## **Department of Justice**

U.S. Attorney's Office Eastern District of Pennsylvania

FOR IMMEDIATE RELEASE

Monday, November 15, 2021

## Local 98 Leader John Dougherty, Philadelphia City Councilmember Robert Henon Found Guilty of Public Corruption

PHILADELPHIA – Acting United States Attorney Jennifer Arbittier Williams announced that John Dougherty, Business Manager of Local 98 of the International Brotherhood of Electrical Workers ("Local 98"), 61, of Philadelphia, PA, and Robert Henon, Philadelphia City Councilmember, 52, of Philadelphia, PA, were convicted at trial today of multiple crimes involving public corruption

The jury convicted John Dougherty of the following crimes: one count of conspiracy to commit honest services fraud (Count One), and seven counts of honest services wire fraud (Counts Four, Five, Six, Seven, Eight, Nine, and Ten). The jury convicted Robert Henon of the following crimes: one count of conspiracy to commit honest services fraud (Count One), eight counts of honest services wire fraud (Counts Four, Five, Six, Seven, Eight, Nine, Ten, and Twelve), and one count of bribery (Count Sixteen).

The honest services wire fraud convictions against both defendants were premised on the following schemes proven at trial: L&I/CHOP; Plumbing Code/Building Trades; Towing; Comcast; and Soda Tax #2. The additional honest services wire fraud count against Henon (Count Twelve) was predicated on a \$5,000 campaign contribution from CWA to Henon's campaign bank account. The bribery conviction against Henon (Count Sixteen) was based on the same \$5,000 check, written on the account of the CWA.

Dougherty, Henon and others affiliated with Local 98 were charged by Indictment in January 2019. The trials were bifurcated thereafter, leaving Dougherty and the other defendants to stand trial on the embezzlement and tax fraud charges at a later date. The Indictment charged that Dougherty and Henon defrauded the City of Philadelphia and its citizens of the right to Henon's honest services as a member of City Council. Evidence presented at trial demonstrated that Henon received a salary and other things of value from Dougherty and, in exchange, Henon used his position as a member of City Council to serve Dougherty's interests.

"Today's verdict is a strong message to the political power players of this city that the citizens of Philadelphia will not tolerate public corruption as 'business as usual'," said Acting U.S. Attorney Jennifer Arbittier Williams. "John Dougherty is not above the law. He is not entitled, had no right, to pull the strings of official City business as if he were elected to office. And Bobby Henon was not elected to represent Local 98 or John Dougherty's interests on City Council, or any union for that matter, but to represent all the people of the City's 6th Councilmanic District – a fact which he failed to remember in doing the bidding of his political godfather, Dougherty. Philadelphians deserve more than a system that favors the few who have a 'person they can call' to get things done. Everyone deserves equal access to the decision-makers in their government."

"From the start, John Dougherty and Bobby Henon sought to tag this as an anti-union case," said Jacqueline Maguire, Special Agent in Charge of the FBI's Philadelphia Division. "Let's be clear. The FBI has no problem with labor unions. It's criminals we're after, like a local power broker who gives an elected official a handsome salary and benefits he didn't earn, in exchange for doing that

benefactor's business at City Hall. Today, the jury called it what it was, a crooked quid pro quo — one that tilted the playing field in Dougherty's favor, giving him an unfair advantage over every Philadelphian who acts with fairness and integrity. That is corruption, that is wrong, and this city deserves so much better."

"The consequences to those who betray the public trust by making and receiving bribe payments are evident by today's convictions," said Yury Kruty, Acting Special Agent in Charge of IRS-Criminal Investigation. "Cases involving betrayal of the public's trust are of utmost importance and IRS-CI will continue to be a partner in the efforts to bring criminals like this to justice."

"One of the functions of the U.S. Department of Labor's Office of Labor-Management Standards is to see to it that union funds are used for proper purposes. It is never proper – and is indeed criminal – to do what Mr. Dougherty did here: use union funds to bribe a politician. Working with our Federal and state investigative partners, OLMS will hold accountable anyone who misuses their office and their union's funds in this way," said OLMS District Director Megan Underwood.

"Union officials must ensure that only those individuals who perform rightful union work be permitted to participate in union employee benefit plans. EBSA will vigorously pursue those who arrogate employee benefits intended exclusively for hard—working union members," said Michael Schloss, Philadelphia Regional Director of the U.S. Department of Labor's Employee Benefits Security Administration.

"An important part of the mission of the Office of Inspector General is to investigate allegations relating to labor racketeering. Today's guilty verdict for John Dougherty, Business Manager of Local 98 of the International Brotherhood of Electrical Workers and City of Philadelphia Councilmember Robert Henon for conspiracy and honest services fraud is an affirmation of our commitment to working with our law enforcement partners and the U.S. Department of Labor's Office of Labor-Management Standards and Employee Benefits Security Administration to pursue union-affiliated corruption investigations," said Syreeta Scott, Special Agent-in-Charge, Philadelphia Region, U.S. Department of Labor Office of Inspector General.

The case was investigated by the Federal Bureau of Investigation, Internal Revenue Service – Criminal Investigation, the U.S. Department of Labor Employee Benefits Security Administration, the U.S. Department of Labor Office of Labor Management Standards, the U.S. Department of Labor Office of Inspector General, and the Pennsylvania State Police, with assistance from the Pennsylvania Attorney General's Office. It is being prosecuted by Assistant United States Attorneys Frank Costello. Bea Witzleben, and Richard Barrett.

Topic(s):

**Public Corruption** 

**Component(s):** 

<u>USAO - Pennsylvania, Eastern</u>

## **Contact:**

UNITED STATES ATTORNEY'S OFFICE EASTERN DISTRICT OF PENNSYLVANIA 615 Chestnut Street, Suite 1250 Philadelphia, PA 19106

JENNIFER CRANDALL

Media Contact

215-861-8300

If you have not done so already, follow @USAO\_EDPA and @USAttyWilliams on Twitter to get the most up-to-date information about big cases and community news.