

**Department of Justice**  
U.S. Attorney's Office  
Eastern District of Michigan

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## **Former UAW Vice President Sentenced to 30 Months for Taking \$250,000 in Bribes and Kickbacks**

Joseph Ashton, former Vice President of the UAW's General Motors Department, was sentenced today to 30 months in federal prison for conspiring with other UAW officials to engage in honest services fraud by taking \$250,000 in bribes and kickbacks from a UAW vendor and for conspiring to launder the proceeds of the scheme announced U.S. Attorney Matthew Schneider.

Joining in the announcement were Irene Lindow, Special Agent in Charge of the Chicago Region for the U.S. Department of Labor – Office of Inspector General, Acting Special Agent in Charge David G. Nanz, Detroit, Michigan office of the Federal Bureau of Investigation, Sarah Kull, Special Agent in Charge of the Detroit, Michigan office of the Internal Revenue Service – Criminal Investigations, and Thomas Murray, District Director, U.S. Department of Labor – Office of Labor-Management Standards.

In December 2019, Joseph Ashton, 72, of Ocean View, NJ, pleaded guilty to conspiring with two other high-level UAW officials—Michael Grimes and Jeffrey Pietrzyk—to take hundreds of thousands of dollars in bribes and kickbacks from vendors doing business with the joint UAW-GM Center for Human Resources (CHR). Grimes and Pietrzyk have also pleaded guilty. Grimes was sentenced to 28 months in prison and Pietrzyk is awaiting sentencing.

The CHR is supposed to be a center for training UAW workers employed by GM. Ashton was the co-director of the Center for Human Resources. Ashton, Pietrzyk and Grimes also served on the Executive Board for the Center for Human Resources and they were responsible for approving contracts with the vendors. Ashton admitted that over the course of the conspiracy, he and the other two UAW officials demanded and accepted bribes and kickbacks from a vendor based in Philadelphia, PA, in exchange for securing or maintaining a contract to provide custom watches to the Center for Human Resources.

Ashton and his UAW co-conspirators demanded kickbacks on the \$3.9 million contract for the Center for Human Resources to buy 58,000 watches for all UAW members employed by GM. Ashton demanded over \$250,000 in kickbacks on the watch contract to be distributed between 2013 through 2016. Some of the kickbacks were distributed in the form of checks payable to Ashton which were deposited into his personal bank account. The majority of the kickbacks were distributed as cash. In 2014, the UAW-GM Center for Human Resources received the 58,000 watches from the vendor. However, the watches were never distributed to UAW members. Instead, the watches were left sitting in a storage room at the CHR for over five years.

Besides conspiring with other UAW officials and vendors to the UAW, Ashton also admitted that he conspired to launder the proceeds of the kickback scheme by using various methods to conceal and disguise the bribes and kickbacks through a lengthy and complicated series of financial transactions.

Ashton is one of 15 defendants convicted in connection with the ongoing criminal investigation into illegal payoffs to UAW officials by FCA executives and corruption within the UAW itself. The following individuals have already pleaded guilty to their participation in the scheme and have been

sentenced: former FCA Vice President for Employee Relations Alphons Iacobelli (66 months in prison), former FCA Financial Analyst Jerome Durden (15 months in prison), former Director of FCA's Employee Relations Department Michael Brown (12 months in prison), former senior UAW officials Virdell King (60 days in prison), Keith Mickens (12 months in prison), Nancy A. Johnson (12 months in prison), Monica Morgan, the widow of UAW Vice President General Holiefield (18 months in prison), former UAW Vice President Norwood Jewell (15 months in prison), and former senior UAW official Michael Grimes (28 months). In addition, the following UAW officials have pleaded guilty and are awaiting sentencing: former UAW President Gary Jones, former senior UAW official Jeffrey "Paycheck" Pietrzyk, former UAW Region 5 Director and UAW Board member Vance Pearson, former UAW Midwest CAP President Edward "Nick" Robinson, and former UAW President Dennis Williams.

U.S. Attorney Schneider commended the outstanding work of the Internal Revenue Service – Criminal Investigations, the U.S. Department of Labor – Office of Labor-Management Standards and Office of Inspector General, and the Federal Bureau of Investigation in conducting a comprehensive criminal investigation into labor corruption activities involving a vital sector of the local and national economy.

"Joseph Ashton illegally used his power and influence to benefit himself, and he caused long-lasting damage to the hardworking members of the UAW. Ashton wasted almost \$4 million that could have been used to train UAW members, and his crimes led to the closing of the UAW-GM training center and the loss of many training center jobs. Ashton's greed caused irreparable damage to the trust UAW members have in their leaders who are supposed to represent their best interests," stated U.S. Attorney Schneider.

"Joseph Ashton abused his position with the International United Auto Workers Union (UAW) by demanding and accepting over \$250,000 in kickbacks from a UAW vendor. Instead of bargaining in the best interests of the UAW members, he chose to personally enrich himself. We will continue to work with our law enforcement partners to protect the financial integrity of labor organizations," stated Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

"The men and women of the UAW deserve real, honest leadership. It is clear Mr. Ashton's priority was not to advocate for union members but to line his own pockets," said Acting SAC David G. Nanz. "The FBI will continue to work with our law enforcement partners to investigate corruption and ensure the financial integrity of our country's labor unions."

"It is imperative that UAW leadership continues to be held accountable for their selfish acts of greed," stated Sarah Kull, Special Agent in Charge of IRS-Criminal Investigation in Detroit. "Today's sentence is another step forward in our efforts to rid the UAW of corrupt leaders who abuse their positions to line their own pockets and tarnish the reputation of UAW officials."

"Joseph Ashton is another in a long line of UAW officials that failed in his fiduciary duties and betrayed the trust of the UAW membership by using his union position to obtain bribes and kickbacks from vendors in excess of \$250,000 so that he could enrich himself and others within the UAW," said Thomas Murray, District Director, U.S. Department of Labor, Office of Labor-Management Standards. "Today's sentence leaves no question as to the agency's commitment to seek justice when anyone puts personal financial gain ahead of the best interests of their fellow union members."

The case is being prosecuted by Assistant U.S. Attorneys Frances Carlson and Eaton Brown.