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MAYOR BLOOMBERG ANNOUNCES THE FILING OF SECOND FEDERAL LAWSUIT AGAINST IRRESPONSIBLE GUN DEALERS

12 Gun Dealers in Five States Are Named in Second Federal Lawsuit Following Sting Operation

Six of the 15 Gun Dealers Named in the First Lawsuit Have Reached Settlements with the City; Court Appointed Special Master is Named for Three of the Five Gun Dealers

City Launches Subway Ads Warning of New Mandatory Minimum Sentencing for Illegal Possession of a Loaded Handgun Passed Earlier This Year

Mayor Michael R. Bloomberg, joined by Corporation Counsel Michael A. Cardozo, Police Commissioner Raymond W. Kelly and Criminal Justice Coordinator John Feinblatt, today announced that New York City has filed a second lawsuit in the Federal District Court for the Eastern District of New York against 12 additional gun dealers identified as selling firearms in violation of federal law. This lawsuit is similar in scope to the suit filed in May against 15 gun dealers and also seeks injunctive relief intended to halt the dealers' illegal practices. Of the original 15 gun dealers, six have reached settlement agreements with the City – the most recent settlement having been reached last night – and three of those dealers have had a Special Master appointed by the federal court to oversee their sales practices. The 12 gun dealers named in today's lawsuit – located in Georgia, Ohio, Pennsylvania, South Carolina and Virginia – were targeted because of the number of guns that have been traced back to them following crimes committed in New York City. More than 300 crime guns recovered by the New York City Police Department (NYPD) have been traced to these 12 gun dealers between January 1994 and 2002. Mayor Bloomberg today also announced the launch of a subway ad campaign that warns about the increase in the mandatory minimum sentence for illegal possession of a loaded handgun to 3 ½ years. Backed by Mayor Bloomberg, this legislation passed the State Legislature in June and was signed into law by Governor Pataki in October.

"Illegal guns don't belong on our streets and we're sending that message loud and clear," said Mayor Bloomberg. "We're determined to see that gun dealers who break the law are held accountable, and that criminals who carry illegal loaded guns serve serious time behind bars. It's just that simple. By and large, most gun dealers respect and follow the law, but for those who don't, this is a wake up call. I invite these 12 dealers to become part of the solution by joining the six dealers who have already reached settlements with the City. And the new public service announcements are a wake-up call to anyone who might consider carrying a loaded illegal gun. The price is too high – and we want to be sure that everyone knows it."

"This second lawsuit sends a strong message to gun dealers – that we won't stand by and allow illegal guns to flood New York City," said Corporation Counsel Cardozo. "We are confident that, like many of those in the first suit, the dealers identified today will recognize that the City's effort is all about public safety, not interfering with lawful business. We hope they will work with us to that end."

Earlier this year, investigators from the James Mintz Group, a private investigative firm employed by the City, traveled to five states to establish whether these gun dealers were violating federal laws governing firearms sales. The investigators, in teams of two, entered gun stores and followed a scenario commonly known as "straw purchasing" – where one individual makes all of the inquiries into purchasing the gun, and then the other individual, completely uninvolved in the sale process, fills out the required federal forms to pass the background check. Federal law prohibits licensed dealers from selling firearms to individuals when they have a reasonable belief that the firearm being sold is not for the person who purports to be the purchaser.

All 12 dealers named in the suit sold a gun to a team of undercover investigators, who wore hidden cameras during their sting operations. Even in the face of obvious "red lights" that should have immediately ended the discussion between dealer and customer, including that the straw purchaser did not participate in the transaction until the time came to fill out the federal forms and did not pay for the gun.

The 12 dealers named in the suit are:

Gwinnett Pawn Shop
Hot Shots Jewelry & Pawn
Toccoa Pawn & Variety
Miller Rod & Gun
John's Gun & Tackle Room
Coastal Pawn Shop

Norcross, Georgia
Marietta, Georgia
Toccoa, Georgia
Youngstown, Ohio
Easton, Pennsylvania
Latta, South Carolina

Dick's Pawn

Rooks Sales & Service

North Myrtle Beach, South Carolina

Bishopville, South Carolina

Trader World North Charleston, South Carolina

Bob Moates Sport Shop Midlothian, Virginia
Franklin Rod & Gun Shop Rocky Mount, Virginia
Town & Country Pawn Shop Roanoke, Virginia

In May, the City filed suit in federal court against 15 gun dealers in these same five states who also sold guns in violation of federal and state statutes. Based only on incomplete data currently available to the City due to federal restrictions, more than 500 crime guns recovered in New York City were traced to these 15 gun dealers between 1994 and 2001.

To date, six of those dealers – Jim's Guns and Whatever (Dayton, Ohio), A-1 Jewelry and Pawn, Inc. (Augusta, Ga.), AAA Gun & Pawn Brokers (Hephzibah, Ga.), Big Tom's Pawn Shop (Savannah, Ga.), Cole's Gun Shop (South Boston, Va.) and Dunkelberger's Sports Outfitters (Stroudsburg, Pa.) – have agreed to settlements with the City which includes the court appointment of a Special Master to monitor the dealers and require them to submit to enhanced training. The Special Master has broad monitoring powers, including unlimited review of firearms-related records, which include trace requests and multiple handgun sale reports, as well as the ability to conduct unrestricted inspections of all firearm inventories. Employees will receive enhanced training to ensure these dealers conduct legal firearm sales and identify and refuse to sell to straw purchasers.

In October, the Honorable Jack B. Weinstein, Senior District Judge for the Eastern District of New York, appointed Andrew Weissmann to act as the Special Master for three of the gun dealers who entered into settlements with the City – Big Tom's Pawn Shop, Cole's Gun Shop and Dunkelberger's Sports Outfitters. Weissmann is a partner in the New York office of the law firm Jenner & Block. Prior to joining Jenner & Block, Weissmann served as an Assistant U.S. Attorney with the U.S. Department of Justice. In that capacity he was selected to serve as director of the special task force created to investigate the Enron corporate scandal. In addition, during his tenure as an Assistant U.S. Attorney, Weissmann also served as the Chief of the Criminal Division, overseeing 110 prosecutors for the Eastern District of New York.

"We're attacking the problem of illegal guns from both sides – supply and demand," said Criminal Justice Coordinator Feinblatt. "On the supply side we're going after irresponsible dealers, and on the demand side we're going after gun offenders. Simply put, we're enforcing the law against every criminal who plays a role in the illegal gun trade."

"In the last week, we heard recounted at trial the horrible execution-style murders of Detectives James Nemorin and Rodney Andrews as they performed the dangerous duty of intercepting illegal guns destined for the streets of New York," said Police Commissioner Kelly. "There was also a memorial service for Detective Dillon Stewart whose killer was armed with an illegal gun. Police officers put themselves in harms way every day to take guns off the street, and too often pay with their lives. Nine out of 10 times, those guns come from out of state. We need to hold accountable all those who make it easy for illegal guns to reach New York."

"The wisdom of Mayor Bloomberg's litigation strategy has already been proven by the settlements achieved to date," said Ken Taber, co-head of Pillsbury's litigation practice, who is providing pro bono counsel for the gun dealer lawsuits. "As a leading law firm which has been in New York City for nearly 140 years, Pillsbury Winthrop Shaw Pittman is proud to contribute additional resources to the Mayor's efforts to keep illegal guns off the City's streets."

New York City Transit Subway Ad Campaign

Mayor Bloomberg also announced that starting today, New York City subways would begin a new public service advertising campaign warning riders about the increase in the mandatory minimum sentence for illegal possession of a loaded handgun. In June, at the Mayor's urging, the State Legislature passed a bill increasing the mandatory minimum sentence for illegal possession of a loaded handgun from 1 year to 3 ½ years, and eliminated the loophole that allowed judges far too much discretion in sentencing – changes the Mayor had called for in his State of the City Address last January. In October, Governor Pataki signed this bill into law.

The subway ad campaign will run through the winter and will be displayed in 2,044 subway cars -32% of all cars in the subway system. The simple and stark message featured in the ad is "Illegal possession of a loaded gun now carries a minimum of $3\frac{1}{2}$ years in prison. Period. End of Story." The ad also includes a photo of a prison cell.

"It is vitally important to get the message out there that there are real consequences associated with the carrying illegal handguns," said Lawrence G. Reuter, President of MTA NYC Transit. "Consequently, one of the best ways to get this message out to the widest audience possible is onboard MTA New York City Transit's subways. The development and installation of this series of car cards for the Mayor's Criminal Justice Coordinator was a contribution that we were extremely pleased to make."

The City is also collaborating with the Citizens Crime Commission and others who are also developing their own advertising campaign to raise awareness about the increase in sentencing and dissuade individuals from carrying illegal guns.

Mayor Bloomberg's Illegal Gun Agenda

Mayor Bloomberg has made stopping the flow of illegal guns an important priority in his second term. To that end, he is using a comprehensive three-pronged strategy: tougher enforcement, new legislation and innovative litigation to combat illegal guns. In New York City, gun arrests are up 14% this year.

Recognizing that illegal guns are a national problem requiring national leadership, Mayor Bloomberg, together with Boston Mayor Thomas Menino, in April hosted a Mayors' Summit on Illegal Guns that was attended by more than a dozen mayors from across the nation, from Seattle to Dallas to Philadelphia. The nonpartisan group of mayors discussed cutting-edge policing and legal strategies, identified opportunities for greater coordination in combating the flow of illegal guns, and signed a statement of principles to guide their efforts going forward. Mayor Bloomberg, alongside these other mayors, is also fighting federal legislation that would protect irresponsible gun dealers by limiting access to trace data and barring its introduction in civil suits, preventing law enforcement agencies from holding gun dealers fully accountable. The mayors have also opposed legislation that would make it harder for the ATF to revoke the licenses of rogue dealers. To date, the Mayors Against Illegal Guns Coalition includes more than 120 members from more than 40 states.

This fall, Regional Illegal Gun Conferences were held in Chicago, Boston and Atlanta, bringing together mayors and other senior city officials to discuss the problem of illegal guns within their region. These conferences were designed to lead into the January 2007 Mayors Against Illegal Guns Summit which will kick-off the coalition's first full calendar year of work together – and the first-ever coordinated, national effort to convince Congress to take ideology out of law enforcement.

In July, Mayor Bloomberg signed four bills into law that include tough new measures that will help keep guns out of the hands of criminals; prevent under-the-table sales and require those convicted of a gun crime to check in with the NYPD after they have been released from prison; and ban real guns from being painted to look like toy guns. Other enforcement efforts include the establishment of a "debriefing" protocol for every felony gun defendant, which is helping law enforcement agencies learn more about the illegal gun markets.

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Contact: Stu Loeser/Virginia Lam (212) 788-2958 Kate O'Brien Ahlers (Law) (212) 788-0400

Paul Browne (NYPD) (646) 610-6700