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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,      :
:                               : 88 Civ. 4486 (DNE)
:                               :
:                               : APPLICATION LXXII OF THE
:                               : INDEPENDENT REVIEW BOARD
:                               : --OPINION OF THE
:                               : INDEPENDENT REVIEW BOARD
INTERNATIONAL BROTHERHOOD      :
OF TEAMSTERS, et al.,         :
:                               : IN THE MATTER OF THE HEARING
:                               : OF RONALD DYSON
:                               :
:                               :
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Pursuant to Paragraph O. of the Rules of Procedures for Operation of the Independent Review Board ("IRB") for the International Brotherhood of Teamsters ("IRB Rules"), Application is made by the IRB for ruling by the Honorable David N. Edelstein, United States District Judge for the Southern District of New York, on the issues heard by the IRB during a hearing on June 2, 1999, and thereafter determined, on the charges filed against Ronald Dyson ("Dyson").

Dyson was charged with knowingly associating with Michael Sciarra, a member and associate of organized crime. Additionally, Dyson was charged with knowingly associating with Michael Sciarra after he was permanently barred from the IBT by the IRB and Your Honor's November 20, 1995 Order. Having considered the evidence and post-hearing submission, by the Chief Investigator, the IRB found that the charge against Dyson was proved. As a penalty, Dyson has been permanently barred from membership in the IBT and may not hereafter obtain employment, consulting or other work with the IBT or any IBT-affiliated entity.

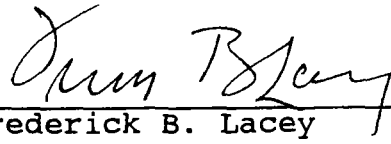
Given the IRB's determination, we do not find it appropriate to stay the Opinion or the penalty imposed pending review by Your Honor as we found it in the best interest of the IBT that Dyson immediately be barred from IBT membership.

Enclosed with the October 29, 1999, Opinion are the following exhibits:

- 1) April 22, 1999, IRB Investigative Report with exhibits 1-13;
- 2) June 2, 1999, Dyson Hearing Transcript with IRB's exhibits IRB 1 - IRB 6.

It is respectfully requested that an Order be entered affirming the IRB's October 29, 1999, Opinion if Your Honor finds it appropriate.

By: \_\_\_\_\_

  
Frederick B. Lacey  
Member of the  
Independent Review Board

Dated: October 29, 1999

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: OPINION AND DECISION  
IN RE: RONALD DYSON : OF THE INDEPENDENT  
: IBT Local 813 : REVIEW BOARD  
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## I. INTRODUCTION

On April 22, 1999, the Independent Review Board ("IRB") issued an Investigative Report to IBT General President James P. Hoffa concerning allegations of wrongdoing by Local 813 member Ronald Dyson ("Dyson"). (Exhibit A) The IRB report recommended that he be charged with bringing reproach upon the IBT by knowingly associating with organized crime member Michael Sciarra ("Sciarra") in violation of Article II, Section 2(a) and Article XIX, Section 7(b)(1) and (2) of the IBT Constitution. On April 26, 1999, the IBT filed the charge against Dyson and then referred the matter back to the IRB for adjudication. (IRB Ex. 2)<sup>1</sup>

On June 2, 1999, the IRB held a hearing on the charge against Dyson in New York, New York. Dyson did not appear at the hearing, have a representative attend or make any written submission to the IRB. We conclude that the evidence at the hearing established that Dyson committed the charged offense.

## II. STATEMENTS OF FACTS

### A. Dyson's IBT Membership

Dyson became a member of IBT Local 813 on September 3, 1998.

<sup>1</sup> "IRB Ex.", for example "IRB-2", refers to the Independent Review Board's Exhibits introduced at the hearing; "Ex." refers to the Chief Investigator's Exhibits which accompanied the Investigative Report and "Tr." refers to the transcript of the hearing before the IRB on June 2, 1999, enclosed herewith as Exhibit B.

Prior to joining Local 813, Dyson had been a member of Local 560 for approximately 23 years. (Ex. 11 at 8). While a member of Local 560, Dyson had been elected steward and Sciarra was his business agent. Dyson testified in his IRB sworn examination that he joined Local 813 after he secured employment at Bell Container, a company represented by Local 813. (Id.).

**B. Local 560 Trusteeship**

In March 1982 a civil RICO action entitled United States v. Local 560, International Brotherhood of Teamsters, was brought in the United States District Court of New Jersey against Local 560, its officers, Executive Board and members of the so-called "Provenzano Group" which was alleged to have ties to the Genovese La Cosa Nostra ("LCN") Family.<sup>2</sup> On March 16, 1984, after a five-month trial, United States District Judge Ackerman found that Local 560 was dominated and exploited by persons having ties with the Genovese organized crime family, including the Provenzano Group and then Local 560 President Michael Sciarra. United States v. Local 560, 581 F. Supp. 279, 321 (D.N.J. 1984), aff'd, 780 F. 2d 267 (3d. Cir. 1985), cert. denied, 476 U.S. 1141 (1986). Judge Ackerman's March 16, 1984 Judgment Order placing Local 560 in trusteeship and removing the Local's Executive Board for these civil RICO violations became effective on June 23, 1986, after exhaustion of

<sup>2</sup> The Provenzano Group consisted of the following individuals, among others: Anthony Provenzano, Nunzio Provenzano, Thomas Andretta, Stephen Andretta, and Gabriel Briguglio. See United States v. Local 560, 694 F. Supp. 1159, 1162 (D.N.J. 1988).

the Local's appeals. United States v. Local 560, 581 F. Supp. at 326. Judge Ackerman ended the trusteeship on February 25, 1999, while retaining the right to reimpose the trusteeship if necessary.

The remedial measures which were implemented on June 23, 1986, included the removal from office of Sciarra and the other Local 560 Executive Board members. 581 F. Supp. at 326. In late 1987, the government sought further relief specifically against Sciarra based upon evidence that, during the period Judge Ackerman's Judgment Order had been stayed pending appeal, the racketeering activity had continued. See United States v. Sciarra, 851 F. 2d 621 (3d Cir. 1988). When the Sciarra component of the Local 560 litigation proceeded before United States District Court Judge Debevoise, several rulings affecting Sciarra's Local 560 status were issued. First, in September 1988, Sciarra was permanently enjoined from seeking the presidency of the Local because of the likelihood that, as an officer, Sciarra "would lead Local 560 back into control of the Genovese Crime Family." United States v. Local 560, 694 F. Supp. 1158, 1191-92 (D.N.J. 1988). On May 4, 1990, the preliminary injunction affecting Sciarra was extended to require his removal from his appointed position as business agent and his debarment from holding any position of trust within the Local, as well as a bar against his attempting to influence Local 560's affairs. 736 F. Supp. 601, 612-13 (D.N.J. 1990). Next, by order of January 7, 1991, Judge Debevoise entered a permanent injunction against Sciarra based upon the preliminary injunction hearings and a July

1990 trial. 754 F. Supp. 395, 396, 408 (D.N.J. 1991). The Court found that "Sciarra was the person through whom the Genovese Family sought to effectuate its control" over Local 560. Id. In March 1991, Judge Debevoise permanently enjoined Sciarra from holding any position of trust in Local 560 or otherwise attempting to influence the affairs of the Local or its funds. See 754 F. Supp. 395, 309, 407-08 (D.N.J. 1991).

On August 2, 1995, the IRB recommended to the IBT General President that charges be filed against Sciarra for aiding the Genovese Family's control over Local 560, being a member of the Genovese LCN Family and knowingly associating with other organized crime members. (Ex. 1 at 1). On November 15, 1995, Sciarra entered into an agreement with the IRB in which he permanently resigned from the IBT, Local 560 and all IBT-affiliated entities. (Ex. 2). United States District Judge David Edelstein approved this agreement on November 20, 1995. On August 31, 1995, the Chief Investigator sent letters to the executive boards of all New Jersey Locals advising them of Judge Debevoise's finding and putting all members on notice that any purposeful association with Sciarra may be grounds for union disciplinary charges. (Ex. 3).

#### **C. Sciarra's Organized Crime Background**

Sciarra was a business agent and member of Local 560 when the civil RICO case was initiated against the Local in 1982 (Ex. 4 at 11). Sciarra was a named defendant in the RICO lawsuit. See e.g., United States v. Local 560, 754 F. Supp. 395 (D.N.J. 1991).

Sciarra became President of Local 560 on October 19, 1984. (Ex. 5 at 348). In September 1988, the District Court granted the government's motion to enjoin Sciarra from participating in Local 560 affairs on the grounds that during the period when the Court's March 1984 sanctions against Sciarra and others were stayed, he continued to facilitate the Provenzano Group's hold on Local 560. See United States v. Local 560, 694 F. Supp. 1158, 1160 (D.N.J. 1988). The Court found "strong evidence" that Sciarra had been hand-picked by Genovese Family LCN member and caporegime, Matthew Ianniello,<sup>3</sup> to be the Genovese LCN Family's on-site representative in Local 560. Id. at 1178.

In 1991, Judge Debevoise permanently enjoined Sciarra from holding any position of trust in Local 560 or otherwise attempting to influence the affairs of the Local or its funds. See United States v. Local 560, 754 F. Supp. 395, 407-08 (D.N.J. 1991). The Court's January 7, 1991 Opinion noted that evidence adduced at the July 16, 1990 trial "demonstrated Sciarra's continuing ties to the Genovese Family." Id. at 406. To support its conclusion that Sciarra's organized crime ties had continued, the District Court relied upon Sciarra's own trial testimony on July 7, 1990 (Ex. 5 at 349-52), that he met on several occasions from 1987 to July 1990 in

<sup>3</sup> In a July 27, 1995 declaration, FBI Special Agent Brian F. Taylor noted that based upon reliable and credible information regularly relied upon by the FBI, the FBI considered Matthew Ianneillo to be a caporegime in the Genovese LCN Family. FBI Special Agent Michael A. Campi testified at the June 2, 1999 IRB hearing and adopted this declaration. (Ex. 4 at 12, Tr. at 19).

Manhattan with James Ida,<sup>4</sup> a man whom the Court found to be a Genovese Family member and chauffeur to Genovese LCN Family caporegime Matthew Ianniello. United States v. Local 560, 754 F. Supp. at 406.

The FBI considers Sciarra to be a made member of the Genovese LCN Family. (Ex. 4 at 13, 18-19; Ex. 7; Ex. 8 at 5). FBI Agent Dennis Marchalonis affirmed that Sciarra became a "made" member of the Genovese LCN Family in the spring of 1990. (Ex. 8 at 5). On December 5, 1991 and January 17, 1992, self-admitted Luchese LCN Family member Alphonse D'Arco told the FBI that he delivered a list containing Genovese LCN Family member names to Luchese Family leadership for their approval. Sciarra's name was on the list, and he was subsequently approved for membership to the Luchese Family (Ex. 4 at 18-19). D'Arco said that he later saw Sciarra's name on a second list of "made" Genovese Family members. (Ex. 4 at 19, Ex. 9). FBI Special Agent Michael A. Campi testified at the June 2, 1999 IRB hearing and adopted FBI Special Agent's Brian Taylor's declaration that Sciarra was a "made" member of the Genovese LCN. (Tr. at 19)

Allegations of Sciarra's involvement in a criminal enterprise persist. A 1997 New Jersey Superior Court Indictment charged Sciarra with being a leader of organized crime, racketeering,

<sup>4</sup> James Ida is considered by the FBI to be the acting consigliere in the Genovese LCN Crime Family. (Ex. 4 at 17). FBI investigation revealed that Sciarra was one of two witnesses at the marriage ceremony of James Ida and Irene Portelli. (Ex. 6).

conspiracy, and participating and promoting activities for illegal gambling activities. (Ex. 10). This matter has yet to be resolved. A separate count of the same indictment charged Sciarra, former Local 560 member Augie Festa and Dyson in a criminal conspiracy to bribe a union official in order to obtain a Local 560 member book for an ineligible individual. (Ex. 10).

**D. Dyson's Knowing Association with LCN Member Michael Sciarra**

Dyson joined IBT Local 813 on September 3, 1998, after he secured employment at a company represented by Local 813. (Ex. 11 at 6-8). Prior to joining Local 813, Dyson testified he had been a member of Local 560 for approximately 23 years. Id. Dyson testified that as a member of Local 560 he had been an elected steward and had Sciarra as a business agent. Dyson stated that he attended portions of Sciarra's trial in the federal district court and understood that Sciarra's bar from the IBT resulted from his LCN connections. (Ex. 11 at pp. 17-20). Further, he testified, he was aware of the prohibition against members associating with Sciarra and knew members who had been removed from the union for associating with Sciarra. Id. In addition to Dyson's admissions that he maintained a knowing and purposeful association with Sciarra who was identified by the Court as a member of organized crime, numerous metropolitan area newspaper and national magazine articles have consistently reported Sciarra's ties to the Genovese LCN Family and his allegiance to the Provenzano Group. (Ex. 12 passim).

In his March 1, 1999 sworn examination, Dyson admitted regularly seeing Sciarra on weekends at a Hoboken social club. Further, Dyson stated that he regularly saw Sciarra at another club located down the street before it closed following a police raid. (Ex. 11 at 13-17). Dyson continued to maintain a regular association with Sciarra despite his knowledge of Sciarra's removal from the union for ties to organized crime and despite his knowledge of the removal of other IBT members for associating with Sciarra. Dyson's association with Sciarra was neither accidental nor fleeting. Dyson admitted that when he did not see Sciarra at the social club he would telephone Sciarra at his home. (Id. at 15) In addition, Dyson invited Sciarra to his son's graduation party in June 1997. (Id. at 16-17). Moreover, Dyson admitted his association with Sciarra included discussions concerning union matters. Indeed, Dyson acknowledged that after he received a notice of sworn examination from the Chief Investigator, he contacted Sciarra at the club and discussed the notice and whether he should attend the examination. Dyson testified as follows:

- Q: Did you speak to Michael Sciarra about this?  
A: Yes, I told him I got, like, a subpoena to come here. He said go and answer the questions.  
Q: So you spoke to Michael Sciarra about your coming down here to speak to the IRB; is that right?  
A: Yes.  
Q: When did you speak with him?  
A: I got the letter maybe a week ago.  
Q: Did you call him?  
A: No, I happened to run into him down by the club.  
...  
Q: Why did you ask Mr. Sciarra about it?  
A: I wanted some advice about it.  
Q: Why would you ask him for advice?

A: I don't know. He is a friend of mine, I figured I would ask him. He was in the union.

( Id. at 24, 25)

Dyson maintained an association with Sciarra although aware that other members were removed from the union for similar behavior. Dyson admitted reading in the Teamster magazine that former Local 560 member Valentine Ortense ("Ortense") had been barred from the IBT for associating with Sciarra. (Ex. 13). Ortense, like Dyson, frequently met Sciarra at the same Hoboken social clubs. Dyson acknowledged that he saw Ortense at the social club following his removal and asked him about his removal. (Ex. 12 at 17-21)

### III. DYSON HAD PROHIBITED CONTACTS WITH LCN MEMBER SCIARRA

In order to establish a knowing association charge, the association with the organized crime member must be purposeful and not incidental or fleeting. United States v. IBT [DiGiralamo], 824 F. Supp. 410, 414 (S.D.N.Y. 1993) aff'd, 19 F.3d 816 (2d Cir.) cert. denied, 513 U.S. 873 (1994). The hearing evidence showed that Dyson knowingly associated with organized crime member Sciarra.

We find that Sciarra's organized crime membership was established by evidence that we find credible and reliable the FBI's expert opinion that he is a member of New Jersey LCN and Federal District Judge Debevoise's finding following trial that Sciarra "was the person through whom the Genovese Family sought to effectuate its control" over Local 560. The hearing evidence showed that Dyson maintained regular and purposeful association

with Sciarra. Dyson admitted to regularly meeting Sciarra in Hoboken at two social clubs. Dyson admitted to regularly socializing with Sciarra and invited him to his son's graduation party in June 1998. Moreover, Dyson freely admitted to discussing union business with Sciarra. Indeed, prior to his IRB sworn examination, and after he received his notice of sworn examination, Dyson discussed with Sciarra Dyson's notice and whether Dyson should attend the IRB-requested examination.

The hearing evidence also established Dyson's knowledge of Sciarra's organized crime ties. Dyson testified that he attended portions of Sciarra's trial in the federal district court and understood that Sciarra's bar from the IBT resulted from his LCN ties. In addition to the FBI evidence and Judge Debevoise identification of Sciarra as a member of LCN, national magazine articles and numerous metropolitan newspapers reported Sciarra's ties to the Genovese LCN Family and the Provenzano Group. On August 2, 1995, the IRB recommended charges against Sciarra for aiding Genovese LCN Family control over Local 560, being a member of organized crime and knowingly associating with other organized crime members. (Ex. 1 at 1). On November 15, 1995, Sciarra entered into an agreement with the IRB in which he permanently resigned from the IBT, Local 560 and all IBT-affiliated entities. (Ex. 2). The Chief Investigator on August 31, 1995 sent a letter to the Executive Boards of all New Jersey IBT locals that placed all members on notice that any purposeful association with Sciarra

could result in union charges. (Ex. 3).

Despite Dyson's knowledge of Sciarra's LCN ties and being on notice that association would result in charges, Dyson maintained a regular and purposeful association with Sciarra. This association continued despite Dyson's knowledge that another member, Ortense, whom he recognized from the Hoboken social clubs, had been barred from the union for similarly associating with Sciarra.

Dyson's knowledge of Sciarra's organized crime ties can be inferred from the length of their relationship as well as the nature of their association. A further test of knowledge of organized crime ties that are violative of the Consent Decree is:

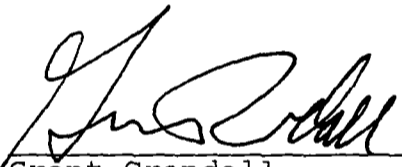
[i]n the absence of direct evidence of knowledge of the organized crime ties of an associate . . . such knowledge may be inferred from the duration and the quality of the association.

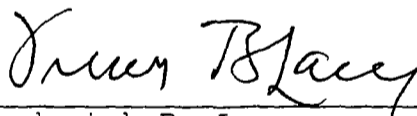
Investigations Officer v. Senese, et al, Decision of the Independent Administrator at 37, aff'd, United States v. IBT, 745 F. Supp. 908 (S.D.N.Y. 1990), aff'd, United States v. IBT, 941 F. 2d 1292 (2nd Cir. 1991). Given Dyson's close relationship with Sciarra, as evident from Dyson identifying Sciarra as a friend in his testimony, Sciarra attending Dyson's son's graduation party, and Dyson approaching Sciarra for advice regarding his IRB notice of sworn examination, Dyson's knowledge of Sciarra's organized crime ties can be inferred.

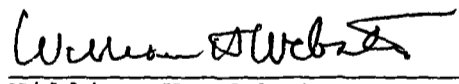
IV. CONCLUSION

Based upon the foregoing, the hearing evidence established just cause for a finding that Ronald Dyson brought reproach upon the IBT and knowingly associated with LCN member Michael Sciarra in violation of the IBT Constitution and Paragraph E(10) of the March 14, 1989 Consent Decree in United States v. IBT, 88 Civ. 4486 (S.D.N.Y.). Accordingly, Dyson is permanently barred from holding membership in or any position with the IBT, or any IBT-affiliated entity, in the future. Dyson also may not hereafter obtain employment, consulting or other work with the IBT or any IBT-affiliated entity.

Members of the  
Independent Review Board

  
Grant Crandall

  
Frederick B. Lacey

  
William H. Webster

Dated: October 29, 1999

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :  
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Plaintiffs, :  
 :  
-v- :  
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INTERNATIONAL BROTHERHOOD OF :  
TEAMSTERS, et al., :  
 :  
Defendants. :  
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MEMORANDUM & ORDER  
88 Civ. 4486 (DNE)

EDELSTEIN, District Judge:

WHEREAS on APRIL 22, 1999, the Independent Review Board ("IRB") issued an Investigative Report (the "IRB Report") and forwarded it to the General Executive Board of the International Brotherhood of Teamsters ("IBT") recommending charges against Local <sup>813</sup>~~377~~ member Ronald Dyson ("Dyson") for bringing reproach upon the IBT by knowingly associating with a member of organized crime, in violation of Article II, Section 2(a) and Article XIX, Section 7(b)(1), (2) and (9) of the IBT Constitution; and

WHEREAS by letter dated April 26, 1999, James P. Hoffa, General President of the IBT, advised the IRB he had adopted and filed the recommended charges against Dyson and that the charges were referred back to the IRB for adjudication; and

WHEREAS on May 3, 1999, at the direction of the IRB, John J.

Cronin, Jr. ("Cronin"), the IRB administrator, notified Dyson, by UPS overnight letter, that a hearing was scheduled for June 2, 1999, at 10:00 a.m., at the offices of the IRB, located at 444 North Capitol Street, N.W., Suite 528, Washington, D.C., and also gave Dyson the opportunity, in the alternative, to have the hearing in New York City, New York, if he were to reply within five days stating his preference; and

WHEREAS Dyson never replied to the May 3, 1999 letter requesting a preference site for his hearing; and

WHEREAS on May 19, 1999, at the direction of the IRB, Cronin informed Dyson, by UPS overnight letter, that the hearing was rescheduled for June 2, 1999, at 10:00 a.m., at the law offices of LeBoeuf, Lamb, Greene, & MacRae, 125 West 55th Street, 19th Floor, New York, NY; and

WHEREAS on June 2, 1999, the noticed hearing went forward before the IRB and Dyson did not attend, did not submit any papers in his behalf, and was not represented at the hearing; and

WHEREAS at the hearing, the IRB reviewed evidence, including Dyson's own sworn testimony, stating that the FBI considers Michael Sciarra ("Sciarra") to be a member of the Genovese La Cosa Nostra ("LCN"), and enumerating several instances where Dyson had extensive contact with Sciarra; and

WHEREAS by letter dater November 4, 1999, this Court offered Dyson the opportunity to submit written objections to Application LXXII by November 19, 1999 at 5:00 p.m.; and

WHEREAS Dyson never submitted any objections to Application LXXII to this Court; and

WHEREAS having reviewed the IRB's October 29, 1999 Opinion and Decision and all accompanying exhibits, including Dyson's own testimony, this Court finds that the charge against Dyson has been proven by a preponderance of the evidence; and


WHEREAS having reviewed the sanctions imposed by the IRB, this Court finds that the sanctions are proportionate to the severity of the misconduct of which Dyson was guilty; and

WHEREAS accordingly, this Court finds that Application LXXII of the IRB should be granted;

IT IS HEREBY ORDERED THAT Application LXXII of the Independent Review Board regarding the charges and sanctions imposed against Ronald Dyson is GRANTED.

SO ORDERED

DATED: New York, New York  
December 7, 1999

  
\_\_\_\_\_  
U.S.D.J.