



UNITED STATES ATTORNEY'S OFFICE
Southern District of New York

U.S. ATTORNEY PREET BHARARA

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CONTACT: U.S. ATTORNEY'S OFFICE
Ellen Davis, Carly Sullivan,
Jerika Richardson
(212) 637-2600

NYPD
Paul J. Browne
(646) 610-8989

FBI
Tim Flannelly, Jim Margolin
(212) 384-2100

DOL-OIG
Jeffrey Lagda
(202) 693-5230

**MANHATTAN U.S. ATTORNEY ANNOUNCES ARRESTS OF THREE
UNION LEADERS FOR RACKETEERING, EXTORTION, MONEY
LAUNDERING, AND WITNESS TAMPERING CRIMES**

*The President, Former President, And Treasurer Of Local 348 Of The United Food And
Commercial Workers International Union Charged*

PREET BHARARA, the United States Attorney for the Southern District of New York, and JANICE K. FEDARCYK, the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), RAYMOND W. KELLY, the Police Commissioner of the City of New York ("NYPD"), and ROBERT PANELLA, the Special Agent-in-Charge of the New York Regional Office of the U.S. Department of Labor's Office of Inspector General ("DOL-OIG"), Office of Labor Racketeering and Fraud Investigations, announced that ANTHONY FAZIO SR., JOHN FAZIO JR., and ANTHONY FAZIO JR. (collectively, the "FAZIOS") were arrested today for racketeering, extortion, money laundering, and witness tampering crimes. For the past 35 years, the FAZIOS have maintained top leadership positions at Local 348-s ("Local 348") of the United Food and Commercial Workers International Union (the "UFCW") and its associated funds.

Manhattan U.S. Attorney PREET BHARARA said: "As leaders of Local 348, the Fazios were supposed to advocate on behalf of their members, not strong-arm and threaten business owners in order to make a profit under the table. Their alleged actions were damaging to the union and the workers they were sworn to represent, and now they will be held accountable."

FBI Assistant Director-in-Charge JANICE K. FEDARCYK said: "The Fazios used their position to pad their pocketbooks by allegedly threatening and extorting businesses for more than 15 years instead of using their position to protect the workers their union represented. The FBI appreciates the help of our law enforcement partners with this investigation."

Commissioner RAYMOND W. KELLY said: "Instead of advancing the needs of the workers they were supposed to represent, the Fazios were busy enriching themselves through racketeering, extortion and money laundering schemes. I commend the NYPD detectives, federal agents and the U.S Attorney's Office on today's arrest."

DOL-OIG Special Agent-in-Charge ROBERT PANELLA said: "This RICO Indictment and today's arrests reflect our commitment to fight labor racketeering and union corruption. These individuals allegedly held an extortionate reign over the union to enrich themselves at the expense of union members for more than a decade. The Office of Inspector General will continue to work with our law enforcement partners in pursuing these types of crimes."

According to the Indictment unsealed today in Manhattan federal court and other public records of the case:

The UFCW is a national labor union that represents workers in many industries, including agriculture, health care, meatpacking, poultry and food processing, manufacturing, textiles, and retail sales. Local 348 is the largest of the twelve constituent locals of the UFCW in New York City with approximately 12,000 members. ANTHONY FAZIO, SR. ("FAZIO SR") was the President of Local 348 from 1976 to January 2010, followed by ANTHONY FAZIO, JR. ("FAZIO JR."), who held the position from January 2010 to the present. JOHN FAZIO, JR. ("JOHN FAZIO") was the Vice President of the Union from September 2000 to January 2010, and was Secretary/Treasurer from January 2010 to the present.

According to the Indictment, from 1995 until 2011, the FAZIOs used their leadership positions to collect unlawful payments from various employers whose employees had been unionized by the UFCW. The FAZIOs utilized the threat of possible labor disruptions and other means to extort secret biannual cash payments from more than a dozen employers. At least one employer was extorted by as much as \$25,000 per year.

In addition, FAZIO SR. and JOHN FAZIO engaged in a money laundering scheme to steal funds directly from Local 348. Among other things, they concocted a scheme whereby Local 348 would be billed using fraudulent invoices for non-existent goods. The Local 348 funds used to pay those bogus invoices subsequently were laundered into cash and siphoned back to FAZIO SR. and JOHN FAZIO. FAZIO SR. is also charged with witness tampering in connection with the investigation leading to the Indictment.

Over the time period set forth in the Indictment, the FAZIOs allegedly extorted or stole over \$2.4 million from the Union and employers whose employees belonged to the Union.

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FAZIO SR., 66, of Brooklyn, NY, FAZIO JR., 37, of Brooklyn, NY, and JOHN FAZIO, 39, of Staten Island, NY, were arraigned today in Manhattan federal court. A chart identifying the charges and maximum penalties each defendant faces is attached to this release.

Mr. BHARARA praised the investigative work of the Federal Bureau of Investigation, the NYPD, and the Department of Labor.

The case is being handled by the Office's Organized Crime Unit. Assistant U.S. Attorneys JOHN T. ZACH and PETER M. SKINNER are in charge of the prosecution.

The charges contained in the Indictment are merely accusations and the defendants are presumed innocent unless and until proven guilty.

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U.S. v. Fazio, et al.

COUNT	DEFENDANT	CHARGE	MAXIMUM PENALTY
1	ANTHONY FAZIO SR. JOHN FAZIO JR. ANTHONY FAZIO JR.	Racketeering Conspiracy	20 years in prison \$250,000 fine
2	ANTHONY FAZIO SR. JOHN FAZIO JR. ANTHONY FAZIO JR.	Racketeering	20 years in prison \$250,000 fine
3	ANTHONY FAZIO SR. JOHN FAZIO JR. ANTHONY FAZIO JR.	Extortion Conspiracy	20 years in prison \$250,000 fine
4	ANTHONY FAZIO SR. JOHN FAZIO JR. ANTHONY FAZIO JR.	Unlawful Receipt of Labor Payments Conspiracy	5 years in prison \$250,000 fine
5	ANTHONY FAZIO SR. JOHN FAZIO	Money Laundering Conspiracy	20 years in prison \$250,000 fine
6	ANTHONY FAZIO SR.	Witness Tampering	20 years in prison \$250,000 fine