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**LEADERSHIP, MEMBERS AND ASSOCIATES OF THE PHILADELPHIA LA COSA
NOSTRA FAMILY CHARGED WITH RACKETEERING CONSPIRACY AND RELATED
CRIMES**

PHILADELPHIA – A superseding indictment was unsealed today against 13 members and associates of the Philadelphia organized crime family of La Cosa Nostra (LCN), including its current boss and underboss, announced United States Attorney Zane David Memeger. The indictment charges various crimes including racketeering conspiracy, extortion, loan sharking, illegal gambling and witness tampering.

Joining in the announcement were Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division; William H. Ryan Jr., Acting Attorney General for the Commonwealth of Pennsylvania; George C. Venizelos, Special Agent in Charge of the FBI's Philadelphia Field Division; Special Agent in Charge Eric Hylton of the Philadelphia office of Internal Revenue Service (IRS)-Criminal Investigations; Philadelphia Police Commissioner Charles H. Ramsey; Pennsylvania State Police Commissioner Frank Noonan; and Superintendent of the New Jersey State Police Colonel Rick Fuentes

The defendants charged in the 50-count superseding indictment are Philadelphia LCN family boss Joseph Ligambi, Philadelphia LCN family underboss Joseph Massimino, George Borgesi, Martin Angelina, Anthony Staino Jr., Gaeton Lucibello, Damion Canalichio, Louis Monacello, Louis Barretta, Gary Battaglini, Robert Verrecchia, Eric Esposito and Robert Ranieri.

All but two of the defendants were arrested today and will make initial court appearances in U.S. District Court in Philadelphia at 1:30 pm. EST. Borgesi and Canalichio are already serving federal prison sentences for previous convictions.

“Today's arrests and charges are the largest enforcement action in a decade against La Cosa Nostra in Philadelphia,” said Assistant Attorney General Breuer. “We have pried loose La Cosa Nostra's grip on power and influence in the United States. But there is still work to be done. We will continue use all the tools at our disposal - including wiretaps, undercover operations and consensual recordings - to build cases against these individuals, and to bring them to justice.”

“It goes without saying that Philadelphia has a rich and vibrant history steeped in government, law and order,” said Memeger. “Indeed, the documents which form the basis of our government and the

rule of law in this country were signed here. Unfortunately, there continues to exist, within Philadelphia, a criminal element which refuses to abide by our laws and continues to use force and violence to instill fear and exert power in order to make money. Today, we make clear that such activity will not be tolerated by my office and that La Cosa Nostra remains a priority for the Department of Justice.”

“The significance of the extensive and long-term investigative effort that has resulted in the unsealing of this indictment and the arrests today is that it represents our continuing commitment to the dismantling of the Philadelphia LCN crime syndicate family,” said FBI Special Agent-in-Charge Venizelos. “The FBI in Philadelphia and all of its law enforcement partners will remain focused on identifying and destroying the elements of organized crime that have long victimized Philadelphia and its surrounding communities.”

According to the superseding indictment, the Philadelphia LCN family is one of a number of LCN families based in various cities throughout the United States. The Philadelphia LCN family is led by a boss, who has authority over the activities of the members and associates of organization. If a boss is sent to prison, he appoints an "acting boss" to direct the organization's affairs. In addition to the boss, the administration of the Philadelphia LCN includes an underboss and consigliere who together oversee crews of criminals led by captains, who in turn supervise organized crime soldiers and associates.

The superseding indictment alleges that for more than a decade, 10 of the defendants, including Ligambi as the boss and Masimino as the underboss, as well as other members and associates of the Philadelphia LCN family conspired to conduct and participate in the affairs of the Philadelphia LCN family through a pattern of racketeering activity and through the collection of unlawful debts. The alleged racketeering activity includes numerous acts involving extortion, extortionate extensions of credit through usurious loans, extortionate collections, illegal gambling and witness tampering. The organization's collection of unlawful debts allegedly relates to its loan sharking operations and debts that arose from their illegal gambling businesses.

For example, according to the superseding indictment, Ligambi, Massimino, Staino and other conspirators allegedly ran illegal electronic gambling device businesses, providing video poker machines and other gambling devices for bars, restaurants, convenience stores, coffee shops and other locations in Philadelphia and its suburbs, and then collected the illegal gambling proceeds. After federal law enforcement agents seized 34 of their illegal electronic gambling devices, Ligambi, Massimino and Staino forced the owners of another illegal electronic gambling device business to sell their illegal businesses to them, including 34 machines.

In another example, the superseding indictment alleges that from 2002 to 2006 Massimino extorted yearly tribute payments from a bookmaker to the Philadelphia LCN family so that the bookmaker could avoid personal harm and disruption of the illegal bookmaking business.

According to the superseding indictment, the defendants promoted and furthered their illegal money-making activities through violence, actual and implied threats of violence, and the cultivation and exploitation of the Philadelphia LCN family's long-standing reputation for violence. The defendants also used this reputation for violence to intimidate and prevent victims and witnesses from cooperating with law enforcement. The indictment alleges various instances where defendants say phrases such as "chop him up," and "put a bullet in your head" when threatening victims. In one instance, Canalicchio allegedly used a bat to beat a victim for not paying a loan debt.

The superseding indictment alleges that some of the defendants continued their racketeering activities even after being sent to prison. For example, Borgese and Massimino, while in prison, allegedly generated criminal proceeds for themselves and the Philadelphia LCN family by using intermediaries to operate criminal businesses and to make extortionate demands at their direction.

Each charge of racketeering conspiracy, collection of unlawful debt, collection of extensions of credit through extortionate means, making extortionate extensions of credit, financing extortionate extensions of credit and witness tampering carries a maximum penalty of 20 years in prison and a \$250,000 fine. The illegal gambling charges each carry a maximum penalty of five years in prison and a \$250,000 fine.

The case is being prosecuted by Trial Attorney John S. Han of the Criminal Division's Organized Crime and Gang Section, Assistant U.S. Attorneys David E. Troyer and Frank A. Labor III for the Eastern District of Pennsylvania, and Senior Deputy Attorney General Heather A. Castellino of the Pennsylvania Office of Attorney General.

The case is being investigated by the FBI, the IRS-Criminal Investigations, the Department of Labor Office of Inspector General Office of Labor Racketeering and Fraud Investigations, the Pennsylvania State Police, the New Jersey State Police and the Philadelphia Police Department. Additional assistance was provided by the New Jersey Department of Corrections.

An indictment is merely an accusation and each defendant is presumed innocent until and unless they are proven guilty.

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