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Superseding Indictments Charge Seven IFCO Managers with Violating Federal Immigration Law

On January 23, 2009, a federal grand jury returned superseding indictments on seven IFCO Systems of North America managers stemming from a U.S. Immigration and Customs Enforcement (ICE) investigation of illegal immigration and employment-related practices at IFCO's pallet management services plants nationwide. So far in the investigation, 16 IFCO managers and employees are facing criminal charges. Of those, nine have already pleaded guilty to a variety of federal criminal immigration charges and the remaining seven have been indicted.

On April 19, 2006, ICE agents, in concert with other federal and state authorities, conducted a work site enforcement action at over 40 IFCO pallet plants in 26 states, which resulted in the detention of 1,182 persons without authorization to work at those plants.

Last month, the United States reached a record corporate settlement with IFCO, pursuant to which the company agreed to pay \$20.7 million in civil forfeitures and penalties over four years.

The settlement amount included \$2.6 million in back pay and penalties relating to IFCO's overtime violations with respect to 1,700 of its pallet workers. IFCO also agreed to pay \$18.1 million in civil forfeitures that will be available to support future law enforcement activities. If IFCO fully complies with the terms of the settlement agreement, the United States Attorney for the Northern District of New York will not pursue corporate criminal charges against the company for the conduct of its employees related to the employment of illegal alien workers at IFCO pallet plants prior to April 19, 2006. ICE's announcement of the recent superseding indictments is available [here](#).