

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

San Diego, California

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LA JOLLA AREA RESTAURANT, ITS OWNER, AND A MANAGER PLEAD GUILTY TO EMPLOYING ILLEGAL ALIENS

NEWS RELEASE SUMMARY - October 13, 2011

United States Attorney Laura E. Duffy announced that The French Gourmet, Inc., its owner and president, and a manager of the restaurant pled guilty today in federal court in San Diego to criminal charges related to the employment of undocumented workers. The various defendants admitted that between 2003 and 2008, The French Gourmet hired a number of illegal aliens, and continued employing them knowing that they did not have permission to remain and work in the United States.

The French Gourmet, Inc. is a restaurant, bakery, and catering business located at 960 Turquoise Street in San Diego, California. Along with Richard Kauffmann, a manager at the restaurant and bakery, The French Gourmet, Inc. entered a guilty plea before Magistrate Judge William V. Gallo to the felony offense of hiring at least ten illegal aliens in the twelve-month period in 2006-2007. As admitted by The French Gourmet, Inc. in its guilty plea, the company hired and employed undocumented workers continuously beginning as early as 2003, despite being administratively fined in the 1990's by the then-Immigration and Naturalization Service ("INS") for employing illegal aliens. The French Gourmet, Inc. and Kauffmann

admitted to repeated acts of rehiring undocumented workers, even after the company received “no-match” letters from the Social Security Administration, notifying the business that employees’ names did not match the social security numbers reported by the company on its tax returns. The French Gourmet, Inc. and Kauffmann admitted to knowing that the undocumented workers were not citizens of the United States, and they did not have (or lost their) authorization to work in the United States.

Michel Malécot, the owner and president of The French Gourmet, Inc. also pled guilty to a misdemeanor charge relating to his pattern and practice of continuing to employ illegal aliens. As Malécot admitted in his guilty plea, there was evidence proving that 91 separate aliens were employed unlawfully for some period of time between 2005 and 2008. Malécot specifically admitted knowing that at least seven of those employees were not authorized to work in the United States. One of those individuals – Mohammed Miloudi – was employed by the company since 2001 under his real name, and then since 2006 under the alias “Emilio Sanchez Rivera.” Malécot admitted knowing Miloudi’s true identity and immigration status, and nonetheless hiring Miloudi, compensating him, and writing a misleading letter to the INS in support of Miloudi’s request to stay in the United States, in which Malécot referred to Miloudi only by his false identity, “Emilio Sanchez Rivera.” Miloudi previously pled guilty to use of fraudulent documents (08cr1197-LAB).

The French Gourmet, Inc. and Malécot further agreed to forfeit to the United States the proceeds illegally gained by the restaurant from hiring and continuing to employ illegal aliens. Although the parties will recommend a total financial penalty of between \$350,000 and \$650,000, the precise amount of forfeiture and fine will be determined by United States District Judge Thomas J. Whelan at the time of sentencing. The French Gourmet, Inc. and Kauffmann’s guilty pleas are subject to final acceptance by Judge Whelan.

Kauffmann faces a maximum of five years in prison, a \$250,000 fine, and three years of supervised release. Malécot faces a maximum of six months in custody, and a fine of \$3,000 per unauthorized alien. A sentencing hearing is scheduled for December 19, 2011, at 9:00 a.m., before Judge Whelan.

DEFENDANTS

Case Number: 10cr1417W and 11cr4670-BTM

The French Gourmet, Inc.
Michel Malécot
Richard Kauffmann

SUMMARY OF CHARGES

Title 8, United States Code, Section 1324(a)(3)(A) - Hiring Illegal Aliens - Maximum penalty is five years in prison and a fine not to exceed \$250,000 for each individual, \$500,000 for the corporation (or twice the pecuniary gain derived from the offense).

Title 8, United States Code, Section 1324a - Continuing to Employ Illegal Workers - Maximum penalty is six months in prison, a fine of the greater of a \$3,000 fine for each unauthorized alien.

AGENCY

Immigration and Customs Enforcement's Homeland Security Investigations