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**CAPT. PHIP'S SEAFOOD SENTENCED FOR FEDERAL VISA FRAUD CHARGE
RESULTING IN FOREIGN WORKERS BEING PAID LOWER WAGES THAN THOSE TO
WHICH THEY WERE ENTITLED**

Owner Jamie Harrington Also Sentenced for Knowingly Hiring Approximately 89 Undocumented Foreign Workers to Work at Harrington-Controlled Companies

Baltimore, Maryland – U.S. District Judge Ellen L. Hollander today sentenced Phillip J. “Jamie” Harrington III, age 50, of Dorchester, Maryland, to one year of probation, to pay a \$10,000 fine, a \$5,000 special assessment, and to perform 100 hours of community service for unlawful employment of undocumented workers. Judge Hollander sentenced Capt. Phip’s Seafood Inc. to three years of probation and to pay a \$240,000 fine for visa fraud related to the employment of temporary workers employed at Harrington companies. In addition, Judge Hollander ordered Harrington and Captain Phip’s seafood to participate in a verification program for their employees and were debarred from participating in the H-2B visa program. The fines were paid today.

The sentences were announced by United States Attorney for the District of Maryland Erek L. Barron; Special Agent in Charge James R. Mancuso of Homeland Security Investigations (HSI) Baltimore; Special Agent in Charge Andrew Wroblewski of the Washington Field Office of the U.S. Department of State’s Diplomatic Security Service (DSS); and Acting Special Agent in Charge Troy Springer of the Washington Regional Office, U.S. Department of Labor - Office of Inspector General (DOL-OIG).

Philip J. Harrington, Jr. was Capt. Phip’s owner, President, and sole Director until his death on February 13, 2018. Since March 6, 2019, Capt. Phip’s has been owned and operated by Philip Harrington’s son, Jamie Harrington. The primary business of Capt. Phip’s is the production and distribution of ice as well as the processing of seafood. For more than a decade, Capt. Phip’s has participated in the H-2B work visa program through which it has obtained temporary foreign workers to fill seasonal positions.

According to the company’s guilty plea, from 2013 through 2018, Captain Phip’s Seafood Inc. routinely sought prevailing wage determinations for multiple job descriptions, and then filed petitions for H-2B visas for only the jobs with the lowest prevailing wage, regardless of the actual work duties of the employees. The H-2B Visa Program is a temporary non-agricultural worker program in which an employer may seek temporary authorization for foreign workers to legally enter and work in the U.S. To obtain an H-2B Visa, the U.S. Department of Labor (DOL) must ensure the positions have been advertised to U.S.-based workers and assign the appropriate wage to be paid (“prevailing wage”) based

on the job description.

As stated in the plea agreement, Captain Phip's willfully submitted false and inaccurate job descriptions to obtain lower prevailing wages for its foreign workers. Capt. Phip's omissions about the full scope of the job duties to be performed by its temporary foreign workers resulted in the DOL approving Capt. Phip's to pay lower prevailing wage than it would have been authorized if Capt. Phip's had provided truthful information.

For example, in 2016, Capt. Phip's requested and received prevailing wage determinations for three positions: ice conveyor operators with a prevailing wage of \$12.51; oyster production workers with a prevailing wage of \$16.96; and ice machine operators (ice production workers) with a prevailing wage of \$11.10. Capt. Phip's then filed a petition for ice production workers with the U.S. Citizenship and Immigration Services (USCIS). The petition was approved and the Department of State (DOS) issued 24 H-2B visas to non-immigrant Mexican nationals authorizing them to work for Capt. Phip's as ice production workers in the United States. Once the Mexican ice production workers entered the United States, Capt. Phip's used these workers for jobs beyond ice production, including for oyster processing, as maintenance workers, truck drivers and drivers' assistants. Capt. Phip's admits that it intentionally and falsely claimed that the foreign workers would only be engaged in ice production in order to pay them the lower prevailing wage. Had Capt. Phip's truthfully filed for H-2B visas for many of these duties, these employees would have been entitled to a higher wage.

As stated in the company's plea agreement, on August 31, 2017, a USCIS officer and government agents conducted a site visit at Capt. Phip's location in Secretary, Maryland. At that time, Capt. Phip's H-2B workers were authorized only to engage in oyster production work. During the site visit, three H-2B visa beneficiaries were interviewed through an interpreter and indicated that their current duties involved ice packing duties rather than oyster production work.

A USCIS officer and agents also interviewed Phillip Harrington, Jr., who signed all the H2-B visa petitions for Capt. Phip's and his son, Jamie Harrington, who identified himself as the Vice President of Capt. Phip's, responsible for "running the business," to include the buying and selling of product, managing the levels of product, and hiring and/or firing. Jamie Harrington admitted that all of Capt. Phip's H-2B workers were packing ice, and none of them were currently processing any oysters. The workers' H-2B visas for 2017 only permitted them to work in oyster processing. Jamie Harrington admitted that Capt. Phip's visa petitions should have been for workers for both ice and oyster processing.

During the August 31, 2017 interview, Jaime Harrington stated that he was also the President of Easton Ice Company, Inc. ("Easton Ice"). The principal office for Easton Ice is the same physical address as Capt. Phip's premises in Secretary, Maryland. A subsequent interview of a recipient of multiple H-2B visas filed by Capt. Phip's including in 2017, when the H-2B workers were only authorized for oyster processing, revealed that their duties that season were to drive a truck and deliver ice. In September 2017, an agent observed this person driving a truck bearing the name "Easton Ice." The agent also saw another Capt. Phip's H-2B recipient delivering ice and riding in the truck. Easton Ice did not apply for H-2B visas in 2017, and workers with H-2B visas obtained through Capt. Phip's were not authorized to work for Easton Ice Company. Nevertheless, Jamie Harrington admitted that Capt. Phip's H-2B visa recipients were routinely directed to perform work for Easton Ice and other businesses controlled by Philip and Jamie Harrington.

On August 9, 2018, government agents interviewed Jamie Harrington at Capt. Phip's premises in Secretary, Maryland. Jamie Harrington admitted that the company was not in compliance with the requirements of the H-2B visa program and that some of Capt. Phip's H-2B workers were driving trucks or performing other duties outside the scope of their visas, including performing work for other companies controlled by Philip and Jamie Harrington, including Easton Ice, Woodfield Ice Company,

Inc. (“Woodfield Ice”), as well as two Ocean City, Maryland, motels owned by members of the Harrington family. Agents pointed out to Jamie Harrington that if the H-2B applications had been truthful about the location and job duties for workers at Woodfield Ice the prevailing wage would have been much higher because that business is in the Washington, D.C. metro area.

Between approximately 2013 and 2018, Capt. Phip’s filed petitions for H-2B visas for approximately 142, nonimmigrant workers. Capt. Phip’s officers involved in the H-2B process were aware that the nonimmigrant workers were intended to be employed to engage in work beyond the job descriptions authorized by the workers’ visas. Capt. Phip’s realized unlawful benefits through the use of fraudulently low prevailing wages between April 2013 to December 2018, although the exact amount cannot be determined. Capt. Phip’s has not participated in the H-2B visa program since at least January 2019.

Jamie Harrington is also the owner and operator of multiple other businesses involved the production and distribution of ice as well as processing of seafood, rental machinery, housing development, oyster farming, and other ventures including: Easton Ice; Woodfield Ice; PJH Oyster; Two Sons R.S., LLC; Philson Properties, LLC; Two Sons C.P. LLC; P&N Farms; Atlantic Rental, LLC; DMS Hurlock, LLC; The Preserve at Wright’s Wharf Homeowners Association; and Super Transporter, LLC. (together with Capt. Phip’s, the “Harrington Companies.”

Harrington admitted in his plea agreement that, beginning in 2013 and continuing through at least August 9, 2018, he engaged in a pattern and practice of hiring and employing workers without lawful immigration status at the Harrington Companies. Most of the unauthorized workers were Mexican citizens and nationals. Some of the undocumented workers Jamie Harrington hired and employed entered the United States lawfully and overstayed their visas, others never had lawful status to be present in the United States. Analysis of payroll and other records shows that approximately 89 undocumented workers were employed by the Harrington Companies between 2013 and 2018. Harrington continued to employ several of the workers even after he knew they had been placed into removal proceedings by immigration officials because they did not have lawful status to be present or working in the United States.

United States Attorney Erek L. Barron commended HSI, DSS, and DOL-OIG for their work in the investigation and thanked the Baltimore District Office of the U.S. Department of Labor’s Wage and Hour Division for its assistance. Mr. Barron thanked Assistant U.S. Attorney Judson T. Mihok, who prosecuted the case.

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