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FORMER CARPENTERS UNION LEADER PLEADS GUILTY
IN MANHATTAN FEDERAL COURT TO OVER A DECADE
OF RACKETEERING

PREET BHARARA, the United States Attorney for the Southern District of New York, GEORGE VENIZELOS, the Acting Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), and MARJORIE FRANZMAN, the Special Agent-in-Charge for the New York Region of the U.S. Department of Labor's Office of Inspector General ("DOL-OIG"), announced today that MICHAEL FORDE, the former Executive Secretary-Treasurer of the District Council of New York City and Vicinity (the "District Council") of the United Brotherhood of Carpenters and Joiners (the "Carpenters Union") and Chairman of the District Council benefit funds, pleaded guilty in Manhattan federal court to participating in a 15-year racketeering scheme.

According to the Indictment to which FORDE pleaded guilty before United States Magistrate Judge ANDREW J. PECK, other documents previously filed in this case, and statements made in court today:

The Carpenters Union is a national labor union that represents skilled workers at construction sites. In New York City, approximately 20,000 members of the union are divided into eleven locals, overseen by the District Council. From 1994 to 1997, FORDE was a business agent for Local 608, the largest local

in the District Council, with approximately 7,400 members. From 1997 to 2000, FORDE was the president and business manager of Local 608. From 2000 to 2009, FORDE was the Executive Secretary-Treasurer (the highest position) of the District Council and a trustee and eventual Chairman of the District Council's benefit funds.

Since 1994, the District Council and its constituent locals have been bound by a federal Consent Decree stemming from a civil case brought by the United States under the Racketeer Influenced and Corrupt Organizations Act ("RICO") to address a history of union corruption and organized crime influence within the District Council. The Consent Decree, among other things, prohibited union officials from associating with organized crime figures and imposed job referral rules governing the assignment of shop stewards and union members to job sites. At various times, monitors have been appointed under the Consent Decree to investigate wrongdoing in the union, including job referral violations, bribe taking, false reports, and off-the-books payment of wages.

Notwithstanding the Consent Decree, between 1994 and their arrest in August 2009, FORDE and his co-conspirators engaged in a racketeering conspiracy to enrich themselves and others and maintain control of the Carpenters Union through, among other things, the unlawful solicitation and obtaining of cash payments and other things of value from owners of construction contractors who had signed collective bargaining agreements with the Union. In exchange for the bribes, FORDE and his co-conspirators allowed and helped certain contractors to defraud the union and its benefit funds out of millions of dollars by permitting the contractors to, among other things, pay union members cash at below-union rates, without benefits, employ illegal aliens and non-union workers on their job sites, and avoid payment to the union benefit funds in violation of applicable collective bargaining agreements.

In pleading guilty today, FORDE admitted that from approximately 1994 through 2004, he received cash bribes from multiple contractors (including On Par Contracting, Turbo Construction, Pyramid Associates Construction, New York City Acoustics, and KAFCI) in return for allowing these contractors to violate the terms of their collective bargaining agreements with the District Council. Among other things, FORDE admitted that he let these contractors use undocumented workers and avoid making required payments to the District Council benefit funds of which he was the Chairman. FORDE also admitted to committing perjury in a January 2009 deposition he gave in a civil action brought by the District Council against one of the contractors from whom his

co-conspirators had accepted bribes. FORDE further admitted to obstructing efforts to investigate his conduct.

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FORDE pleaded guilty to one count of racketeering conspiracy, which carries a maximum sentence of 20 years in prison, and one count of racketeering, which also carries a maximum sentence of 20 years in prison. FORDE is scheduled to be sentenced by United States District Judge VICTOR MARRERO on November 19, 2010 at 3:30 p.m.

FORDE was previously relieved of his union officer positions following his arrest.

FORDE is the eighth defendant in the case to plead guilty. The seven other defendants who have previously pleaded guilty to date are as follows:

MICHAEL BRENNAN, 54, of Bushkill, Pennsylvania, who was a union shop steward, pleaded guilty on July 6, 2010, to the Indictment's RICO count, and specifically to racketeering acts involving the acceptance of cash bribes and obstruction of justice. He is scheduled to be sentenced on October 29, 2010, at 4:00 p.m.

BRIAN CARSON, 50, of Bronx, New York, who was a union shop steward, pleaded guilty on April 5, 2010, to one count of aiding and abetting the embezzlement of monies from union benefit funds. He is scheduled to be sentenced on July 30, 2010, at 4:30 p.m.

JOHN GREANEY, 50, of Yonkers, New York, who was the former president and business manager of Local 608, pleaded guilty on July 16, 2010 to one count of racketeering conspiracy, one count of racketeering, four counts of wire-fraud conspiracy, four counts of deprivation of honest services, two counts of unlawful acceptance of payments by a labor representative, and one count of perjury. He is scheduled to be sentenced on December 17, 2010, at 3:30 p.m.

FINBAR O'NEILL, 44, of Paramus, New Jersey, who is a contractor, pleaded guilty on May 20, 2010, to one count of making unlawful payments to labor representatives, and one count of conspiracy to make such unlawful payments. He is scheduled to be sentenced on November 19, 2010.

JOSEPH RUOCCO, 50, of East Stroudsburg, Pennsylvania, who was a union shop steward, pleaded guilty on July 8, 2010, to

one count of aiding and abetting the embezzlement of monies from union benefit funds. He is scheduled to be sentenced on October 29, 2010, at 3:30 p.m.

JOHN STAMBERGER, 53, of Brick, New Jersey, who was a union shop steward, pleaded guilty on March 12, 2010, to conspiracy to commit wire fraud, and unlawful acceptance of payments by a labor representative. He is scheduled to be sentenced on December 17, at 3:00 p.m.

MICHAEL VIVENZIO, 62, of Mahwah, New Jersey, who was a union shop steward, pleaded guilty on June 23, 2010, to one count of aiding and abetting the embezzlement of monies from union benefit funds. He is scheduled to be sentenced on October 15, 2010, at 4:00 p.m.

All defendants are currently out on bail, and will be sentenced by Judge MARRERO.

Trial as to the remaining defendants, BRIAN HAYES and JOSEPH OLIVIERI, is scheduled to begin on September 7, 2010, before Judge MARRERO. The charges contained in the Indictment against these defendants are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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Manhattan U.S. Attorney PREET BHARARA stated: "For 15 years, Michael Forde made a career out of corruption, at the helm of one of New York City's largest unions. Instead of honorably representing union members, he sold their interests for his own enrichment. Today's guilty plea marks another milestone in this Office's long-standing commitment to root out crime from the Carpenters Union, and points the union toward a new era in its history."

FBI Assistant Director-in-Charge GEORGE VENIZELOS stated: "With today's plea Michael Forde has acknowledged taking bribes from contractors to betray the rank-and-file union members he purportedly represented. He now faces serious time for his serious crimes. The FBI is steadfast in its determination to hold union officials accountable to their membership."

DOL-OIG Special Agent-in-Charge for the New York Region MARJORIE FRANZMAN stated: "Even though Michael Forde was entrusted with safeguarding the rights, wages, and benefits of

the Carpenters Union in New York City, he violated this trust by systematically cheating union members out of their earnings. Today's guilty plea demonstrates that depriving union members of their benefits will not be tolerated. The Office of Inspector General will continue to work with our law enforcement partners to investigate labor racketeering at all levels."

Mr. BHARARA praised the FBI and the DOL-OIG for their outstanding work in investigating this case. Mr. BHARARA also thanked the Manhattan District Attorney's Office for the assistance they provided in the case.

The prosecution is being handled by the Organized Crime Unit of the United States Attorney's Office. Assistant United States Attorneys LISA ZORNBERG and MARK LANPHER are in charge of the prosecution.

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