
3

Pizza Parlors: Safehouses for Drug Smugglers

In March of 1980, the Pennsylvania Crime Commission released a public report entitled "A Report of the Study of Organized Crime's Infiltration of the Pizza and Cheese Industry."

The report detailed how organized crime had cost Pennsylvania taxpayers incalculable millions of dollars in unpaid local, state and federal taxes. It documented how retail pizza shops were used as "safehouses" for illegal aliens, how millions of dollars were "skimmed" from these businesses each year. It described the murder and arson, the hijacking and theft, that have shadowed the industry's growth.

In the intervening five years since the report was issued, organized crime has continued to heavily influence this industry, using a seemingly legitimate business enterprise to further its criminal activity and subvert a legitimate society.

A year after the Crime Commission released its report, the F.B.I. and the Federal Drug Enforcement Administration initiated a major multi-state investigation into suspected heroin trafficking by what was loosely known as the "Sicilian Mafia."

Members of this organization, operating through a number of business fronts including numerous pizza parlors and restaurants, were responsible for the importation of multi-kilo lots of heroin into the United States.

In June of 1984, eight members of this heroin smuggling operation were indicted by a federal grand jury in Philadelphia. Among them was Albert Ficalora, who had been mentioned prominently in the Commission's 1980 "pizza" report in connection with an explosion at a pizza shop in which two arsonists were killed.

The D.E.A. noted that the investigation that led to the indictments *"showed strong ties of the operation to both the Bonanno and Gambino LCN families in New York."*

At about the same time the Philadelphia indictments were returned, a federal grand jury in New York City indicted six men with organized crime ties who also were accused of importing heroin into the U. S. Three of the defendants owned pizza shops in Pennsylvania and New Jersey.

The F.B.I., in a recent assessment of the situation, stated: *"As a result of the extensive multi-state investigation conducted into the heroin smuggling activities of Sicilian organized crime members in the U. S., it has been determined by federal investigative agencies that these individuals control a sizeable portion of the heroin importation business to the U. S."*

"These individuals, who are also believed to have associations with members of existing American organized crime families, are believed to be responsible for the importation of millions of dollars of heroin to this country."

"They all appear to be associated through various business ventures, particularly pizza parlors located through the Eastern Seaboard and as far west as Illinois."

Joel M. Friedman, the attorney in charge of the Philadelphia Strike Force, notes that the identification of Sicilian organized crime figures within the pizza industry *"should have a lasting impact upon our success in attacking organized crime in the future."*

U. S. Immigration and Naturalization Service records reflect that 8,862 Italian-Sicilian aliens have been arrested and deported from the United States between 1978 and 1983, the last year for which figures were available.

Frank Glogorski, an I.N.S. special agent assigned to the Philadelphia Strike Force, estimates that 90% of those aliens were working in pizza shops throughout America at the time of their arrest.

Because of the on-going linkage between the pizza industry and organized crime and in light of the developments involving drug trafficking, the Pennsylvania Crime Commission, in this report, has updated its earlier material. That update, gleaned from Commission files as well as investigations and prosecutions by federal, state and local law enforcement agencies, follows.

In the March 1980 report, the Commission noted that cousins to the former organized crime leader, Carlo Gambino, had operated pizza shops, restaurants and a disco in Philadelphia. The pizza shops were known as Father and Son Pizza and Joe's Pizza and were operated by Rosario and Giuseppe Gambino. The report also detailed various organized crime figures who frequented other Gambino-connected pizza shops in New Jersey.

On October 23, 1984, after a six-week trial, Rosario Gambino and Erasmo Gambino were convicted in U. S. District Court, Newark, N. J., of marketing one kilo of heroin in South Jersey. Rosario Gambino was sentenced to 45 years in prison and fined \$105,000, and Erasmo Gambino was sentenced to 34 years in prison and fined \$95,000.

Also sentenced were two of Rosario Gambino's cousins, both of Cape May, N. J. — Antonio Gambino, who was sentenced to 30 years in prison and fined \$50,000, and Antonio Spatola, who was sentenced to 34 years in prison and fined \$50,000.

According to federal authorities, the above individuals sold two pounds of heroin to federal undercover agents and guaranteed they could fill a monthly order of 22 pounds of heroin at a cost of \$4.3 million per order.

In conjunction with this case, the federal government submitted a sentencing memorandum via United States Attorney W. Hunt Dumont and Assistant U. S. Attorney Marianne Espinosa Murphy. The memorandum included background relating to Rosario Gambino which explains in detail the extent of his involvement in a major narcotics distribution ring and his leadership of that group. It also details his financial position and involvement in a number of other potential criminal areas. Excerpts of the memorandum follow:

"Rosario Gambino's criminal activities extended to arson and extortion as well. In 1980, the Bureau of Alcohol, Tobacco and Firearms presented a report of its investigation into a series of arsons which included highly incriminating evidence against Rosario Gambino. Notable among these arsons were two which plainly appear related to efforts by Rosario Gambino and his brother, Giuseppe Gambino, to take over a pizza franchise at the Cherry Hill Mall in Cherry Hill, New Jersey.

"Both Rosario Gambino and his brother were observed by local police officers at the scene of the pizza restaurant under suspicious circumstances following the arson. Shortly thereafter, the restaurant manager received an anonymous telephone threat to close the restaurant and return to New York. Two days later, the manager's automobile was destroyed by a firebomb.

"Two days after that arson, the manager received another anonymous telephone call in which the same caller said, 'How do you like what we've done to your car. What I did to your car, I'm going to do to you if you don't do what you're told. I'm going to take a gun in my hand and blow your face off. Get wise. Get smart. Close up. Turn your keys in.'"

The memorandum continues: *"... Rosario Gambino has dedicated his life to corrupt activities. The nature of the offenses attributed to him and the roles he has played in those offenses offer convincing proof that he is a professional criminal who is associated with an extensive criminal organization. According to investigative reports compiled by the Italian Ministry of the Interior, Department of Public Safety, the Pennsylvania Crime Commission and the New Jersey State Police, this organization is the Gambino crime family of La Cosa Nostra.*

"Turning to what is known about the other aspects of Rosario Gambino's life, one finds a financial picture which is simply not credible. His own attorney was unable to identify his occupation when asked to do so by the court. During the last few years, he has reported moderate amounts of income, approximately \$20,000 in his 1982 U. S. Individual Income Tax Return and approximately \$21,000 in his 1983 Income Tax Return. Yet he lives in a lavish home which is insured for \$150,000 and for which he makes mortgage payments of \$1,087.00 each month.

