



U.S. Immigration
and Customs
Enforcement

News Releases

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ICE probe of Nevada McDonald's franchisee results in guilty pleas by local corporation and current and former executives on immigration charges

McDonald's franchisee admits to two felony counts - agrees to pay \$1 million fine

WASHINGTON - One current and one former top executive for a franchisee that owns 11 McDonald's restaurants in and around Reno, Nev., and the corporation itself pleaded guilty in federal court in Las Vegas today to federal felony immigration offenses for encouraging illegal aliens to reside in the United States. These charges stem from an investigation by U.S. Immigration and Customs Enforcement (ICE) into allegations the company knowingly hired illegal alien workers.

U.S. Attorney for the District of Nevada Gregory A. Brower and Department of Homeland Security Assistant Secretary for ICE Julie L. Myers announced the plea agreements, which are the latest developments in an ICE probe that began in March 2007 after the agency received a tip about a possible incidence of identity theft from the sheriff's office in Lyon County, Nev.

In a hearing this morning in Las Vegas before U.S. District Court Judge James Mahan, attorneys for Mack Associates Inc., which owns the Reno-area McDonald's restaurants, pleaded guilty on behalf of the franchisee to one count of conspiracy to encourage and induce an alien's unlawful residence in the United States and one count of aiding and abetting an alien to remain in the United States, both felony offenses. Joe Gillespie, 53, of Sparks, Nev., the Director of Operations for Mack Associates Inc., also pleaded guilty to one count of aiding and abetting an alien to remain in the United States. Both defendants waived indictment by a federal grand jury and agreed to plead guilty to criminal informations.

The government and Mack Associates agreed that the corporation will pay a \$1 million fine -- \$500,000 for each count, the maximum allowed - and be placed on probation during the period that the fine is outstanding. The court accepted this agreement and sentenced Mack Associates today to one year of probation and ordered the corporation to pay the agreed upon \$1 million fine, with \$300,000 payable immediately and the balance to be paid within nine months.

The plea agreement details how Mack Associates' management employed individuals they knew

were in the country illegally, including two restaurant managers, by furnishing them with names and Social Security numbers belonging to other individuals.

In addition, Jimmy Moore, 47, the franchisee's former vice-president, pleaded guilty to one felony count of inducing an illegal alien to remain in the United States. At sentencing, Moore faces a maximum penalty of up to five years in prison and a \$250,000 fine.

A third defendant in the case, Anntoinette Richmond, 44, the corporation's controller, has been charged with one misdemeanor count of continuing employment of an unauthorized alien.

"This case should serve as a reminder to employers that knowingly hiring illegal aliens violates federal law," said U.S. Attorney Brower. "Companies and their managers who engage in such conduct are on notice that violations will be prosecuted and that the criminal penalties can be significant."

"This investigation clearly shows our resolve to pursue those who willfully violate our nation's hiring laws, regardless of their place on the corporate ladder," said Assistant Secretary Myers. "On television, criminal cases are wrapped up in an hour; but in real life, these investigations are complex and can take months, or even years, to build. We will invest whatever time it takes to ensure that those who flout the law are brought to justice."

In September 2007, ICE agents executed federal search warrants at the 11 McDonald's restaurants owned by Mack Associates in the Reno area and at the franchisee's corporate office. During the operation, agents encountered 58 illegal aliens who were working illegally at the McDonald's restaurants. The illegal alien workers were arrested on administrative immigration violations and processed for removal. Approximately 30 of those workers have been returned to their native countries. The remaining illegal workers were provided with documentation allowing them to remain in the United States pending the outcome of the criminal investigation.

Since its establishment in 2003, ICE has dramatically enhanced its efforts to combat the unlawful employment of illegal aliens in this country. ICE's comprehensive strategy for worksite enforcement is aimed at promoting national security and public safety, protecting critical infrastructure, and ensuring fair labor standards.

Thus far in fiscal year 2008 (October 2007 through July 11, 2008), ICE has made 937 criminal arrests in connection with worksite enforcement investigations. Of those, 99 involve owners, managers, supervisors or human resources employees who face charges ranging from harboring to knowingly hiring illegal aliens. In addition to the criminal arrests, ICE has made more than 3,500 administrative arrests for immigration violations during worksite investigations in that same time frame. Last year, ICE made more than 4,900 arrests in worksite enforcement cases, including 863 involving criminal violations. Last year's figure represents a 45-fold increase in criminal worksite arrests compared to fiscal year 2001. Furthermore, in fiscal year 2007, ICE obtained more than \$31 million in criminal fines, restitutions and civil judgments as a result of worksite related enforcement actions.

Editor's Note: ICE San Francisco Special Agent in Charge Mark Wollman will be available in Reno this afternoon for interviews. Please call ICE Public Affairs - 949-360-3096 - to schedule an

appointment.

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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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