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Abstract

For many years the Hells Angels Motorcycle Club (HAMC) was a dominant force in Quebec, Canada. The available academic literature indicates that the group’s strength arose from a variety of factors, including the use of violence, entrepreneurialism, considerable financial resources and successful business planning. This paper will utilize the sources located to provide an analysis of the group’s history, criminality, structure, activities and operations as a criminal business organization. The paper will also provide an analysis of the characteristics of the Quebec HAMC using the Criminal Business Analysis Matrix (CBAM) method as proffered by Dean, Fahsing & Gottschalk (2010). This paper will show that OMGs, in particular the Quebec HAMC, is experienced in identifying criminal opportunities, mobilizing the required resources and maximizing profits. However, like most organizations both illegal and legitimate, decision making during times of uncertainty remain a challenge.
Keywords: Canada, Criminal Business Analysis Matrix, Hells Angels Motorcycle Club (HAMC), outlaw motorcycle gangs (OMGs)

INTRODUCTION

For most people, taking a ride on a motorcycle is a leisure activity, where individuals join together in groups or clubs because of their common interest in motorcycles and behave in accordance to the norms of society. On the other hand, there is a small percentage of individuals that belong to deviant motorcycle clubs, where members make the club’s priorities their own and deviate from society’s norms and engage in unconventional or criminal behavior. National and international law enforcement agencies have labeled these deviant clubs as outlaw motorcycle gangs (OMGs). These OMGs distinguish themselves from conventional motorcycle clubs by the type of bikes they ride (e.g. Harley Davidson motorcycles), tattoos and three-piece patches to signify their affiliation to a club or gang and its territory. Fear and intimidation are important territorial defenses uses by OMGs to ward off intrusions from outsiders and where only righteous bikers are considered for membership. Those who are invited to become members are put through the necessary ‘testing’ to demonstrate that he has what it takes to be a club member. For those that endure this intensive process will receive chapter approval and become an official patch holder.

One of the largest OMGs and most notorious motorcycle clubs is the Hells Angels. The Hells Angels Motorcycle Club (HAMC) are arguably one of the most dangerous and powerful criminal organization in Canada (Katz, 2011) and are said to contain “the most vicious and conscienceless bikers in the world” (Lavigne quoted in Barker 2005, 104). The HAMC is a highly structured criminal organization that has been involved in a number of criminal activities, such as, assault, armed robbery, extortion, murder, contraband, importation of illicit drugs, money laundering and possession of illegal weapons (Ontario Association of Chiefs of Police, 2006, p. 6). Between 1984 and 2001, the HAMC was the dominant group within Quebec’s OMGs population (Morselli 2009, 147) and at its peak, the group had six chapters in Quebec (Morselli 2009, 146) and over 100 full patch members (Schneider 2009, 424).

The aim of this paper is to first provide a review of the literature as it relates to the HAMC with particular emphasis on the Quebec (Montreal Chapter) in Canada. The paper will examine the clubs evolution as an OMG and its involvement in criminal activities, in particular, its involvement in the illicit drug market. In particular, it will examine the structure and composition of the Quebec HAMC while at its peak (1984-2001) and more recently following targeted law enforcement efforts which commenced in 2001. Second, the paper will provide an analysis of the characteristics of the Quebec HAMC during both periods, using the Criminal Business Analysis Matrix (CBAM) method as proffered by Dean, et al. (2010).
The CBAM assesses the criminal networks’ performance and characteristics against five (5) entrepreneurial capabilities (Opportunity Perspective, Resources Mobilisation, Decision in Uncertainty, People & Cooperation; and Profit Maximization) and four (4) business phases (Establishment Phase, Expansion Phase, Consolidation Phase; and the Positioning Phase). The four business phases are comprised of a total of 16 business development factors. Against these capabilities, a rating of HIGH, MEDIUM or LOW is assigned, with accompanying explanations. A graphical representation of these ratings for both capabilities and business development factors can be found in figure 1.

**Approach**

This case study of the HAMC, using the CBAM (Dean, et al. 2010) incorporates a comparative review of the literature on several aspects of the club’s activity, with an emphasis on the Montreal chapter of the HAMC chapter based in the province of Quebec, Canada. The Montreal chapter is of particular interest, as it once served as the power-base for the former Canadian National President of the HAMC; Maurice ‘Mom’ Boucher.

Data collected against the following themes were compared and contrasted and used to complete the CBAM as proffered by Dean et al. (2010):

- History and development of HAMC in Canada
- The expansion from domestic activity to Transnational status
- The HAMC Montreal chapter’s distinction from other OMGs
- The modus operandi of HAMC in criminal activities including drug trafficking and money laundering
- Growing global recognition of the threat posed by OMGs

This paper will show that OMGs, in particular the HAMC, is experienced in identifying criminal opportunities, mobilizing the required resources and maximizing profits. However, like most organizations both illegal and legitimate, decision making during times of uncertainty remain a challenge.

**DISCUSSION**

**PART A: History and development of Hells Angels Outlaw Motorcycle Club (HAMC) in Canada**

A comparative review of the literature suggests that the HAMC is an OMG that began in San Bernardino in the United States in 1948. At its inception, the group was comprised of disillusioned World War II veterans who struggled to assimilate into civilian life (Grennan and Britz 2006, 95, 101). The HAMC rapidly expanded, with numerous new chapters formed nationally and internationally (Grennan and Britz 2006, 101).

The HAMC expanded from America into Canada in the 1970’s with the first chapter created in Sorel, Quebec in 1977 (Morselli 2009, 147). Between 1984 and 2001, the HAMC was the dominant group within Quebec’s OMG population (Morselli 2009, 147).
At its peak, the group had six chapters in Quebec (Morselli 2009, 146), including the powerful Nomad chapter (are kind of a combination elite death squad that operate independent of any particular chapter authority and are known to do the hits for the club if need be) (Schneider 2009, 407), and over 100 full patch members (Schneider 2009, 424).

The HAMC has been deeply involved in Quebec’s illegal drug trade, particularly in the province’s cannabis and cocaine markets (Tremblay, Buouchard and Petit 2009). Like other OMGs, the HAMC has also been involved in other criminal activities, including assault, armed robbery, extortion, fraud, money laundering, murder, prostitution, theft and the trafficking of illegal weapons, stolen goods and contraband (Katz 2011, 246).

In 1985, a Lenoxville (Quebec) chapter of the HAMC suspected the Laval Chapter of the HAMC of wasting drug profits by consuming much of the illicit drugs themselves, this resulted in a shortfall of approximately $96,000 to the HAMC chapter in Nova Scotia Canada. In March that year, the Laval chapter members were invited to Lennoxville chapter party. Upon their arrival the Laval members were ambushed and murdered. Approximately two months later police divers located the decomposing bodies of the victims in the St Lawrence River, Quebec. They were wrapped in sleeping bags and weighted down by gym weights. This became known as the Lenoxville massacre and announced the arrival of the HAMC in Canada as a violent and dangerous criminal group (Nathenson Centre on Transnational Crime, 2002). This particular event was pivotal for the HAMC in Canada, not only did it send a very strong message, but it caused a rift between Boucher and Cazzetta. Boucher now entrenched as a member of the HAMC in Montreal, Cazzetta saw the ‘killing of their own’ as unforgivable. He left the HAMC and formed a rival club known as the Rock Machine in 1986. By the early-1990s, Boucher was considered one of the most powerful bikers in the province, and was involved in numerous lucrative criminal activities such as cocaine trafficking and loan sharking.

The 1994 arrest of Salvatore Cazzetta (now President of the Rock Machine OMG) for conspiring to import 200 kilograms of cocaine left the Rock Machine without a leader. Boucher, by now president of the Montreal chapter of the Hells Angels, decided to make his move against the Rock Machine and other independent clubs. Boucher’s goal was to establish a Hells Angels monopoly over street-level, biker gang drug-dealing in the Montreal area—and eventually, all of Quebec (Nathenson Centre 2002, Morselli, 2009).

Boucher organized to persuade Rock Machine controlled bars and their resident drug dealers to surrender their illegal drug business. Rock Machine resistance led to bloodshed. On July 14, 1994, two members of the Hells Angels' top puppet club entered downtown motorcycle shop and shot down a Rock Machine associate. This would be the spark that would set off the Quebec Biker war. A war that lasted from 1994-2002, saw a number of drug dealers and crime families provide support to the Rock Machine through what became known as the “Alliance to fight the Angels” (Morselli 2009, Edwards 2012).

The Quebec biker war resulted in the bombings of many establishments and murders on both sides. It has claimed more than 150 lives including some innocent bystanders such
as the killing an 11-year-old boy, Daniel Desrochers, who was playing in a nearby schoolyard when a Jeep 4wd loaded with explosives was detonated. A month later, the first full Hells Angels member was shot to death entering his car at a shopping mall. Nine bombs were detonated in various parts of the province that year.

In 1995, Boucher decided to start a new Hells Angels chapter which he would lead. The Hells Angels Nomads chapter was a group made up of the most powerful Hells Angels in Quebec and not bound by geographical locations like the other Hells Angels chapters.

During the Quebec biker war, the Bandidos formed an alliance with the Rock Machine, which was officially folded into the Bandidos in 1999. The Hells Angels and Bandidos are historic rivals, implicated in biker violence across the globe. In Ontario (Canada), a rivalry between the two gangs was blamed for seven murders between August 2001 and May 2002.

From 2003, the group suffered a substantial decline, as law enforcement offensives led to the arrest and imprisonment of numerous Quebec HAMC members (Morselli 2009, 148), with only two active members remaining by 2009 (Criminal Intelligence Service Canada 2009, 15). Pivotal to the decline in Quebec HAMC members in the province, was the arrest and eventual conviction of the former national president Maurice ‘Mom’ Boucher, who was recruited by the HAMC from a white supremacy group known as the ‘SS’ back in the 1980s. Also recruited by the HAMC was onetime close associate of Boucher; Salvatore Cazetta.

In April 2009, over 156 members of the Hells Angels were arrested in Quebec, New Brunswick, France and the Dominican Republic mostly associated to crimes related to the Quebec Biker war. The arrests solved at least 22 murders committed between 1992 and 2009. Four Hells Angels bunkers were also seized by police including one in Sorel-Tracy that was firebombed in 2008. Several arrests were previously made earlier in the year as part of a series of joint operations between the Sûreté du Québec (or SQ) and the Royal Canadian Mounted Police (RCMP), namely; Operation Axe in February and Operation Baladeur in March (2009) (Edwards, 2012, Nathenson Centre 2012).

Following several successful operations by police and the conviction of Boucher for the murder and attempted murder, and his subsequent sentencing to 25 years in a Canadian correctional facility, the Montreal Chapter of the HAMC has diminished in both power and influence within the province of Quebec.

**PART B: Case Study Analysis. Application of Crime Business Analysis Matrix to Quebec HAMC**

**Crime Business Analysis Matrix (CBAM)**

Dean, Fahsing and Gottschalk (2010) have identified that the development of a crime business requires the amalgamation of four key phases to maximize the criminal group’s business opportunities. These phases are establishing, expanding, consolidating and
positioning. Each phase involves a particular entrepreneurial capacity, which incorporates a number of business factors. The CBAM is an analytical tool that uses fuzzy logic (multivalence) and information already known about a particular crime group to assign the group a “fuzzy rating” for each business factor. This results in a graphical business profile (see the CBAM chart at figure 1) which allows for both an assessment of the group’s strengths and vulnerabilities at each phase of development and identification of the group’s potential entrepreneurial capabilities (Dean, Fahsing and Gottschalk 2010, 63).

The Quebec HAMC’s high fuzzy ratings in the majority of business factors may account for the group’s extended period of dominance in Quebec’s criminal landscape. However, as discussed above, the group’s numbers have since been decimated through targeted law enforcement efforts (Criminal Intelligence Service Canada 2009, 15). With the majority of its members now incarcerated, the Quebec HAMC’s fuzzy ratings in relation to the relevant business factors are likely to be low. This report will therefore consider the group’s position both at its peak (between 1984 and 2001) and, to a lesser extent, at the current time. The group’s fuzzy ratings at each stage are reflected in the CBAM chart in Figure 1.

**PHASE 1: Establishment: (Overall Rating: HIGH)**

**Opportunity Perspective**

The first part of the ‘establishing’ phase relates to the identification of opportunities that can be turned into viable criminal business activities. The business factors associated with opportunity perspective are explained below.

**Entrepreneurial Vision: HIGH**

This business factor requires both the ability to perceive a business opportunity and the self-confidence to carry that vision out (Dean, Fahsing and Gottschalk 2010, 46).

The Quebec HAMC’s ‘entrepreneurial flair’ was a driving force that allowed the group to achieve dominant economic influence in Quebec’s cannabis trade in the 1990's (Tremblay, Buouchard and Petit 2009). The HAMC had chapters and clubs spread throughout Quebec, which combined with experience in manufacturing amphetamines and an established cocaine distribution framework, placed the group in a unique position to take advantage of the booming cannabis market (Tremblay, Buouchard and Petit 2009, 36). The Quebec HAMC had the ability to identify this opportunity and the confidence to aggressively pursue it. Additionally, under leader Maurice “Mom” Boucher (Boucher), the group was said to traffic any drug that would make money, including bootleg Viagra (Schneider 2009, 408). It is clear that Boucher’s entrepreneurial vision pushed the Quebec HAMC towards many of its business ventures.

At the group’s peak, the Quebec HAMC would have received a medium to high fuzzy rating in relation to entrepreneurial vision. Currently, the Quebec HAMC, with the
majority of its members incarcerated, is likely to have a limited ability to perceive a business opportunity. The low level of active membership also means that the group is unlikely to have the confidence to attempt to execute any new ideas. Accordingly, the group would currently have a low fuzzy rating with regard to this factor. However, this could change (leading to business growth) if some of the current incarcerated members were released from jail or if new entrepreneurially-orientated members joined the group.

**Business planning**

Business planning is required to take an entrepreneurial vision from an idea to a reality (Dean, Fahsing and Gottschalk 2010, 48).

An example of the business planning capabilities of the Quebec HAMC during its peak can be seen in the group’s creation of a puppet club called the Rockers. This club was the primary drug trafficking and enforcement arm of the Quebec HAMC, aimed at insulating high level members of the Quebec HAMC from prosecution. The Rockers were crucial to the Quebec HAMC’s plans to control the cocaine trade, with each member given a particular area of Montréal in which to sell drugs on behalf of the Quebec HAMC, and tasked with discovering new areas that could be monopolized by the Quebec HAMC’s drug trafficking machine (Schneider 2009, 407). This is an example of the type of systematic approach adopted by leader Boucher (Schneider 2009, 407, 414). The Quebec HAMC, under Boucher’s leadership, would have received a high fuzzy rating in relation to the business planning factor.

Though it was Boucher’s decision to form a Nomads Chapter in 1995 that enabled Boucher to plan and expand the Quebec HAMC brand in the province. A collective of the most powerful Quebec HAMC members in the province, the Nomad chapter led by Boucher, were not constrained by geographical boundaries as were other Quebec HAMC chapters in the province. Following the recent incarceration of Boucher and other influential members, the Quebec HAMC would now have a low rating for this factor. Again, this could change if the dynamics of the group were to change.

**Crime money management**

This business factor involves the ‘laundering’, investment and management of money gained through illegal activities (Dean, Fahsing and Gottschalk 2010, 52).

During the group’s period of dominance in Quebec’s drug markets, the Nomads and other HAMC chapters were responsible for an estimated billion dollar a year distribution of hashish and cocaine (Gabor et al. 2010, 45). Involvement in legitimate businesses including bars, restaurants, escort agencies, and the construction and auto industries provided ample opportunities for the Quebec HAMC to launder money made from drug trafficking and other criminal activities (Dawson 2009). Ostensibly legitimate business connections such as accountants were also used to clean “dirty” money (Schneider 2004, 74).
The Quebec HAMC invested capital back into their drug trafficking business, buying immense quantities of drugs wholesale to distribute between the group’s chapters and puppet clubs for on-selling (Schneider 2009, 407, 426). The Quebec HAMC’s ability to manage the proceeds of its criminal activities was apparent from the meticulous financial records seized during police raids, which accounted for the expenditure and receipt of massive amounts of capital (Schneider 2009, 408).

The Quebec HAMC clearly gave considerable thought to how they managed their crime money, and accordingly during this period, the group would have received a medium to high fuzzy rating for this business factor. The group’s crime money management abilities are now likely to be stymied, with their network and business operations significantly diminished. Accordingly, it is likely that the group would now have a low fuzzy rating in relation to crime money management.

**Resources mobilization**

The second part of the ‘establishing’ phase relates to resources mobilization, which is the progressing of a business opportunity to the next stage (Dean, Fahsing and Gottschalk 2010, 8). The business factors associated with this capability are explained below.

**Financial capital**

A criminal group needs to obtain or create funding to cover the initial outlays of its criminal enterprise. As legitimate sources of capital (for example, bank loans) are not normally available to criminal entrepreneurs and therefore funding is usually sought from crime money (Dean, Fahsing and Gottschalk 2010, 56).

The Quebec HAMC appears to have had ample financial resources arising out of its own criminal enterprises, which allowed the group to enter into new business ventures, such as the cannabis market in the 1990’s (Tremblay, Buouchard and Petit 2009). These resources also allowed the Quebec HAMC to expand its existing criminal enterprises. Between March 1999 and December 2000, two Nomads members spent in excess of $10 million dollars to purchase 267 kilograms of cocaine and 173 kilograms of hashish as part of the Nomads drug syndicate (Schneider 2009, 426). Investments of this size provided significant returns, with the group estimated to have made $900 million from drug sales in 2000 (Schneider 2009, 408).

Based on this information, it is clear that at its peak, the Quebec HAMC would have received a high fuzzy rating for financial capital. The current fuzzy rating would be low to medium, as large sums were confiscated during police raids (Schneider 2009, 408) and the group now has limited opportunity to create new capital, due to its severely reduced active membership (Criminal Intelligence Service Canada 2004, 15; 2009, 14).
Operational logistics

Operational logistics involves working out in detail how a crime business will operate (Dean, Fahsing and Gottschalk 2010, 57).

The example given above for business planning is also relevant to this factor. As explained, the Quebec HAMC under Boucher formulated a specific and detailed operative plan for expanding the group’s share of the cocaine trade in Montréal (Schneider 2009, 407).

The group’s use of its established cocaine distribution framework to capitalize on the cannabis market also shows strength in the area of operational logistics (Tremblay, Buouchard and Petit 2009, 36). Accordingly, it can be surmised that during Boucher’s reign, the Quebec HAMC would have received a medium to high fuzzy rating for this factor. However, in light of the incarceration of Boucher and other key members (Schneider 2009, 422), it is likely that the Quebec HAMC’s current fuzzy rating would be low.

Human resources

Recruiting and retaining the right staff is as important for a crime business as it is for a legitimate business (Dean, Fahsing and Gottschalk 2010, 60).

The Quebec HAMC often recruited members from the group’s puppet or satellite clubs. Puppet club members were required to perform criminal and dangerous tasks on behalf of the Quebec HAMC, to prove their loyalty to the group (Quinn and Forsyth 2009, 239). This recruitment method made it extremely difficult for undercover law enforcement officers to infiltrate the group (Gabor et al. 2010, 6). In the early years of the Quebec HAMC, “hard core criminal type members” were also selectively recruited from other biker gangs in Quebec in order to populate additional chapters of the group (Schneider 2009, 395).

The emphasis upon loyalty to the Quebec HAMC above all other obligations (Quinn 2010, 384) along with the flexible and beneficial opportunities for promotion available within the group (Tremblay, Buouchard and Petit 2009, 36) allowed the Quebec HAMC to retain a strong and dedicated membership during its peak. At this time, the group would have received a high fuzzy rating for the business factor of human resources. However, with the majority of members now imprisoned (Criminal Intelligence Service Canada 2009, 15), the Quebec HAMC would currently have a low fuzzy rating for this business factor.
Phase 2 Expanding Implementation: (Overall Rating: HIGH)

Decision-making under uncertainty

This phase involves the organising of an established crime business in order to increase market share (Dean, Fahsing and Gottschalk 2010, 68). A crime business needs to possess effective risk management techniques to deal with constant threats from law enforcement and competitors. The associated business factors are detailed below.

Business intelligence

Business intelligence involves the identification of market potential, along with an ability to counter, capture or neutralise market rivals (Dean, Fahsing and Gottschalk 2010, 70).

The Quebec HAMC has been considered an example of a “strategically mobile” criminal organization with an ability to regenerate itself by recruiting new members and expanding into new territories and criminal markets (Morselli, Turcotte and Tenti 2011, 12). In the 1990’s, the group identified the market potential presented by the rapidly expanding cannabis market. Factors assisting the group to neutralise market competitors, included an established distribution infrastructure unmatched by their rivals, a preparedness to use extreme violence, substantial financial resources allowing for large wholesale purchases from growers, counter-intelligence on police and rivals and a remarkable degree of organization (Tremblay, Buouchard and Petit 2009). Dean, Fahsing and Gottschalk (2010, 71) note that the HAMC’s method of ‘patching over’ smaller clubs in return for the coveted HAMC patch is a very successful business expansion strategy.

From the above, it can be reasoned that the Quebec HAMC at its peak would have received a medium to high fuzzy rating for business intelligence. In its current state however, the group, although perhaps still able to identify market potential, is unlikely to have the ability to quash its competitors. Unless the group regains an influence in the region (perhaps through the movement of members from other chapters), “patching over” of rival clubs is unlikely to occur. Accordingly the Quebec HAMC would currently have a low fuzzy rating for this factor.

Violence

Violence may be used by criminal entrepreneurs to achieve a defined aim (instrumental violence) or purely for its own sake, or to achieve the aggressor’s personal need for power, control and aggression (expressive violence) (Dean, Fahsing and Gottschalk 2010, 73).

The Quebec HAMC, throughout its development and at its peak, appeared to have a relentless capacity and propensity for violence. The group used instrumental and reputational violence to its fullest extent, as “a tool to control criminal networks, intimidate rivals, intimidate law enforcement and potential witnesses to disrupt and delay judicial proceedings” (Criminal Intelligence Service Canada 2003). Violence was used
extensively by the group to achieve hegemony in various drug markets. For example, the Quebec HAMC used extreme and brutal violence during the Quebec biker war of the 1990's in an attempt to dominate Quebec’s wholesale cocaine market (Schneider 2013; Hicks 1998, 333). Based on the above, it is clear that the group at its peak would have received a very high fuzzy rating for violence.

At the current time, the Quebec HAMC’s reduced active membership means that the group could not maintain the same levels of violence as it has in the past, or hope to have the resources to defend against rivals. Additionally, whilst the few remaining active members may be comfortable with violence as part of the OMG lifestyle, they may want to avoid the unwanted law enforcement and public attention that violence tends to attract. It can therefore be reasoned that the group would currently have a low to medium fuzzy rating for this factor.

**Corruption**

Corruption is a market control mechanism, which uses strategies including bribery and kick-backs to police and others to facilitate business opportunities and increase market share (Dean, Fahsing and Gottschalk 2010, 73).

At its peak, the Quebec HAMC used bribery to corrupt police and obtain counter-intelligence, which enabled the group to subvert police investigations (Williams and Godson 2002, 338). Recently, Benoît Roberge, a former Montréal police investigator who led some of the most difficult investigations into Quebec’s OMGs, was accused of leaking information to the Quebec HAMC (Hamilton 2013; Woods 2013). It has also been reported that individuals working within the police were paid up to $10,000 to steal information from police databases for the Quebec HAMC (Schneider 2009, 286). The Quebec HAMC allegedly also corrupted jurors, in one instance offering a bribe of $100,000 to each jury member of an entire jury (Plowman 2006, 67). Given the above, the Quebec HAMC is likely to have received a medium fuzzy rating for corruption.

The group’s current ability to corrupt would be impeded by a reduced level of financial capital and a lack of influential active members, resulting in a low fuzzy rating.

**Counter-intelligence**

Counter-intelligence is used by criminal organizations both in a reactive manner (to shield their own communications from law enforcement) and in a proactive manner (to infiltrate law enforcement entities) (Dean, Fahsing and Gottschalk 2010, 81).

Examples of the Quebec HAMC’s reactive counter-intelligence include the group’s use of sophisticated security systems and video cameras around clubhouse perimeters (Criminal Intelligence Service Canada 2003) and in the organization of meetings, whereby the location was changed each month with business cards delivered to puppet club members to advise of the meeting time (Plowman 2006, 66).
The Quebec HAMC also employed innovative proactive counter intelligence methods, including stealing police laptops and monitoring police radio frequencies in order to compile a database of officers’ names, addresses and car registrations and hiring ex-police officers as private investigators (Plowman 2006, 67).

The group at its peak would have received a medium to high fuzzy rating for counter-intelligence. Given the understanding for the need for secrecy and security is likely to be almost innate to members of a crime business like the Quebec HAMC, it is probable that the group still has reactive counter-intelligence methods in place. However, as it is unlikely that the Quebec HAMC would currently have sufficient resources to commit to proactive counter-intelligence, a low to medium fuzzy rating may now be appropriate.

**Phase 3: Consolidating: People Cooperation: (Overall Rating: HIGH)**

During this phase, a criminal organization needs to focus on managing its crime business in order to maintain its market share (Dean, Fahsing and Gottschalk 2010, 87). This requires the ability to gain assistance from various legitimate and criminal business connections and other influential individuals (Dean, Fahsing and Gottschalk 2010, 89).

**Criminal business connections**

Criminal groups with an entrepreneurial focus are likely to make business connections and cooperate with other criminal groups (competitors) where there is profit to be made (Dean, Fahsing and Gottschalk 2010, 91).

The Quebec HAMC has historically had business connections with various powerful Mafia groups. From 1980, the group allegedly liaised with the Caruana-Cuntrerera Mafia clan to import heroin and hashish from the United Kingdom. Boucher was said to have had a close relationship with the Rizzuto Mafia family, with the Quebec HAMC and the Mafia working together to import immense shipments of cocaine from Venezuela to Canada and the United States (Nicaso and Lamothe 2005, 223). It has also been suggested that the Quebec HAMC and the Rizzuto Mafia family divided up Montréal’s cocaine market between themselves, negotiating to fix the city’s per kilogram price of cocaine (Schneider 2013, 135).

Given the power and influence of these Mafia groups, the Quebec HAMC’s fuzzy rating for criminal business connections would have been medium to high. The remaining members of the group may have retained some of these connections, but given the decline in the HAMC’s influence in Quebec, the group itself would not be as attractive a criminal business connection to other crime groups as it once was. Additionally, connections brokered though Boucher may have been abandoned due to his incarceration. The group is now likely to have only a low to medium fuzzy rating for this business factor.
Legitimate business connections

Like licit businesses, crime businesses require assistance from individuals with specialist skills in areas such as law, accounting and information technology (Dean, Fahsing and Gottschalk 2010, 93). Substantial financial resources allowed the Quebec HAMC to hire “the best lawyers money could buy” (Plowman 2006, 67). In 1998, when Boucher was tried for ordering the murder of prison guards, his defence team so thoroughly discredited the police informant that Boucher was pronounced innocent of all charges (Schneider 2009, 417); however, this verdict was overturned on appeal (Schneider 2009, 419). The Quebec HAMC also employed accountants as part of its crime money management strategy (Schneider 2004, 74).

Based on the above, it is likely that the group would have received a medium to high fuzzy rating for this business factor. At the current time, confiscation of substantial amounts of the group’s capital, along with the loss of influential and strategic members such as Boucher means that the Quebec HAMC’s fuzzy rating for legitimate connections would be low.

Influential people connections

This business factor involves building and maintaining business relationships with powerful individuals both in the legitimate world and the criminal underworld (Dean, Fahsing and Gottschalk 2010, 96).

The Quebec HAMC’s relationships with various powerful Mafia families, as discussed above, provide a good example of the group’s strengths in this area. These relationships allowed the group to expand their operations in particular drug markets and to negotiate a truce with a potential rival, which allowed both parties to maximize profits. A medium to high fuzzy rating would have been applicable at this time.

As also noted above, these relationships are likely to have weakened due to incarceration of key members. This, combined with a decreased ability to sustain legitimate connections, would currently result in a low fuzzy rating.

Phase 4 Positioning: Profit Maximization: (Overall Rating: HIGH)

This phase requires a strategic focus on maintaining a crime business over time and into the future, in order to maximize profits (Dean, Fahsing and Gottschalk 2010, 103). The relevant business factors are discussed below.

Local Market Share

Most criminal groups seek to increase their market share in the local crime market. A rise in market share reduces the financial impact of rivals and at the same time increases bargaining power with suppliers (Dean, Fahsing and Gottschalk 2010, 106).
During the 1990’s, the Quebec HAMC sought to dominate Quebec’s cannabis market by using excessive violence, conducting counter-intelligence on rivals and law enforcement and exploiting existing networks and infrastructure. Access to considerable financial resources and a tendency to make very large purchases provided significant bargaining power with cannabis wholesalers (Tremblay, Buouchard and Petit 2009).

It appears that the group took a slightly different approach in relation to Montréal’s cocaine market. As noted above, the Quebec HAMC and the Rizzuto Mafia family allegedly divided this market between themselves, negotiating to fix the per kilogram price of cocaine in the city (Schneider 2013, 135). It is likely that the Quebec HAMC recognized the benefits of maintaining a cooperative, rather than adversarial, relationship with the powerful competitor.

Given the above, the group at its peak would have received a high fuzzy rating for local market share in the cannabis market, and a medium fuzzy rating in the cocaine market. An overall fuzzy rating of medium to high has therefore been assigned. However, “Operation Springtime”, a 2001 police campaign targeting the Quebec HAMC, led to the arrest of over 100 members, including the entire Nomads chapter (Morselli 2009, 148; Schneider 2009, 422). This would have severely debilitated the group’s ability to maintain its share in both drug markets. Rival OMG, the Bandidos, attempted to capture the drug trafficking territory lost by the Quebec HAMC but were also thwarted by law enforcement efforts (Schneider 2009, 427).

In 2009, another major police investigation called “Operation SHARQC” (Stratégie Hells Angels Région Québec) (Morselli, Turcotte and Tenti 2011, 182; Standing Committee for Justice and Human Rights 2012, 8), resulted in the seizure of dozens of kilograms of cocaine, marihuana and hashish and more than five million dollars in cash. Charges including drug trafficking were laid against accused individuals, with only two members of the Quebec HAMC not in prison by May 2009 (Criminal Intelligence Service Canada 2009). The group’s current fuzzy rating in relation to local market share in Quebec’s cocaine and cannabis markets is now likely to be low. It is probable that some of the Quebec HAMC’s previous share in both markets has since been subsumed by rival groups, including Asian and Indo-Canadian criminal organizations (Royal Canadian Mounted Police 2006, 2, 6; 2009, 17) and street gangs (Criminal Intelligence Service Canada 2010, 24).

**Global Market Share**

Like legitimate businesses, criminal businesses are increasing ‘transnational’, and benefit from the effects of globalization (Dean, Fahsing and Gottschalk 2010, 109).

As part of an international group with chapters all over the world, the Quebec HAMC had access to a global infrastructure to try to expand its business operations outside of its own province. However, the group’s attention to this factor appears to have depended on leadership. From the available literature, it appears that Boucher’s primary focus was
increasing the Quebec HAMC’s local market share, particularly in the province’s cocaine and cannabis markets (Schneider 2009, 426; Tremblay, Buouchard and Petit 2009).

However, a member of the Quebec Nomads, named Wolodumyr Stadnick, who ascended within the Canadian HAMC to become National President, aimed to build a HAMC empire in Canada that stretched from coast to coast, allowing for a national drug pipeline. It is noted that the OMG structure is ideal for drug trafficking, as chapters in various provinces provide a national and international distribution network that allows bikers to move drugs from the laboratory or from source countries down the distribution chain to consumers (Desroches 2007, 5). Stadnick succeeded in patching over bikers in Manitoba and Ontario, before being arrested as part of Operation Springtime and convicted of drug trafficking, gangsterism and conspiracy to commit murder (Schneider 2009, 426). Based on the above, the group at its peak would have received a medium fuzzy rating for this factor.

The incarceration of influential and globally motivated members such as Stadnick, and the group’s current low active membership levels, would now result in a low fuzzy rating for this business factor.

**Competitive Advantages**

This final business factor separates crime businesses that thrive from those that merely subsist. A competitive advantage can arise from the structure, operating methodology, location, profile, connections or any other characteristic of a crime business that positions it ahead of its competitors (Dean, Fahsing and Gottschalk 2010, 111).

At its pinnacle, the Quebec HAMC had a number of competitive advantages, including a willingness to use, and reputation for, extreme violence (Barker 2005, 104) (although it should be noted that this can also be a disadvantage in that it attracts attention from law enforcement); substantial financial resources (Gabor et al. 2010, 45); extremely loyal and criminally minded members (Barker and Human 2009, 174, 178); a driven, calculating and entrepreneurially focused leader in Boucher (Schneider 2009, 407) and criminal connections with influential Mafia groups (Schneider 2013, 135). However, even at this time, the group was not the only crime business in the province, but shared the various criminal markets with other OMGs, East European and Asian based organized crime groups and various Mafia clans (Criminal Intelligence Service Canada 1999). As such it is clear that the Quebec HAMC’s advantages were not such that the group was able to monopolise all criminal markets in the province.

Therefore, it is likely that at this time, the group would have received a medium to high fuzzy rating for competitive advantages. The substantial decline in the active membership levels and consequently the influence of the HAMC in Quebec means that most of the competitive advantages identified above no longer exist. A low fuzzy rating for this business factor would now be appropriate.
CBAM Chart of HAMC (Peak & Current)

Figure 1, shows the various levels of criminal entrepreneurialism as described by Dean et al. (2010). It is apparent from the analysis of available material that the Montreal Chapter of the HAMC has been negatively affected by law enforcement operations and the incarceration of key members of the group.

The upper line demonstrates the level of skill and expertise at its peak performance period (mid to late 1990s). What is particularly interesting to note is the decline across all phases following the arrest and incarceration of key members, namely its president Maurice Boucher. The Human Resource element within the resource mobilization capability is noticeably low, as is the Influential People Connections criteria under the People Cooperation capability in the Consolidating Phase. This is collectively represented in the final Positing Phase where it is evident that profitability has been affected which has been caused by a loss of both local and global market share and the organization’s competitive advantage.
CONCLUSION

At the peak of its influence in Quebec, the HAMC was an extremely powerful organization, with medium to high fuzzy ratings in all of the business factors associated with a successful crime business. However, the group’s strengths in some business factors, particularly violence, financial capital and local market share, may also have worked against them by attracting the attention of police, politicians and the public.

Targeted law enforcement efforts over the last 18 years have now all but eliminated the Quebec HAMC. With very few active members, all influential leaders are imprisoned and the remaining active members are likely to be disinclined to attract further law enforcement attention by committing acts of violence. The Quebec HAMC would
currently face low fuzzy ratings in almost all business factors. The group’s power and influence in the region has therefore plummeted.

Notwithstanding the above, crime businesses rarely remain stagnant (Dean, Fahsing and Gottschalk 2010). It is therefore not unreasonable to suggest that the release of certain instrumental HAMC members from jail, or an influx of new entrepreneurially-orientated members, combined with the strength of the HAMC internationally, the group’s greed and appetite for expansion, and society’s unrelenting demands for prohibited goods and services, could result in an increase in the group’s ratings for particular business factors and a corresponding increase in the HAMC’s position in Quebec’s criminal landscape. As such, it is likely that law enforcement agencies will continue to carefully monitor the Quebec HAMC.
Reference List


