# The Bluegrass Conspiracy: The Factual Side of The Story

#### Presenters:

- ▶ John Bizzack Justice Cabinet Commissioner (ret.)
- Drexel Neal Assistant Chief of Police, Lexington, KY (ret.)
- Barbara Edelman Former Assistant United States Attorney
- James Huggins FBI Supervisor (ret.)
- Patrick Molloy
  Former United States Attorney
- Fred PetersCriminal Defense Lawyer, former Law Clerk forMagistrate Jim Cook

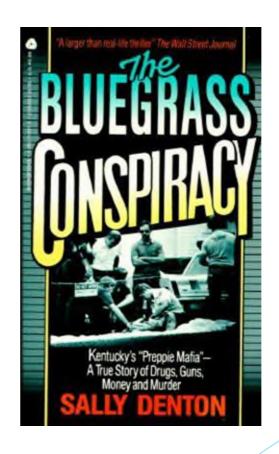
# This is the story of

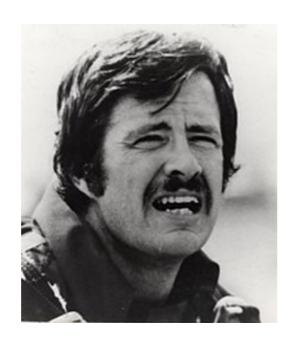
Corrupt Law Enforcement Officers and Their Close Associates

International Drug Smuggling

Murder

This is also the story of a book, The Bluegrass Conspiracy, written 33 years ago about the crimes. The book has often been described by authorities as evidencetroubled.





Andrew Carter "Drew" Thornton, III

On September 11, 1985, Thornton was found dead in a residential driveway in Knoxville, Tennessee after his parachute failed. A bag containing 75 pounds of cocaine was tethered to his ankle.





He piloted this plane before he jumped to this death in Knoxville. Among the things found on his body were:

- Survival Gear
- \$4,500 in cash
- Food rations and vitamins
- Six Krugerrands
- A compass
- A formula for ricine, a poison
- A wallet with different fake ID cards
- Several bags of cocaine were thrown from the plane before Thornton jumped (Value estimated at \$15M)

In his pocket was an epigram:

"There is only one tactical principle not subject to change: It is to inflict the maximum amount of wounds, death and destruction on the enemy in the minimum amount of time."

His unmanned plane later crashed in the mountains of North Carolina.

Bags of cocaine that he threw from the plane before his jump were later found. Portions of the cocaine were ingested by a bear that was found dead near the scene.



## Thornton's Early Life

Grew up on his family's horse farm in Bourbon County.

- Attended Sayre School.
- Transferred to Sewanee Military Academy.
- Attended UK and dropped out to join the Army.
- Trained as a paratrooper and involved in U.S. invasion of Dominican Republic and received a Purple Heart.
- Returned to college, but dropped out again.



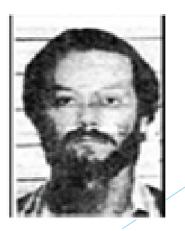
#### Thornton's Career

- In 1968, he joined the Lexington Police Department.
- In 1969 he was assigned to the Department's newly-established Narcotics Division.
- Attended classes at EKU and graduated in 1972.
- He resigned from Police Department in 1975.
- Took classes at UK College of Law and graduated in 1976.





Bradley F. Bryant



- In January, 1980, a hotel maid in Philadelphia smelled pot smoke in a room and called the police.
- Bryant had left behind a ledger, a telephonic scrambling device, \$25,000 in cash, semi-automatic weapons, a silencer, ten counterfeit Kentucky driver licenses, and a lease to a warehouse in Lexington.
- He was tracked to the Philadelphia airport and arrested.
- A warehouse lease found in his belongings was turned over to police investigators in Lexington, who obtained a search warrant and found a cache of weapons, military equipment stolen from a military installation, a 50 caliber machine gun, 250,000 rounds of ammo, and a guidance system for a missile.

- He was indicted for weapons violations in the USDC for the Eastern District of Kentucky.
- The Lease was under an alias.
- The lock on the warehouse door used his birthday as the combination.
- He was represented by a Las Vegas lawyer who often represented organized crime defendants.
- He was not proven to be the name on the warehouse lease. He was found not guilty.



- He was also indicted in Federal Court in Philadelphia on weapons and drug charges.
- He was convicted of those charges.
- Eventually he was indicted in six different states on weapons/drug smuggling charges and served 15 years in prison.

## Bryant's Early Life

- Grew up in Lexington. His father, was a realtor and owned a Buick dealership.
- Bryant's family was a member of the Lexington Country Club.
- He was a Grandson of a Lexington Mayor.
- Attended high school at Sewanee Military Academy in Tennessee.
- Attended the University of Kentucky and married a co-ed.
- Moved to Philadelphia area and started a family and started an industrial cleaning company.





Henry Sheldon Vance

## Vance's Early Years

- He grew up in Lexington, the only child of prominent parents.
- They owned the Vance Insurance Agency in the Security Trust Building.
- He was a life-long member of the Keeneland Club, Lexington Polo Club.
- His family also belonged to the Lexington Country Club.

## Vance's Early Years

- He attended Transylvania and U.K.
- He worked at the Fayette County Sheriff's Department.
- He attended law school, but dropped out.
- He was later hired as Chief Administrative
   Officer for Gov. Julian Carroll.
- He was Chief of Staff for Speaker of the House, Bobby Richardson.

## Thornton, Bryant and Vance Meet







- All of their families were members of the Lexington Country Club.
- Both Thornton and Bryant attended Sewanee Military Academy.
- Upon graduation, both entered the service.
   Thornton (Army) Bryant (Marines).

#### Thornton, Bryant and Vance Team Up

- Thornton and Vance, a Deputy Sheriff, were both assigned to the Joint City-Sheriff Drug Enforcement Task Force on the same day in April 1970.
- Vance was fired from the Sheriff's Office when it was discovered that he forged the Sheriff's signature on a large handgun order.
- Thornton and Vance were suspected of keeping drugs that were confiscated at the time of arrests, planting drugs and selling them.
- Bryant formed and incorporated a company in Pennsylvania called Executive Protection.
- Vance remained associated with Thornton and Bryant, but it is not known if he was directly involved in each crime for which Thornton and Bryant were suspected.

## The Group's Criminal Enterprise

- Using their business as a front, they put together a drug and weapons smuggling operation.
- Bradley Bryant acquired aircraft under fictitious corporate names.
- Thornton assisted in the transportation and unloading of bales of marijuana in Lexington in 1979.



William T. "Bill" Canan

- As a rookie patrolman, Canan was temporarily assigned to the Narcotics Division for a 19-week undercover role, then returned to uniform duty in the Patrol Division.
- He became a close associate of Vance and Thornton after he was temporarily assigned to the drug unit.
- He dealt drugs as part of a conspiracy which included two deputy Fayette Circuit Court Clerks in the 1980s.

- Canan was fired from the Police Department in July 1979.
- In 1993, he was indicted in Federal Court on charges of conspiracy to distribute cocaine, intimidating two Grand Jury witnesses. At the time of his arrest, he possessed outdated credentials from the Bureau of Dangerous Drugs and Narcotics (BNDD) that belonged to Harold Brown, a former DEA agent.
- He was sentenced to 16.5 years in prison.

#### The Merrick Inn Incident

- In 1982, while awaiting trial in California on drug smuggling charges, Thornton, his girlfriend and Vance were eating dinner at The Merrick Inn.
- A masked gunman approached and shot Thornton at point blank range.
- Thornton was wearing a bullet proof vest and not seriously injured.
- Thornton was sure this would convince the California judge that he couldn't be incarcerated because of his safety.
- Turns out the shooting was staged.
- Bill Canan admitted years later that he was the shooter.



#### Steve Oliver



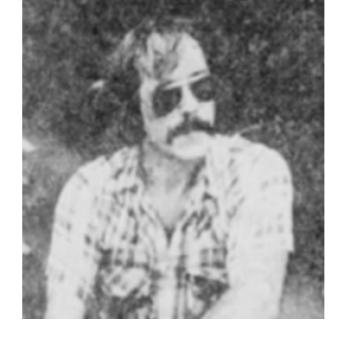
- Oliver was a member of the Lexington Police and a pilot.
- He resigned in 1973.
- He was later indicted and pled guilty to conspiracy to smuggle marijuana related to an incident of a DC-4 aircraft landing in Lexington in 1979.

#### Jack Hilliard



- Hilliard was a police officer who rose to the rank of Captain in Lexington. He also resigned in 1973.
- He was indicted and pled guilty to the same charges as Oliver and Thornton.

#### Harold Brown



- Was a DEA agent in Louisville, Kentucky for 11 years.
- He resigned during an internal investigation conducted by the DEA into destroyed evidence involving the 1979 seizure of the DC-4 aircraft that had offloaded marijuana in Lexington and been abandoned in Louisville - the same smuggling incident for which Thornton, Oliver, Hillard, Kelly and Bryant were indicted in 1981.
- Thornton described Brown as his "best friend."

## Ralph Edward Ross



- Was a Kentucky State Police Sergeant who was involved in the investigation of Henry Vance in 1982, and other investigations involving Thornton and Canan. He never testified in a trial or hearing related to either one, nor submitted documents, reports, or evidence of anything that contributed to the constructive development of cases under investigation. He was determined by Florida authorities and Lexington police to be a source of numerous media leaks.
- Ross obtained a pen register but exploited the warrant and began illegally eavesdropping on Vance's phone calls.
- He was indicted and convicted of 14 counts of illegal eavesdropping, sentenced to one year and probated.
- Aside from newspaper articles, Ross was Sally Ann Denton's primary source of information for her book, The Bluegrass Conspiracy.

#### What are the facts?

John Bizzack Drexel Neal James Huggins

## Wallace "Mike" Kelly

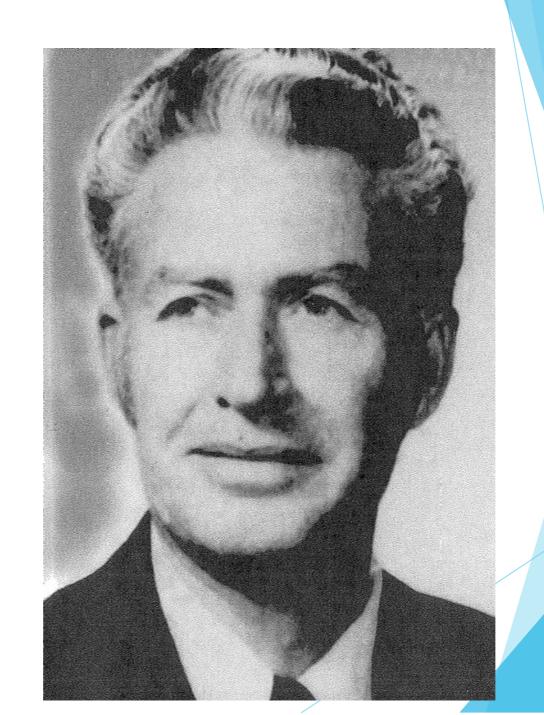


- Mike's family were members of the Lexington Country Club, along with the Vances and Bryants.
- Mike and his wife, Bonnie, were suspects in crimes linked to Vance, Thornton and Canan.
- In 1981, Kelly was indicted on the same conspiracy charges as Thornton, Oliver, Hilliard and Bryant.
- At the time of his indictment, he was serving a 45-year prison sentence in Florida following his conviction for conspiring to import and distribute 17 tons of marijuana on a shrimp boat.

#### **EUGENE BERRY**

**Assistant State Attorney** 

In Punta Gordon, FL



# **Bonnie Kelly**





 He met her in the parking lot of the Lansdowne Shoppes on Tates Creek Road in January, 1982, and gave her the gun.

- Vance told Kelly the gun was "untraceable" and had been purchased at Court Days Flea Market in Mount Sterling, Kentucky.
- He also fabricated, then rehearsed, the alibi story that he would use if she got caught.
- He told her how to commit the crime and how to dispose of the gun afterwards.

- Days later, she boarded a plane from Lexington and traveled to Florida to meet her "driver".
- He drove her to a nice house in an average neighborhood.
- She was wearing jogging clothes.
- She got out of the car and walked to the front door. Gene Berry, while carrying his small dog answered the door. Bonnie Kelly shot him three times at point blank range. His wife Trudi was sitting on the couch.
- She turned and "jogged" down the street to meet her driver.

- She stopped on a bridge and threw the murder weapon into the water.
- The crime was solved and she was indicted, convicted of murder and sentenced to life in prison.
- She was incarcerated in Florida State
   Prison. Nearly five years had passed and she wouldn't talk.
- Then the FBI came calling.













#### Powerful help for police



Herald-Leader/David Perry

John Beatty stands next to his 6-ton electric magnet at Beatty Inc. Marine Salvage in Warsaw.

#### River man uses his magnetism

By Thomas Tolliver Herald-Leader staff writer

WARSAW — John Beatty is a river man. There's little that the 73-year-old Gallatin County man doesn't know about rivers and the boats that sail them.

Beatty boasts that he built his first boat at age 5 and crossed the Ohio River in it. He chose a career that kept him on the water — that of a navigator — and his home in this Northern Kentucky community sits on the bank of the Ohio River.

But Beatty's expertise runs deeper. He is gaining a reputation for his ability to tell what's far beneath the water's surface, thanks in large part to a 6-ton electric magnet.

On three occasions, Beatty has been called on by the FBI to search for guns thought to have been thrown into rivers. He has succeeded every time. Vance, of Le

On three occasions, John Beatty has been called on by the FBI to search for guns thought to have been thrown into rivers. He has succeeded every time.

The most recent came last week when he retrieved a handgun from a used river on Florida's west coast, just below cist.

The gun had been the subject of intensive searches several times during the last five years. It is thought to have been used to murder a Florida prosecutor in January 1982 and is expected to play an important role in the federal conspiracy trial of former gubernatorial aide Henry Vance.

Vance, of Lexington, is facing

charges of conspiring to provide a weapon to Bonnie Lynn Kelly of Lexington. Mrs. Kelly was convicted in 1983 for the murder of Florida prosecutor Eugene Berry, who had prosecuted Mrs. Kelly's husband.

Beatty said he was first contacted about three weeks ago by the FBI about going to Florida to search for the gun. The FBI had just used Beatty to recover a weapon from the Ohio River that was used to kill a Campbell County pharmacist

That case posed a problem because the gun had been disassembled before being tossed into the water. Beatty and his 12,000-pound magnet found all the pieces except the cylinder.

In the latest case, Beatty transported his huge magnet — it is 5½ feet in diameter — to Florida on a flatbed

(Turn to RIVER, B4)

# Weapon found in prosecutor's 1982 murder

FRANKFORT, Ky. - (AP) - A never found it. A lot of prosecutor says a .38-caliber pistol enforcement officers walked i found at the bottom of a Florida area) for days." canal this week is believed to be 
The murky waters of the a the murder weapon a Kentucky were a hindrance in searches woman used to gun down a divers, he said. Florida prosecutor in 1982.

And the handgun will be used as years since the gun was drop evidence in next month's trial of there, (and) I told them not Henry Vance of Lexington, a expect much," said Beatty, wh legislative lobbyist who was a top the FBI has used before in sim aide to former Gov. Julian Carroll cases. and former Kentucky House Joel Carlson, FBI special ag Speaker Bobby Richardson. in charge for Kentucky, and L

contractor, hired by the FBI, said ington said they could neit Thursday that he used special confirm nor deny the report. equipment to find a gun near But sources in Kentucky Venice, Fla., on Tuesday.

C. Berry, who was an assistant to the canal where Beatty foun state attorney in Charlotte County, gun. Fla., is at the heart of a federal Frank Haddad Jr., a Louisv indictment against Vance.

on charges of conspiracy and had filed a document in tu transporting a firearm in inter- District Court at Lexington of state commerce. He is scheduled to cerning a weapon, but he did t stand trial April 27.

Vance allegedly supplied the The Courier-Journal in Lou weapon used by Bonnie Lynn ville said the statement disclose Kelly to gun down Berry in the that the gun will be introduced front doorway of his home on Jan. Vance's trial. 16, 1982. Mrs. Kelly, also of An evidentiary hearing Lexington, was convicted of the Vance's case was scheduled tod murder and sentenced to life in before U.S. District Judge Hen prison without possibility of pa- Wilhoit. Haddad said that heari role for 25 years.

weapon from the time Gene was been scheduled weeks ago. killed," State Attorney Joseph Haddad said it was "pretty-le D'Alessandro, Berry's boss, said in the game" to be coming up wil Thursday, "We feel this is it, but I new evidence against his client don't know for sure it is. It's in the process of being examined."

Vance was a friend of Mrs. Kelly and her husband, Wallace McClure "Mike" Kelly, whom Berry had prosecuted on drugtrafficking charges. Mike Kelly spent about one year in prison and won release on appeal after Berry's death.

At the time of Mrs. Kelly's arrest, Vance told authorities he had been with her in Lexington at the time of Berry's slaying in Florida. Vance later said he was mistaken about the date.

Mrs. Kelly was returned to Lexington in January to testify before the grand jury that indicted Vance the following day. Vance has pleaded innocent.

The indictment of Vance says he provided Mrs. Kelly with the gun and told her to wipe the gun clean of any fingerprints and dispose of it in salt water in Florida.

John Beatty, a salvage contractor from Warsaw, near Cincinnati, said he found a firearm on the first sweep with a 65-inch underwater magnet, working over the side of a six-lane highway bridge.

Sarasota Ccunty is the northern neighbor of Charlotte County, on the Gulf Coast of Florida.

An accomplice of Mrs. Kelly's, Richard Hollimon, testified that he was with Mrs. Kelly when she ditched the gun by throwing it off a bridge in Sarasota County near

"It's no secret - he said right in open court where they threw the gun," D'Alessandro said, "We

"They told me it had been I

A Kentucky underwater salvage Attorney Louis DeFalaise in L

Florida told The Associated Pr The weapon used to kill Eugene that Bonnie Kelly directed age

attorney representing Vance, a Vance was indicted in January he was told that federal attorne know its details.

concerned the admissibility of ta "I've always wanted to find that recordings as evidence and ih

### Where Are They Now?

DREW THORNTON - September 11, 1985 was killed in a failed parachute landing in Knoxville

BRADLEY BRYANT - Was convicted of drug smuggling charges, served 15 years in federal prison and reportedly lives in Phoenix

HENRY VANCE - Was convicted of providing the murder weapon, served 9 years of his 15 year sentence. Released from prison and moved to Frankfort, Ky. He died on March 13, 2020.

BILL CANAN - In 1993 was indicted/convicted/sentenced to 16.5 years. Released in 2009. Was found dead in his apartment in Lexington in March, 2020.

HAROLD BROWN - Committed suicide in 1984 while under internal investigation.

### Where Are They Now?

RALPH ROSS - Died in 2002.

MIKE KELLEY - Was released from prison after his conviction was overturned in 1987. He divorced Bonnie Kelley and married her sister, Betty. He died in 2002.

BONNIE KELLY - Is still in prison in Florida serving a life sentence.

## Where Are They Now?

TRUDI JO BERRY - After Eugene Berry was murdered, his wife, Trudi while raising their five children completed her undergraduate degree. She then obtained her law degree from the University of Florida. After graduation she became a prosecutor in Gene's former office. She is now retired and lives in Florida.