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Powell loses appeal of mail fraud conviction

By DAVID CHERNICKY
Staff Writer

HAMPTON — Retired candy wholesaler Earl C. Powell Sr. has lost his appeal for a new trial almost one year to the day a federal jury convicted him of mail fraud in a scheme to defraud an insurance company of $110,000.

A federal appeals court recently upheld the trial judge's decision to allow tape-recorded conversations between Powell and the late Howard F. Wornom Sr. as evidence against Powell.

Powell began serving a 52-month prison sentence 13 months ago for his conviction on 10 counts of mail fraud and one count each of perjury and obstruction of justice. He was fined $25,000 and ordered to reimburse the insurance company $110,000 plus interest for a fraudulent claim on a coin collection he reported stolen in January 1980.

The Fourth Circuit Court of Appeals ruled on the appeal Thursday. Powell was convicted in U.S. District Court in Norfolk Feb. 7, 1985, after a three-day trial in which jurors listened to excerpts from eight of 19 tapes recorded by Wornom during conversations with Powell between October 1983 and June 1984.

The tapes proved to be crucial evidence because of statements by Powell in which he implicated himself in the insurance fraud and other schemes to defraud insurance companies.

Wornom was to be the government's chief witness until he was shot and killed in front of his house in Hampton by an unknown assailant Oct. 18, 1984, several weeks before Powell's original trial date.

Hampton police still have no suspects in the case.

Powell's attorney had argued before Judge J. Calvitt Clarke Jr. the tape-recorded conversations were inadmissible because some of the tapes used as evidence were taken out of context and could have been altered.

But the appeals court panel of three judges said the defense failed to produce any evidence of selective taping or doctoring.

The appeals court also upheld Clarke's decision to allow the jury to hear Powell's taped statement in which Powell told Wornom, a longtime friend, he would kill anyone who threatened his liberty. The court said that the statement "was relevant to show intent in the government's charge of obstruction of justice." The trial court "correctly decided that the danger of unfair prejudice did not outweigh the statement's probative value," they said.

The judges also upheld Clarke's decision to allow the jury to hear the testimony of an Internal Revenue Service agent. The testimony showed that Powell had sold much of his coin collection by 1970.

Frederick T. Stant Jr., Powell's attorney, said he would not carry the appeal further, but may file a motion to the court to have his client's sentence reduced.

Assistant U.S. Attorney Robert J. Seidel Jr., who prosecuted the case, said he would move to collect the $25,000 fine now that the conviction has been upheld.

As the result of a civil suit settled out of court, Powell has already reimbursed the insurance company $165,000 — $110,000 plus interest for the fraudulent claim.

Hampton Commonwealth's attorney Christopher W. Hutton is seeking to prosecute Powell on a new charge of tryingg to persuade another to commit perjury. Powell, who is at the federal correction center in Petersburg, is fighting extradition to Hampton.

Charges dismissed against ex-car dealer

By JANE HASKINS
Staff Writer

HAMPTON — Criminal charges have been dropped against a former car dealer accused of taking money for expensive foreign cars that were never delivered.

Jerry L. Dunford was charged with three counts of obtaining money by false pretenses, but the charges were dropped after Dunford made full restitution to the three people he allegedly wronged, said Assistant Commonwealth's Attorney Mark Sullivan. He said it would have been hard to prove that Dunford intended to cheat the customers.

Witnesses testified at a preliminary hearing in October that Dunford, who operated European Auto Village on North Armistead Avenue, took $1,500 deposits from two customers for cars that Dunford was supposed to buy in Europe. The customers testified they never received the cars or the money.

When they tried to contact Dunford to discuss the problem, he evaded them, they said.

A Hampton restaurateur also testified he bought a $19,500 Porsche from Dunford, but was never given a title to the car.

The man who had sent the Porsche to Dunford to sell on consignment said he'd held up the paperwork on that car's title because Dunford hadn't paid him $8,000 he was owed for the sale of the car.

Dunford and his wife testified their company had run into financial trouble when a business partner apparently took company money for himself.

Dunford also has been sued by two former customers who contend he was supposed to be repairing their Mercedes-Benz automobiles, but instead returned them after several months, disassembled and with no repairs done.

Staff photo by ALAN PARKER

Godspeed cook visits students

Jack Greer of Mathews, who was the cook on the Godspeed, talked with students of the Exploring Technology class at Gloucester Intermediate School on Tuesday about the historic re-enactment. Because students in that class last year made wooden bowls to be carried on the trans-Atlantic voyage, Greer wanted to take part in the National Vocational Education Week observances at the school.

■ Bridge

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paying for studies or construction, he noted. Gov. Gerald L. Baliles appointed the commission to study the state's critical highway needs, and described the Coleman Bridge as one of the 11 most urgent.

The commission's report, due by August 1, will be considered by a special session of the legislature in September.

"It's premature to talk about tolls until the commission makes its recommendations," said Del. Harvey B. Morgan, R-Gloucester. "I think we'd be unwise to move right now knowing all this is in the works."

■ Jury to hear closing arguments this morning

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which he tried to appeal to Lanford's emotions by pulling his chair very close to the defendant, and talking to him about the fact that Lankford had been adopted. Riley said he told Lankford that his dog had loved him, and and that Lankford, in turn, had shot the dog.

Riley said tears formed in Lankford's eyes. "The dog loved you and you shot it," Riley said he told Lankford. "He nodded his head as if to say yes."

Then Riley said, "You shot the dog like you shot the Rogers." Lankford denied this.

Lankford's account of his activities the night of the shootings was sharply questioned by Commonwealth's Attorney C. Jeffers Schmidt Jr., who said Lankford's wife was not with him the night of the shootings, contrary to a statement Lankford had originally given police.

Lankford and his wife, Ava, were married a month before the slayings. Lankford had told investigators she had been with him all that night.

During subsequent sessions, he told police that he had not seen her until later in the evening. According to a statement by her former employee, Mrs. Lankford had worked until nearly midnight. The Lankfords were divorced in 1977.

Lankford's sister and niece said they had spent the night playing cards with him, and that he had only been out of their sight briefly, when he went to pick up the mail.

The Rogers couple were shot about 7 p.m. in their remote house about two miles off Route 615 near the Corotoman River. Investigators were able to find few clues, and Lankford's fingerprints do not match those that were picked up, a state fingerprint identification expert testified.

Because no signs of forced entry were discovered, Circuit Court Judge Dixon L. Foster dismissed charges of breaking and entering against Lankford. He also threw out a charge of grand larceny, stemming from the disappearance of the slain couple's Volkswagen the night of the killing. It was recovered the next day a few miles away.

Lankford, who said he'd always cooperated with investigators, grew testy under Schmidt's cross-examination. Asked by Schmidt if he had a "pat answer" for every question, he replied, "Wouldn't you if you were put up for life for something you didn't do?"

But at another point he calmly turned to the jury and said, "I didn't kill the people. I honestly didn't."

The jury will hear closing arguments this morning and will consider whether to find Lankford guilty of two counts of first-degree murder, which could lead to life sentences. He is also charged with using a gun during a crime.

Lankford has been detained at the county jail since August when he was charged with driving while intoxicated, possession of stolen property and violation of probation.

Fire damages home, antique

HAYES — An electrical fire Tuesday morning damaged the kitchen and destroyed an antique table in the mobile home of Gregory and Kathy Childers on Route 1216.

Abingdon Volunteer Fire Chief Herbert M. Austin said department volunteers had just returned to the station from another call and were able to respond immediately to the Childers fire shortly before 9 a.m.

"We didn't use but a quart of water to put it out," said Austin.

He said that firefighters, at first stumped to determine the cause, removed an electric wall receptacle that Mrs. Childers said had never worked.

"As soon as we got it out, it flashed blue and white and caught on fire. We disconnected the power to the trailer until she could get it fixed," said the chief.

Mrs. Childers said Tuesday afternoon an electrician had replaced the receptacle and restored power to her home.

Channel dredging to begin Monday

By LINDA GRIFFITH
Staff Writer

Dredging of Thimble Shoal Channel is part of the fill material to build the Interstate 664 islands in Hampton Roads will begin Monday.

The hopper dredge Long Island will work around the clock about 40 days or until environmental restrictions go into effect. To protect endangered species of sea turtles that migrate through the Chesapeake Bay in the spring, the construction contractor must halt dredging operations between May 15 and June 30, according to a permit issued by the Army Corps of Engineers.

The Long Island can carry about 16,000 cubic yards of fill per load and should be able to load and off-load twice in a 24-hour period, said Jerry Morrison, I-664 project engineer with the state Highway Department.

The continuous dredging will depend on the weather, Morrison said.

About 2.25 million cubic yards of fill material is needed for the construction of the islands at each end of the tunnel tubes. The I-664 bridge and tunnel to be built across the James River will link Newport News and Suffolk, and provide a third connection between the Peninsula and cities south of the river.

The prime contractor on the job, Tyger Construction Co. Inc. of Spartanburg, S.C., and Pensacola Construction Co. of Kansas City, Mo., recently received approval from the Highway Department to obtain the borrow from two sites.

A special provision in the construction contract had limited the source of the fill to one site. During the restricted time, material will be brought to the island sites by barge from a pit near Petersburg.

"With two sources we can get the material with no restrictions," Morrison said.

Plans for more than a decade focused on getting the fill from Thimble Shoal to try to reduce the cost of dredging the Hampton Roads shipping channels when federal and state money is made available. Highway Department engineers also had said that fill from Thimble Shoal would be more economical than obtaining the material from a land source, and that Thimble Shoal had both the quantity and quality of material needed.

■ Zoning board

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Fred Hodges, who sought to sell one of the sites to Arlauskas, told the board it had more control over the type of construction that occurs with the proposed project than with a project that would not require a variance.

"I felt this would be an asset to the community," he said. "The town is suffering from lack of housing."

He presented a petition signed by 100 town residents stating their satisfaction with the proposed plans.

Some opponents said signatures were obtained without a full explanation of the projects.

George Trible, a former town councilman, told the board an applicant for a variance must show the request isn't against the public interest and that an undue hardship will be suffered if the variance isn't granted.

"His contract allows an out," Trible said. "If the variance isn't approved he doesn't have to buy the property. There is no undue hardship."

The board voted unanimously to turn down all three applications.

■ Shuttle

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Kenneth H. and Charlotte M. Beck	25.00
Gloucester Middle School	10.00
Clarence and Sam Brown	10.00
Rachel, Wanda and David Fletcher	25.00
James R. and Alice Bowles	25.00
George, Linden, Charles and Thomas Flora	20.00
Anonymous	15.00
Anonymous	5.00
Friendship Class of Central Church	25.00
Larry S. and Amanda R. Moore	15.00
Emmett and Ollie Shields	20.00
Albert and Elizabeth Taylor	5.00
Anonymous	10.00
In memory of Shelton Barnes	20.00
Paul and Hazel Harmon	25.00
Jason and Jimmy Schreck	5.00
Kenholz Avenue Block Club	25.00
Aubrey A. Stokes	100.00
F. F. Whaley	5.00
James O. and Susan B. Vardavoir	50.00
American Federation of Government Employees, Local 2153, NASA-Langley Research Center	100.00
Total to date	$13,473.66

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