# Mystery man

ROB KANE'S LIFE IS A PUZZLE A plan to capture a cache of World War II gold ended in hard feelings, a lawsuit and, apparently, no riches

By RICHARD MAUER and LISA DEMER Anchorage Daily News

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There were big weapons, unexplained piles of money and a mysterious trip planned to the Philippines. And at the center of it all was Rob Kane, claiming to be an elite Navy SEAL and assuming the title "commander."

Only, this venture didn't involve Security Aviation, Czech jets, rocket launchers or a partner in Anchorage named Mark Avery.

Instead it involved a hidden treasure of gold, an ex-Marine named Duke Piper and a misadventure with roots in Chicago and Nevada that ended in a Reno courtroom with a \$100,000 judgment against Kane.

Last month, an Anchorage jury acquitted Kane and Security Aviation on charges they illegally obtained and possessed two Soviet-era aircraft rocket launchers. Kane emerged from the investigation and trial as an elusive figure. Witnesses told of his boasts of CIA and FBI connections and his claims of secret money and authority from the U.S government and connections to the White House.

Kane, 37, didn't testify. During a break in the trial, when a reporter asked about a ruby-red lapel pin he wore to court each day, Kane said it was a piece of his personal story, which he would tell "when this is over." But in recent weeks, he hasn't responded to requests for interviews.

### **INVENTING AN IDENTITY**

Six years before Kane achieved notoriety in Anchorage over the mysterious \$50 million-plus growth of Security Aviation and federal raids coinciding with his arrest, he was involved in an equally murky plot to liberate a cache of gold in the Philippines. That's where his wife was from.

One of the men who joined him on the mission -- and is now willing to talk about it -- was Bob Wiegand, 44, an ex-Navy SEAL now living in La Jolla, Calif. Wiegand would later play a key role in exposing Kane's claims to be a SEAL himself as phony.

In 1999, Wiegand was running an Internet store from his California home, selling Navy SEAL memorabilia. Wiegand had maintained contact with other special-operations-forces veterans.

SEALs (from Sea, Air and Land) and a comparable special-operations Army unit, Delta Force, are legendary for their training, guts and close-quarter combat skills, often in secret missions. SEAL and Delta Force retirees fill the ranks of private security and military firms, leading to efforts by veterans to weed out impostors.

A persistent man in Chicago was quickly becoming Wiegand's best customer. The man: Rob Kane. Kane called himself commander and told Wiegand he had led a SEAL team -- the illustrious SEAL Team 6, made famous by its real founder, Dick Marcinko, in the book "Rogue Warrior."

Kane hinted at secretive work for the government. He bought a SEAL flight jacket, SEAL T-shirts, special team hats and more over the phone, Wiegand said.

"Then he wanted other stuff," Wiegand said. "He wanted the medals. He wanted the pins."

Kane boasted, Wiegand said, of having been awarded some of the most prestigious awards in the military: Silver Star, Bronze Star, Navy Cross, Purple Heart.

" 'I've earned these things but I can't wear them,' " Wiegand said Kane told him. " 'My assignments were too classified. It would expose who I was.' Now that's the biggest BS line."

"He presented himself as a guy who had been to about every special-forces training school in all four services but never graduated any to hide his identity," Wiegand remembers.

Wiegand said he didn't worry much about feeding Kane's fantasies.

"He could have told me he was president of the United States; I really didn't care. He was just spending money," Wiegand said.

Still, Kane tantalized Wiegand with stories of riches. Kane said he made his money wresting gold from terrorists and recovering U.S. bonds issued to foreign countries after World War II.

Kane asked Wiegand for help getting a special weapon -- a .50-caliber sniper rifle, the heavy gun known for its devastating accuracy over extreme long range. It's also a weapon coveted by terrorists and criminal gangs, according to advocacy groups who want the high-powered rifles regulated like machine guns.

Around February 2000, Wiegand said, he bought a .50-caliber, single-action rifle for Kane and drove it from Los Angeles to Chicago and Kane's apartment overlooking Lake Michigan. Kane seemed to be rolling in money. Kane and his wife, Karen, had two nannies for their two children, Wiegand said. A third child was on the way.

The men talked through the night. Kane told fantastic stories, Wiegand said.

"Do you know about the giants on this (secret U.S.) base?" asked Kane. "They were like eight feet tall," he insisted.

"I go, 'I don't know what you're talking about,' " Wiegand said.

At work, Kane shared a suite with a commodities broker, Wiegand said. Kane's office was plastered with familiar-looking SEAL memorabilia. Kane seemed to have fully invented a persona, he said.

"When I walked into his office, everything he bought from me was on the walls," Wiegand said. "That was his pitch to everyone -- that he was a Navy SEAL."

To pay for the gun, Kane took Wiegand to a bank where Kane rented a large safe deposit box. A clerk retrieved the box, and Kane and Wiegand took it to a closed room, he said.

"He opens it up and you couldn't put another penny -- you couldn't put another dollar into that safe deposit box," Wiegand said. "It was shoved tight with \$100 bills."

"Kane, how much money is in there?" Wiegand said he asked.

"About \$750,000," Weigand said he was told.

After Chicago, Kane asked Wiegand to visit an ex-Marine near Reno named Duke Piper. Kane had hired Piper before. Now he had made arrangements to hire him again, this time to lead an overseas security team to the Philippines.

#### **ASSEMBLING A TEAM**

Piper's company is called the Sayeret Group -- a name derived from the Hebrew word for military reconnaissance and special operations. Piper employs several Israelis and provides training in special operations and executive protection. He offers security details for hire.

Reached by phone in Nevada, Piper declined to discuss anything involving Kane. Piper said he is still trying to collect the \$114,000 judgment plus interest he won against Kane in 2003.

According to the lawsuit, Kane hired Piper's company in May 2000 to provide protection for people, "monetary assets" and "certain commodities" in the Philippines.

Piper and 10 other men went on the mission, for which Kane was billed between \$200 and \$500 a day per man. A few of the men only worked about two weeks. Others were on assignment for three months, and Piper himself

logged 162 days for Kane. The personnel costs were more than \$300,000, of which Kane paid \$212,000, according to the judgment.

Wiegand was one of the 10 men, invited to join the trip by Kane. He said he put aside his misgivings about Kane after one of his SEAL buddies suggested he go. Who knows where it might lead or whom he might meet -- the adventure was reason enough.

Wiegand flew by commercial airline to Cebu, a city of more than 700,000 people in the Central Visayas Region, in the middle of the Philippine archipelago. He brought along camouflage uniforms and jungle boots from his SEAL store. Kane chartered a jet from Chicago, Wiegand said.

The team regrouped at the posh Shangri-La's Mactan Island Resort & Spa with its own private beach across a channel from Cebu. Also there was Kane, Kane's family and an American named Bob Hoffman and his 12-year-old son. Wiegand said Hoffman told him he had worked for the CIA. Hoffman appeared to be monitoring the team's activities, Wiegand said, and Wiegand's nosiness eventually angered Kane and Piper.

"We're staying in a five-star hotel," Wiegand said, "10 security guys -- and Duke Piper was like the head security guy."

"So Kane tells me the story. He goes, 'We're here to get the gold that was left behind when Japan invaded the Philippines. It's over in Mindanao. The Muslim terrorists are controlling it and we are going to go in there and get it and take it out."

## WORLD WAR II GOLD

Treasure hunting in the Philippines is legendary. During World War II, the country became the repository for huge stashes of gold that Japan looted throughout Asia. The treasure, known as "Gen. Yamashita's Gold" after the Japanese commander of the region, was believed to be scattered in secret caches.

Yamashita was executed for war crimes in 1946. The CIA is widely believed to have financed some of its off-thebooks activities in the 1950s and 1960s from a portion of the gold. The Philippine dictator Ferdinand Marcos was reported to have built his personal fortune from Yamashita gold dug up by his soldiers.

According to Wiegand, Kane explained that if they recovered the gold they were seeking, they'd put it on a boat, sail into the deep ocean and rendezvous with a ship sent by "high-powered individuals." Hoffman, the man who was said to have worked for the CIA, was key to setting up the whole operation, Wiegand remembers Kane saying.

One night, Hoffman came to Wiegand and discussed the mission. Funding for the gold expedition had been arranged by ex-President George H.W. Bush, who was director of central intelligence in 1976, Wiegand said Hoffman told him. Hoffman claimed to have worked CIA projects for Bush, Wiegand said.

Piper's lawyer in Reno, Gino Menchetti, said Piper was convinced that the source of Kane's cash was the U.S. government.

In a deposition Kane gave two years later in the Piper lawsuit, Kane would only say he took the trip "for personal business." Asked by Menchetti why he hired Piper, Kane said, "Because it's a damn dangerous place. To protect myself and my family and anyone that was with us, not to have a kidnapping or other problem." Kane testified that Piper was also supposed to protect Hoffman and his son.

In his deposition, Kane acknowledged working solely with cash. He even paid Piper's \$40,000 advance in cash, he said.

Once on Mactan Island, the cash flowed out fast. Kane, his family and their nanny holed up in the resort's 2,325-square-foot presidential suite, paying thousands of dollars a night, he testified. Each time his wife, Karen, went out to shop, she would be surrounded by a squad of Piper's guards, according to Wiegand and Kane. They were followed by others, assumed by Wiegand to be CIA.

As the days passed, the men grew restless, Wiegand said. Piper tried to keep them alert.

"He would do things like, 'All right guys, I know you are bored, let's go out.' He'd take us out in the grass where the pool was, and have us do firearm maneuver drills with our fingers -- bang, bang, bang. I'm like, 'This is stupid.' The security of the hotel is freaking out, taking photos, taking notes. They're like, 'Who the hell are these people?' "

Wiegand said he stayed just two weeks because the operation was shadowy and bizarre.

"There's a whole other world out there that operates and I don't want to be part of it," Wiegand said. He had his doubts about whether the mission was ever even real. It would have been incredibly risky, he said.

"I tell you what, if you go in, that wolfpack over there, they are going to kill you. You are not going to come out alive," he said.

Back in the States, Wiegand reported Kane to an organization that exposes SEAL impostors. Kane showed up on the VeriSEAL "Wall of Shame," a position he still occupies.

"He's a real jerk. But he has a lot of horsepower behind him, a lot of horsepower. You can sue him, you can indict him, nothing is going to happen to the guy. He makes a few phone calls and things just go away," Wiegand said.

One person who may not go away that easily is Dick Marcinko, the actual founder and first commanding officer of SEAL Team 6 and the author of the autobiography "Rogue Warrior."

Asked in an e-mail about Kane's claim to have served on SEAL Team 6, Marcinko replied, "The nicest thing I can say is that he is a BIG PHONY and I'd be happy to interview him with you in any alley."

Wiegand said he didn't believe Kane ever found gold. Piper's lawsuit makes no mention of gold ever being found.

#### **CONNECTION TO THE PHILIPPINES**

During Kane's trial in federal court in Anchorage last month, several witnesses testified that Kane talked about bringing Security Aviation's fleet of Czech L-39 Albatros jets to the Philippines. Witnesses testified about a plan to use the jets to train Philippine military pilots. The country doesn't have a combat air force, however. In a document filed as part of the case, the FBI said a Security Aviation official had said the jets could be used on "hypothetical missions" against terrorist camps.

Kane's history in the Philippine archipelago goes back at least to 1996, when he showed up in Dipolog City. Where he was living before and why he chose to move to Dipolog, current population about 115,000, are unknown.

Bert Laput, the editor of one of six local weekly and semiweekly newspapers, said Kane was the friend of a man from Texas who had married a Filipina and was living in Dipolog.

The Texan had an interest in citizens-band two-way radios, Laput said in a telephone call from Dipolog. So did Ramon Gamalinda, a mortician and the owner of a chain of some 35 funeral parlors, Gamalinda Memorial Homes. Their slogan: "Our Services Begin When Life Ends."

In a telephone interview from his home, Gamalinda remembered Kane "rooming around" Dipolog at the time. Kane was 27, Gamalinda about 43. The two became friends. Gamalinda was involved in several volunteer public safety organizations -- the Philippine Coast Guard Auxiliary, for which he was the local squadron commander, and the emergency CB club REACT. Kane joined both. Gamalinda gave Kane an assignment with an impressive title in the Coast Guard Auxiliary.

"I let him, Rob Kane, become my member as the international affairs commander because there are a lot of foreigners here visiting our place," Gamalinda said.

Laput said the Philippine Coast Guard, at least in the Dipolog area, is more of a fishing club than a security force. The Coast Guard and its auxiliary in that area have no boats, he said, though it does have crisp white uniforms. When the FBI searched Kane's Eagle River home in February, it found a picture of Kane in his Philippine uniform, his chest decorated with U.S. Navy ribbons he never earned, according to the testimony of a federal agent who participated in the search.

Gamalinda sent all six of his children to college. When Kane befriended him, two of Gamalinda's daughters, Karen, then 18, and Hielyn, were away in school in Cebu, 125 miles to the north. Hielyn, the older of the two, said Karen, an artist, was studying advertising at the University of San Carlos. Both sisters met Kane for the first time when they returned home for a visit.

"After that, he kept following her," Hielyn said.

Kane and Karen Gamalinda married in a civil ceremony. It was Kane's second marriage. They now have three children, two of them born in the Philippines. Laput didn't know the date of the wedding, but Karen was issued a Philippine passport under her married name July 14, 1996.

Gamalinda said Kane didn't have a steady job but sometimes worked as his "assistant driver."

"He knows how to drive my Cadillac, my hearse Cadillac," Gamalinda said.

Karen didn't get her U.S. visa until October 1998, according to federal records. Kane would travel back and forth to America, leaving his family behind, Ramon Gamalinda said.

Laput remembers Gamalinda being "so proud" of the American. Gamalinda would introduce Kane "as a member of the FBI, and sometimes the CIA," Laput said.

### FILLING IN SOME OF THE BLANKS

The 2000 gold mission to the Philippines ended with Kane moving to Nevada. Duke Piper's lawyer, Gino Menchetti, said Piper found a place for Kane in Las Vegas. Public records show Kane with addresses in Carson City and Las Vegas through at least part of 2001.

Menchetti said the two men had been friends, but the relationship soured. He said Kane was surprised when Piper sued in 2001, seeking the balance of what he said was owed for the Philippines trip. Menchetti said Kane paid for a trip to Rome and Piper's induction into the Knights of Malta, a secretive Catholic organization dating back to the Crusades. Kane, a member himself, sponsored Piper, according to Menchetti.

The lawsuit required Kane to submit to Menchetti's questioning in a deposition in Reno on April 24, 2002. Kane wouldn't answer some questions and was vague in others, but some of his answers fill in blanks of his known life.

Kane grew up in Anchorage, the stepson of a city cop. His mother is a real-estate agent here.

But in his deposition, he said he completed high school in Paisley, Ore., a town of 400 in the remote south-central region of the state. He gave his current occupation as "contractor for the U.S. government." Asked to be more specific, he said he conducted "fugitive retrieval in white collar cases" and "intelligence work."

Kane claimed to have served in the military, "but not a normal enrollment capacity." He declined to get more specific except to say he did "special things." Kane said his relationship with the military -- whatever it was -- began in Washington, D.C., in 1987, three months after he finished high school. He refused to answer questions about whether he had received special or advanced military training.

The lawsuit went to arbitration. On April 21, 2003, Judge Jerry Carr Whitehead ruled in favor of Piper. He ordered Kane to pay \$113,828 plus interest.

Recalling the testimony in the case, Whitehead said, "I've been doing this for 46 years now, and this case is unique, at least."

## WHAT ACQUAINTANCES REMEMBER

A month after Whitehead's ruling, Kane was back in the Philippines, the debt unpaid. His wife was back in the Philippines, too. That same month, Karen Gamalinda Kane was listed as the sponsor of a big dance in Dipolog, and the next month, an attorney from Oregon, Dan Bunch, wired \$500 to Kane at an address in Cebu.

In an interview, Bunch said the money represented proceeds of the sale of Kane's appliances from a home Kane had recently left in Klamath Falls, Ore. Kane wanted the money badly enough that he would call.

"Have you gotten any more nibbles on the washer and dryer?" Bunch remembered him asking.

Over the next five months, Kane's mother, Terri Davis, and his attorney, James Kee of Oklahoma, wired Kane a total of \$2,250, according to receipts seized by the FBI at Kane's Eagle River home.

At the same time, Kane got involved with the Philippine police force. A clipping from that period from the Freeman newspaper of Cebu, also seized by the government, shows a picture of Kane shaking hands with the regional police director, Roberto Delfin. The caption identifies Kane as a "U.S. Navy Commodore" and says that Kane was teaching antiterrorist techniques and was part of a program that donated 20 bulletproof vests to the police.

Erson Digal, assistant provincial director for the Philippine National Police in Cebu, said Kane put on at no charge a week-long class in combat shooting and a three-day class in aikido and karate for the SWAT team of the Central Visayas Region. The classes were somewhat less intense than another, 45-day training Kane provided to the Scout Rangers special operations team in 1998, Digal said in a telephone interview from his office in Cebu.

"He knows about military tactics," Digal said. "I don't know what's the background of that guy, but he teaches combat shooting."

Kane was staying in a house owned by Ramon Gamalinda in Cebu, Digal said. Gamalinda had begun to complain about Kane.

"His father-in-law is always saying, 'My son-in-law is always asking for money because he has no money.' 'Dad, can you buy me a motorcycle? Dad, can I use your van?' "

The police also issued Kane a special permit in 2003 to carry a concealed 9mm pistol as part of Task Force Turista 7, a special force to protect tourists that has since dissolved. Typed next to the line for the purpose of the permit is one word: "Confidential."

### **RETURN TO ANCHORAGE**

By 2004, Kane was back in Anchorage and on his game. He was making \$5,500 to \$7,000 a month as a consultant for Mark Avery, who had started a prisoner monitoring business. They had met years before when, according to Avery, Kane was working as a law enforcement informant in the San Francisco area and Avery was a prosecutor there.

After Avery bought Security Aviation, an Anchorage air-charter business, in July 2005, the money flowed even faster. Avery bought executive Gulfstream jets, helicopters and, at Kane's instigation, the military jets, spending an estimated \$50 million in the space of a few months. Avery established or bought a string of other companies. As Kane's role in the operation grew -- he was known as "commander" -- so did his pay, reaching \$20,000 a month with his wife getting another \$10,000 in allowance. Avery bought Kane's SUV and paid \$711,000 cash for an Eagle River house occupied by Kane and his family.

Kane and Avery also bought each other rare, vintage airplanes: a \$2.4 million World War II Corsair F4U-4 for Kane and a \$1.4 million P-51 Mustang for Avery.

For now, the source of all that money remains unexplained.

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### THE HISTORY

Former prosecutor Mark Avery, 47, bought Security Aviation, a well-established Anchorage air charter business, in July 2005 for \$8 million cash. He pumped tens of millions into the company and a string of others he created or bought, including a paramedic training school. His top executive was Robert F. Kane.

Kane, 37, began buying Czech-built military L-39 Albatros jets for Avery's companies and in the fall approved the purchase of two rocket launchers that the government contended could be fitted to the jets.

On Feb. 2, federal agents raided Avery's offices on C Street as well as Security Aviation hangars. They seized eight jets, the launchers, computers and thousands of pages of documents. They also searched Kane's Eagle River home, which was owned by an Avery company.

Kane was arrested and charged with illegally possessing the launchers. On Feb. 22, a grand jury handed up an indictment charging both Kane and Security Aviation with illegally possessing and transporting the launchers.

After a nine-day trial in May, a federal jury acquitted Kane and Security Aviation of all charges. Some jurors said afterwards that the launchers, by themselves, weren't dangerous destructive devices.

### TODAY

The federal investigation into Security Aviation and Kane continues. It may take some time as agents sift through voluminous financial records, said acting U.S. Attorney Deborah Smith.

The government for months has been looking into where Avery obtained the huge infusion of money for his 2005 spending spree. An FBI agent wrote in a Feb. 3 affidavit that the suspected source is the \$360 million May and Stanley Smith Charitable Trust, for which Avery is one of three trustees.

Six of the jets were returned before the trial, but the government still has two as well as the manuals and the launchers.

Defense lawyers have been meeting with prosecutors to get Security Aviation property returned.

"They took their shot and they lost," said Paul Stockler, one of Kane's attorneys. "They should go find other people to prosecute and leave Security Aviation alone."

Security Aviation, meanwhile, is rebuilding a business hurt by the prosecution, said Avery.

"U.S. Customs is back flying with us. ... Alyeska's flying with us. We're having a good time," Avery said. "The notguilty verdict actually brought people out of the woodwork who were kind of nervous not knowing what was going to happen. So it was a good thing businesswise for us."

As for the military jets, Avery said his company needs the manuals and logbooks returned before it can try to get the planes flying again. The company may sell some and keep others to train pilots in how to handle wakes from big jets, or in contracts with the military.

Witnesses in the trial testified about a plan to take the planes to the Philippines to train military pilots there.

That has been shelved because of the "stigma attached to it," Avery said. "We're just waiting to see where the dust settles."

Kane's wife, Maria Karen Gamalinda Kane, is from the Philippines and has been dealing with immigration issues. After her husband's arrest, agents put her in deportation proceedings. An initial hearing on the matter was continued until September while paperwork filed by Kane to help her get legal residency moves through the system, according to Virginia Kice with U.S. Immigration and Customs Enforcement.

Kane has returned to work at Security Aviation and related businesses, Stockler said.

-- Lisa Demer, Anchorage Daily News

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# **Rocket launchers case goes to jury**

SECURITY AVIATION: Lawyers focus on war-hungry cadre, weapons.

By <u>LISA DEMER</u> Anchorage Daily News | <u>ldemer@adn.com</u>

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As the government tells it, Security Aviation principal Rob Kane single-mindedly sought military jets and was eager to arm them for an ambitious project in the Philippines that could bring the company \$20 million to \$200 million.

What happened at the air charter company was "an elaborate deception," assistant U.S. attorney Steven Skrocki told jurors Thursday during his closing argument in the trial of Security Aviation and Kane on federal weapons charges.

New owner Mark Avery was so eager to buy Security last summer that he paid \$8 million cash -- \$1 million more than the asking price -- in a deal that closed in just 16 days, Skrocki said, using a computer display to illustrate his argument. Avery installed Kane as his top man, and it was Kane's intent to use the rocket launchers that are at the center of the charges, Skrocki said.

Over eight days of testimony and argument, the government contended the two launchers are dangerous destructive devices that are illegal to possess or transport.

Defense lawyers have argued the launchers are harmless showpieces found at air shows and in museums all around the country. They contended the government's case amounted to nothing more than rumor, innuendo and speculation.

Security simply was expanding with an infusion of new people and hopes of international operations, the company's lawyer, former federal prosecutor Robert Bundy, argued to jurors.

"For that we got the grandest conspiracy theory imaginable," Bundy said.

Neither Kane nor Avery testified in the trial.

The case went to the jury shortly after noon. The panel ended deliberations for the day about 4:30 p.m. after requesting the rocket pods be brought to the jury room.

As Skrocki gave his closing argument, Kane, a tall man with close-cut hair, scribbled notes on a yellow legal pad as he has throughout the trial. Avery, a former prosecutor who sat behind the defense table, leaned back with his eyes shut.

The two are the new faces of Security Aviation, Skrocki said. They were so intertwined, they bought each other rare World War II collectors planes, he said, a \$2.4 million F-4U Corsair for Kane and a \$1.4 million P-51 Mustang for Avery.

It was Kane, the prosecutor said, who bought a fleet of Czech-built L-39 military jets for his new employer; at one point Security had 12 of the jets.

Kane asked others to prepare a proposal to use the jets for training in the Philippines. The Philippines' government has no active fighter fleet. The idea was to deliver a small air force to that country, Skrocki said.

The planes would be left there, and Filipino pilots would be trained in aerial intercepts, electronic warfare, air-toground or sea combat, and other areas including protecting against piracy. Security Aviation, or its subsidiary High Security Aviation, would make either \$20 million or \$200 million from the deal; the amount varied by witness.

Kane pushed others to meet deadlines for that project, and the acquisition of the launchers fit right into the timeline, Skrocki said.

Kane's wife, Karen, is from the southern Philippine island of Mindanao, where at least two insurgent organizations, one affiliated with al-Qaida, are operating. When the FBI searched their Eagle River home Feb. 2, Karen Kane told agents her husband may have hunted terrorists in the Philippines at the request of the U.S. government.

Skrocki repeated defense claims that Karen's father is a high-ranking officer in the Philippine navy, but in reality he owns a funeral home and is involved in the Philippine coast guard auxiliary, a voluntary group.

Throughout the trial, the intimidating-looking launchers -- essentially 16 tubes encased in a gray metal cylinder -- have sat in the center of the courtroom.

Skrocki thumped the launchers several times during his talk, once telling jurors, "that's a weapon of war." Security Aviation employees and consultants who said otherwise had blinders on, he said. Former military pilots who worked for Security were thrilled with the chance to fly fighters again and didn't want the party to end, Skrocki said.

The government's experts said they were destructive devices, fully wired, and ready to fire, he reminded jurors.

But defense lawyers said the government had overreacted. Kane's attorneys, including two former state prosecutors, put the blame for Security's troubles on its former head L-39 mechanic, John Berens.

Kevin Fitzgerald, one of the defense attorneys, told jurors that Berens is "a man in whose wake destruction and even death followed."

Berens is a key part of the government's case. He testified that he asked another Security consultant, German L-39 expert Bernd Rehn, about the launchers and was told they were "good to go." He said he then passed that along to Kane and others. But Rehn told jurors he just meant they could be attached to the planes.

Berens suddenly quit at the end of 2005 then went to work briefly for Air USA Inc. of Quincy, Ill., which had sold L-39s to Security. He helped the company repossess four L-39s, clearing two to fly on Jan. 23. Two days later, one crashed in Ketchikan in bad weather, killing the pilot.

Security Aviation's business was in the open, Fitzgerald said. The company reached out to Anchorage police, the Transportation Security Administration and others.

As far as Kane knew, the launchers had been demilitarized, Fitzgerald said. It was company director of business development Jim Mendenhall who spotted "de-mil'd" launchers on eBay as he browsed for patches to promote the L-39s, and Kane just gave the go-ahead, Fitzgerald said.

And if they weren't, who could blame Kane? the defense lawyer said. There's no clear government standard for demilitarization. One government witness, with the Bureau of Alcohol, Tobacco and Firearms, told jurors that determinations are made case by case, he said.

Bundy, representing the company, told jurors they should consider the launchers as just part of a weapons system, like the cylinder of a revolver. The cylinder alone isn't a weapon, and the launcher shouldn't be considered one either, Bundy said.

"This is designed to work with an aircraft as part of a fairly complicated system," Bundy said.

"They have to prove we knew this thing was somehow capable of firing these rockets and they can't do it," he said.

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