



Department of Investigation

Press Release

District Attorney - New York County

Six Individuals And Three Companies Indicted On Racketeering Charges Involving Window Replacement Contracts

THURSDAY, SEPTEMBER 28, 2000

Manhattan District Attorney Robert M. Morgenthau and New York City Department of Investigations Commissioner (DOI) Edward J. Kuriansky announced the indictment and arrest of three individuals and three companies on racketeering charges for their roles in bid rigging and kickback schemes relating to window replacement contracts for residential cooperatives and condominiums in the metropolitan area.

The indictment charges that the members of the criminal enterprise, denominated the "Air Master Group," systematically defrauded the shareholders and residents of coops and condos by rigging bids on window replacement contracts, paying kickbacks to managing agents and board members to win contracts, laundering money to finance the payment of the kickbacks, and falsifying business records to cover-up the schemes.

MARK WISNER, and his companies, **AIR MASTER WINDOW SYSTEMS, INC.**, and **MARTECH WINDOW SYSTEMS, INC.**, have been indicted for Enterprise Corruption under New York's Organized Crime Control Act (OCCA). Also indicted for Enterprise Corruption are **IRWIN SANDLER** and his company, **SCIENTIFIC COMPACTOR CORP.**, and another individual, **LUIS FLORES RUIZ**.

The indictment charges that the structure of the Air Master Group had four parts. At the top tier of the Air Master Group was **MARK WISNER**, president of Air Master Window Systems. **WISNER** directed the criminal activities of the Air Master Group, including the offering and paying of bribes and bid rigging. On the second tier of the Air Master Group were individuals and business entities that were ostensibly commissioned employees or consultants for Air Master. They offered bribes and facilitated bid rigging for **WISNER**. They included **IRWIN SANDLER**, president of Scientific Compactor Corp. On the third level were individuals and companies that assisted **WISNER** and the Air Master Group in their criminal activities by laundering bribe money to them. **LUIS FLORES RUIZ**, a Mexican national, was supposed to establish "Air Master Mexico" for **WISNER**. **WISNER** wrote 26 checks to **RUIZ** most between \$9,000 and \$10,000. **RUIZ** cashed all of them at Air Master's bank and returned the cash to **WISNER**. The cash was then used to finance the bribes. **MARTEK** was a sister company to Air Master and engaged in similar conduct, including bid rigging, the payment of bribes and money laundering. On the fourth level of the organization were the managing agents and coop board members who accepted bribes in exchange for bid rigging and awarding contracts to Air Master.

Specifically, the indictment charges that **WISNER** paid bribes and engaged in bid-rigging to obtain the window replacement contracts at the following buildings:

- Taino Towers East Harlem Block HDF, 2253 Third Avenue, NY
- Dayton Towers Corp., 7800 Shore Front Parkway, Rockaway Beach, NY
- Park City 3 & 4 Apartments, 97-07 63rd Road, Rego Park, NY
- Pratt Towers, Inc., 333 Lafayette Avenue, Brooklyn, NY
- 39 Plaza Housing Corp., 39 Plaza Street West, Brooklyn, NY

- York Hill, Inc., 1540 York Avenue, New York, NY
- Contello Towers #2 Corp., 2015 Shore Parkway, Brooklyn, NY

Mr. Morgenthau said that the bribes paid ranged from under \$5,000 to over \$50,000. Losses to the buildings amounted to more than \$2 million.

In addition to the Enterprise Corruption charge, which is a B felony punishable by up to 25 years in state prison, the defendants are charged with Scheme to Defraud in the First Degree, Grand Larceny in the Second and third Degrees, Commercial Bribing in the First Degree, Combination in Restraint of Trade, and multiple counts of Falsifying Business Records in the First Degree.

For their role in the investigation, Mr. Morgenthau thanked the N.Y.C. Department of Investigation and the NYPD detective squad assigned to the District Attorney's Office.

Assistant District Attorney Robert Roach of the Rackets Bureau presented the case to the Grand Jury and will prosecute the case under the supervision of Rackets Bureau Chief Patrick J. Dugan and Deputy Chief Eric Seidel.