

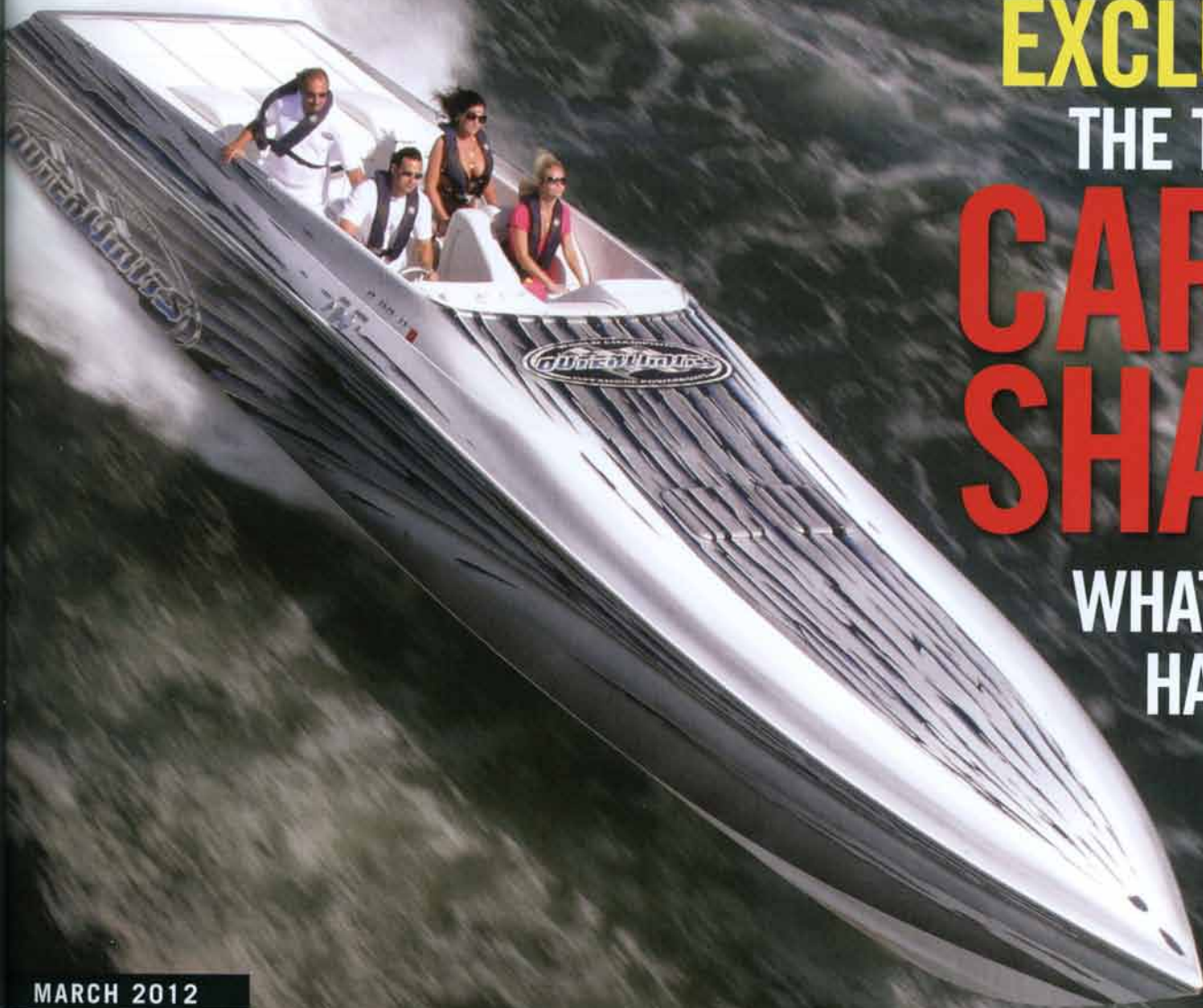
CATCHIN' AIR!



Performance Boats

**OFFSHORE
EDITION**

www.performanceboats.com



EXCLUSIVE:
THE THEFT OF
**CARD
SHARK**

**WHAT REALLY
HAPPENED**

SEE PAGE 18

MARCH 2012

\$5.99US/CAN

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Rich Antonucci's
37' Outerlimits, Incognito



dodley enterprises, inc.

Cindy Dodley

shark hunters



by Brett Bayne

Illustration by Cindy Dooley

Behind an infamous boat-theft insurance scam—
and how investigators cracked open the truth of the
marine industry's "dirty little secret."

There are so many inconspicuous things in this world to steal.

A stapler from the workplace. Plastic forks from the local fast-food restaurant. A candy bar off the rack at a convenience store. Such things can be nearly impossible to notice.

But a 43' powerboat with a painting of a killer shark on the side? You'd have to look far and wide to find something that sticks out less than that. Especially when you have to haul it 1,600 miles across a country where surveillance cameras are watching everything you do and everything you dare to take that does not belong to you.

sharkhunters



Left: the original *Card Shark*.
Below: owner Dennis Hall's new version, the *Card Shark II*.

And yet, it happens—more frequently than you might expect. Boats disappear all the time. And when a theft occurs, it's generally the insurance company that's expected to mail a check containing many zeroes to cover the loss.

This is the story of a performance boat that some people made disappear, and the insurance underwriters who got fed up with the situation and weren't going to take it anymore.

The Theft

Before it was stolen and chopped up into little pieces, the *Card Shark* was a 2005 Nor-Tech 4300 vee bottom that sat atop a white 2005 Myco Trailer in an outdoor lot owned by Derebery Performance, an engine builder located in Pottsboro, TX. The boat's owner, Dennis W. Hall, had asked his friend, shop owner Leon Derebery, if he could store it there with a "For Sale" sign on it, and Derebery agreed.

The boat sat there for months, guarded by an Akita dog known as Brodix (named after the cylinder head company), without so much as a nibble from a prospective buyer. Then, on Nov. 21, 2007, a dually truck backed up to the gate and a man accompanied by two women exited the vehicle. Using a bolt cutter, the thief sheared the lock off the gate and entered the yard. Working hastily, he then hooked the boat up to the truck and pulled it out, fastened a new lock to the gate, fed Brodix, and departed with the boat.

The shop's owner, Leon Derebery, later told police he had returned from a deer hunting trip with his son Peyton to find the boat had disappeared. "I went up to the gate to put all my stuff back inside



the yard, got out my key and immediately noticed that it didn't work," Derebery said. "I thought, 'What the hell is going on here?' Then I noticed that something looked different. Then it dawned on me: The *Card Shark* was gone."

The entire incident was caught on Derebery's surveillance cameras, and police began to study the crime, scouring the images for clues. The figures were shadowy with few definitive leads pointing their way to the guilty parties. The theft was reported to both the police and the Markel American Insurance Company, responsible for reimbursing the owner of the *Card Shark*.

The disappearance of the boat represented a sizable loss for Markel, which had endured a string of similar boat thefts for several years.

"When a meaningful theft occurs, it adversely impacts insurance rates for the entire group," explained Tom Conroy, Markel's managing director of marine underwriting. "We feel it's important to aggressively investigate and return the property back to the rightful owner, if at all possible, and put the wrongdoer behind bars."

Full-scale investigations can be quite expensive, especially when a boat is hauled to a different part of the country (as it was

in this case). Nonetheless, Markel decided to pursue it. "The best opportunity to recover the boat was to assemble a great investigative team," Conroy said. Markel's Watercraft Claims Supervisor Casey Matthews, who directed the case, enlisted a crack team headed up by Todd Schwede (of Todd and Associates, San Diego) and Charlie Meacham (owner of ICL Investigations, Jacksonville), two of the best investigators in the country, to take on the mystery.

The Investigation

Although no single person's face is clearly identifiable in Derebery's surveillance video, "its very existence gave us confidence that we could have a chance to make some sort of recovery here," Matthews said. "You don't always get that lucky."

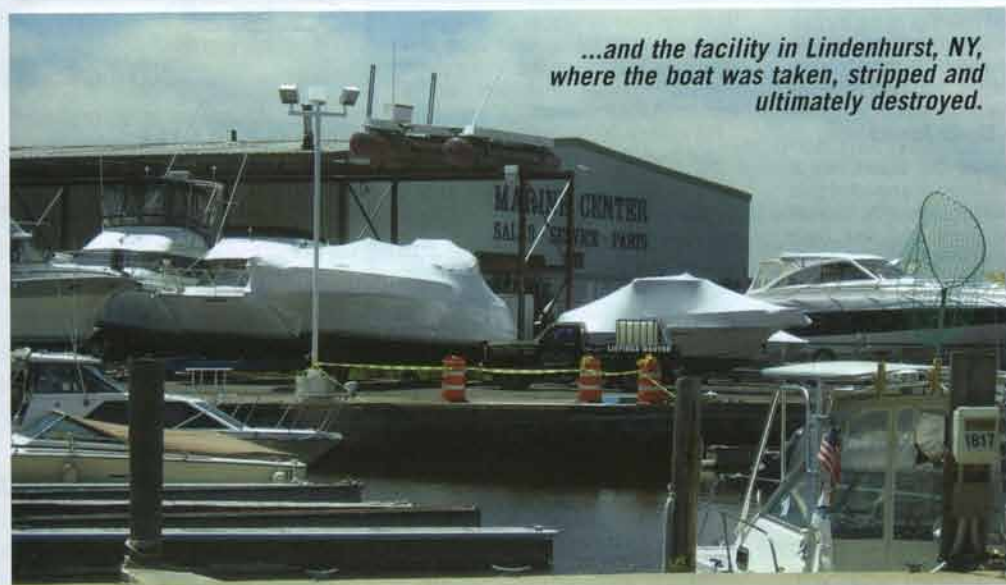
One of the first, and ultimately most rewarding, strategies was to offer a \$50,000 bounty for information leading to the safe return of *Card Shark*, a reward tailor-made to "help loosen lips," Conroy said. It was an aggressive move designed not just to help find *Card Shark*, but to help the insurance industry as a whole.

Helping get the word out about the reward was the responsibility of investigator Todd Schwede. Historically, when a boat has been stolen, posters are produced

The shop in Texas where Jeff Murray took the Card Shark in 2007...



...and the facility in Lindenhurst, NY, where the boat was taken, stripped and ultimately destroyed.



Note the Grady White that's shrink-wrapped in the center of the photo. At the time this photo was taken, it had been reported stolen from Grover's Marina in Freeport, NY. A few months later, one of the culprits was arrested in Nassau County, NY, towing this same stolen boat.

rocket, chat rooms came to life, and tips started to flood in. Through information they received, they were able to ascertain that the boat was headed in the direction of New York. On the Sunday following the theft, it was determined that the boat had arrived in Long Island, New York. At 11 p.m., Schwede's cell phone rang. On the other end of the line, someone with a heavy New York accent informed him that the boat was in the process of being cut up.

"What do you mean 'cut up'?" Schwede asked.

"It's being crushed as we speak," came the reply. "How do I get the money?"

What immediately became clear to Schwede was that a participant in the disassembly and destruction of the boat was calling to rat out his associates for the reward money. He and Conroy tracked the boat from the call to a Long Island industrial park marina and eventually narrowed it down to the most likely spot on the premises. A local marine surveyor was contacted and instructed to scope out the location. Law enforcement from Suffolk County was also contacted.

Meanwhile, the marine surveyor also drove to the marina, and spotted what he believed to be the boat's trailer sitting in the parking lot off to the side. He phoned Markel at once. "I'm looking at what I'm absolutely certain is the trailer the boat was sitting on," he said, a sense of discomfort growing in his gut. "I have to get out of here." The police were called and a car was dispatched to the scene. But by that time, the trailer was nowhere to be found.

Meanwhile, Charlie Meacham was sifting for clues at Derebery Performance, the scene of the original theft. After conducting interviews with shop personnel, he stopped at an Exxon gas station on US-75 in Grayson County to use the restroom and to put up one of the reward posters. To his delight, the attendant on duty recognized *Card Shark* from his poster. "I remember seeing this boat the other day!" she informed Meacham. "There were two women and two different trucks traveling with it. One was red and one was black. They came in looking for a piece of 2x4."

Adding to this lucky break was the fact

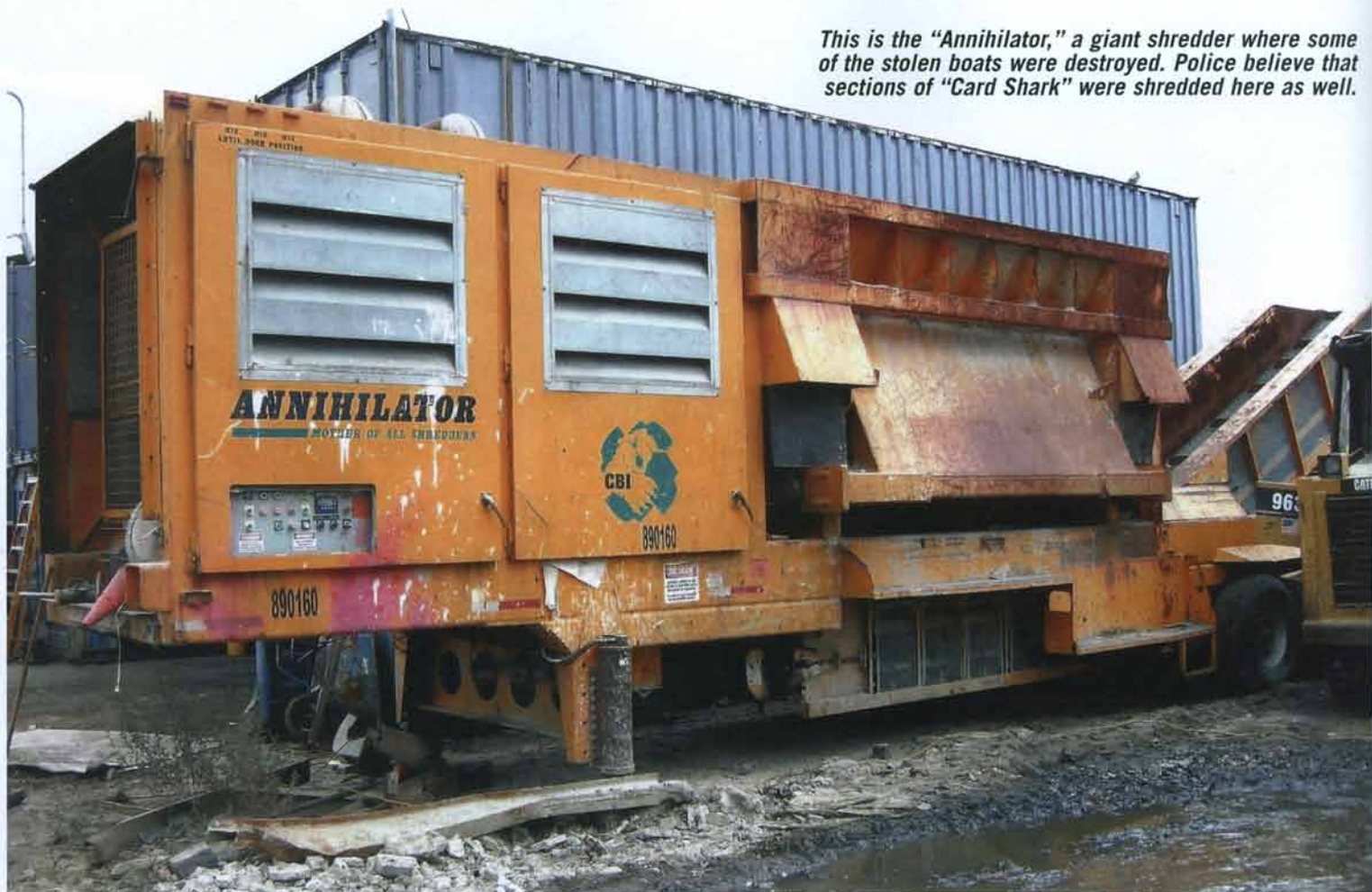
and mailed out. But Todd & Associates innovated a special "fax broadcast" system that got the information out more quickly and efficiently, to both law enforcement and members of the marine community. In addition, he posted about *Card Shark* on the website OffshoreOnly.com, which has a thriving online offshore powerboat com-

munity. Soon, thousands of people were on the hunt for the infamous Nor-Tech.

"Everybody wants to play *America's Most Wanted*", Schwede said. "People feel violated when somebody steals from their fellow boaters."

With such a large reward involved, the interest level in the crime began to sky-

This is the "Annihilator," a giant shredder where some of the stolen boats were destroyed. Police believe that sections of "Card Shark" were shredded here as well.



that the Exxon gas station had their own surveillance video footage, which revealed the face of a woman who had been traveling with the *Card Shark* boat. She was eventually identified as a friend of the man later revealed to be at the center of the caper: Jeff York Murray (see interview, Page 28), a trucker who regularly transported boats to and from poker runs for his clients. Murray reportedly paid the woman on the video a check for \$400 to use her truck to "repossess" the boat. The 2x4 turned out to be a tool to assist in jacking up the trailer off her dually so that it would fit on his Peterbilt hauler.

A warrant was promptly issued for Murray, who failed to surrender himself to authorities. Eager to locate him, police contacted Markel's investigators in February 2008 for help. "I was able to track him to Fort Lauderdale, but missed him by two hours," Meacham recalls.

Murray was driving north on I-75 in Florida, so law enforcement started watching the roads there, eventually issuing a BOLO (Be on the Lookout) along the entire East Coast. Murray—who authorities say was in the process of hauling another boat insured by Markel for over \$1 million—was ultimately nabbed by Maryland State Police.

"We tried to get him to cooperate while he was in Maryland, but he refused," Meacham says. "He was put into the back of a van and transported back to Texas."

In September 2008, Meacham contacted Murray personally and sat down with him for the first of several interviews, during which Murray described how he orchestrated the disappearance of boats. It was no surprise to anybody that Murray proved to be little more than a cog in a much larger conspiracy—one that eventually led to the arrests and punishment of key players in an ongoing scam that has

cost Markel and other insurance companies millions of dollars.

In his early conversations, investigators say Murray was not completely honest with them, and was therefore not considered particularly credible. "I sat down with Jeff and told him, 'You're going to go to jail for a long time unless you cooperate and are totally open and truthful.' I asked him if he would be willing to talk to the Suffolk County Police, and he agreed. At his own expense, he went to New York, was interviewed and determined to be truthful and credible. "He gave up the names of the individuals involved," Meacham said.

Using the valuable information Murray provided, as well as leads from other sources, police were able to solve at least 15 other cases of stolen boats from coast to coast, including California, Arizona, Nevada, Texas, New Jersey and New York. The string of thefts date back 20 years; four



Angelo Grimaldi, owner of Activator Boats, was killed when he crashed his Chevy Nova into a tree.

of the cases involved Markel-insured boats.

Murray was tried and convicted of stealing *Card Shark*, but because of his cooperation with Markel's investigation, Meacham testified on his behalf. He was sentenced to six years in jail; for which he has already completed one year. It's possible for him to be out on parole within the year.

'The Dirty Little Secret'

The indictments that were handed down stunned the boating community because most, if not all, of the individuals involved were respected members of our own industry.

• Police in Suffolk County, New York, confirmed that the mastermind behind many of the stolen boats was **Angelo Grimaldi**, owner of Activator Performance Boats, located at the Anchorage Marina in Lindenhurst, New York. This is where the *Card Shark* was delivered, stripped and cut apart. But before Grimaldi could be convicted of any crime, tragedy struck:

Last July, Grimaldi was killed in his 1970 Pro Stock Chevy Nova in Centereach, NY. After releasing the brake, the throttle stuck open and the car smashed into a tree going about 100 mph. Both Grimaldi and his passenger, 45-year-old Kevin Demaille, were killed.

• **Richard Mach** of Long Island, NY, the "front man" for Activator Boats, copped a plea on an insurance-related case, according to Suffolk County Detective Rob Petro.

• Grimaldi's colleague, engine builder **Jeff Cropper** of JC Performance (West Babylon, NY) was also charged, specifically with helping to dismantle the boat. "He was present when the *Card Shark* was dismantled," said Meacham, who witnessed Cropper's arrest. Cropper, who entered a plea of not guilty and vehemently maintained his innocence when interviewed by *Performance Boats*, has court dates pending later this year and judgment has not yet been determined.

• Cropper's brother **Curtis Cropper** was

charged in connection with four different boats in the insurance/theft ring and is currently working out a plea deal, according to Detective Petro.

• According to Petro, international offshore champion **Joe Sgro**, a 25+ year veteran whose career racing Outerlimits powerboats is legendary, was also charged in connection with a number of the boat thefts. Petro said Sgro pleaded guilty to a criminal mischief charge regarding one of the boats and agreed to pay \$850,000 in restitution.

• **Richard** and his son **Jason Stieglitz**, owners of MRD Marine, were arrested on insurance fraud charges in connection with one of stolen boats. In addition, Petro said, Richard was charged with helping to disassemble the *Card Shark*. Their trial is set for April.

• **Jimmy Winters**, owner/driver of the Supercat 38' *Skater Talk 'n Trash*, is a customer of Jeff Cropper and was a friend of Grimaldi. He also happens to be a record-holder (his 32' Skater was

clocked at 172 mph while running JC Performance 1150 engines built by Jeff Cropper). At the time of the crimes, Winters was the owner of a sanitation facility in West Babylon, New York, where police say a number of stolen boats—including a 27' Sonic and a Cigarette from California known as *Come Fly With Me*—were stripped and shredded in one of the facility's "Annihilator" shredding machines built by Continental Biomass Industries of Newton, NH. Winters' case is set to go to trial in April as well. (IESI now owns the sanitation company.)

In addition, there are individuals on the Texas side of the conspiracy who have not been formally charged, but who are suspected of aiding Murray in the theft of *Card Shark*—chiefly because Murray provided information about his co-conspirators. For example, "We know that a Northern Texas yacht broker called Mr. Derebery a week before the boat went missing and asked if anybody wanted the boat to disappear, because he had a guy who could make it go away," Meacham said.

However, more than four years after the theft, Murray is the only person to receive any jail time, and no Texas resident has been charged with any crime. Sheriff Rickey Wheeler of the Grayson County Sheriff's Office, a lead investigator in the case, declined to answer any questions about the theft asked by this magazine—including a report that the yacht broker in question "received some immunity he should not have been given," as one person close to the case told *Performance Boats*. "There are still some open investigations related to this case, and I've been asked not to release any information right now," Wheeler said.

Nonetheless, Markel's investigation turned up further troubling evidence. "I found photographs from an ex-employee of the yard at Derebery that were taken on Wednesday, his last day of work, before the boat went missing," Meacham said. "The pictures show the *Card Shark* blocked in with boats in front of it. But on the night the boat was stolen, around 7 p.m., the surveillance video shows that the boats that were

blocking it are no longer there." The video also seems to move at one point, in order to better capture the action. Did somebody reposition the camera for a better angle during the actual theft? Indeed, will any Texas residents be charged in connection with the theft of *Card Shark*?

"To think that Jeff Murray, who lives in California, just happened upon the *Card Shark* is ridiculous," says Petro, the New York detective. "Somebody told Murray that they wouldn't mind if the boat disappeared—and it disappeared. Unfortunately, that happened in Texas, and we can't do anything about that here in New York."

However, Petro said his team of investigators were able to charge Costa Mesa, CA-based resident Michael Lawrence, owner of the Cigarette *Come Fly With Me*, "because we could show that he was a participant in the conspiracy that occurred here in New York and we had corroboration." Lawrence pleaded guilty to a conspiracy to commit insurance fraud and agreed to cooperate with police in the matter.

After gathering their evidence, Markel successfully sued Leon Derebery in connection with the *Card Shark's* theft. Though Derebery himself strongly denies any involvement, he agreed to settle with Markel out of court. "It was real simple business," Derebery told *Performance Boats*. "Either I settled with them or paid an attorney \$70,000. My attorney told me I could win the case, but I didn't want to lose three years of my life. It's rape is what it is."

For their part, Markel's staff is understandably proud of the results of its investigation. In particular, independent investigator Meacham, working on behalf of Markel, pounded his shoe leather all over the country, from Florida to Texas and New York, working tirelessly to solve the crime. "Markel decided that this was the case they wanted to fight, to send a message to people who do this that they're not going to tolerate it," he says. "I wish more insurance companies would do this, because we can stop what's going on around the country. This has been a dirty little secret within our industry for too long." (continues on page 67)

sharkhunters

(continued from Page 47)

The Missing Pieces

The *Card Shark* is gone forever. But there is at least one missing piece of the puzzle that exists—the boat's powerplants. Acting on a number of leads (including records discovered in a search at Activator Boats), police were able to track the stolen engines all the way to Miami, FL—two years after the *Shark* became splinters of fiberglass. "You never see that," observed Detective Petro. "Long after this thing's cut up, to find the engines is truly amazing." The pair of Teague 1100s were discovered when police searched a high-performance engine shop in North Miami; shop owners have not been charged with doing anything improper.

There is one additional surviving artifact from the boat. Although police are still investigating this bizarre twist, a chunk of the hull which has a painting of the shark logo was reportedly saved and actually displayed in the office of a key player. Detectives are tight-lipped about this aspect of the story, because if photographic proof of this indeed exists, it may lead to the arrest of further individuals.

If you find the story of *Card Shark's* theft for insurance gain intriguing, consider the case of a missing 2003 Skater, also reported stolen. As the finer points of the boat-theft ring are being sorted out, police made an astonishing discovery—the Skater never existed. Police say the owner of the nonexistent boat used the website broadwaytitle.com to help create a phony title; then, using a fictitious bill of sale, were able to actually register and insure the "boat."

"He waited a few months and reported it stolen," Detective Petro says. "I believe they tried to collect \$110,000 on that one. Believe it or not, it went all the way to court. They were still trying to settle it when we contacted the manufacturer, Peter Hledin, who told us that the 2003 28' Skater was never created. There is no such boat." Petro said that one of Curtis Cropper's charges are in connection with this "stolen" Skater.

Although 15 different stolen boat cases were solved as a result of the *Card Shark* investigation, "some exceeded the statute of limitations," Petro says. "After five years, we can't charge them."

And in Texas, Dennis Hall is now the owner of a new boat—*Card Shark II*. **PB**

Meet the Man Who Took the Shark

An Interview with
Jeff Murray

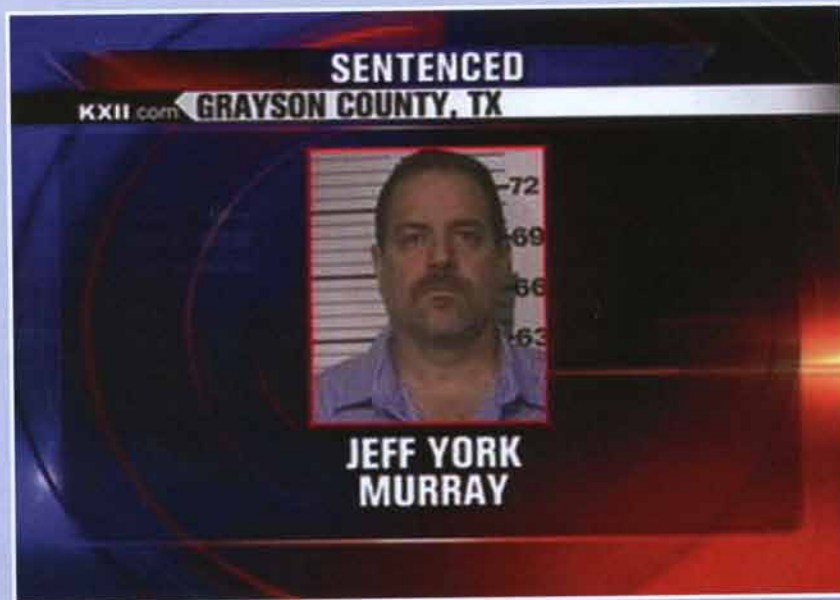
Jeff York Murray, widely regarded as “the low man on the totem pole” in connection with a rash of boat thefts, is the only person (so far) to be imprisoned for his role in the theft and destruction of the *Card Shark*. He was born on Jan. 17, 1957, in New York, and moved to Miami when he was 14. After a stint in the Navy beginning in 1975, he worked at his dad’s transmission shop, Singers Automatic Transmissions, where he worked on virtually anything owned by the city or state.

His first boat was a 24’ Monza powered by a 260-hp Volvo, with many craft to follow. By the late ’70s, Murray had become firmly ensconced in the Southern Florida boating world. He was mesmerized by his friends’ big-engine boats and watched APBA legendary racers like Don Aronow and Ben Kramer race.

Relocating to Southern California in 1982, Murray eventually carved out a niche as a dependable boat hauler, transporting boats to poker runs for many clients including Lake Cumberland Marine, Fastboats.com and Pier 57.

As a boater himself, his list of contacts and acquaintances multiplied. But in 1988, Murray, who earned cash smuggling marijuana during nighttime boating runs, was arrested for possession of cocaine, and served three years in jail. His *Card Shark* bust is his latest clash with the law. Today he lives on a 17,000-acre farm with 400 inmates, growing cotton and vegetables for the Texas prison system. He has access to TV and a typewriter, and he looks forward to his release from prison.

As *Performance Boats* first began researching this article, I reached out to Murray during his prison sentence to ask if he’d like to share his story. He agreed. What follows are highlights from our conversations.



TV stations flashed Murray’s mug shot when his sentence was announced.

Performance Boats: *Do you feel any regret for having been involved in the theft of the Card Shark?*

Jeff Murray: You should know from the start that *Card Shark* was an insurance job and not an outright theft. I would never steal anything for anybody. As for remorse, what can I say? I know that I did wrong and need to make up for that. Before this happened, I had a very good, if not excellent, reputation on OffshoreOnly.com, and now I have ruined it. Being kept away from my kids makes it even worse. I had to close down my trucking business and a lot of people got hurt by the fact that they were out of their job. I was thinking of myself first and not of the problems that it might cause. A lot of people put faith into me over the years and I let them down.

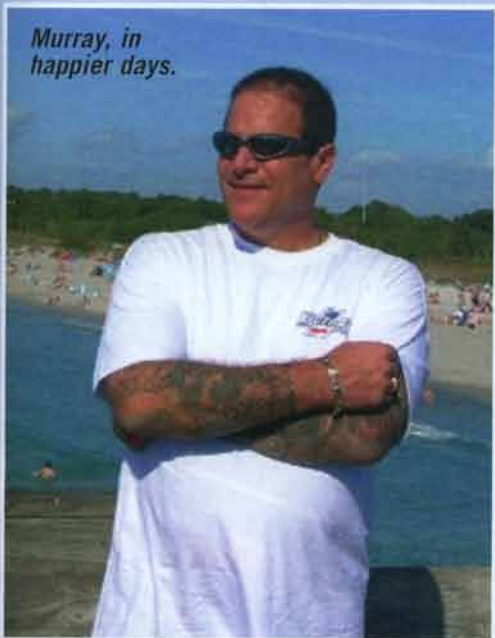
PB: *Tell us a bit about your role as a professional boat transporter.*

JM: I still am a boater. I’ve known a lot of boat owners from poker runs all over the country. Owners who were too busy would have me take their boat to the poker run destination. I would arrange to fuel the boat and clean it. Then I would launch the boat and drive it to the docks. The owner of the boat would fly in, participate in the run and then leave. I would then put the boat back on the trailer, flush the engines, and take it to storage.

One of my customers was [Las Vegas hotel-casino co-owner] Ed Herbst. He had no time for anything except for the poker run itself, and if he got tied up with his casinos, he would call and tell me to take certain customers out on his boat. As you know, his boat was the 46’ 2001 Skater called Terrible.

PB: *It was really back in Miami where your passion for offshore boating grew and*

Murray, in happier days.



purchasing your own boats. Tell us about those days.

JM: I knew a lot of the teams by the manufacturers of the boats. I knew the guys from Seahawk, Carrera, Signature and many others. I knew Pepe when he started Pantera and used to drive by the old Thunderbird factory on Biscayne Boulevard. I was buying my boats from my friend David Gilmore of Abbot and Gilmore Marine, which was located where TNT Custom Marine is now. David was a Wellcraft dealer who used to supply and service the original *Miami Vice* boats for the TV series.

Around 1980, I started to hang with my friends at night in Coconut Grove at two private clubs, the Mutiny and Faces. They were both directly out of the film *Scarface*, with coke flowing at the tables. There were lots of hot women, and it was great times. It was then that I started to crew on some boats that...well, let's just say that we made nighttime trips from the Bahamas to the Keys. I learned how to navigate a boat with only a compass—no GPS or Loran. I laugh at my friends in SCOPE (the Southern California Offshore Powerboat Elite) who won't go out from Newport to Long Beach unless the chart plotter is working or they can see land. We used to go 300 miles off Florida to meet a plane to load pot

up and bring it back. Back then, it was 40' boats with either quad Merc outboards or twin 400 TRS units. I had a 38' 1981 Scarab with triple 400 Mercs, as well as a 40' Performer with twin 540s and #3 Speedmasters. That boat only had a three-man bolster with 700 gallons of fuel and two oversized deck hatches.

PB: *What troubles you most these days about how things transpired?*

JM: Knowing that the insurance company and the arresting officer all recommended probation for me, due to my lack of record, and that the judge overruled them. Knowing that I am not a danger to society and could be a useful member bothers me. I fully know that I did wrong, but I could make things right if I were back home.

PB: *What is life like there on the prison farm?*

JM: The people here, both the prisoners and officers, are mostly hillbillies. To them, a city like Lancaster is large. They are very backwoods and redneck here. The food is OK, but it's not what I'm used to—mostly Southern food. I am not a racial person, but being in here makes you that way. The Obamas of the world here think that they can just do whatever they want to, whether it's right or wrong. I always have to remind myself where I am.

PB: *What are the conditions like?*

JM: You must shave daily. I know its prison, but they treat you like 5-year-olds. Most people here are in for multiple DUIs. Everyone can make a mistake, but when you get seven DUIs, you have a problem and will hurt someone. But they don't see that, so I keep my thoughts to myself.

PB: *You previously served time in jail. Why weren't you rehabilitated?*

JM: I learned my lesson with drugs, but I guess I am still stupid. At my age, especially with small children, I should have known better.

PB: *What do you plan to do after you're released?*

JM: For years, I have wanted to get into the marine business. I have grown up around these boats and have a deep passion for them. I am working on my financing. I think that when I get out next year, I want to open up a large offshore marine sales and service center in the Inland Empire. Nobody is selling new offshore boats on the West Coast anymore. I think that a 36' Nor-Tech Cat with an open bow would be a very good Havasu boat.

That's what I see for the future in Southern California. We know that there are a lot of aftermarket engine builders out there. But with the new California emissions coming, many will not spend the money to become certified. I see more and more of the boats being delivered to the customer with a Mercury or Ilmor powerplant, since they have the money to get certified. I envision a 70,000 square-foot service center with Mercury or Ilmor-trained mechanics. When you come home from Havasu on Sunday night, you can drop off your boat on Monday morning and have it fixed and back to you for the following weekend. If you buy a boat new from anyone in Southern California, and something on the engine/drive fails, the factory warranty is now set up for repairs.

I want everyone to know that when they buy a new boat, they have a place to go that can fix their boat ASAP, where all parts are in stock.

PB: *Some would say that you're persona non grata in the boating industry. How is launching your own marine facility a realistic goal?*

JM: Yes, there are some loudmouth people on the Internet who will raise hell. But there are also lots of people who will stand up for me. Once people see my service and lack of downtime, it will change people's minds. Yes, I made a huge mistake and just have to power back through this and get my life going into the right direction.

PB