

Department of Justice

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Eastern District of Michigan

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Former UAW Vice President Pleads Guilty to Conspiracy with Fiat Chrysler Executives

Norwood Jewell, the former Vice President of the UAW and the highest official in the UAW's Chrysler Department, pleaded guilty today to conspiring with other UAW officials and Fiat Chrysler executives to make illegal payments to union officials announced U.S. Attorney Matthew Schneider.

Joining in the announcement were Irene Lindow, Acting Special Agent in Charge of the U.S. Department of Labor – Office of Inspector General, Timothy R. Slater, Special Agent in Charge of the Detroit, Michigan office of the Federal Bureau of Investigation, Manny Muriel, Special Agent in Charge of the Detroit, Michigan office of the Internal Revenue Service – Criminal Investigations, and Thomas Murray, District Director, U.S. Department of Labor – Office of Labor-Management Standards.

Norwood Jewell, 61, of Swartz Creek, Michigan pleaded guilty to conspiring to violate the Labor Management Relations Act by accepting, arranging for, and approving illegal payments from Fiat Chrysler executives to high-level UAW officials from 2014 through 2016. After the now-deceased UAW Vice President General Holiefield retired in 2014, Jewell and other UAW officials began running the UAW's Chrysler Department, responsible for dealing with executives at Fiat Chrysler. During the plea hearing, Jewell admitted to participating in a conspiracy that had existed at least from 2009 through 2016 whereby Fiat Chrysler executives conspired with one another, with Fiat Chrysler, with UAW officials, and with the UAW to funnel money and things of value worth millions of dollars from Fiat Chrysler to UAW officials and the UAW. Fiat Chrysler and the UAW, and their executives and officials, used the joint UAW-Chrysler National Training Center in order to conceal and make the payoffs from Fiat Chrysler to senior UAW officials.

The things of value funneled to UAW officials from Fiat Chrysler included personal travel, golf resort fees, lavish meals and parties, theme park tickets at Disney World and Universal Studios, limousine services, designer clothing, designer shoes, golf equipment, electronics, and custom-labeled bottles of wine. Jewell admitted that in 2014 he had knowingly joined a "culture of corruption" and a conspiracy at the UAW that had been in place since 2009, whereby Fiat Chrysler illegally paid for lavish entertainment and other things of value for UAW officials.

Jewell himself admitted to approving tens of thousands of dollars in extravagant meals for high-level UAW officials paid for by Fiat Chrysler at Detroit's London Chop House and at multiple high-end steakhouses in Palm Springs, California in 2015 and 2016. For example, in July 2015, Fiat Chrysler paid \$8,494.37 so that the UAW's National Negotiating Committee, including Jewell, could dine at the London Chop House right before collective bargaining negotiations with Fiat Chrysler began. After the UAW and Fiat Chrysler negotiated a new collective bargaining agreement in September 2015, Fiat Chrysler paid \$6,912.81 for the UAW's negotiators, including Jewell, to again dine at the London Chop House in order to celebrate. The agreement that had been negotiated was then voted down by the UAW's membership. Jewell and other UAW officials also accepted almost ten thousand dollars from Fiat Chrysler through the National Training Center in order to pay for multiple rounds of golf at the Indian Canyons Golf Resort in Palm Springs for senior UAW officials.

As part of his plea, Jewell stated that other Fiat Chrysler executives continued the conspiracy to make illegal payoffs to senior UAW officials up through the end of 2016 after co-defendants and Fiat Chrysler executives Alphons Iacobelli and Jerome Durden left the company in June 2015.

Jewell is the eighth defendant to plead guilty in connection with the ongoing criminal investigation into illegal payoffs involving UAW officials and FCA executives. The following individuals have already pleaded guilty to their participation in the scheme and have been sentenced: former FCA Vice President for Employee Relations Alphons Iacobelli (66 months in prison), former FCA Financial Analyst Jerome Durden (15 months in prison), former Director of FCA's Employee Relations Department Michael Brown (12 months in prison), former senior UAW officials Virdell King (60 days in prison), Keith Mickens (12 months in prison), and Nancy A. Johnson (12 months in prison), and Monica Morgan, the widow of UAW Vice President General Holiefield (18 months in prison).

U.S. Attorney Schneider commended the outstanding work of the Internal Revenue Service – Criminal Investigations, the U.S. Department of Labor – Office of Labor-Management Standards and Office of Inspector General, and the Federal Bureau of Investigation in conducting a comprehensive criminal investigation into labor corruption activities involving a vital sector of the local and national economy.

“Today’s conviction of a UAW Vice President demonstrates that our efforts to clean up labor corruption will not rest until the 400,000 UAW members and their families are represented by union officials of honor and integrity,” said United States Attorney Matthew Schneider. “Labor leaders must always put the best interests of the hard working men and women of the union over their own personal interests.”

“Mr. Jewell chose to forsake his obligation to serve the rank and file of the UAW when he accepted and authorized his subordinates to spend in excess of \$40,000 in FCA funds on lavish meals, liquor, and entertainment. We will continue to work with our law enforcement partners to investigate those who facilitate illegal payments to union officials entrusted to negotiate on behalf of union members,” said Irene Lindow, Acting Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

“Mr. Jewell’s criminal actions were an effort to enrich himself and his colleagues at the expense of dues-paying UAW members and denied those same hard-working men and women the assurance that union leadership was bargaining in their best interests,” said SAC Slater. “The FBI will continue to work alongside our federal partners to expose these conspiracies and ensure those who violate the law are held accountable.”

“Mr. Jewell callously conspired with other UAW officials and Fiat Chrysler executives to accept illegal payments from funds meant for the hard working rank and file members of the UAW. IRS-CI is prepared to investigate any disregard of fiduciary responsibilities entrusted to corporate and union officials who aim to selfishly enrich their own pockets.”

“Protecting members against corruption perpetrated by their union leaders is critical to the mission of OLMS,” said Thomas Murray, District Director of the Office of Labor-Management Standards (OLMS) Detroit-Milwaukee District Office. “We will continue to work cooperatively with our law enforcement partners to ensure that anyone who abuses their union position for personal financial gain will be brought to justice.”

The case is being prosecuted by Assistant U.S. Attorneys David A. Gardey, Erin Shaw, and Steven Cares.