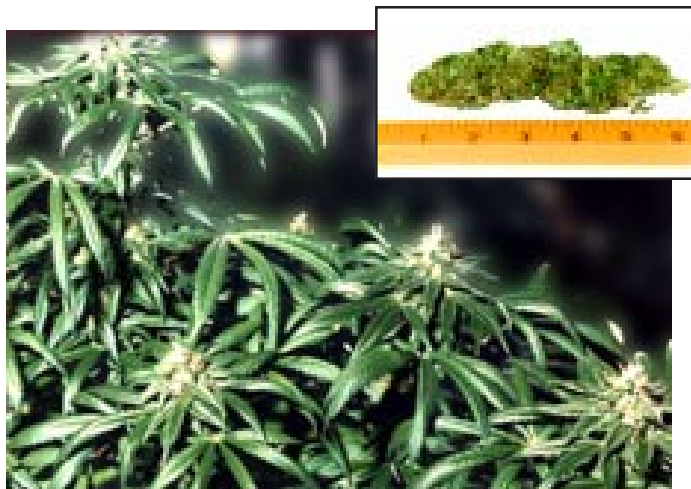


BC BUD: GROWTH OF THE CANADIAN MARIJUANA TRADE

Introduction

Marijuana and other cannabis products are the most widely abused and readily available illicit drugs in Canada. Canadian law enforcement intelligence indicates that marijuana traffickers there increasingly are cultivating cannabis indoors. Such indoor grow operations have become an enormous and lucrative illicit industry, producing a potent form of marijuana that has come to be commonly known as “BC Bud.” Canadian officials estimate that cannabis cultivation in British Columbia is a billion-dollar industry and that traffickers smuggle a significant portion of the Canadian harvest into the United States.



Flowering female cannabis plant. Mature, high-potency “BC Buds” may measure five inches or more in length.

Photo courtesy of DEA’s Blaine, Washington, Resident Office

Indoor Cannabis Cultivation Rises in Canada

Canadian growers produce cannabis plants with powerful buds, often using sophisticated hydroponic cultivation techniques. While the term “BC Bud” literally refers to the bud of the female cannabis plant grown in British Columbia, the term has become synonymous in the popular media for high-potency Canadian-grown marijuana. Such marijuana has a THC¹ content ranging from 15 percent to as much as 25 percent, far more potent than the naturally grown cannabis plants of the 1970s, which had a THC content of only 2 percent.

Marijuana traffickers in Canada employ the most current methods of growing cannabis. Growers isolate and clone selected female plants for sinsemilla production, and they use high-tech equipment to electronically regulate temperature, light, and nutrients in hydroponic greenhouses that enable them to grow up to six marijuana crops per year. According to the Canadian Government, a cannabis grower operating a 50-plant hydroponic operation that harvests three crops of 15-percent potency can realize an annual profit of Can\$225,000.

Canadian law enforcement officials estimate that cannabis cultivation in British Columbia now yields a billion-dollar annual profit. In Vancouver, where significant hydroponic cultivation first emerged, authorities

¹ Delta-9 tetrahydrocannabinol (THC), the primary psychoactive chemical of the cannabis plant, is most concentrated in the unfertilized buds of the female plant (sinsemilla—without seeds). Potency is expressed as the percentage of THC in dried plant material.



1

Cannabis clones/seedlings, potted in soil-less media, removed from watering table.



2

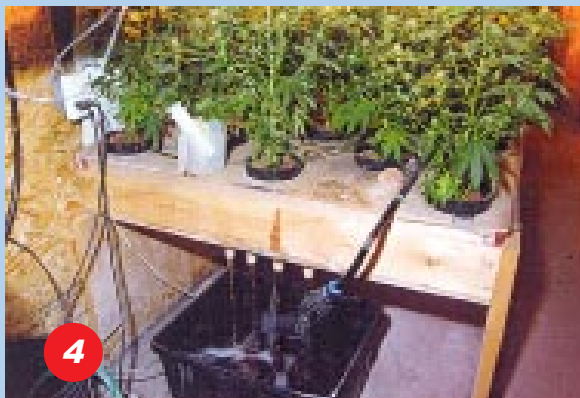
Nutrients are delivered via automated irrigation.



3

High-intensity lighting and adequate ventilation stimulate rapid growth; some growers provide an atmosphere enriched with carbon dioxide.

Progression of a Hydroponic Grow



4

Rates of vegetative growth and maturation are enhanced by special fertilizers, plant hormones, steroids, insecticides, and by manipulation of the light cycle.



5

The controlled environment permits year-round cannabis cultivation.

A sophisticated hydroponic grow seized in British Columbia in July 1999.
Photos courtesy of the RCMP and DEA Blaine

recently estimated that there are between 2,000 and 3,000 hydroponic greenhouses in their jurisdiction alone. Sophisticated indoor cultivation has gradually expanded to other areas of Canada, including the Prairie Provinces, Ontario, and Quebec, where high-potency marijuana is marketed as “Quebec Gold.”

The Royal Canadian Mounted Police (RCMP) and its sister agencies, such as the *Sûreté du Québec*, are concerned with the dramatic rise in hydroponic cannabis cultivation. Nearly every police agency has reported an increase in the size and number of grow sites, as well as the number of plants seized. Cannabis plant seizures have more than tripled since 1995.

Cannabis Plants Seized by Canadian Authorities

1995	1996	1997	1998	1999
296,000	675,900	689,200	1,025,800	954,700



Sources: RCMP, Canadian Customs, the Sûreté du Québec, the Montreal Urban Community Police Department, the Ontario Provincial Police Department, and Metro Toronto

Within Canadian law enforcement, the investigation of indoor cannabis cultivation has been delegated to various “Green Teams.” It is estimated these teams seize approximately eight indoor cannabis grow operations daily in British Columbia, with an average of 150 to 200 plants being seized per operation. In 1998, these teams reported 2,351 cannabis cultivation cases in British Columbia. In 1999, this number increased by 30 percent to 3,279 reported cases.

In British Columbia, indoor cultivation sites are located primarily in rental properties in a variety of neighborhoods. The majority of the grows are operated by Vietnamese organized crime groups (or youth gangs) or by associates of the Hells Angels Motorcycle Club (HAMC). Whereas HAMC-related grow sites consist of large numbers of plants, Vietnamese growers cultivate smaller numbers of plants in multiple locations (sometimes in adjacent properties). Ethnic Vietnamese frequently are used as “house sitters” at indoor locations and paid in the form of either money or drugs. Brokers are most often used as conduits between cultivators and retail distributors.

At this time, there is scant evidence of cooperation between the Vietnamese and HAMC-related groups, as current law enforcement intelligence indicates active animosity between the two groups. Nonetheless, the Drug Enforcement Administration’s (DEA) Spokane, Washington, Resident Office investigated a Hells Angels associate who smuggled marijuana for a Vietnamese organization based in Canada. In this investigation, marijuana from a Vietnamese grow operation in Canada was transported across the border and delivered to the Vietnamese organization’s marijuana distributor in the United States.

U.S. Seizures Increase

Canadian and U.S. law enforcement officials are concerned that drug traffickers in Canada will escalate the smuggling of Canadian-grown marijuana to U.S. drug markets. Although Canada is not a primary supplier of marijuana to the United States, the smuggling of BC Bud from British Columbia is burgeoning, as are shipments of Quebec Gold to the northeastern United States. Much of the United States-Canada border consists of vast remote areas interspersed with residences and farms; in some areas the border is delineated only by a narrow trench, which is easily traversed.



Above, approximately 240 pounds of BC Bud seized from a Canadian military vehicle in August 2000
Photos courtesy of DEA Blaine

The U.S. Customs Service (USCS) reported that marijuana seizures along the British Columbia-Washington State land border, which totaled 325 pounds in 1994, increased sharply to more than 2,600 pounds in 1998. Marijuana seizures in the region rose again in 1999, when USCS officials seized nearly 2,900 pounds. Whereas most 1994 seizures took place along the western section of the border at the Blaine and Oroville, Washington, ports-of-entry, recent marijuana seizures have been more widespread.

In August 2000, USCS and DEA officers seized 240 pounds of BC Bud from a Canadian military vehicle that crossed the border from British Columbia at the Blaine port-of-entry. The vacuum-packaged sinsemilla was contained in five large nylon duffel bags. Two Canadian nationals were arrested.

DEA reporting also notes the trafficking of BC Bud to the eastern United States. For example, on March 22, 2000, approximately 1,100 pounds of BC Bud and \$30,000² in drug proceeds were seized in Manhattan by officers of the New York Police Department. In related investigative activity, on March 24, 2000, DEA Atlanta Field Division special agents, with the assistance of Barstow County Sheriff's Office deputies, seized an additional 180 pounds of BC Bud, 30 pounds of hashish, and \$165,000 in cash from the trafficker's vehicle and residence in Adairsville, Georgia.



BC Bud seized on March 24, 2000, in Adairsville, Georgia
Photos courtesy of DEA Atlanta and Barstow County Sheriff's Office

Prices

High-potency marijuana sells for \$1,500 to \$2,000 per pound in Vancouver. Smuggled to Bellingham, Washington, the price increases to about \$3,000; if brought to California, it can sell for as much as \$6,000. In New York City, Canadian marijuana has sold for up to \$8,000 per pound. DEA officials in Portland, Maine, report that high-potency Canadian-grown marijuana is sold in the region at up to five times the price of domestic and Mexican marijuana. The profitability of this illicit trade is demonstrated by the seizure of nearly \$2 million in alleged marijuana profits from vehicles returning to Canada from the United States over a 2-month period in 1997.

² All prices are in U.S. dollars, unless otherwise noted.

Traffickers

Canadian law enforcement officials estimate that production of BC Bud is a sophisticated and lucrative industry in Vancouver and that traffickers distribute and/or smuggle the majority of the Canadian harvest to the United States. RCMP intelligence indicates that Canada-based outlaw motorcycle gangs (OMG) and Vietnamese gangs smuggle marijuana into the United States, as do various white and Hispanic groups. It is important to note that no one criminal element has a monopoly on the marijuana trade. Moreover, DEA reporting suggests that several U.S.-based marijuana trafficking organizations now are using British Columbia as a hub of operations and are exploiting the vast United States–Canadian border. RCMP investigations also indicate that traffickers occasionally exchange high-potency marijuana for cocaine at a ratio of about three units of marijuana to one of cocaine. Furthermore, DEA information cites the trafficking of BC Bud and cocaine throughout the West Coast.

Canadian law enforcement officials indicate that the primary marijuana trafficking groups are Vietnamese gangs and OMGs. Of particular significance is the HAMC, which added three more Canadian chapters to the 11 already in existence. The Hells Angels are alleged to rely heavily on drug profits as a principal source of revenue. The

British Columbia chapter is reportedly one of the most profitable chapters in the world. In Quebec, the Hells Angels control most of the hydroponic marijuana

Marijuana³ Seized by Canadian Authorities (kgs)

1995	1996	1997	1998	1999
5,500	8,372	11,724	29,598	4,289*



Sources: RCMP, Canadian Customs, the Sureté du Québec, the Montreal Urban Community Police Department, the Ontario Provincial Police Department, and Metro Toronto

trade. In early 1997, for example, the *Sureté du Québec* disrupted three hydroponic cannabis operations that were linked to the HAMC. Although HAMC drug trafficking operations in the United States have experienced significant setbacks, profits from those based in Canada reportedly are used to revitalize the gang in the United States.

Routes and Methods

Using a variety of methods, including vehicle, boat, aircraft, backpack, and body carry, tons of BC Bud are smuggled to the U.S. drug market. Marijuana, increasingly concealed in tires and hidden compartments, is seized most often from land vehicles entering the United States from Canada. Traffickers frequently smuggle marijuana in large duffel bags, which are thrown across and/or hidden along the land border or transported in vehicles or boats, often in plain sight.

³ Not all of this amount was BC Bud. Canada's foreign source countries for marijuana are Mexico, Colombia, Jamaica, and Thailand. For example, in 1998, authorities seized 1,474 kilograms of Jamaican *ganja* along the Canadian East Coast.

BC Bud Trade in the Pacific Northwest



On the West Coast, marijuana frequently is transported by vehicle to destinations 10 to 30 miles south of the border. From there, the drug is transferred to traffickers in Seattle, Washington, and Portland, Oregon, who distribute BC Bud to U.S. marijuana markets. Canadian traffickers also are reported to drop their marijuana loads across the border in remote areas (often without the knowledge of rural landowners), cross into the United States without drugs, later retrieve the marijuana, and continue on to U.S. distribution sites.

Aware of law enforcement scrutiny at major northern border entry points, Canadian marijuana smugglers often use circuitous travel routes to disguise their true destinations. DEA officials in Blaine and Spokane report that traffickers travel east using the Canadian road network and enter at remote border crossing points. Canadian traffickers have even been reported to use portable Zodiac boats to smuggle marijuana on waterways between Canada and Montana. Once across the border, traffickers work their way back to major transportation corridors, such as Interstate 5, which links large metropolitan areas along the entire U.S. West Coast from Canada to Mexico.

From the Greater Vancouver/Vancouver Island area, traffickers frequently use small boats, pleasure craft, and commercial fishing vessels to smuggle from 10- to 50-kilogram quantities of marijuana to destinations on the U.S. side of the Puget Sound. For example, during a period of calm weather in the middle of this year's spring storm season, USCS maritime assets effected seven marijuana seizures in 8 days from drug-smuggling vessels using the Puget Sound.

On occasion, high-potency Canadian-grown marijuana is smuggled via private aircraft. Agents of the DEA Blaine Resident Office reported that one route extended from the greater Vancouver-Vancouver Island area to the Idaho–Montana border; from there the marijuana was distributed to California, New York, and Georgia (Atlanta).

The 80-mile stretch of northern border from the Puget Sound to the Cascades is the most heavily patrolled portion of the western United States–Canada border. Beyond this narrow corridor, border scrutiny diminishes given the vast geographic area and scant resources deployed in the more remote areas of the border.

Outlook

The increasing popularity of BC Bud in drug markets in both Canada and the United States, coupled with tremendous profits, will encourage expansion of the marijuana trade in North America. Containment of the illicit traffic of potent Canadian-grown marijuana will require determination and continued coordination between law enforcement authorities in both nations.

This report was prepared by the Domestic Strategic Intelligence Unit of the Office of Domestic Intelligence. Comments and requests for copies are welcome and may be directed to the Intelligence Production Unit, Intelligence Division, DEA Headquarters, at (202) 307-8726.