Scotti said he sampled one bag, determined it contained cocaine and then signaled surveillance officers to arrest Arrington.

Later in the evening, Hetrick, too was picked up. **DeLorean** was unaware of Hetrick's arrest, and so the next day, according to West's affidavit, the auto executive joined Valestra, Tisa and the informant for a Sheraton Plaza Hotel meeting where he was shown about 20 kilos of cocaine that Valestra said Hetrick had delivered.

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According to West, **DeLorean** said the cocaine deal had been made "in the nick of time."

DeLorean was arrested shortly afterward.

Caption: Pix AP and UPI

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Page: 1A

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