



Department of Justice

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District of Massachusetts

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**NEW BEDFORD MANUFACTURER AND MANAGERS ARRESTED ON CHARGES
OF CONSPIRING TO ENCOURAGE
ILLEGAL ALIENS TO RESIDE IN U.S. THROUGH HIRING
*ICE to Process Hundreds for Removal***

BOSTON, MA - Early this morning in an Immigration and Customs Enforcement-led investigation, federal authorities executed a search warrant at the New Bedford business Michael Bianco, Inc. (MBI). The owner of the company along with three managers were arrested on charges in connection with alleged hiring of illegal aliens. Another individual was arrested on charges that he provided fraudulent identification documents to workers at the factory, announced United States Attorney Michael J. Sullivan, Assistant Secretary of the Department of Homeland Security Julie L. Myers, and Immigration and Customs Enforcement Special Agent in Charge Bruce M. Foucart.

Following the arrests, criminal complaints were unsealed today charging MBI owner **FRANCESCO INSOLIA**, 50, of 3 Country Club Circle, Pembroke, Massachusetts; payroll manager **ANA FIGUEROA**, 40, of 150 Thompson Street, New Bedford; plant manager, **DILIA COSTA**, 55, of 43 Sherman Street, New Bedford; and office manager **GLORIA MELO**, 41, of 135 Sprague Street, Fall River, with conspiring to encourage or induce illegal aliens to reside in the United States, and conspiring to hire illegal aliens. **LUIS TORRES**, 45, of 500 South Second Street, New Bedford, was charged in a separate complaint with the knowing transfer of fraudulent identification documents. The defendants will appear in federal court today before a U.S. Magistrate Judge.

As a result of today's arrests and search warrant, hundreds of MBI employees will be interviewed carefully to determine their alienage and immigration status. Aliens who are unlawfully in the United States will be charged administratively and placed in removal proceedings.

"It is understandable that many from around the globe would want to come to live, work and raise families here in the greatest democracy in the world. However, this must be done in compliance with U.S. immigration laws - not in violation of them," commented U.S. Attorney Sullivan. "Employer accountability is essential to ensuring the integrity of the nation's immigration system and knowingly hiring illegal immigrants is a violation of law, plain and simple, and those responsible will be prosecuted."

“Unlawful employment is a powerful magnet driving illegal immigration,” said Assistant Secretary Myers. “Egregious hiring practices, widespread use of fraudulent documents, and blatant disregard for the rule of law made this case a priority for ICE.”

According to affidavits filed in support of the complaints and search warrant, MBI, located at 89 West Rodney French Boulevard in New Bedford, was established by **INSOLIA** in 1985 and specializes in the manufacture of handbags and other fine leather goods. Between 2001 and 2003, MBI won a number of Department of Defense contracts worth a total of approximately \$10 million to manufacture certain products for the U.S. military. In 2004, MBI received another Defense contract worth approximately \$82 million. As a result of these defense contracts, from 2001, MBI began to substantially increase its workforce. It is alleged that from 2001 through 2003, MBI had approximately 85 employees. In 2004, MBI nearly quadrupled its workforce to 325 employees. MBI has continued to expand and in 2005 had approximately 520 employees. According to the affidavits, it is alleged that MBI presently maintains a workforce of more than 500 employees.

Based on information provided to law enforcement by a cooperating witness as well as an undercover investigation in which an ICE agent posed as an illegal alien and obtained work at MBI, it is alleged that **INSOLIA** and other MBI employees working on his behalf have knowingly and actively been hiring illegal aliens to fill their expanding workforce. It is alleged that although MBI requires all prospective employees to produce proof of their identity and their eligibility to work, the company is aware that many employees have obtained fraudulent Alien Registration Cards, commonly known as “green cards,” and Social Security Cards. It is alleged that MBI management has even instructed prospective employees, including the undercover ICE agent, on how to obtain such fraudulent documents.

According to the affidavits it is alleged that the undercover ICE agent informed several MBI management level employees, including **INSOLIA**, that she had come to the United States illegally from Mexico “without papers.” It is alleged that **FIGUEROA** was one of two managers who informed the undercover ICE agent as to how she could purchase a fraudulent Social Security Card. According to the affidavits, one fraudulent document source to whom the undercover ICE agent was directed was **TORRES**, who works at Aries Record Shop located at 971 Brock Avenue in New Bedford. It is alleged that **TORRES** supplied the undercover ICE agent with a fraudulent Alien Registration Card and Social Security Card for a fee of \$120.

According to the affidavits, after beginning work at MBI the undercover ICE agent met separately with **MELO** and **INSOLIA** and explained that she had come from Mexico without papers and had no money to eat or a place to live. **INSOLIA** agreed to give her a \$150 advance on her pay despite understanding she had no papers.

According to the affidavits in December 2005, when word reached MBI that ICE officials were conducting an investigation at a nearby New Bedford company, **COSTA** announced over the loud speaker that **INSOLIA** had stated all MBI employees were free to leave the building. After the announcement, approximately 75 employees ran and hid - some in their vehicles and others in boxes on the third floor at MBI.

It is alleged that **INSOLIA** continues to maintain a workforce of which the majority are illegal aliens. It is further alleged that he intentionally seeks out illegal aliens because they are more desperate to find employment, and are thus more likely to endure severe workplace conditions he has imposed. It is alleged that these conditions include: docking of pay by 15 minutes for every minute an employee is late; fining employees \$20 for spending more than 2 minutes in the restroom and firing for a subsequent infraction; providing one roll of toilet paper per restroom stall per day, typically resulting in the absence of toilet paper after only 40 minutes each day; fining employees \$20 for leaving work area before break bell sounds; and fining employees \$20 for talking while working and firing for a subsequent infraction.

According to the affidavits, since 2002 the Social Security Administration (SSA) has been sending MBI "no match" correspondence informing the company that many of the Social Security Numbers that MBI was supplying the SSA on employees' W-2s forms, were fraudulent or invalid - oftentimes belonging to adolescents born sometime between 1991 and the present or belonging to individuals who were deceased. Specifically, in 2002, the SSA notified MBI that 19 of the 83 employee SSNs (or 23% of the workforce) it had submitted were deficient in some manner; similarly in 2003, 11 of 85 SSNs (13%) submitted were deficient; and in 2004, 10 of the 85 SSNs (12%) were deficient. In 2005, MBI submitted SSNs on two occasions - after the first submission, MBI was notified by the SSA that 36 of the 151 SSNs (24%) were deficient, and following the second submission MBI was informed that 142 of the 326 SSNs (44%) were deficient. In 2006, MBI was notified by the SSA that 301 of the 521 SSNs (58%) submitted were deficient. Most recently in 2007, MBI submitted 646 SSNs of which SSA has preliminarily determined that 428 (66%) of the SSNs are deficient.

If convicted, **INSOLIA**, **FIGUEROA**, **COSTA** and **MELO** each face a maximum sentence of 6 months in prison, and a \$3,000 fine for each illegal alien hired by MBI on the conspiracy to hire illegal aliens charge; and 10 years in prison, to be followed by 3 years of supervised release and a \$250,000 fine on the conspiracy to encourage illegal aliens to reside in the United States charge. **TORRES** faces a maximum sentence of 15 years in prison, to be followed by 3 years of supervised release, and a \$250,000 fine.

The investigation is continuing.

ICE has created a 24-hour toll-free hotline for family members of the illegal aliens who have been arrested to field questions about their locations and about the removal process. The phone number is: 866-341-3858.

The case is being investigated by Immigration and Customs Enforcement, with assistance from the Social Security Administration's Office of Inspector General, the Department of Defense's Criminal Investigative Service, the U.S. Department of Labor's Office of Inspector General, the Massachusetts Insurance Fraud Bureau, and the U.S. Postal Inspection Service. Public Safety assistance was provided by the New Bedford Police Department and the U.S. Coast Guard. It is being prosecuted by Assistant U.S. Attorney Donald Cabell in Sullivan's Criminal Division.

The details contained in the complaints are allegations. The defendants are presumed to be innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

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