

A new mob indictment



Tony Salerno

By PATRICE O'SHAUGHNESSY and STUART MARQUES

Daily News Staff Writers

Reputed Genovese crime family boss Anthony (Fat Tony) Salerno and 14 others were indicted yesterday on charges of rigging the election of a former Teamsters leader, controlling the city's construction industry and murdering a rival gangster.

In a 29-count indictment a federal grand jury said the 15, including six reputed Genovese family members, had extorted money from a food distributor, rigged concrete contracts of most major construction projects in Manhattan and had run illegal gambling dens.

The indictment was the latest salvo against city mobsters. Salerno

already faces charges of being a member of the national "commission" that runs organized crime.

He was ordered held without bail last night pending a hearing Wednesday. Prosecutors want to keep him in jail until the commission trial starts in September.

Other reputed mobsters are involved in two trials in Federal Court—the "pizza connection" heroin-smuggling case against the Bonanno family and rackets charges against Colombo family members.

U.S. Attorney Rudolph Giuliani said yesterday's indictment might "very well be the most comprehensive yet brought" because it showed "how organized crime can subvert the free enterprise system. The victims are everywhere."

The indictment said Salerno had helped arrange the 1981 election of

Roy Williams as Teamsters national president after reputed Cleveland mob associate Milton Rockman worked out a deal with other mob bosses in Cleveland and Chicago.

Resigned after conviction

Williams resigned after being convicted of trying to bribe a U.S. senator.

He is serving a 10-year prison sentence and has admitted taking payoffs from Kansas City mobsters. The indictment said Salerno and other mobsters had "influenced" Williams' decisions.

It said the Genovese family controlled Manhattan's construction trade through dominance of two Teamsters locals and a concrete workers union.

The family allegedly rigged bids for concrete subcontracts worth more than \$2 million and threatened to halt deliveries to construction sites.

"You're talking about millions and millions of dollars in some of the most important construction projects in Manhattan in the last five years," Giuliani said.

Major buildings

Among them were Trump Plaza on E. 61st St. and Dag Hammarskjold Plaza on Second Ave.

The indictment charged that the suspects had demanded kickbacks from Marathon Enterprises Inc. of East Rutherford, N.J., to distribute food products to various supermarket chains, street vendors and sports arenas. A company officer was among those indicted.

The indictment charged the Genovese family had run a widespread gambling operation and murdered people who "posed a threat."

It said the gang had killed reputed mobster John (Johnny Keys) Simone on Staten Island in 1980 and plotted to kill a man identified as Joseph Spencer Ullo in 1976.

U.S. getting the picture

By DANIEL HAYS

Daily News Staff Writer

Movie producer and reputed mobster Michael Franzese, in a novel plea arrangement, yesterday agreed to give the government rights to his latest film, serve 10 years in prison for racketeering and pay \$14.7 million in forfeit and restitution money.

Four associates of Franzese, reputed captain of the Colombo crime family, also entered guilty pleas before Brooklyn Federal Court Judge Eugene Nickerson. Charges remain against three others.

Franzese, 34, of Brookville, L.I., is an executive producer of the youth-gang, rap-music flick, "Knights of the City," which opened at area theaters last month. His film rights include a guarantee of \$1 million or more.

"We (the government) are in the movie business," said Edward McDonald, head of

Brooklyn's federal organized crime strike force.

He said Franzese's arrangement to pay \$10 million to the states of New York, New Jersey and Florida was the largest restitution ever agreed to in Brooklyn Federal Court.

Franzese, pleading to charges of racketeering conspiracy and tax fraud conspiracy, also agreed to pay \$35,000 in fines, \$4,748,112 as proceeds of his illegal operations and to serve five years probation.

The stepson of reputed Colombo underboss John (Sonny) Franzese had faced more than 20 years in prison.

He and eight others were charged last December in a 28-count indictment that alleged he had used sophisticated financial schemes to victimize major corporations and beat federal and state governments out of taxes.



Michael Franzese

Gotti's accuser reported in hosp

By STEWART AIN and JOSEPH McNAMARA

Daily News Staff Writers

Romual Piecyk, the reluctant witness in the assault trial of reputed Gambino mob boss John Gotti, did not appear in Queens Supreme Court again yesterday, but it was said he is in a hospital and will be on hand Monday.

And in another development, Piecyk's wife, Jeanette, was arrested as a material witness and, it was assured, also will be in court Monday.

Gotti, 44, and an aide, Frank Colleta, 48, of Maspeth, are charged with beating Piecyk and robbing the 37-year-old mechanic of his \$300 pay over a parking dispute Sept. 11, 1984.

Piecyk's hospitalization was announced by Assistant District Attorney Kirke Bartley. But Bartley did not say, nor did Justice Ann Dufficy ask, which hospital the witness is in or what ails him.

Bartley had promised to have Piecyk in court yesterday after he failed to show

Thursday. In pressing for adjournment to Monday, Bartley said: "I understand the complaining witness is in the hospital. I'm informed my office talked with him and he'll be released shortly and will be available on Monday."

Michael Coiro, defense attorney for Gotti, protested.

"It is my sincere belief this complaining witness from the time the articles appeared in the newspapers did not want to testify against these defendants," said Coiro, in asking for dismissal of the indictment.

Dufficy denied the dismissal and adjourned court until Monday.

Dufficy signed a warrant for the arrest of Jeanette Piecyk on grounds she was a material witness and had indicated she would not be responsive to a subpoena. After Jeanette Piecyk was brought into court, her attorney, David Lubash, told the judge there was some question about marital privilege, and her testimony.

He wouldn't harm a flea collar



DOG ESCAPES DEATH SENTENCE: Joe and Marion Greene of Warwick, R.I., are the new owners of Laddie, a dog who faced death after twice biting people. Laddie was set free after a court hearing but new owners were warned dog must keep his teeth to himself. AP