

Department of Justice

U.S. Attorney's Office

Eastern District of Michigan

FOR IMMEDIATE RELEASE

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**Former UAW Midwest CAP President Pleads Guilty to
Embezzling UAW Funds and Evading Taxes**

Edward "Nick" Robinson, the former President of the United Auto Workers Midwest CAP and the former Director of the UAW Labor and Employment Training Corporation, pleaded guilty today to conspiring with other UAW officials to embezzle over \$1 million of UAW dues money and to defraud the United States by evading the payment of taxes announced U.S. Attorney Matthew Schneider.

Joining in the announcement were Irene Lindow, Special Agent in Charge of the U.S. Department of Labor – Office of Inspector General, Steven M. D'Antuono, Special Agent in Charge of the Detroit, Michigan office of the Federal Bureau of Investigation, Sarah Kull, 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.

Edward "Nick" Robinson, 72, of Kirkwood, Missouri, pleaded guilty to conspiring to embezzle UAW dues money between 2010 and September 2019. Between at least 2010 and September 2019, Robinson served as the President of the UAW's Midwest CAP of Region 5 of the International Union, United Automobile, Aerospace, and Agricultural Workers of America ("UAW"). The UAW Midwest CAP is one of the UAW's Community Action Program Councils which are supported through UAW dues money. The UAW's Region 5 is headquartered in Hazelwood, Missouri, and covers the tens of thousands of UAW members in Missouri and the sixteen states to the southwest, including California and Texas. Robinson also served as the Assistant to the President of the UAW Labor and Employment Training Corporation headquartered in Hazelwood, Missouri. The UAW-LETC was supposed to provide workforce training and development programs.

During the plea hearing, Robinson admitted that he conspired with at least six other senior UAW officials in a multiyear conspiracy to embezzle money from the UAW for the personal benefit of Robinson and other senior UAW officials. Robinson and other UAW officials concealed personal expenditures in the cost of UAW Region 5 conferences held in Palm Springs, California, Coronado, California, and Missouri. Between 2010 and 2018, other UAW officials submitted fraudulent expense forms seeking reimbursement from the UAW's Detroit headquarters for expenditures supposedly incurred in connection with Region 5 leadership and training conferences. In truth, however, Robinson and his co-conspirators used the conferences to conceal the hundreds of thousands of dollars in UAW funds spent on lavish entertainment and personal spending for the conspirators.

For example, Robinson and other senior UAW officials used UAW money to buy sets of golf clubs, individual clubs, and other golf equipment that cost thousands of dollars. They spent over \$100,000 to purchase golf clothing, shirts, hats, sunglasses, golf balls, jackets, and fashion shorts from various pro shops at golf courses in California and Missouri. And they spent tens of thousands of dollars in UAW funds at the Indian Canyons golf course in Palm Springs on green fees for golfing outside of the time of the UAW conferences.

As part of the conspiracy, Robinson and his co-conspirators embezzled over \$60,000 in UAW funds for the purchase of boxes of cigars, humidors, cigar cutting equipment, and lighters from 2014 to

2018. The costs of the cigars were hidden within the expenses for the Region 5 conferences. Pearson caused the UAW to file false reports with the Department of Labor wherein the various embezzlement activity was concealed.

During search warrants executed by federal law enforcement in August 2019 in connection with the investigation, agents recovered dozens of cigars, humidors, and other tobacco-related items in the personal residences of UAW officials. In addition, agents seized hundreds of high-end bottles of liquor, hundreds of golf shirts, multiple sets of golf clubs, and over thirty thousand dollars in cash. Agents seized sets of golf clubs from the homes and offices of UAW officials which were paid for with embezzled UAW funds.

Besides using the UAW conferences to conceal the fraudulent use of UAW money for personal expenses, Robinson also wrote over \$500,000 in fraudulent checks from the UAW Midwest CAP account. Robinson then turned these checks into cash and kept some of the money for himself, shared some with other UAW officials, or spent the money on personal expenses to benefit himself and other high-level UAW officials.

Besides conspiring with other UAW officials to embezzle UAW funds, Robinson also conspired with other UAW officials to defraud the United States by impeding the Internal Revenue Service in the collection of taxes from Robinson and other UAW officials.

Based on each of his embezzlement and tax fraud conspiracy convictions, Robinson faces a maximum of five years in prison and a fine of up to \$250,000.

As part of his guilty plea, Robinson agreed to pay \$42,000 in restitution to the Internal Revenue Service owed on his own personal taxes. In addition, the court will determine additional restitution at the time of sentencing based on the embezzlement of UAW funds.

Robinson is the thirteenth defendant to plead guilty in connection with the ongoing criminal investigation into illegal payoffs to UAW officials by FCA executives and corruption within the UAW itself. 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), Nancy A. Johnson (12 months in prison), Monica Morgan, the widow of UAW Vice President General Holiefield (18 months in prison), former UAW Vice President Norwood Jewell (15 months in prison), and former senior UAW official Michael Grimes (28 months). In addition, the following UAW officials have pleaded guilty and are awaiting sentencing: former UAW Vice President Joseph Ashton and former senior UAW official Jeffrey "Paycheck" Pietrzyk.

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.

"Our office will never tolerate the abuse of union funds for the benefit of corrupt union officials," said United States Attorney Matthew Schneider. "We will continue our work until the men and women of the UAW have confidence that their union leadership is serving and advancing their interests – instead of the personal interests of union bosses."

"Robinson conspired with senior UAW officials to embezzle more than \$1,000,000 in order to personally enrich himself at the expense of the hard-working men and women of the UAW. We will

continue to work with our law enforcement partners to protect the financial integrity of labor organizations," stated Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

"It is hard to discuss the criminal behavior of these UAW executives without acknowledging the damage it has done to the faith union members have in their leadership," said Steven M. D'Antuono, Special Agent in Charge of the FBI's Detroit Field Office. "The FBI stands committed to these types of investigations in order to restore the union to its core purpose of negotiating for and protecting the rights of its hard-working members who put their trust in their union officials."

"Robinson not only defrauded his union members for ten years, he also defrauded the American people by causing false tax returns to be filed and not paying his fair share." stated Special Agent in Charge, Sarah Kull of the Internal Revenue Service – Criminal Investigation. "Today's guilty plea shows a tremendous lack of ethical character and greed."

"Instead of serving the interests of his fellow UAW members, Edward Robinson executed elaborate schemes to embezzle hundreds of thousands of dollars from the UAW, including dues paid by hard working union members, to fund an extravagant lifestyle for him and other high-ranking UAW officers," said Thomas Murray, District Director, U.S. Department of Labor, Office of Labor-Management Standards. "OLMS will continue to work with its fellow law enforcement partners and the U.S. Attorney's Office to remove corrupt union officers and other officials within the UAW International Union."

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