



Union officers arrested for embezzlement

FOR IMMEDIATE RELEASE

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NEWARK, N.J. – Two union officers from Local 164 of the International Brotherhood of Electrical Workers (IBEW) were arrested today in connection with an embezzlement scheme that defrauded the union and its Apprentice Program of \$350,000, U.S. Attorney Paul J. Fishman announced.

Richard “Buzzy” Dressel, 63, of Montvale, N.J., and John DeBouter, 55, of Oakland, N.J., the business manager and president, respectively, of Local 164 (IBEW) in Paramus, N.J., were charged by Indictment with one count of conspiracy to embezzle from Local 164, two substantive counts of embezzlement from Local 164, one count of conspiracy to embezzle and four substantive embezzlement counts from the Joint Apprentice Training Fund (JATF) of Local 164. Both defendants are expected to appear before U.S. Magistrate Judge Cathy L. Waldor in Newark federal court later today.

According to the Indictment:

Dressel was an advisor to the Local 164 JATF, and Bouter was its director. Dressel allegedly used his position at Local 164 to give his then-girlfriend, a caterer, multiple sources of income at the union and at the JATF. In 2008 he instituted a “Captive Lunch Program” requiring the Apprentice Fund to use the girlfriend’s catering services to supply lunches to about 40 apprentice trainees for four days a week. For this she was paid approximately \$60,000 annually. Simultaneously, Dressel also hired her as member of his office staff at \$1,000 per week, plus 50 percent fringe benefits for health, pension and annuity funds. After eight months, she was given a raise to \$86,000 annually. In February 2009, she was assigned the part-time job of managing the union’s office building. Dressel and his girlfriend were married in June 2010.

The indictment also charges that in March 2010, Dressel and DeBouter went to the JATF’s Executive Board and demanded repayment to the union of \$108,196, representing what the defendants claimed the union mistakenly paid for Mrs. Dressel’s salaries from March 2008 through February 2010. Overall, the loss from fraud to both the union and the JATF is alleged to be approximately \$350,000.

The counts with which both defendants are charged are each punishable by a maximum potential penalty of five years in prison and a \$250,000 fine.

U.S. Attorney Fishman credited special agents of the Department of Labor, Office of Labor Racketeering and Fraud Investigations, under the direction of Special Agent in Charge Robert Panella; and special agents of the Office of Employee Benefit Security Act (EBSA) under the direction of Regional Director Jonathan Kay, with the investigation leading to today's arrests.

The government is represented by Assistant U.S. Attorney V. Grady O'Malley, senior litigation counsel, of the U.S. Attorney's Office Organized Crime/Gangs Unit in Newark.

The charges and allegations in the Indictment are merely accusations and the defendant is considered innocent unless and until proven guilty.

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