

U.S. Department of Justice

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FOR IMMEDIATE RELEASE

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PRESS RELEASE

LOCAL UNION OFFICIAL PLEADS GUILTY TO EXTORTING BUSINESS OWNER INTO HIRING UNION MEMBERS

<u>Defendant Referenced Organized Crime Ties When Threatening to Interfere with</u> <u>Construction Projects</u>

Earlier today, Roland Bedwell, the business manager of United Plant and Production Workers Local 175, pleaded guilty at the federal courthouse in Brooklyn, New York, to extorting a construction business owner. Bedwell implicitly threatened both physical and economic harm against the business owner who, as a result, hired union members and paid wages and employee benefits.

The plea was announced by Bridget M. Rohde, Acting United States Attorney for the Eastern District of New York, William F. Sweeney, Jr., Assistant Director-in-Charge, Federal Bureau of Investigation, New York Field Office (FBI), and Michael C. Mikulka, Special Agentin-Charge, New York Region, U.S. Department of Labor, Office of Inspector General.

"With references to organized crime and tough guys, Bedwell used his position as a labor union official to threaten business owners into hiring union members and paying them wages and benefits," stated Acting United States Attorney Rohde. "Today's guilty plea holds Bedwell accountable for his action and demonstrations the resolve of this Office, and our law enforcement partners, to ensure that businesses are able to make reasonable business decisions without fear of harm." Ms. Rohde expressed her grateful appreciation to the New York City Police Department for its assistance during the investigation.

"The subject in this case bragged he should be in prison for his crimes, now that's exactly where he's headed," stated FBI Assistant Director-in-Charge Sweeney. "The subject named-dropped a well-known crime family, and threatened organized crime-like violence to get business owners in line, only to pad his bank account. Meanwhile, his direct victims weren't the only ones hurt by his illegal tactics, he created important project delays that impacted many New Yorkers. The FBI and our law enforcement partners won't allow threats and violence to be the norm of doing business in the city."

"Bedwell's guilty plea affirms the U.S. Department of Labor Office of Inspector General's commitment to protecting innocent businesses and their owners from union officials who use the threat of physical harm to pursue illegitimate union purposes. We will continue to work with our law enforcement partners to ensure businesses can operate in a fair and just environment and unions function within the confines of federal law," stated Special Agent-in-Charge Mikulka.

The extortion to which Bedwell pleaded guilty was partly captured during a recorded meeting between Bedwell and the victim business owner in a restaurant in Queens. According to court filings, Bedwell warned the victim that if the victim did not to employ Local 175 members, Bedwell would use an organization of fifteen "ex-military" men, who were undeterred by the prospect of spending time in jail, to interfere with the victim's business, and that the victim stood to lose a "tremendous amount of money." Bedwell told the victim, "Either you're gonna sign the contract . . . or these boys are gonna do it again." Bedwell explained to the victim the financial pain he had inflicted on other contractors: blocking one delivery truck that was transporting trees (causing the trees to die) and stopping another one, loaded with asphalt that, according to Bedwell, caused the shutdown of Long Island Expressway.

In addition, as part of his plea, Bedwell admitted that he attempted to extort another construction business owner. As described in court filings, Bedwell and his coconspirators told the victim that he would not get asphalt delivered to a LaGuardia Airport job site if the victim did not agree to employ Local 175 members. When the victim refused to sign an agreement with Local 175, Bedwell and his co-conspirators proceeded to stop the asphaltdelivery trucks, harass the drivers and slash their tires.

As further described in court filings, this extortion and attempted extortion were part of a pattern that included Bedwell referring to his ties to a member and then-associate of the Gambino organized crime family of La Cosa Nostra, and to Bedwell's own reputation as a "muscle man," to intimidate businesses into signing labor contracts with Local 175. Court filings further indicate that Bedwell's co-conspirators have physically assaulted workers associated with contractors that had not agreed to sign with Local 175. Based on his history of extortions, Bedwell observed in a recorded conversation that he should have gone to "jail immediately," and stated, "I don't know how I don't have any felonies against me."

Bedwell's plea was entered before United States District Judge Nicholas G. Garaufis, who has scheduled sentencing for November 2, 2017. Bedwell faces up to 20 years' imprisonment at sentencing.

The government's case is being handled by the Office's Organized Crime and Gangs Section. Assistant United States Attorneys Nadia Shihata, Andrey Spektor and Nicholas J. Moscow are in charge of the prosecution.

The Defendant:

ROLAND BEDWELL Age: 57 Residence: Freeport, New York

E.D.N.Y. Docket No. 16-CR-608 (S-2) (NGG)