Crack Trade Capitalists in Detroit; [THREE STAR Edition]

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Detroit

An upstart company in Detroit became a giant in its market by identifying a hot growth industry, shoring up its manufacturing and sales divisions, setting up strict quality control and advertising low prices.

The product was crack, and the company, known as the Chambers Brothers Organization, came to control half the crack houses in Detroit with sales of at least \$1 million a day.

Recently the brothers who founded the business, Billy Jo, Larry, Otis and Willie Lee Chambers, were convicted of conspiracy along with eight associates in a trial that offered a rare glimpse into the phenomenal rise and inner workings of a drug organization whose scope law-enforcement officials are still trying to measure.

With hundreds of employees, the ring dominated the drug trade in entire areas of the city and became the "largest crack distribution network successfully prosecuted anywhere," said Roy C. Hayes, the United States attorney for the Eastern District of Michigan, who handled the case himself to emphasize the severity of the drug problem in Detroit.

When crack, the potent smokable form of cocaine, came to Detroit two years ago, the brothers "got in on the ground floor," said William R. Coonce, a special agent of the Federal Drug Enforcement Administration.

The brothers used marketing techniques such as discount coupons and two-for-one sales to lure buyers to the highly addictive drug.

They had as many as 500 employees, law-enforcement officials said, so many that they began issuing identification cards with snapshots to keep track of them.

Sales Competitions

To motivate their workers, there were sales competitions among the hundreds of crack houses run or franchised by the group.

Supervisors, conscious of the need for quality control, would go to the crack houses posing as buyers, according to testimony at the trial.

"They didn't want to lose customers because someone was ripping them off," said Lawrence J. Bunting, an assistant U.S. attorney who helped prosecute the case.

The organization amassed great wealth in its brief reign before the brothers were arrested in February after an 18-month investigation.

Officials from the DEA and the Detroit Police Department seized \$1 million in cash and jewelry, 68 automobiles and 250 weapons. The authorities also confiscated six kilograms of cocaine that they said had a street value of \$2.5 million.

As the empire grew, the brothers bought vacation property in Jamaica and were planning to expand the business to Flint, Mich., Toledo, Ohio, and elsewhere in the Middle West.

Now the brothers and the eight others convicted are facing prison terms of up to life when they are sentenced.

Although the ring's leadership has been toppled, authorities say they fear that hundreds of former employees of the Chambers brothers are trying to fill the void here and in other states.

Three key lieutenants are still at large. A fourth, Carl Young, was arrested in California recently and charged with conspiracy in Michigan.

Dr. Carl Taylor, an adjunct professor of criminal justice and Michigan State University, has studied youth gangs in Detroit and he divides gangs into two categories, scavenger and corporate.

Corporate Structure

The Chambers organization, he said, was clearly corporate. "These kids were not using drugs as consumers but as capitalists," Taylor said.

Crude charts of the organization's structure and handwritten bylaws found on the walls of several crack houses reflected rigorous discipline and a misguided work ethic.

Employees were warned never to carry drugs and proceeds at the same time. Stringent guidelines set out ways to be inconspicuous: stay within speed limits and never wear gold chains or flashy sneakers while dropping off drugs or picking up money.

Brutal demands were made of the employees, many of them high school students who were paid \$100 a day. They were expected to be available around the clock.

Many of them skipped school to work 12-hour shifts selling or making crack. They were docked, dismissed or beaten for being late or for coming up short in either crack or cash.

One former employee, Felicia Gilchrist, who is 19, testified that she took her week-old baby with her to the crack house where she sold crack through a hole in a wall. She sat at her post 24 hours a day, sleeping "when the traffic would slow down," she said, and taking turns on busy days with her 14-year-old sister, Alicia.

Like all of the former employees of the organization who testified at the trial under grants of immunity, she has been offered assistance in the federal witness relocation program.

The employers' guiding principles followed the workers everywhere. "One will be promoted and graded according to his work and conduct," the policy read.

No Time for Parties

"If you are planning on getting rich you must forget about your girlfriends and family. You will not have too much time for parties and concerts. With hard work and dedication, we will all be rich within 12 months."

"What you have is four guys coming up from Arkansas who wander around and decide to take over the dope business in Detroit," said Bunting.

The brothers came here in 1983 after the eldest, Willie Lee, got a job as a mail carrier. From legitimate jobs they moved into their first joint venture in the drug trade: selling marijuana out of a convenience store.

To insure cheap, dependable labor, the brothers lured scores of young people from the cotton fields of their hometown, Marianna, Ark., in a sad and sinister twist on earlier migrations of rural Southerners looking for work in northern cities.

"They were like slave traders, bringing kids up from the South and locking them in these crack houses," Taylor said.

"They had kids out there almost auditioning for them. It's like an alternative to Little League."

Everyone in Marianna knew when the brothers were in town recruiting. "The Chambers brothers came down here with fancy cars and fancy clothes and girlfriends and drugs and jewelry and offered these kids a lifestyle they couldn't get in Marianna," said Police Chief Mark Birchler of Marianna.

One of those who responded to the lure was Terry Colbert. At 17, he was on a fast track in the organization, making \$3,000 a week selling crack on the east side of Detroit.

But the good times quickly turned ugly when he was beaten and shot in a quarrel with Otis Chambers over money.

'I Don't Like You'

"I was standing in the corner," Colbert recalled, "and Otis and my uncle was arguing and Otis looked at me and said, `You know, I don't like you no way,' and that's when the guy, Karate, started swinging the bat on me."

A shootout began. Colbert testified that he jumped out of a window, followed by Otis Chambers, who told his security men: " `There he goes, right there - shoot him.' "