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This Week in Gang Land

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By Jerry Capeci

Feds Turn Down The Heat On Themselves; Give Sweet Deal To Luchese Wiseguy



Federal prosecutors who had repeatedly bumbled the facts in a mob racketeering case, gave a very sweet plea deal last week to a Luchese mobster facing a possible life sentence on racketeering, attempted murder and weapons charges, Gang Land has learned.

The deal means the White Plains-based prosecutors will likely be spared any further embarrassment of the sort that has plagued them in recent weeks for misstating key aspects of a [major mob prosecution](#) and grossly exaggerating the evidence they possessed in hearings before two different judges.

Prosecutors agreed to dismiss the heavyweight crimes and penalties against 39-year-old wiseguy Paul ([Paulie Roast Beef](#)) Cassano in return for a guilty plea to assault charges with recommended "sentencing guidelines" calling for a prison term from 12 to 18 months.



Paul Cassano G L



Steven Crea G L

Cassano pleaded guilty to conspiring "to commit an assault with a deadly weapon" against a rival Bonanno family associate whom prosecutors say was marked for death because he had dissed powerhouse Luchese family underboss Steven ([Stevie Wonder](#)) Crea in the summer of 2012.

There's no guarantee that Cassano, who was indicted last year on racketeering charges along with Crea, his son Steven D (Stevie Junior) Crea, and 16 other Lucheses, will receive a prison term between 12 and 18 months. But the longest stretch he can get is three years — still not bad for a wiseguy who was facing life two weeks ago.

And if White Plains Federal Judge Cathy Seibel does mete out more than 18 months — which is not an unreasonable proposition since the feds still maintain he was involved in a murder plot — his plea agreement with prosecutors Jacqueline Kelly, Scott Hartman and Hagan Scotten gives him the right to appeal it as

excessive.

In order to get the plea agreement, in which prosecutors stated that Cassano is neither a "subject or target" of any current investigation by the Manhattan U.S. Attorney's office, Paulie Roast Beef had to agree to some pain.

Cassano, who has been detained without bail since last May, agreed to forego a scheduled bail hearing at which his lawyers had planned to detail the government's misstatements. [Judge Seibel](#) cancelled the hearing, which means Paulie Roast Beef will remain behind bars until his sentencing, which is currently scheduled to take place in May.



Steven Crea Jr. G L

In addition, according to the official court docket sheet, Cassano's attorneys, Anthony DiPietro and Mathew Mari, agreed to withdraw their court papers in which they charge prosecutors Kelly and Hartman with abusing the grand jury process to obtain a faulty attempted murder indictment and with playing fast and loose with facts about their client at three bail hearings for the Creas.



Jacqueline Kelly G L

In the indictment, Paulie Roast Beef, the younger Crea and associate Vincent Bruno were charged with attempted murder for allegedly plotting to whack mob associate Carl Ulzheimer for blocking the elder Crea from entering a family social club in the Bronx while other Bonannos were inside arguing with the Lucheses about some unknown issue of grave Mafia importance.

DiPietro charged in a December court filing that prosecutors Kelly and Hartman had wrongly stated during bail hearings for the Creas that the FBI had several tape recorded conversations that backed up their claim that Cassano, Bruno and the younger Crea were involved in a plot to kill Ulzheimer.

They never explained just how they got that so wrong, but in their own court filings, and in a follow up bail hearing for Stevie Junior Crea, the prosecutors conceded that they had erroneously stated that a cooperating witness had tape recorded Bruno admitting his role — as well as those of Cassano and the younger Crea — in the murder plot.

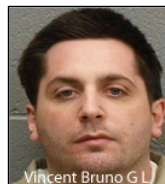
At the hearing the prosecutors were criticized by Judge Seibel for their misstatements, not only about the attempted murder plot, but also about another bogus claim that they had three tape-recordings linking Stevie Junior to the 2013 murder of Michael Meldish. Those tapes also were an apparent figment of federal imagination. The gangland-style slaying of Meldish, a longtime Luchese associate and the former leader of a violent gang of 1980s drug dealers known as the Purple Gang, is the centerpiece of the nine-count indictment.

In addition to the Creas, former acting boss Matthew ([Matty](#)) [Madonna](#), soldier Chris Londonio, and associate Terrence Caldwell are charged with the murder of Meldish, who was shot to death in front of his Bronx home behind the wheel of his car. All five defendants are detained without bail as potential dangers to the community. Nine months after the indictment, the Justice Department still hasn't decided whether to seek the death penalty for the quintet.



Scott Hartman G L

As Gang Land reported last month, despite her strong criticisms of the misstatements by the prosecutors, Judge Seibel kept Stevie Junior behind bars as a danger to the community after they assured the judge they had developed a new witness, a co-conspirator, who would testify that the younger Crea was involved in the Meldish rubout.



Vincent Bruno G L

Crea's lawyers filed notice they plan to appeal Seibel's ruling, but have yet to do so.

It's unclear whether Cassano's plea deal will spur plea negotiations for the 18 other defendants, for whom a status conference is scheduled later this month.

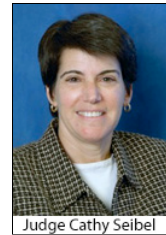
But Judge Seibel last week seemed to be encouraging some deal-making when she approved a request by the remaining defendants to use her courtroom for a codefendant meeting after the court session. Apparently, this will be their first mob sitdown about the case because the 11 detained defendants are housed in different facilities, one in Brooklyn, the other in Westchester.

In her order, Seibel wrote that she sought and got the okay for the meeting from the U.S. Marshal's office, which transports inmates to and from court, because in her "experience, such meetings can be helpful in reaching dispositions." She noted wryly that Paulie

Roast Beef's presence at the codefendant meeting is "presumably no longer required" since he has "disposed of his case."

In addition to his sentencing by Seibel, [Cassano](#) is awaiting sentencing by Manhattan Federal Judge Richard Sullivan for a bookmaking conviction stemming from the huge 2016 case against 46 mobsters and associates from five crime families. His "sentencing guidelines" in that case are four-to-10 months.

It's likely that he'll face the music before Seibel first, since that sentencing is already scheduled. It's a virtual certainty that no matter where Paulie Roast Beef gets sentenced first, his lawyer at the second go-round will ask that the prison term be concurrent to the first sentence, and the prosecutor will ask that it be consecutive.



Feds: Give Young Birdbrain Bank Robber Two Years Behind Bars



Michael Guidici G L

Michael Guidici may love animals, as his lawyer says. And they may feel the same way about him, as this photo of him with his attorney's cockatiel on his shoulder attests. But federal prosecutors say he was a bank-robbing birdbrain six years ago and he deserves two years behind bars for that — even though he was only 17 years old at the time.

The prosecutors say Guidici, who has a serious heart defect and has an implanted monitor that requires regular maintenance, does deserve a substantial break from his 37-to-46 month sentencing guidelines numbers. But they disagree with his lawyer, who is seeking probation, insisting that Guidici's young age when he committed the crime in April of 2012 was "the most important characteristic of the offense."

"The most important characteristic of the crime is that the defendant walked into a bank in his community, in broad daylight, and robbed it," the prosecutors wrote, arguing that even though he and his cohorts — [John J. Gotti](#), the grandson of the late mob boss, and Matthew (Fat Matt) Rullan — only made off with "just over \$5000," it was a serious crime.

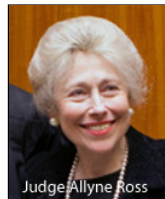
Prosecutors Lindsay Gerdes, Keith Edelman and Nicole Argentieri argue that passing a note saying, "I have a bomb," was a "brazen disregard for the well-being of others" even though he possessed no bomb or other weapons. A "customer or employee easily could have been injured," they wrote, "if anyone had believed the content of the note and acted to try to stop the robbery."

To dispute and discredit those claims, attorney Vivian Shevitz notes in her sentencing papers that the same prosecutors made no claim [last year](#) that it was an armed bank robbery when they arrested the three defendants and wrote in a detention memo that the trio used "Gotti's relationship with a teller (his girlfriend) in an attempt to steal money from the bank."

In asking Brooklyn Federal Judge Allyne Ross to give her client probation, Shevitz wrote that Gotti's girlfriend, an uncharged co-conspirator in the plot, knew that Guidici, wearing a sunglasses and black baseball cap disguise, did not have a bomb, and that no one else saw the note, and that Guidici left the bank before anyone else knew what had happened.



John J. Gotti G L



Judge Allyne Ross

But the attorney, a former federal prosecutor, saved her most strident language for probation officials who recommend a prison term within the "sentencing guidelines." They included seven paragraphs about the firebombing of a car by his codefendants and Bonanno capo [Vincent Asaro](#) two weeks earlier in their Pre-Sentence Report for Judge Ross, even though Guidici had nothing to do with that, she wrote.

Shevitz wrote that probation officials "suggest a bias" against Guidici by tossing those unrelated charges into the report, while at the same time ignoring that her client has been gainfully employed for years. Besides his youth, she noted that the officials had also ignored the "serious" nature of his heart disease and the assessment of prosecutors that Guidici deserves less time than his "sentencing guidelines."

The attorney noted that the PSR even painted Guidici's success in kicking admitted drug and alcohol problems in a negative way, not as a positive move by him to escape the drug-abusing peer group he hooked up with when he was 16. Her client, the son of Gambino soldier Frank Guidici, who was behind bars while Michael was growing up — from ages 4 to 14 — kicked his drug problem and changed his ways long before his arrest, wrote Shevitz.

Noting that the PSR stated that "the defendant did relay . . . that he is not interested in additional treatment to address his prior substance abuse problem," Shevitz wrote: "Why would he be interested in 'additional treatment' to 'address' his 'prior substance abuse problem' when all the evidence (ignored by Probation) shows that he has successfully rehabilitated himself?"

Michael Guidici is "a likable, respectful, positive, productive 22-year-old man, who successfully rehabilitated himself after an impulsive wrong step," Shevitz wrote. His crime, the lawyer added, was "apparently a moment testing Michael's 'chops' in the neighborhood. In Michael's life, it was an aberrant stage. He has matured. He deserves a second chance."



Frank Guidici G L

Merlino Jury Rehashes Seven Days Of Trial In First Day Of Deliberations



Joseph Merlino G L

Jurors spent their first day of deliberations yesterday rehashing the seven days of testimony and the tape recordings of government witnesses they heard during the racketeering trial of Philadelphia mob boss Joseph ([Skinny Joey](#)) Merlino. Then they retired for the day quietly — pretty much the same way the prosecution's case ended with their last two witnesses on Monday.

They were called to help corroborate the testimony by Wayne Kreisberg, the prime mover of a lucrative pain cream scheme that used bribes to obtain doctors' prescriptions for an expensive cream to bilk insurance companies, that Merlino was involved in the scam. In earlier testimony, Kreisberg, a Florida businessman, stated that he gave Skinny Joey \$100,000 in proceeds from the scheme.

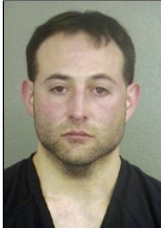
The final witness, Douglas Small, produced 10 charts derived from 6,800 entries that detailed how \$11.3 million moved in and out of accounts belonging to Kreisberg's companies and other defendants, including Kreisberg, [Brad Sirkin](#), Agostino (Augie) Camacho and Carmine Gallo. But none of the entries showed any cash going to Merlino or anyone connected with him.

On cross-examination, attorney Edwin Jacobs stressed that point, and brought out that the government paid Small \$90,000 to produce his charts — more than three times the \$27,000 that the FBI had given Merlino during its five year investigation through its main cooperating witness, turncoat mob associate John ([J.R.](#)) [Rubeo](#) — even though the charts didn't tie Merlino to a single illegal dollar from the pain cream scheme.

Before Small took the stand, Sergio Smith, a Florida businessman who told the jury he had no cooperation agreement and had volunteered to help the FBI and prosecutors because he was a "good citizen," linked Skinny Joey to the pain cream scheme through numerous conversations Smith said he had with a Merlino pal who was allegedly involved in the scam.

On cross examination though, Smith admitted that he had not told the FBI or federal prosecutors that in 2011, while he was in the midst of a divorce proceeding, he opened up a company in the name of a girlfriend in an effort to cheat his wife out of any profits the company generated.

He also admitted that in 2013, the company declared bankruptcy, and that he stuck his then-girlfriend with a tab of \$266,000 for goods he had purchased using her American Express Card, something he also neglected to mention to the FBI or federal prosecutors who had called him as a prosecution witness.



Wayne Kreisberg GL

"They found out about this when you learned about this during my cross examination yesterday, that the guy is a fraudster," Jacobs told jurors during his closing arguments on Tuesday as he ripped the FBI and [U.S. Attorney's](#) office for failing to do their proper due diligence about Smith "in their zeal to get anyone to say whatever they want against Joey."

Over and over, Jacobs drove home the point that Rubeo, the key prosecution witness who sought out and befriended Merlino and gave him \$27,000 in "FBI money" during six separate sessions — \$5000 five times and \$2000 once — never said at any point that the cash was proceeds from bookmaking, the pain cream scam or the collection of illegal debts.

"He could have," Jacobs said, the same way he told his Genovese supervisor, capo Pasquale (Patsy) Parrello, in a tape-recorded conversation: "This is \$3000 for the cigarette deal."

But he didn't, Jacobs argued, because Rubeo was afraid that [Merlino](#) would contradict him on tape and question what he was talking about.

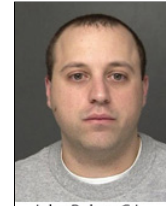
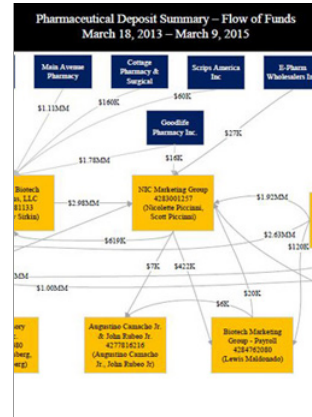
In conclusion, said Jacobs, "we think these witnesses are among [the worst](#) that ever set foot in a federal courtroom, and we are asking you not to rely on anything they have to say," imploring jurors to use "their common sense" in the jury room and "do the right thing" for Joey Merlino.

In his rebuttal, assistant U.S. attorney Max Nicholas defended the government's methods and motives during the investigation and trial, and belittled the defense strategy to portray Merlino as the "victim of a vast conspiracy" by suggesting prosecutors "brainwashed" and "indoctrinated" their witnesses.

"Those are incredibly serious things to say about the government and prosecutors," said Nicholas. "That's not the case and you know that's not the case."

Like Jacobs, AUSA Nicholas urged jurors to use their common sense, to a different end.

"Do not leave it at the courthouse door," said Nicholas. "Joseph Merlino is guilty as charged."



John Rubeo G L



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