



U.S. Immigration
and Customs
Enforcement

News Releases

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5 employers of Action Rags USA charged with hiring, employing illegal aliens

HOUSTON — A criminal complaint was unsealed today charging the owner and managers of Action Rags USA, an exporter and grader of used clothing, with conspiracy to harbor illegal aliens, inducing illegal aliens to come to the U.S. and engaging in a pattern or practice of hiring illegal aliens. These arrests were announced today by U.S. Attorney Don DeGabrielle, Southern District of Texas, and Robert Rutt, special agent in charge of the ICE Office of Investigations in Houston.

Those charged include the owner, Mabarik Kahlon (aka “Barco”), 45; his partner and uncle, Rasheed Ahmed (aka “Rachin”), 58; manager Cirila Barron, 38; resource manager Valerie Rodriguez, 34; and warehouse supervisor Mayra Herrera-Gutierrez, 32. Barron and Herrera-Gutierrez are illegal aliens who reside in Houston from Mexico; Kahlon, Ahmed and Rodriguez all reside in Houston. All five are scheduled to make appearances in court July 3 before U.S. Magistrate Judge Calvin Botley at 10 a.m.

The federal criminal complaint alleges the defendants were involved in a pattern and practice of hiring a number of illegal aliens to work at the plant and knowingly accepting false documents as proof of citizenship for those workers.

“Like most of ICE’s worksite enforcement cases, today’s criminal charges against the owners and managers of Action Rags are the result of a lengthy and complex investigative process,” said Robert Rutt. “However, building any criminal prosecution with the U.S. Attorney’s Office can take many months of investigation. ICE will do whatever it takes in these cases to ensure that justice is served.”

U.S. Immigration and Customs Enforcement (ICE) began its investigation into Action Rags following complaints in May 2007, leading investigators to locate and interview a number of former and current employees of the plant. According to the criminal complaint, the yearlong investigation revealed the following alleged criminal activity: the company did not complete I-9 forms to verify eligibility for employment; and the company hired undocumented aliens and paid them in cash until they were able to purchase fraudulent identity and social security cards from local flea markets.

ICE agents conducted an undercover operation in July 2007, according to allegations in the criminal complaint, during which a person posing as a fraudulently documented alien told the defendants she purchased her identification documents at a local flea market. The defendants accepted the documents and did not prepare an I-9 form or a W-4 form for tax withholding. The investigation resulted in discovering about 300 persons employed at the plant who worked a single shift from 7 a.m. to 3:30 p.m. daily, and to the subsequent execution of a search warrant on June 25, 2008 at the east Houston plant located at 1225 Port Houston, near the Houston Ship Channel.

The enforcement action resulted in the administrative detention of more than 150 illegal aliens, most from Mexico, discovered working at the plant. According to the complaint, employees had to supply their own water in the plant, which was not air-conditioned and poorly ventilated.

A criminal complaint is a formal accusation of alleged criminal conduct, not evidence. Each defendant is presumed innocent unless convicted through due process of law.

Assistant U.S. Attorneys Doug Davis and Ryan D. McConnell, Southern District of Texas, are prosecuting this case.

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U.S. Immigration and Customs Enforcement (ICE) was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of five integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.

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