

July 27, 2004

Contacts:

Robert Nardoza

United States Attorney's Office

(718) 254-6323

PRESS RELEASE

Two Leaders of the International Longshoremen's Association Affiliated with the Genovese Family Indicted for Extortion

ROSLYNN R. MAUSKOPF, United States Attorney for the Eastern District of New York, PASQUALE J. D'AMURO, Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation, RAYMOND W. KELLY, Commissioner of the New York City Police Department, and THOMAS DE MARIA, Executive Director, Waterfront Commission of New York Harbor, today announced the unsealing of an indictment charging two leaders of the International Longshoreman's Association ("ILA"), who are alleged to be associates of the Genovese Family of La Cosa Nostra ("the Genovese family"), with extortion conspiracy aimed at placing Genovese associates as officers in the ILA, and controlling the operation of businesses on the piers in the New York, New Jersey and south Florida.

The indictment charges HAROLD DAGGETT, the assistant general organizer of the ILA International and also the president of ILA Local 1804-1 in New Jersey, and ARTHUR COFFEY, an ILA International vice-president, vice-president of the South East and Gulf Coast Region of the ILA, and president of three ILA Locals in south Florida, with using organized crime's influence to gain their own jobs and to place other organized crime associates as officers in the union, and also to control businesses on the piers for the benefit of organized crime.<sup>(1)</sup> These charges follow the July 7, 2004, indictment of ILA International vice-president Louis Saccenti, a Gambino organized crime family associate, for perjury, and brings to three the number of ILA International Executive Council members indicted this month in the Eastern District of New York.

DAGGETT was arrested earlier today and will be arraigned this afternoon by United States Magistrate Judge Robert M. Levy at the U. S. Courthouse, 225 Cadman Plaza East, Brooklyn, New York. COFFEY was previously arrested on a complaint and released on bail - his arraignment has not yet been scheduled.

EXTORTION CONSPIRACY - UNION POSITIONS

1. ILA International Presidency. DAGGETT and COFFEY are charged with conspiring to extort the president of the ILA International, John Bowers, to install DAGGETT as the ILA president. As alleged in the indictment, a previously filed complaint and other court filings, in 1999 the Genovese family decided that DAGGETT should become the next president of the ILA. In furtherance of the scheme, it is alleged that COFFEY brought Bowers to a meeting with a Genovese family soldier, who delivered the message that the Genovese family wanted to replace him with one of their own when Bowers left the presidency. At a deposition before the Waterfront Commission in October 2003, Bowers described the meeting:

And he said to me, [the soldier] said - why he said what he said, I have no idea why he said it, but, "I am now in charge." Or, "I am the boss." What he meant by that, I have no idea. And he said, "You're doing a wonderful job." And, he said, "We hope you stay forever." We - I don't know, "We hope you stay forever. But if you ever leave, I would like to see Harold Daggett become president."

When asked whether he asked the soldier for any explanation, Bowers stated:

I am alone, one on one. I know of his [the soldier's] reputation, I am not going to ask a lot of questions. I am figuring now how the hell to get out of the place.

2. Assistant General Organizer of the ILA International. DAGGETT and COFFEY are also charged with conspiring to place DAGGETT in a second leadership position in the ILA International. The government's pleadings allege that during the spring of 2000, the Genovese family schemed to place DAGGETT in a position on the ILA Executive Council to assist his ascent to the presidency. Specifically, in July 2000, at the direction of a Genovese soldier, COFFEY arranged a meeting between himself, the aforementioned Genovese soldier and a second Genovese soldier to discuss how to elevate DAGGETT to a higher position. COFFEY was then instructed by Genovese family members to vote for DAGGETT as assistant general organizer of the International of the ILA, a top position on the Executive Council. Subsequently, a Genovese associate passed the message to the ILA leadership that DAGGETT was to be elected to the position of ILA assistant general organizer. Records of the ILA International Convention on July 19, 2000, attended by COFFEY, reflect that DAGGETT ran unopposed and was elected to the position.

#### EXTORTION CONSPIRACY - PIER BUSINESS

Finally, DAGGETT and COFFEY are charged with conspiring to control the business on the piers of New York, New Jersey and south Florida. The government alleges that the Genovese family controls the container and chassis repair industries, and the ILA operations, on the piers in New York/New Jersey, utilizing explicit and implicit threats of violence to exclude legitimate companies from competing for business, and to extort money from those companies who they permitted to work on the piers. Specifically, the indictment charges DAGGETT with conspiring to extort legitimate companies through his position as president of ILA Local 1804-1. Local 1804-1 represents the workers employed at companies who are members of the Metropolitan Marine Maintenance Contractors Association, an industry association allegedly long dominated by organized crime.

"With today's indictment we continue our efforts to rid the ILA of organized crime influence, which has dominated that union for so long," stated United States Attorney MAUSKOPF. "The piers in the metropolitan area are critical to the free flow of commerce and to the security of this country. As this indictment shows, and as the previous prosecutions in this district leading to the convictions of leaders of both the Genovese and Gambino organized crime families further attest, we will continue this fight until the piers are free of any organized crime influence." Ms. MAUSKOPF thanked the United States Department of Labor for its assistance in this case and stated that the government's investigation is continuing.

FBI Assistant Director-in-Charge D'AMURO stated, "Corruption, self-dealing and the pernicious influence of organized crime may have been par for the course on the New York waterfront for decades, but the tide is turning. Over the course of the past several years, working with our law enforcement partners, we have made significant headway toward our objective of cleaning up the piers and the unions that ply their trade there. Rank and file union members deserve honestly-elected union leadership. And all of us deserve the elimination of the 'mob tax' that hikes the cost of goods and services in and out of the ports. Today's charges are another major step in the right direction."

New York City Police Commissioner KELLY stated, "These arrests and the indictment stand as another example of our persistent efforts to rid New York City of organized crime. Every agency involved in this operation performed their jobs exceptionally."

Waterfront Executive Director DE MARIA stated, "Once again, the cooperative efforts of the Waterfront Commission, the FBI, the NYPD and the U. S. Attorney's Office have dealt a blow to the Genovese Crime Family

with the arrest of its reputed associate, HAROLD DAGGETT, for extortion of the longshore union membership that he was entrusted to represent. Together, we are removing those who were draining the lifeblood from the longshore work force. We remain committed to protecting the overwhelming majority of honest, hardworking and dedicated dock workers who are the backbone of this great port, and we will stay true to our mission to eradicate crime and corruption in the Port of New York."

If convicted, the defendants face a maximum sentence of 20 years imprisonment and a \$250,000 fine.

The government's case is being prosecuted by Assistant United States Attorneys Paul Weinstein and Taryn Merkl.

The Defendants:

Name: ARTHUR COFFEY

DOB: 1/6/43

Name: HAROLD DAGGETT

DOB: 5/12/46

The charges contained in the indictment are merely allegations, and the defendants are presumed innocent unless and until proven guilty.