



U.S. Department of Justice
Alan Vinegrad
UNITED STATES ATTORNEY
Eastern District of New York

Office Of The Attorney General
Eliot Spitzer
ATTORNEY GENERAL
STATE OF NEW YORK

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Contacts:

Peggy Long
U.S. Attorney's Office
(718) 254-6267

Juanita Scarlett
New York State Attorney General
(212) 416-8060

James Margolin
Federal Bureau of Investigation
(212) 384-2720

Thomas DeMaria
Waterfront Commission of
New York Harbor
(212) 905-9203

Joseph McGowan
U. S. Department of Labor
(202) 693-5216

Monica Brown
District Attorney's Office, Richmond County
(718) 556-7150

Michael O'Looney
New York City Police Department
(646) 610-6700

PRESS RELEASE

17 MEMBERS AND ASSOCIATES OF THE GAMBINO CRIME FAMILY INDICTED FOR CORRUPTION ON THE NEW YORK WATERFRONT -- INCLUDING GAMBINO FAMILY BOSS PETER GOTTI, CAPTAINS ANTHONY "SONNY" CICCONE AND RICHARD V. GOTTI, AND ASSOCIATE FRANK "RED" SCOLLO, VICE PRESIDENT OF INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, AND PRESIDENT OF ITS LOCAL 1814

ALAN VINEGRAD, United States Attorney for the Eastern District of New York, **ELIOT SPITZER**, Attorney General of the State of New York, **KEVIN P. DONOVAN**, Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation,

MICHAEL C. AXELROD, Commissioner, Waterfront Commission of New York Harbor, **GORDON HEDDELL**, Inspector General, United States Department of Labor, **WILLIAM L. MURPHY**, District Attorney, Richmond County, New York, and **RAYMOND W. KELLY**, Commissioner of the New York City Police Department, today announced the unsealing of an indictment charging 17 members and associates of the Gambino Organized Crime Family of La Cosa Nostra with various crimes, including racketeering, racketeering conspiracy, extortion, wire-fraud, loan-sharking, operating illegal gambling businesses, money laundering, witness tampering and related crimes.¹ The 68-count indictment focuses on the Gambino family's corrupt influence, through extortion and wire-fraud, over the International Longshoremen's Association, AFL-CIO (the "ILA"), the ILA's national health plan, known as MILA, the Local 1814 and Local 1 chapters of the ILA, and businesses on the waterfront. The indictment also alleges, among other crimes, extortions of individual waterfront employees and their relatives, several business owners and an individual in the film industry, as well as extortionate debt collection, the operation of two large scale illegal gambling businesses, a scheme to launder the proceeds of the criminal activity, and witness tampering.

This case represents the latest in a series of assaults on organized crime's corruption of the labor unions on the New York/New Jersey waterfronts through control of the ILA.² In January 2002, a federal grand jury in Brooklyn returned an indictment charging eight

¹The charges are merely accusations and the defendants are presumed innocent unless and until proven guilty. The charges against each defendant are listed in the attached summary.

² In 1979 Anthony Scotto, then President of the ILA Local 1814 and General Organizer of the ILA, and Anthony Anastasio, then Executive Vice-President of Local 1814 and a Vice President of the ILA, both of whom were Gambino family members, were convicted of racketeering arising out of union corruption, and sentenced to five years imprisonment. See United States v. Scotto et al., 641 F.2d 47 (2d Cir. 1980). In 1990, the United States Attorney's Office for the Southern District of New York brought a civil racketeering action against ANTHONY CICCONE, FRANK SCOLLO, Local 1814 and others, which resulted in a 1991 Consent Decree that, among other things, prohibited CICCONE and SCOLLO from knowingly

members of the Genovese family, including its boss, Vincent Gigante, with, among other crimes, extortion of the ILA. United States v. Bellomo et al., 02 Cr 140 (ILG). That case dealt primarily with the Genovese family's control of the ILA and ILA Locals operating on the waterfront in the New York metropolitan area, northern New Jersey, and Miami, Florida. With the indictment announced today, law enforcement seeks to dismantle the Gambino family's corrupt influence and control of the ILA and ILA Locals 1814 and 1 on the Brooklyn and Staten Island waterfront. The case announced today also represents the third time in a decade that law enforcement has prosecuted the leadership of the Gambino family, a criminal group that goes to extreme lengths to operate in secrecy.³

Each of the 17 defendants charged to day are members or associates of the Gambino organized crime family of La Cosa Nostra ("the Gambino family"), including the boss (PETER GOTTI), two captains (ANTHONY CICCONE, also known as "Sonny" and RICHARD V. GOTTI), four soldiers (RICHARD G. GOTTI, PRIMO CASSARINO, JEROME BRANCATO, also known as "Jerry," and PETER PIACENTI, also known as "Pete 17") and 10 associates, including the Local 1814 President and ILA Vice President (FRANK SCOLLO, also known as "Red" and "the little guy"), an owner and operator of a company named GPP/VIP, which provides prescription pharmaceutical services (VINCENT NASSO, also known as "Dr. Nasso"), and eight other associates (JULIUS R. NASSO, RICHARD BONDI, SALVATORE CANNATA, THOMAS LISI, CARMINE MALARA, ANNA EYLENKRIG, ANTHONY

and improperly associating with organized crime figures, and prohibited CICCONE from participating in the affairs of any entity doing business on the Port of New York and New Jersey.

³In 1992, John J. Gotti, the former boss of the Gambino family, was convicted of racketeering in the U. S. District Court for the Eastern District of New York. In 1999, Gotti's son, John A. Gotti, then acting boss of the Gambino family, was convicted of racketeering pursuant to a plea agreement with the U. S. Attorneys' Offices in the Southern and Eastern Districts of New York.

PANSINI and JEROME ORSINO, JR.).

The three-year investigation, jointly conducted by the federal government and the New York State Organized Crime Task Force, included the use of court-authorized wiretaps and eavesdropping devices, and revealed that following the 1999 federal racketeering conviction of Gambino family acting boss John A. Gotti, his uncle, PETER GOTTI, became the acting boss and later the boss of the Gambino family. The investigation further revealed that despite the 1991 civil consent decree which prohibited CICCONE from participating in ILA and waterfront affairs, he continued to oversee the Gambino family's criminal interests in the ILA (including Local 1814 and Local 1), and the Brooklyn and Staten Island waterfronts.⁴ Those criminal interests extended to job assignments on the waterfront, selection of high level ILA officials, and receipt of kickbacks from the ILA national health plan.

The crimes charged in the indictment, and detailed in a detention letter filed by the government in court today, include:

1. Extortion of the ILA

The indictment alleges that the Gambino and Genovese families divided organized crime's control over the New York and New Jersey waterfronts, with Brooklyn and Staten Island under the Gambino family, and Manhattan and New Jersey under the Genovese family. The government's investigation revealed that the Gambino and the Genovese families coordinated efforts to control selection of ILA officials at the highest level. Between April 2000 and August 2000, CICCONE, CASSARINO, SCOLLO and BRANCATO, together with members of the Genovese family, intimidated various ILA officials into placing a Genovese family associate in an

⁴In 1994, CICCONE was found to have violated the 1991 consent decree based on his improper association with organized crime figures, and that finding was affirmed in 1996. See United States v. Local 1804-1 et al., No. 90 Civ. 0963, (S.D.N.Y. Jan. 30, 1996) (Martin, J.) In May 1998, CICCONE was convicted of criminal contempt for that prohibited association, and sentenced to three months imprisonment.

executive position on the ILA's Executive Council, as part of a scheme to elevate him to the presidency of the ILA during a year when the election would be closed to the ILA's general membership. As part of the scheme, CICCONE expected control of the Executive Council position to revert back to the Gambino family once the Genovese associate became president. In one court-authorized intercept, CICCONE explained the scheme to CASSARINO, stating that he was "accommodating them to help them get the guy to the top spot . . . we gonna accommodate them and let them have it just for a period of time until he moves to the top spot."

Consistent with the Gambino and the Genovese families sharing control of the ILA, CASSARINO conveyed the details of the scheme to BRANCATO, who confirmed them with unindicted co-conspirator Alan Longo, a captain in the Genovese family.

2. Extortion of MILA

The government's investigation revealed additional cooperation between the Gambino and Genovese families in a kick-back scheme involving MILA, the ILA's national health plan. In 1998, CICCONE, CASSARINO, VINCENT NASSO, and SCOLLO, together with members and associates of the Genovese family, intimidated certain MILA trustees into awarding a prescription pharmaceuticals service contract to GPP/VIP, a company owned in part by VINCENT NASSO. The Gambino and Genovese families then split a kick-back of approximately \$400,000 from VINCENT NASSO in exchange for the awarding of the contract. When it appeared that GPP/VIP's contract was not going to be extended for an additional three years, in November 2001, CICCONE, through CASSARINO, directed ILA vice president SCOLLO, who by then had also become a MILA trustee, to "look into what happened with Vinny Nasso, why he lost that thing" and to "do whatever you gotta do."

3. Extortion of ILA Local 1814

The investigation disclosed that between April 2000 and August 2001,

CICCONE, CASSARINO, SCOLLO, and PANSINI engaged in a scheme to force out a Local 1814 delegate and replace him with a handpicked candidate of CICCONE and his crew.

CASSARINO and Local 1814 president SCOLLO met surreptitiously on numerous occasions in SCOLLO's car to discuss the details of the scheme. According to the government's detention letter, many of those conversations were intercepted in a court-authorized eavesdropping device placed in SCOLLO's car.

4. Extortion of ILA Local 1

The investigation revealed that between June 2000 and August 2001, CICCONE, CASSARINO, BONDI, SCOLLO, and others, schemed to coerce Local 1 officials into following CICCONE's directives regarding the management of the Local, including the placement of members in particular jobs. CICCONE enforced his rule on the waterfront by sending warnings to the Local 1 officers through SCOLLO, CASSARINO and others, on one occasion sending CASSARINO and BONDI to a Local official's personal residence to deliver his message.

5. Extortions of Businessmen

The indictment, as detailed in the government's detention letter, alleges that CICCONE and several co-defendants extorted owners of waterfront businesses, including Howland Hook Container Terminal and a trucking company, both in Staten Island, as well as a business in Brooklyn. SCOLLO is charged with personally collecting thousands of dollars in extortion money from an owner of Howland Hook Container Terminal on a monthly basis between April 2000 and August 2001. CICCONE is charged with personally collecting thousands of dollars in extortion money from the Staten Island trucking company owner on a bi-monthly basis, beginning in 1999 and continuing through May 2002. According to the government's detention letter, when the Brooklyn business owner balked at storing illegal gambling devices at his business, CASSARINO was intercepted over wire-taps stating, "when I tell you to do

something ... you ... do what I tell you to do. You hear me? If you don't like it let me know now, I'll come there and throw you through the ... window.”

The indictment also charges that beginning in September 2000 and continuing through May 2002, CICCONE, CASSARINO, VINCENT NASSO and JULIUS NASSO attempted to extort an individual in the film industry. According to the government's detention letter, the defendants attempted to use CICCONE's position as a captain in the Gambino organized crime family to pressure the victim either to pay them money, or in the alternative, to include JULIUS NASSO in the victim's film projects. At one point, CICCONE instructed JULIUS NASSO to direct the victim to pay CICCONE \$150,000 for each film he made. When CICCONE learned that JULIUS NASSO had promised to share part of the anticipated extortion proceeds with others without CICCONE's prior approval, CICCONE excoriated NASSO, “don't you ever, ever, bring somebody in for ... nothing, on something I'm ... doing ... without telling me first.... If they ... think ... that I'm gonna go threaten this dirty ... and they're gonna ride it on my ... ass.... What are you, ... kidding me?”

6. Extortion of Longshoremen and Their Relatives

The indictment charges that between October 2000 and January 2001, CICCONE, CASSARINO, and SCOLLO extorted thousands of dollars from a relative of an individual seeking employment on the waterfront, in exchange for a waterfront job. In another count, the indictment charges that during the summer of 2001, using CASSARINO and SCOLLO, CICCONE attempted to force an employee of Howland Hook Container Terminal to step down from his job so that a relative of Gambino family member Anthony Anastasio could be installed in his place. In a third count, the indictment alleges that CICCONE and CASSARINO demanded that an injured longshoreman pay them a portion of the monetary settlement he received as a result of a work-related injury.

7. Extortion of Debtors

The indictment alleges several counts involving the use of extortionate means to collect debts from various individuals, including a loan-shark victim, a gambler and a businessman. According to the government's detention letter, in June 2001, CASSARINO threatened a borrower who was late with a payment, "listen to me, listen to me ... if I don't see you today, you got a big ... problem, you hear me? You're gonna see what's gonna happen." When a gambler avoided paying a debt, CASSARINO warned, "You think you can outsmart me, you see what the ... is going to happen to you I went to your restaurant last night I'm gonna grab your mother today."

8. Illegal Gambling and Bookmaking

_____The indictment alleges that from March 2000 to the present, various defendants operated two illegal gambling businesses. One, supervised by CICCONE and run by CASSARINO, BONDI, ORSINO, PIACENTI, and EYLENKRIG, involved illegal "joker/poker" style arcade machines which the defendants placed in approximately 20 different locations in the New York City metropolitan area, and from which they collected hundreds of dollars in cash per week from each location. The second gambling business was an illegal sports-betting operation supervised by CICCONE and run by CASSARINO, BONDI, BRANCATO, ORSINO, LISI, MALARA, and CARADONNA. The defendants allegedly used off-shore wire-rooms in Costa Rica to place tens of thousands of dollars in sports bets per week for approximately 30 bettors.

9. Money Laundering

The indictment charges that proceeds from the crimes of CICCONE's crew were secretly delivered to PETER GOTTI on a monthly basis. SCOLLO regularly collected extortion proceeds on behalf of the crew and delivered them to CASSARINO for delivery to CICCONE.

BRANCATO, in turn, delivered a portion of the proceeds from the crew's criminal activity to PETER GOTTI during meetings on the streets of Howard Beach, Queens. After BRANCATO's arrest in April 2001, the cash deliveries were made by CASSARINO to defendants RICHARD G. GOTTI and RICHARD V. GOTTI. On November 29, 2001, federal and state agents executed a search warrant on RICHARD G. GOTTI after one of CASSARINO's deliveries and seized approximately \$12,000 in cash from GOTTI's pockets.

10. Witness Tampering

The indictment alleges that in February 2002, CICCONE and CASSARINO directed a witness who had been subpoenaed to testify before a federal grand jury sitting in Brooklyn to refuse to answer questions because, according to intercepted statements by CICCONE, the witness's answers would open a "Pandora's box" for CICCONE and his crew.

In announcing the unsealing of the indictment and the defendants' arrests, United States Attorney **ALAN VINEGRAD** stated: "Today's charges, together with our prosecution of the Genovese family leadership, present an historic opportunity to deliver perhaps the most powerful blow yet to organized crime's control over the New York waterfront. I am proud of the fact that so many of us in law enforcement - the FBI, the New York State Attorney General, the Waterfront Commission, the Department of Labor, the Staten Island DA's office, and the NYPD - have joined together in this effort. The Genovese and Gambino families have worked together for years to control the waterfront. We in law enforcement are going to work together to stop it."

New York State Attorney General **ELIOT SPITZER** stated: "This case is a major step in our efforts to clean up the wide-spread corruption of a vital segment of New York's economy - - our waterfronts, and as important, to dismantle the Gambino crime family's influence. Working men and women who make their living moving commerce through our ports and the labor unions representing them were victimized by the illicit activities of this powerful

criminal organization.”

FBI Assistant Director-in-Charge **KEVIN P. DONOVAN** stated: “By controlling the union, its locals, its national health plan and various businesses on the waterfront, the Gambino organized crime family and its associates victimized rank and file union members and the consuming public. Free enterprise was a rare commodity on the docks of New York. Eliminating the influence of organized crime will not be achieved by one investigation, one indictment or one successful prosecution but, rather, by maintaining law enforcement pressure on the mob’s organization, its leadership and its sources of income.”

Waterfront Commissioner **MICHAEL C. AXELROD** stated: “This successful joint-investigation by the Waterfront Commission of New York Harbor in conjunction with other federal and state agencies, which led to this indictment, signifies the most recent and ever-constant effort of the Commission to eradicate the malignant influence of criminal and corrupt predators from the waterfront in the Port of New York/New Jersey. The Waterfront Commission has a long history of collaborating with law enforcement and prosecutorial agencies and providing invaluable investigative assistance leading to the successful federal criminal prosecution of various Gambino-associated former Local 1814 ILA and ILA International officials and to the successful resolution of the 1990 federal RICO case referred to earlier in this Press Release. The effort by the Waterfront Commission which resulted in today’s indictment and other successful probes by the Commission, fulfills the agency’s mandate to ‘investigate, deter, combat and remedy criminal activity and influence’ on both sides of the Hudson River.”

DOL Inspector General **GORDON HEDDELL**, stated: “This investigation uncovered a well-disciplined, conspiratorial organization that had utilized a climate of fear and intimidation to exploit the ILA. The U. S. Department of Labor, Office of Inspector General, has participated in this multi-agency investigation to ensure that union workplaces are free from the

influence of organized crime and to ensure that worker health plans are protected.”

Richmond County District Attorney **WILLIAM L. MURPHY** stated: “Law enforcement has known for a long time that Staten Island is ripe for organized crime activity. Today’s indictment shows that awareness, followed by action, can have an impact. When it comes to such serious violations as revealed today, Staten Island is no longer a ‘forgotten borough’ - - by either the bad guys or the good guys.”

Police Commissioner **RAYMOND W. KELLY** stated: “Over the last two and a half years, our team of six investigators amassed highly incriminating evidence of illegal gambling operations run by the Gambino crime family. We’ve caught them in the act again. With so much evidence of widespread criminal activity, this indictment will go a long way to eliminating the Gambino crime family’s corrupt influence on the waterfront.”

The charges in the indictments carry a range of maximum terms of incarceration. The racketeering, racketeering conspiracy, extortion conspiracy, extortion, attempted extortion, use of extortionate means to collect a debt, money laundering conspiracy and money laundering charges carry maximum terms of imprisonment of 20 years for each count of conviction. The witness tampering charge carries a 10 year maximum term of imprisonment. The conspiracy to commit wire-fraud, wire-fraud and gambling offenses carry maximum terms of 5 years imprisonment for each count of conviction. For each count of conviction, the maximum fine is \$250,000, or twice the gross gain or gross loss caused by the offense.

Several of the counts carry forfeiture penalties. As to counts 1 and 2 (racketeering), the indictment seeks forfeiture of in the amount of \$3,871,000. As to counts 28 through 45 (conspiracy to launder money and money laundering), the indictment seeks forfeiture in the amount of \$252,000.

The defendants arrested this morning in New York will be arraigned this afternoon

by United States Magistrate Judge Cheryl L. Pollak at the United States Courthouse 225 Cadman Plaza East, Brooklyn, New York. The case has been assigned to United States District Judge I. Leo Glasser.

The government's case will be prosecuted by Assistant United States Attorneys Andrew M. Genser, Katya Jestin and Arthur Hui, and Special Assistant United States Attorney Rick Whelan, an Assistant Deputy New York State Attorney General.

Summary of the Charges

Description of Charges	Defendants
Racketeering and Racketeering Conspiracy	PETER GOTTI, ANTHONY CICCONE, RICHARD V. GOTTI, PRIMO CASSARINO, JEROME BRANCATO, RICHARD G. GOTTI, RICHARD BONDI, FRANK SCOLLO and VINCENT NASSO
Extortion and Wire-fraud of the ILA	ANTHONY CICCONE, PRIMO CASSARINO, JEROME BRANCATO, FRANK SCOLLO
Extortion and Wire-fraud of MILA	ANTHONY CICCONE, PRIMO CASSARINO, FRANK SCOLLO and VINCENT NASSO
Extortion and Wire-fraud of Local 1	ANTHONY CICCONE, PRIMO CASSARINO, RICHARD BONDI and FRANK SCOLLO
Wire-fraud of Local 1814	ANTHONY CICCONE, PRIMO CASSARINO, FRANK SCOLLO and ANTHONY PANSINI
Extortion of an Owner of Howland Hook Container Terminal	ANTHONY CICCONE, PRIMO CASSARINO and FRANK SCOLLO
Extortion of an Owner of A Trucking Company	ANTHONY CICCONE and PRIMO CASSARINO
Money Laundering Conspiracy and Money Laundering	PETER GOTTI, ANTHONY CICCONE, RICHARD V. GOTTI, PRIMO CASSARINO, JEROME BRANCATO, RICHARD G. GOTTI and FRANK SCOLLO
Extortion of Relatives of A Prospective Waterfront Employee	ANTHONY CICCONE, PRIMO CASSARINO and FRANK SCOLLO
Attempted Extortion of An Employee of Howland Hook Container Terminal (John Doe 1)	ANTHONY CICCONE, PRIMO CASSARINO and FRANK SCOLLO
Conspiracy to Extort a Longshoreman (John Doe 2)	ANTHONY CICCONE, PRIMO CASSARINO and FRANK SCOLLO
Extortion of an Injured Longshoreman (John Doe 3)	ANTHONY CICCONE and PRIMO CASSARINO
Extortion of a Business Owner (John Doe 4)	ANTHONY CICCONE, PRIMO CASSARINO, RICHARD BONDI and ANNA EYLENKRIG

Description of Charges	Defendants
Extortion of an Individual in the Film Industry (John Doe 5)	ANTHONY CICCONE, PRIMO CASSARINO, VINCENT NASSO and JULIUS R. NASSO
Use of Extortion to a Debt from a Borrower (John Doe 6)	PRIMO CASSARINO and SALVATORE CANNATA
Use of Extortion to Collect a Debt from a Gambling Debtor (John Doe 7)	PRIMO CASSARINO, JEROME BRANCATO and RICHARD BONDI
Use of Extortion to Collect a Debt from a Businessman (John Doe 8)	ANTHONY CICCONE and PRIMO CASSARINO
Illegal Gambling Business (Joker/poker)	ANTHONY CICCONE, PRIMO CASSARINO, PETER PIACENTI, RICHARD BONDI, ANNA EYLENKRIG and JEROME ORSINO, JR.
Illegal Gambling Business (Sports Betting)	ANTHONY CICCONE, PRIMO CASSARINO, JEROME BRANCATO, RICHARD BONDI, THOMAS LISI, CARMINE MALARA and JEROME ORSINO, JR.
Witness Tampering	ANTHONY CICCONE and PRIMO CASSARINO

The Defendants:

Name: Peter Gotti
 Address: 156-41 89th Street
 Howard Beach, New York
 DOB: 11/15/39

Name: Anthony Ciccone
 Address: 47 Narrowbrook Court
 Manalapan, New Jersey
 DOB: 7/19/34

Name: Richard V. Gotti
 Address: 154-35 84th Street, Apt. 2n
 Howard Beach, New York
 DOB: 08/10/42

Name: Primo Cassarino
 Address: 8009 11th Avenue
 Brooklyn, New York
 DOB: 4/26/56

Name: Jerome Brancato
 Address: 162 Amsterdam Avenue
 Staten Island, New York
 DOB: 1/30/29

Name: Richard G. Gotti
 Address: 44 Guenther Avenue
 Valley Stream, New York
 DOB: 11/30/67

Name: Richard Bondi
 Address: 194 Holten Avenue
 Staten Island, New York
 DOB: 4/2/59

Name: Frank Scollo
 Address: 28 Providence Street
 Staten Island, New York
 DOB: 7/3/26

Name: Vincent Nasso
 Address: 40 Woods Avenue
 Malverne, New York
 DOB: 8/15/58

Name: Julius R. Nasso
 Address: 16 Wakefield Road
 Staten Island, New York
 DOB: 10/19/52

Name: Peter Piacenti
 Address: 266 Bay 10th Street
 Brooklyn, New York
 DOB: 8/28/21

Name: Anthony Pansini
 Address: 4 Beauridge Terrace
 Holmdel, New Jersey
 DOB: 10/22/50

Name: Salvatore Cannata
 Address: 64 Marne Avenue
 Staten Island, New York
 DOB: 2/29/56

Name: Anna Eylenkrig
 Address: 2940 Ocean Parkway, Apt.
 21r
 Brooklyn, New York
 DOB: 2/13/72

Name: Thomas Lisi
 Address: 2168 Legion Street
 Bellmore, New York
 DOB: 10/01/63

Name: Carmine Malara
 Address: 197 Chelsea Street
 Staten Island, New York
 DOB: 5/10/48

Name: Jerome Orsino, Jr.
 Address: 90 North Railroad Avenue
 Staten Island, New York
 10304
 DOB: 4/05/75