



NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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**ATTORNEY GENERAL HARVEY ANNOUNCES FILING OF COMPLAINT
TO REVOKE LICENSE OF COMPANY TIED TO MOB**

TRENTON – Attorney General Peter C. Harvey announced that the Division of Gaming Enforcement filed a complaint today with the Casino Control Commission to revoke the casino service industry licenses of Interstate Industrial Corp. and Interstate Drywall Corp. The Attorney General’s Office is also seeking to disqualify the company’s two owners, Frank and Peter DiTommaso.

Attorney General Harvey said the Division’s three-count complaint seeks revocation on the basis of the DiTommaso’s association with career offenders and career offender cartels, their lack of good character and supplying of false information to the Division.

According to Thomas Auriemma, Director of the Division of Gaming Enforcement, the complaint was required because of the Casino Control Commission’s issuance of licenses and qualifications to Interstate and the DiTommasos in July 2004, following a lengthy hearing. The Division filed an appeal of the Commission’s decision with the Appellate Division of New Jersey Superior Court. No date has been set for argument.

“The Division of Gaming Enforcement in the Attorney General’s Office has a superlative record of keeping organized crime out of Atlantic City and maintaining the integrity of the legalized gaming industry in New Jersey. This case is another example of Gaming Enforcement’s outstanding work under the leadership of Director Auriemma and his very capable staff,” Harvey said.

Attorney General Harvey said the Division is seeking “judgment that Interstate and the DiTommasos constitute associates of career offenders or career offender cartels, and that they are disqualified from continued non-gaming casino service industry licensure and qualification pursuant to the laws of the State.”

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The Attorney General noted that the complaint outlines how Gaming Enforcement presented information at the original Interstate hearing, and has since developed further information, that the DiTommaso brothers had ties to the DeCavalcante and Gambino organized crime families dating back to the 1980s. The complaint also charges that the DiTommasos gave false information to Division investigators in an attempt to mislead them concerning the DiTommasos' relationship with former New York Police Commissioner Bernard Kerik, who was nominated as the United States Secretary of Homeland Security.

According to the complaint, Joseph Watts, a Gambino associate, and Dominic Borghese, a Gambino soldier, met in the 1980s with Frank and Peter DiTommaso and were paid \$60,000 for "protection," including the handling of any union problems that arose at Interstate. The protection money was paid in two \$30,000 installments, once in the summer and once at Christmas time.

In another instance outlined in the complaint, Anthony Capo, a cooperating witness for the federal government, had a conversation with another organized crime associate, Anthony Rotondo, in which Rotondo told Capo: "The DiTommasos were 'with' the DeCavalcante Family and its boss, John Riggi." Capo was given employment by Frank DiTommaso at the recommendation of Rotondo, according to the complaint.

In the 1990s, Capo attempted to obtain work as a subcontractor for Interstate, but Capo was told by Watts that Capo could not get work because Interstate had become associated with the Gambino Family of LCN through Watts.

In December 2004, a federal jury in New York convicted Peter Gotti and Thomas "Huck" Carbonaro on numerous counts, including Gambino Family racketeering involving corruption within the construction industry in New York. Three "made" members: Rotondo, Michael "Mickey Scars" DiLeonardo, a Gambino capo, and Frank Fappiano, a Gambino soldier, provided testimony for the Federal Government about "longstanding and knowing ties among the DiTommasos, Interstate and organized crime."

"The Division presented evidence during the Interstate hearing in 2004 that the DiTommasos had a relationship with more than a dozen members and associates of organized crime and multiple organized crime-related businesses," Director Auriemma said. "These witnesses' testimony corroborates and substantiates much of the information that was presented by the Division at the hearing in 2004."

According to trial testimony, Rotondo was introduced to the DiTommasos in 1986 by John Riggi. Rotondo further testified that Riggi told the DiTommasos that they would be "with" Rotondo, who would assist them with any problems. Subsequently, at the request of the DiTommasos, Rotondo intervened with Colombo Family to allow Interstate to use non-union labor on several Manhattan construction projects.

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“In exchange for Rotondo’s assistance, the DiTommasos gave bags of cash to Rotondo, who shared it with the DeCavalcante and Colombo Families of LCN,” according to the complaint.

DiLeonardo testified that he was assigned to “service” the DiTommasos, and that the DiTommasos had requested favors, including intercession with the Carpenter’s Union, for which DiLeonardo was paid \$25,000 by the DiTommasos.

DiLeonardo also testified that he assisted the DiTommasos in limiting the use of a Teamsters’ foreman at a Staten Island landfill. In exchange, the DiTommasos agreed to pay \$100,000 to the Gambino Family.

The Division further alleged in the complaint that the DiTommasos gave false information to investigators about the DiTommasos’ relationship with former Police Commissioner Kerik. The alleged disinformation concerned renovations that Kerik had done on an apartment in the Bronx he had purchased in 1999.

Frank DiTommaso was introduced to Kerik in 1998 by former Interstate employee Lawrence Ray, who had a long relationship with Kerik, and who served as best man at Kerik’s wedding. Frank DiTommaso and Kerik then developed their own relationship.

According to the complaint, Kerik told Ray that Kerik did not have the money to purchase the apartment and still pay for repairs. In a series of E-mails from Kerik to Ray, Kerik solicited funds from Ray, indicated that he would provide information to Frank DiTommaso regarding New York City contracts, and provided advice concerning Interstate’s regulatory investigations.

Woods Restoration Services supervised and performed some of the repairs to Kerik’s apartment, at a cost of approximately \$200,000. According to the complaint, Kerik paid only \$17,800 toward the cost of these repairs. The remainder of the cost of the repairs was paid by Interstate.

“By directly and indirectly conferring money or other things of value on Kerik during a period in which Kerik was a high-ranking public official of New York City and was in a position to – and did – provide assistance to Interstate, the DiTommasos and Interstate attempted to influence Kerik in the performance or violation of his official duties,” Auriemma said. Kerik is not involved in the New Jersey casino industry, and the Division’s complaint does not charge him with any wrongdoing

The investigation was conducted by Division of Gaming Enforcement Deputy Director Mitchell Schwefel, Assistant Attorney General Gary Ehrlich and Deputy Attorney General Lane Stebbins and state investigators Robert Graham, Nancy Smith and Barbara Krauss.

Director Auriemma commended the New York City Department of Investigation for their invaluable assistance to the Division of Gaming Enforcement.

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