

Inside:

• Ducks pull off
another upset.
See Page 8



Money for Nothing

Airplane scheme infiltrates campus.

Recent reports of money schemes involving University students have campus and state law officials concerned.

The "airplane" game, a derivative of the popular pyramid scam, was spreading among students as the first week of classes ended. An anonymous caller alerted the University Office of Public Safety about the game.

"The information that we got is that they are charging \$100 to get into the operation," Eugene Police Department Sgt. Richard Hansen said.

Hansen, new to the campus beat in September, said no complaints have been filed.

"Nobody's been willing to talk to us face-to-face and say, 'Yes, I paid my hundred dollars and I got ripped off,'" he added.

Hansen said the individual who starts the airplane game — the pilot — must recruit two co-pilots. Each co-pilot must, in turn, recruit two more people, and so on.

Individuals entering the game pay \$100 to the pilot. When the airplane is "booked up" and the pilot receives a "salary" — between \$700 and \$1,000 — he or she leaves and the first co-pilot contacted moves up into the captain's seat.

"At first, it sounded like a good deal," said Rick, a business student who asked that his real name not be printed. He turned down the offer upon further thought, even though he knew of 30 or 40 other students who were involved, some who were making hundreds of dollars.

"They were saying that people were getting through the pyramid within two

days, and some of them in even less time than that," Rick said.

The airplane game is illegal in Oregon, according to the state Department of Justice's Financial Fraud unit.

"Pyramids are inherently fraudulent and totally illegal under Oregon law," said Jan Margosian of the fraud unit. "They're only put together to grow fast and large very quickly, and collapse."

Hansen said individuals who intentionally begin an airplane in order to personally profit at the loss of others are definitely committing a crime.

A police report based on information received from the anonymous caller stated that the scam was circulating primarily among members of the Greek system.

"I was called by an anonymous president of one of the campus fraternities who was concerned about students getting involved in a pyramid scam," EPD officer Judy Rodenhuis wrote in the report.

"The money has been exchanging hands off-campus and in several houses, of which he didn't know the locations," the report continued.

However, the caller knew of members from four Greek houses who were involved: the Sigma Alpha Epsilon and Sigma Chi fraternities, and the Kappa Kappa Gamma and Alpha Chi Omega sororities.

The caller said the scam was getting out of hand and he didn't know what would stop it, according to the report.

Rodenhuis contacted house leaders about the illegality of the scam.

She spoke to SAE President Steve Frichette on Friday, Oct. 2. "But by the time Monday rolled around it was dead.

The airplane had landed," Frichette said.

"I personally wasn't involved at all," he said, adding fewer than 10 SAE members actually took part in the game. Frichette said he didn't think any money exchanged hands in his house.

"I'm not sure how they got involved. I don't know where it started. I know other Greek houses were involved," he said. "Word spreads quick in a Greek system, and when people heard about other people making money, they jumped on the bandwagon."

Grant Campbell, the live-out chairman of Sigma Chi, said he was approached to join the game but decided against it because it seemed to be dying out.

"I just decided that pretty soon people are going to run out of other people. I just didn't think it was wise," he said, although he admitted if he had heard about it sooner, he would have joined.

As it stood, however, Campbell and fellow Sigma Chi officers encouraged everyone in the house not to support the game, he said.

"Inevitably a lot of people have to lose," Campbell said. "That's the risk they take being so stupid as to get into something like that, that late, where it's going to break down, it's going to fall apart. And they're going to lose however much money they put into it," he said.

Several students who invested money

Turn to Gambling, Page 3

By Carolyn Lamberson
and Scott Maben
Graphic by Lorraine Rath
Photo by Michael Wilhelm