

Tapes Link Sharpton, Mob Before Work as Informant

Garbage, Boxing Deals Involved



Rev. Al Sharpton

Newsday / Viorel Florescu

This story was reported by Bob Drury, Robert E. Kessler, Bob Liff, Mike McAlary, Paul Moses and Manny Topol, and written by Drury.

Despite his denial that he dealt with organized crime figures before mid-1983, Rev. Al Sharpton Jr. had had business dealings with at least two reputed mob figures, according to court documents and conversations secretly recorded by the FBI and obtained by New York Newsday.

In 1980, according to federal prosecutors and court papers, Sharpton acted as a front man for Matthew Ianiello, a reputed member of the Genovese crime family, in an attempt to win a lucrative garbage collection contract with the Consolidated Edison Co. Three years later at a business meeting, Sharpton agreed to act as an intermediary between boxing promoter Don King and Michael Franzese, a reputed Colombo capo, according to the secretly recorded tape.

Last night, as Sharpton, 33, was leaving an anticrack rally in Bedford-Stuyvesant, he was asked about the two cases.

Regarding the meeting with Franzese, Sharpton, one of the city's most visible black activists, said: "Just because a guy's got an Italian name don't mean he's in the Mafia."

And Sharpton denied being a front man for Ianiello. "When we went to Con Ed, Con Ed didn't want to sell to us because of past ownership."

Asked whether he meant Ianiello,

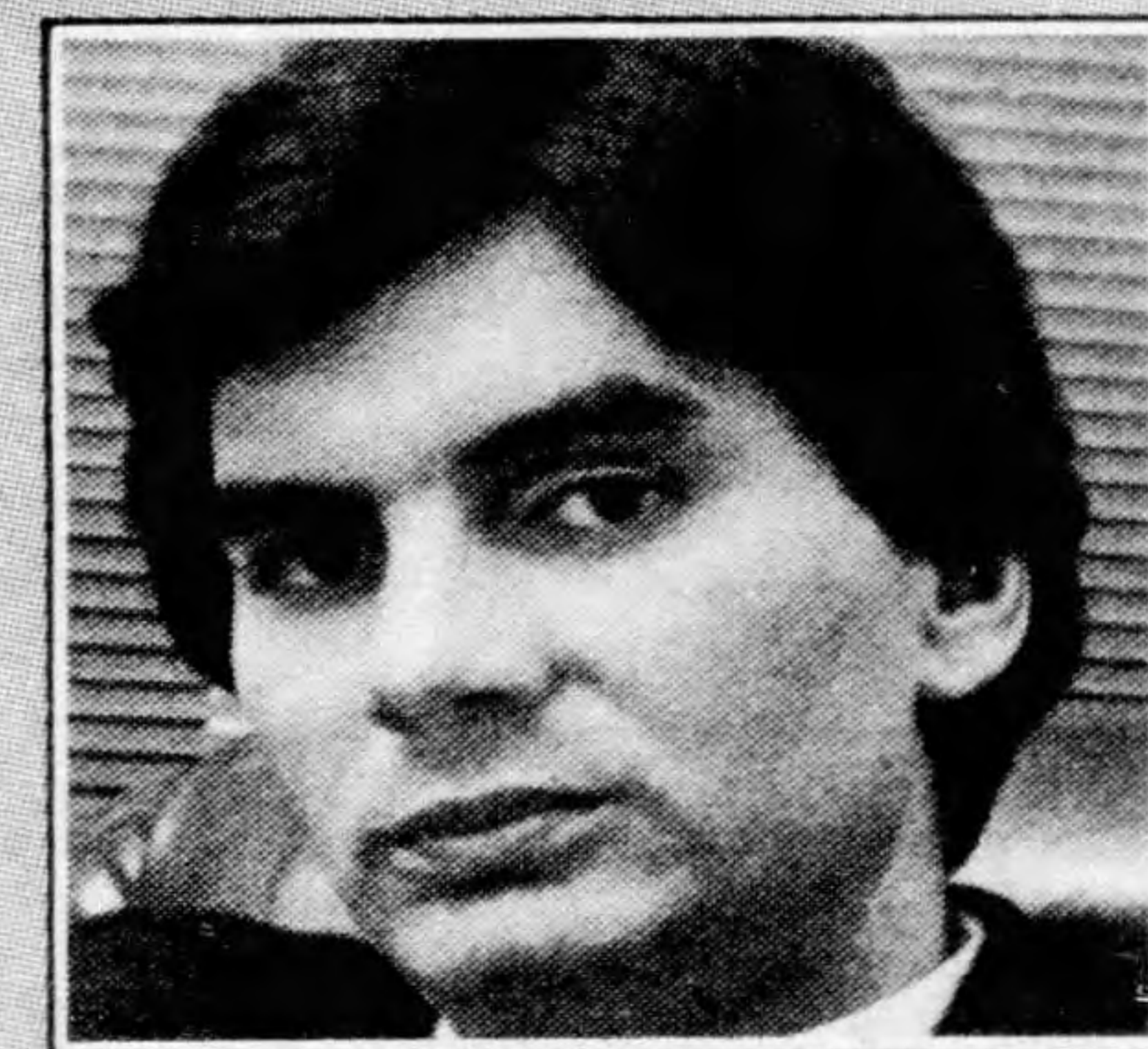
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Matthew Ianiello



Age 74, nicknamed "The Horse" . . . currently standing trial in federal court in Manhattan in racketeering activities with Anthony Salerno and alleged associates of the Genovese crime family . . . Respected as a money-maker within the ranks of organized crime . . . a restaurateur, he was part owner of Umberto's Clam House, where alleged Colombo crime family capo Joey Gallo was gunned down in 1972 . . . described by federal authorities as a former captain in the Catena organized crime family in New Jersey.

Michael Franzese



Age 35, formerly of Brookville, L.I. . . . A self-described film producer, but federal authorities contend he makes his living as a capo in the Colombo crime family . . . Was considered among the "new breed" of organized crime figures . . . Headed corporate ventures that included auto dealerships and construction companies . . . Currently serving a 10-year sentence for racketeering . . . The son of John (Sonny) Franzese, who is also behind bars, for parole violation following release from a 50-year term for bank robbery.

' . . . The Key Is What Mike Says'

In a 1983 Abscam-type sting operation aimed at infiltrating boxing promoter Don King's organization, FBI special agent Victor Quintana posed as a wealthy South American who wanted to promote prize fights. Quintana, wearing a body recorder, met with the Rev. Al Sharpton Jr.; Michael Franzese, a reputed Colombo family capo and son of Sonny Franzese, also reputed to be a capo in the Colombo family, and Reggie Barrett, a former trainer posing as Quintana's partner. Quintana was trying to convince King that his bogus company, TKO Promotions, had millions in ready cash. The operation was part of a four-year probe of boxing and King. Michael Franzese is serving a 10-year prison term after pleading guilty to a federal racketeering charge.

"This is agent Victor Quintana. Today is the 12th of January, 1983. The time now is approximately 8:56. At approximately 10 a.m. I expect the arrival of Michael Franzese. He will be accompanied by Rev. Al Sharpton. This device will be activated by me at the appropriate time."

Michael Franzese: So just getting along with this. Don King's concern right now is naturally, you know, he just got word and he's doing everything to be lily-white because they're still watching him and so-and-so-for, and he's got an obligation to the

government to make sure he's got no problems because the guy stuck his neck out to do what he did. Okay, so [King's] major concern was the same thing we're worried about. We're worried about getting paid from him.

Sharpton: All right.

Franzese: This is another thing I wanted to bring up with you. You know, we get involved with this guy [King] everything will be opened because that's the way it is with every investigation there is. Usually we enter into some kind of deal. And I got to let him know that everything we enter into is on the up-and-up and the money, there won't be any problem. That everything can be verified. You see we got to have this thing 100 percent clear. Because if we get involved with him it gets out right away.

Quintana: What else do you have there?

Franzese: Basically that's it. As far as getting involved with him, he was wide open to me, he said it would be 'my pleasure. Let's go ahead,' he said. 'I like doing business with you.'

Sharpton: All right. Sure.

Quintana: Did you talk about anything specific with [King]?

Franzese: We talked about doing several promotions he's got coming up . . . I spoke to him about

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Tapes Link Sharpton, Mob Before '83

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Sharpton said, "Yes."

"We didn't know that [Ianiello] owned it at the time . . . No one questioned us, no one brought us in to testify. I couldn't tell them anything about Ianiello's involvement."

According to court papers, however, Sharpton had several meetings with Benjamin Cohen, Ianiello's longtime associate who, at the time, shared an office with Ianiello.

The 1980 case involved efforts by Ianiello to win a contract for collecting garbage from Consolidated Edison Co. offices and sites in Queens. The firm had a policy of awarding the Queens contract to only a minority-controlled company. Con Edison spokesman Don Walden said yesterday: "[In] 1980, Rev. Sharpton came to and represented to us that he was [now] the majority owner of Consolidated Carting."

Since there was a clouded history to the firm, Walden said, Sharpton was told that he would be considered for the contract if he could "provide us with documentation [on his ownership claims]. He could not provide us with satisfactory documentation, and the matter ended there."

In January, 1983, the FBI used an Abscam-type sting operation in which special agent Victor Quintana, an undercover agent posing as a wealthy fight promoter, attempted to infiltrate the Don King boxing promotion organization using Franzese as a partner. The meeting, at an undisclosed Manhattan location, was attended by Quintana, Sharpton, Franzese and Reggie Barrett, a former boxing trainer who was posing as Quintana's partner.

During an interview with reporters from New York Newsday Monday night, Sharpton said that when he first agreed to work with the government he was unaware that any of the people he was currently dealing with were members of organized crime families. He said that if FBI agents supplied him with names of mob figures he would be willing to work on cases involving them. Specifically, he said, he was unaware at the time he met with Franzese that he was connected to

organized crime.

"I had nothing to do with Franzese," Sharpton said Monday. "He went to jail on some stuff that I didn't even know nothing about . . . I didn't know he was organized crime until after I had a meeting with him. Don told me later, 'You know he's Sonny Franzese's son. I can't say he's organized crime, but I'm not going to deal with him and I don't think you should either.'"

On the tape of the January, 1983, meeting, however, Franzese is heard boasting of his arrests and connections to organized crime. Sharpton is told by Franzese: "I have no problems other than what they should be. I got no convictions. I did no time. I had many arrests. But they resulted in no convictions. So I stay in the background . . . When it's established, I want to surface, when it can do the less damage . . . There is no way I can justify what I did, 'cause then they would make it an organized-crime scheme, money-laundering, the whole thing."

Sharpton subsequently offers to work as the middleman between Franzese and King.

"Don's got to feel he has somebody that can say, 'They said this last night. Everything is cool.' So I'll play that role. My role is to babysit Don."

Several months later, law enforcement sources said, Sharpton was shown a videotape of himself and Quintana discussing a cocaine deal. It was then, the sources said, that Sharpton agreed to supply federal agents with information on black activists, organized crime figures, drug dealers and election irregularities.

Sharpton disputes that claim. He has said that after the FBI confronted him about the tape, on which he claimed to turn down Quintana's offer to deal in drugs, he coincidentally agreed to begin working with federal agents.

He told New York Newsday Monday night that he carried concealed microphones in briefcases and accompanied undercover federal agents wearing body recorders to meetings with various subjects of federal investigations.

One federal law enforcement source



Newsday / Christopher Hatch

Al Sharpton, right, with lawyer Alton Maddox on radio program Wednesday.

said investigators considered Sharpton a link between black-owned enterprises and organized crime figures and that the mob considered him their prime connection.

"Sharpton's relationship with Franzese was one of . . . they viewed, when I say 'they,' the mob, organized crime, they viewed Sharpton as their black," the source said. "In other words, if they needed some type of introduction to somebody in the black community, i.e., Michael Jackson, Don King, that type of thing, Sharpton would be the go-between, OK, he would be the facilitator."

"They would think that they were dealing with Al's friends. See, that was part of it. He had that look of respectability around him, i.e., you know, he was trying to do something for the kids. He's a reverend . . . so it wouldn't stick up the antennas too much if this was somebody Al Sharpton brought around."

In the 1980 Ianiello case, the utility company had been waging a fight since

1977 to prevent Ianiello from controlling its commercial garbage collections, according to testimony by Con Ed executives at a 1986 federal trial of Ianiello on charges of racketeering in the carting industry.

Ianiello was eventually acquitted in Manhattan federal district court at a trial during which only a small amount of testimony concerned Sharpton and the Queens carting contract.

Con Ed officials testified at the trial that although they believed Consolidated Carting was controlled by Ianiello or his associates, the firm was continually trying to get Con Ed collection routes, despite a Con Ed policy forbidding doing business with mob firms.

Sharpton was not called as a witness at the Ianiello trial for reasons that federal prosecutor Margaret Groban declined to discuss yesterday.

Sharpton's business adviser for the deal, Clarence Jones, however, testified. Jones, a lawyer and publisher of the New York Amsterdam News in the early 1970s, testified that he and Sharpton had met with Benjamin Cohen, Ianiello's longtime business partner, to discuss the deal.

Jones testified that although he was convinced that Sharpton was not controlled by the mob, the minister's efforts to provide evidence on the matter "did not satisfy me."

Groban, summing up the government's case, said Ianiello and his associates "present to Con Ed the Rev. Alfred Sharpton, a well-connected black activist, and they pose him as a potential majority owner of the Consolidated Carting."

"Sharpton presented himself as a potential majority owner, but look at the [proposed purchase] agreement," Groban continued. "The [proposed] purchase price was only \$65,000, \$25,000 up front with a promissory note, and the remaining \$40,000 to be paid over time. There wasn't even any money required up front, and you have heard from the evidence that \$65,000 isn't even enough to buy one garbage truck."

"But Sharpton said, 'No, I'm not buying the equipment.' Then what is he buying? It was never made clear what in fact he was buying."

"Both Thomas Galvin, the auditor from Con Ed who reviewed the proposal, and Clarence Jones agreed that Con Ed's focus in looking at [Sharpton's] proposal was to determine whether or not Sharpton would have control over Consolidated Carting," Groban continued. ". . . How did Sharpton respond to the questions about his control? He knew nothing about the garbage business. He knew nothing about their finances, period, and he wasn't buying the Consolidated Carting equipment."

The Tape That Ties Sharpton

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doing something, not a hit and miss, but on a long-range basis. We can do it as TKO Promotions in accordance with Don King . . . We would have a lasting relationship . . .

* * *

Sharpton: The bottom line with Don is [that] . . . 'Michael says it's okay. It's okay.' That's how Don left it. And his exact words were, 'He is in a delicate position, Michael, but that's the way I want to do it.'

Franzese: We just, you know, said, things with Muhammad [Ali] went bad, checks being passed the one time and some bullshit.

Sharpton: Checks?

Franzese: You want one criminal to sit there and say his reputation is infallible and all that? We don't want to go in right away and say one guy's reputation is better than the other guy's."

* * *

Franzese: "If it comes out I'm in this . . ."

Quintana: "I don't want some reporter digging up an article."

Franzese: I have no problems other than what they should be. I got no convictions. I did no time . . . I wouldn't want people to indict, so what do I have to bring heat on everybody for no reason?

Sharpton: Just because of who you are.

Franzese: That's all. So I stay in the background two or three times, the fourth time, the fifth time, when it's established, I want to surface, when it can do the less damage. Unfortunately, some of us are in that position.

Quintana: I wouldn't want to see your name.

Franzese: There's no way I can justify what I did, 'cause then they would make it an organized-crime scheme, money-laundering and the whole thing.

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Sharpton: Let me say this, and I'm saying this out of respect for the man. Don King, remember one thing, the reason why I feel personally, Don is good people . . . I went to Don, talked to Don and Don met with Mike. It wasn't like Mike said, 'Are we going in or are we not going in?' Don didn't have to have a meeting if he wasn't willing to deal. It wasn't where anybody behind Don said, 'You got to meet with him.'

Franzese: I said, 'Let's not go in there unless we go in there right.'

Sharpton: I think the key is what Mike says. You gonna have to find how far you want to go and I think Don and Mike can work this out. I think that Mike and you [Quintana] ought to sit down and talk. As far as I can see, my role will be anything you want it to be. You may say you don't want Don. But somebody got to play the role with Don. Don's got to feel he has somebody that can say, 'They said this last night. Everything is cool.' So I'll play that role. 'Don, Mike said so and so about this.' 'Don, Bob Arum called.' You tell me what to tell him because I know how Don plays it . . . We may be able to make money. You know how the fight game is.

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Franzese: Rev what are you going to do now. What's your plan? Are you going back to Don?

Sharpton: Yeah. I'm going back over to Don . . . Because if there's money on the line I'm moving on over to there.

Franzese: OK. All right, Reverend!