



June 27, 2024

FOIPA Request No.: 1501211-000
Subject: DONOVAN, RAYMOND

Dear

The FBI has completed its review of records subject to the Freedom of Information/Privacy Acts (FOIPA) that are responsive to your request. The enclosed documents were reviewed under the FOIPA, Title 5, United States Code, Section 552/552a. Below you will find check boxes under the appropriate statute headings which indicate the types of exemptions asserted to protect information which is exempt from disclosure. The appropriate exemptions are noted on the enclosed pages next to redacted information. In addition, a deleted page information sheet was inserted to indicate where pages were withheld entirely and identify which exemptions were applied. The checked exemption boxes used to withhold information are further explained in the enclosed Explanation of Exemptions.

Section 552		Section 552a	
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<input type="checkbox"/> (b)(2)	<input type="checkbox"/> (b)(7)(B)	<input type="checkbox"/> (j)(2)	
<input checked="" type="checkbox"/> (b)(3)	<input checked="" type="checkbox"/> (b)(7)(C)	<input type="checkbox"/> (k)(1)	
<u>18 U.S.C. §§2510-20</u>	<input checked="" type="checkbox"/> (b)(7)(D)	<input type="checkbox"/> (k)(2)	
_____	<input checked="" type="checkbox"/> (b)(7)(E)	<input type="checkbox"/> (k)(3)	
_____	<input type="checkbox"/> (b)(7)(F)	<input type="checkbox"/> (k)(4)	
<input type="checkbox"/> (b)(4)	<input type="checkbox"/> (b)(8)	<input type="checkbox"/> (k)(5)	
<input type="checkbox"/> (b)(5)	<input type="checkbox"/> (b)(9)	<input type="checkbox"/> (k)(6)	
<input checked="" type="checkbox"/> (b)(6)		<input type="checkbox"/> (k)(7)	

503 pages were reviewed and 262 pages are being released.

Please see the paragraphs below for relevant information specific to your request as well as the enclosed FBI FOIPA Addendum for standard responses applicable to all requests.

Based on the information you provided, we conducted a main entity record search of the Central Records System (CRS) per our standard search policy. For more information about records searches and the standard search policy, see the enclosed FBI FOIPA Addendum General Information Section.

In response to your negotiated Freedom of Information/Privacy Acts (FOIPA) request, enclosed are the processed documents.

This is the **first interim release** of information responsive to your FOIPA request. This material is being provided to you at no charge.

Duplicate copies of the same document were not processed.

Records that may have been responsive to your request were destroyed. Since this material could not be reviewed, it is not known if it was responsive to your request. Record retention and disposal is carried out under supervision of the National Archives and Records Administration (NARA), Title 44, United States Code, Section 3301 as implemented by Title 36, Code of Federal Regulations, Part 1228; Title 44, United States Code, Section 3310 as implemented by Title 36, Code of Federal Regulations, Part 1229.10.

For your information, a search of the indices to our Central Records System reflected there were additional records potentially responsive to your Freedom of Information/Privacy Acts (FOIPA) request. We have attempted to obtain this material so it could be reviewed to determine whether it was responsive to your request. We were advised that the potentially responsive records were not in their expected location and could not be located after a reasonable search. Following a reasonable waiting period, another attempt was made to obtain this material. This search for the missing records also met with unsuccessful results.

Please refer to the enclosed FBI FOIPA Addendum for additional standard responses applicable to your request. **“Part 1”** of the Addendum includes standard responses that apply to all requests. **“Part 2”** includes additional standard responses that apply to all requests for records about yourself or any third party individuals. **“Part 3”** includes general information about FBI records that you may find useful. Also enclosed is our Explanation of Exemptions.

Additional information about the FOIPA can be found at www.fbi.gov/foia. Should you have questions regarding your request, please feel free to contact foipaquestions@fbi.gov. Please reference the FOIPA Request number listed above in all correspondence concerning your request.

If you are not satisfied with the Federal Bureau of Investigation's determination in response to this request, you may administratively appeal by writing to the Director, Office of Information Policy (OIP), United States Department of Justice, 441 G Street, NW, 6th Floor, Washington, D.C. 20530, or you may submit an appeal through OIP's FOIA STAR portal by creating an account following the instructions on OIP's website: <https://www.justice.gov/oip/submit-and-track-request-or-appeal>. Your appeal must be postmarked or electronically transmitted within ninety (90) days of the date of my response to your request. If you submit your appeal by mail, both the letter and the envelope should be clearly marked "Freedom of Information Act Appeal." Please cite the FOIPA Request Number assigned to your request so it may be easily identified.

You may seek dispute resolution services by emailing the FBI's FOIA Public Liaison at foipaquestions@fbi.gov. The subject heading should clearly state "Dispute Resolution Services." Please also cite the FOIPA Request Number assigned to your request so it may be easily identified. You may also contact the Office of Government Information Services (OGIS). The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001, e-mail at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769.

Sincerely,



Michael G. Seidel
Section Chief
Record/Information Dissemination Section
Information Management Division

Enclosures

FBI FOIPA Addendum

As referenced in our letter responding to your Freedom of Information/Privacy Acts (FOIPA) request, the FBI FOIPA Addendum provides information applicable to your request. Part 1 of the Addendum includes standard responses that apply to all requests. Part 2 includes standard responses that apply to requests for records about individuals to the extent your request seeks the listed information. Part 3 includes general information about FBI records, searches, and programs.

Part 1: The standard responses below apply to all requests:

- (i) **5 U.S.C. § 552(c).** Congress excluded three categories of law enforcement and national security records from the requirements of the FOIPA [5 U.S.C. § 552(c)]. FBI responses are limited to those records subject to the requirements of the FOIPA. Additional information about the FBI and the FOIPA can be found on the www.fbi.gov/foia website.
- (ii) **Intelligence Records.** To the extent your request seeks records of intelligence sources, methods, or activities, the FBI can neither confirm nor deny the existence of records pursuant to FOIA exemptions (b)(1), (b)(3), and as applicable to requests for records about individuals, PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(1), (b)(3), and (j)(2)]. The mere acknowledgment of the existence or nonexistence of such records is itself a classified fact protected by FOIA exemption (b)(1) and/or would reveal intelligence sources, methods, or activities protected by exemption (b)(3) [50 USC § 3024(i)(1)]. This is a standard response and should not be read to indicate that any such records do or do not exist.

Part 2: The standard responses below apply to all requests for records on individuals:

- (i) **Requests for Records about any Individual—Watch Lists.** The FBI can neither confirm nor deny the existence of any individual's name on a watch list pursuant to FOIA exemption (b)(7)(E) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(7)(E), (j)(2)]. This is a standard response and should not be read to indicate that watch list records do or do not exist.
- (ii) **Requests for Records about any Individual—Witness Security Program Records.** The FBI can neither confirm nor deny the existence of records which could identify any participant in the Witness Security Program pursuant to FOIA exemption (b)(3) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(3), 18 U.S.C. 3521, and (j)(2)]. This is a standard response and should not be read to indicate that such records do or do not exist.
- (iii) **Requests for Confidential Informant Records.** The FBI can neither confirm nor deny the existence of confidential informant records pursuant to FOIA exemptions (b)(7)(D), (b)(7)(E), and (b)(7)(F) [5 U.S.C. § 552 (b)(7)(D), (b)(7)(E), and (b)(7)(F)] and Privacy Act exemption (j)(2) [5 U.S.C. § 552a (j)(2)]. The mere acknowledgment of the existence or nonexistence of such records would reveal confidential informant identities and information, expose law enforcement techniques, and endanger the life or physical safety of individuals. This is a standard response and should not be read to indicate that such records do or do not exist.

Part 3: General Information:

- (i) **Record Searches and Standard Search Policy.** The Record/Information Dissemination Section (RIDS) searches for reasonably described records by searching systems, such as the Central Records System (CRS), or locations where responsive records would reasonably be found. The CRS is an extensive system of records consisting of applicant, investigative, intelligence, personnel, administrative, and general files compiled by the FBI per its law enforcement, intelligence, and administrative functions. The CRS spans the entire FBI organization, comprising records of FBI Headquarters, FBI Field Offices, and FBI Legal Attaché Offices (Legats) worldwide; Electronic Surveillance (ELSUR) records are included in the CRS. The standard search policy is a search for main entity records in the CRS. Unless specifically requested, a standard search does not include a search for reference entity records, administrative records of previous FOIPA requests, or civil litigation files.
 - a. *Main Entity Records* – created for individuals or non-individuals who are the subjects or the focus of an investigation
 - b. *Reference Entity Records*- created for individuals or non-individuals who are associated with a case but are not known subjects or the focus of an investigation
- (ii) **FBI Records.** Founded in 1908, the FBI carries out a dual law enforcement and national security mission. As part of this dual mission, the FBI creates and maintains records on various subjects; however, the FBI does not maintain records on every person, subject, or entity.
- (iii) **Foreseeable Harm Standard.** As amended in 2016, the Freedom of Information Act provides that a federal agency may withhold responsive records only if: (1) the agency reasonably foresees that disclosure would harm an interest protected by one of the nine exemptions that FOIA enumerates, or (2) disclosure is prohibited by law (5 United States Code, Section 552(a)(8)(A)(i)). The FBI considers this foreseeable harm standard in the processing of its requests.
- (iv) **Requests for Criminal History Records or Rap Sheets.** The Criminal Justice Information Services (CJIS) Division provides Identity History Summary Checks – often referred to as a criminal history record or rap sheet. These criminal history records are not the same as material in an investigative “FBI file.” An Identity History Summary Check is a listing of information taken from fingerprint cards and documents submitted to the FBI in connection with arrests, federal employment, naturalization, or military service. For a fee, individuals can request a copy of their Identity History Summary Check. Forms and directions can be accessed at www.fbi.gov/about-us/cjis/identity-history-summary-checks. Additionally, requests can be submitted electronically at www.edo.cjis.gov. For additional information, please contact CJIS directly at (304) 625-5590.

EXPLANATION OF EXEMPTIONS

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552


- (b)(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified to such Executive order;
- (b)(2) related solely to the internal personnel rules and practices of an agency;
- (b)(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;
- (b)(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;
- (b)(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;
- (b)(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
- (b)(7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or (F) could reasonably be expected to endanger the life or physical safety of any individual;
- (b)(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or
- (b)(9) geological and geophysical information and data, including maps, concerning wells.

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

- (d)(5) information compiled in reasonable anticipation of a civil action proceeding;
- (j)(2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;
- (k)(1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;
- (k)(2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;
- (k)(4) required by statute to be maintained and used solely as statistical records;
- (k)(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;
- (k)(7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

This document is made available through the declassification efforts
and research of John Greenewald, Jr., creator of:

The Black Vault



The Black Vault is the largest online Freedom of Information Act (FOIA) document clearinghouse in the world. The research efforts here are responsible for the declassification of hundreds of thousands of pages released by the U.S. Government & Military.

Discover the Truth at: <http://www.theblackvault.com>

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1501211-000

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Transmit effected by Facsimile - UNCLAS

Precedence EMERGED

To: NEWARK

166-1888-324

Date: 12-30-80

From: FBIHQ

Time Transmitted -

Subject: RAYMOND JAMES DONOVAN
SPIN
BUDED 1-2-8 WITHOUT FAIL

Initials -

- Fingerprint Photo
- Fingerprint Record
- Map
- Newspaper clipping
- Photograph
- Artists Conception
- Other RELEASE FORM

Special handling instructions:

ATTN: SA [redacted] - SPIN DESK

Approved: [redacted]

059

FBI/DO

Handwritten notes in a circle:
 OHA #PTL
 161B
 12/30/80

161B-3133-1

SEARCHED _____ INDEXED _____
 SERIALIZED _____ FILED _____

C-9

b6
b7c

AUTHORITY TO RELEASE INFORMATION

TO WHOM IT MAY CONCERN:

I hereby authorize any Special Agent or other authorized representative of the Federal Bureau of Investigation bearing this release, or copy thereof, within one year of its date, to obtain any information in your files pertaining to my educational records including, but not limited to, academic, achievement, attendance, athletic, personal history, and disciplinary records; employment reports; and credit records. I hereby direct you to release such information upon request of the bearer. This release is executed with full knowledge and understanding that the information is for the official use of the Federal Bureau of Investigation. Consent is granted for the FBI to furnish such information, as is described above, to third parties in the course of fulfilling its official responsibilities. I hereby release you, as the custodian of such records, and any school, college, university, or other educational institution, credit bureau or consumer reporting agency, including its officers, employees, or related personnel, both individually and collectively, from any and all liability for damages of whatever kind, which may at any time result to me, my heirs, family or associates because of compliance with this authorization and request to release information, or any attempt to comply with it. Should there be any question as to the validity of this release, you may contact me as indicated below:

Full Name:

Raymond J. Donovan

Signature

Full Name:

RAYMOND J. DONOVAN

Type or Print Name

Parent/Guardian (if required):

Date:

11/20/80

Current Address:

[Redacted Address]

SHORT HILLS N.J. 07078

Telephone Number:

[Redacted Telephone Number]

See Sub A

section

memorandum

DATE: 12/30/80

REPLY TO
ATTN OF:

Supervisor [redacted]

b6
b7C

SUBJECT:

RAYMOND J. DONOVAN
SPECIAL INQUIRY FOR WHITE HOUSE
BUDED 1/2/81 WITHOUT FAIL

TO:

SAC, NEWARK (161-NEW)

161B-3133

On 12/30/80, [redacted] Special Inquiry Unit, FBIHQ, advised that FBIHQ had just received the special inquiry investigation request for Raymond J. Donovan who has been selected by President Elect Reagan for the position of Secretary of Labor. [redacted] advised that a teletype with background information regarding Donovan would be sent to Newark as soon as possible and that he was sending, by facsimile, release of information forms executed by Donovan. [redacted] furnished the following information regarding Donovan for the information of Newark so that investigation could be instituted at once:

Name	Raymond J. Donovan
DOB	8/31/30
POB	Bayonne, NJ
SSAN	053-24-0711
Residence	[redacted] Short Hills, New Jersey ✓
Wife	[redacted] ✓
Son	DOB [redacted] ✓
Son	DOB [redacted] ✓
Daughter	DOB [redacted] ✓
Brothers	David Donovan DOB 1913 Residence Bayonne, NJ Robert Donovan DOB 1921 Residence Red Bank, NJ [redacted] DOB [redacted] Residence [redacted] ✓ [redacted] DOB [redacted] Residence [redacted] [redacted] DOB [redacted] Residence [redacted] ✓

b6
b7C

Res [redacted] Done as applicant

12/31/80
Arrest checks
See P.D. insert
attn [redacted]

[redacted]

b6
b7C



(2)

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

161B-3133-2

SEARCHED	INDEXED
SERIALIZED	FILED

DEC 30 1980
OPTIONAL FORM
(REV. 7-78)
GSA FPMR

NK 161-New

Sisters

Eileen Donovan Connair
DOB 1919
Residence Red Bank, NJ
Claire Donovan
DOB 1923
Resides Cranford, NJ *4*

[Redacted]
DOB [Redacted]
Residence [Redacted] *4*

[Redacted]
DOB [Redacted]
Residence [Redacted] *4*

[Redacted]
DOB [Redacted]
Residence [Redacted] *4*

b6
b7C

Employment

Schiavone Construction, E.V.P.
1600 Paterson Plank Road
Secaucus, NJ
1/59 - Present

Norton Insurance Agency
Englewood, NJ
9/58 - 1/59

American Ins. Co.
Newark, NJ *4*
9/55 - 9/58

References and Associates

[Redacted]
[Redacted] NJ
Known 20 years

b6
b7C

Richard Callaghan
1600 Paterson Plank Road (Schiavone Con.)
Secaucus, NJ
Home 1- 111 Colt Road
Summit, NJ
Known 20 years

Ronald Schiavone (Schiavone Conl)
White House, NJ
Known 20 years

Joseph Dicarolis
Turnbull Lane (Schiavone Con.)
Bernardsville, NJ
Known 20 years

memorandum

DATE 12/30/80

REPLY TO
ATTN OF

Supervisor [redacted]

b6
b7C

SUBJECT:

RAYMOND J. DONOVAN
SPECIAL INQUIRY FOR WHITE HOUSE
BUDED 1/2/81 WITHOUT FAIL

TO: SAC, NEWARK (161-NEW)

161B-3133

On 12/30/80, [redacted] Special Inquiry Unit, FBIHQ, advised that FBIHQ had just received the special inquiry investigation request for Raymond J. Donovan who has been selected by President Elect Reagan for the position of Secretary of Labor. [redacted] advised that a teletype with background information regarding Donovan would be sent to Newark as soon as possible and that he was sending, by facsimile, release of information forms executed by Donovan. [redacted] furnished the following information regarding Donovan for the information of Newark so that investigation could be instituted at once:

Name	Raymond J. Donovan
DOB	8/31/30
POB	Bayonne, NJ
SSAN	053-24-0711
Residence	[redacted]
	Short Hills, New Jersey
Wife	[redacted]
	DOB [redacted] ALK NJ
Son	[redacted]
	DOB [redacted]
Son	[redacted]
	DOB [redacted]
Daughter	[redacted]
	DOB [redacted]
Brothers	David Donovan
	DOB 1913 1917 3 Island View Ct.
	Residence Bayonne, NJ
	Robert Donovan
	DOB 1921 31 [redacted]
	Residence Red Bank, NJ
	[redacted]
	DOB [redacted]
	Residence [redacted]
	[redacted]
	DOB [redacted] PIRA
	Residence [redacted]
	[redacted]
	DOB [redacted]
	Residence [redacted]

b6
b7C

b6
b7C

[redacted]

(2)



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

☆ GPO 1979 O-281-187 P O 4304

OPTIONAL FORM NO. 10
(REV. 7-76)
GSA FPMR (41 CFR) 101-11.6
5010-112

161B-3133-2

NK 161-New

Sisters

Fileen Donovan Connair
DOB 1919 143 LORINGTON CT.
Residence Red Bank, NJ
Claire Donovan
DOB 1923 1721 ALMGREST AVE
Resides Cranford, NJ

LUTON
ARREST LINE

[Redacted]
DOB [Redacted]
Residence [Redacted]

[Redacted]
DOB [Redacted]
Residence [Redacted]

[Redacted]
DOB [Redacted]
Residence [Redacted]

b6
b7C

Employment

Schiavone Construction, E.V.P.
1600 Paterson Plank Road
Secaucus, NJ
1/59 - Present

Norton Insurance Agency
Englewood, NJ
3/58 - 1/59

American Ins. Co.
Newark, NJ
9/55 - 9/58

References and Associates

[Redacted]

[Redacted] NJ
Known 20 years

b6
b7C

Richard Callaghan
1600 Paterson Plank Road (Schiavone Con.)
Secaucus, NJ
Home - 111 Colt Road
Summit, NJ
Known 20 years

Ronald Schiavone (Schiavone Con.)
White House, NJ
Known 20 years

Joseph Dicarolis
Turnbull Lane (Schiavone Con.)
Bernardsville, NJ
Known 20 years

Indicate page, name of paper, city and state.

THE DAILY NEWS
NEW YORK, N.Y.

Date: 12/17/80

Edition:

Title:

Character: 161-
or C-9

Classification:

Submitting Office:

(Mount Clipping in Space Below)

Ron taps Haig as secretary of state

By BRUCE DRAKE
Of The News Washington Bureau

Los Angeles—President elect Reagan yesterday named retired Gen. Alexander M. Haig to be secretary of state and expressed confidence that Haig would emerge unscathed from any inquiry into his role as a top aide in the Watergate-stained Richard Nixon administration.

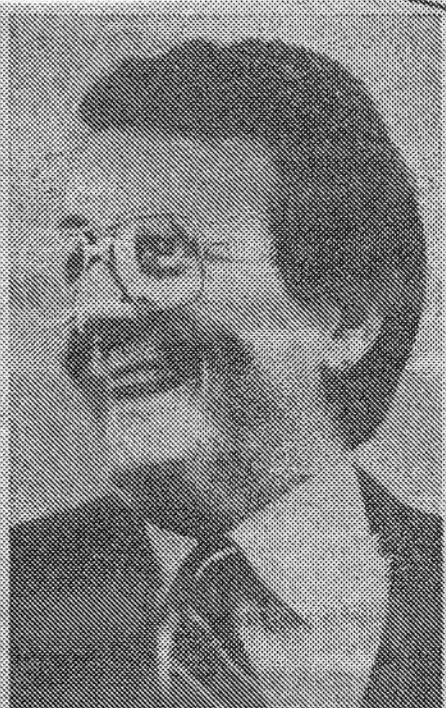
Reagan also announced that Raymond J. Donovan, 50, of Far Hills N.J., a construction company executive who served as Reagan's campaign manager for New Jersey, was his choice for labor secretary.

The designations bring the number of Reagan cabinet selections to 10—all of them men, all white, most of them well-to-do and all except two in their 50s or 60s.

REAGAN AGAIN did not appear personally for any formal announcement, and this time, unlike the unveiling of the first eight choices last Thursday, neither did the two newest nominees. A transition spokesman said Haig was home in Connecticut with the flu and a 102-degree fever.

But Reagan, met by reporters when he showed up in Beverly Hills for a haircut, did comment on both men. He brushed aside rumblings that Senate confirmation hearings on Haig would stir trouble over Haig's role in authorizing wiretaps on newsmen to track the source of leaks on the United States bombing of Cambodia in 1969 and on his role as Nixon's last chief of staff before the former President resigned because of the Watergate scandal.

"I am completely convinced that



Raymond Donovan, nominee for secretary of labor.

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en. Haig has the qualifications for this job and that there is nothing uninvented that could be brought up against him," said a relaxed and casually attired Reagan. He noted that former Watergate Special Prosecutor Leon Jaworski was interviewed on television the other night about Haig, and "he speaks very highly of him."

Reagan said the 56-year-old Haig is "the man for the job . . . because of the respect that he has or is held in by foreign leaders, particularly in Europe, because of his knowledge of world affairs (and) his integrity."

SENATE MAJORITY Leader Robert Byrd (D-W.Va.), who will be the minority leader in the next Congress, has warned that Haig would be subjected to intensive scrutiny. But Tennessee Sen. Howard Baker, who takes over as majority leader in the upcoming session, said his own inquiries gave Haig a clean bill of health and predicted that he would be confirmed easily.

Sen. Edward M. Kennedy (D-Mass.) has promised a tough grilling of Haig.

Kennedy said yesterday, "There've been serious questions that have been raised about Mr. Haig. I would certainly wait until the hearings themselves have been completed to make a final judgment, but I certainly hope that extensive hearings will be held on his nomination."

Kennedy said he is concerned with the prospect of a career military officer heading the State Department.

**"THIS IS A nomination that should
See CABINET Page 24**

not have been made," Sen. Alan Cranston (D-Calif.) said yesterday. "It will provoke a serious controversy that will jar the harmony that has prevailed since Ronald Reagan's election."

Cranston, who is a member of the Senate Foreign Relations Committee that will conduct confirmation hearings, said Haig's role in "matters involving Vietnam, Watergate and the Nixon pardon . . . must be and will be fully explored."

Haig served as an assistant to former Secretary of State Henry Kissinger in the Nixon administration before going to the job of chief of staff. Former President Gerald Ford named him commander-in-chief of the European Command of the North Atlantic Treaty Organization.

After retiring from the military and dabbling with a possible run for President this year—an idea he quickly abandoned—Haig took a job as president of United Technologies Corp., a defense conglomerate that is one of the nation's largest firms.

REAGAN SETTLED on Donovan for labor secretary even though one powerful labor group that had endorsed Reagan's candidacy—the Teamsters—was pushing hard for its own candidate, former National Labor Relations Board head Betty Murphy. But Reagan said that Donovan "had the approval of labor generally" and that Donovan's record convinced him the New Jersey resident would be "a completely fair man" with regard to anything that had to do with labor and management problems as faced by the secretary.

Donovan has been a vice president of Schjavone Construction Co. of Se-

caucus, N.J., specializing in labor relations for the company.

Reagan has yet to reveal his choices for the lesser cabinet posts of secretaries of housing and urban development, energy, interior, education and agriculture, as well as his selection to head the President's Council of Economic Advisers. Those remaining posts will provide his last opportunity to find a slot for a woman or a black.

In answer to a comment that it was beginning to appear that his cabinet would be devoid of women or minorities, Reagan said, "Don't keep score until the whole thing is in. Let me say there is no plot to rule them out."

TRANSITION SOURCES said that

Jewel S. Lafontant, a black woman lawyer from Chicago, is the odds-on favorite to get the job of housing secretary and that Wyoming lawyer James G. Watt is the selection for interior secretary. But there was less certainty on the other posts, particularly that of agriculture secretary. Various competing interest groups were in a fierce lobbying battle over that ultimate selection.

There has been some hard lobbying on behalf of New York State Sen. Roy Goodman of Manhattan for housing secretary, which would make him the only Jewish member of the cabinet so far. But when Edwin Meese, Reagan's transition director, was asked about Goodman, he said, "Who's Goodman?"

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THE STAR-LEDGER
 NEWARK, N. J.

Date: 12/17/80

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Submitting Office:

2 more for Reagan's upper

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By JEROME CAHILL

Washington (News Bureau)—Raymond Donovan, the Far Hills, N. J.,

construction company executive tapped by President-elect Reagan to be his secretary of labor, is a self-made man of conservative philosophy with a flair for political stagecraft.

As New Jersey chairman of the Reagan for President campaign, the 50-year-old executive vice president of the Schiavone Construction Co. of Secaucus is credited with persuading Reagan to launch his campaign for the White House on Labor Day with a pitch to blue collar voters in Jersey City's

Liberty Park, with the Statue of Liberty as a dramatic backdrop.

Donovan is a close friend of the conservative columnist William Buckley and of the equally conservative William Simon, former Treasury secretary in the Ford Administration, with whom he worked in trying to establish The Trib, a daily that had a brief existence in New York in 1977 but never caught on.

LABOR UNION leaders, especially those who deal with his company, the largest heavy construction firm in New Jersey, give him good marks. "He is very conservative, but he is also fair," said an AFL-CIO official. "His word is good, and he is honest."

A former Democrat who campaigned for Estes Kefauver in the 1952 Democratic presidential primary, Donovan proved to be an even more effective Republican campaigner for Reagan in 1980. He raised \$600,000 for the campaign in New Jersey, a total exceeded only in Reagan's home state of California, and he scored a big media coup when he arranged for Stanley Walesa, father of Polish free trade union leader Lech Walesa, to share the platform with Reagan at the Jersey City campaign kickoff.

Donovan was born in Bayonne, one of 12 children, and holds a bachelor's degree in philosophy from Notre Dame Seminary in New Orleans. He worked as an electrician and as an insurance salesman before joining the Schiavone firm in 1959 to handle the company's labor relations and finances. The company had assets of \$20,000 at the time. Today the firm's contracts are worth more than \$600 million.

Long active in the Catholic Church, Donovan is a member of the lay board of the Shrine of St. Joseph in Sterling, N.J. He is part-owner of Fiddlers Elbow Country Club in Somerset County.

Donovan is married to the former Catherine Salendorio. They have three children, Kenneth, 21, Mary Ellen, 18, and Keith, 15.

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NEWARK, NJ
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Reagan chooses Haig and Jerseyan for Cabinet

Star-Ledger Wire Services

WASHINGTON — President-elect Reagan made what promises to be his most controversial Cabinet selection yesterday — that of Gen. Alexander M. Haig as secretary of state.

He also neared completion of his Cabinet with the choice of New Jersey construction executive Raymond Donovan as labor secretary.

In tapping Haig, the President-elect dismissed concerns about the retired

general's role as a top adviser in the scandal-scarred Nixon White House.

Haig, 56, was a staunch defender of his embattled boss in the waning days of Richard Nixon's presidency, advising him not to resign despite the mounting evidence of complicity in the Watergate coverup.

Reagan spokesmen announced Haig's appointment and that of Donovan at a brief ceremony which neither man attended. Haig was ill with the flu at his Connecticut home. Donovan chose not to

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appear without Haig, and Reagan officials said both would be present when other Cabinet choices are announced, possibly later this week.

Haig's role in the Watergate scandal and in the pardon given Nixon after he resigned led congressional Democrats to question Haig's selection to be the nation's top diplomat even before it was announced.

However, Reagan told reporters in Los Angeles, "I am completely convinced General Haig has the qualifications for

this job and that there is nothing uninvited that could be brought up against him."

Haig, who was Nixon's White House chief of staff, commented yesterday in a telephone interview with the Associated Press. "I feel certain my confirmation will go without any problems. I would not have accepted the offer if I felt there were any serious problems."

In a written statement that accompanied the Cabinet choices, Reagan said the selections of Haig and Donovan would "send a signal to the world that America is on the march again."

Issuing what appeared to be an implied criticism of President Carter's conduct of foreign policy, Reagan said Haig's appointment would demonstrate "that our foreign policy will be clear, consistent and strong."

Reagan said he had chosen Haig "because of the respect that is held for him by foreign leaders, particularly in Europe, his knowledge of world affairs, his integrity."

Asked whether Reagan had any concern that Haig might not be confirmed, James Brady, press secretary for the transition, replied tersely, "No, he doesn't."

By naming Donovan to the top labor post, Reagan chose a self-made man who has never held an elective office or worked for the government.

Yet Donovan, who had little experience with political campaigns before working for Reagan's election, brought the Republican's campaign to the blue collar neighborhoods of New Jersey and

(Please turn to Page 6)

(Continued from Page One)

later became chairman of Reagan's state organization.

Donovan, 50, is executive vice president of Schiavone Construction in Secaucus, N.J.

Senate Democratic leader Robert C. Byrd has said that Haig's Watergate ties would come under "intense scrutiny" at confirmation hearings, scheduled to begin Jan. 9. Republican leader Howard H. Baker Jr. has said he has made a review Haig's record and believes Haig will be confirmed.

Aides to the President-elect believe they have the votes to push the confirmation through the new Republican-controlled Senate, yet they fear even a victory could have a considerable political cost.

During the Watergate scandal, Haig first counseled Nixon to hang on but after hearing the tape in which Nixon acquiesced to the cover-up, he told the President, "I just don't see how we can survive this one."

When the infamous 18½-minute gap on one tape recording was being explored in court, Haig offered what he called a "devil theory" on the hum that replaced conversations. "Perhaps some sinister force has come in," he said.

At the Washington ceremony and news conference, Brady was asked if Nixon was consulted about Haig's appointment, and he replied that the transition team does not comment on procedures.

Asked if it would be reflective of America's foreign policy to have a military man head the State Department, Brady replied, "If confirmed, yes." He did not elaborate.

Haig underwent coronary bypass surgery eight months ago, but has been



Alexander Haig
Love of country

active as president of United Technologies Inc., a leading defense contractor.

One transition source said that tomorrow, Reagan will name James G. Watt, head of a conservative public interest law foundation in Denver, to be interior secretary and that no final decision has been made on secretary of education.

Reagan, who last week named eight men to Cabinet posts, still has five top posts to fill. In addition to the secretaries of the interior and education, they are the secretaries of energy, housing and urban development, and agriculture.

So far his appointments include: Caspar W. Weinberger, 63, defense; Donald T. Regan, 61, treasury; Sen. Richard S. Schweiker (R-Pa.), 54, health and human



Raymond J. Donovan
Sensed the political shift

services; Howard M. Baldrige, 58, commerce; Drew Lewis, 49, transportation; Rep. David A. Stockman, 34, director of the Office of Management and Budget; William French Smith, 63, attorney general; William J. Casey, 67, director of the Central Intelligence Agency.

When Nixon promoted Haig two stars to full general in 1973, the President declared at the Oval Office ceremony marking the advancement that his protégé was "in the best soldier-statesman tradition of George C. Marshall."

Nixon's assessment, based seven years ago on diplomatic missions Haig had successfully carried out in Southeast

Asia and China, appeared particularly apt yesterday as the 56-year-old West Pointer and former supreme commander of NATO was designated to be secretary of state.

If confirmed, Haig would be the first career military man in the State Department job since Marshall, who was World War II chief of staff before taking over the crucial foreign policy post in 1947.

The anti-Communist right attacked Marshall during the tension-ridden early years of the Cold War, and Haig may similarly find himself the target of post-Vietnam liberals.

Their criticism focuses primarily on Haig's role as Nixon's chief of staff during the Watergate scandal and its immediate aftermath, when President Ford pardoned Nixon for all acts associated with Watergate. Haig is also faulted by the liberals for his role, as aide to national security adviser Henry A. Kissinger, in the Nixon Administration's wiretapping of government officials and reporters.

On the other hand, Haig's supporters praise him for "holding the White House and the nation together during the dark days of 1974" when Nixon teetered between resignation and impeachment, as Sen. John Heinz (R-Pa.) has said. And former Watergate prosecutor Leon Jaworski has praised him as the "moving force" who engineered Nixon's eventual resignation.

In the aftermath of Haig's nomination, the foreign service bureaucracy he will inherit seemed equally divided among doubters who remember Watergate and wiretapping episodes and those who see in Haig a strong leader who will resist what they regard as the ideological excesses proposed by some members of Reagan's foreign policy transition advisory team.

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Jersey labor reaction runs from positive to cautious

By DONALD WARSHAW

Reaction by organized labor to the naming of Raymond J. Donovan of Short Hills as President-elect Reagan's choice for secretary of labor was cautious, but generally positive.

New Jersey union leaders, especially those who have dealt with the 50-year-old construction company executive, were the most forceful in their support for the nomination.

The International Brotherhood of Teamsters (IBT), which reportedly made an all-out bid over the weekend to place former National Labor Relations Board chairman Betty S. Murphy in the government's top labor post, greeted the Donovan nomination cordially and pledged cooperation.

A Teamsters' spokesman yesterday predicted the Donovan nomination would be approved swiftly in the Senate.

State AFL-CIO chief Charles Marciante gave the nomination a warm reception. Marciante, however, said labor would have to get to know Donovan better.

"Sure, we're glad he's (Donovan) from New Jersey," Marciante said. "We hear he's a hard negotiator, but a fair one."

AFL-CIO President Lane Kirkland greeted the nomination with caution.

"I look forward to meeting Mr. Donovan. We offer him our pledge of cooperation in carrying out the processes of the Department of Labor to foster, promote and develop the welfare of the wage earners of the United States," the Kirkland statement said.

"He's an intelligent man and he knows the problems of working people," said John J. Pierson, president of Local 825 of the International Union of Operating Engineers, who has negotiated contracts and working conditions for 20 years with Donovan, who is executive vice president of Schiavone Construction Co. in Secaucus.

Al Beck, president of the Hudson County Building Trades Council, said: "I think he'll make a fairly good secretary. He's aware of our problems and I think we can talk to him."

Steve Hornik, head of the Monmouth-Ocean County Central Labor Union, hailed the choice.

"He has a reputation as a tough man, but fair. Although he is a tough son-of-a-gun, he's from New Jersey, so he's our son-of-a-gun," Hornik added.

James Carroll, business manager and secretary-treasurer of Laborers Union Local 472, said he was "very pleased" with the nomination.

"Ray Donovan's always been a good contractor and, more important, he's always dealt fairly with me," Carroll added.

James Kirk of the Carpenters Union and a State AFL-CIO vice president, said:

"If it's the Ray Donovan from Schiavone, I've dealt with him. He's a quality executive and treats the people who work for that company as one of the family."

Ed Pulver, secretary-treasurer of the State AFL-CIO and director of political operations in Hudson County, said he was generally optimistic about the Donovan nomination.

"I'm happy with the nomination, besides, I'm a Bayonne boy, and he comes from Bayonne," Pulver said.

Other labor leaders in New Jersey took a more cautious stance.

Al Wurf, state president of the American Federation of State, County and Municipal Employees, said:

"I'm glad he's from New Jersey, but unhappy he's a conservative. Too bad he's not a liberal from New Jersey."

The "bench mark" in assessing Donovan's past activity, Wurf said, was how the nominee dealt with unions at Schiavone Construction.

"Apparently, he does deal with them and gets along rather well. Will he get along with the American labor movement? Who knows?" Wurf said.

Helen Verhage, president of the Somerset County Central Labor Union (CLU), said she did not know Donovan personally and would have to get a "consensus of our own people."

Carl DeFazio, the Middlesex CLU director, said he didn't know much about Donovan either.

"All I know is that's he's a businessman. It doesn't really matter that he's from New Jersey. We can have friends or enemies, whether they're from New Jersey or elsewhere," DeFazio said.

William Kelleher, secretary-treasurer for Local 1245 of the United Food and Commercial Workers Union

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(UFCO), was hostile to Donovan's nomination and the Reagan cabinet choices in general.

"They ought to change the Pledge of Allegiance to the United States to the corporate states. It's a sad day when they can appoint a guy (Donovan) like that, ahead of the gal from California," Kelleher said, referring to Mrs. Murphy.

United Auto Workers union president Douglas Fraser said, "We hope that as secretary of labor, he will show an understanding of the problems currently faced by America's working men and women and by the millions of unemployed.

"We do not know Mr. Donovan but wish him well," Fraser said, adding he hopes the nominee "will have the necessary compassion to deal with" the problems facing the nation's labor force.

International UFCW president William Wynn was more receptive to the Donovan choice.

"I don't know Mr. Donovan and welcome the opportunity of meeting with him," said Wynn, head of the 2.2-million-member UFCW. "We'll be more than happy to try and work with him.

"We probably had a slight preference (for Murphy), we know Betty, but I expect we'll get to know the new secretary of labor," Wynn said.

"It doesn't bother me that he's from the other side of the table. Ray Marshall (present secretary of labor) is from the other side and has worked well with labor, as did John Dunlop.

The Teamsters' reaction came after a phone conversation Friday evening with the President-elect in which IBT president Frank Fitzsimmons reiterated his strong support for Murphy for labor secretary.

"He's (Reagan) the President of the United States and I don't want to criticize him. He's got the right to pick the people he thinks are best for the job," said Thomas (Teddy) Gleason, president of the International Longshoreman's Association.

"A lot of us were looking for Mrs. Murphy, and I came out for her myself," Gleason said.

Frank Drozak, president of the Seafarers International Union, said he's had dealings with Donovan in the past and both "liked and admired" him. Drozak, a strong supporter of President Carter's re-election, predicted a "highly successful" term in office for Donovan.

The Teamsters were the largest union to endorse Reagan's candidacy and one of the few labor organizations to do so.

Reagan and vice president-elect Bush visited Fitzsimmons at Teamster headquarters in Washington to offer their thanks after the vote, and Teamsters are playing key roles on both the inaugural and transition teams.

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A construction exec who knew the score

By DAVID WALD

Raymond J. Donovan, the 50-year-old construction company executive named yesterday by President-elect Reagan to be the next secretary of labor, is a man who never forgot his roots.

A wealthy man, living very comfortably now in a big house on a quiet, out-of-the-way street in Short Hills — Donovan never forgot that his true home was Bayonne.

He never broke the spiritual ties that bound him to the Hudson County community, where Republicans have long been an endangered species, and knew, though most people scoffed at the idea, that the Democratic bastion was ripe for a Reagan victory.

His sense of the shifting political tides — that the blue collar wage earner wanted to bring home a paycheck unravaged by inflation — led him to construct a campaign strategy that turned a 69-year-old former movie star and former California governor into the next occupant of the White House.

While political associates in New Jersey marveled at his close friendship with Reagan, Donovan successfully convinced the President-elect to kick off his

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general election campaign on Labor Day in Jersey City's Liberty State Park — in a city where Democratic politicians boast they run an organization second only to the machine in Chicago.

And when Reagan came back to New Jersey, Donovan steered him far from Republican territory. Reagan went to Paterson and Lodi, and five days before Election Day, to a Bayonne tavern, where he tried to amble up to a bar with a \$20 bill Donovan slipped into his fist to buy a round for the boys.

A personal friend of Reagan for several years, his fierce loyalty to the former California governor was tested when he took on the task of helping to raise money for Reagan's primary campaign in 1979.

In one night in September of 1979, he raised \$175,000 for Reagan at a reception at Fiddler's Elbow, a country club he owns in Bedminster with business partner Ronald Schiavone.

He went on to raise several hundred thousand dollars more for Reagan, and hosted Nancy Reagan at his Short Hills home in April.

Originally the New Jersey finance

(Please turn to Page 5)

Reagan could not get near the bar because the place was too jammed with excited supporters — all blue collar working people.

By the numbers, Reagan lost Hudson County by a scant 4,000 votes, but his overwhelming sweep of New Jersey and the rest of the country confirmed Donovan's and other advisers' convictions that the New Deal's Democratic coalition was breaking apart.

Donovan, the executive vice president of Schiavone Construction Co. in Secaucus, knew that the sandhogs and road builders who carried their union cards crushed in their wallets were ready to vote Republican. He called them "street corner conservatives."

Donovan received his own political reward yesterday with the Reagan nomination to be secretary of labor. The President-elect, in a prepared statement released in Washington, D.C., said Donovan would bring "experience, intelligence and creativity" to the job.

Donovan, a quiet and private man whose sense of humor is usually directed at himself, was little known in Republican circles when he took command of the Reagan campaign in New Jersey last spring.

(Continued from Page One)

chairman, Donovan was elevated to co-chairman of the campaign while Hamilton Township Mayor John Rafferty was eased out of decision-making roles. Rafferty had been appointed New Jersey campaign chairman by John Sears, Reagan's original campaign manager fired after the New Hampshire primary.

In a northeastern state, Sears had wanted a Republican politician with a moderate reputation to serve as the head of the campaign. But with Sears gone, Donovan was the one with close ties to the Reagan organization.

By the time of the Republican National Convention in Detroit, Donovan was clearly the man in charge.

"It became apparent that Donovan would better serve the Governor's needs," said Thomas Bruinooge, Donovan's close political adviser and state vice chairman for Reagan.

"Through his personality, action and attitude, he evolved into the leader," added Bruinooge.

Donovan's take-charge manner frequently forced him into conflicts with Republican State Chairman David Norcross over the handling of the campaign, but both men kept their strategic disputes quiet while Donovan retained his direct link to Reagan.

Donovan's single previous activity in Republican politics in the state was helping to raise money for former State Sen. Raymond Bateman's 1977 gubernatorial campaign.

Bateman, who first met Donovan in 1963 at a businessmen's luncheon, described Donovan as "a very private guy, very devout and very religious."

Growing up in Bayonne, Donovan, one of 12 children, thought about becoming a priest. A graduate of St. Andrew's grammar school, Donovan spent one year at St. Peter's Prep in Jersey City before entering the Missionary Servants of the Most Holy Trinity in Alabama, an order dedicated to charitable and social work.

He returned home in 1952 after being graduated with a degree in philosophy from Notre Dame Seminary in New Orleans. In 1948, his mother had died, and it was his turn when he came home to care for five younger brothers and sisters.

In 1952, he attempted to drum up support in Hudson County for Sen. Estes Kefauver's campaign for Democratic presidential nomination.

"That's when I was really politically naive," Donovan recalled recently. "I brought him into Jersey City but Mayor Kenny refused to see him. Kefauver tried to put him in jail six months before."

In 1953, he went to work for American Insurance and joined the firm's surety bonding department in 1954.

It was in his role as an insurance salesman that he met Ronald Schiavone who in 1958 was trying to get a small construction company off the ground in the middle of a recession.

Donovan's pitch to sell Schiavone surety bonds — was confident the economy would rebound — led Schiavone to talk Donovan out of buying a house and investing in the company.

From a company with \$20,000 in assets, Schiavone Construction now employs more than 1,500 people and holds contracts for \$600 million. It is one of the largest heavy construction companies in the country. Among its contracts today is one with the New Jersey Turnpike Authority to build Exit 13A — the new link to New Jersey International Airport.

Donovan initially handled surety bonding and insurance matters for the construction company, but his work was eventually expanded to labor relations.

Although his close friendship with Reagan rather than his views on labor issues was the key to his nomination, Donovan is not expected to have trouble winning confirmation from the Senate.

Sen. Harrison A. Williams Jr. (D-N.J.), the incumbent chairman of the Senate Labor and Human Resources Committee who will be the ranking minority member of the committee's labor subcommittee when the GOP takes control next month, called Donovan an "excellent choice."

"I think he will surprise many people when he goes to work in a volatile area of labor-management relations," said Williams. "His involvement in commu-

activities and organizations indicates to me he has the basic human qualities and characteristics which will make him a fine choice for this important department."

Donovan is chairman of the Missionary Servants of the Most Holy Trinity Order's lay board of advisers. He is also chairman of the board of Honesty House, a privately endowed home for treatment of alcoholics in Stirling, N.J. He is also on the lay board of the Shrine of St. Joseph in Stirling.

Donovan has been married to the former Catherine Sblendorio since 1957. They have three children, Kenneth, 21, who is attending Fairfield University in Connecticut; Mary Ellen, 18, a student at Rosemont College in Rosemont, Pa., and Keith, 15, who attends the Delbarton School in Morristown.

Donovan was unavailable for comment yesterday. Brinsorge said his friend was "elated and gratified" and "relieved the nomination was made public."

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New York Times

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Skilled Negotiator With Labor

Raymond James Donovan

By JOSEPH E. SULLIVAN
Special to The New York Times

BECAUSE, N.J. — As one of 11 candidates who had to fend for themselves after their parents died, Raymond J. Donovan, President-elect Ronald Reagan's choice for Secretary of Labor, came early to the philosophy that people, not governments, solve problems.

"We have to recognize that the world has gotten smaller and we no longer have the war and the cheapest," Mr. Donovan said recently. "We must get back to work, in both the business and labor communities, and get government out of the way, particularly that has been rampant since it's a good place to start would be to look at the regulations on both industry and labor that have added to our noncompetitive position in such things as auto manufacturing."

In his native Bayonne, the blue-collar peninsula town at the southern end of New Jersey's Democratic Hudson County, young Raymond and his brothers and sisters often were asked by their classmates at St. Andrew's parochial school if they were related to James Donovan, then the Mayor. "We would answer, 'No, they're the political Donovans — we're the Donovans with all the kids,'" he said.

Now the executive vice president of the Schiavone Construction Company in Secaucus, a bridge and tunnel contracting concern that is building the Red Street Tunnel in Manhattan for the Metropolitan Transit Authority, Mr. Donovan saw his own political philosophy take shape with the candidacy of Ronald Reagan.

Attracted to G.O.P. Candidates

"Because I lived in Hudson County, I worked in Democratic politics for a time, supporting James Buckley in 1966, but I didn't know what the hell was going on," the 45-year-old executive said. "I became attracted to Republican candidates because they were saying the things I believed. I worked in Senator James Buckley's second campaign and did some fund-raising for Ray Basserman's campaign for Governor and Jeff Bell's Senate campaign, but I was never involved in running any of the races."

In 1978 Mr. Donovan became a supporter of Mr. Reagan, who made only 175,000 votes in New Jersey in his quest for the Presidential nomination because the state had already been allocated for Gerald R. Ford by the moderate mainstream leadership of the party. "I truly believed in the man and his philosophy," Mr. Donovan said.

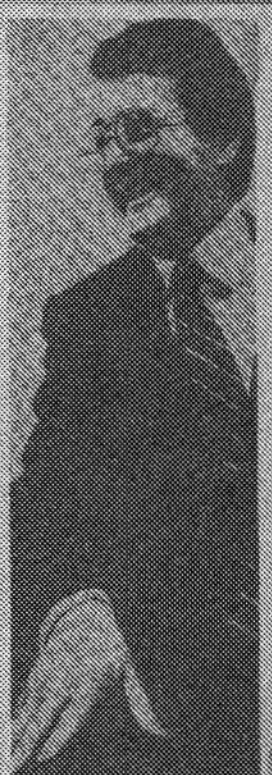
"And I recognized something else — that he was saying the things that appealed to the people I grew up with."

"I call them street corner conservatism," Mr. Donovan explained. "They're typified by Mr. and Mrs. Murphy who own a two-family house and the rent paid by Mrs. O'Rourke on the second floor used to cover the upkeep and taxes, but it doesn't anymore and they're rightmost."

Mr. Donovan began raising funds and pulling together a 1,200-member volunteer force for Mr. Reagan 18 months before the 1980 Presidential campaign. His efforts overrode the natural appeal of George Bush for New Jersey Republicans, and Mr. Donovan succeeded in persuading the party's leadership to endorse Mr. Reagan before the state's June primary.

His work earned him the chairmanship of the New Jersey Reagan/Bush campaign in the general election, and Mr. Donovan revealed his urban strategy for Mr. Reagan by having the Callaghan start his general election campaign at Liberty State Park in Jersey City on the banks of the Hudson River.

Now, after Mr. Reagan won, Mr. Donovan, who operated in labor relations, to 11 other states in labor relations, to 11 other states in labor relations, to 11 other states in labor relations.



Raymond James Donovan

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(Indicate page, name of newspaper, city and state.)

NEW YORK TIMES

Date: 12-17-80

Edition:

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Title:

Character: 161-
or

Classification: C-9
Submitting Office:

The New York Times

Founded in 1851

ADOLPH S. OCHS, Publisher 1896-1935
ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVILLE DRYFOOS, Publisher 1961-1963

ARTHUR OCHS SULZBERGER
Publisher

A. M. ROSENTHAL, Executive Editor
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ARTHUR GELB, Deputy Managing Editor
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LOUIS SILVERSTEIN, Assistant Managing Editor

MAX FRANKEL, Editorial Page Editor
JACK ROSENTHAL, Deputy Editorial Page Editor
CHARLOTTE CURTIS, Associate Editor

TOM WICKER, Associate Editor

And the Unknown Mr. Donovan

Raymond Donovan, designated yesterday as the next Secretary of Labor, has none of the familiar skills of prior secretaries. He's not a union leader, a renowned labor arbitrator or an academician versed in labor law or economics. He comes out of the tough construction business in northern New Jersey, where he has made a fortune. He also demonstrated a talent for money-raising and campaign strategy during Mr. Reagan's run for the Presidency.

These skills will not help much at Labor, with its complex array of social programs and national labor relations policy efforts. Mr. Donovan is new to Washington, new to any government office. He is said to be a skilled labor negotiator but has operated in the relatively specialized atmosphere of north Jersey construction. He has not even met the national union leaders, whose cooperation will be essential to labor peace.

There is an old Navy term for the truly imponderable; UNK-UNK for unknown-unknown. Of the ten men Mr. Reagan has nominated so far, Mr. Donovan stands out as the "UNK-UNK" of the team. This is not to say that he cannot do a good job — only that he lacks evident qualifications. Then why, beyond gratitude to a campaign stalwart, did Mr. Reagan appoint him? At the moment, that remains another UNK.

161B-3133-11

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3 DAILY NEWS
NEW YORK, N.Y.

Date: 12/24/80

Edition:

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Title:

Character:

or

161-

Classification:

C-9

Submitting Office:

Donovan's firm made payment to dummy company

By ALEX MICHELINI

Labor Secretary-designate Raymond J. Donovan's New Jersey construction company once paid "\$12,000 or \$15,000" to a businessman who had set up a dummy company to launder payoffs from contractors to politicians and mobsters, it was disclosed yesterday.

Donovan, President-elect Reagan's surprise choice for the Labor Department post, has confirmed that his firm, the Schiavone Construction Co. of Secaucus, gave a check in that amount to Kantor Supply in the late 1960s.

The Daily News reported earlier that Donovan was called to the U.S. attorney's office to answer questions in the investigation that led to the indictment and conviction of former Newark Mayor Hugh Addonizio and a dozen others. Donovan was asked specifically about payments to a phantom company established by Irving Kantor as a conduit for bribes and as a means of generating cash for contractors in such a way as to escape taxes.

Donovan, a partner and executive vice president of the Schiavone firm, contended the check to the Kantor account was legitimate, insisting he paid Kantor for leasing rights to store

materials on a vacant piece of swamp-land in Newark. Donovan also asserted that his company never did any business with the city of Newark.

INVESTIGATORS FAMILIAR with the Kantor operation told The News the only vacant land owned by Kantor was at 134 Lillie St., Newark. That was the address of the dummy company.

"To my knowledge, there was nothing on it, and Kantor never used it for anything but as an address for the dummy firm," the investigator said. "At the trial, Kantor testified that all of the money put in the account was dirty money," the investigator added.

Kantor is dead, but his widow said yesterday the only property owned by her husband was the 134 Lillie St. lot.

Donovan repeatedly has refused requests by The News to question him on the matter.

Meanwhile, it was disclosed in Washington that the Schiavone firm has been inspected by the Labor Department 49 times in the last six years and has drawn 135 citations for safety violations—more than the normal amount, according to the federal Occupational Safety and Health Administration.

Fifty-eight of the violations were termed "serious," which was termed "worse than average" for a company of more than 25 employees. Schiavone employs 1,500 persons. All but one of the violations have been corrected, according to OSHA.

In addition, a Labor Department investigation is under way to determine if the Schiavone firm is in violation of federal laws prohibiting discrimination against women and minorities. The probe, still in the hands of the department's New York regional office, was initiated after the receipt of complaints.

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Transmit attached by Facsimile - UNCLAS

Precedence IMMEDIATE

To: DIRECTOR, FBI
From: SAC, NEWARK (161-7133)
Subject: RAYMOND JAMES DONOVAN

Date: 1/3/80

Time: Transmitted - 9:15 A

Initials -

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- Artists Conception
- Other _____

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Reagan nominee active at St. Rose

By BOB ARMBRUSTER

Raymond J. Donovan, 50, President-elect Reagan's choice for Secretary of Labor and a parishioner of St. Rose of Lima parish, Short Hills, appears to be a man who remembers his roots.

He has discussed his Hudson County background in newspaper interviews, and he has remained close to the Trinitarians, a small religious community whose seminary he entered as a high school student.

Despite an obviously busy schedule in business and politics, he has been active at St. Rose of Lima parish and sometimes attends daily Mass. Says Msgr. Harold A. Murray, the pastor, "Whenever I've approached him for advice and counsel, he's always been there ready, willing and able to assist in any way possible. We are very proud of him."

Donovan, one of 12 children, grew up in Bayonne, and was graduated from St. Andrew's School there. He spent a year at St. Peter's Prep, Jersey City, before entering the high school seminary of the Missionary Servants of the Most Holy Trinity in Alabama.

He returned home in 1952 after being graduated with a degree in philosophy from Notre Dame Seminary in New Orleans. His mother died in 1948, and it was his turn when he came home to care for five younger brothers and sisters.

Today, Donovan is chairman of the Missionary Servants of the Most Holy Trinity community's lay board of advisers. He is also chairman of Honesty House, a privately endowed home for the treatment of alcoholics in Stirling, and is on the lay board of the Trinitarians' Shrine of St. Joseph in Stirling.

Trinitarian Father Aedan Manning, retreat director at the shrine, told The Advocate that Donovan has remained close to the Trinitarians over the years. Father Manning said the American-founded community of 190 priests and brothers seeks especially to make apostles of the laity and has a thrust toward working with the poor and the abandoned.

Father Manning observed that Donovan "has imbibed something of the spirit" of the congregation, and also that he is undoubtedly familiar with the papal encyclicals on labor.

Msgr. Fleming heads Seton Hall drive

Msgr. Edward J. Fleming, pastor of Blessed Sacrament, Roseland, and former executive vice president of Seton Hall University, will serve as chairman of the university's annual alumni appeal for 1981.

Msgr. Fleming, a 1940 graduate of Seton Hall, was associated with the University for

Raymond J. Donovan



Another Trinitarian, Father Walter O'Donnell, who was a seminary classmate of Donovan's, remembers him as a good athlete, especially in basketball. He noted that Donovan has been generous to the shrine in Stirling.

In an interview with The New York Times, Donovan referred to the people he knew during his youth in Hudson County. "I call them street-corner conservatives," he explained. "They're typified by Mr. and Mrs. Murphy who own a two-family house, and the rent paid by Mrs. O'Rourke on the second floor used to cover the upkeep and taxes, but it doesn't anymore and they're frightened." Donovan said he recognized that Ronald Reagan was saying things that appealed to the people he grew up with in Bayonne.

Donovan worked for the American Insurance Co. from 1953 to 1958 and joined the Schiavone Construction Co. the following year as a shareholder and vice president with primary responsibility for labor relations, finance, bonding, insurance and real estate.

Donovan campaigned for Sen. James Buckley (R-N.Y.) and did some fund raising for Republican candidates. In 1976, he became a supporter of Ronald Reagan.

He began raising funds and putting together a 1,500-member volunteer force for Reagan 16 months before the 1980 presidential campaign. He persuaded New Jersey Republicans to endorse Reagan before the state's June primary.

His work earned him the chairmanship of the New Jersey Reagan-Bush campaign in the general election, and it was Donovan's urban strategy to have Reagan, a Californian, start his campaign on Labor Day in Jersey City's Liberty State Park. Donovan,

a specialist in labor relations, was sent to 11 other states to talk to local campaign committees and labor union officials.

Donovan has been married to the former Catherine Splendorio since 1957. They have three children, Kenneth, 21, a graduate of Fairfield University in Connecticut, Mary Ellen, 18, a student at Rosemont College in Rosemont, Pa., and Keith, 15, who attends Delbarton School in Morristown.

In another Reagan nomination, retired General Alexander M. Haig Jr. would become the second Catholic secretary of state. The current secretary, Edmund S. Muskie, is also a Catholic.

Haig was born on Dec. 2, 1924 in Bala Cynwyd, Pa., a Philadelphia suburb, and attended Catholic and public schools. He spent two years at the University of Notre Dame before his appointment to the U.S. Military Academy in 1944.

His younger brother is Jesuit Father Frank R. Haig, associate professor of physics at Loyola College in Baltimore.

Haig, president of United Technologies Corp. in Hartford, Conn., is former NATO commander, and was chief of staff at the White House during the last days of the presidency of Richard M. Nixon.



RAYMOND L. DONOVAN

[redacted]
Short Hills, New Jersey
[redacted]

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Office Address: Schiavone Construction Company
1600 Paterson Plank Road
Secaucus, New Jersey 07094
(201) UN 7-5070

Born August 31, 1930 in Bayonne, New Jersey; one of a family of twelve children who were orphaned in 1948*.

EDUCATION:

Grammar School - Kindergarten to Eighth Grade:
St. Andrews Roman Catholic School, Bayonne, New Jersey

High School - Freshman at St. Peters Prep (Jesuit), Jersey City, New Jersey; left St. Peters after Freshman year and entered Missionary Servants of the Most Holy Trinity having completed his secondary school education at Holy Trinity Seminary in Alabama.

Graduate of Notre Dame Seminary, New Orleans, Louisiana receiving his BA in Philosophy in 1952.

FAMILY:

Married September 14, 1957 to [redacted]
Son [redacted] years of age, attended [redacted]
[redacted] age [redacted] is attending [redacted]
[redacted] son [redacted] age [redacted]
is attending [redacted]
New Jersey.

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EXPERIENCE:

Briefly employed as a brewery worker during the Summer of 1950 where he was a member of the Ballantine Brewery Workers Union.

1952-1953: Member Electrical Workers Union IBEW

1953-1955: American Insurance Company: Representative - Essex and Hudson Counties

1953-1958: American Insurance Company: Surety Department

*His brother, David Donovan, is a past President of Refinery Workers Union, and is employed in that industry at Standard Oil Company in Bayonne, New Jersey.

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1959 to present: In 1959 joined Schiavone Construction Company as a shareholder and Vice-President. In this capacity has had responsibilities in all phases of construction and management with primary responsibility for labor relations*, finance, bonding and insurance and real estate; established Marine Construction Division for the Company; is the Senior Executive responsible for truck and Auto Sales and Leasing Division. In 1971 became Executive Vice-President with broadened responsibilities in all subsidiary firms including, among others, a newly acquired Seagoing Dredging Division.

CHARITABLE AND PHILANTHROPIC UNDERTAKINGS:

1969 to present: Chairman Lay Board of Directors for the Shrine of St. Josephs, Long Hill Road, Stirling, N.J.

March 1974 to present: Chairman of Lay Board of Advisors of Missionary Servants of The Most Holy Trinity (an Order heavily involved in charitable and social work among disadvantaged people in inner cities throughout the United States, including Puerto Rico and in Mexico).

1973-1976: Chairman of the Board of Honesty House (privately endowed home for treatment of alcoholics and addicted) Long Hill Road, Stirling, N.J.

*The attached is a schedule of those labor organizations with which, on behalf of Schiavone Construction Company, (and in some cases representing trade associations in the construction industry in the particular geographical area) he has conducted negotiations and otherwise dealt with the complete spectrum of labor relations. In addition, Mr. Donovan has been actively involved in such activities on behalf of management in the Maritime field as well as in newspaper publishing. (Mr. Donovan was a member of the Board of Directors of the New York Trib and in that capacity had primary responsibility for negotiations and development of the necessary labor contracts).

✓
Blasters, Drillers & Miners Union Local No. 29
238 E. 75th Street
New York, New York 10028

156-114-7

Bricklayers Local Union #1
674 No. Broad Street
Philadelphia, Pennsylvania 19130

nothing '80

○ ○
Building Trade Laborers Locals 112, 342 & 699
19 Fulton Street
Newark, New Jersey 07102

nothing '80

✓
Carpenters Union Local 31
41 Ryan Avenue
Trenton, New Jersey

nothing '80

○
Cement Masons Local Union 592
2511 Snyder Avenue
Philadelphia, Pennsylvania 19145

○
Cement Masons Local 780
243 E. 86th Street
New York, New York 10028

○ ○ ○ ○
Central New Jersey District Council of Carpenters
130 Mountain Avenue
Springfield, New Jersey 07081

nothing '80

○ ○ ○ ○
Compressed Air and Free Air
~~Tunnel Workers Union~~ Local 147
175 Fifth Avenue
New York, New York

○ ○ ○ ○
District #2, Marine Engineers Beneficial Association
Associated Maritime Officers, AFL-CIO
635 Fourth Avenue
Brooklyn, New York 11232

○ ○ ○ ○
District Council Ironworkers
of Northern New Jersey
484 Route #1
Newark, New Jersey 07114

J.C.N.S. 11/80 92-6138-1-1055

○ ○ ○ ○
Essex County Bricklayers, Masons and Plasters
524 William Street
East Orange, New Jersey 07017



Essex County District Council of Carpenters
76 South Orange Avenue
South Orange, New Jersey 07079

nothing

Excavators Union Local No. 731
229 E. 58th Street
New York, New York 10022

nothing 180

Heavy & General Laborers Union Local 472 & 172
700 Raymond Boulevard
Newark, New Jersey 07105

Hudson District Council of Carpenters
759 Montgomery Street
Jersey City, New Jersey 07306

nothing 180

International Brotherhood of Teamsters
Local Union 470
3565 Sepviva Street
Philadelphia, Pennsylvania 19134

nothing 180

623
0478

International Brotherhood of Teamsters, Chauffeurs,
Warehouseman and Helpers of America
Teamsters Local Union 408
1907 Morris Avenue
Union, New Jersey 07083

nothing 180

International Union of Operating Engineers
Local 14-14B
141-57 Northern Boulevard
Flushing, New York 11354

nothing 180

International Union of Operating Engineers
Local 15 & 15A
265 West 14th Street
New York, New York

International Union of Operating Engineers
Local 825
1100 McCarter Highway
Newark, New Jersey 07102

122-573 (11/80)*
195-0-13 (4/80)

International Union of Operating Engineers
Local 25 Marine Division
675 Fourth Avenue
Brooklyn, New York 11232

183-578C-115-2



International Union of Operating Engineers
Local Union 542
3031 Walton Road *Nothing From 1980*
Norristown, Pennsylvania 19403

Ironworkers District Council of Philadelphia & Vicinity
1924 Spring Garden Street
Philadelphia, Pennsylvania 19130

Ironworkers Local 350
5700 Atlantic Avenue
Ventnor, New Jersey 08406

Ironworkers Local 68
P.O. Box 144
Trenton, New Jersey

Ironworkers Union Locals 40, 361 & 417
265 West 14th Street
New York, New York

Laborers District Council
661 North Broad Street
Philadelphia, Pennsylvania 19123

Lathers, Metallic Local No. 46
1322 Third Avenue
New York, New York

Metropolitan District Council of Carpenters
1803 Spring Garden Street
Philadelphia, Pennsylvania 19130

New York City Carpenters
District Council Local 1536 (Timberman)
1123 Broadway, Room 201
New York, New York 10010

New York City Carpenters
District Council No. 1456 (Dockbuilders)
11 E. 22nd Street
New York, New York

New York City Carpenters District Council
204 E. 23rd Street
New York, New York

Reinforced Rod Setters Local Union 405
2547 South Broad Street
Philadelphia, Pennsylvania 19148

Seafarers International Union of North America
675 Fourth Avenue
Brooklyn, New York 11232

Teamsters Union Local 282
1975 Linden Boulevard
Elmont, Long Island, New York 11003

Wharf and Dockbuilders Local Union 454
1908 Spring Garden Street
Philadelphia, Pennsylvania 19130

nothing from 1914

nothing from 1914

THE DAILY JOURNAL
JERSEY CITY, N.J.

Date: 12/26/80

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Submitting Office:

Reagan ignores Teamster pressure

in choosing Donovan

WASHINGTON — The Teamsters pitched one too many and too hard at Ronald Reagan's transition team. Frank Fitzsimmons' Brotherhood had pretty much gotten what it wanted. But then some of its chiefs leaked stories all over the place that they had forced the president-elect to name their choice for secretary of labor — a department which has awesome investigative powers sufficient to cripple or wipe out erring unions and their officialdom.

Thus behind the scenes the Teamsters had challenged the power of Reagan's own California kitchen cabinet — one of whom told me weeks ago that the new secretary of labor would be the 50-year-old New Jersey construction contractor Raymond (Ray) Donovan.

The kitchen cabinet reported that one of this inner circle had checked the Donovan name and record with New York and New Jersey building and construction trades union chiefs and that "they loved it." Donovan, they said, was "their kind of guy."

The national construction labor leadership didn't know "Ray." So they themselves checked, too. Soon everybody in the trade was discussing

Donovan and the role he reportedly played in setting up Reagan's first hard hat rally. This was held atop New York City's unfinished 83rd Street subway tunnel. Some observers believe this first pitch for the blue-collar workers vote did as much for the "Gipper" as did his debate with Jimmy Carter.

But the Teamsters' high command insisted until the last minute — even after the FBI began its security name check first reported in this column. Their choice was the respected Washington attorney, Betty Southard Murphy. Reagan was caught between his loyalty to Donovan, who had run his New Jersey presidential campaign, and his political debt to the Teamsters who had given him his first major labor audience and endorsement.

Transition insiders report that the President-elect hadn't made up his mind until Dec. 15. His advisers had been told there just weren't any reasons for rejecting the Teamsters' candidate for the labor post. Sure the brotherhood was hung over with investigations but, said one transition policymaker, just look at what AFL-CIO chief Lane Kirkland had said.

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- Night Super. _____
- SA _____

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inside labor

VICTOR RIESEL

When, during a Dec. 5 lunch, a newsman had asked Kirkland, "Are you satisfied . . . that the Teamsters union isn't dominated by corrupt influences," the labor president reported:

"Yes, I am. I don't believe that the Teamsters union is dominated by corrupt influences. I know enough Teamsters around the country to know that that would be an unfair characterization of the Teamsters union.

Kirkland also indicated he thought that going after individual union officials without solid evidence was vigilantism.

That satisfied the transition team working on the U.S. Labor Department. So the Reagan advisers didn't consider everything the Teamsters proposed as something to be avoided. Nor did the advisers murmur much on Monday when word came that it was to be announced officially that Fitzsimmons would chair the first Inaugural Labor Committee.

And that 15th vice president of the Teamsters Jackie Presser — whose aide already had been operating the committee — would be a co-chairman.

Transition insiders didn't say much, nor did word go up to the president-elect when orders came to honor Presser — who heads the Ohio Conference of Teamsters and some locals — by appointing him a senior adviser to the economic affairs transition group.

It became apparent that everybody inside had taken for granted that Ronald Reagan, during a telephone conversation, had promised Fitzsimmons that the Teamsters nominee Betty Murphy was in the bag.

But on Dec. 16 the stories broke on Presser's relationship to the gigantic Chicago-based \$2.6-billion Teamsters Central States Pension Fund. This retirees' trust gets \$600 million annually from employers.

Reporters asked Reagan about the federal probes. Reagan averred these should continue but that he saw nothing wrong in Presser as a Teamsters official being "a legitimate contact with labor."

The President-elect felt

he had delivered to the Teamsters. He had sent a message to all of labor. Those loyal to him would get his loyalty. He didn't reject the brotherhood. He didn't withdraw any previous insinuation that

Fitzsimmons would be the White House's No. 1 labor man.

But Reagan decided against carrying any excess baggage, one top transition "exec" told me. He turned to his California

kitchen cabinet's first choice for secretary of labor, Ray Donovan, executive vice president of the Schiavone Construction Co.

Thus Reagan became the Dave Winfield of the

political ballparks. The President-elect has the AFL-CIO hard hat unions behind him, the Teamsters haven't any place to go if they are angered. And major business associations hailed the chief executive.

Indicate page, name of newspaper, city and state.
THE DISPATCH
UNION CITY, N.J.
Date: **12/25/80**
Edition:

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Title:
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Character:
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Classification:
Submitting Office:

Donovan's firm faces

bias probe

By **OWEN ULLMAN**
Associated Press Writer

WASHINGTON—A Labor Department investigation into alleged job discrimination is pending against the New Jersey construction company whose vice-president is Ronald Reagan's choice for labor secretary.

Labor Department officials confirmed yesterday that an investigation into charges of discrimination against women was launched about a year ago at the Schiavone Construction Co. in Secaucus. Raymond J. Donovan, labor secretary designate, is executive vice-president of the company.

Donovan's company has been the target of other

Labor Department investigations that have resulted in citations involving violations of workplace safety regulations and a federal law that sets wage rates for federal construction projects.

Reached for comment at his home in New Jersey, Donovan said, "As an officer of the company, I am extremely conscious of Affirmative Action, and we have a complete department staffed to ensure the laws are upheld."

Asked if the investigation would interfere with his role as department head, he responded, "I would obviously have to withhold my participation in any area that involves charges being made" against Schiavone.

Donald E. Elisburg, an assistant labor secretary, said the department's Office of Federal

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Contract Compliance Programs is investigating allegations by women that Schiavone discriminates on the basis of sex in its hiring and job assignment policies.

The investigation was launched under the authority of a presidential order that prohibits companies that do federal business from discriminating in employment.

If the charges are upheld, Schiavone could be ordered to correct its policies or face the loss of federal contracts.

Asked Tuesday about the Labor Department investigations concerning Donovan's company, the director of Reagan's transition, Edwin Meese III, said he didn't see "any problems" or conflicts in Donovan's assuming command of the department.

Elisburg said the company also was cited 12 years ago for failing to comply with the Davis-Bacon Act, which requires contractors involved in federally-financed construction to pay employees the wage rates that are "prevailing" in the community where the project is located. Usually "prevailing" rates are union rates.

Elisburg said Schiavone apparently underpaid workers by a relatively small amount of money, and he said the incident "was not a major case."

Meanwhile, the department's Occupational Safety and Health Administration said the company has been cited for 135 safety violations during the past six years, 57 of which were called "serious" violations.

See DONOVAN, Page 22.

Continued from Page 1.

OSHA spokeswoman Susan Fleming said the violations were discovered during 49 inspections that occurred between 1974 and this past September. She said four inspections

resulted from serious accident, 18 were triggered by worker complaints, 21 were random inspections and six were follow-up inspections.

According to department records, Schiavone later corrected the violations in all but one case, when it was cited with a

"repeat" violation during a follow-up investigation. The violation involved failure to require employees to wear protective equipment, such as a hard hat.

The last inspection turned up only two minor violations, said Fleming.

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FBI, WASHINGTON FIELD PRIORITY

FBI ALEXANDRIA PRIORITY

FBI CINCINNATI PRIORITY

FBI MOBILE PRIORITY

FBI NEWARK PRIORITY

FBI NEW HAVEN PRIORITY

FBI NEW ORLEANS PRIORITY

FBI PHILADELPHIA PRIORITY

FBI SAN FRANCISCO PRIORITY

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ENCLOSURE FOR WASHINGTON FIELD FORWARDED BSM.

RAYMOND JAMES DONOVAN, SPECIAL INQUIRY, BUDED: JANUARY 2, 1981

WITHOUT FAIL. (S)

BUREAU HAS BEEN REQUESTED TO CONDUCT EXPEDITE INVESTIGATION

161B-3133-21

SEARCHED	INDEXED
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FBI-NEWARK	

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PAGE TWO DE HQ 0117 UNCLAS

OF DONOVAN FOR PRESIDENTIAL APPOINTMENT, POSITION NOT INDICATED.

BORN AUGUST 31, 1930, BAYONNE, NEW JERSEY, AND HAS SSAN
053-0711.

RESIDENCES: AUGUST 1, 1930, TO SEPTEMBER, 1957, BAYONNE,
NEW JERSEY; SEPTEMBER, 1957, TO AUGUST, 1967, MAPLEWOOD,
NEW JERSEY; AUGUST, 1967, TO THE PRESENT,
SHORT HILLS, NEW JERSEY.

EDUCATION: 1945 TO 1950, ST. JOSEPHS, HOLY TRINITY,
ALABAMA; 1950 TO 1952, NOTRE DAME SEMINARY, NEW ORLEANS,
LOUISIANA, DEGREE PHILOSOPHY.

EMPLOYMENTS: SEPTEMBER, 1955, TO SEPTEMBER, 1958,
AMERICAN INSURANCE COMPANY, NEWARK, NEW JERSEY, AS A BOND
REPRESENTATIVE; SEPTEMBER, 1958, TO JANUARY, 1959, NORTON
INSURANCE AGENCY, ENGLEWOOD, NEW JERSEY, AS A REPRESENTATIVE;
JANUARY, 1959, TO THE PRESENT, SCHIAVONE CONSTRUCTION COMPANY,
SECAUCUS, NEW JERSEY, AS AN OFFICER AND EXECUTIVE VICE
PRESIDENT.

RELATIVES: FATHER, DAVID A DONOVAN, BORN 1895, BAYONNE,
NEW JERSEY; MOTHER, ELEANOR DONOVAN, BORN 1900, BAYONNE, NEW

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PAGE THREE DE HQ 0117 UNCLAS

JERSEY, ARE DECEASED. THE FOLLOWING CLOSE RELATIVES ARE

LIVING: WIFE, [REDACTED] BORN [REDACTED]

[REDACTED] SON, [REDACTED] BORN [REDACTED]

[REDACTED]

DAUGHTER, [REDACTED] BORN [REDACTED]

[REDACTED] SON, [REDACTED]

[REDACTED] BORN [REDACTED] SISTER, EILEEN

CONNAIR, BORN 1919, RED BANK, NEW JERSEY; SISTER, CLAIRE

DONOVAN, BORN 1923, CRANFORD, NEW JERSEY; SISTER, [REDACTED]

[REDACTED] BORN [REDACTED] SISTER, [REDACTED]

[REDACTED] BORN [REDACTED] SISTER, [REDACTED]

BORN [REDACTED] BROTHER, DAVID DONOVAN, BORN 1917, BAYONNE, NEW JERSEY; BROTHER, ROBERT DONOVAN, BORN 1921,

RED BANK, NEW JERSEY, BROTHER, [REDACTED] BORN [REDACTED]

[REDACTED] BROTHER [REDACTED] BORN [REDACTED]

[REDACTED] BROTHER, [REDACTED] BORN [REDACTED]

[REDACTED] BROTHER, [REDACTED] BORN [REDACTED]

[REDACTED]

REFERENCES: REV. LEONARD BACHMAN, HOLY TRINITY MISSION

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SEMINARY, SILVER SPRING, MARYLAND; REV. COLIN COOKE, ST.
TIMOTHY CHURCH, TAPPAHONNOCK, VIRGINIA; [REDACTED]

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[REDACTED] THE FOLLOWING REFERENCES ARE
LOCATED AT 1600 PAT. PLANK ROAD, SECAUCUS, NEW JERSEY: RONALD
SCHIAVONE; JOSEPH DICAROLIS; RICHARD CALLAGHAN.

SF 86 AND RECORDS RELEASE FOLLOW BY AIRTEL.

DUE TO URGENT NATURE OF REQUEST IT IS IMPERATIVE BUDED
BE MET WITHOUT FAIL.

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FM DIRECTOR, FBI

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FBI ALEXANDRIA PRIORITY

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ENCLOSURE FOR WASHINGTON FIELD FORWARDED BSM.

RAYMOND JAMES DONOVAN, SPECIAL INQUIRY, BUDED: JANUARY 2, 1981

WITHOUT FAIL. (B)

BUREAU HAS BEEN REQUESTED TO CONDUCT EXPEDITE INVESTIGATION

*Callaghan adv
being handled
12/31/81*

161-3133-21

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Date 1/2/81

FM NEWARK (161B-3133) (RUC) (C-9)

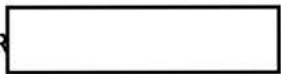
TO DIRECTOR (IMMEDIATE)

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HAND CARRY TO SPIN DESK SUPERVISOR



SECTION ONE OF FOUR

RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE; BUDED JANUARY 2, 1981 WITHOUT FAIL

RE: BUREAU TELEPHONE CALL TO NEWARK, DECEMBER 30, 1980.

BUREAU TELETYPE, TO WFO, DECEMBER 31, 1980.

BIRTH: ON JANUARY 2, 1981, DEPUTY REGISTRAR, BUREAU OF VITAL STATISTICS, BAYONNE, NJ, ADVISED SC JOAN S. WILLIAMS THAT THEIR RECORDS REFLECT THAT APPOINTEE WAS BORN AUGUST 31, 1930, IN BAYONNE, NJ, TO ELEANOR MC KIGNEY AND DAVID DONOVAN.

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- UNCLAS

Date _____

PAGE TWO NK 161B-3133 UNCLAS

EMPLOYMENT:

AMERICAN INSURANCE CO., NEWARK, NEW JERSEY, SEPTEMBER, 1953
 TO SEPTEMBER, 1958: ON DECEMBER 30, 1980, [REDACTED]

[REDACTED] FIREMAN'S FUND INSURANCE, 1639 ROUTE 10, PARSIPPANY, NJ, ADVISED THAT FIREMAN'S FUND INSURANCE WAS FORMERLY KNOWN AS THE AMERICAN INSURANCE CO., AND WAS LOCATED IN NEWARK, NJ, DURING THE PERIOD 1953-1958. [REDACTED] WAS ABLE TO CONFIRM THE FACT THAT APPOINTEE WAS EMPLOYED BY AMERICAN INSURANCE CO. DURING THE PERIOD SEPTEMBER, 1953 TO SEPTEMBER, 1958, HOWEVER, EMPLOYMENT RECORDS FOR THAT PERIOD ARE NO LONGER MAINTAINED. [REDACTED] FURTHER ADVISED THAT AFTER CANVASSING HIS COMPANY STAFF, THERE WERE NO CURRENT EMPLOYEES WHO KNEW APPOINTEE WELL ENOUGH TO COMMENT ON HIM PERSONALLY OR PROFESSIONALLY. [REDACTED] DID ADVISE THAT A [REDACTED] [REDACTED] A FORMER EMPLOYEE OF THE COMPANY, DURING THE SAME PERIOD AS APPOINTEE, NOW EMPLOYED [REDACTED] WAS A CONTEMPORARY OF APPOINTEE'S AND MAY BE OF SOME ASSISTANCE.

ON DECEMBER 30, 1980, [REDACTED]

[REDACTED] ADVISED THAT APPOINTEE WORKED UNDER HIM DURING THE PERIOD 1953-1958, AS AN INSURANCE

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Date _____

PAGE THREE NK 161-3133 UNCLAS

SALESMAN, WHEN THE COMPANY WAS KNOWN AS THE AMERICAN INSURANCE CO., NEWARK, NJ. APPOINTEE'S OFFICIAL TITLE WAS FIRST ASSISTANT TO THE MANAGER OF THE BOND DEPARTMENT, AND HE WAS EMPLOYED SOON AFTER GRADUATING FROM A SEMINARY COLLEGE. REGAN DESCRIBED THE APPOINTEE AS DYNAMIC, INTELLIGENT, RESPONSIBLE, AND "ABOVE REPROACH." [] STATED THAT APPOINTEE LIMITS HIMSELF SOCIALLY, DUE TO HIS STRONG TIES TO HIS FAMILY. [] RECALLED THAT APPOINTEE LEFT HIS EMPLOYMENT WITH THE INSURANCE COMPANY FOR A BETTER PAYING POSITION. [] STATED THAT APPOINTEE'S CHARACTER, ASSOCIATES, REPUTATION AND LOYALTY ARE BEYOND REPROACH, AND IT IS HIS OPINION THAT "THE PRESIDENT COULD NOT HAVE PICKED A BETTER MAN FOR THE POSITION," AND THEREFORE HIGHLY RECOMMENDED HIM.

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NORTON INSURANCE AGENCY, ENGLEWOOD, NJ, SEPTEMBER, 1958, TO JANUARY, 1959: ON DECEMBER 30, 1980, [] ALFRED J. NORTON, INC., 521 TENAFLY RD., ENGLEWOOD, NJ, ADVISED THAT WHILE NO PERSONNEL RECORDS ARE AVAILABLE FOR 1958-1959, THAT HE COULD CONFIRM THAT APPOINTEE WAS EMPLOYED WHEN THE COMPANY WAS KNOWN AS THE NORTON INSURANCE AGENCY DURING THE PERIOD SEPTEMBER, 1958, TO JANUARY, 1959, AS HEAD OF THE INSURANCE

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- UNCLAS

Date _____

PAGE FOUR NK 161-3133 UNCLAS

COMPANY'S BOND DEPARTMENT. [] ADVISED APPOINTEE LEFT HIS POSITION IN ORDER TO SEEK EMPLOYMENT IN THE CONSTRUCTION FIELD. NORTON STATED THAT WHILE HE HAS NOT MAINTAINED A RELATIONSHIP WITH THE APPOINTEE, HE IS KNOWLEDGEABLE OF HIM, STATING THAT HE DESERVES THE HIGHEST RATING, ALSO DESCRIBING HIM AS AN INTELLIGENT MAN OF HIGH INTEGRITY, HARDWORKING, AND LOYAL TO THE PRINCIPALS OF THIS COUNTRY. NORTON CONSIDERS APPOINTEE A LOYAL AMERICAN, AND GIVES HIS HIGHEST RECOMMENDATION FOR A POSITION WITH THE U.S. GOVERNMENT.

SCHIAVONE CONSTRUCTION, E.V.P., 1600 PATERSON PLANK RD., SECAUCUS, NJ, JANUARY, 1959-PRESENT: ON DECEMBER 30, 1980,

[] SCHIAVONE CONSTRUCTION, ADVISED APPOINTEE HAS BEEN EMPLOYED SINCE 1959, AND HAS HELD THE POSITION AS VICE PRESIDENT AND CURRENTLY EXECUTIVE VICE PRESIDENT. [] DESCRIBED APPOINTEE AS STRAIGHT FORWARD, SINCERE, CIVIC-MINDED AND OF EXCELLENT REPUTATION. [] ADVISED APPOINTEE IS QUALIFIED AND ABLE TO HANDLE ANY POSITION WITHIN THE U.S. GOVERNMENT. APPOINTEE'S LOYALTY TO THE U.S. GOVERNMENT IS BEYOND REPROACH, AND [] HIGHLY RECOMMENDS

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- Routine

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- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE FIVE NK 161-3133 UNCLAS

HIM FOR THE POSITION.

ON DECEMBER 30, 1980, [REDACTED]

[REDACTED] SCHIAVONE CONSTRUCTION, ADVISED APPOINTEE HAS BEEN EMPLOYED SINCE 1959 IN THE POSITION OF VICE PRESIDENT, AND CURRENTLY EXECUTIVE VICE PRESIDENT. [REDACTED] DESCRIBED APPOINTEE AS INTELLIGENT, , HARDWORKING, HONEST AND HAS A GOOD REPUTATION IN BOTH THE LABOR AND INDUSTRY AREAS. [REDACTED] ADVISED THAT APPOINTEE IS A GOOD NEGOTIATOR IN LABOR AREAS, AND THEREFORE, IS QUALIFIED FOR A POSITION WITHIN THE U.S. GOVERNMENT. HIS CHARACTER, REPUTATION AND LOYALTY TO THE U.S. GOVERNMENT ARE BEYOND REPROACH. [REDACTED] HIGHLY RECOMMENDS APPOINTEE FOR A POSITION WITH THE U.S. GOVERNMENT.

[REDACTED] SCHIAVONE CONSTRUCTION, ADVISED APPOINTEE HAS BEEN EMPLOYED SINCE 1959 AND PRESENTLY HOLDS THE POSITION OF EXECUTIVE VICE PRESIDENT. [REDACTED] DESCRIBED APPOINTEE AS HONEST, A GOOD FAMILY MAN, FAIR, AND A TIRELESS WORKER. APPOINTEE HAS A GOOD BUSINESS APPEARANCE AND A GOOD REPUTATION AND IS WELL RESPECTED IN THE LABOR FIELD, AS WELL AS THE GENERAL COMMUNITY. APPOINTEE'S LOYALTY TO THE U.S. IS BEYOND REPROACH AND [REDACTED] HIGHLY RECOMMENDS HIM FOR ANY POSITION WITHIN THE U.S. GOVERNMENT.

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- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE SIX NK 161-3133 UNCLAS

NEIGHBORHOOD:

[REDACTED] SHORT HILLS, NJ

ON DECEMBER 30, 1980, [REDACTED]

ADVISED SHE HAS KNOWN THE DONOVAN FAMILY FOR APPROXIMATELY EIGHT YEARS. [REDACTED] EXPLAINED HER CHILDREN AND THE DONOVAN CHILDREN GREW UP TOGETHER, AND THAT SHE FREQUENTLY PLAYS TENNIS WITH MRS. DONOVAN, APPOINTEE'S WIFE.

[REDACTED] DESCRIBED APPOINTEE AS VERY INTELLIGENT, COMPETENT, AND CONSCIENTIOUS MAN, WHO BELIEVES VERY STRONGLY IN FAMILY. SHE SAID DONOVAN IS ACTIVE IN THE CATHOLIC CHURCH AND ITS FUNCTIONS AND IS ALSO INVOLVED IN PHILANTHROPIC ENDEAVORS. [REDACTED] WENT ON TO SAY THAT DONOVAN AND A BUSINESS PARTNER OWN AND OPERATE THE FIDLER'S ELBOW, A COUNTRY CLUB IN THE AREA, AND THAT DONOVAN IS VERY ACTIVELY INVOLVED IN FUNCTIONS THERE.

[REDACTED] STATED SHE BELIEVES DONOVAN TO BE A HIGHLY TRUSTWORTHY MAN, WHO WOULD BE EXCELLENT IN ANY POSITION OF RESPONSIBILITY. SHE RECOMMENDS HIM WITHOUT RESERVATION.

[REDACTED] ADVISED ON DECEMBER 30, 1980, THAT SHE HAS KNOWN APPOINTEE AND HIS FAMILY FOR APPROXIMATELY
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- CONFIDENTIAL
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Date _____

FM NEWARK (161-3133) (RUC) (C-9)

TO DIRECTOR (IMMEDIATE) *255/P*

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SECTION TWO OF FOUR

HAND CARRY TO SPIN DESK, SUPERVISOR

RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE; BUDED JANUARY 2, 1981 WITHOUT FAIL

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- Routine

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- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE SEVEN NK 161-3133 UNCLAS

12 YEARS. [] SAID SHE REGULARLY WALKS HER DOG WITH []
 APPLICANT'S WIFE, AND THAT THE ENTIRE FAMILY IS VERY UPSTANDING
 AND RESPECTABLE. [] SAID SHE HAS VISITED THE DONOVANS SOCIALLY
 AND THAT []

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[] DESCRIBED APPOINTEE AS VERY INTELLIGENT, COMPETENT MAN,
 WHO IS ABSOLUTELY LOYAL TO THE U.S. GOVERNMENT. SHE WENT ON
 TO SAY THAT THE DONOVAN FAMILY IS VERY RELIGIOUS AND SHE KNOWS
 APPOINTEE TO BE ACTIVE IN THE FUNCTIONS OF THE CATHOLIC CHURCH.

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[] SAID DONOVAN OWNS A PARTNERSHIP IN THE FIDLER'S ELBOW, A
 COUNTRY CLUB IN THE AREA, AND THAT HE IS VERY ACTIVE WITH FUNCTIONS
 THERE AS WELL.

[] CONCLUDED BY STATING DONOVAN IS A SELF MADE MAN, OF HIGH
 MORALS, WHOM SHE HIGHLY AND ABSOLUTELY RECOMMENDS FOR THE POSITION
 WITH THE U.S. GOVERNMENT.

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ON DECEMBER 30, 1980, []
 ADVISED SHE HAS KNOWN APPOINTEE AND HIS FAMILY FOR APPROXIMATELY
 12 YEARS. SHE SAID SHE IS ACQUAINTED WITH APPOINTEE "THROUGH HIS

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- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE EIGHT NK 161-3133 UNCLAS

GOOD WORKS," AS WELL AS THROUGH SOCIAL ACTIVITIES. SHE STATED DONOVAN IS A VERY CHARITABLE MAN, AND THAT SHE IS VERY GLAD HE IS BEING CONSIDERED FOR THE POSITION.

[] DESCRIBED THE DONOVAN CHILDREN AS BEING OF THE SAME HIGH CALIBER AS THE PARENTS. SHE SAID THE FAMILY IS ABSOLUTELY UPSTANDING AND THE BEST IN THE NEIGHBORHOOD.

[] SAID DONOVAN HAS STATED MANY TIMES HE WISHES TO DO SOMETHING SIGNIFICANT FOR THE BETTERMENT OF HIS COUNTRY.

[] FEELS WITHOUT A DOUBT THAT DONOVAN WILL BE A BENEFICIAL INFLUENCE IN AMERICAN GOVERNMENT. SHE DESCRIBED HIM AS A HIGHLY COMPETENT, INTELLIGENT AND FANTASTIC PERSON, WELL QUALIFIED AND ABLE TO FULFILL THE DUTIES OF ANY GOVERNMENT POSITION.

REFERENCES AND ASSOCIATES: ON DECEMBER 30, 1980, []

[] ADVISED THAT HE HAS BEEN ACQUAINTED WITH THE APPOINTEE IN EXCESS OF 15 YEARS ON BOTH PROFESSIONAL AND SOCIAL BASIS. [] ADVISED THAT HE BECAME ACQUAINTED WITH THE APPOINTEE THROUGH [] POSITION AS AN

[]

[] CONSIDERS HIMSELF A CLOSE PERSONAL FRIEND OF THE APPOINTEE.

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- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE NINE NK 161-3133 UNCLAS

[] STATED THAT APPOINTEE SPENT APPROXIMATELY EIGHT YEARS IN THE SEMINARY, AND THIS IS THE BASIS FOR APPOINTEE'S STRONG RELIGIOUS BELIEFS, AND WHY [] FEELS APPOINTEE IS VERY HONEST AND TRUTHFUL. APPOINTEE IS A GOOD FAMILY MAN, WHO IS ALSO VERY COMMUNITY MINDED, DEVOTING A GOOD DEAL OF TIME TO HELPING OUT MINORITIES AND THE UNDER PRIVILEGED. APPOINTEE, IN HIS POSITION AT SCHIAVONE CONSTRUCTION HAS BECOME AN EXPERT IN THE LABOR FIELD AND [] FEELS APPOINTEE IS MORE THAN ABLE, AND QUALIFIED TO HANDLE A POSITION WITHIN THE U.S. GOVERNMENT. APPOINTEE HAS AN EXCELLENT REPUTATION AND CHARACTER IN THE LABOR COMMUNITY. [] FEELS THIS A UNIQUE APPOINTMENT, AND THEREFORE, HIGHLY RECOMMENDS APPOINTEE FOR THE POSITION.

JOSEPH A. DI CAROLIS, SENIOR VICE PRESIDENT, SCHIAVONE CONSTRUCTION, SECAUCUS, NJ, ADVISED THAT HE HAS BEEN ACQUAINTED WITH APPOINTEE IN EXCESS OF 18 YEARS. DI CAROLIS DESCRIBED APPOINTEE AS ENERGETIC, HARDWORKING, HONEST, AND RELIGIOUS. APPOINTEE IS INVOLVED IN MANY CIVIC FUNCTIONS. APPOINTEE'S CHARACTER, REPUTATION, ASSOCIATES, AND LOYALTY TO THE U.S. GOVERNMENT ARE ALL BEYOND REPROACH. APPOINTEE'S EMPLOYMENT WITH

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- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE TEN NK 161-3133 UNCLAS

THE CONSTRUCTION COMPANY HAS GIVEN HIM THE EXPERIENCE IN THE LABOR FIELD, WHEREBY HE IS ABLE AND QUALIFIED TO HANDLE A POSITION WITHIN THE U.S. GOVERNMENT. APPOINTEE IS ALSO EXPERIENCED IN THE MANAGEMENT FIELD, AND THIS WILL BE AN ASSET TO THE POSITION.

DI CAROLIS HIGHLY RECOMMENDS APPOINTEE.

ON DECEMBER 30, 1980, RICHARD C. CALLAGHAN, SENIOR VICE PRESIDENT, SCHIAVONE CONSTRUCTION, ADVISED HE HAS BEEN ACQUAINTED WITH APPOINTEE FOR 12 YEARS. CALLAGHAN DESCRIBED APPOINTEE AS HARD DRIVING, FAIR, HONEST, AND AN UPSTANDING MEMBER OF THE COMMUNITY. APPOINTEE'S CHARACTER, ASSOCIATES, REPUTATION, AND LOYALTY ARE ALL EXCELLENT AND BEYOND REPROACH. APPOINTEE IS KNOWLEDGEABLE IN THE LABOR AND MANAGEMENT FIELD, AND IS THEREFORE ABLE AND QUALIFIED FOR A POSITION WITH THE U.S. GOVERNMENT.

CALLAGHAN HIGHLY RECOMMENDS APPOINTEE.

ON DECEMBER 31, 1980, RONALD SCHIAVONE, PRESIDENT, SCHIAVONE CONSTRUCTION CO., SECAUCUS, NJ, ADVISED HE HAS BEEN A BUSINESS PARTNER AND PERSONAL FRIEND OF APPOINTEE FOR 20 YEARS. SCHIAVONE DESCRIBED APPOINTEE AS HARD WORKING, CIVIC MINDED, HUMANITARIAN, FAMILY MAN, AND STRAIGHT-FORWARD. APPOINTEE'S CHARACTER, REPU-

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- UNCLAS E F T O
- UNCLAS

Date _____

PAGE ELEVEN NK 161-3133 UNCLAS

TATION, AND LOYALTY ARE ALL BEYOND REPROACH. APPOINTEE, BECAUSE OF HIS EXPERIENCE AT SCHIAVONE IN THE LABOR AND MANAGEMENT FIELD, HAS THE ABILITY TO HANDLE ANY ASSIGNMENT FOR THE U.S. GOVERNMENT. SCHIAVONE STATED THAT "THE U.S. GOVERNMENT'S CHOICE OF APPOINTEE IS THEIR GAIN AND HIS PERSONAL LOSS. SCHIAVONE HIGHLY RECOMMENDS APPOINTEE.

CREDIT: ON DECEMBER 31, 1980, [REDACTED] SUPERVISOR, THE CREDIT BUREAU INC OF NEW JERSEY, 766 SHREWSBURY AVE., TINTON FALLS, NJ, WHICH COVERS ALL OF THE STATE OF NEW JERSEY, ADVISED SC JOAN S. WILLIAMS THAT HER FILES CONTAINED A SATISFACTORY CREDIT RECORD FOR RAYMOND J. DONOVAN.

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ARREST: THE FOLLOWING LAW ENFORCEMENT AGENCIES WERE CONTACTED ON DECEMBER 31, 1980, REGARDING APPOINTEE, HIS WIFE, [REDACTED]

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[REDACTED] SONS, [REDACTED] AND [REDACTED] DAUGHTER [REDACTED] SISTERS, EILEEN CONNAIR, CLAIRE DONOVAN,

[REDACTED] BROTHERS, DAVID DONOVAN, ROBERT DONOVAN, [REDACTED]

[REDACTED] WITH NEGATIVE RESULTS: BAYONNE, NJPD, SECAUCUS, NJPD, ENGLEWOOD, NJPD, MILLBURN,

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FM NEWARK (161-3133) (RUC) (C-9)

TO DIRECTOR (IMMEDIATE) *310/P*

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SECTION THREE OF FOUR

HAND CARRY TO SPIN DESK, SUPERVISOR

RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE; BUDED JANUARY 2, 1981, WITHOUT FAIL

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- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE TWELVE NK 161-3133 UNCLAS

NJPD, ELIZABETH, NJPD, MAPLEWOOD, NJPD, CRANFORD, NJPD, NEWARK, NJPD, MORRIS, NJPD, MORRIS TOWNSHIP, NJPD, RED BANK TOWNSHIP, NJPD, MIDDLETOWN, NJPD, HILLSBOROUGH TOWNSHIP, NJPD.

NEW JERSEY STATE POLICE, INTELLIGENCE DIVISION, WAS CONTACTED REGARDING APPOINTEE AND SCHIAVONE CONSTRUCTION CO. WITH NEGATIVE RESULTS.

COMMENTS FROM OTHER INDIVIDUALS:

THE FOLLOWING INDIVIDUALS, MEMBERS OF POLITICAL, BUSINESS, LABOR AND RELIGIOUS FIELDS, WHO HAVE KNOWN APPOINTEE FOR PERIODS OF THREE TO 20 YEARS ALL FAVORABLY ATTESTED TO APPOINTEE'S CHARACTER, REPUTATION, LOYALTY AND HIS ABILITY TO HANDLE ANY POSITION WITHIN THE U.S. GOVERNMENT. ALL HIGHLY RECOMMEND APPOINTEE FOR THE POSITION. (SPECIFIC COMMENTS ARE NOTED).

[REDACTED] INGERSOLL RAND CORP., 200 CHESTNUT RIDGE RD., WOODCLIFF LAKE, NJ. "APPOINTEE COMMUNICATES WELL AND LOGICALLY WITH PEOPLE."

JOHN J. PIERSON, PRESIDENT, LOCAL 825, INTERNATIONAL UNION OF OPERATING ENGINEERS, 1100 MC CARTER HIGHWAY, NEWARK, NJ.

[REDACTED] 60 EAST 42ND ST., NEW YORK, NY, GENERAL CONTRACTOR'S ASSOCIATION OF NEW YORK.

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- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE THIRTEEN NK 161-3133 UNCLAS

"APPOINTEE RELATES TO WORKING PEOPLE AND HAS GREAT FEELINGS FOR THEIR PROBLEMS."

_____ ASSOCIATION OF GENERAL CONTRACTORS OF NEW JERSEY, 40 BRUNSWICK AVE., EDISON, NJ. "APPOINTEE HAS AN EXCELLENT REPUTATION IN THE BUSINESS COMMUNITY AND HAS THE ABILITY TO DO THE JOB."

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_____ SEAFARERS INTERNATIONAL UNION, BROOKLYN, NY. "APPOINTEE KNOWS THE PROBLEMS OF LABOR AND MANAGEMENT."

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_____ - NEW JERSEY STATE REPUBLICAN PARTY, CHERRY HILL, NJ.

_____ HONESTY HOUSE, 1272 LONG HILL RD., STERLING, NJ. "APPOINTEE HAS A UNIQUE TALENT IN ANALYZING AND SOLVING PROBLEMS."

FATHER AEDAN MANNING, 1050 LONG HILL RD., STERLING, NJ. "APPOINTEE IS CONCERNED ABOUT THE PROBLEM FACING THE PEOPLE OF THE U.S."

RENATO BEGHE, ATTORNEY, CARTER, LEDYARD AND MILBURN, 2 WALL ST., NEW YORK, NY. "APPOINTEE IS INTELLIGENT, COMPASSIONATE AND HUMANE INDIVIDUAL, WHO CAN EFFECTIVELY REPRESENT ALL THE WORKERS OF AMERICA."

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JEROME M. LYNES, ATTORNEY, NEWARK, NJ. "APPOINTEE POSSESSES THE COMPETENCE AND INTEGRITY TO DO THE JOB."

THEODORE W. GEISER, ATTORNEY, CONNELL, FOLEY, GEISER, NEWARK, NJ. "APPOINTEE WILL READILY ACCEPT ANY CHALLENGE WITH UNRELENTING FOLLOW-THROUGH."

_____ APPOINTEE'S _____ SCHIAVONE CONSTRUCTION CO., SECAUCUS, NJ.

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RAYMOND BATEMAN, PUBLIC AFFAIRS CONSULTANTS, SPRINGFIELD, NJ.

JAMES KIRK, VICE PRESIDEN, AFL-CIO, STATE OF NEW JERSEY, RED BANK, NJ. APPOINTEE KNOWS HOW TO HANDLE BOTH MANAGEMENT AND LABOR."

_____ ATTORNEY, ALLENTOWN, NJ. "APPOINTEE HAS A REPUTATION IN THE LABOR COMMUNITY AS BEING TOUGH, ALTHOUGH FAIR INDIVIDUAL. EXPERIENCED LABOR NEGOTIATOR."

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_____ NEW JERSEY TURNPIKE AUTHORITY, NEW BRUNSWICK, NJ. "APPOINTEE HAS GENUINE CONCERN FOR THE WORKERS OF AMERICA."

PAT CAMPBELL, BUSINESS MANAGER, LOCAL 825, INTERNATIONAL UNION OF OPERATING ENGINEERS, ROUTE 46 EAST, LITTLE FALLS, NJ.

_____ HUDSON COUNTY BUILDING TRADE UNION, JERSEY CITY, NJ. "APPOINTEE DEALT WITH LABOR IN A FAIR MANNER."

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Date _____

PAGE FIFTEEN NK 161-3133 UNCLAS

MSGR. HAROLD A. MURRAY, PASTOR, ST. ROSE OF LIMA, SHORT HILLS, NJ, APPOINTEE'S PASTOR.

CHARLES MARCIANTE, PRESIDENT, NEW JERSEY HEADQUARTERS, AFL-CIO, 106 W. STATE ST., TRENTON, NJ.

ROSE INFANTI, OFFICE MANAGER, REGAN CAMPAIGN, EAST BRUNSWICK, NJ, 122 PHILLIPS AVE., TRENTON, NJ.

MERCER COUNTY FREEHOLDER, TRENTON, NJ.

GENERAL COUNSEL FOR AFL-ICO WELFARE AND PENSION, ROUTE 130 SOUTH BRUNSWICK TOWNSHIP, NJ.

KENNETH BOYLES, VICE PRESIDENT, NATIONAL STATE BANK, ELIZABETH, NJ.

HOWARD LOUDERBACK, RETIRED MAJOR GENERAL, U.S. ARMY RESERVES, VICE PRESIDENT, NATIONAL STATE BANK, ELIZABETH, NJ.

REPUBLIC STATE COMMITTEE IN NEW JERSEY, 28 W. STATE ST., TRENTON, NJ.

MAYOR JACK RAFFERTY, MAYOR, HAMILTON TOWNSHIP, NJ, FORMER STATE CHAIRMAN, POSITION NOW HELD BY DONOVAN.

BRENDAN BYRNE, GOVERNOR, STATE OF NEW JERSEY, TRENTON, NJ, ADVISED WHILE HE PERSONALLY DOES NOT KNOW APPOINTEE, HE BECAME

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PAGE SIXTEEN NK 161-3133 UNCLAS

AWARE OF APPOINTEE IN THAT APPOINTEE WAS BYRNE'S OPPONENT'S CAMPAIGN MANAGER IN 1977 GOVERNOR'S RACE IN NEW JERSEY. BYRNE KNOWS OF NO DEROGATORY INFORMATION CONCERNING APPOINTEE.

MISCELLANEOUS:

INVESTIGATION HAS DETERMINED THAT APPOINTEE IN 1950 WAS BRIEFLY EMPLOYED AT THE BALLENTINE BREWERY, NEWARK, NJ. BREWERY HAS BEEN CLOSED IN EXCESS OF SEVEN YEARS, AND THIS EMPLOYMENT NOT VERIFIED.

INVESTIGATION ALSO DETERMINED THAT DURING THE PERIOD 1952-53, APPOINTEE WAS A MEMBER OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, NOT VERIFIED BY NEWARK.

INVESTIGATION HAS DETERMINED THAT APPOINTEE IS A 38 PER CENT OWNER IN THE FIDDLER'S ELBOW, A COUNTRY CLUB IN BEDMINSTER, NJ. APPOINTEE'S PARTNER, RONALD SCHIAVONE IS 50 PER CENT OWNER, WITH REMAINING 12 PER CENT HELD BY OFFICERS OF SCHIAVONE CONSTRUCTION CO.

INVESTIGATION HAS DETERMINED THAT DURING THE PERIOD 1973-76, APPOINTEE WAS CHAIRMAN OF THE BOARD, HONESTY HOUSE, A PRIVATELY ENDOWED HOME FOR THE TREATMENT OF ALCOHOLICS AND ADDICTED, LOCATED IN STIRLING, NJ. THEODORE W. GEISER, APPOINTEE'S PERSONAL ATTORNEY

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Date _____

FM NEWARK (161-3133) (RUC) (C-9)

TO DIRECTOR (IMMEDIATE) *3-15 P*

BT

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HAND CARRY TO SPIN DESK, SUPERVISOR

RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE, BUDED JANUARY 2, 1981, WITHOUT FAIL

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Date _____

PAGE SEVENTEEN NK 161-3133 UNCLAS

(SEE COMMENTS UNDER "OTHER INDIVIDUALS"), ADVISED THAT APPOINTEE HAD "SOMEWHAT OF A DRINKING PROBLEM," APPROXIMATELY TEN YEARS AGO. GEISER STATED THAT IN A MANNER COMMENSURATE WITH APPOINTEE'S CHARACTER, HE TACKLED THE PROBLEM HEAD-ON AND HAS SINCE ASSISTED OTHERS IN OVERCOMING THE SAME PROBLEMS THROUGH HIS WORK WITH HONESTY HOUSE. GEISER STATED THAT APPOINTEE'S OVERCOMING OF HIS PROBLEM TEN YEARS AGO, IS A POSITIVE CHARACTER ATTRIBUTE.

INVESTIGATION HAS DETERMINED THAT FROM 1969 TO THE PRESENT DATE, APPOINTEE IS ON THE BOARD OF DIRECTORS FOR THE SHRINE OF ST. JOSEPH, STIRLING, NJ, AND FROM 1974 TO THE PRESENT, IS A LAY BOARD MEMBER TO THE MISSIONARY SERVANTS OF THE MOST HOLY TRINITY, AN ORDER INVOLVED IN CHARITABLE AND SOCIAL WORK AMONG THE DISADVANTAGED PEOPLE IN INNER CITIES THROUGHOUT THE U.S., INCLUDING PUERTO RICO AND MEXICO.

ADMINISTRATIVE:

NEWARK INDICES REFLECT ONE REFERENCE TO APPOINTEE REVEALING HE WAS INTERVIEWED IN AN INVESTIGATIVE MATTER AS A WITNESS; NO DEROGATORY INFORMATION NOTED.

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Date _____

PAGE EIGHTEEN NK 161-3133 UNCLAS

NEWARK INDICES RE SCHIAVONE CONSTRUCTION CO., SECAUCUS, NJ, REVEALED NUMEROUS REFERENCES, NO MAIN FILES, WITH REVIEW REVEALING NO DEROGATORY INFORMATION.

NEWARK INDICES RE FIDDLER'S ELBOW, BEDMINSTER, NJ, AND HONESTY HOUSE, STIRLING, NJ, NEGATIVE.

NEWARK INDICES RE APPOINTEE'S IMMEDIATE FAMILY, ASSOCIATES, AND REFERENCES NEGATIVE.

ALL PERSONS CONTACTED IN THIS MATTER WERE ADVISED OF THE PROVISIONS OF THE PRIVACY ACT.

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FM NEWARK (161B-3L33) (RUC) (C-9)

TO DIRECTOR (IMMEDIATE)

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HAND CARRY TO SPIN DESK SUPERVISOR

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SECTION ONE OF FOUR

RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE; BUDED JANUARY 2,

1981 WITHOUT FAIL

RE: BUREAU TELEPHONE CALL TO NEWARK, DECEMBER 30, 1980.

BUREAU TELETYPE TO WFO, DECEMBER 31, 1980.

BIRTH: ON JANUARY 2, 1981, DEPUTY REGISTRAR,

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BUREAU OF VITAL STATISTICS, BAYONNE, NJ, ADVISED SC JOAN S. WILLIAMS

THAT THEIR RECORDS REFLECT THAT APPOINTEE WAS BORN AUGUST 31, 1930,

IN BAYONNE, NJ, TO ELEANOR MC KIGNEY AND DAVID DONOVAN. 161B-3133-22

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TO DIRECTOR (IMMEDIATE)

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RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE; BUDED JANUARY 2,

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TO DIRECTOR (IMMEDIATE)

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RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE, BUDED JANUARY 2,
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RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE; BUDED JANUARY 2,
1981 WITHOUT FAIL.

RE: BUREAU TELEPHONE CALL TO NEWARK, DECEMBER 30, 1980.

BUREAU TELETYPE TO WFO, DECEMBER 31, 1980.

NEWARK TELETYPE TO BUREAU, JANUARY 2, 1981. BUREAU TELEPHONE
CALL, JANUARY 2, 1981.

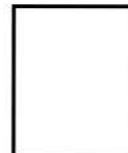
ADMINISTRATIVE:

NEWARK INDICIES CHECK REVEALS NO REFERENCE TO APPOINTEE OR
SCHIAVONE CONSTRUCTION COMPANY, SECAUCUS, NEW JERSEY WITH
NK 92-3565, BUFILE 92-11658, CAPTIONED AS "HUGH J. ADDONIZIO;
ET AL; ANTI-RACKETEERING - HOBBS ACT; OBSTRUCTION OF JUSTICE."

161B-3133-23

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TO DIRECTOR (IMMEDIATE)

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HAND CARRY TO SPIN DESK SUPERVISOR

RAYMOND JAMES DONOVAN; SPIN FOR WHITE HOUSE; BUDED JANUARY 2, 1981 WITHOUT FAIL."

RE: BUREAU TELEPHONE CALL TO NEWARK, DECEMBER 30, 1980,
 BUREAU TELETYPE TO WFO, DECEMBER 31, 1980.
 NEWARK TELETYPE TO BUREAU, JANUARY 2, 1981. BUREAU TELEPHONE
 CALL, JANUARY 2, 1981.

ADMINISTRATIVE:

NEWARK INDICES CHECK REVEALS NO REFERENCE TO APPOINTEE OR
 SCHIAVONE CONSTRUCTION COMPANY, SECAUCUS, NEW JERSEY WITH
 NK 92-3565, BUFILE 92-11658, CAPTIONED AS "HUGH J. ADDONIZIO;
 ET AL; ANTI-RACKETEERING - HOBBS ACT; OBSTRUCTION OF JUSTICE."

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6/1/81

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PAGE TWO NK 161B-3133 UNCLAS

NK 92-3565 INVOLVED AN INVESTIGATION IN 1969 AND 1970 BY THE NEWARK DIVISION, UNITED STATES ATTORNEY'S OFFICE, DISTRICT OF NEW JERSEY, CONCERNING ALLEGED PAYOFFS MADE TO ADDONIZIO, THE THEN MAYOR OF NEWARK, NEW JERSEY AND OTHER POLITICAL MEMBERS OF THE NEWARK CITY ADMINISTRATION. NEWARK CONDUCTED REVIEW OF THIS FIVE VOLUME INVESTIGATION WITH NO REFERENCE TO APPOINTEE OR SCHIAVONE CONSTRUCTION COMPANY LOCATED.

ADDITIONAL INDICES CHECKS BY NEWARK DETERMINED THAT IN DECEMBER, 1969, UNITED STATES ATTORNEY'S OFFICE, NEWARK, NEW JERSEY, REQUESTED INVESTIGATION INTO KANTOR SUPPLY COMPANY, NEWARK, NEW JERSEY, WHOSE PRINCIPAL WAS IRVING KANTOR (NOW DECEASED), FOR POSSIBLE HOBBS ACT VIOLATION IN CONNECTION WITH THE THEN ONGOING ADDONIZIO INVESTIGATION. REVIEW OF THIS SIX SERIAL FILE REVEALED THAT IRVING KANTOR, WHO AT THE TIME HAD AN INCURABLE DISEASE, NOTIFIED UNITED STATES ATTORNEY'S OFFICE, NEWARK, NEW JERSEY, THAT HE SET UP A COMPLETELY FICTITIOUS COMPANY IN THE NAME KANTOR SUPPLY COMPANY, IN ORDER TO SUPPLY FICTITIOUS INVOICES FOR THE PURPOSE OF WASHING CASH.

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Date _____

PAGE THREE NK 161B-3133 UNCLASS

KANTOR INFORMED THE UNITED STATES ATTORNEY'S OFFICE THAT ONE

A SUBJECT OF THE ADDONIZIO MATTER, WAS THE INDIVIDUAL WHO REQUESTED KANTOR TO SET UP THE COMPANY.

KANTOR WAS INTERVIEWED BY INTERNAL REVENUE SERVICE AGENTS, AT WHICH TIME, HE SUPPLIED THE NAMES OF COMPANIES IN NEW JERSEY WHO DEALT WITH KANTOR SUPPLY COMPANY. COMPILED LIST WAS TURNED OVER TO THE UNITED STATES ATTORNEY'S OFFICE, AND THEY DESIGNATED, BY SYMBOL, THE PRIORITY ATTACHED TO THOSE COMPANIES REGARDING UNITED STATES ATTORNEY'S INVESTIGATION INTO ADDONIZIO. SYMBOL A IDENTIFIED COMPANIES WHICH WERE INCLUDED IN THE ADDONIZIO INDICTMENT AS HAVING WORKED ON CITY CONTRACTS DURING THE TIME PERIOD COVERED BY THE INDICTMENT. SYMBOL B IDENTIFIED COMPANIES NOT NAMED IN THE INDICTMENT BUT WHO WERE ENGAGED IN PUBLIC PROJECTS WITHIN THE PERIOD COVERED BY THE INDICTMENT. SYMBOL C AND D WERE IDENTIFIED AS NOT COVERED IN THE INDICTMENT. UNITED STATES ATTORNEY'S OFFICE, NEWARK, NEW JERSEY, DETERMINED THAT SCHIAVONE CONSTRUCTION COMPANY, FIT THE CRITERIA FOR SYMBOL B IN THAT IT WAS ENGAGED IN A CONSTRUCTION PROJECT ON THE NEW JERSEY TURNPIKE, WITHIN THE CITY LIMITS AND PAID KANTOR SUPPLY

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PAGE FOUR NK 161B-3133 UNCLASS

COMPANY APPROXIMATELY \$13,000.00 TO DUMP UNCLEANNED EXCAVATION
 ON PROPERTY OWNED BY KANTOR.

THE KANTOR INVESTIGATIVE MATTER WAS CLOSED BY NEWARK IN
 APRIL, 1970, WITH NO INVESTIGATION REALLY BEING CONDUCTED BY THE
 OFFICE. THE MATTER WAS CLOSED BY THE UNITED STATES ATTORNEY'S
 OFFICE IN THAT PRINCIPALS OF THE COMPANIES WHO DEALT WITH KANTOR
 WERE TO BE INTERVIEWED BY THE UNITED STATES ATTORNEY'S OFFICE
 FOR POSSIBLE TESTIMONY IN THE ADDONIZIO MATTER. WHETHER APPOINTEE
 OR ANY OTHER PRINCIPAL WAS INTERVIEWED BY THE UNITED STATES
 ATTORNEY'S OFFICE IS NOT KNOWN OR REFLECTED IN THIS FILE.

A DECEMBER 24, 1980 ARTICLE IN THE NEW YORK "DAILY NEWS"
 REFERS TO APPOINTEE, THE SCHIAVONE CONSTRUCTION COMPANY, AND
 IRVING KANTOR, CONCERNING THE AFOREMENTIONED PAYMENT. IT IS NOTED,
 THAT APPOINTEE ASSERTS TO "THE DAILY NEWS" THAT SCHIAVONE
 CONSTRUCTION COMPANY NEVER DID ANY BUSINESS WITH THE CITY OF
 NEWARK. A COPY OF THIS ARTICLE WILL BE FACSIMILIED TO THE
 BUREAU.

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161B-3133-24

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Standard Form 86
 AUGUST 1964
 U.S. CIVIL SERVICE COMMISSION
 (F.P.M. CHAPTER 72)
 86-107

**SECURITY INVESTIGATION DATA
 FOR SENSITIVE POSITION**

CASE SERIAL NO (CSC use only)

INSTRUCTIONS.—Prepare in triplicate, using a typewriter. Fill in all items. If the answer is "No" or "None," so state. If more space is needed for any item, continue under item 28.

1. FULL NAME <i>(Initials and abridgements of full name are not acceptable. If no middle name, show "(NMN)", if initials only, show "(no given or middle name)".</i>	LAST NAME Donovan	FIRST NAME Raymond	(MIDDLE NAME) James	2 DATE OF BIRTH 8/31/30
	OTHER NAMES USED <i>(Maiden name, names by former marriages, former names changed legally or otherwise, aliases, nicknames, etc. Specify which, and show dates used)</i> NONE			3 PLACE OF BIRTH Bayonne, N.J.
				4 <input type="checkbox"/> MALE <input type="checkbox"/> FEMALE
5 HEIGHT 5'11"		WEIGHT 175	COLOR EYES hzi	COLOR HAIR blk

6 <input type="checkbox"/> SINGLE <input checked="" type="checkbox"/> MARRIED <input type="checkbox"/> WIDOW(ER) <input type="checkbox"/> DIVORCED	7. IF MARRIED, WIDOWED, OR DIVORCED GIVE FULL NAME AND DATE AND PLACE OF BIRTH OF SPOUSE OR FORMER SPOUSE. INCLUDE WIFE'S MAIDEN NAME. GIVE DATE AND PLACE OF MARRIAGE OR DIVORCE. <i>(Give same information regarding all previous marriages and divorces)</i> <table border="1"> <tr> <td>[Redacted]</td> <td>Birth</td> <td>[Redacted]</td> <td>Marriage</td> </tr> </table>	[Redacted]	Birth	[Redacted]	Marriage
[Redacted]	Birth	[Redacted]	Marriage		

8 DATES AND PLACES OF RESIDENCE *(If actual places of residence did not begin with present and go back to January 1, 1937. Continue under item 28 on other side if necessary.)*

FROM	TO	NUMBER AND STREET	CITY	STATE
8/15/67	Present	[Redacted]	Short Hills,	N.J. NK
9/14/57	8/15/67	32 Colgate Road	Maplewood,	N.J.
8/31/30	9/14/57	32 West 3rd. St.	Bayonne,	N.J.

<input checked="" type="checkbox"/> U.S. CITIZEN	<input type="checkbox"/> BY BIRTH	<input type="checkbox"/> NATURALIZED	ALIEN REGISTRATION NO.	DATE, PLACE, AND COURT
	CERT. NO.		PETITION NO.	
<input type="checkbox"/> ALIEN	REGISTRATION NO.	NATIVE COUNTRY	DATE AND PORT OF ENTRY	

10. EDUCATION. *(All schools above elementary.)*

NAME OF SCHOOL	ADDRESS	FROM (Year)	TO (Year)	DEGREES
St. Peters Prep.	Jersey City, N.J.	1944	1945	
St. Josephs	Holy Trinity, Ala.	1945	1950	NO
Notre Dame Seminary	New Orleans, La.	1950	1952	NO Philosophy

11. THIS SPACE FOR FBI USE. <i>(See also item 29.)</i>	12. SOCIAL SECURITY NUMBER 053-24-0711							
	13. MILITARY SERVICE <i>(Past or present)</i>							
	<table border="1"> <tr> <th>SERIAL NO <i>(If none, give grade or rating at separation)</i></th> <th>BRANCH OF SERVICE <i>(Army, Navy, Air Force, etc.)</i></th> <th>FROM (Yr.)</th> <th>TO (Yr.)</th> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </table>	SERIAL NO <i>(If none, give grade or rating at separation)</i>	BRANCH OF SERVICE <i>(Army, Navy, Air Force, etc.)</i>	FROM (Yr.)	TO (Yr.)			
SERIAL NO <i>(If none, give grade or rating at separation)</i>	BRANCH OF SERVICE <i>(Army, Navy, Air Force, etc.)</i>	FROM (Yr.)	TO (Yr.)					

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14. HAVE YOU EVER BEEN DISCHARGED FROM THE ARMED FORCES UNDER OTHER THAN HONORABLE CONDITIONS? YES NO
 (If answer is "Yes," give details in item 28)

15. EMPLOYMENT. (List ALL employment dates starting with your present employment. Give both month and year for all dates. Show ALL dates and addresses when unemployed. Give name under which employed if different from name now used)

FROM	TO	NAME OF EMPLOYER (Firm or agency) AND SUPERVISOR (Full name, if known)	ADDRESS (Where employed)	TYPE OF WORK	REASON FOR LEAVING
1/59	Present	Schiavone Construction Company	1600 Paterson Pl. Secaucus, N.J.	Officer Ex.VP	Presidential Appointment NK
9/58	1/59	Norton Insurance Agency	Englewood, N.J.	Insurance Representative	Career Change
9/55	9/58	American Insurance Company	Newark, N.J.	Bond Representative	Career Change NK

16. HAVE YOU EVER BEEN DISCHARGED (FIRED) FROM EMPLOYMENT FOR ANY REASON? YES NO.

17. HAVE YOU EVER RESIGNED (QUIT) AFTER BEING INFORMED THAT YOUR EMPLOYER INTENDED TO DISCHARGE (FIRE) YOU FOR ANY REASON? YES NO.
 (If your answer to 16 or 17 above is "Yes" give details in item 28. Show the name and address of employer, approximate date, and reasons in each case. This information should agree with the statements made in item 15—EMPLOYMENT.)

18. HAVE YOU EVER BEEN ARRESTED, TAKEN INTO CUSTODY, HELD FOR INVESTIGATION OR QUESTIONING, OR CHARGED BY ANY LAW ENFORCEMENT AUTHORITY? (You may omit: (1) Traffic violations for which you paid a fine of \$30 or less; and (2) anything that happened before your 16th birthday. All other incidents must be included, even though they were dismissed or you merely forfeited collateral.) YES NO.

IF YOUR ANSWER IS "YES," GIVE FULL DETAILS BELOW.

DATE	CHARGE	PLACE	LAW ENFORCEMENT AUTHORITY	ACTION TAKEN
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(SIGNATURE AND TITLE OF AUTHORIZED AGENCY OFFICIAL)

STANDARD FORM 86
AUGUST 1964
U.S. CIVIL SERVICE COMMISSION

SECURITY INVESTIGATION DATA

CASE SERIAL NO. (CSC use only)

19 HAVE YOU EVER HAD A NERVOUS BREAKDOWN OR HAVE YOU EVER HAD MEDICAL TREATMENT FOR A MENTAL CONDITION? YES NO
(If your answer is "Yes," give details in item 20)

20 FOREIGN COUNTRIES VISITED (SINCE 1930). (Exclusive of military service)

COUNTRY	DATE LEFT U.S.A.	DATE RETURNED U.S.A.	PURPOSE
Italy	June 5, 1964	June 19, 1964	Pleasure
Australia	March 9, 1966	March 19, 1966	Business

See attached Sheet #1
AX

21. ARE YOU NOW, OR HAVE YOU EVER BEEN, A MEMBER OF THE COMMUNIST PARTY, U.S.A., OR ANY COMMUNIST OR FASCIST ORGANIZATION? YES NO

22. ARE YOU NOW OR HAVE YOU EVER BEEN A MEMBER OF ANY FOREIGN OR DOMESTIC ORGANIZATION, ASSOCIATION, MOVEMENT, GROUP, OR COMBINATION OF PERSONS WHICH IS TOTALITARIAN, FASCIST, COMMUNIST, OR SUBVERSIVE, OR WHICH HAS ADOPTED, OR SHOWS A POLICY OF ADVOCATING OR APPROVING THE COMMISSION OF ACTS OF FORCE OR VIOLENCE TO DENY OTHER PERSONS THEIR RIGHTS UNDER THE CONSTITUTION OF THE UNITED STATES OR WHICH SEEKS TO ALTER THE FORM OF GOVERNMENT OF THE UNITED STATES BY UNCONSTITUTIONAL MEANS? YES NO

23. IF YOUR ANSWER TO QUESTION 21 OR 22 ABOVE IS "YES," STATE THE NAMES OF ALL SUCH ORGANIZATIONS, ASSOCIATIONS, MOVEMENTS, GROUPS, OR COMBINATIONS OF PERSONS AND DATES OF MEMBERSHIP. IN ITEM 23 OR ON A SEPARATE SHEET TO BE ATTACHED TO AND MADE A PART OF THIS FORM, GIVE COMPLETE DETAILS OF YOUR ACTIVITIES THEREIN AND MAKE ANY EXPLANATION YOU DESIRE REGARDING YOUR MEMBERSHIP OR ACTIVITIES

NAME IN FULL	ADDRESS	FROM	TO	OFFICE HELD
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24. MEMBERSHIP IN OTHER ORGANIZATIONS (List all organizations in which you are now a member or have been a member, except those which show religious or political affiliations) (If none, so state.)

NAME IN FULL	ADDRESS	TYPE	FROM	TO	OFFICE HELD
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NONE

25. RELATIVES (Parents, spouse, divorced spouse, children, brothers, and sisters, living or dead. Name of spouse should include maiden name and any other names by previous marriage. If person is dead, state "dead" after relationship and furnish information for other columns as of time of death.)

RELATION	NAME IN FULL	YEAR OF BIRTH	ADDRESS	COUNTRY OF BIRTH	PRESENT CITIZENSHIP
Father	David A. Donovan (dead)	1895	32 W. 3rd. St. Bayonne, N.J.	U.S.A.	X U.S.
Mother	Eleanor Donovan (dead)	1900	32 W. 3rd. St. Bayonne, N.J.	U.S.A.	X U.S.
Wife	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
	[Redacted]	[Redacted]	Short Hills, N.J.	U.S.A.	NK U.S.
Son	[Redacted]	[Redacted]	[Redacted]	Short Hills, N.J.	U.S.A. U.S.
Daughter	[Redacted]	[Redacted]	[Redacted]	Short Hills, N.J.	U.S.A. U.S.

See attached Sheet #2

b6
b7c

26a REFERENCES (Name three persons, not relatives or employers, who are aware of your qualifications and fitness)

NAME IN FULL	HOME ADDRESS	BUSINESS ADDRESS	YEARS KNOWN	
Rev. Leonard Bachman	Holy Trinity Mission Seminary	Silver Spring, Md.	35	WFO
Rev. Colin Cooke	St. Timothy Church	Tappahannock, Va.	35	AX
Joseph Nolan	41 Summit Road	Verona, N.J.	20	NK

26b CLOSE PERSONAL ASSOCIATES (Name three persons, such as friends, schoolmates or colleagues, who know you well)

NAME IN FULL	HOME ADDRESS	BUSINESS ADDRESS	YEARS KNOWN	
Ronald Schiavone	White House, N.J.	1600 Pat. Plank Rd. Secaucus, N.J.	25	
Joseph DiCarolis	Turnbull Lane Bernardsville, NJ	1600 Pat. Plank Rd. Secaucus, N.J.	20	

27. TO YOUR KNOWLEDGE, HAVE YOU EVER BEEN THE SUBJECT OF A FULL FIELD OR BACKGROUND PERSONAL INVESTIGATION BY ANY AGENCY OF THE FEDERAL GOVERNMENT? YES NO (If your answer is "Yes," show in item 28, (1) the name of the investigating agency (2) the approximate date of investigation, and (3) the level of security clearance granted, if known)

28. SPACE FOR CONTINUING ANSWERS TO OTHER QUESTIONS (Show item numbers to which answers apply Attach a separate sheet if there is not enough space here)

Item # 26b cont'd.

Richard Callaghan	111 Colt Road Summit, N.J.	1600 Pat. Plank Rd. Secaucus, N.J.	20	NK
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29 REPORT OF INFORMATION DEVELOPED (This space reserved for FBI use)

DATE

Before signing this form check back over it to make sure you have answered all questions fully and correctly.

CERTIFICATION

I CERTIFY that the statements made by me on this form are true, complete, and correct to the best of my knowledge and belief, and are made in good faith.

Falsify statement on this form is punishable by law.

12/30/80
DATE

[Signature]
SIGNATURE - Sign original and first carbon copy

INFORMATION TO BE FURNISHED BY AGENCY

INSTRUCTIONS TO AGENCY: See Federal Personnel Manual Chapter 736 and FPM Supplement 296-31, Appendix A, for details on when this form is required and how it is used. If this is a request for investigation before appointment, insert "APPL" in the space for Date of Appointment and show information about the proposed appointment in the other spaces for appointment data. The original and the first carbon copy should be signed by the applicant or appointee. Submit the original and the unsigned carbon copy of the form, Standard Form 87 (Fingerprint Chart), and any investigative information about the person received on voucher forms or otherwise, to the United States Civil Service Commission, Bureau of Personnel Investigations, Washington, D.C., 20415. If this is a request for full field security investigation, submit these forms to the attention of the Division of Reimbursable Investigations; if this is a request for preappointment national agency checks, submit these forms to the attention of the Control Section.

RETAIN THE CARBON COPY OF STANDARD FORM 86 (SIGNED BY THE APPLICANT OR APPOINTEE) FOR YOUR FILES

DATE OF APPOINTMENT	TYPE OF APPOINTMENT <input type="checkbox"/> EXCEPTED <input type="checkbox"/> COMPETITIVE (Include indefinite and temporary types of competitive appointments)	CIVIL SERVICE REGULATION NUMBER OR OTHER APPOINTMENT AUTHORITY	TITLE OF POSITION AND GRADE OR SALARY
DEPARTMENT OR AGENCY	DUTY STATION	SEND RESULTS OF REAPPOINTMENT CHECK TO	
THIS IS A SENSITIVE POSITION			
(SIGNATURE AND TITLE OF AUTHORIZED AGENCY OFFICIAL)			

Sheet #1 Continuation of Item # 20

<u>Country</u>	<u>Date Left USA</u>	<u>Date Returned USA</u>	<u>Purpose</u>
Ireland	6/18/72	6/28/72	Pleasure
West Germany	6/10/78	6/14/78	Pleasure
England	10/3/75	10/4/75	Business
England	2/7/78	2/9/78	Business
England	6/14/78	6/15/78	Business
Romania	2/4/78	2/6/78	Business
Venezuela	2/10/73	2/15/73	Business
Nicaragua	5/7/73	5/10/73	Business

AX

Sheet #2 Continuation of Item #25

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b7c

Relation	Name in Full	Year of Birth	Address	Country of Birth	Present Citizenship
Son	[Redacted]	[Redacted]	[Redacted]	USA	NK USA
Brother	David Donovan	1917	3 Island View Ct. Bayonne, N.J.	USA	USA
Sister	Eileen Connair	1919	143 Lexington Ct. Red Bank, N.J.	USA	USA
Brother	Robert Donovan	1921	31 Washington St. Red Bank, N.J.	USA	USA
Sister	Claire Donovan	1923	112 Hillcrest Ave. Cranford, N.J.	USA	NK USA
Brother	[Redacted]	[Redacted]	[Redacted]	USA	[Redacted] USA
Sister	[Redacted]	[Redacted]	[Redacted]	USA	NK USA
Brother	[Redacted]	[Redacted]	[Redacted]	USA	USA
Sister	[Redacted]	[Redacted]	[Redacted]	USA	USA
Sister	[Redacted]	[Redacted]	[Redacted]	USA	USA
Brother	[Redacted]	[Redacted]	[Redacted]	USA	USA
Brother	[Redacted]	[Redacted]	[Redacted]	USA	NK USA

Airtel

December 31, 1980

Director, FBI

SACs, Washington Field - Enc. (2)
Alexandria - Enc. (2)
Cincinnati - Enc. (2)
~~Mobile - Enc. (2)~~
~~Newark - Enc. (2)~~
New Haven - Enc. (2)
New Orleans - Enc. (2)
Philadelphia - Enc. (2)
San Francisco - Enc. (2)


RAYMOND JAMES DONOVAN
SPECIAL INQUIRY
BUDED: January 1, 1981 WITHOUT FAIL. (B)

ReButel today.

Enclosed are background data and records release
received with request for investigation.


SPIN

*All items
previously searched
on this 8 12/3/80*



161B-3133-25

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 5 1981	
FBI - NEWARK	



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Airtel

December 31, 1980

Director, FBI

SACs, Washington Field - Enc. (2)
Alexandria - Enc. (2)
Cincinnati - Enc. (2)
Mobile - Enc. (2)
Newark - Enc. (2)
New Haven - Enc. (2)
New Orleans - Enc. (2)
Philadelphia - Enc. (2)
San Francisco - Enc. (2)

RAYMOND JAMES DONOVAN
SPECIAL INQUIRY
BUDED: January 1, 1981 WITHOUT FAIL. (B)

ReButel today.

Enclosed are background data and records release
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SPIN

161B-3133-25

SEARCHED	INDEXED
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JAN 5 1981	
FBI - NEWARK	

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161-3133 - 126

SEARCHED	INDEXED	b6
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JAN 7 1981		
FBI - NEW YORK		

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2

Date, page, name of
paper, city and state.)THE STAR-LEDGER
NEWARK, NJ

Date: 1/7/81

Edition:

Title:

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161-1333

Character:

or

Classification:

Submitting Office:

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Donovan hearings put off

By ROBERT COHEN

Star-Ledger Washington Bureau

WASHINGTON — A confirmation hearing for U.S. Labor Secretary-designate Raymond Donovan, scheduled for this morning, was postponed late yesterday and is now slated to be held Monday.

A spokesman for the Senate Labor and Human Resources Committee said the hearing was delayed because the panel has not received the FBI background report that had been requested on Donovan.

Several senators, led by Sen. Edward Kennedy (D-Mass), the ranking minority member on the panel, are said to be anxious to examine the FBI's findings because of reports concerning Donovan's New Jersey construction company and two completed political corruption investigations in New Jersey that date back at least 10 years.

Donovan, the executive vice president of Schiavone Construction Co. of Secaucus, has acknowledged that he was questioned by federal law enforcement authorities in 1969 in connection with an investigation of public corruption in Newark. Donovan also has said the company's books were subpoenaed in the early 1970s, apparently as part of another probe involving state politicians and the New Jersey Turnpike.

Donovan could not be reached for comment last night, but in a telephone interview with The Star-Ledger about two weeks ago he said he was called to the U.S. Attorney's Office some time in 1969 because his company had made a \$12,000 to \$15,000 payment to a Newark firm headed by the late Irving Kantor.

Donovan said the payment to Kantor was "a legitimate business expense" for the leasing of a vacant piece of land in Newark.

Kantor was a chief prosecution witness at the corruption trial of Newark Mayor Hugh Addonizio and others in 1970 and testified that he set up a phony account to launder nearly \$1 million in kickbacks from contractors and vendors for public officials in the city.

Donovan said he knew nothing about Kantor or his scheme until he voluntarily

talked to members of the U.S. Attorney's office in Newark and was told what Kantor had been doing.

"We were never the target of the investigation. The record is clear on that," Donovan said. "Nothing ever came of it."

Interviews with numerous former and present law enforcement officials have indicated that no evidence was ever produced warranting action to be taken against either Donovan or his company. In fact, U.S. District Judge Frederick Lacey, who was the chief federal prosecutor in 1969, said he does not remember talking to Donovan, but feels that the proper steps would have been taken if there had been any wrongdoing.

"As far as I'm concerned, Mr. Donovan enjoys a fine reputation for integrity in the community," Lacey said.

In explaining the incident, Donovan said his company was excavating land as part of a project to widen the New Jersey Turnpike and needed storage space. He said the decision to lease the land was

probably made on the job site by a construction supervisor. He said this was a routine practice and added that a \$12,000 to \$15,000 payment would not be considered a major expense and would not necessarily have attracted his attention at the time.

Joseph Nolan, Donovan's attorney, said company records were subpoenaed some time in late 1971 or early 1972 and later returned to the firm. One former law enforcement official said the Schiavone records were examined in connection with a probe of the New Jersey Turnpike Authority.

Nolan said that while the company records were in possession of the government, the Internal Revenue Service (IRS) did a complete audit of the company and gave the firm a clean bill of health.

Nolan said the payment for leasing the land in Newark was claimed as a business expense and not questioned by the IRS.

"They allowed the payment as a legitimate business deduction," said Nolan. "If there was anything wrong, they would have disallowed it."

F.P. DC.

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TO DIRECTOR IMMEDIATE

NEWARK (INFO) IMMEDIATE /////ALL OFFICES VIAFBIHQ

MIAMI (INFO) IMMEDIATE

BT

U N C L A S

SECTION ONE OF TWO SECTIONS

RAYMOND J. DONOVAN, SPIN, BUDED: PAST

161-31334
166-1882-324

ALL PERSONS INTERVIEWED WERE ADVISED OF THE PROVISIONS OF THE PRIVACY ACT OF 1978, AND THOSE REQUESTING CONFIDENTIALITY HAVE BEEN SO NOTED.

ON JANUARY 9, 1981, T-1, AN INDIVIDUAL WHO HAS PROVIDED RELIABLE INFORMATION IN THE PAST, ADVISED THAT

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[REDACTED]

11216789

T-1 REQUESTED CONFIDENTIALITY AND AN EXPRESS PROMISE OF CONFIDENTIALITY WAS GIVEN.

161B3133-22
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SERIALIZED FILED
JAN 10 1981
FBI-NEWARK

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PAGE TWO U N C L A S

OTV JANUARY 9, 1981, T-2, AN INDIVIDUAL IN A POSITION TO KNOW,
ADVISED THAT

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T-2 REQUESTED COMPLETE CONFIDENTIALITY AND AN EXPRESS PROMISE
OF CONFIDENTIALITY WAS GIVEN.

ON JANUARY 9, 1981, T-3, AN INDIVIDUAL IN A POSITION TO KNOW,
ADVISED THAT

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T-3 REQUESTED CONFIDENTIALITY AND AN EXPRESS PROMISE OF CONFIDENTIALITY WAS GRANTED.

SPECIAL AGENTS OF THE NEW YORK AND MIAMI OFFICES OF THE FEDERAL BUREAU OF INVESTIGATION CONDUCTED A PHYSICAL AND PHOTOGRAPHIC SURVEILLANCE OF BOTH ENDS OF THIS TRIP TO MIAMI AS PART OF AN INDEPENDENT, ONGOING CRIMINAL INVESTIGATION. REVIEW OF THE PHOTOGRAPHS FROM THIS SURVEILLANCE FAILS TO REVEAL APPOINTEE IN ANY PHOTOGRAPH.

SPECIAL AGENTS OF THE NEW YORK OFFICE HAD ALSO OBTAINED A COPY OF THE FLIGHT MANIFEST FOR THIS FLIGHT (DELTA AIRLINES FLIGHT 1051 WHICH DEPARTED JFK INTERNATIONAL AIRPORT FOR MIAMI ON JANUARY 18, 1978). A REVIEW OF THIS FLIGHT MANIFEST REVEALS A.W. MASSELLI, ONE [REDACTED], AND ONE [REDACTED] AMONG THE PASSENGERS, FAILS TO SHOW APPOINTEE'S NAME. IT IS NOTED, HOWEVER, THAT SEVERAL OF THE FIRST CLASS PASSENGERS SHOWN ON THIS MANIFEST FLEW AS A PARTY OF TWO BUT NO OTHER NAME IS INDICATED.

ON JANUARY 9, 1981, T-4, AN INDIVIDUAL IN A POSITION TO KNOW AND WHO HAS PROVIDED RELIABLE INFORMATION IN THE PAST, ADVISED THAT

[REDACTED]

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PAGE FOUR U N C L A S

[REDACTED]

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T-4, REQUESTED CONFIDENTIALITY AND AN EXPRESS PROMISE OF CONFIDENTIALITY WAS GRANTED.

ON JANUARY 10, 1981, T-5,

[REDACTED]

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[REDACTED]

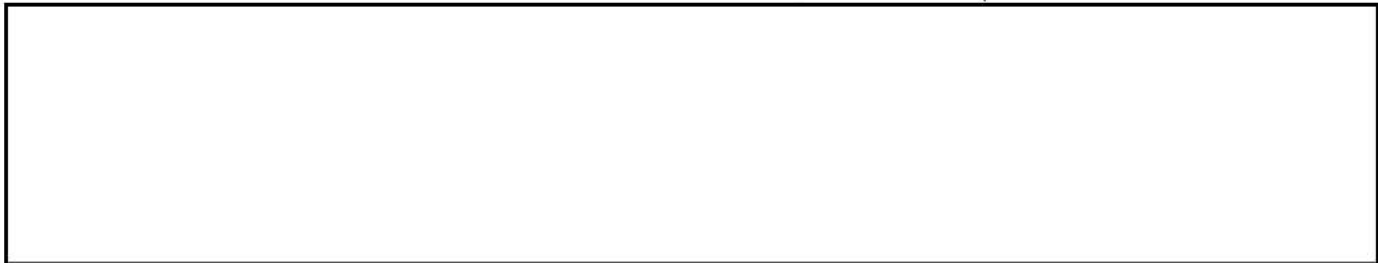
T-5 REQUESTED CONFIDENTIALITY AND WAS GIVEN AN EXPRESS PROMISE OF COMPLETE CONFIDENTIALITY.

A REVIEW OF THE PENDING INVESTIGATION ENTITLED, "TUMCON, RICO", (BUREAU FILE 183-2011; NY FILE 183-1290) WHICH INCLUDED THE USE OF COURT ORDERED ELECTRONIC SURVEILLANCE, REVEALED THAT


[REDACTED]

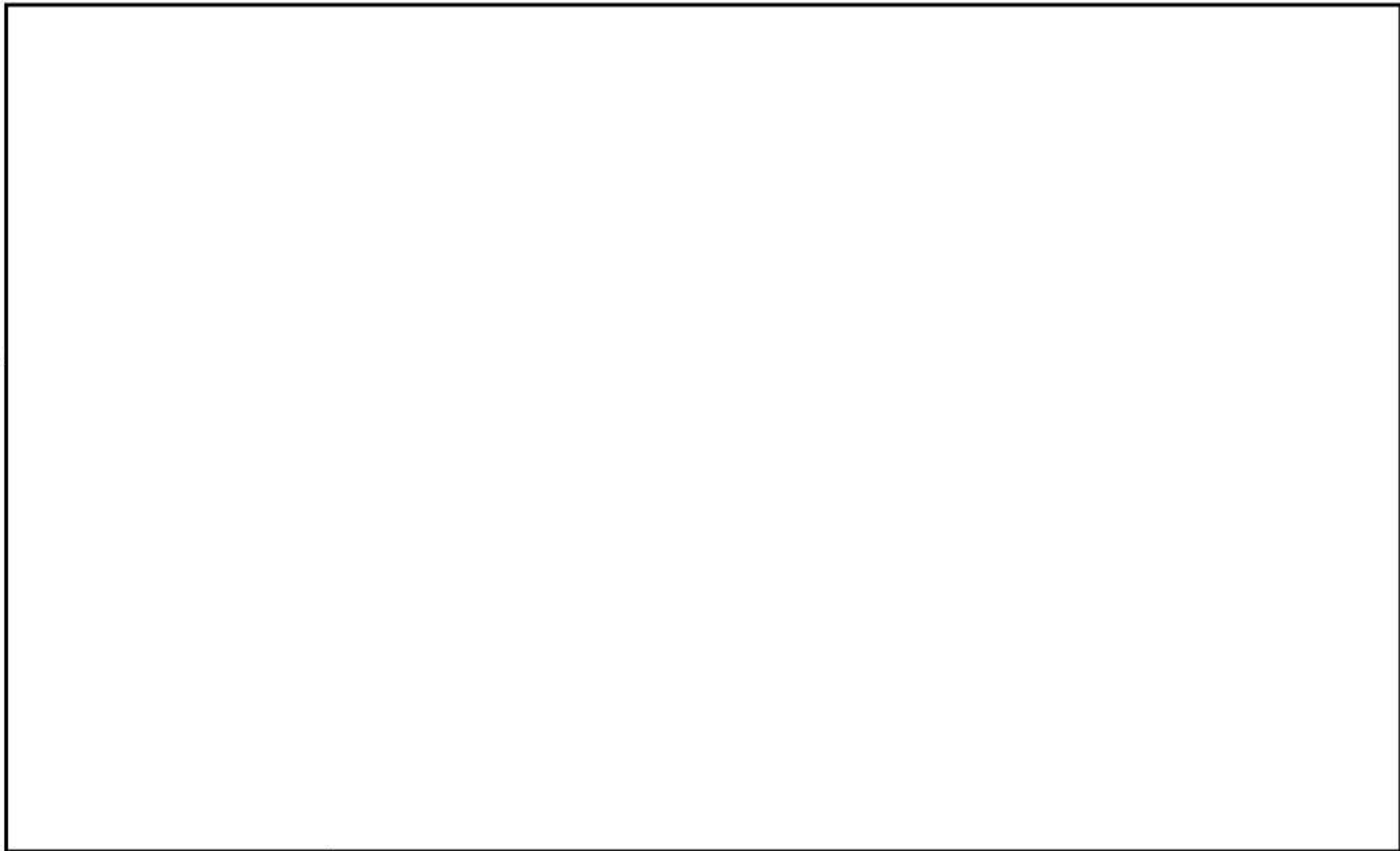
b3

[REDACTED]



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APPOINTEE WAS NEVER RECORDED IN THE  INVESTIGATION,
NOR WAS APPOINTEE DIRECTLY REFERRED TO IN ANY RECORDED CONVERSATION
SAVE ONE WHICH IS IDENTIFIED BELOW:



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b7C

INVESTIGATION BY THE NEW YORK OFFICE OF THE FEDERAL BUREAU OF INVESTIGATION HAS IDENTIFIED THE FOLLOWING INDIVIDUALS:

JOSEPH LIONEL GALIBER BORN 10/26/24. FBI NUMBER 884 569 R8,
IS A NEW YORK STATE SENATOR WHO REPRESENTS THE 32ND SENATORIAL DISTRICT BRONX, NEW YORK. A PRACTICING ATTORNEY, HE WAS FIRST ELECTED TO THE NEW YORK SENATE IN 1968. IN 9/77, GALIBER ALONG

BT

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OO HQ NK MM

DE NY03

O 100420Z JAN 81

FM NEW YORK J161B-7053)(P)

TO DIRECTOR IMMEDIATE

NEWARK (INFO) IMMEDIATE

MIAMI (INFO) IMMEDIATE

BT

U N C L A S

SECTION TWO OF TWO SECTIONS

WITH THREE OTHERS, WAS INDICTED BY THE FGJ, SOUTHERN DISTRICT OF NEW YORK ON CHARGES OF CONSPIRACY TO DEFRAUD THE UNITED STATES. HE WAS SUBSEQUENTLY ACQUITTED ON ALL COUNTS AFTER JURY TRIAL IN JANUARY 78. GALIBER HAS LISTED HIMSELF ON VARIOUS DOCUMENTS AS AN OFFICER AND MAJORITY STOCKHOLDER OF JOPEL'S CONTRACTING AND TRUCKING COMPANY INC.

WILLIAM PELLEGRINO MASSELLI, BORN 06/26/26, FBI NUMBER 646 182C, WAS CONVICTED AT ORANGE COUNTY, NEW YORK IN 1958 ON CHARGES OF FIRST DEGREE ROBBERY, IN CONNECTION WITH AN ARMED HIJACKING IN NEW YORK CITY. HE WAS PAROLED IN 8/64 AND DISCHARGED FROM PAROLE SUPERVISION IN 1/70. MASSELLI IS THE PRINCIPAL IN THE PELLEGRINO MASSELLI MEATS INC. CONCERN AS WELL AS JOPEL'S CONTRACTING AND TRUCKING AND THE W & M TRUCKING EQUIPMENT RENTAL CORPORATION. MASSELLI IS A SELF-ADMITTED MEMBER OF THE VITO GENOVESE FAMILY OF LA COSA NOSTRA.

PAGE EIGHT

ALBERT FACCHIANO, BORN 03/10/10, NEW YORK CITY POLICE DEPARTMENT NUMBER 504877, HAS BEEN IDENTIFIED AS A "CAPOREGIME IN THE VITO GENOVESE FAMILY OF LA COSA NOSTRA. FACCHIANO WAS RECENTLY CONVICTED AT MIAMI, FLORIDA ON FEDERAL CHARGES OF EXORCIONATE CREDIT TRANSACTIONS.

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[REDACTED]

[REDACTED]

PHILIP BUONO, BORN 04/30/15. FBI NUMBER 955 227, IS A CONVICTED FELONY IN NEW YORK STATE, WHO HAS NUMEROUS ARRESTS FOR GAMBLING VIOLATIONS. BUONO IS A NO-SOW EMPLOYEE OF MASSELLI'S MEAT COMPANY AND A SELF ADMITTED "CAPO" IN THE VITO GENOVESE FAMILY OF LA COSA NOSTRA.

JOSEPH DE CAROLIS IS PRINCIPAL, POSSIBLY HOLDING THE POSITION OF VICE PRESIDENT, OF THE SCHIAVONE CONSTRUCTION CORPORATION, SECAUCUS, NEW JERSEY.

[REDACTED] IS PRINCIPAL, POSSIBLY HOLDING A POSITION AS VICE PRESIDENT, IN THE SCHIAVONE CONSTRUCTION CORPORATION, SECAUCUS NEW JERSEY.

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b7C

VINCENT MARION, BORN 09/23/06 OR 09/26/06, NEW YORK CITY POLICE DEPARTMENT NUMBER B-262390, IS A FORMER SPORT-WEAR MANUFACTURER NOW

PAGE NINE

RESIDING IN WESTHAMPTON, LONG ISLAND. MARION HAS BEEN CHARACTERIZED BY T-6 AS A RETIRED "CAPO" IN THE VITO GENOVESSE FAMILY OF LA COSA NOSTRA.

JOSEPH PETER VERLEZZA, BORN 04/13/07, FBI NUMBER 343 269, IS A WELL KNOWN GAMBLING FIGURE IN THE BRONX, NEW YORK WHO HAS BEEN CHARACTERIZED BY T-6 AS A "CAPO" IN THE VITO GENOVESE FAMILY OF LA COSA NOSTRA.



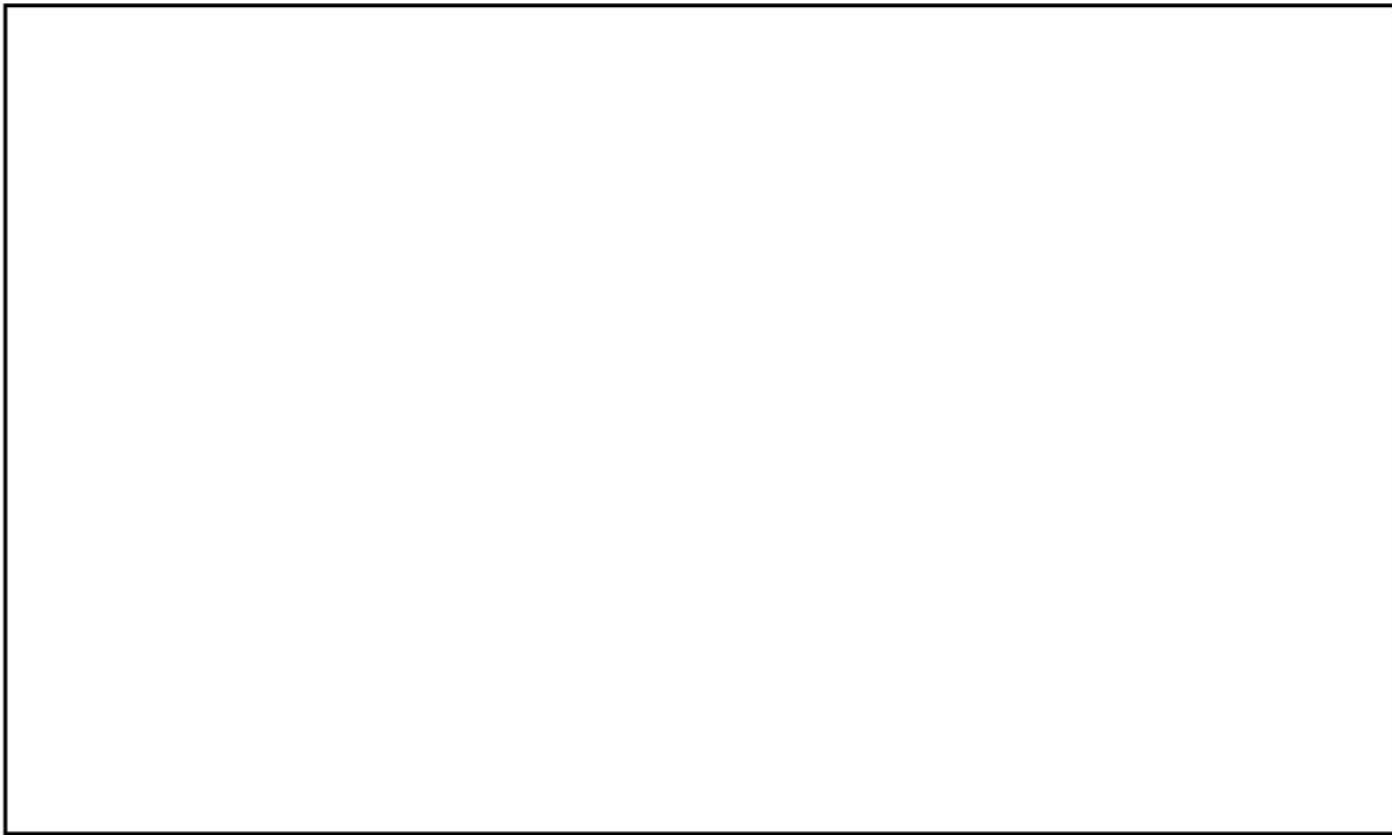
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ON JULY 24, 1980, T-7 ADVISED THAT THE CONSTRUCTION COMPANY OF SCHIAVONE-FITZPATRICK, JOINT VENTURE, WAS RESPONSIBLE FOR FILLING IN THE LANDFILL ON THE SITE WHERE BATTERY PARK CITY IS TO BE CONSTRUCTED. T-7 ADVISED THAT SCHIAVONE IS A SEPARATE CONTRACTOR THAN FITZPATRICK AND HAS HIS (SCHIAVONE) BUSINESS IN NEW JERSEY WHILE FITZPATRICK IS LOCATED ON LONG ISLAND. T-7 ADVISED THAT SCHIAVONE IS RUMORED TO BE "MOBBED UP" AND THAT DUE TO A RELATIVE ON THE NEW JERSEY TURNPIKE AUTHORITY, SCHIAVONE RECEIVES NUMEROUS LUCRATIVE CONTRACTS.

PAGE TEN

ADMINISTRATIVE

ALL PERSONS INTERVIEWED WERE ADVISED OF THE PROVISIONS OF THE
PRIVACY ACT OF 1978 AND THOSE WHO REQUESTED CONFIDENTIALITY ARE SO
NOTED THROUGH THE USE OF "T" SYMBOLS.



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T-5 IS

T-7



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LEADS

MIAMI, AT MIAMI, FLORIDA WILL CONDUCT INVESTIGATION TO DETERMINE IF ABOVE INDIVIDUALS PRESENTS AT DEAUVILLE, SUEZ OR HOLIDAY INN HOTELS.

WILL DISPLAY APPOINTEE'S PHOTO TO MIAMI AGENTS PARTICIPATING IN SURVEILLANCE.

WILL DETERMINE IF ADDITIONAL PHOTOS OR NOTES RE" TUMCON" SURVEILLANCE INDICATE APPOINTEE'S PRESENCE.

NEW YORK

SOURCES BEING CONTACTED AND SURVEILLANCE TELETYPE TO FOLLOW.

REQUEST OF BUREAU: IT IS REQUESTED FBIHQ AUTHORIZE INTERVIEW OF APPOINTEE BY EXPERIENCED NYO AGENTS AND KNOWLEDGEABLE NYO AGENTS OF CLARIFYING ABOVE. INFO COPY BEING PROVIDED NEWARK IN VIEW OF APPOINTEE'S BUSINESS AND RESIDENCE THEIR DIVISION.

BT

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O 112116Z JAN 81

FM DIRECTOR, FBI

TO FBI NEW YORK IMMEDIATE

FPI NEWARK IMMEDIATE

FBI MIAMI IMMEDIATE

BT

UNCLAS

RAYMOND J. DONOVAN, SPIN, BUDED: PAST.

REFERENCE NEW YORK TELETYPE DATED JANUARY 10, 1981.

INFORMATION CONTAINED IN RENVTEL FURNISHED TO [REDACTED]

[REDACTED] CONFLICT OF INTEREST COUNSEL, OFFICE OF THE

PRESIDENT-ELECT, ON JANUARY 11, 1981. INFORMATION FURNISHED

IN A FORM TO AFFORD MAXIMUM PROTECTION TO NEW YORK OFFICE (NYO)

SOURCES.

AFTER HEARING THIS INFORMATION [REDACTED] WAS OF THE

OPINION THAT AN INTERVIEW OF DONOVAN BY NYO FBI AGENTS WOULD

NOT BE USEFUL AT THIS TIME.

NEW YORK AND MIAMI CONTINUE INVESTIGATION AS INDICATED.

BT

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161B-3133-28

SEARCHED	INDEXED
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JAN 11 1981	
FBI NEWARK	

[REDACTED]

[REDACTED]

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DE NY 001

O 112235Z JAN 81

FM: NEW YORK (161B-7053) (P) (M-13)

TO: DIRECTOR IMMEDIATE

NEWARK IMMEDIATE //ALL OFFICES VIA FBIHQ//

MIAMI IMMEDIATE

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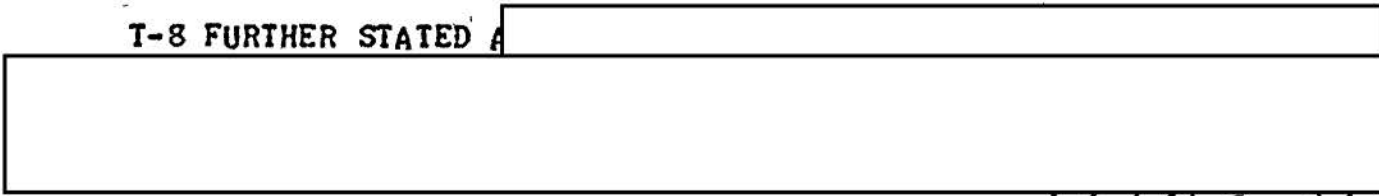
U N C L A S

RAYMOND J. DONOVAN, SPIN, BUDED: PAST

ALL PERSONS INTERVIEWED WERE ADVISED OF THE PROVISIONS OF THE PRIVACY ACT OF 1978, AND THOSE REQUESTING CONFIDENTIALITY HAVE BEEN SO NOTED.

ON JANUARY 11, 1981, T-8, WHO HAS PROVIDED RELIABLE INFORMATION IN THE PAST, ADVISED THAT APPOINTEE IS RUMORED TO HAVE ESTABLISHED "DUMMY CORPORATION" DEALING WITH HOME IMPROVEMENTS FOR PURPOSE OF LAUNDERING MONEY. T-8 STATED THAT HE HAS NO DIRECT PERSONAL KNOWLEDGE OF THIS ALLEGED DUMMY CORPORATION NOR DOES T-8 KNOW SOURCE OF OR FOR WHOM MONEY BEING LAUNDERED.

T-8 FURTHER STATED A



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161B-3133-29

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JAN 11 1981	
FBI NEWARK	

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161-3133*

NY161B-7053

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T-8 REQUESTED CONFIDENTIALITY AND AN EXPRESS PROMISE OF COMPLETE
CONFIDENTIALITY WAS GRANTED.

ADMINISTRATIVE

T-8 IS

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b7E

RENYTEL, JANUARY 10, 1981.

BIG J DEMOLITION DESCRIBED IN RENYTEL.

PAGE THREE

NY 161B-7053

NEW YORK CONTINUING TO CONTACT ALL SOURCES WHO ARE FAMILIAR
WITH ORGANIZED CRIME, LABOR RACKETEERING, POLITICAL CORRUPTIONS
AND RELATED AREAS.

BT

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FM MIAMI (161-)

TO DIRECTOR IMMEDIATE

NEWARK IMMEDIATE

NEW YORK IMMEDIATE

BT

UNCLAS

RAYMOND J. DONOVAN, SPIN, BUDED: PAST

RE NYTEL DATED JANUARY 10, AND JANUARY 11, 1981.

ON JANUARY 10, 1981, [REDACTED] DEAUVILLE HOTEL
6701 COLLINS AVENUE, MIAMI BEACH AND [REDACTED] HOLIDAY INN
11190 BISCAYNE BOULEVARD, MIAMI BEACH ADVISED THEIR RECORDS FOR 1979
ARE LOCKED IN THE COMPTROLLERS OFFICE OF THEIR RESPECTIVE HOTELS AND
CANNOT BE EXAMINED UNTIL NORMAL DAY SHIFT PERSONNEL RETURN TO HOTELS
ON JANUARY 12, 1981.

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ON JANUARY 10, 1981, [REDACTED] OF SUEZ HOTEL
18215 COLLINS AVENUE, MIAMI BEACH ADVISED HER RECORDS INDICATE THAT
ROOM217 WAS OCCUPIED ON JANUARY 18, 1979, BY A [REDACTED]

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161B-3133-30

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 11 1981	
FBI-NEWARK	

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PAGE TWO MM (161-) UNCL

WITH A PARTY OF SIX PERSONS. IN ADDITION TO ROOM 217 MASSELLI'S PARTY ALSO OCCUPIED 223. RECORDS FURTHER INDICATE THE MASSELLI'S PARTY CHECKED IN AT 5:02PM ON JANUARY 18, 1979 AND CHECKED OUT ON JANUARY 22, 1979. MASSELLI'S PARTY STAY AT THE SUEZ WAS PART OF A TOUR PACKAGE ARRANGED BY FLYFAIRE 110 S. CENTRAL AVENUE, HARTSDALE, N.Y., CONTACT NUMBER 202-023-847-4. MASSELLI'S TICKETS WERE ACTUALLY PURCHASED THROUGH MINI TRAVEL AGENCY 600 TUCKAHOE, YONKERS, N.Y. AND WAS SOLD BY MINI AGENT [REDACTED] MINI'S TRAVEL CONTRACT NUMBER IS 63272-0. MASSELLI'S HOTEL BILL WAS PAID BY VISA CARD NUMBER [REDACTED] REGISTERED TO MASSELLI. HOTEL RECORDS FURTHER REFLECT THAT DURING THE PERIOD JANUARY 18 - 22, 1979, MASSELLI'S PARTY MADE THREE LONG DISTANCE TELEPHONE CALLS ON JANUARY 18, 20, AND 22, 1979. TELEPHONE RECORDS FOR THE SUEZ HOTEL WERE LOCKED IN THE HOTEL COMPTROLLERS OFFICE AND CANNOT BE EXAMINED UNTIL JANUARY 12, 1981. ADDITIONAL SUEZ HOTEL RECORDS REFLECT THAT THE NUMBER OF PERSONS IN MASSELLI'S PARTY MAY HAVE BEEN AMENDED TO FOUR PERSONS AND MENTION A [REDACTED] AND [REDACTED]

MIAMI WILL OBTAIN NEEDED INFORMATION FROM THE DEAUVILLE HOTEL AND HOLIDAY INN AND FORWARDED SAME TO NY AS SOON AS POSSIBLE.

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PAGE THREE MM (161-) UNCLAS

NY AT NEW ROCHELLE

WILL CONTACT APPROPRIATE OFFICIALS AT FLYFAIRE TOURS 110 S. CENTRAL AVENUE, HARTSDALE, NY AND DETERMINE IF CAPTIONED SUBJECT WAS MEMBER OF THE MASSELLI PARTY.

NEW YORK AT NEW YORK

WILL CONTACT APPROPRIATE OFFICIALS AT MINI TRAVEL AGENCY 600 TUCKAHOE, YONKERS, N.Y. AND DETERMINE IF CAPTIONED SUBJECT WAS A MEMBER OF THE MASSELLI PARTY.

BT

NNNN

///BLUE ORIGINAL///

FM NEWARK (161-3133)

TO DIRECTOR (IMMEDIATE) ^{549/A} 0141045 HQ 1

ATTN: CRIMINAL INVESTIGATIVE DIV, SPIN UNIT SUPV. [REDACTED]

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NEW YORK (PRIORITY) ^{629/A} NY 1 GG

ATTN : SUPV [REDACTED]

BT

UNCLAS

161-3133

RAYMOND JAMES DONOVAN; SPIN

REFERENCE NEWARK TEL CALLS TO FBIHQ 1/13/81.

ON 1/13/81 [REDACTED]

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TELEPHONICALLY FURNISHED THE FOLLOWING INFORMATION TO SA [REDACTED]

OF THE NEWARK DIVISION:

[REDACTED]

1-(183-794)

[REDACTED]

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SERIALIZED FILED
161B-3133-31

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OO HQ NY NK

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FM MIAMI (161A-1713) RUC

TO DIRECTOR IMMEDIATE

NEW YORK IMMEDIATE

NEWARK IMMEDIATE

BT

UNCLAS

RAYMOND J. DONOVAN; SPIN; BUDED: PAST.

RE MIAMI TELETYPE TO BUREAU, JANUARY 11, 1981.

ON JANUARY 12, 1981, [REDACTED] RESIDENT MANAGER, DEAUVILLE HOTEL, 6701 COLLINS AVENUE, MIAMI BEACH, ADVISED THAT A SEARCH OF HIS RECORDS FAILED TO LOCATE A REGISTRATION UNDER APPOINTEE'S NAME OR THE NAMES OF ANY OF THE PRINCIPAL SUBJECTS INVOLVED IN THE TRIP TO MIAMI IN JANUARY, 1979. [REDACTED] FURTHER ADVISED THAT HIS RECORDS ARE KEPT IN ALPHABETICAL ORDER ONLY AND IT WOULD BE IMPOSSIBLE TO DETERMINE THE OCCUPANT OF ROOMS 1416 AND 1417 WITHOUT HAND SEARCHING ALL THE REGISTRATION CARDS FOR 1979. THE DEAUVILLE HOTEL HAS 544 ROOMS, IS USUALLY FILLED TO CAPACITY, AND HAS

166-1888-324
*161-3133 **

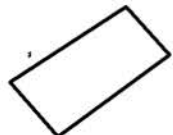
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161-3133-32

161-3133

SEARCHED	INDEXED
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JAN 12 1981	
NEWARK	



PAGE TWO MM (161A-1713) UNCLAS

THOUSANDS OF OCCUPANTS THROUGHOUT THE YEAR.

ON JANUARY 12, 1981, [REDACTED] HOLIDAY
INN, 11190 BISCAYNE BOULEVARD, MIAMI, ADVISED THAT [REDACTED]

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[REDACTED] HAD RESERVED ROOMS 221, 223, AND 503 ON JANUARY 18,
1979. [REDACTED] ADVISED THAT HER RECORDS ARE INCOMPLETE AND SHE IS,
THEREFORE, UNABLE TO FURNISH COMPLETE DETAILS CONCERNING THE RENTAL
OF THE ROOMS. [REDACTED] STATED THAT THE ROOMS WERE PREPAID AND WERE
RESERVED WHEN [REDACTED] PRESENTED A CHECK FOR \$630.00 TO THE
HOLIDAY INN, ELMHURST, NEW YORK. WHEN RESERVING THE ROOMS,

[REDACTED] GAVE AN ADDRESS OF [REDACTED]

[REDACTED] TELEPHONE NUMBER [REDACTED] LENGTH OF THE ROOM

RENTAL WAS FROM JANUARY 18-22, 1979, AND THE ONLY OTHER PERSON
LISTED ON THE REGISTRATION IS SENATOR JOSEPH GALIBER, 800 CON-
COURSE ALLEY WEST, NEW YORK, NEW YORK. [REDACTED] LISTED AN

ADDRESS OF [REDACTED] THE ONLY MENTION OF
PAYMENT REFLECTED IN THE REGISTRATION RECORDS WAS AN IMPRESSION

OF [REDACTED] AMERICAN EXPRESS CARD NUMBER [REDACTED] LONG
DISTANCE TELEPHONE CALLS MADE FROM THE THREE ROOMS WERE AS FOLLOWS:

JANUARY 19, 1979 - ROOM 503, [REDACTED] DELRAY BEACH,

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PAGE THREE MM (161A-1713) UNCLAS

FLORIDA; ROOM 221, [REDACTED] FT. LAUDERDALE, FLORIDA; ROOM
221 [REDACTED] ROOM 223 [REDACTED] JANUARY 28, 1979 -
ROOM 221 [REDACTED] ROOM 223 [REDACTED] ROOM 223 [REDACTED]
[REDACTED] BOCA RATON, FLORIDA.

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ON JANUARY 12, 1981, SA [REDACTED] SA [REDACTED]
[REDACTED] AND SA [REDACTED] ADVISED THAT APPOINTEE WAS NOT OBSERVED
WITH WILLIAM MASSELLI OR [REDACTED] SA [REDACTED] AND SA
[REDACTED] WERE VERY FAMILIAR WITH SCHIAVONE CONSTRUCTION COMPANY AND
STATED THAT ALL SUBJECTS OBSERVED IN SURVEILLANCE CONDUCTED IN
MIAMI IN JANUARY, 1979, WERE KNOWN ASSOCIATES OF MASSELLI.
APPOINTEE, OR ANY OTHER PREVIOUSLY UNIDENTIFIED MEMBER OF
MASSELLI'S PARTY, WAS NOT OBSERVED BY SURVEILLANCE TEAM AT ANY
TIME. SA [REDACTED] ADVISED THAT HE WAS OF THE OPINION THAT AP-
POINTEE'S NAME HAD BEEN MENTIONED IN A RECORDED TELEPHONE CONVER-
SATION, BUT COULD NOT RECALL ANY OF THE DETAILS OF THE TELEPHONE
CONVERSATION. SURVEILLANCE PHOTOS, TAKEN IN MIAMI DURING JANUARY,
1979, WERE EXAMINED AND APPOINTEE WAS NOT OBSERVED IN ANY OF THEM.

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BT

Indicate page, name of paper, city and state.
THE STAR-LEDGER
 NEWARK, NJ
 Date: 1/13/81
 Edition:
 Title:
 Character: 161-3133
 or C-9
 Classification:
 Submitting Office:

(Mount Clipping in Space Below)

Donovan denies firm was extorted into paying a no-show Teamster

By **ROBERT COHEN**

Star-Ledger Washington Bureau

WASHINGTON — Labor Secretary-designate Raymond J. Donovan admitted yesterday that his New Jersey construction company paid about \$11,000 to a "ghost" employe for eight months in 1977 and 1978, but maintained the payment was required under a contract with the Teamsters union and was not extorted from the firm to guarantee labor peace.

Donovan, the executive vice president of Schiavone Construction Co. of Secaucus, told a Senate committee he was "totally unaware" until two days ago of the no-show employe or of a 1978 Brooklyn federal grand jury appearance by four of his firm's employes regarding a Teamsters local in New York. Donovan

said the matters were brought to his attention by Sen. Edward Kennedy (D-Mass).

Donovan said he checked with Joseph DiCarolis, a senior vice president of the construction firm, and was told that the payment was made under a collective bargaining agreement to Joseph Murray, who worked as a chauffeur in New York for now retired Teamsters business agent Harry Gross. Donovan said DiCarolis told him he testified before the grand jury two years ago that the weekly payments were not extorted.

"You are totally incorrect if you call it extortion," Donovan said in response to a question at his confirmation hearing. "We didn't buy labor peace."

Donovan said he "didn't like it one

damn bit" that wages were paid to someone who failed to come to work but explained that under the contract, the union had the right to name a Teamster foreman for each shift. He said the foreman was the equivalent of a shop steward who did no direct construction work and was under control of the union, not, the company.

Kennedy, however, cast doubt on Donovan's statement regarding the nature of the money paid to the chauffeur. He produced information from the Justice Department which said that DiCarolis told law enforcement officials he relented to Gross' demands and put Murray on the payroll of Schiavone's subway

(Please turn to Page 8)

- SAC _____
- ASAC (C) _____
- ASAC (A) _____
- C-1 _____
- C-2 _____
- C-3 _____
- C-4 _____
- C-5 _____
- C-6 _____
- C-7 b6
- C-8 b7C
- C-9 _____
- C-10 _____
- FCI-1 _____
- FCI-2 _____
- Night Super. _____
- SA _____

161-3133-33

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 JAN 13 1981
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(Continued from Page One)

construction project in New York to "maintain labor peace."

Kennedy also noted that the grand jury in New York is not investigating collective bargaining agreements, but reports that Schiavone and three other companies had "ghost employes" placed on their payrolls by Gross. The Massachusetts senator described Gross as a convicted extortionist.

Others, including Sen. Donald Riegle (D-Mich.) questioned how Donovan could not know that his senior vice-president and other members of the company were subpoenaed before a grand jury. Donovan agreed it might seem "strange," but added that he was not informed about it because it apparently was not considered very important.

In addition to questioning Donovan for about 90 minutes on this issue, the Senate Labor and Human Resources Committee spent more than two hours of the daylong hearing delving into a \$13,000 payment made by Schiavone in 1967 to a dummy company set up to launder more than \$1 million in kickbacks to mobsters and corrupt Newark officials.

Neither this issue or the questions raised about the Teamsters payment is expected to sidetrack Donovan's confirmation as labor secretary, according to several Democratic senators.

The committee produced a copy of the \$13,000 check made out to Kantor Supply Co., as well as a Schiavone

payment voucher with Donovan's initials, although Donovan said the initials were not in his handwriting.

The committee also distributed 1970 testimony from the late Irving Kantor, who operated the phony account. In that testimony, given during the trial of former Newark Mayor Hugh Addonizio and others, Kantor said that all payments made to Kantor Supply Co. were fraudulent.

In addition, Kantor said in his testimony that he gave blank invoices to "someone" at Schiavone for purposes of laundering the payment. Kantor said he did this at the direction of Joseph Biacone, an organized crime figure convicted with Addonizio at the 1970 trial.

When asked whether the \$13,000 was an extortion payment by his company, Donovan responded:

"We have never been extorted. We never made a payoff. In the Kantor incident, we considered it then and now to be an honest arrangement in the normal running of the construction business."

Donovan said that his company had an \$80 million contract to excavate and widen the New Jersey Turnpike between Exits 14 and 15. He said a company site supervisor, as is common practice, made an agreement with Kantor to dump dirt from the Turnpike project on swampland in Newark.

He said there was no written agreement and noted that his supervisor recollects that either Kantor or someone representing Kantor came to the job site with the offer.

When Kennedy pointed out that the land, located at the juncture of Wilson Avenue and Avenue P, never belonged to Kantor, but was actually owned by the City of Newark, Donovan replied that he didn't know who actually owned the land.

Donovan said he never knew Kantor and was personally unaware of the transaction until he was called into the U.S. Attorney's office in Newark in late 1969 or early 1970 and asked about the check.

Donovan said the whole incident represented "quite an unpleasant experience, probably the most unpleasant experience of my life." He said he "treasures" his own integrity and the integrity and reputation of his company, and noted that the attitude at the U.S. Attorney's

Office in Newark at the time was "accusatory."

Donovan said his firm's books and records were later subpoenaed and examined for a few years. He said the company was never the target of any investigation or charged with any crime. He also noted that the firm got a clean bill of health from the Internal Revenue Service, which audited the firm's books while they were in the possession of the law enforcement officials.

Kennedy, who vigorously questioned Donovan on the subject, asked whether the company was "duped" or simply made an agreement with corrupt officials to dump dirt cheaply.

"I tell you we are an honorable company," Donovan said. "I don't know what else I can do to convince you. I have told you the truth."

Throughout the proceeding, Sen. Orrin Hatch (R-Utah), the new chairman of the committee, said he believed Donovan's sworn statements and felt he had answered the questions truthfully and forthrightly. Kennedy, however, declined to say whether he would vote for Donovan, adding that more investigative work may have to be done.

"We have two situations," Kennedy said. "The question is whether your company was an innocent victim of illegal acts or whether Schiavone may have illegally participated in such acts."

Following the questioning on the two issues, the committee asked Donovan, who ran Ronald Reagan's successful presidential campaign in New Jersey, about his views on a number of policy matters.

Donovan said he believes the government has "over-managed and overregulated" the economy, but added he intends to be very "studious and not shoot from the hip" when it comes to dealing with existing regulations. Donovan said he believes in worker health and safety programs, but feels that many of these efforts have been misdirected and have had administrative problems.

He said he favors affirmative action efforts for women and minorities, but suggested the nation now has a "confrontational atmosphere" that offers "more heat than honest approaches."

The labor secretary-designate said he does not believe the Comprehensive Employment Training Act (CETA) has been successful in the public sector and said funds should be focused in the private sector, where it will be "more meaningful and permanent."

Donovan said he supports state right-to-work laws, something opposed by the unions, while he is against secondary boycotts, something favored by unions.

He declined, however, to take a position of changing the minimum wage as it applies to youths and said he was not familiar enough with farm labor programs to comment. He also avoided specific questions on economic policy, but told the committee he supports business and personal tax cuts and opposes fighting inflation by fostering unemployment.

Donovan also said he is against import quotas for automobiles.

Sen. Harrison A. Williams Jr. (D-N.J.), who chaired the labor committee for 10 years and introduced Donovan, said he expects the New Jersey contractor to be confirmed by the Senate. The committee may vote on the nominee later this week.

Williams, a liberal Democrat, said in his opening statement that Donovan's philosophy of government differs from his own, but the New Jersey senator added that he looks forward to a "fresh examination of these philosophical differences" in a spirit of "cooperation."

At the same time, Williams cautioned that he believes the Labor Department "has an enduring commitment to the working people of this country to play an affirmative role in providing programs and solutions to basic difficulties which have beset them."

Indicate page, name of paper, city and state.

THE DAILY NEWS

NEW YORK, NY

Date: 1/13/81

Edition

Title: ~~XXXXXXXX~~ 161/3133
C-9

Character:
or
Classification:
Submitting Office:

(Mount Clipping in Space Below)

Donovan defends N.J. biz incidents

By HARRISON RAINIE and JEROME CAHILL

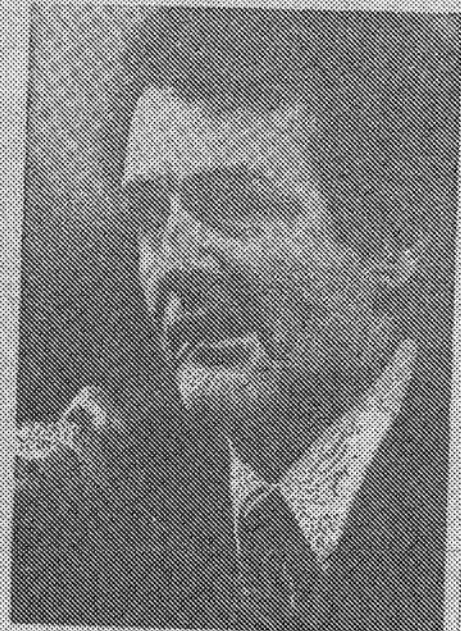
Washington (News Bureau)—Labor Secretary designate Raymond Donovan denied yesterday that he and his New Jersey construction firm were involved in wrongdoing in two incidents in the last 13 years that spawned allegations of labor extortion, political corruption and kickbacks to mobsters.

Donovan, in Senate confirmation hearings, gave his first public explanation of the circumstances leading to the payment in 1967 of \$13,000 by his firm, the Schiavone Construction Co., to a New Jersey operation that funneled the laundered cash to crooked politicians and organized-crime figures.

He insisted that the payment was made for a legitimate business purpose—to dump unusable road fill into a Newark landfill—and that the transaction was a "proper one."

"We are an honorable company," Donovan insisted under tough questioning. "We have been cleared by the U.S. Attorney and the IRS, and I don't know what else I can do to convince you."

IT ALSO WAS disclosed by Senate Labor Committee Chairman Orrin Hatch (R-Utah) and ranking committee Democrat, Sen. Edward M. Kennedy (Mass.), that three officials of Schiavone, where Donovan was executive vice president, told a Brooklyn grand jury that the company worked out a deal with Harry Gross, the business agent for New York Teamsters Local 282, to put Gross' chauffeur in a



Raymond Donovan while defending role of his construction firm before Senate Labor Committee.

\$9,600 no-show job in return for labor peace.

Donovan said there was nothing illicit about the arrangement because it was mandated in a Teamsters contract. He also said he was unaware of the grand jury investigation of possible labor extortion until Senate investigators told him about it last Thursday—despite the fact he was in charge of labor affairs for the construction firm.

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JAN 13 1981

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FM NEW YORK (161B-7053) (RUC) (M-13)

TO DIRECTOR IMMEDIATE

NEWARK IMMEDIATE

BT

UNCLAS

RAYMOND J. DONOVAN, SPIN, BUDED: PAST.

*161-3133**
166-1888-324

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RENYTELS, DATED JANUARY 10, 1981 AND JANUARY 11, 1981;
AND MMTEL, DATED JANUARY 12, 1981.

ADDITIONAL NEW YORK DIVISION SOURCES WERE CONTACTED
ON JANUARY 12, 1981, REGARDING APPOINTEE WITH NEGATIVE
RESULTS.

REFERENCED MIAMI TELETYPE DETAILED STEPS TAKEN TO
ATTEMPT TO VERIFY OR CORROBORATE INFORMATION FROM T-3 AND
T-4 (ORIGINALLY REPORTED IN REFERENCED NEW YORK TELETYPE,
DATED JANUARY 10, 1981).

IN VIEW OF FACT THIS INFORMATION CANNOT BE CORROBORATED
AND SINCE THESE INDIVIDUALS (T-3 AND T-4) WERE ORIGINAL

161B-2133-35

SEARCHED	INDEXED
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JAN 13 1981	
FBI-NEWARK	

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PAGE TWO IMMEDIATE

SOURCES OF INVESTIGATION REGARDING APPOINTEE FROM JANUARY 10,
1981 TO PRESENT, NEW YORK IS CONDUCTING NO FURTHER INVESTI-
GATION, UACB.

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- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS ~~E F T O~~
- UNCLAS

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Date 1/15/81

FM NEWARK (P) (C-4)

TO DIRECTOR (IMMEDIATE)

240/P 0151948Z HQ1/BD

NEW YORK (PRIORITY)

235/P 0151945Z NY1/PC

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UNCLAS E F T O

ATTENTION FOR BUREAU: CRIMINAL INVESTIGATIVE DIVISION,
SPIN UNIT SUPERVISOR [] ORGANIZED CRIME SUPERVISOR

ATTENTION FOR NEW YORK: SUPERVISOR []

RAYMOND JAMES DONOVAN; SPIN (NK FILE 161-3133).

IRVING COTLER, AKA; ET AL; RICO-TAFT HARTLEY; HOBBS ACT -
EXTORTION; FBW; OOJ; PERJURY; OO: NEWARK; (BUFILE 195-35)
(NK FILE 183-794).

RE TELCALLS OF NEWARK SUPERVISOR []
TO BUREAU SUPERVISOR [] EVENING OF JANUARY 14, 1981,
AND MORNING OF JANUARY 15, 1981, AND NEWARK TELETYPE TO
BUREAU OF JANUARY 14, 1981.

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② - Newark (1-161-3133) (1-183-794)

Approved: []

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PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

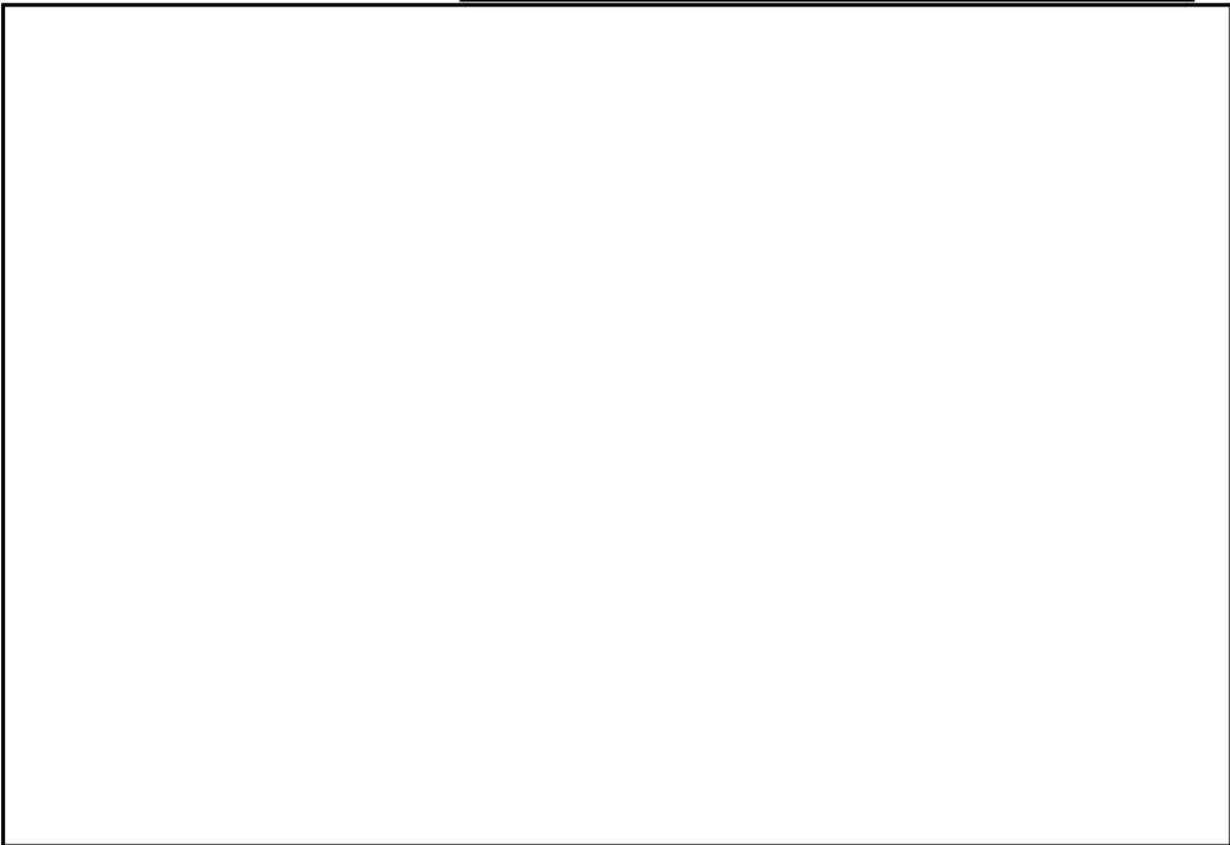
Date _____

PAGE TWO (NK 161-3133) (NK 183-794) UNCLAS ~~E F T O~~

FOR THE INFORMATION OF THE BUREAU, NEWARK SA

RECEIVED TELCALL EVENING OF JANUARY 14, 1981, AT

APPROXIMATELY 7:30 P.M.



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Approved: _____ Transmitted _____ (Number) (Time) Per _____

FM NEWARK (161B-3133)

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TO DIRECTOR (IMMEDIATE)

ATTN: CRIMINAL INVESTIGATIVE DIVISION SECTION CHIEF JOE SCHULTE

NEW YORK (161B-7053) (M-13) (PRIORITY)

BT

UNCLAS

RAYMOND JAMES DONOVAN; SPIN

RE BUTEL CALL FROM SECTION CHIEF SCHULTE TO NEWARK 1/15/81.

PURSUANT TO BUREAU INSTRUCTIONS NEWARK AGENTS WENT TO SCHIAVONE CONSTRUCTION COMPANY SECAUCUS, N.J. 1/15/81 TO REVIEW BOOKS AND RECORDS FOR THE PERIOD OF 1967 AND 1968 TO LOCATE EVIDENCE OF PAYMENTS FROM SCHIAVONE CONSTRUCTION COMPANY TO O.K. TRUCKING OR XYZ LEASING. AT THAT TIME IT WAS DETERMINED THAT IN 1967-1968 THE FOLLOWING COMPANIES WERE IN EXISTENCE: SCHIAVONE CONSTRUCTION COMPANY (SCC); SCHIAVONE-BUCKLEY-JOINT VENTURE (SBJV) A SEPARATE BUT RELATED COMPANY (SINCE DISSOLVED); AND SCHIAVONE EQUIPMENT (SE) A SUBSIDIARY OF SCC.

THE FOLLOWING RECORDS WERE REVIEWED AT THE SCC HEADQUARTERS:

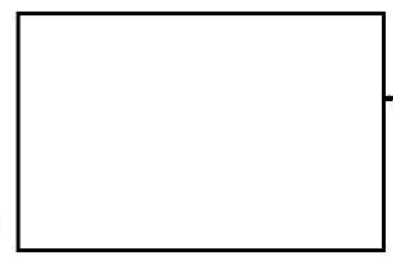
CASH DISBURSEMENT JOURNALS FOR SCC FOR THE PERIOD 1/67-9/68

CASH DISBURSEMENT JOURNALS FOR SE FOR THE PERIOD 1/67-9/68



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PAGE TWO (NK 161-3133) UNCLAS

CASH DISBURSEMENT JOURNALS FOR SBJV FOR 5/67-1/68

CASH DISBURSEMENT JOURNALS FOR SBJV FOR LATER PERIOD IN 1968

COULD NOT BE LOCATED

PURCHASE JOURNAL FOR SBJV FOR THE PERIOD 1/68-12/68.

THIS REVIEW FAILED TO LOCATE ANY ENTRY FOR O.K. TRUCKING,
XYZ LEASING, BRIGUGLIO OR

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ALSO DURING THIS PERIOD OF TIME SCHIAVONE MAINTAINED VENDOR
CARDS ON ALL COMPANIES WHO HAD BILLED SCC MORE THEN THREE TIMES.
THESE CARDS CONTAINED INFORMATION ABOUT EACH VENDOR AND HIS ACCOUNTS
PAYABLE AND BALANCE DUE INFORMATION. THESE CARDS WERE REVIEWED

AND NO CARD FOR O.K. TRUCKING, XYZ LEASING, OR

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RECORDS FOR SCC FOR 1965-1970 WERE OBTAINED BY THE
US ATTORNEY'S OFFICE, NEWARK DURING THE INVESTIGATION OF MAYOR
HUGH ADDONIZIO. AGENTS OF THE INTERNAL REVENUE SERVICE (IRS)
REVIEWED THESE RECORDS AND RETURNED SAME RECORDS IN 1973 IN
"TOTAL DISARRAY". WITHIN WEEKS AFTER THEIR RETURN, IRS REQUESTED

PAGE THREE (NK 161B-3133) UNCLAS

AND RECEIVED SCC RECORDS FOR THE PERIOD 1971 AND 1972. UPON RETURN OF THESE RECORDS, RONNIE SCHIAVONE DEMANDED AND RECEIVED A LETTER FROM IRS STATING THE TAX RETURNS FOR YEARS 1971 & 1972 HAD BEEN ACCEPTED. NO LETTER EXISTS FOR RECORDS FOR PERIOD 1965 THRU 1970. RECORDS RETURNED TO SCC FROM USA'S OFFICE WERE STORED IN DISARRAY IN FOUR POSSIBLE LOCATIONS ON SEVERAL TRACTOR/ TRAILERS LOCATED IN A SCHIAVONE STORAGE YARD.

[REDACTED] SCC ADVISED THAT DURING PERIOD 1967-1968, RONALD SCHIAVONE, PRES. AND AUGUST (GUS) SCHIAVONE (FATHER OF RONALD) WERE THE ONLY TWO REGULAR AUTHORIZED SIGNATURES ON SCC CHECKS. [REDACTED] POINTED OUT THAT IF RONALD SCHIAVONE WAS GOING TO LEAVE TOWN FOR AN EXTENDED PERIOD OF TIME, A LETTER WOULD BE SENT TO THE BANK ADVISING THAT RAYMOND DONOVAN WOULD BE AUTHORIZED TO SIGN SCC CHECKS DURING A SPECIFIC PERIOD. [REDACTED] ADVISED DURING THAT PERIOD, ALL CHECKS WERE PLACED IN

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PAGE FOUR (NK 161B-3133) UNCLAS

A "CHECK WRITER" FOR AN AMOUNT TO BE EMBOSSED IN THE CHECK. IF THE CHECK WAS FOR AN AMOUNT LESS THEN \$500, IT WOULD BE PLACED IN A SECOND MACHINE WHICH WOULD PLACE A SIGNATURE ON THE CHECK. IF THE CHECK EXCEEDED \$500, THE CHECK WOULD HAVE HAD TO BEEN SIGNED BY RONALD OR AUGUST SCHIAVONE.

[REDACTED] EXPLAINED THAT THE CHECKS ARE THEN RECORDED IN THE CASH DISBURSEMENTS JOURNAL AND ON THE VENDER CARDS, REGARDLESS OF AMOUNT. [REDACTED] STATED THAT A REVIEW OF THE CASH DISBURSEMENT JOURNAL FOR SCC, SE OR SBJV WOULD REVEAL EVERY CHECK WRITTEN BY THESE FIRMS DURING THE PERIOD 1967-1968.

[REDACTED]
NJ FURNISHED THE FOLLOWING INFORMATION ON 1/15/81:
[REDACTED]
[REDACTED]

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MR DONOVAN IS THE EXECUTIVE VICE PRESIDENT WITH DUTIES AND EXPERTISE IN ALL AREAS OF THE COMPANY'S OPERATION EXCEPT ENGINEERING. MR. DONOVAN AND MR. SCHIAVONE ARE THE ONLY EXECUTIVES AUTHORIZED TO SIGN CHECKS, IN AMOUNTS OVER \$500. IN THE ABSENCE OF BOTH, MR. DICAROLIS MAY SIGN, BUT ONLY FOR SCHIAVONE CONSTRUCTION CO. AN ALTERNATIVE TO THAT IS ANY OFFICER MAY SIGN IN THE ABSENCE IF SPECIFIC WRITTEN AUTHORITY IS GIVEN FOR A SPECIFIC PERIOD. IN INSTANCES UNDER \$500 THE CHECKS WOULD BE

PAGE SIX (NK 161B -3133) UNCLAS

ISSUED BY A CHECK WRITING MACHINE BEARING THE NAME OF ONLY RONALD
SCHIAVONE. THE ONLY PERSONS WITH ACCESS TO THE MACHINE IS [REDACTED]

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[REDACTED] OR HIS SECRETARY

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ALL RENTALS ARE HANDLED THROUGH THE PHASE OF OPERATIONS KNOWN
AS SE. THIS OPERATION IS MANAGED BY [REDACTED] SINCE
ABOUT 1967-1968. DURING THE PERIOD MID-60'S TO ABOUT 1965-1967
THAT OPERATION WAS RUN BY [REDACTED] UNTIL HE WAS
LET GO BY THE COMPANY. [REDACTED]

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PAGE SEVEN (NK 161B-3133) UNCLAS

SHE WAS UNABLE TO RECOGNIZE THE FOLLOWING NAMES: O.K. TRUCKING,
XYZ LEASING, [REDACTED] SAL BRIGUGLIA, WILLIAM MUSTO.

SHE BELIEVES THAT SHE HAS HEARD THE NAME [REDACTED]

[REDACTED]

SHE WAS UNABLE TO IDENTIFY PHOTOS OF SAL BRIGUGLIA OR [REDACTED]

[REDACTED] DISPLAYED IN TWO SETS OF SIX PHOTOGRAPHS.

DURING THE EVENING OF JANUARY 15, 1981 MR. RONALD SCHIAVONE
PRESIDENT OF SCC TELEPHONICALLY CONTACTED THE NEWARK OFFICE AND
FURNISHED THE FOLLOWING INFORMATION REGARDING CHECKWRITING
AUTHORITY AT SCC IN 1967-1968:

DURING THAT PERIOD HE AND HIS FATHER AUGUST SCHIAVONE WERE THE
ONLY TWO PEOPLE AUTHORIZED TO SIGN CHECKS FOR OVER \$500. IF
HE WAS GOING TO OUT OF TOWN FOR A PERIOD OF TIME A TEMPORARY

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PAGE EIGHT (NK -161B-3133) UNGLAS

AUTHORIZATION WOULD BE GIVEN TO THE BANK ALLOWING MR. DONOVAN OR OTHER OFFICERS TO SIGN FOR THAT SPECIFIC PERIOD OF TIME.

CHECKS UNDER \$500 WERE STAMPED WITH A SIGNATURE BY MACHINE.

HE SAID THAT SEVEN YEARS AGO OTHER OFFICERS OF SCC INCLUDING DONOVAN WERE GRANTED AUTHORITY TO SIGN CHECKS OVER \$500.

MR. SCHIAVONE STATED THAT HE THOUGHT MR. DONOVAN WAS AUTHORIZED TO SIGN CHECKS ON THE SBJV ACCOUNT. HE SAID CHECKS ON THIS ACCOUNT NEEDED TWO SIGNATURES TO BE NEGOTIATED. ONE SIGNATURE WAS REQUIRED FROM EITHER HIMSELF OR MR. DONOVAN AND THE OTHER SIGNATURE REQUIRED WAS A [REDACTED] OFFICER.

REGARDING THE MACHINE USED TO SIGN CHECKS, HE SAID THIS IS UNDER THE SOLE CONTROL OF [REDACTED]

ON 1/15/81, INVESTIGATOR FOR THE US ATTORNEY'S OFFICE, NEWARK

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PAGE NINE (NK 161B- 3133) UNCLAS

[REDACTED] STATED THAT HE PERSONALLY DESTROYED ALL THE HUGH J. ADDONIZIO RECORDS DURING THE SUMMER OF 1979. HE ADVISED THAT ALL THE RECORDS WERE PHYSICALLY MAINTAINED IN THE NEWARK POST OFFICE. THE POST OFFICE WANTED ALL THE RECORDS REMOVED, SO THEY WERE DESTROYED. HE WAS NOT PERSONALLY AWARE THAT ANY SCC RECORDS WERE AMONG THE ADDONIZIO RECORDS. NO INVENTORY OF DESTRUCTION OF RECORDS WAS MAINTAINED.

IT SHOULD BE NOTED, THAT TO VERIFY ONE HUNDRED PERCENT ACCURACY OF THE CASH DISBURSEMENTS JOURNAL, ALL CHECKS FOR THIS PERIOD WOULD HAVE TO BE LOCATED AND MATCHED TO THE CORRESPONDING DISBURSEMENT. THEN, THE SOURCE DOCUMENT (VOUCHER, BILL, RECEIPT) WOULD HAVE TO BE LOCATED AND MATCHED TO THE ABOVE TO PRECLUDE A CHECK BEING MADE PAYABLE TO ONE FIRM AND ENTERED IN THE DISBURSEMENTS JOURNAL AS ANOTHER FIRM BY ERROR OR DESIGN.

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PAGE TEN (NK 161B-3133) UNCLAS

IN AS MUCH AS SCC DURING THE PERIOD 1/67-12/68, PAID BILLS TOTALING WELL IN EXCESS OF \$1 MILLION PER MONTH; THE DISARRAY OF THESE RECORDS UPON THEIR RETURN FROM THE USA'S OFFICE AFTER THEIR INVESTIGATION; AND SINCE SCC OFFICIALS ARE ONLY ABLE TO STATE THAT THEIR RECORDS MAY BE LOCATED IN "ONE OF FOUR SEPERATE STORAGE AREAS ON TWO TRUCK TRAILERS", THIS TYPE OF VERIFICATION COULD NOT BE DONE UNDER CORRECT TIME CONSTRAINTS. ALSO IT SHOULD BE NOTED THAT SCC OFFICIALS ADVISED THAT THERE WAS A FIRE IN ONE OF THE BUILDINGS WHERE SOME OF THEIR RECORDS WERE STORED, AND THEY ARE UNSURE IF ANY 1967-1968 RECORDS WERE DESTROYED AT THIS TIME.

BT

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FROM TAMPA (161A-1231)

TO DIRECTOR IMMEDIATE

ALBANY IMMEDIATE

NEWARK IMMEDIATE ----- ALL OFFICES VIA FBIHQ -----

PITTSBURGH IMMEDIATE

BT

UNCLAS

RAYMOND J. DONOVAN. SPIN 161-2980*

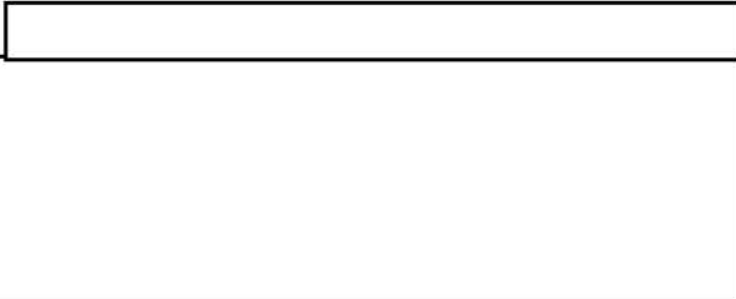
RE TAMPA TELEPHONE CALLS TO ALBANY AND PITTSBURGH

1/17/81.

FOLLOWING INFORMATION CONFIRMS REFERENCED TELEPHONE

CALL.

FBIHQ ADVISED THAT



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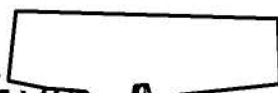
SA notified via phone re info on [redacted] Pittsburgh 183-131-93. 1/17/81 9:10 PM

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1/17/81



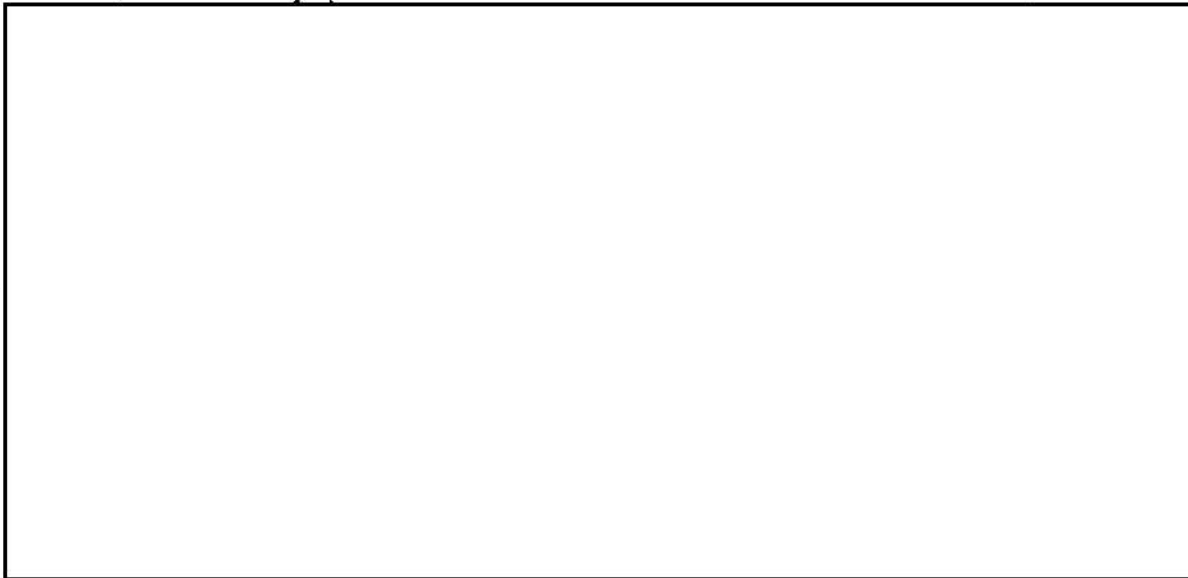
Supervisor notified 7:40



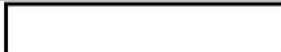
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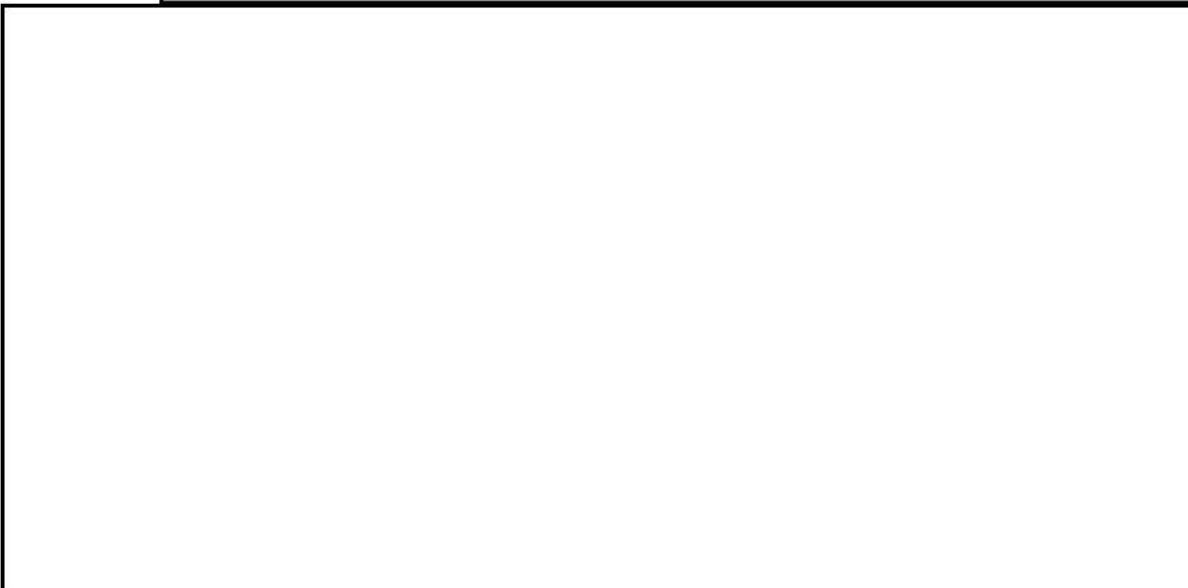
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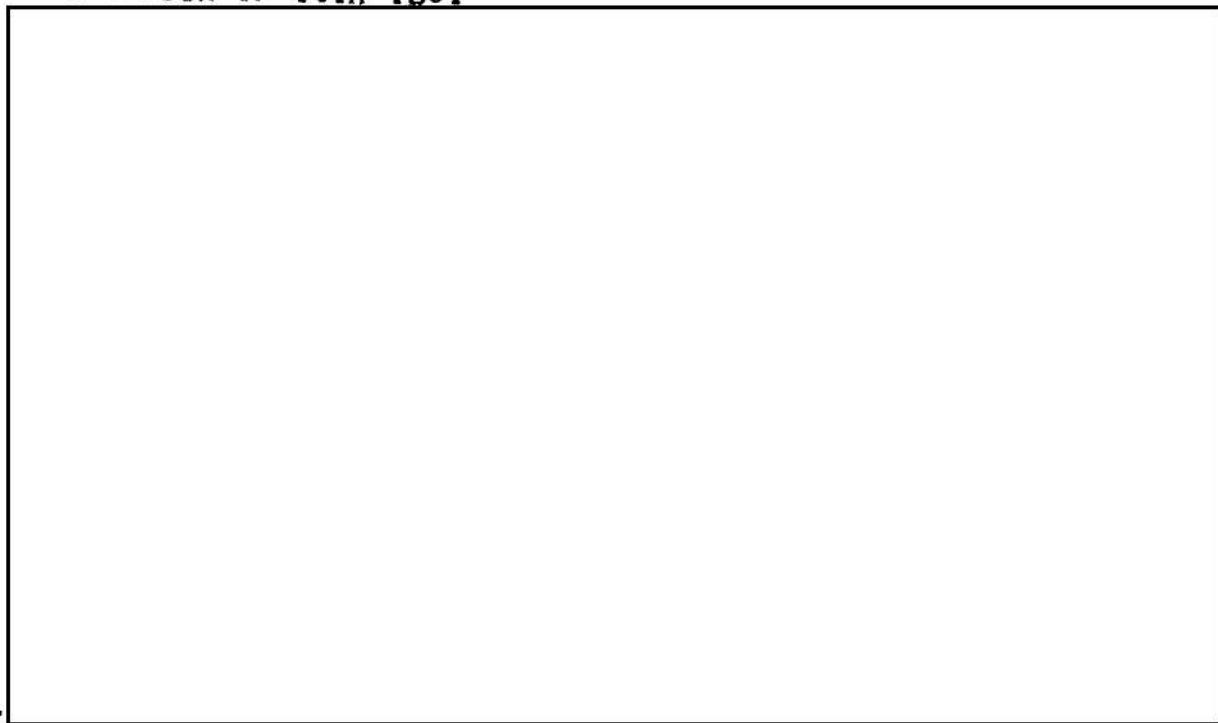


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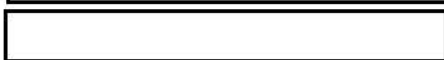
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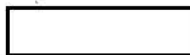




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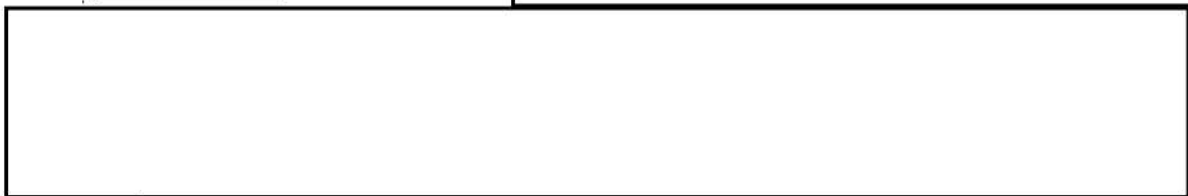
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92-5269-
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183-131-93

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[REDACTED]

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LEADS:

NEWARK AT NEWARK-IF IN POSSESSION OF SPECIFIC INFORMATION ON THE WHEREABOUTS OF [REDACTED]

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[REDACTED] FURNISH SAME TO ALBANY AND PITTSBURGH.

ALBANY AT UTICA, NEW YORK- LOCATE AND INTERVIEW [REDACTED]

[REDACTED] DETERMINE IF HE CAN CONFIRM ANY OF THE STATEMENTS MADE BY [REDACTED]

PITTSBURGH AT INDIANA, PENN.- ATTEMPT TO LOCATE

[REDACTED] AND CONDUCT SAME INVESTIGATION AS REQUESTED OF ALBANY.

SUTEL RESULTS NO LATER THAT EVENING OF 1/18/81.

BT

183-131-93

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[Redacted]

Phone

[Redacted]

D.O.B.

[Redacted]

P.O.B

Wife

SSAN

Mother

[Redacted]

[Redacted]

SA

[Redacted]

Pittsburgh

Notified 1/17/81 at 9:10 PM by

SA

[Redacted]

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- UNCLAS

Date 1/17/81

FM NEWARK (161-3133) (P) (C-9)

TO DIRECTOR (IMMEDIATE) ¹⁰AM HQ 1

ATTN: CRIMINAL INVESTIGATIVE DIVISION SECTION CHIEF JOE SCHULTE

NEW YORK (161-7053) (M-13) PRIORITY ⁸⁰⁰AM NY 1

BT

UNCLAS SECTION ONE OF THREE

RAYMOND JAMES DONOVAN, SPIN

RE: BUREAU TELCALLS FROM SECTION CHIEF SCHULTE AND SUPERVISOR

[] TO NEWARK, JANUARY 16, 1981.

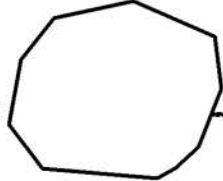
PURSUANT TO BUREAU INSTRUCTIONS, THE FOLLOWING INVESTIGATION WAS CONDUCTED IN THE NEWARK DIVISION ON JANUARY 16, 1981, WITH THE CONSENT OF [] FOR SCHIAVONE CONSTRUCTION COMPANY (SCC). AGENTS OF THIS DIVISION ASSISTED SCC EMPLOYEES IN SEARCHING ALL SCC RECORDS IN AN EFFORT TO OBTAIN ALL RECORDS FOR SCC, SCHIAVONE EQUIPMENT (SE) AND SCHIAVONE BUCKLEY, A JOINT VENTURE (SBJV) FOR THE PERIOD 1965 THROUGH 1970. RECORDS WERE STORED IN

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PAGE TWO NK 161-3133 UNCLAS

FIVE SEPARATE LOCATIONS INCLUDING TWO TRACTOR-TRAILER LOADS, THE BASEMENT OF THE MAIN OFFICE BUILDING, A ONE CAR GARAGE, AND THE LOFT AREA OF THEIR MAINTENANCE GARAGE BUILDING. THESE RECORDS WERE FILED IN NO LOGICAL ORDER OR SEQUENCE AND RECORDS DURING THE PERTINENT PERIOD OF TIME WERE SCATTERED THROUGHOUT ALL FIVE LOCATIONS.

THE FISCAL YEAR OF SCC IS OCTOBER 1ST TO SEPTEMBER 30TH, THEREFORE, THE REVIEW OF THE SCC ACCOUNTING RECORDS INCLUDED A CURSORY REVIEW OF THE ACCOUNTING RECORDS FOR THE PERIODS OCTOBER 1, 1964 TO DECEMBER 31, 1964 AND JANUARY 1, 1971 TO SEPTEMBER 30, 1971.

THE FOLLOWING ACCOUNTING RECORDS OF SCC WERE REVIEWED:

1. CASH DISBURSEMENT JOURNALS FOR THE PERIOD OCTOBER, 1964 TO JUNE, 1965 AND FOR THE PERIOD OCTOBER, 1965 TO SEPTEMBER, 1971. THE CASH DISBURSEMENT JOURNAL FOR THE PERIOD JULY, 1965 TO SEPTEMBER, 1965, WAS NOT LOCATED.
2. CANCELLED CHECKS FOR THE REGULAR ACCOUNT FOR THE PERIOD FEBRUARY, 1965 TO AUGUST, 1970. THE CANCELLED CHECKS FOR THE PERIOD JANUARY, 1965 AND FOR THE PERIOD SEPTEMBER, 1970 TO DECEMBER, 1970, WERE NOT LOCATED.

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PAGE THREE NK 161-3133 UNCLAS

3. INVOICES FOR THE PERIOD JANUARY, 1965 TO DECEMBER, 1970.

THE FISCAL YEAR OF SBJV IS JANUARY 1 TO DECEMBER 31. SBJV'S FIRST EXPENDITURE WAS IN MAY, 1967.

THE FOLLOWING ACCOUNTING RECORDS OF SBJV WERE REVIEWED:

- 1. CASH DISBURSEMENT JOURNALS FOR THE PERIOD MAY, 1967 TO DECEMBER, 1971.
- 2. CANCELLED CHECKS FOR THE REGULAR ACCOUNT FOR THE PERIOD MAY, 1967 TO DECEMBER, 1970.
- 3. INVOICES FOR THE PERIOD MAY, 1967 TO DECEMBER, 1970.

THE FOLLOWING ACCOUNTING RECORDS OF SE WERE REVIEWED:

- 1. CASH DISBURSEMENT JOURNALS FOR THE PERIOD JANUARY, 1965 TO SEPTEMBER, 1970. THE CASH DISBURSEMENT JOURNAL FOR THE PERIOD OCTOBER, 1970 TO DECEMBER, 1970 WAS NOT LOCATED.
- 2. CANCELLED CHECKS FOR THE PERIOD JANUARY, 1965 TO DECEMBER, 1970 WERE NOT LOCATED.
- 3. INVOICES FOR THE PERIOD JANUARY, 1965 TO DECEMBER, 1970.

FOR THE INFORMATION OF THE BUREAU, TO ADEQUATELY CONDUCT THE REQUESTED REVIEW OF THE ACCOUNTING RECORDS OF SCC, SBJV, AND SE, THE NEWARK DIVISION HAD 26 SPECIAL AGENTS AT THE OFFICE OF SCC, INCLUDING THREE SPECIAL AGENT ACCOUNTANTS OF WHOM ONE IS A CPA.

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PAGE FOUR NK 161-3133 UNCLAS

BETWEEN LOCATING THE ACCOUNTING RECORDS AND THE REVIEW OF THE ACCOUNTING RECORDS, 220 MAN HOURS WERE EXPENDED. APPROXIMATELY 20 CASH DISBURSEMENT JOURNALS, 90,000 CANCELLED CHECKS, AND AT LEAST AN EQUAL NUMBER OF INVOICES FOR THE AFOREMENTIONED LISTED COMPANIES WERE REVIEWED.

NOTHING WAS DISCOVERED DURING THE REVIEW OF THE AFOREMENTIONED ACCOUNTING RECORDS OF SCC, SBJV, AND SE REGARDING OK TRUCKING, XYZ LEASING, [REDACTED] AND SAL BRUGUGLIO, EXCEPT THE FOLLOWING:

1. OK TRUCKING, 410 MOUNTAIN AVENUE, SPRINGFIELD, NEW JERSEY, SALES INVOICE DATED AUGUST 28, 1970 TO SCHIAVONE CONSTRUCTION AND BUCKLEY AND COMPANY IN THE AMOUNT OF FOUR HUNDRED FORTY TWO DOLLARS AND FIFTY CENTS FOR USE OF A FRONT END LOADER FOR 24 HOURS, WHICH INVOICE WAS PAID BY SBJV ON DECEMBER 21, 1970. IT SHOULD BE NOTED THAT THIS INVOICE'S ORIGINAL AMOUNT WAS FIVE HUNDRED FORTY TWO DOLLARS AND FIFTY CENTS BUT WAS REDUCED FOR DOWN TIME OF EQUIPMENT. 2. OK TRUCKING, 410 MOUNTAIN AVENUE, SPRINGFIELD, NEW JERSEY, SALES INVOICES TO SCHIAVONE AS FOLLOWS:

A. INVOICE DATED AUGUST 28, 1969, IN THE AMOUNT OF TWO HUNDRED FORTY DOLLARS. B. INVOICE DATED SEPTEMBER 12, 1969, IN THE AMOUNT

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PAGE FIVE NK 161-3133 UNCLAS

OF FIVE HUNDRED FORTY DOLLARS. C. INVOICE DATED SEPTEMBER 19, 1969, IN THE AMOUNT OF FIVE HUNDRED NINETY TWO DOLLARS AND FIFTY CENTS. D. INVOICE DATED SEPTEMBER 27, 1969, IN THE AMOUNT OF TWO HUNDRED AND TWO DOLLARS AND FIFTY CENTS. EACH OF THE INVOICES HAD BEEN REDUCED IN AMOUNT BY SCC AND EACH INVOICE WAS FOR TRUCK RENTAL. THE INVOICES WERE FURTHER SUPPORTED BY INDIVIDUAL TRUCK TICKETS AND THE INVOICES WERE PAID BY ONE CHECK FROM SCC DATED OCTOBER 8, 1969.

THE CHECK ISSUED BY SBJV IS SIGNED BY R. SCHIAVONE AND

_____ AND IS ENDORSED BY OK TRUCKING, _____

_____ THE CHECK ISSUED BY SCC IS SIGNED BY A. SCHIAVONE AND IS ENDORSED BY OK TRUCKING AND _____

NEWARK INDICES WERE REVIEWED FOR _____ WITH NEGATIVE RESULTS. NEWARK INDICES CONTAINED NUMEROUS REFERENCES FOR _____ HOWEVER, NONE OF THESE REFERENCES TEND TO FURTHER IDENTIFY THE _____ LISTED AS THE ENDORSER OF THE ABOVE-DESCRIBED CHECK.

THE FOLLOWING SCC PERSONNEL INTERVIEWED INDEPENDENTLY ON JANUARY 16, 1981, AT SCC OFFICES:

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PAGE SIX NK 161-3133 UNCLAS

RONALD SCHIAVONE, PRESIDENT SINCE 1959; JOSEPH A. DI CAROLIS,
 SENIOR VICE-PRESIDENT WITH SCC SINCE 1962; [REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED] RICHARD C. CALLAGHAN, SENIOR
 VICE-PRESIDENT AND CHIEF ENGINEER, WITH SCC SINCE 1960; [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

ALL DENIED PERSONAL KNOWLEDGE OF ANY ACTIVITY ON PART OF
 DONOVAN REGARDING ALLEGATIONS CONCERNING PAYOFFS FOR "LABOR
 PEACE." DI CAROLIS STATED SUCH ACTIVITY WOULD DEFINITELY BE
 OUT OF CHARACTER FOR DONOVAN.

ALL STATED THERE HAS NEVER BEEN SCC OFFICER OR OFFICE
 EMPLOYEE WITH FIRST NAME RAY, OTHER THAN RAY DONOVAN. ONLY OTHER
 RAYS RECALLED ARE FORMER [REDACTED] AND FORMER [REDACTED]

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FM NEWARK (161-3133 (P) (C-9)
 TO DIRECTOR (IMMEDIATE)
 NEW YORK
 BT UNCLAS
 SECTION TWO OF THREE
 RAYMOND JAMES DONOVAN; SPIN

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Date _____

PAGE SEVEN NK 161-3133 UNCLAS

BOTH PHYSICALLY DISSIMILAR TO DONOVAN;
 AND FORMER AGE

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FOLLOWING NAMES MENTIONED TO ALL THOSE INTERVIEWED: SAL BRIGUGLIO, PHIL "BROTHER" MOSCATO, WILLIAM MUSTO, OK TRUCKING AND XYZ LEASING. NONE COULD RECALL ANY INSTANCE IN WHICH ANY OF THOSE NAMES WORKING WITH SCC IN A BUSINESS CONTEXT. STATED MUSTO'S NAME FAMILIAR TO HIM AS MAYOR OF UNION CITY, AND MOSCATO'S NAME AS BEING NAME HE HAS SEEN IN THE NEWSPAPERS. DI CAROLIS RECOGNIZED XYZ LEASING AS BEING FAMILIAR TO HIM BUT COULD NOT STATE CONTEXT. ADVISED SEVERAL YEARS AGO, HE MET BROTHER MOSCATO AT A RESTAURANT THEN OWNED IN PART BY MOSCATO, LOCATED IN SECAUCUS, BUT HAS HAD NO OTHER CONTACT WITH HIM. IDENTIFIED MOSCATO THROUGH REPUTATION AS HAVING ONCE OWNED A RESTAURANT ON COUNTY ROAD, IN SECAUCUS DURING THE 1960'S. HE ALSO RECALLS HAVING HEARD MOSCATO OWNED A DUMP IN HUDSON COUNTY BUT STATED HE COULD NOT RECALL SCC HAVING DONE BUSINESS WITH MOSCATO. ALSO RECALLS THE NAME OF

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HE DOES NOT

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Date _____

PAGE EIGHT NK 161-3133 UNCLAS

REMEMBER THE NAME OF THE COMPANY AND HAS NOT SEEN OR HEARD OF THE COMPANY IN MORE THAN TEN YEARS. HE HAS NO RECOLLECTION OF SCC HAVING DONE BUSINESS WITH [REDACTED]

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NONE OF THOSE INTERVIEWED COULD IDENTIFY PHOTOS OF [REDACTED] OR BRIGUGLIO DISPLAYED TO THEM IN SETS OF SIX PHOTOS.

[REDACTED] CALLAGHAN, [REDACTED] AND

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[REDACTED] ALL CONCUR THAT SCC SOMETIMES IS CONFUSED WITH ENTIRELY UNCONNECTED SCRAP DEALER COMPANY KNOWN AS SCHIAVONE-BONOMO (SB) LOCATED IN JERSEY CITY, NEW JERSEY. THIS CONFUSION IN FOLLOWING AREAS: U.S. MAIL OF SB DELIVERED IN ERROR TO SCC, PROSPECTIVE INVESTOR SOUGHT FROM SCC INFORMATION REGARDING SB, ERRONEOUS SERVICE OF LEGAL PROCESS ON SCC, IRS INQUIRY OF SCC RE SB, AND BANKS HAVING SENT SB CANCELLED CHECKS TO SCC IN ERROR.

[REDACTED] SCC, ADVISED THAT THE OFFICE WHERE RAYMOND DONOVAN IS CURRENTLY LOCATED HAS BEEN HIS OFFICE SINCE 1968. PRIOR TO THAT, HE WAS IN AN OFFICE WHICH IS NOW OCCUPIED BY [REDACTED] SHE STATED THAT MR. DONOVAN'S OFFICE HAD REMAINED BASICALLY THE SAME FOR THE ENTIRE TIME HE HAS BEEN THERE AND THE ONLY CHANGES WHICH HAVE BEEN MADE BETWEEN 1968 AND

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- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE NINE NK 161-3133 UNCLAS

PRESENT WERE NEW DRAPES AND NEW CARPET. SKETCHES WERE MADE AND PHOTOGRAPHS TAKEN OF BOTH OFFICES. SKETCHES WILL BE SENT TO FBIHQ BY FACSIMILE.

INSPECTOR [REDACTED] ADVISED THAT ON DECEMBER 7, 1971, THERE OCCURRED A FIRE IN A TWO STORY FRAME STRUCTURE OWNED BY SCHIAVONE CONSTRUCTION CO. RICHARD GRAHAM, CHIEF, SECAUCUS, NEW JERSEY, FIRE DEPARTMENT, ADVISED THAT DUE TO THE CAUSE OF THE FIRE BEING MOST PROBABLY A HOT-PLATE LEFT ON BY AN EMPLOYEE, AND NO TRAC OF ACCELERANTS HAVING BEEN FOUND AT THE SCENE, THE FIRE WOULD NOT APPEAR TO HAVE HAD A SUSPICIOUS ORIGIN.

b6
b7C

[REDACTED] FORMER LIEUTENANT, SECAUCUS, NEW JERSEY, FIRE DEPARTMENT, STATED THAT HE WAS POSITIVE THAT ONLY DRAFTING MATERIALS AND BLUE PRINTS WERE BURNED IN THE FIRE WHICH HE DESCRIBED AS CONTAINED. [REDACTED] ADDED THAT NO PERSONNEL OR BUSINESS RECORDS OR BILLS WERE INVOLVED IN THE FIRE.

b6
b7C

IN REFERENCED BUREAU TELEPHONE CALL, NEWARK WAS ADVISED THAT [REDACTED] (PROTECT IDENTITY), [REDACTED]

b6
b7C
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Approved: _____ Transmitted _____ Per _____

(Number) (Time)

FBI

TRANSMIT VIA:

- Teletype
- Facsimile
- _____

PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE TEN NK 161-3133 UNCLAS

b6
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_____ AND STATED THAT DONOVAN WAS AWARE OF THE ARRANGEMENT.

b6
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b7D

ON JANUARY 16, 1981, _____ WAS INTERVIEWED BY AGENTS OF THE NEWARK OFFICE AND FURNISHED THE FOLLOWING INFORMATION:

_____ HE BASICALLY REITERATED THE ALLEGATION SET FORTH ABOVE. HE STATED _____

(FOR THE INFORMATION OF THE BUREAU, PETE WEBER WAS IN CHARGE OF LOCAL 825 FROM APPROXIMATELY 1968 TO 1970.

REGARDING STATE SENATOR MUSTO, THE FOLLOWING IS A SUMMARY

Approved: _____ Transmitted _____ Per _____

(Number) (Time)

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- Teletype
- Facsimile
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PRECEDENCE:

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- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

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OF NEWARK CASE ENTITLED, [REDACTED]

CONSTRUCTION COMPANY, RICO, (OO: NEWARK), " NEWARK FILE

183D-1117, BUFILE 183-3852.

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b7E

THE CAPTIONED INVESTIGATION IS AN INQUIRY INTO ALLEGATIONS THAT WILLIAM V. MUSTO AND OTHERS ACCEPTED MONIES TO INFLUENCE THEM IN THEIR OFFICIAL CAPACITY AS PUBLIC OFFICIALS IN UNION CITY, NJ, TO PURCHASE A PRIVATELY FINANCED BUILDING IN UNION CITY,

Approved: _____ Transmitted _____ Per _____

(Number) (Time)

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- Teletype
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- Immediate
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- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE TWELVE NK 161-3133 UNCLAS

FOR USE BY UNION CITY. THE INVESTIGATION IS FURTHER INQUIRING INTO ALLEGATIONS THAT MUSTO AND OTHER PUBLIC OFFICIALS ACCEPTED MONIES FROM [] ON ADDITIONS AND ALTERATIONS TO TWO UNION CITY HIGH SCHOOLS. THIS CONSTRUCTION WAS PARTIALLY FUNDED WITH U.S. DEPARTMENT OF COMMERCE FUNDS IN THE FORM OF AN ECONOMIC DEVELOPMENT ACT GRANT. CONSENSUALLY MONITORED RECORDINGS OF A CONVERSATION BETWEEN [] AND MUSTO DEVELOPED CORROBORATING EVIDENCE OF THESE ALLEGATIONS.

ON JANUARY 8, 1981, [] ADVISED []



A REVIEW OF NEWARK INDICES AND FILES DISCLOSED PHILLIP BERNARD MOSCATO, ALSO KNOWN AS "BROTHER" TO BE A KNOWN GENOVESE LCN MEMBER NOW RESIDING AT 419 SUNSET DRIVE, HALLENDALE, FLORIDA. THE SAME REVIEW DISCLOSED NO REFERENCE TO MOSCATO CONTRACTORS NOR ANY CONNECTION BETWEEN MOSCATO, MOSCATO CONTRACTORS, SCC, AND/OR RAYMOND DONOVAN.

Approved: _____ Transmitted _____ Per _____

(Number) (Time)

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- Teletype
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- UNCLAS

Date _____

PAGE THIRTEEN NK 161-3133 UNCLAS

REGARDING SIDNEY COHEN, [REDACTED] AND P AND N TRUCKING:

[REDACTED] P&N TRUCKING.

[REDACTED] ADVISED THAT SIDNEY COHEN, NOW DECEASED, WAS NEVER A PARTNER IN P&N TRUCKING. SIDNEY COHEN AND [REDACTED] WERE

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b6
b7C
b7D

[REDACTED]

[REDACTED] HAS FBI NUMBER 148-722H. NEWARK INDICES SHOWS

NEWARK FILE NUMBER 15-33286 OPENED IN 1969 AND NOW DESTROYED

AS BEING REFERENCED TO [REDACTED] NEWARK

FILE NUMBER 26-59307, SERIAL 39, CREDITS [REDACTED] WITH

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b7C

Approved: _____ Transmitted _____ Per _____

(Number) (Time)

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PRECEDENCE:

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- Routine

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- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE FOURTEEN NK 161-3133 UNCLAS

STATEMENT THAT [REDACTED] WAS ARRESTED IN [REDACTED]

[REDACTED] NO FBI IDENT RECORD AVAILABLE FOR [REDACTED] IN NEWARK.

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Approved: _____ Transmitted _____ Per _____

(Number) (Time)

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- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
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- UNCLAS

Date _____

FM NEWARK (161-3133 (P) CC-9)

TO DIRECTOR (IMMEDIATE)

NEW YORK

BT

UNCLAS

RAYMOND JAMES DONOVAN; SPIN

Approved: _____ Transmitted _____ Per _____

(Number) (Time)

1 (Indicate page, name of newspaper, city and state.)

THE DISPATCH
UNION CITY, NJ
Date: 1/8/81
Edition:

(Mount Clipping in Space Below)

Title: 161-3133

Character:
or
Classification:
Submitting Office:

FBI is late with information, delaying hearing on Donovan

By SKIP WOLLENBERG
Associated Press Writer

WASHINGTON—A Senate committee yesterday postponed a confirmation hearing on Ronald Reagan's nominee for secretary of labor, Raymond J. Donovan, an executive of a Secaucus construction company.

Sources close to the investigation indicated the delay until Monday was caused by procedural rather than substantive problems.

A staffer for the Senate Labor and Human Resources Committee said the hearing was delayed because the FBI failed to provide background information senators requested on Donovan, 50, a resident of Short Hills.

"We had expected to get the information by yesterday (Tuesday), but we didn't get it," said the staffer, who asked not to be identified. "We feel we are going to get it."

He said the agency may have been unable to assemble the information in time for yesterday's scheduled hearing because of the Christmas and New Year's holidays.

One of the areas of concern involving Donovan according to one staff member, is the federal political corruption inquiry launched in the early 1970s.

Donovan told reporters last month after his nomination was announced that the U.S. attorney for New Jersey had subpoenaed and examined the records of his firm, Schiavone Construction Co., as well as the records of several other construction firms in the state. He said his lawyer later told him that the government found no legal problems and that Schiavone had never been a target of the investigation.

Donovan is executive vice-president of Schiavone, which is a major bridge, tunnel and road builder.

Chris Kelly, an assistant press secretary for Sen. Orrin Hatch, R-Utah, the committee chairman, said the committee staff was still reviewing information on the Donovan appointment and felt it needed more time to complete its work.

"It takes some time to get things put together," she said.

Another committee staffer said Hatch and Sen. Edward M. Kennedy, D-Mass., the minority spokesman on the committee, had directed several specific questions about Donovan to the FBI.

"They sent the letter last week, but the information is not here yet. You can't go ahead without it," the staffer, who also asked not to be identified, said.

SAC _____
ASAC (C) _____
ASAC (A) _____
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C-2 _____
C-3 _____
C-4 _____
C-5 _____
C-6 _____
C-7 _____
C-8 _____
C-9 _____
C-10 _____
FCI-1 _____
FCI-2 _____
Night Super _____
SA [redacted]

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FBI DOJ

Date: 1/13/81
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Character: 161-3133
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Submitting Office:

(Mount Clipping in Space Below)

Donovan might support lower teen pay level

WASHINGTON (UPI) — Labor Secretary-designate Raymond Donovan has offered hope to teen-agers, a mixed-bag to unions and an observation that the Occupational Safety and Health Administration has problems.

Testifying at his Senate confirmation hearing Monday, the New Jersey contractor said he might support a separate minimum wage for teen-agers — below the current hourly pay of \$3.35 — if convinced

it would reduce youth unemployment.

He said he opposes repeal of Section 14-b of the Taft-Hartley Act, which allows states to outlaw compulsory union membership, but doubts he would support a national right-to-work bill.

Donovan said he has no specific recommendations for OSHA, but said the federal agency "has an administrative problem and certainly a big public image problem."

And he said he feels the Davis-Bacon Act requiring construction workers on federal projects be paid an area's prevailing wage "should be tightened up administratively."

It was not until afternoon that Donovan gave a glimpse of his views on major labor issues.

Before that, he spent his time answering allegations his New Jersey construction firm bought peace with the Teamsters union and paid \$13,000 to a businessman who in turn "laundered" it for organized crime.

"Did anyone at your company know you were giving it to a crook who

laundered it. I guess through the mob?" asked Sen. Orrin Hatch, R-Utah, chairman of the Labor and Human Resource Committee.

"We have never been extorted," Donovan replied. "We have never made a payoff."

"I personally believe you," Hatch responded.

Donovan also denied his Schiavonne Construction Co. of Secaucus, N.J., knowingly hired a "ghost" employee — the chauffeur of a Teamsters union official — for eight months.

- SAC _____
- ASAC (C) _____
- SAC (A) _____
- C-1 _____
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- C-3 _____
- C-4 _____
- C-5 _____
- C-6 _____
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- C-8 _____
- C-9 _____
- C-10 _____
- FCI-1 _____
- FCI-2 _____
- Night Super _____

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JAN 14 1981

ELIZABETH, NJ

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Date: 1/13/81
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Submitting Office:

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By MERRILL HARTSON
Associated Press Writer

WASHINGTON—Labor Secretary-designate Raymond Donovan underwent intensive questioning by a Senate committee yesterday on allegations that his Secaucus construction firm succumbed to extortion by an official of a New York Teamsters union local.

The staff of the Senate Labor and Human Resources Committee produced documents alleging that a "ghost" worker was placed on the payroll of Donovan's Schiavone Construction Co. "as a price for labor peace."

Donovan, executive vice-president of the company, testified at his confirmation hearing that he was unaware of the allegation until it was brought to his attention last week by Senate committee staff members.

Alexander Haig tells Senate panel U.S. must preserve access to Mideast oil. Page 19.

Donovan said Sen. Edward M. Kennedy, D-Mass., asked at the time whether Schiavone had been extorted by the union official, identified in the documents as Harry Gross, business manager for a Teamsters local.

"I replied that we hadn't been and that we aren't extortable," Donovan said.

It was the second question about Donovan's business practices to be raised as a result of the FBI's investigation of President-elect Ronald Reagan's choice to head the Labor Department.

Donovan was interrogated at length in connection with a federal investigation into illegal kickbacks paid to New Jersey politicians and organized crime figures more than a decade ago.

Specifically, he was questioned about an allegation that Schiavone Construction Co. made a \$13,000 payment in August 1967 to Kantor Supply Co. of Newark, subsequently identified by federal prosecutors as a dummy corporation set up to funnel payoffs from construction contractors to various individuals.

Donovan denied any wrongdoing, as he had shortly after his nomination was announced. Although Schiavone was identified in court papers as among those making payments to Kantor Supply, the labor secretary-designate testified that he believed the payment was a legitimate business expense for the right to dump debris in a vacant lot.

"Obviously we were upset," Donovan said when asked about the company's reaction to revelations involving the dummy corporation. "It could easily have been a supposition that we were part of some grand scheme to defraud"

Donovan said federal prosecutors and Internal Revenue Service agents conducted a thorough investigation of Schiavone's records, adding that he turned over enough documents "to fill three Pepsi-Cola trucks." He emphasized that no indictments were issued against his firm or its individuals.

"The integrity of our company, which we treasure, and believe me, which we possess, ... is something we know we can't buy," he said.

There were no immediate indications the questions would jeopardize Donovan's confirmation.

Extortion of Donovan co. is charged

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- ASAC (C) _____
- ASAC (A) _____
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- C-4 _____
- C-5 _____
- C-6 _____
- C-7 _____
- C-8 _____
- C-9 _____
- C-10 _____
- FCI-1 _____
- FCI-2 _____
- Night Supervisor _____
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- SA _____ b7C

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JAN 14 1981

FBI-NEW YORK

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Continued from Page 1

Sen. Orrin Hatch, R-Utah, the panel's chairman, said at the outset that "we are aware of certain troublesome aspects to this nomination."

During a recess, Kennedy refused to speculate on Donovan's chances, saying "I want to keep an open mind."

But the senator said he felt further investigation was necessary.

The allegation about the "ghost" employee came as a surprise, although Donovan had been informed several days ago.

It explained in part the delay in commencement of the Donovan hearings, initially scheduled last Wednesday.

After checking late last week with Joseph DiCarolis, a senior vice-president of the company, Donovan said he learned the employee was placed on the payroll to fulfill the company's obligation under a collective bargaining agreement with the Teamsters.

The documents identified the employee as Joseph Murray, Gross's chauffeur. Records show he was on the Schiavone payroll for a period of several months from late 1977 to June 1978.

"He never showed up (for work)" Donovan said of Murray, "but under the collective bargaining agreement, we had to pay him."

"If you call that extortion, you would be very incorrect," Donovan asserted.

He said the foreman was the equivalent of a shop steward who did no direct work.

"What do you call putting a chauffeur on the payroll who doesn't even come to work?" Kennedy asked.

"You ask me what I think of that, I don't like it one bit," Donovan replied. "It is not our policy. We have set high standards for our people."

Senate investigators produced a document contending that DiCarolis had told federal prosecutors that when Gross persisted in his demand for a Teamster to be placed on the payroll, "he relented to maintain labor peace."

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FM TAMPA (161A-1231)

TO DIRECTOR IMMEDIATE

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161-3133*
166-1884-32+

RAYMOND J. DONOVAN. SPIN

161-2980*

RE BUREAU SUPERVISOR

[REDACTED]

TELCALL TO TAMPA,

JANUARY 16, 1981.

ON JANUARY 16, 1981,

[REDACTED]

DATE OF

BIRTH -

[REDACTED]

WAS

LOCATED AND INTERVIEWED BY BUREAU AGENTS AT

[REDACTED]

WHERE HE IS VISITING

[REDACTED]

STATED HIS PERMANENT RESIDENCE

IS

[REDACTED]

STATED

[REDACTED]

[REDACTED]

[REDACTED]

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JAN 17 1981	
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- Immediate
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- TOP SECRET
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Date Jan. 19, 1981

FM NEWARK (161-3133) (P) (C-9)

TO DIRECTOR (IMMEDIATE)

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MIAMI (IMMEDIATE)

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BT

UNCLAS

RAYMOND J. DONOVAN; SPIN

BUREAU ATTEMPTING TO CORROBORATE FOLLOWING ALLEGATIONS

RECEIVED FROM

[Redacted]

RE

SECRETARY OF LABOR-DESIGNATE RAYMOND DONOVAN:

DURING PERIOD APPROXIMATELY 1965-1970

[Redacted]

[Large Redacted Area]

INVESTIGATION AT SC REVEALS IN PERIOD 1967-1969 POSITION

161B-2133-4

SEARCHED [Redacted] INDEXED [Redacted]

SERIALIZED [Redacted] FILED [Redacted]

1-Newark

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(Time)

Per _____

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- SECRET
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- UNCLAS

Date _____

PAGE TWO, NEWARK 161-3133, UNCLAS

OF "TRUCK COORDINATOR" WAS CREATED TO HANDLE PROCUREMENT AND ASSIGNMENT OF TRUCKS TO VARIOUS JOB SITES. INDIVIDUAL TRUCKS WERE HIRED ON TEMPORARY BASIS WHERE NEEDED ON PARTICULAR JOBS. THIS POSITION HELD BY [REDACTED] UNTIL 1970-1971.

LEAD: MIAMI, AT DELRAY BEACH, FLORIDA: INTERVIEW [REDACTED]

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[REDACTED] FOR ANY INFORMATION HE MAY HAVE REGARDING ABOVE ALLEGATION, AND ANY INFORMATION REGARDING [REDACTED] SAL BRIGUGLIO, [REDACTED] ALSO ANY INFORMATION HE HAS RE ANY BUSINESS BEING DONE WITH SC BY: PHILIP "BROTHER" MOSCATO, MOSCATO BROTHERS COMPANY, CITY CONSTRUCTION COMPANY, WILLIAM MUSTO, DURING PERIOD 1965-1970.

BT

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Approved: _____ Transmitted _____ Per _____

(Number) (Time)

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OO HQ NK

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O 12250Z JAN 8

FM NEW YORK (161-7053) (M-13)

TO DIRECTOR IMMEDIATE

NEWARK (161-3133) IMMEDIATE

BT

UNCLAS

RAYMOND JAMES DONOVAN, SPIN, BUDED: PAST.

RE: BUREAU TELEPHONE CALL FROM ASSISTANT SECTION CHIEF

[REDACTED] TO NEW YORK, JANUARY 19, 1981.

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ON JANUARY 19, 1981, T5, AN INDIVIDUAL WHO WAS PERSONALLY ACQUAINTED WITH THE APPOINTEE, WAS RECONTACTED AND ADVISED THAT HE HAD NO KNOWLEDGE OF [REDACTED] O.K. TRUCKING, X.Y.Z.

[REDACTED] OR SALVATORE BRIGUGLIO. T5 FURTHER STATED THAT HE KNEW NOTHING OF SCHIAVONE CONSTRUCTION COMPANY (SCC) OR RELATED COMPANIES OPERATIONS IN NEW JERSEY. T5 DID STATE HOWEVER RONNIE SCHIAVONE AND APPOINTEE BOTH KNEW EVERYTHING GOING ON IN THEIR COMPANY AS THEY "RAN IT AS A TIGHT SHIP".

ADMINISTRATIVE:

ALL PERSONS INTERVIEWED WERE ADVISED OF THE PROVISIONS OF

[REDACTED]

161B 3133-45

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JAN 19 1981	
FBI-NEWARK	

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PAGE TWO UNCLAS

PRIVACY ACT OF 1974, AND THOSE REQUESTING CONFIDENTIALITY HAVE BEEN SO NOTED.

T5 IS IDENTIFIED IN NEW YORK TELETYPE, JANUARY 10, 1981 UNDER INSTANT CAPTION.

BUREAU IS FURTHER REQUESTED TO NOTE THAT IN NEW YORK TELETYPE, JANUARY 11, 1981, T8 WAS ERRONEOUSLY IDENTIFIED AS

AND CORRECT SYMBOL SHOULD BE

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PRECEDENCE:

- Immediate
- Priority
- Routine

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- TOP SECRET
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821

Date 1/19/81

FM NEWARK (161-3133) (P) (C-9)

TO DIRECTOR (IMMEDIATE)

702 0200006 H01 [Handwritten mark]

ATTN: CRIMINAL INVESTIGATIVE DIVISION SECTION CHIEF

JOE SCHULTE

NEW YORK (161-7053) (M-13) (PRIORITY)

712 MI [Handwritten mark]

BT

UNCLAS

RAYMOND JAMES DONOVAN; SPIN

RE: NEWARK TELETYPE TO BUREAU, JANUARY 17, 1981

ON JANUARY 19, 1981, RONALD SCHIAVONE, PRESIDENT, SCHIAVONE CONSTRUCTION CO. (SCC), SECAUCUS, NJ, AT WHICH TIME HE ADVISED THOSE OFFICERS OF SEC EMPLOYED DURING THE TIME PERIOD 1965 TO 1970 ARE STILL EMPLOYED BY SCC. SCHIAVONE STATED IT WOULD NOT BE UNUSUAL FOR VENDORS, ESPECIALLY TRUCKERS, TO COME TO THE OFFICES OF SCC IN ORDER TO RECEIVE PAYMENTS FOR SERVICES RENDERED. IT WOULD BE HIGHLY UNUSUAL FOR APPOINTEE OR HIMSELF TO MAKE THESE PAYMENTS DIRECTLY TO THE VENDORS. SCHIAVONE HAS HEARD THE NAME

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[Redacted box]

[Redacted box]

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Approved:

[Redacted signature box]

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[Handwritten signature]

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- TOP SECRET
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- UNCLAS

Date _____

PAGE TWO NK 161-3133 UNCLAS

MOSCATO, BUT HE DOES NOT KNOW IN WHAT CONTEXT OR WHETHER SCC DID BUSINESS WITH HIM IN THE PAST.

REVIEW OF SCC CONTRACTS FOR THE PERIOD 1965-1970, REVEALED NO CONTRACTS WITH THE IBT LOCAL 560. REVIEW OF VENDOR CARDS BOTH ACTIVE AND INACTIVE, REVEALED NO CARD FOR PHILIP MOSCATO OR ANY OF HIS BUSINESSES.

NEWARK INDICES AND OCIS WERE NEGATIVE REGARDING [REDACTED]

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[REDACTED]

ON JANUARY 16, 1981, [REDACTED]

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b7C

DURING THE PERIOD [REDACTED] PROVIDED THE FOLLOWING:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] IN 1960, SEC WAS MADE PART OF SCC, BUT STILL REFERRED TO AS SEC. THIS OPERATION OF SCC WAS RESPONSIBLE FOR THE UTILIZATION OF ALL EQUIPMENT AND WHEN NECESSARY RENTALS OF EQUIPMENT FROM OTHER COMPANIES; HOWEVER, SUCH RENTALS WERE UNUSUAL. [REDACTED] RECALLED THAT APPOINTEE HAD NO INPUT AS TO RENTALS BY SEC, AND HIS CONTACT WITH APPOINTEE WAS THROUGH NORMAL COMPANY

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TOP SECRET
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 CONFIDENTIAL
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Date _____

PAGE THREE NK 161-3133 UNCLAS

OFFICE ASSOCIATION.

[REDACTED] RECOLLECTION REGARDING CHECKS IS THAT THE ONLY PERSONS WITH AUTHORITY TO SIGN CHECKS WERE RONALD SCHIAVONE, THE PRESIDENT, OR, IN HIS ABSENCE, [REDACTED] RAY DONOVAN, OR JOE DI CAROLIS.

THE FOLLOWING NAMES WERE MENTIONED TO HIM:

[REDACTED] SAL BRIGUGLIO, PHILIP "BROTHER" MOSCATO, WILLIAM MUSTO, [REDACTED] XYZ LEASING AND OK TRUCKING. HE WAS UNABLE TO RECOGNIZE ANY OF THOSE NAMES, EXCEPT AS FOLLOWS:

HE RECALLS THE NAME OF WILLIAM MUSTO, BUT CANNOT REMEMBER THE CONTEXT, ALSO HE BELIEVES THAT BROTHER MOSCATO MAY HAVE DONE SOME TRUCKING FOR SCC.

HE WAS UNABLE TO IDENTIFY PHOTOS OF [REDACTED] OR SAL BRIGUGLIO DISPLAYED TO HIM IN TWO SETS OF SIX PHOTOS EACH.

REVIEW OF SCHIAVONE'S HELICOPTER RECORDS AT SCC REVEALED THAT THE REGAN-BUSH CAMPAIGN HEADQUARTERS WERE BILLED FOR HELICOPTER USAGE IN SEPTEMBER, 1980, FOR \$9,179.94, AND OCTOBER, 1980, AT \$8,142.00. BOTH INVOICES WERE MARKED PAID.

BT

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FM NEWARK (161-3133)
TO DIRECTOR (IMMEDIATE)

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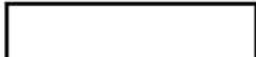

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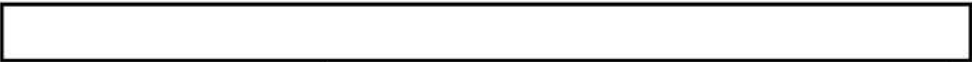

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RAYMOND J. DONOVAN. SPIN


NEWARK

RE TELCALL OF BUREAU SECTION CHIEF JOE SHULTE TO ~~SANPA~~ OF 1/19/81.


INSTANT DATE NEWARK STRIKE FORCE ATTORNEY 
ADVISED HE RECEIVED TELCAL SAME DATE FROM  CHIEF COUNSEL
FOR SENATOR LOWELL WEICKER, DURING WHICH TELCALL  ADVISED HE
SPOKE TO SENATOR WEICKER CONCERNING THE INFORMATION FURNISHED BY

 ADVISED 

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THAT SENATOR WEICKER IS DESIROUS OF INTERVIEWING  PRIOR TO

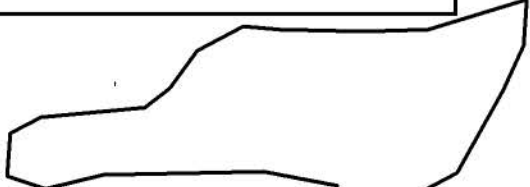


AS PER REQUEST OF SECTION CHIEF SHULTE,  WAS RECONTACTED



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REQUEST OF THE BUREAU;

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THE BUREAU IS FURTHER REQUESTED TO NOTE THAT SENATOR WEICKER'S CHIEF COUNSEL, [REDACTED] CONTACTED [REDACTED] DUE TO HIS KNOWLEDGE THAT [REDACTED] IN THE UPCOMING TRIAL OF [REDACTED] ET AL. [REDACTED] PREVIOUSLY SERVED [REDACTED]

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TO DIRECTOR IMMEDIATE

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UNCLAS

RAYMOND J. DONOVAN, SPIN.

RETPTEL TO DIRECTOR, ALBANY, AND PITTSBURGH, DATED
JANUARY 17, 1981 AND NEWARK TELCALL TO TAMPA, JANUARY
19, 1981.

ON JANUARY 19, 1981, AFTER INTERVIEW OF [REDACTED]
[REDACTED] NEWARK TELEPHONICALLY FURNISHED INFO TO TAMPA DIVISION
TO ASSIST IN REINTERVIEW AND JOGGING THE MEMORY OF [REDACTED]

[REDACTED] FORMER DRIVER OF [REDACTED]

[REDACTED] WAS REINTERVIEWED ON JANUARY 19, 1981. [REDACTED]

STATED [REDACTED]

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[REDACTED] STATED [REDACTED]

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[REDACTED] FURTHER RECALLED [REDACTED]

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ALBANY AT UTICA, NEW YORK. WILL LOCATE AND INTERVIEW

[REDACTED] TO DETERMINE IF HE CAN

CORROBORATE ANY OF [REDACTED] DEALINGS WITH DONOVAN.

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PITTSBURGH, AT NEW DERRY, PENNSYLVANIA, IF NOT ALREADY
INTERVIEWED, LOCATE AND INTERVIEW [REDACTED]

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Donovan defends N.J. biz incidents

By HARRISON RAINIE
and JEROME CAHILL

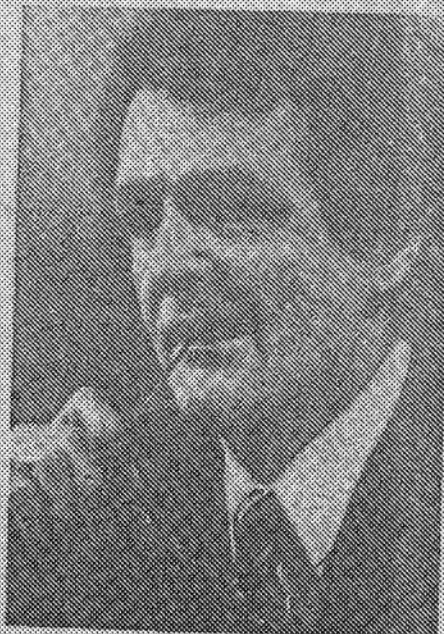
Washington (News Bureau)—Labor Secretary-designate Raymond Donovan denied yesterday that he and his New Jersey construction firm were involved in wrongdoing in two incidents in the last 13 years that spawned allegations of labor extortion, political corruption and kickbacks to mobsters.

Donovan, in Senate confirmation hearings, gave his first public explanation of the circumstances leading to the payment in 1967 of \$13,000 by his firm, the Schiavone Construction Co., to a New Jersey operation that funneled the laundered cash to crooked politicians and organized-crime figures.

He insisted that the payment was made for a legitimate business purpose—to dump unusable road fill into a Newark landfill—and that the transaction was a "proper one."

"We are an honorable company," Donovan insisted under tough questioning. "We have been cleared by the U.S. Attorney and the IRS, and I don't know what else I can do to convince you."

IT ALSO WAS disclosed by Senate Labor Committee Chairman Orrin Hatch (R-Utah) and ranking committee Democrat, Sen. Edward M. Kennedy (Mass.), that three officials of Schiavone, where Donovan was executive vice president, told a Brooklyn grand jury that the company worked out a deal with Harry Gross, the business agent for New York Teamsters Local 282, to put Gross' chauffeur in a



Raymond Donovan while defending role of his construction firm before Senate Labor Committee.

\$9,600 no-show job in return for labor peace.

Donovan said there was nothing illicit about the arrangement because it was mandated in a Teamsters contract. He also said he was unaware of the grand jury investigation of possible labor extortion until Senate investigators told him about it last Thursday—despite the fact he was in charge of labor affairs for the construction firm.

DAILY NEWS

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JAN 20 1981

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THE STAR-LEDGER
NEWARK, NJ

Date 1/16/81

Edition

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Title RAYMOND JAMES DONOVAN
SPIN FOR THE WHITE HOUSE

Character
or 161/3133

Classification
Submitting Office

Donovan firm suing Turnpike for millions

Agency counters Schiavone on blame in cost overruns

By ROBERT G. SEIDENSTEIN

The construction firm of U.S. Labor Secretary-designate Raymond Donovan is seeking \$4.6 million from the New Jersey Turnpike Authority, claiming it lost profits and incurred added expenses because officials were misleading in specifying the work the company had to perform.

Schiavone Construction Co. of Secaucus is suing the Turnpike Authority in connection with a project undertaken in the late 1960s to widen the highway in the Meadowlands area.

But the Turnpike Authority maintains the cost overruns were the firm's own fault and, according to legal papers, has accused the company of exaggerating its claim for damages.

A lawyer for the Turnpike said the lawsuit—based on a \$9 million contract—is "among the larger claims" against the authority. Most claims against the Turnpike are settled before

trial, according to court documents.

Legal papers note that the contract was signed in August 1967 and provided that the job would be completed in May 1968. The work was determined to be substantially finished in September 1969.

The case, which was filed in 1976, was scheduled to begin this month in Hackensack before Superior Court Judge David Follender, but has been delayed—as it has on several occasions—in pretrial wrangling.

Schiavone is suing along with a Pennsylvania firm, Buckley & Co. Inc. The two companies had formed a joint business venture to do roadway excavation, grading and drainage work in East Rutherford for the Turnpike Authority.

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SEARCHED	INDEXED
SERIALIZED	FILED
JAN 16 1981	
FBI-NEWARK	

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p.m. yesterday looking through books and records, trying to locate the checks for invoices described by the informant. A source said officials at Schiavone Construction had been unable to locate the checks and invoices and do not remember the alleged transactions.

An FBI spokesman in Newark said he had no information to release regarding any search at the Schiavone Construction Co. offices.

Donovan and his company were said to be cooperating fully with the committee and with FBI investigators.

Earlier yesterday, President-elect Reagan told reporters he was aware of some allegations, but was not concerned that the Senate committee had postponed indefinitely its vote on Donovan's

nomination.

"No, I know what the evidence is . . . he has told me this is absolutely not true," Reagan said.

He said he was confident of confirmation for Donovan.

Donovan could not be reached for comment last night and a spokesman for the Reagan transition team said he did not know where to find him.

Sen. Orrin Hatch (R-Utah), the chairman of the committee, said the panel received several telephone calls outlining new allegations.

"The problem is you never know whether they are cranks or not," Hatch said. "We don't have any alternative but to check them out and that is what we are doing."

Hatch said that he personally be-

lieves Donovan's assertion that he has not committed any wrongdoing and added that he does not think Donovan's nomination is in jeopardy.

Hatch and Sen. Edward Kennedy (D-Mass.) met with FBI Director William Webster yesterday on Capitol Hill. Webster said he would dispatch FBI agents to investigate the allegations.

At a Senate confirmation hearing Monday, Donovan denied any impropriety involving two incidents relating to the business activities of his construction company.

One case involved a \$13,000 Schiavone check written in 1967 that turned up in a phony account used to launder money for corrupt Newark politicians and mobsters.

Donovan said he knew nothing about

the fraudulent account and maintained that his company paid the money for the use of land in Newark to dump dirt that had been excavated on a New Jersey Turnpike project. He said it was a legitimate business deal and had not known that the land actually belonged to the City of Newark.

In the second case, Kennedy said the Justice Department believes Donovan's firm was extorted by a Teamster business agent in New York by placing a no show employe on their payroll in 1977 and 1978 in order to maintain labor peace.

Donovan testified under oath that neither he nor his company has ever been extorted. He said his company had to hire the Teamster under the provisions of a collective bargaining agreement.

Earlier in the week, in hearings on his confirmation conducted by the U.S. Senate Labor and Human Resources Committee, Donovan pointed out his company had \$80 million in contracts with the Turnpike Authority for excavation and widening jobs between Exits 14 and 15.

The committee spent two hours looking into a \$13,000 payment made by Schiavone in 1967 to a dummy company set up to launder kickbacks to mobsters and corrupt Newark officials.

Donovan, whose confirmation hearings have been delayed without explanation, denied that his firm acted improperly in the incident. He said he was unaware of the nature of the phony company and maintained the money was paid as a legitimate business expense.

He further explained that he learned of the payment only when he was called into the U.S. Attorney's Office in Newark in late 1969 or 1970 and asked about the check.

The Buckley-Schiavone suit against the Turnpike Authority does not involve the incident. The case concerns the firm's contractual dispute with officials and centers on complicated construction and engineering matters.

Legal papers highlight problems the firm had with the engineering consultants employed by the Turnpike. The consulting firm, according to court documents, has ceased operations and its chief officer, Francis L. Brown, is believed to be in Saudi Arabia.

The Turnpike has brought Brown's insurance company into the case main-

taining that the insurer should be made to pay part of any damages Buckley-Schiavone may eventually collect.

In the suit, the construction firm contends the Turnpike Authority "committed numerous and substantial wrongful acts and omissions...which...interfered with...and retarded its performance of the work (and caused the job)...to be performed in a piecemeal, inefficient and uneconomical manner."

The firm claims it had to furnish added materials and do extra work at a cost of almost \$4.6 million. According to legal papers, in December 1975 Turnpike officials proposed a compromise settlement of the suit, but the firm rejected the offer.

A pre-trial order by Superior Court Judge James Petrella notes the Turnpike Authority places some of the blame for the dispute on the defunct Brown Professional Engineers Inc. consulting firm.

The order also points out that the Turnpike views Buckley-Schiavone's claims as exaggerated and, in some instances, unwarranted.

In the latest legal maneuvering, lawyers for the construction firm are trying to bar one of the Turnpike Authority's attorneys from participating in the case.

The firm maintains that Bruce Goldstein, while serving as an assistant U.S. attorney, had reviewed company records during an investigation conducted by his office and so should not be permitted to take part in the contract litigation.

Judge Follender is expected, later in the month, to rule on the request to keep Goldstein out of the case.

Yesterday, both Joseph Nolan, the lawyer for Buckley-Schiavone and David Satz Jr., representing the Turnpike Authority, refused comment on the case. Goldstein is an associate in Satz' law firm, and said Satz is scheduled to try the case.

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THE STAR-LEDGER
NEWARK, NJ
Date **1/16/81**
Edition

Title **RAYMOND J DONOVAN**
SPIN FOR THE WHITE HOUSE

Character:
or **161-3133**
Classification
Submitting Office

New allegations rise against Donovan firm

By **ROBERT COHEN**
Star-Ledger Washington Bureau

WASHINGTON — A man who has been under FBI protective custody for more than a decade has raised new allegations involving Raymond J. Donovan, the New Jersey construction executive chosen to be secretary of labor by President-elect Reagan.

Sources said the unidentified informant told investigators for the Senate Labor and Human Resources Committee that he personally received checks on "15 to 18 occasions" from Donovan's firm, the Schiavone Construction Co. of Secaucus. The informant told investigators he received the money in 1967 or 1968 for leasing trucks to Schiavone that never were used on any job.

The sources told The Star-Ledger the

informant reported he "brought invoices from two trucking companies and got checks for them." The informant told the committee staff the money for the bogus truck rentals was used to "buy labor peace."

The informant came forward, according to sources, after seeing Donovan's picture in a newspaper. The sources said the informant had testified in an extortion trial in the 1960s of Anthony (Tony Pro) Provenzano, a New Jersey Teamsters boss now serving time.

The sources cautioned that the allegations have not been substantiated and could prove to be erroneous.

FBI agents were at Donovan's company in Secaucus between 7:30 and 9

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SEARCHED	INDEXED
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JAN 16 1981	
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Date: 1/15/81
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Title: RAYMOND JAMES DONOVAN
SPIN FOR THE WHITE HOUSE

Character: 161-3133
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Classification
Submitting Office

Committee postpones vote on Donovan

By DAVID ESPO

Associated Press Writer

WASHINGTON—The chairman of the Senate Labor and Human Resources Committee ordered an unexplained postponement of its scheduled vote on Raymond Donovan's nomination as labor secretary yesterday.

The committee had arranged to vote today on the nomination of the 50-year-old Secaucus construction executive, but Sen. Orrin Hatch, R-Utah, canceled the vote after meeting with committee aides.

"I have no details" of the decision, said one committee aide, who added that no new time

had been set for a committee vote.

The delay was the second the committee encountered while considering President-elect Ronald Reagan's nomination of Donovan to head the Labor Department. The first delay came when Hatch put off Donovan's confirmation hearing last week so committee investigators could look into allegations involving Donovan's firm, the Schiavone Construction Co.

Donovan appeared to have the support he needed for the committee's approval after a day-long hearing on Monday that focused largely on his firm's business dealings.

One area that investigators looked into involved a \$13,000 check the Schiavone Co. sent in 1967 to a firm later found to be a dummy corporation established to make kickbacks to New Jersey politicians and mobsters.

Donovan told the committee his company believed the arrangement was a legitimate business transaction and that Schiavone paid the \$13,000 in exchange to dump construction debris on a vacant lot.

The second area probed by the committee involved a grand jury investigation in New York that seemed to indicate that Donovan's firm had put a "ghost" employee on the payroll four

years ago in exchange for labor peace from a local Teamsters union.

Donovan told the committee he knew nothing of the purported shakedown until committee aides informed him of it last week.

After checking with officials of his own committee, he said the decision to put the worker on the payroll was made to fulfill the obligations of a contract with the Teamsters. He conceded that the worker, who was the chauffeur of the Teamsters' business agent, never showed up for work, but maintained that the company still had no choice but to pay him.

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- Night Super. _____
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original to file 1/16/81

16(A-3133) 52

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 16 1981	
FBI-NEWARK	

b6
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NEWARK - STAR LEDGER
1-15-81. P. 1

Committee postpones vote on Donovan's confirmation

By ROBERT COHEN
Star-Ledger Washington Bureau

WASHINGTON.— The Senate Labor and Human Resources Committee has delayed its plans to hold a confirmation vote today on Raymond J. Donovan, the New Jersey construction company executive picked by President-elect Reagan to be secretary of labor.

The committee last night abruptly called off the scheduled vote, and staff aides said they did not know when it will be held.

One committee aide said the vote will not be held "until certain matters that need to be checked into are completed."

Another aide said, "Things have not been resolved satisfactorily," while a third staffer said the "investigation is not completed and we don't know when it will be."

At his confirmation hearing on Monday, Donovan was grilled for about five hours on two incidents involving his firm, Schiavone Construction Co. of Secaucus.

One issue involved the payment in 1977 and 1978 of about \$11,000 in wages to the chauffeur of a Teamsters business agent who never showed up for work at a tunnel construction project in Manhattan.

Sen. Edward Kennedy (D-Mass.) suggested at the hearing that the Justice Department feels Schiavone gave in to an extortion demand and put the Teamster on

the payroll to maintain labor peace. Donovan vigorously denied that charge, said his firm has never been extorted and added that Schiavone was required to employ the individual chosen by the union under a collective bargaining agreement.

Donovan was also questioned about a \$13,000 payment made by his company in 1967 to an individual who operated a phony account used to launder about a \$1 million in kickbacks to corrupt Newark politicians and mobsters.

Donovan said the payment was a legitimate business expense. He said the money was paid so his firm could dump dirt that was excavated as part of the widening of the New Jersey Turnpike.

He said he did not know about the nature of the account or about the late Irving Kantor, who ran the fraudulent operation. Donovan also said he did not know that the land actually belonged to the City of Newark and not to Kantor.

Committee staffers refused to explain specifically why the hearing was delayed. They declined comment when asked whether the committee has turned up any additional evidence or information about the two incidents already publicized or whether new and unrelated developments have come to light.

161B-3133-3

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 20 1981	
FBI-NEWARK	

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b7c

Vote on Donovan Is Delayed by Probe Of New Allegation

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The Senate Labor Committee postponed a vote on the nomination of Raymond Donovan for Labor Secretary while it investigated a new allegation that his construction company bought labor peace.

A person close to the committee said that the allegation came from an "anonymous tipster" to the Federal Bureau of Investigation and was relayed to the panel Wednesday. The committee is checking both the charge and the source of the information. That process could delay a vote on Mr. Donovan's confirmation "one day, two days, or ... longer," said the source.

Reached by telephone last night, Mr. Donovan called the allegation "scurrilous and groundless." And he reiterated a statement he had made before the committee at his confirmation hearing Monday: "We have never been extorted. We aren't extortable." Mr. Donovan is executive vice president of Schiavone Construction Co., Secaucus, N.J.

On Monday, Mr. Donovan was questioned by the committee for nearly five hours about two separate areas concerning his company. One incident involves a continuing Justice Department investigation of a New York Teamster union local that allegedly extorted payments in exchange for labor peace from several concerns, possibly including Schiavone. The panel also asked about \$13,000 the company paid in 1967 to another New Jersey concern subsequently identified by U.S. prosecutors as a conduit for illegal payments to politicians.

At the hearing, Mr. Donovan asserted repeatedly: "We have never been extorted. We have never paid a payoff." Late Monday, following the hearing, a committee source said that most panel members had been satisfied with Mr. Donovan's explanations. The source predicted that the committee would approve the nomination in the vote scheduled for yesterday.

The source close to the committee said the panel won't rush its investigation of the latest allegation. "It's possible the committee won't vote before the inauguration. The commission won't be constrained by anyone else's time restrictions," he said.

President-elect Ronald Reagan, questioned by reporters, said he had discussed the latest charges with Mr. Donovan. "I know what the evidence is. . . I have every confidence in him," Mr. Reagan said.

WALL STREET JOURNAL

1-14-81 p. 8.

161A-3132-54

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 20 1981	
FBI-NEWARK	

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FBI - NEWARK	

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FBI NEWARK	

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FBI NEWARK	

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Reagan's choice admits corruption

By CHARLEY SPEKTOR

NEW YORK, Jan. 14 — Secretary of Labor designee Raymond Donovan, in Senate testimony yesterday, revealed that the construction firm where he is executive vice president made a deal with a local Teamster Union official in order to "buy labor peace" on a New York job site.

Donovan's remarks before the Senate Labor Committee raised new serious doubt on whether his background as a business executive qualifies him to serve as a labor secretary.

He hinted during his remarks that he holds an unfavorable attitude toward the Occupational Safety and Health Administration, the CETA jobs program, the minimum wage, the Davis-Bacon Act, and the right of workers to a closed union shop.

Donovan, part of the top management at the Schiavonne Construction Corporation, admitted that a close associate of his at the firm, Joseph Dicarolis, at the request of Teamster Local 282 Business Agent Harry Gross, put on the payroll someone named Joseph Murray.

Put on payroll

Murray was put on as a Teamster "foreman" on the 11:00 p.m. to 7 a.m. shift at a tunnel project in New York that Schiavonne had a contract on.

A Teamster foreman is the equivalent of a shop steward. He is supposed to insure that the company is complying with the terms of the union contract, such as monitoring whether all drivers on the jobs are Teamsters. In addition, he is responsible for maintaining health and safety standards, and insuring that wages and hours are properly adhered to on the given shift.

But Murray, it turns out, was a "ghost" employee, who never showed up even once for work while being on the payroll from November 1977 to June 1978.

Schiavonne's Dicarolis, according

to a memo from the U.S. attorney's office, agreed to put the man on the books "to maintain labor peace."

Donovan denies any knowledge of the scheme, despite the fact that his position at the company involved labor relations matters.

However, Reagan's proposed Secretary of Labor did say that he didn't really care that Murray was a "ghost."

Collusion widespread

"To put it bluntly, the longer that type of person (a foreman) spends away from the project, the happier the contractor is," Donovan testified.

This type of collusion between construction firms and corrupt union officials is fairly widespread in many parts of the U.S. These dishonest labor officials "guarantee various forms of "labor peace", such as no strikes, no

enforcement of the union shop, or health and safety matters.

A big upsurge in recent years has been going on among the Teamster rank and file to oust such officials from the union.

One Midwest Teamster source told the Daily World today that it is just such deals as that made by Schiavonne and the Local 282 official that the rank and file is out to break up.

He noted that the New York-New Jersey region, where Local 282 is located, is a prime area for such deals. Richard Fitzsimmons, the son of Teamster Union President Frank Fitzsimmons, is currently serving time in a Federal penitentiary for accepting bribes from corporate officials in return for "labor peace."

While Donovan claimed to oppose these type of deals, he blatantly stated

DAILY WORLD

1-15-81. THURS.

that "in many instances, you know, in the construction business . . . there are times when . . . not labor peace, but friendly relationships, give and take . . . it's done consistently."

Against OSHA

In other parts of his testimony, Donovan exhibited anti-worker attitudes. For instance, he said that the attitudes of OSHA ought to be altered. In previous statements, he meant this to mean a cut in its powers to enforce health and safety regulations.

The Republican also stated that he had "open-mind on whether to allow employers to pay teenagers a below-poverty level sub-minimum wage.

He also said he was strongly in favor of Section 14-B of the anti-labor Taft-Hartley Act, which gives individual states the right to prohibit workers from obtaining a closed union shop.

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Donovan denies firm was extorted into paying a no-show Teamster

By ROBERT COHEN
Star-Ledger Washington Bureau

WASHINGTON -- Labor Secretary-designate Raymond J. Donovan admitted yesterday that his New Jersey construction company paid about \$11,000 to a "ghost" employe for eight months in 1977 and 1978, but maintained the payment was required under a contract with the Teamsters union and was not extorted from the firm to guarantee labor peace.

Donovan, the executive vice president of Schiavone Construction Co. of Secaucus, told a Senate committee he was "totally unaware" until two days ago of the no-show employe or of a 1978 Brooklyn federal grand jury appearance by four of his firm's employes regarding a Teamsters local in New York. Donovan

said the matters were brought to his attention by Sen. Edward Kennedy (D-Mass).

Donovan said he checked with Joseph DiCarolis, a senior vice president of the construction firm, and was told that the payment was made under a collective bargaining agreement to Joseph Murray, who worked as a chauffeur in New York for now retired Teamsters business agent Harry Gross. Donovan said DiCarolis told him he testified before the grand jury two years ago that the weekly payments were not extorted.

"You are totally incorrect if you call it extortion," Donovan said in response to a question at his confirmation hearing. "We didn't buy labor peace."

Donovan said he "didn't like it one

damn bit" that wages were paid to someone who failed to come to work but explained that under the contract, the union had the right to name a Teamster foreman for each shift. He said the foreman was the equivalent of a shop steward who did no direct construction work and was under control of the union, not the company.

Kennedy, however, cast doubt on Donovan's statement regarding the nature of the money paid to the chauffeur. He produced information from the Justice Department which said that DiCarolis told law enforcement officials he relented to Gross' demands and put Murray on the payroll of Schiavone's subway

(Please turn to Page 8)

NEWARK - STAR LEDGER

1-13-81, p. 1.

161B-3133-62

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SEARCHED INDEXED
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JAN 20 1981

FBI-NEWARK

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Donovan denies extortion led to no-show Teamster job

(Continued from Page One)

construction project in New York to "maintain labor peace."

Kennedy also noted that the grand jury in New York is not investigating collective bargaining agreements, but reports that Schiavone and three other companies had "ghost employees" placed on their payrolls by Gross. The Massachusetts senator described Gross as a convicted extortionist.

Others, including Sen. Donald Riegle (D-Mich.) questioned how Donovan could not know that his senior vice-president and other members of the company were subpoenaed before a grand jury. Donovan agreed it might seem "strange," but added that he was not informed about it because it apparently was not considered very important.

In addition to questioning Donovan for about 90 minutes on this issue, the Senate Labor and Human Resources Committee spent more than two hours of the daylong hearing delving into a \$13,000 payment made by Schiavone in 1967 to a dummy company set up to launder more than \$1 million in kickbacks to mobsters and corrupt Newark officials.

Neither this issue or the questions raised about the Teamsters payment is expected to sidetrack Donovan's confirmation as labor secretary, according to several Democratic senators.

The committee produced a copy of the \$13,000 check, made out to Kantor Supply Co., as well as a Schi-

vone payment voucher with Donovan's initials, although Donovan said the initials were not in his handwriting.

The committee also distributed 1970 testimony from the late Irving Kantor, who operated the phony account. In that testimony, given during the trial of former Newark Mayor High Addonizio and others, Kantor said that all payments made to Kantor Supply Co. were fraudulent.

In addition, Kantor said in his testimony that he gave blank invoices to "someone" at Schiavone for purposes of laundering the payment. Kantor said he did this at the direction of Joseph Biacone, an organized crime figure convicted with Addonizio at the 1970 trial.

When asked whether the \$13,000 was an extortion payment by his company, Donovan responded:

"We have never been extorted. We never made a payoff. In the Kantor incident, we considered it then and now to be an honest arrangement in the normal running of the construction business."

Donovan said that his company had an \$80 million contract to excavate and widen the New Jersey Turnpike between Exits 14 and 15. He said a company site supervisor, as is common practice, made an agreement with Kantor to dump dirt from the Turnpike project on swampland in Newark.

He said there was no written agreement and noted that his supervisor recalls that either Kantor or someone representing Kantor came to the job site with the offer.

When Kennedy pointed out that the land, located at the juncture of Wilson Avenue and Avenue P, never belonged to Kantor, but was actually owned by the City of Newark, Donovan replied that he didn't know who actually owned the land.

Donovan said he never knew Kantor and was personally unaware of the transaction until he was called into the U.S. Attorney's office in Newark in late 1969 or early 1970 and asked about the check.

Donovan said the whole incident represented "quite an unpleasant experience, probably the most unpleasant experience of my life." He said he "treasures" his own integrity and the integrity and reputation of his company, and noted that the attitude at the U.S. Attorney's



ASSOCIATED PRESS

Labor Secretary-designate Raymond J. Donovan chats with Sen. Harrison Williams before confirmation hearings with the Senate Labor and Human Resources Committee

Office in Newark at the time was "accusatory."

Donovan said his firm's books and records were later subpoenaed and examined for a few years. He said the company was never the target of any investigation or charged with any crime. He also noted that the firm got a clean bill of health from the Internal Revenue Service, which audited the firm's books while they were in the possession of the law enforcement officials.

Kennedy, who vigorously questioned Donovan on the subject, asked whether the company was "duped" or simply made an agreement with corrupt officials to dump dirt cheaply.

"I tell you we are an honorable company," Donovan said. "I don't know what else I can do to convince you. I have told you the truth."

Throughout the proceeding, Sen. Orrin Hatch (R-Utah), the new chairman of the committee, said he believed Donovan's sworn statements and felt he had answered the questions truthfully and forthrightly. Kennedy, however, declined to say whether he would vote for Donovan, adding that more investigative work may have to be done.

"We have two situations," Kennedy said. "The question is whether your company was an innocent victim of illegal acts or whether Schiavone may have illegally participated in such acts."

Following the questioning on the two issues, the committee asked Donovan, who ran Ronald Reagan's successful presidential campaign in New Jersey, about his views on a number of policy matters.

Donovan said he believes the government has "over-managed and overregulated" the economy, but added he intends to be very "studious and not shoot from the hip" when it comes to dealing with existing regulations. Donovan said he believes in worker health and safety programs, but feels that many of these efforts have been misdirected and have had administrative problems.

He said he favors affirmative action efforts for women and minorities, but suggested that nation now has a "confrontational atmosphere" that offers "more heat than honest approaches."

The labor secretary-designate said he does not believe the Comprehensive Employment Training Act (CETA) has been successful in the public sector and said funds should be focused in the private sector, where it will be "more meaningful and permanent."

Donovan said he supports state right-to-work laws, something opposed by the unions, while he is against secondary boycotts, something favored by unions.

He declined, however, to take a position of changing the minimum wage as it applies to youths and said he was not familiar enough with farm labor programs to comment. He also avoided specific questions on economic policy, but told the committee he supports business and personal tax cuts and opposes fighting inflation by fostering unemployment.

Donovan also said he is against import quotas for automobiles.

Sen. Harrison A. Williams Jr. (D-N.J.), who chaired the labor committee for 10 years and introduced Donovan, said he expects the New Jersey contractor to be confirmed by the Senate. The committee may vote on the nominee later this week.

Williams, a liberal Democrat, said in his opening statement that Donovan's philosophy of government differs from his own, but the New Jersey senator added that he looks forward to a "fresh examination of these philosophical differences" in a spirit of "cooperation."

At the same time, Williams cautioned that he believes the Labor Department "has an enduring commitment to the working people of this country to play an affirmative role in providing programs and solutions to basic difficulties which have beset them."

1618-2133
SEARCHED INDEXED
SERIALIZED FILED
JAN 20 1981
FBI NEWARK

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Name of newspaper, city and state

THE STAR-LEDGER
NEWARK, NJ

Date: 1/15/81
Edition

(Mount Clipping in Space Below)

Title: RAYMOND JAMES DONOVAN
SPECIAL INQUIRY FOR THE
WHITE HOUSE

Character:
or 161-

Classification:
Submitting Office

Committee postpones vote on Donovan's confirmation

By ROBERT COHEN
Star-Ledger Washington Bureau

WASHINGTON — The Senate Labor and Human Resources Committee has delayed its plans to hold a confirmation vote today on Raymond J. Donovan, the New Jersey construction company executive picked by President-elect Reagan to be secretary of labor.

The committee last night abruptly called off the scheduled vote, and staff aides said they did not know when it will be held.

One committee aide said the vote will not be held "until certain matters that need to be checked into are completed."

Another aide said, "Things have not been resolved satisfactorily," while a third staffer said the "investigation is not completed and we don't know when it will be."

At his confirmation hearing on Monday, Donovan was grilled for about five hours on two incidents involving his firm, Schiavone Construction Co. of Secaucus.

One issue involved the payment in 1977 and 1978 of about \$11,000 in wages to the chauffeur of a Teamsters business agent who never showed up for work at a tunnel construction project in Manhattan.

Sen. Edward Kennedy (D-Mass.) suggested at the hearing that the Justice Department feels Schiavone gave in to an extortion demand and put the Teamster on

the payroll to maintain labor peace. Donovan vigorously denied that charge, said his firm has never been extorted and added that Schiavone was required to employ the individual chosen by the union under a collective bargaining agreement.

Donovan was also questioned about a \$13,000 payment made by his company in 1967 to an individual who operated a phony account used to launder about a \$1 million in kickbacks to corrupt Newark politicians and mobsters.

Donovan said the payment was a legitimate business expense. He said the money was paid so his firm could dump dirt that was excavated as part of the widening of the New Jersey Turnpike.

He said he did not know about the nature of the account or about the late Irving Kantor, who ran the fraudulent operation. Donovan also said he did not know that the land actually belonged to the City of Newark and not to Kantor.

Committee staffers refused to explain specifically why the hearing was delayed. They declined comment when asked whether the committee has turned up any additional evidence or information about the two incidents already publicized or whether new and unrelated developments have come to light.

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- C-10 _____
- FOI-1 _____
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- Night Super. _____
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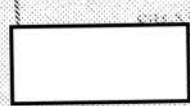
*Original to Bureau
1/15/81*



161B-3133-63

161-3133

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SERIALIZED	FILED
JAN 15 1981	
FBI - NEWARK	



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(Mount Clipping in Space Below)

Publ. post. name of paper, city and state.

TRENTONIAN
TRENTON NJ

Date: 1/13/81

Edition

Title:

Character: 161B-3133

Classification
Submitting Office

Donovan Questioned On \$13,000 Payoff

By PAT McDONNELL

States News Service

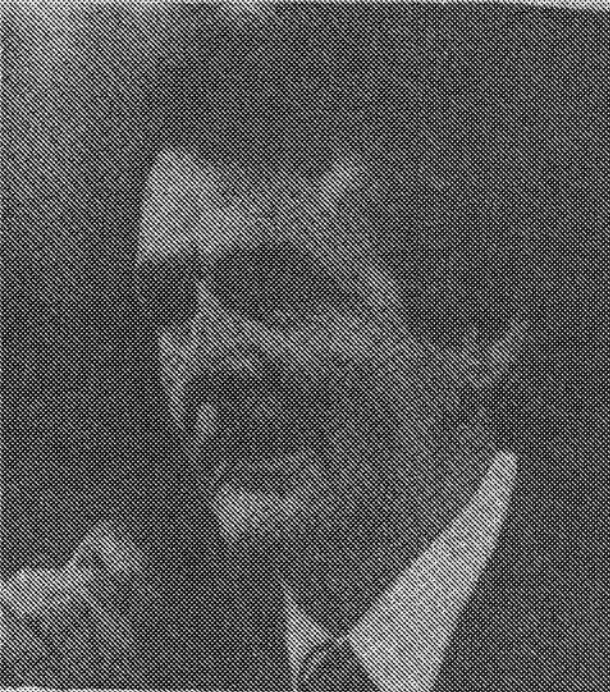
WASHINGTON — Labor Secretary-designate Raymond J. Donovan testified Monday that his Scarsaucus construction firm did not knowingly provide a \$13,000 payoff to an organized crime go-between in 1967, nor has it ever agreed to a Mob extortion arrangement.

"No, we have never been extorted," Donovan, 50, executive vice president of the \$150-million-a-year Schiavone Construction Company, told members of the Senate Labor and Human Resources Committee during his confirmation hearing. "In fact," he added, "we are not extortable."

Donovan, questioned continually on Schiavone's questionable practices, stressed his "pride" in the "honesty" and "integrity" of his firm.

Most of the more than six-hour hearing concentrated on two clouded chapters in Schiavone's history.

The first, in 1967, involved the firm's payment of a \$13,000 check to the Kantor Supply Co. The firm's admitted founder, Irving Kantor, later acknowledged that the company never really existed, but was merely a vehicle to funnel payoffs to organized crime figures and corrupt politicians.



Raymond J. Donovan

Schiavone made the payment, personally approved by Donovan, in exchange for the right to dump more than 25,000 cubic yards of landfill at a Newark site, Donovan testified under questioning by Sen. Orrin Hatch, R-Utah, Labor Committee chairman. Schiavone officials, said Donovan, believed that Kantor owned the dump site, although the Labor Secretary-designate acknowledged that the ownership was

never confirmed. The site was actually the property of the City of Newark, according to testimony.

It wasn't until three years later, Donovan said, that Schiavone learned of any possible impropriety in the payment. By that time, the U.S. attorney in Newark was investigating corruption involving city officials, organized crime figures and construction firms, including Schiavone.

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161B-3133-64

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 15 1981	

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/19/81

The following is a summary of information furnished
by [redacted]

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[redacted]

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Mr. Donovan is the Executive Vice President with duties and expertise in all areas of the company's operation except engineering. Mr. Donovan and Mr. Schiavone are the only executives authorized to sign checks in amounts over \$500. In the absence of both, Mr. Dicarolis may sign but only for Schiavone Construction Company. An alternative to that is any officer may sign in their absence if specific written authority is given for a specific period. In instances under \$500, the checks would be issued by a check-writing machine bearing the name of only Ronald Schiavone. The only persons with access to the machine are [redacted]

[redacted] or his secretary, [redacted]

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[redacted]

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All rentals are handled through the phase of operations known as Schiavone Equipment (SE). This operation is managed by [redacted] since about 1967-1968. During the period mid-1960's to about 1965-1967, that operation was run by [redacted] until he was let go by the company. [redacted]

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[redacted]

Investigation on 1/15/81 at Fort Lee, New Jersey File # NK 161-3133-65

SA [redacted]
SA [redacted]

Date dictated 1/16/81

NK 161-3133

She was unable to recognize the following names: OK Trucking, XY Leasing, [redacted] Sal Briguglia, William Musto. She believes that she has heard the name [redacted]

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She was unable to identify photos of Sal Briguglio or [redacted] displayed in two sets of six photographs.

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Indicate page, name of newspaper, city and state.

THE DAILY JOURNAL
Date: ELIZABETH, NJ
Edition: 1/16/81

Title: RAYMOND J DONOVAN
SPECIAL INQUIRY FOR THE
Character: WHITE HOUSE.
or
Classification: 161-
Submitting Office: NEWARK

(Mount Clipping in Space Below)

New charges hold up OK on Donovan for Cabinet

WASHINGTON (UPI) — A senate committee has delayed indefinitely a vote to confirm New Jersey construction executive Raymond Donovan as secretary of labor.

The vote came amid new allegations of wrongdoing by Donovan's firm.

President-elect Ronald Reagan told reporters Thursday he was aware of the allegations but indicated he was not concerned that the Senate Labor and Human Resources Committee had postponed indefinitely its vote on the nomination of Donovan, a Short Hills, N.J. resident.

"No, I know what the evidence is...he has told me this is absolutely not true," Reagan said. He said he was confident of confirmation for Donovan "because I have learned something to the contrary today."

A Senate source told UPI "an FBI-protected witness" had made allegations involving "a company-labor situation." The source said the allegations were relayed to the committee by a Justice Department official.

Donovan, 50, is executive vice president of Schiavonne Construction Co. of Secaucus, N.J., which

builds bridges, tunnels and highways.

His confirmation already had been clouded by questions raised about his firm's dealings with the Teamsters union and a businessman linked to organized crime.

Donovan testified he did not know until two days earlier that his firm had hired a "ghost employee" — a chauffeur paid \$12,000 although he never appeared at work — to win labor peace with the Teamsters.

While denying that his firm had been involved in a payoff scheme tied to organized crime, Donovan acknowledged his company paid a \$12,000 check in 1967 to Newark businessman Irving Kantor.



Kantor, according to a court deposition, admitted he laundered money between contractors and organized crime and identified Schiavonne as one of the contractors.

But Donovan testified the check was payment for allowing the construction company to dump landfill on Kantor's land. He said he did not learn until later that Kantor did not own the land, which he said he now believes is owned by the city of Newark.

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- Night Super. _____
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1/19/81


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FEDERAL BUREAU OF INVESTIGATION

Date of transcription January 19, 1981

The following is a summary of information furnished by

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[REDACTED]

[REDACTED]

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Schiavone Equipment Company (SEC), however, in the early 1960's, it ceased being a separate company and became a part of SCC. It was still referred to as SEC and that operation was responsible for utilization of SCC equipment and when necessary, rental of equipment from other companies. However, such rental was unusual.

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[REDACTED]

Ray Donovan, Executive Vice-President of SCC, had no input as to rentals by SEC, and his contact with Donovan, was through the normal company officer association. He recalls that Donovan had among his duties, responsibility for arrangements at fill and dump sites, including arrangements of appropriate trucks at the sites, however, trucks for the sites were almost never rented through SEC. Donovan would obtain available equipment and trucks and disperse that equipment to various job sites.

The only other person he can recall who worked for SCC with the first name of Ray, [REDACTED]

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His recollection regarding checks is that the only persons with authority to sign checks were Ronald Schiavone, the President, or, in his absence: [REDACTED] Ray Donovan, or Joe Di Carolis.

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The following names were mentioned to him: [REDACTED]
Sal Briguglio, Philip "Brother" Moscato, William Musto, [REDACTED]

Investigation on 1/16/81 at Silverton, New Jersey File # Newark 161B-3133-70

SA [REDACTED]
SA [REDACTED]

by

Date dictated 1/19/81b6
b7C

NK 161B-3133

XYZ Leasing and OK Trucking. He was unable to recognize any of those names except as follows: He recalls the name of William Musto, but cannot remember the context; also he believes that Brother Moscato may have done some trucking for SCC.

He was unable to identify photographs of [redacted] or Sal Briguglio displayed to him in two sets of six photographs each.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/20/81

Floor plan sketches of the offices of Raymond J. Donovan, Vice President, Schiavone Construction Company, 1600 Paterson Plank Road, Secaucus, New Jersey, and of Executive Secretary, were prepared based on personal observation.

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Investigation on 1/16/81 at Secaucus, New Jersey File # Newark 161-3133-71
by SA Date dictated 1/19/81

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/20/81

[redacted] Captain, Schivavone Air Charter, 1600 Paterson Plank Road, Secaucus, New Jersey, was advised of the identities of the interviewing agents and the purpose of their investigation. He voluntarily provided the following information:

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[redacted] stated that the Flight Department maintains monthly log sheets for each helicopter. He stated that at the end of each month these logs are submitted to the Equipment Office for billing purposes. [redacted] further advised that all requests for charter come into the Airport Office. He further stated that they do not advertise publicly but rely on an inside charter business.

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Captain [redacted] stated the his department flies two helicopters: Bell N303SC and Boeing N202SC. He stated that both helicopters are operated out of the Teterboro New Jersey Airport.

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[redacted] advised that whenever Ronald Reagan or his party were in the New York or Washington area, they would use Schivavone Air Charter service. He stated that apparently Ronald Reagan had a very close relationship with Ray Donovan. [redacted] stated that as far as he was concerned, Reagan and his party were required to pay for his services. He stated that there was no gratis involved.

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[redacted] further advised that he never flew George Bush but did fly President elect Reagan, Secret Service and many of Reagan's party on different occasions. He stated that they would use the big ship, N303SC, to fly Reagan and his aides, while the Secret Service would fly in the smaller ship, N202SC. [redacted] advised that he remembers flying Reagan and his party at least a dozen times. He stated that the request for charter service usually came from a girl named [redacted] who was employed in Reagan's Transportation Department. [redacted] stated that as far as he could remember, all charter service for Reagan was billed to Deaver and Hannaford in California.

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Investigation on 1/19/81 at Teterboro, NJ File # NK 161B-3133 - 72
by SA [redacted] Date dictated 1/20/81

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/20/81

[redacted] Schivavone Construction Company, 1600 Paterson Plank Road, Secaucus, New Jersey, was advised of the identities of the interviewing agents and the purpose of their investigation. He voluntarily provided the following information:

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[redacted] stated that they charter three helicopters: a Bell 3SC for \$1200.00 an hour, a Boeing 2SC for \$550.00 an hour, and a Bell 201SC for \$275.00 an hour. He further advised that all requests for air charter filter through the airport office. He also advised that on various occasions when their helicopters are tied up, they broker out services to other helicopter charter companies. He stated that Heliflight and Marvair are two helicopter charter services that they use.

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[redacted] exhibited a copy of a letter dated December 17, 1979, from Beaver and Hannaford, 1096 Wilshire Boulevard, Los Angeles, California, 90024. He further advised that this firm is a public relations and public affairs agency, which represents Ronald Reagen and his election committee. He stated they have offices in Los Angeles, Washington, D.C., New York, and Sacramento. The letter was signed [redacted] and a carbon copy was sent to [redacted]. This letter was an engagement letter for Air Charter Services.

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[redacted] attempted to verify and match helicopter flight hours that were billed to the Ronald Reagen Election Committee to the flight hours listed in the helicopter log books. Due to poor bookkeeping by the pilots, [redacted] was unable to verify all of the flight hours that were logged and billed to the Ronald Reagen Election Committee. He stated that the pilots are more interested in flying than keeping accurate records. He further advised that in order to verify in detail the flight hours billed to the Ronald Reagen Election Committee, we would have to speak to the pilot.

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Investigation 1/19/81 Secaucus New Jersey File # NK 161B-3133 - 73
by SA [redacted] SA [redacted] Date dictated 1/20/81

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TO: SUPPORT SERVICES SUPERVISOR
 Subject: SCHIAYONE CONSTRUCTION CO.
 Aliases: _____

Date: _____
 Social Security Account #: _____

Address: _____ Birth Date: _____ Birthplace: _____ Race: _____ Sex: Male Female

Exact Spelling Main Criminal Case Files Only Restrict to Locality of _____
 All References Criminal References Only
 Main Subversive Case Files Only Main Subversive (If no Main, list all Subversive References)
 Subversive Reference Main Criminal (If no Main, list all Criminal References)

File & Serial Number	File & Serial Number	Remarks
122-565- [redacted]		
92-4235* [redacted]		
correlation memo filed in:		
122-565-16 [redacted]		
29-7969-79 1L-9 [redacted]		
183-558-81 [redacted]		
183-676-40 [redacted]		
CO. 26-0-5156		

Mr. Carol

Requested by: _____ Squad: _____ Extension: _____ File No.: _____

Searched by: [redacted] 1/20/67
 (date)
 Consolidated by: _____ (date)
 Reviewed by: _____ (date)

File Review Symbols
 I - Identical ? - Not identifiable
 NI - Not identical U - Unavailable reference

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FEDERAL BUREAU OF INVESTIGATION
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- Immediate
- Priority
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CLASSIFICATION:

- TOP SECRET
- SECRET
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- UNCLAS

Date 1/21/81

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 NEW YORK (IMMEDIATE) (161-7053) 457P021 2150 NYZ
 ALBANY (IMMEDIATE) 427P0212120Z ALI

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U N C L A S

ATTN: FBIHQ CID SECTION CHIEF SCHULTE

ATTN: NYO SUPERVISOR [] M-13

RAYMOND J. DONOVAN; SPIN

RE: NEWARK TELETYPE TO DIRECTOR, JANUARY 21, 1981; NEW YORK TELETYPE TO DIRECTOR, JANUARY 21, 1981.

ON JANUARY 21, 1981, [] A HIGHLY RELIABLE SOURCE,
 TELEPHONICALLY CONTACTED SA [] OF THE NEWARK
 DIVISION AND FURNISHED THE FOLLOWING INFORMATION:

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161B-3133-75

Approved: []

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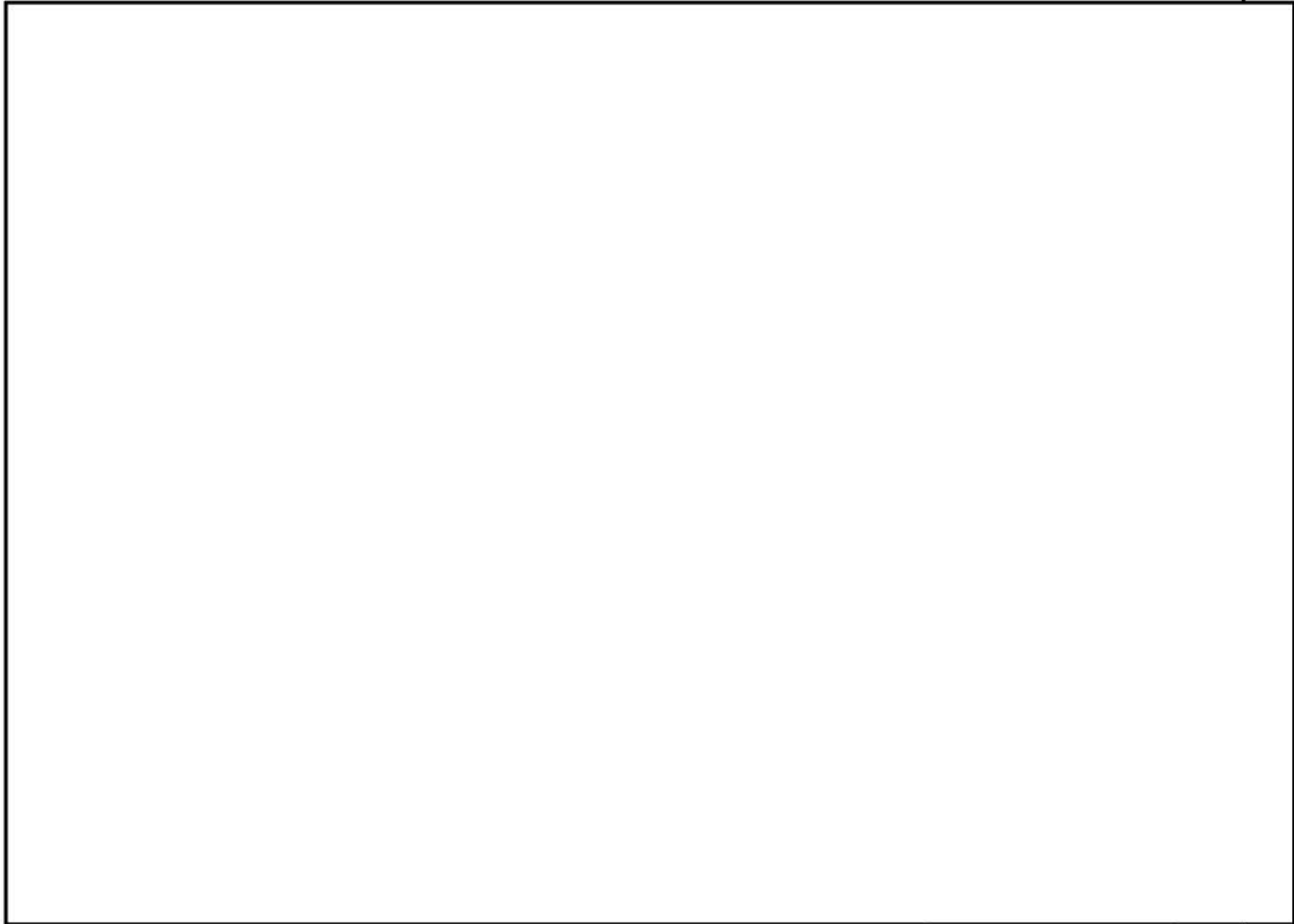
- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date 1/21/81

PAGE TWO (NK 161B-3133) U N C L A S



NEWARK WILL ATTEMPT TO LOCATE AND INTERVIEW [REDACTED] REGARDING THE ABOVE ALLEGATIONS.

REGARDING [REDACTED] (SEE REFERENCED NEW YORK TELETYPE). NEWARK HAS LEARNED THAT [REDACTED] IN NEW YORK,

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Approved: _____ Transmitted _____ (Number) (Time) Per _____

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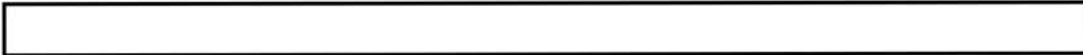
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CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date 1/21/81

PAGE THREE (NK 161B-3133) U N C L A S



THE ABOVE INFORMATION IS HIGHLY SINGULAR IN NATURE. NO INFORMATION SHOULD BE DISSEMINATED REGARDING SOURCE INFORMATION.

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PRECEDENCE:

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006

Date 1/21/81

FM NEWARK (161B-3133) (P) (C-9)

TO DIRECTOR (IMMEDIATE)

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NEW YORK (161B-7053) (IMMEDIATE)

230 P 0211945Z NY 11 []

BT

UNCLAS

ATTENTION: SUPERVISOR []

RAYMOND J. DONOVAN; SPIN.

RE NEW YORK TELETYPE TO BUREAU, JANUARY 21, 1981, AS CAPTIONED AND NEWARK TELCAL TO NEW YORK, JANUARY 21, 1981.

INVESTIGATION NEWARK BASED ON PRETEXT CALL TO TELEPHONE NUMBER [] REGARDING LOCATION OF [] AS FURNISHED BY NEW YORK T-9 INDICATED [] IN NEW YORK CITY AREA FOR "APPOINTMENTS" AT SEVERAL UNSPECIFIED LOCATIONS FOR REMAINDER OF DAY, BUT COULD BE CONTACTED AFTER 5:00 P.M.

THIS DATE AT [] WHICH WAS A PREVIOUSLY VERIFIED ADDRESS FOR THIS INDIVIDUAL.

ABOVE INFORMATION FURNISHED SUPERVISOR NEW YORK FOR INTERVIEW OF [] THIS PM RE ALLEGATIONS BY NEW YORK T-9.

1 - Newark

SEARCHED INDEXED
SERIALIZED

[] []

161B-3133-76

Approved: []

Transmitted _____

(Number) (Time)

Per []

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FBI

TRANSMIT VIA:

- Teletype
- Facsimile
- _____

PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE TWO NK 161B-3133 UNCLAS

NEWARK WILL CONTACT NEW JERSEY BELL RE STREET ADDRESS OF
 CURRENT NUMBER FOR [] WHICH UNKNOWN FEMALE SPOKEN
 TO DECLINED TO FURNISH.

NEW YORK ADVISE NEWARK IF [] CONTACTED THIS
 PM OR IF FURTHER INTERVIEW ATTEMPTS BE MADE.

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Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

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OO HQ NK

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O 210032Z JAN 81

FM NEW YORK (161-3-7053) (RUC) (M-13)

TO DIRECTOR IMMEDIATE

ATTN: [REDACTED] SPIN UNIT

NEWARK IMMEDIATE

ATTN: [REDACTED]

BT

UNCLAS

RAYMOND J. DONOVAN, SPIN, BUDED: PAST.

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*161-3133**
161-2980 166-1888-324*

ON JANUARY 21, 1981, NYO AGENTS LOCATED [REDACTED]

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[REDACTED] WHICH IS

LEASED BY ONE [REDACTED]

[REDACTED] ADMITTED BEING BAGMAN FOR [REDACTED]

AND PICKING UP MONEY FROM A RAY DONOVAN.

[REDACTED] STATED, HOWEVER, THAT RAY DONOVAN HE KNOWS IS NOT, REPEAT NOT, IDENTICAL TO APPOINTEE. [REDACTED] STATED, HE WAS AWARE OF INVESTIGATION REGARDING APPOINTEE AND HAS SEEN MEDIA PHOTOS OF APPOINTEE.

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161B-3133-77

SEARCHED	INDEXED
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JAN 21 1981	
FBI NEW YORK	

[REDACTED]

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[REDACTED] STATED BAG JOBS ENDED APPROXIMATELY 12 YEARS

AGO.

BT

(Mount Clipping in Space Below)

Indicate page, name of paper, city and state.)

THE TRENTON TIMES
TRENTON, N.J.

Date: 1/16/1981
Edition:

Title: RAYMOND JAMES DONOVAN

Character:
or
Classification: 161
Submitting Office: NEWARK

Report of payoff delays Donovan vote in Senate

Washington Post Service

WASHINGTON — Senate Republicans have postponed a confirmation vote on the nomination of New Jersey construction executive Raymond J. Donovan as secretary of labor, amid reports that a secret "FBI-protected witness" was prepared to testify that he had personal knowledge of cash payoffs by Donovan's old firm.

President-elect Ronald Reagan said he knew "what the evidence is. He (Donovan) has told me this is absolutely not true, and I have every confidence in him."

Nonetheless, Senate Labor and Human Resources Committee Chairman Orrin G. Hatch, R-Utah, put off the scheduled confirmation vote and met with FBI Director William H. Webster to pursue the new allega-

tion. There was no indication of how long the investigation might continue, but Hatch said, "We're not kidding ourselves. There are some problems. We want to do a more than reasonable job of checking them out."


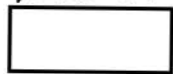
The maneuvering on Donovan came as Senate committees voted to approve three other Reagan nominees: Alexander M. Haig Jr. for secretary of state; Jeane J. Kirkpatrick as U.N. ambassador, and Terrel Bell as secretary of education. A vote on William French Smith for attorney general was put off until today.

The fresh information on Donovan reportedly came to Hatch's attention as a result of a lead furnished by Sen. Edward M. Kennedy, D-Mass., the committee's ranking minority member. But Kennedy staff aides de-

(Continued on Page A4, Col. 4)

- SA
- ASAC (C)
- ASAC (A)
- C-1
- C-2
- C-3
- C-4
- C-5
- C-6
- C-7
- C-8
- C-9
- C-10
- FCI-1
- FCI-2
- Night Super.
- SA

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Original to 
1-21-81


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161B-3133-79
161-3133

SEARCHED	INDEXED
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JAN 21 1981	
FBI - NEWARK	

FBI 202

Payoff report stalls vote on Donovan

From A1

clined to furnish any specifics on the charges or even to confirm his involvement.

OTHER SOURCES, however, said the allegation, which may or may not have involved Donovan directly, forced a re-examination of his previous testimony. The nominee denied that he was aware of any extortion attempts by politicians or Teamsters union officials during his service as executive vice president of Schiavonne Construction Co. of Secaucus, N.J., a major highway and bridge builder.

During that earlier testimony, Donovan said his company had paid \$13,000 in 1967 to Irving Kantor, a Newark businessman identified in a

court deposition as a middleman who "laundered" payoffs from contractors to organized crime figures. Donovan said he thought the money was a payment for dumping rights on a tract of land Kantor owned.

He also testified that he had not learned until a few days ago that his company had put a "ghost worker" on the payroll in 1977 in order to guarantee labor peace with a Teamsters local in New York. He said he thought the job was required by the union contract, but conceded that it was a "no-show" position.

BUT WHEN questioned by committee members, Donovan said, "We have never been extorted. We have never paid a payoff."

It is this last statement, according to some committee sources, that is

challenged by the new witness — whose charges, they emphasized, are without corroboration at this point.

Sources at Reagan's transition headquarters last night gave no indication that they thought the nomination was in serious trouble. Late in the day, as rumors swirled around Capitol Hill, Larry Speakes, a transition spokesman, reaffirmed that "the president stands behind the nomination."

Other officials said a second internal check on Donovan's credentials had been made after his appointment in December, when the FBI field report turned up some allegations involving his firm. The recheck, these sources said, found "no evidence of culpability" on Donovan's part.

FBI

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- Immediate
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- TOP SECRET
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- UNCLAS

Date Jan. 21, 1981

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FM NEWARK (161B-3133) (RUC) (C-9)

TO DIRECTOR (IMMEDIATE)

11/2 0211833Z HQ 2 Sec.

NEW YORK (PRIORITY)

11/0 0211830Z NY 2 Sec.

BT

UNCLAS

SECTION ONE OF TWO

ATTN: FBIHQ, CID SECTION CHIEF JOE SCHULTE

ATTN: NEW YORK SUPERVISOR HOTOP (M-13)

RAYMOND J. DONOVAN; SPIN

RE BUREAU TELEPHONE CALLS, JANUARY 19 AND JANUARY 20, 1981.

ON JANUARY 20, 1981, AGENTS OF THE FBI, NEWARK DIVISION, CONTACTED RONALD SCHIAVONE, PRESIDENT OF SCHIAVONE CONSTRUCTION COMPANY (SCC) AFTER WHICH SCHIAVONE MADE AVAILABLE ALL SCC PAYROLL RECORDS FOR THE PERIOD 1965 TO 1970. A REVIEW OF THE FOLLOWING RECORDS WAS CONDUCTED:

1965-SCC: W2 FORMS, IRS 941A WITHHOLDING TAX FORM, AND PAYROLL LEDGER CARDS.

161B-3133-80

1-Newark
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- UNCLAS

Date _____

PAGE TWO, NEWARK 161B-3133, UNCLAS

1966-SCC: W2 FORMS, PAYROLL LEDGER CARDS.

FIDLER'S ELBOW: W2 FORMS.

1967-SCC: W2 FORMS, PAYROLL MASTER (ADP), AND W2 TAPE LISTING (ADP).

SCHIAVONE-BUCKLEY-JOINT VENTURE (SB-JV): W2 FORMS, PAYROLL MASTER (ADP), AND W2 TAPE LISTING (ADP).

1968-SCC: W2 FORMS, PAYROLL MASTER (ADP), AND W2 TAPE LISTING (ADP).

SB-JV: W2 FORMS, PAYROLL MASTER (ADP), W2 TAPE LISTING (ADP).

1969-SCC: PAYROLL MASTER (ADP).

SB-JV: W2 FORMS, PAYROLL MASTER (ADP), AND W2 TAPE LISTING (ADP).

1970-SCC: IRS 941A WITHHOLDING TAX FORM.

SB-JV: W2 FORMS, PAYROLL MASTER (ADP), AND W2 TAPE LISTING.

NO OTHER PAYROLL RECORDS WERE AVAILABLE FOR REVIEW. THE ABOVE RECORDS WERE REVIEWED FOR THE FOLLOWING NAMES WITH NEGATIVE RESULTS:

[Redacted] AKA [Redacted]

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Date _____

PAGE THREE, NEWARK 161B-3133, UNCLAS

[redacted] SAL BRIGUGLIO; [redacted]

THIS REVIEW DID REVEAL A W2 FORM AND PAYROLL SHEET FOR

[redacted] NEWARK FILES REVEAL THAT [redacted] IS

[redacted] LAST KNOWN RESIDENCE

LISTED AS [redacted]

PAYROLL

SHEET AND W2 INDICATES HE WAS EMPLOYED AS AN [redacted] FROM

[redacted] AND WAS PAID [redacted]

ALSO A W2 AND PAYROLL SHEET WAS FOUND FOR [redacted]

[redacted] WHO EARNED [redacted]

HE WAS EMPLOYED FROM

[redacted] AS [redacted]

SCHIAVONE ADVISED DURING THE PERIOD 1965, SCC AND RELATED FIRMS EMPLOYED 250 PEOPLE IN THIS WINTERTIME, 750 SUMMER. IN 1967, THIS INCREASED TO 500 AND 1150 RESPECTIVELY DUE TO THE FORMING OF SB-JV. SCHIAVONE SAID THIS NUMBER CONTINUED UNTIL RECENTLY WHEN SCC FORMED ANOTHER JOINT VENTURE DOING SUBWAY CONSTRUCTION, CAUSING SCC TO NOW EMPLOY

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 UNCLAS E F T O
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Date _____

PAGE FOUR, NEWARK 161B-3133, UNCLAS

1125 TO 1300 PEOPLE ALL YEAR.

FURTHER, THAT THE AUDITING FIRM OF TOUCH ROSS AND COMPANY DID A "PAYROLL PAYOFF" ON OCTOBER 20, 1976, AND SEPTEMBER 25, 1979, WITH 100 PERCENT ACCOUNTABILITY. SCHIAVONE EXPLAINED THIS IS WHERE THE AUDITING FIRM PHYSICALLY HANDS THE PAYROLL CHECK TO AN INDIVIDUAL. SCHIAVONE SAID THE SEPTEMBER 25, 1979 "PAYROLL PAYOFF," WAS DONE AT THE 63RD STREET SUBWAY CONSTRUCTION SITE.

_____ SCC, ADVISED THAT ON JANUARY 19, 1980, LATE AFTERNOON, HE RECEIVED A CALL FROM A (FIRST NAME UNKNOWN) (FNU) _____ WHO REPRESENTED HIMSELF TO HAVE SOMETHING TO DO WITH A LABOR PAPER IN THE DETROIT, MICHIGAN AREA. _____ ADVISED THAT _____ REQUESTED TO KNOW THE NAME OF RAY DONOVAN'S PERSONAL LAWYER. _____ SAID HE ADVISED _____ THAT _____ WAS COUNSEL FOR SCC AND _____ ASKED IF _____ WOULD "TALK TO A GUY FROM FLORIDA?" _____ STATED HE TOLD _____ THAT HE WOULD AND AT ABOUT 6:15 P.M. OR 6:30 P.M., HE RECEIVED A CALL FROM AN INDIVIDUAL WHO IDENTIFIED HIMSELF TO BE _____ (PHONETIC),

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 CONFIDENTIAL
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Date _____

PAGE FIVE, NEWARK 161B-3133, UNCLAS

THE ATTORNEY FOR ANTHONY PROVENZANO. [] SAID []
 EXPLAINED THAT HE HAD BEEN TOO SICK TO REPRESENT PROVENZANO
 DURING HIS TRIAL IN NEW JERSEY AND THUS PROVENZANO WAS
 REPRESENTED BY SOMEONE ELSE. [] SAID THAT HE COULD
 "HELP RAY DONOVAN IN WASHINGTON PROVE THAT []
 IS A PATHOLOGICAL LIAR." [] CITED AN INSTANCE THAT
 [] LIED AND AN FBI AGENT LIED TO BACK UP []
 [] STATED HE HAD FILED PAPERS BEFORE JUDGE MEANOR
 IN NEWARK RETURNABLE ON FEBRUARY 9, 1981, ASKING FOR A
 NEW TRIAL FOR PROVENZANO BASED ON PROOF THAT [] IS A
 LIAR. [] STATED HE WOULD TESTIFY ON BEHALF OF MR.
 DONOVAN IF IT WOULD HELP AND WOULD CALL BACK ON JANUARY 20,
 1981, FOR DONOVAN'S ANSWER.

[] STATED ON JANUARY 20, 1981, [] AGAIN CALLED
 AND INQUIRED IF MR. DONOVAN WANTED [] TO APPEAR
 AT THE SENATE HEARINGS. [] EXPLAINED HE FINALLY REACHED
 DONOVAN IN THE A.M., JANUARY 20, 1981, AT WHICH TIME DONOVAN
 EXPRESSED NO DESIRE TO HAVE [] APPEAR AND TESTIFY.
 EDELBAUM WENT ON TO SAY THAT "THE FBI GOT [] OUT OF

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★ U.S. GOVERNMENT PRINTING OFFICE: 1980-305-750/5402

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- UNCLAS E F T O
- UNCLAS

Date _____

PAGE SIX, NEWARK 161B-3133, UNCLAS

JAIL ON A WRIT SIGNED BY JUDGE MEANOR TO OBTAIN HANDWRITING SAMPLES AND TO BE IMMEDIATELY RETURNED. [] NEVER WENT BACK TO JAIL." [] STATED HE HAS PROOF THE FBI AGENT LIED ABOUT TRIP THAT [] MADE TO FLORIDA AND THE WITNESSING OF A MEETING HELD THERE. THE PRECEDING PERTAINS TO TESTIMONY GIVEN IN THE PROVENZANO TRIAL.

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FOR THE INFORMATION OF THE BUREAU, INVESTIGATION AT NEWARK DETERMINED THAT [] PREVIOUSLY THOUGHT TO BE DECEASED WAS ALIVE. ON JANUARY 20, 1981, [] CONTACTED AN AGENT OF THE NEWARK, FBI, AND FURNISHED THE FOLLOWING INFORMATION:

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HE SAID THAT IN THE 1950'S PART OF THE 1960'S, HE OPERATED [] (EXACT DATES NOT RECALLED). IN THE 1950'S HE DID SOME WORK FOR SCC BUT NOT MUCH. HE COULD RECALL NO WORK DONE BY [] FOR SCC IN THE 1960'S. [] [] WORKED FOR HIM AT [] FOR ABOUT A YEAR OR A YEAR AND A HALF (DATES NOT RECALLED). HE AND [] DID NOT GET ALONG

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- UNCLAS

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Date _____

FM NEWARK (161B-3133) (RUC) (C-9)

TO DIRECTOR (IMMEDIATE) *128 P*

NEW YORK (PRIORITY) *125 P*

BT

UNCLAS

FINAL SECTION OF TWO

ATTN: FBIHQ, CID SECTION CHIEF JOE SCHULTE

ATTN: NEW YORK SUPERVISOR [] (M-13)

RAYMOND J. DONOVAN; SPIN

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- UNCLAS E F T O
- UNCLAS

Date _____

PAGE SEVEN, NEWARK 161B-3133, UNCLAS

WELL. [] CLAIMED TO HAVE NO KNOWLEDGE OF PAYMENTS BY
 SCC FOR "LABOR PEACE." HE SAID HE NEVER MADE PAYOFFS TO
 SAL BRIGUGLIO. HE SAID HE NEVER HEARD OF XYZ LEASING AND
 THE NAME [] WAS NOT FAMILIAR TO HIM. RECORDS
 FOR [] NO LONGER EXIST. [] ALSO CHARACTERIZED
 [] AS A LIAR.

FOR INFORMATION, []

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[] THE INDIVIDUALS WHO ENDORSED
 SCC CHECKS PAYABLE TO O.K. TRUCKING, WERE LOCATED ON
 JANUARY 20, 1981, AND INTERVIEWED AT THEIR RESIDENCE

[] TELEPHONE NUMBER

[]

[] ADVISED THAT FROM 1967 TO 1971, []

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[] HE SAID HE HAD DONE SOME BUSINESS WITH SCC AND RECALLS
 RECEIVING ONE CHECK FOR RENTAL OF A FRONT AND LOADER. HE

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- UNCLAS E F T O
- UNCLAS

Date _____

PAGE EIGHT, NEWARK 161B-3133, UNCLAS

DOES NOT RECALL RECEIVING ANY OTHER CHECKS BUT SAID HE MAY HAVE RECEIVED OTHERS FOR THE RENTAL OF DUMP TRUCKS.

HE SAID HE HAS NEVER MET RAY DONOVAN AND ONLY KNOWS OF HIM BY WHAT HE HAS READ IN NEWSPAPERS LATELY. HE

SAID HE DID NOT KNOW [REDACTED] OR [REDACTED]

[REDACTED]

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FM ALBANY (161A-2320) (RUC)
TO DIRECTOR, FBI (IMMEDIATE)
NEWARK (ROUTINE)
PITTSBURGH (ROUTINE)
TAMPA (ROUTINE)

BT

UNCLAS

161B-3133*

RAYMOND J. DONOVAN, SPIN.

RE TAMPA TELETYPE TO THE BUREAU, JANUARY 19, 1981; TAMPA
TELETYPE TO THE BUREAU, JANUARY 17, 1981; AND, ALBANY TELEPHONE
CALL TO THE BUREAU, JANUARY 21, 1981.

ON JANUARY 20, 1981, [REDACTED]

[REDACTED] ADVISED THAT AS AN INDEPENDENT "GYPSY" DRIVER, HE
CAME TO KNOW [REDACTED] THROUGH ONE [REDACTED]

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161B-3133-81

SEARCHED	INDEXED
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JAN 21 1981	
[REDACTED] ARK [REDACTED]	

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AL 161A-2320, PAGE TWO, UNCLAS

[REDACTED] HE STATED HE DID SOME HAULING FOR [REDACTED] IN 1963 OR 1964, IN THE NEW JERSEY AREA BUT HAD NO RECOLLECTION OF MAKING ANY HAULS FOR SCHAVONEY CONSTRUCTION COMPANY. HE STATED HE DOES KNOW OF SCHAVONEY CONSTRUCTION COMPANY INASMUCH AS IT WAS A LARGE, WELL KNOWN FIRM IN THE NEW JERSEY AREA. HE WAS NOT KNOWLEDGEABLE OF AN INDIVIDUAL BY THE NAME OF RAYMOND J. DONOVAN NOR COULD HE RECALL [REDACTED] EVER MENTIONING THAT NAME OR ANY SPECIAL "DEALS" [REDACTED] MAY HAVE HAD WITH DONOVAN OR SCHAVONEY CONSTRUCTION COMPANY.

[REDACTED] HAD NO RECOLLECTION OF HAULING ANY CONSTRUCTION MATERIAL TO INCLUDE PREFAB CONCRETE FOR THE CONSTRUCTION OF THE L. ISLAND EXPRESSWAY.

[REDACTED] LATER VOLUNTEERED THAT HE AGAIN MADE SEVERAL HAULS FOR [REDACTED] WHO WAS ATTEMPTING TO "BUY INTO" B & R TRUCKING FOR APPROXIMATELY THIRTY TO SIXTY DAYS IN JANUARY OR FEBRUARY, 1965.

[REDACTED] WAS NOT FAMILIAR WITH X Y Z TRUCKING, CAPITOL TRUCKING OR TAYLOR TRUCKING. HE DID RECALL THAT THERE WAS AN "O.K.

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AL 161A-2320, PAGE THREE, UNCLAS

TRUCKING" FIRM NEXT TO THE B & R TERMINAL IN NORTH BERGEN, NEW JERSEY, BUT HE COULD NOT PROVIDE ANY DETAILS CONCERNING OFFICERS OR OPERATION OF THAT COMPANY OTHER THAN HE RECALLS ONE INDIVIDUAL OF THE COMPANY BEING A [REDACTED] (LAST NAME UNKNOWN). K TRUCKING APPARENTLY WENT BANKRUPT IN THE LATE SIXTIES OR EARLY SEVENTIES AND [REDACTED] (LAST NAME UNKNOWN) RETURNED TO UNION CITY, NEW JERSEY, AND IS NOW BELIEVED TO BE WORKING OUT OF A TRUCKING COMPANY HAULING FLOUR AND RELATED PRODUCTS FOR A BAKERY. HE STATED THAT THE RIGS ARE YELLOW (OR CREAM) AND RED.

ON JANUARY 20, 1981, [REDACTED]

[REDACTED] ADVISED HE CURRENTLY OWNS [REDACTED]

[REDACTED] HE STATED THAT HIS GRANDFATHER, [REDACTED] AND HIS FATHER, [REDACTED] OWNED AND OPERATED [REDACTED]

[REDACTED] DURING THE 1960'S.

HE ADVISED THAT HE ALSO WORKED AT THE TERMINAL, WAS EIGHTEEN YEARS OLD AT THE TIME, AND COULD NOT PROVIDE ANY INFORMATION CONCERNING RAYMOND J. DONOVAN OR SCHAVONEY CONSTRUCTION COMPANY. HE STATED HIS GRANDFATHER [REDACTED] IS DECEASED AND HIS FATHER,

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AL 161U-2320, PAGE FOUR, UNCLAS

[REDACTED] IS CURRENTLY RETIRED AND LIVING ON [REDACTED]

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[REDACTED]
ON JANUARY 20, 1981, [REDACTED]

[REDACTED] ADVISED HE WAS THE [REDACTED]

[REDACTED] AND HAVING A TERMINAL AT [REDACTED]

[REDACTED] ADVISED [REDACTED]

[REDACTED] FROM APPROXIMATELY 1960 THROUGH 1972, N

WITH THE EXCEPTION OF APPROXIMATELY THREE MONTHS IN EARLY 1969
WHEN IT WAS CLOSED DOWN BECAUSE OF FEDERAL LIENS AGAINST THE FIRM.

[REDACTED] WAS AFFILIATED WITH [REDACTED]

BETWEEN 1966 AND 1968 AS A SALESMAN. DURING THIS PERIOD OF TIME,

[REDACTED] WAS ATTEMPTING TO BUY OUT AND TAKE OVER [REDACTED]

[REDACTED] WITH AN INDIVIDUAL BY THE NAME OF [REDACTED] (PHONETIC).

THEIR DEALINGS IN THIS MATTER WERE WITH [REDACTED] FATHER,

[REDACTED] DURING 1967-1968, LET [REDACTED]

AND [REDACTED] (PHONETIC) HAVE OPERATING AUTHORITY OF [REDACTED]

COMPANY WHILE [REDACTED] RECEIVED APPROXIMATELY \$3,000.00 A WEEK

FROM [REDACTED]

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AL 161A-2320, PAGE FIVE, UNCLAS

[REDACTED] INDICATED DURING THIS PERIOD OF TIME, HE,
[REDACTED] WORKED OFF AND ON FOR [REDACTED] AND ANOTHER
OUTFIT CALLED [REDACTED]

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DURING THIS PERIOD OF TIME ALSO, MIKE GRETCHIN WAS A DRIVER
FOR [REDACTED] AND ALSO ACTED AS TERMINAL MANAGER FOR B & R TRUCKING.
GRETCHIN WAS CLOSE TO [REDACTED] AND WOULD BE IN THE BEST POSITION
OF ANYONE AT B & R TRUCKING TO VERIFY OR DISPUTE ANY ALLEGATIONS
THAT MAY EXIST OF "SPECIAL ARRANGEMENTS" BETWEEN [REDACTED] AND
RAYMOND J. DONOVAN OR SCHAVONEY CONSTRUCTION.

[REDACTED] WAS AWARE OF SCHAVONEY CONSTRUCTION AND STATED B & R
DID HAUL SIX OR SEVEN LOADS FOR SCHAVONEY CONSTRUCTION. HE STATED
B & R HAULED FOR SCHAVONEY CONSTRUCTION BECAUSE OF [REDACTED]
INFLUENCE WITH THE COMPANY. HE ADVISED THAT THESE HAULS WERE IN
AN AREA CALLED THE FREE ZONE. HE RECALLED HAULING SOME MACHINERY
FOR SCHAVONEY BUT HAD NO RECOLLECTION OF HAULING ANY MATERIAL FOR
THE LONG ISLAND EXPRESSWAY. [REDACTED] WAS ALSO UNAWARE OF ANY ILLEGAL
ACTS PERPETRATED ON THE PART OF [REDACTED] TO GET BUSINESS FROM
SCHAVONEY CONSTRUCTION OR TO PROMISE LABOR PEACE. HE WAS FURTHER

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AL 161A-2320, PAGE SIX, UNE IS UNDER
CONSIDERATION FOR A CABINET POSITION.

[REDACTED] AGAIN REITERATED IF ANYONE WERE IN A POSITION TO DENY
OR AFFIRM ANY ALLEGATIONS OF WRONG DOING BETWEEN [REDACTED] DONOVAN
OR SCHAVONEY CONSTRUCTION, MIKE GRETCHIN WOULD BE THE PRIMARY SOURCE
BECAUSE OF HIS CLOSE ASSOCIATION TO [REDACTED]

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[REDACTED] DID PROVIDE THE FOLLOWING DATA CONCERNING OTHER DRIVERS
AND INDIVIDUALS WHO DEALT WITH [REDACTED] WHILE ASSOCIATED WITH
B & R TRUCKING BETWEEN 1966 AND 1968, ALTHOUGH HE INDICATED THEY
PROBABLY, WITH THE EXCEPTION OF [REDACTED] (PHONETIC), WOULD
NOT BE PRIVY TO ANY "SPECIAL DEALS" BETWEEN [REDACTED] AND SCHAVONEY
CONSTRUCTION COMPANY IF THEY DID EXIST:

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- (1) [REDACTED] (PHONETIC), ASSOCIATE OF [REDACTED] WHO
WAS ATTEMPTING TO BUY OUT B & R TRUCKING. CURRENTLY
BELIEVED TO BE RUNNING [REDACTED] (PHONETIC) [REDACTED]
[REDACTED]
- (2) [REDACTED] (PHONETIC), BROTHER OF [REDACTED]
(PHONETIC).

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(3) (FIRST NAME UNKNOWN) [REDACTED] BROTHER OF BOTH

[REDACTED]

(4) [REDACTED] MALE NICKNAMED [REDACTED] LOCATION UNKNOWN.

(5) [REDACTED]

(6) [REDACTED] BELIEVED TO BE ON [REDACTED] OUT
OF NEW JERSEY.

(7) [REDACTED] TELEPHONE NUMBER

[REDACTED]

ADDITIONAL LEAD NOT BEING SET OUT FOR INTERVIEW OF [REDACTED]

[REDACTED] PER RE BUTELCALL FROM ALBANY.

[REDACTED]

NY0003 0211726Z

OO HQ NK

DE NY 003

O 211710Z JAN 81

FM NEW YORK (161B-7053) (P) (M-13)N

TO DIRECTOR IMMEDIATE

ATTN: UNIT CHIEF [REDACTED] SPIN UNIT

NEWARK (161B-3133) IMMEDIATE

ATTN: SUPERVISOR [REDACTED]

BT

U N C L A S

RAYMOND J. DONOVAN, SPIN, BUDED: PAST.

ON JANUARY 21, 1981, T-9, AN INDIVIDUAL OF PAST KNOWN RELIABILITY, ADVISED THAT HE/SHE HAD READ RECENT NEWSPAPER ACCOUNTS REGARDING APPOINTEE AND ALLEGATIONS OF PAYOFFS INVOLVING APPOINTEE.

T-9 ADVISED THAT APPROXIMATELY FOUR MONTHS AGO, HE/SHE HAD A CONVERSATION WITH [REDACTED] WHEREIN [REDACTED] STATED THAT HE [REDACTED] HAD PICKED UP MONEY FROM "RAY DONOVAN OF THE CONSTRUCTION COMPANY" THAT HE [REDACTED] TOOK TO [REDACTED]

T-9 STATED THAT ALTHOUGH SPECIFIC PURPOSE OF MONEY WAS NOT STATED, IMPLICATION OF PAYOFF WAS OBVIOUS.

T-9 STATED [REDACTED]

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161B-3133-82

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 21 1981	
[REDACTED]	

PAGE TWO U N C L A S

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

T-9 STATED

[REDACTED]

[REDACTED]

T-9 FURTHER STATED THAT

[REDACTED]

[REDACTED]

T-9 REQUESTED COMPLETE CONFIDENTIALITY AND AN EXPRESSED PROMISE OF CONFIDENTIALITY WAS GRANTED.

ADMINISTRATIVE

REFERENCED NYO TELEPHONE CALLS TO FBIHQ AND NEWARK THIS DATE.

PAGE THREE U N C L A S

T-9 IS [REDACTED]

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b7E

ALL PERSONS INTERVIEWED WERE ADVISED OF THE PROVISIONS OF THE PRIVACY ACT OF 1974, AND THOSE REQUESTING CONFIDENTIALITY HAVE BEEN SO NOTED.

THIS INFORMATION WAS TELEPHONICALLY RELAYED TO NEWARK FOR APPROPRIATE ACTION IN REFERENCED TELEPHONE CALL.

NEWARK WILL LOCATE AND INTERVIEW [REDACTED] REGARDING ABOVE ALLEGATION. INASMUCH AS T-9 [REDACTED]

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[REDACTED]

BT

TP0001 0211650

OO HQ NK

DE TP

O 211024Z JAN 81

FM TAMPA (161A-1231) (SQ 4) (P)

TO DIRECTOR IMMEDIATE

NEWARK PRIORITY

BT

UNCLAS

RAYMOND J. DONOVAN, SPIN.

161-3133*
166-1888-324

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REBUREAU SUPERVISOR [REDACTED] TELCALL TO TAMPA,

JANUARY 21, 1981.

RE TELCALL REQUESTED THAT [REDACTED] BE REINTERVIEWED

[REDACTED]

[REDACTED]

[REDACTED] WAS SPECIFICALLY TO COMMENT AS TO WHETHER HE RECALLED [REDACTED] MENTIONING SOMEONE NAMED RAY OR MENTIONING DONOVAN OR RAYMOND DONOVAN.

ON JANUARY 21, 1981, [REDACTED] WAS RECONTACTED CONCERNING THE ABOVE, AND HE ADVISED [REDACTED]

[REDACTED]

161B-3133-83

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JAN 21 1981	
FBI-NEWARK	

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UNITED STATES GOVERNMENT

Memorandum

TO : SAC, NEWARK (166B-3133)

DATE: 1/21/81

FROM : SA [redacted] (C-4)

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SUBJECT: RAYMOND J. DONOVAN
SPIN

Re Nk teletype to New York 1/21/81.

Suny. [redacted] advised this date that [redacted] possible witness in information received from NY T-9 set out in retel could possibly be located at telephone number [redacted] (No street address given).

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Records of N.J. Bell Tel Co., reflect this phone listed as follows:



161B-3133-84

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- Teletype
- Facsimile
- _____

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- Immediate
- Priority
- Routine

CLASSIFICATION:

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- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date Jan. 22, 1981

FM NEWARK (161B-3133) (P) (C-9)

TO DIRECTOR (IMMEDIATE)

837 0230212 HQ31

NEW YORK (161B-7053) (IMMEDIATE)

810 NY3

BT

UNCLAS

ATTN: FBIHQ CID SECTION CHIEF J. SCHULTE

ATTN: NEW YORK SUPERVISOR (M-13)

SECTION ONE OF THREE

RAYMOND J. DONOVAN; SPIN

RE NEWARK TELETYPES TO THE BUREAU, JANUARY 21, 1981. NEW YORK TELETYPES TO THE BUREAU, JANUARY 21, 1981. BUREAU FACSIMILE TO NEWARK, JANUARY 21, 1981.

IN REFERENCED NEW YORK TELETYPE IT WAS REPORTED THAT

ADMITTED TO PICKING UP MONEY FROM RAY DONOVAN, NOT IDENTICAL TO APPOINTEE.

ON JANUARY 22, 1981, CHARLES MARCHIANTI, PRESIDENT AFL-CIO, (NEW JERSEY) IN TRENTON, NEW JERSEY, STATED THAT

on 1/23/81 Sect. Chief = Schulte advised of correction to teletype

161B-3133-85

1-Newark

(1)

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Date _____

PAGE TWO, NEWARK 161B-3133, UNCLAS

[REDACTED] HAD A RICHARD DONOVAN WHO WORKED FOR HIM IN THE COMMUNITY SERVICES DEPARTMENT. HIS JOB WAS TO RAISE FUNDS FROM UNIONS FOR CHARITIES, E.G. RED CROSS. DONOVAN IS ABOUT 74 YEARS OLD, RETIRED ABOUT 10 YEARS.

ON JANUARY 16, 1981, [REDACTED] FOR SCHIAVONE CONSTRUCTION COMPANY (SCC), FURNISHED THE FOLLOWING DOCUMENTS:

SCHIAVONE EQUIPMENT (SE) INVOICE NUMBER E24062, INDICATING BILLING TO REAGAN FOR PRESIDENT, 901 SOUTH HIGHLAND STREET, ARLINGTON, VIRGINIA, 22204 FOR HELICOPTER BILLING FOR SEPTEMBER, 1980, IN THE AMOUNT OF \$9,179.94. THE INVOICE WAS DATED OCTOBER 3, 1980, AND WAS STAMPED PAID OCTOBER 20, 1980. HE ALSO FURNISHED FOUR FLIGHT REQUEST SHEETS INDICATING FOUR SEPARATE USES BY REAGAN FOR PRESIDENT. ALSO FURNISHED WAS ONE PAGE OF THE SE CORP. BANK STATEMENT DATED OCTOBER 31, 1980, FROM THE NATIONAL STATE BANK, ELIZABETH, NEW JERSEY, WHICH SHOWED A DEPOSIT ON OCTOBER 20, 1980, IN THE AMOUNT OF \$9,179.94.

[REDACTED] ALSO FURNISHED A COPY OF SE INVOICE NUMBER E24117, INDICATING BILLING TO REAGAN FOR PRESIDENT, SAME ADDRESS, INDICATING

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Date _____

PAGE THREE, NEWARK 161B-3133, UNCLAS

HELICOPTER BILLING FOR OCTOBER, 1980. THIS INVOICE WAS DATED NOVEMBER 5, 1980, AND WAS IN THE AMOUNT OF \$8,142.00, AND WAS STAMPED PAID. ALSO FURNISHED WERE THREE SCHIAVONE AIR CHARTER FLIGHT REQUESTS INDICATING THREE SEPARATE USES. ALSO FURNISHED WAS AN SE CORP. BANK STATEMENT DATED NOVEMBER 28, 1980, FROM THE NATIONAL STATE BANK, ELIZABETH, NEW JERSEY, WHICH SHOWED A DEPOSIT ON NOVEMBER 18, 1980, IN THE AMOUNT OF \$12,637.68. LEVIN ALSO SUPPLIED A COPY OF THE SE CORP. DEPOSIT SLIP SHOWING THAT A \$8,142.00 CHECK MARKED "REAGAN" WAS LUMPED WITH THREE OTHER CHECKS FOR A TOTAL DEPOSIT OF \$12,637.68.

ON JANUARY 22, 1981, RONALD SCHIAVONE, PRESIDENT OF SCC WAS INTERVIEWED AT THE SCC OFFICES AT 1600 PATTERSON PLANK ROAD, SECAUCUS, NEW JERSEY, IN THE PRESENCE OF

FOR SCC AND FURNISHED THE FOLLOWING INFORMATION:

HE STATED THAT SCC EMPLOYS ABOUT 100 NON-UNION EMPLOYEES FULL TIME I.E. MANAGERIAL AND OFFICE STAFF AND FIELD SUPERVISORS. PERIODICALLY SCC WILL EMPLOY OWNER OPERATOR DUMP TRUCKS WHO ARE NON-UNION. NINETY-NINE PERCENT OF SCC WORK IS PUBLIC WORK AND THEREFORE EMPLOYEES ARE COVERED BY PROVISIONS OF THE DAVIS-BACON

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Date _____

PAGE FOUR, NEWARK 161B-3133, UNCLAS

ACT OR EQUIVALENT STATE WAGE LAWS. THESE ACTS REQUIRE THE PAYMENT OF SALARY AND FRINGE BENEFITS TO BOTH UNION AND NON-UNION WORKERS AT THE PREVAILING RATE THEREBY PRECLUDING THE USE OF NON-UNION EMPLOYEES WHEN UNION EMPLOYEES ARE AVAILABLE. LABOR CONTRACTS ARE NEGOTIATED BY THE STATE GENERAL CONTRACTORS ASSOCIATION ON AN INDUSTRY WIDE LEVEL. SCC DOES NOT NEGOTIATE INDIVIDUAL CONTRACTS WITH INDIVIDUAL UNIONS, LENGTHS OF CONTRACT AND TERMS ARE SET INDUSTRY WIDE.

ON ANY GIVEN JOB IN NEW JERSEY SCC WILL DEAL WITH SIX DIFFERENT UNIONS AND IN NEW YORK TWELVE UNIONS. SCHIAVONE STATED THAT AS A RESULT OF THE NUMBER OF UNIONS WITH WHICH THEY DEAL IT IS ALMOST IMPOSSIBLE FOR A SINGLE UNION OR DISSIDENT FACTION TO CAUSE DISRUPTION TO JOBS AS OTHER UNIONS WOULD INTERCEDE ON BEHALF OF THE CONTRACTOR TO KEEP THEIR RESPECTIVE UNION MEMBERS WORKING. HE SAID THE LARGER THE COMPANY THE LESS PROBLEMS YOU HAVE ON THE JOB WITH UNIONS.

HE STATED THAT SCC HAS HAD STRIKES FROM TIME TO TIME BUT THESE HAVE BEEN INDUSTRY WIDE STRIKES. SCC WILL HAVE LABOR GRIEVANCES PERIODICALLY BUT THESE ARE QUICKLY RESOLVED BY THE

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Date _____

PAGE FIVE, NEWARK 161B-3133, UNCLAS
RESPECTIVE UNIONS BETWEEN THEMSELVES.

SCHIAVONE SAID THAT IN 1965 SCC PURCHASED 550 ACRES OF LAND IN SOMERSET COUNTY, NEW JERSEY, UNDER THE CORPORATE NAME OF LAMINGTON RIVER CORP (LMR) AS AN INVESTMENT. THE DECISION WAS MADE TO DEVELOP 200 ACRES OF THE TRACT AS A GOLF COURSE AND WAS LEASED BY THE REYNWOOD CORPORATION WHICH ALSO IS A WHOLLY OWNED SUBSIDIARY OF SCC. REYNWOOD CORPORATION DEVELOPED THE GOLF COURSE AND LEASED AN EXISTING STRUCTURE ON THE PROPERTY TO FIDLER'S ELBOW COUNTRY CLUB (FECC). FECC IS OWNED BY ITS 125 CORPORATE MEMBERS. TO BE A MEMBER OF FECC YOU MUST BE A CORPORATION WITH AT LEAST FOUR OR MORE OFFICES BELONGINGS. REYNWOOD EMPLOYS SIX PEOPLE IN THE WINTER AND 20 IN THE SUMMER. THESE ARE GROUND KEEPERS AND MAINTENANCE EMPLOYEES. FECC EMPLOYS 50 EMPLOYEES, COOKS, WAITERS, ETC.

SCHIAVONE ADVISED THAT HE MAY HAVE MET MUSTO AT A GATHERING BUT DOES NOT KNOW HIM AND HAS DONE NO WORK AT UNION CITY WHERE WILLIAM MUSTO IS MAYOR. HE SAID SCC DOES NOT SEEK MUNICIPALITY CONTRACTS.

MR. SCHIAVONE COULD NOT SPECIFICALLY RECALL DOING BUSINESS

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Date _____

PAGE SIX, NEWARK 161B-3133, UNCLAS

WITH PRECAST CONCRETE COMPANY. REVIEW OF ACCOUNTS PAYABLE LEDGER CARDS FOR THE PERIOD 1965 TO 1970 REVEAL SCC DID \$4001. WORTH OF BUSINESS WITH PRECAST CONCRETE. HE SAID SCC DID NOT HAVE THE CONTRACT TO BUILD THE LONG ISALND EXPRESSWAY. THEY DID BUILD THE MEADOWBROOK PARKWAY ON LONG ISLAND BUT USED NO, REPEAT NO CONCRETE DIVIDERS. HE FURTHER STATED THAT WHENEVER PRECAST CONCRETE GIRDERS ARE USED ALL GIRDERS ARE NUMBERED BY SPECIFICATION AND ARE PAID FOR BASED ON THEM BEING INSTALLED AT THE JOB SITE. THIS RULE ALSO APPLIES TO PRECAST CURBING WHICH IS PAID FOR BY THE LINEAR FOOT.

UNDER NO CIRCUMSTANCES WOULD A COMPANY BE PERMITTED TO BILL SCC FOR INFLATED DELIVERED MATERIALS OR DUPLICATE NUMBERED GIRDERS.

MR. SCHIAVONE SAID HE HAS NEVER DONE BUSINESS WITH MOSCOTO BUT RELATED THAT IF MOSCOTO OWNED A DUMP THAT SCC COULD HAVE DĒUMPED CLEAN FILL DIRT AT THE SITE AT NO CHARGE. THE REASON FOR THIS IS THAT NEW JERSEY STATE LAW REQUIRES TWO FEET OF CLEAN FILL BE

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FM NEWARK (161B-3133) (P) (C-9)

TO DIRECTOR (IMMEDIATE)

NEW YORK (161B-7053) (IMMEDIATE)

BT

UNCLAS

ATTN: FBIHQ CID SECTION CHIEF

ATTN: NEW YORK SUPERVISOR (M-13)

SECTION TWO OF THREE

RAYMOND J. DONOVAN; SPIN

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- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

PAGE SEVEN, NEWARK 161B-3133, UNCLAS

USED TO COVER OR CLOSE A DUMP SITE. THEREFORE, IT WOULD BE MUTUALLY BENEFICIAL.

SCHIAVONE STATED THAT HE HAS DONE NO FILL WORK FOR THE PORT AUTHORITY ^{he did however build several piers} AT NEWARK AND ELIZABETH, NEW JERSEY, WITH THE FILL CONTRACT GOING TO OTHER CONTRACTORS. SCC DID HAVE A CONTRACT WITH THE STATE OF NEW JERSEY TO BUILD I-78 NEAR NEWARK AIRPORT AND HE WAS REQUIRED TO FILL TO BUILD UP THE ROADWAY PRIOR TO PAVING. THIS WAS PERFORMED BY SCC AND NOT SUBCONTRACTED.

HE FURTHER STATED THAT SCC IS A HORIZONTAL HEAVY CONSTRUCTION FIRM.

THEY DO NO VERTICAL WORK SUCH AS BUILDINGS AND DID NOT BUILD THE FEDERAL BUILDING IN NEWARK. HE WAS AWARE OF NO BUSINESS OR CONTRACTS WITH VALENTINE ELECTRIC. REVIEW OF ACCOUNTS PAYABLE LEDGER CARDS REVEAL NO PAYMENTS TO VALENTINE ELECTRIC.

FURNISHED THE FOLLOWING LIST OF COMPANIES WHICH ARE OR WERE PART OF SCC:

SCC, SCHIAVONE EQUIPMENT COMPANY (SE), SCHIAVONE BUILDING (WHICH NEVER DID ANYTHING), SCHIAVONE STEEL (DID NOTHING), SCHIAVONE ENGINEERING, HUDSON DRY DOCK, COLONIAL LEASING, LIVINGSTON DODGE,

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Date _____

PAGE EIGHT, NEWARK 161B-3133, UNCLAS

LAMINGTON RIVER, REYNWOOD CORPORATION AND FIDLER'S ELBOW COUNTRY CLUB. THERE HAVE BEEN NUMEROUS JOINT VENTURES ENTERED INTO BY SCC FOR SPECIFIC JOBS AT SPECIFIC SITES THROUGHOUT THE UNITED STATES.

CHARACTERIZED RONALD SCHIAVONE AS AN INDIVIDUAL OF IMPECCABLE REPUTATION. HE SAID SCHIAVONE BECOMES HIGHLY IRATE WHEN ANYONE INTIMATES HE OR HIS COMPANY ARE CONNECTED WITH ORGANIZED CRIME. HE SAID SCHIAVONE IS AN ULTRA CONSERVATIVE WHO STANDS FAR TO THE RIGHT OF

THE FOLLOWING ACCOUNTING RECORDS OF SCC WERE RECEIVED ON JANUARY 16, 1981:

1. CASH DISBURSEMENT JOURNALS FOR THE PERIOD OCTOBER, 1964 TO JUNE, 1965 AND FOR THE PERIOD OCTOBER, 1965 TO SEPTEMBER, 1971. THE CASH DISBURSEMENT JOURNAL FOR THE PERIOD JULY, 1965 TO SEPTEMBER, 1965, WAS NOT LOCATED.

2. CANCELLED CHECKS FOR THE REGULAR ACCOUNT FOR THE PERIOD FEBRUARY, 1965 TO AUGUST, 1970. THE CANCELLED CHECKS FOR THE PERIOD JANUARY, 1965 AND FOR THE PERIOD SEPTEMBER, 1970 TO DECEMBER, 1970, WERE NOT LOCATED.

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Date _____

PAGE NINE, NEWARK 161B-3133, UNCLAS

3. INVOICE FOR THE PERIOD JANUARY, 1965 TO DECEMBER, 1970.
 THE FISCAL YEAR OF SCHIAVONE BUCKLEY JOINT VENTURE (SBJV)
 IS JANUARY 1 TO DECEMBER 31. SBJV'S FIRST EXPENDITURE WAS IN
 MAY, 1967.

THE FOLLOWING ACCOUTING RECORDS OF SBJV WERE REVIEWED:

1. "CASH DISBURSEMENT JOURNALS FOR THE PERIOD MAY, 1967
 TO DECEMBER, 1971.
2. CANCELLED CHECKS FOR THE REGULAR ACCOUNT FOR THE PERIOD
 MAY, 1967 TO DECEMBER, 1970.
3. INVOICES FOR THE PERIOD MAY, 1967 TO DECEMBER, 1970.

THE FOLLOWING ACCOUNTING RECORDS OF ~~SE~~^{SE} WERE REVIEWED:

1. CASH DISBURSEMENT JOURNALS FOR THE PERIOD JANUARY,
 1965 TO SEPTEMBER, 1970. THE CASH DISBURSEMENT JOURNAL FOR THE
 PERIOD OCTOBER, 1970 TO DECEMBER, 1970 WAS NOT LOCATED.
2. CANCELLED CHECKS FOR THE PERIOD JANUARY, 1965 TO
 DECEMBER, 1970 WERE LOCATED.
3. INVOICES FOR THE PERIOD JANUARY, 1965 TO DECEMBER, 1970.
 AS IS INDICATED BY THE ABOVE REVIEW EITHER THE CASH
 DISBURSEMENT JOURNALS, CANCELLED CHECKS OR INVOICES WERE LOCATED

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Date _____

PAGE TEN, NEWARK 161B-3133, UNCLAS

FOR THE ENTIRE PERIOD 1965 TO 1970 WITH THE EXCEPTION OF SBJV WHICH WAS NOT INCORPORATED UNTIL AUGUST 10, 1967.

REGARDING PHILLIP BERNARD MOSCOTO, AKA BROTHER PHILLIP MOSCOTO, WHITE/MALE, BORN JULY 21, 1934, AT JERSEY CITY, NEW JERSEY, FBI NUMBER 731854C, CURRENTLY RESIDES AT 419 SUNSET DRIVE, HALLANDALE, FLORIDA. INFORMATION ASCERTAINED THE PAST SEVERAL YEARS FROM RELIABLE FBI SOURCES REVEALS MOSCOTO HAS BEEN INVOLVED IN CRIMINAL ACTIVITIES WITH AND REGULARLY ASSOCIATES WITH KNOWN GAMBINO AND GENOVESE LCN MEMBERS. MOSCOTO IS KNOWN TO BE A LOAN-SHARK AND FENCE FOR STOLEN PROPERTY AND TRAVELS REGULARLY BETWEEN NEW JERSEY AND FLORIDA. MOSCOTO IS ALLEGED TO BE UNDER THE DIRECTION OF JOSEPH PATERNO, GAMBINO LCN FAMILY AND JOHN DI GILIO, GENOVENSE LCN FAMILY, AND CURRENTLY THE SUBJECT OF ACTIVE INVESTIGATIONS BY THE FBI.

REGARDING NEW JERSEY ASSOCIATION, INC., DBA ARCHERS RESTAURANT, 1310 PALISADES AVENUE, FORT LEE, NEW JERSEY: SINCE ABOUT 1971, RONALD MAWN, WHITE/MALE, BORN OCTOBER 9, 1938, AT ENGLEWOOD, NEW JERSEY, HAS BEEN THE SOLE LICENSED OWNER OF NEW JERSEY ASSOCIATES, INC. INFORMATION SUPPLIED BY RELIABLE

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PAGE ELEVEN, NEWARK 161B-3133, UNCLAS

SOURCES HAS CHARACTERIZED MAWN AS BEING A FRONT OWNER OF LEGITIMATE BUSINESSES FOR JOHN "BUSTER" ARDITO, A CAPTAIN IN THE GAMBINO LCN FAMILY. ON MAY 7, 1974, MAWN ADMITTED TO BUREAU AGENTS A CLOSE FRIENDSHIP WITH JOHN ARDITO AND WEEKLY CONTACTS WITH ARDITO.

VARIOUS RELIABLE FBI SOURCES HAVE IDENTIFIED ARCHER'S RESTAURANT AS A MEETING PLACE FOR BERGEN AND HUDSON COUNTY ORGANIZED CRIME MEMBERS FROM APRIL, 1971, TO THE PRESENT DATE.

THE PALASADUIM RESTAURANT, CLIFFSIDE PARK, NEW JERSEY, ANOTHER BUSINESS IN WHICH MAWN HAS AN EQUITY INTEREST, HAS BEEN IDENTIFIED AS A FREQUENT MEETING PLACE FOR REPUTED ORGANIZED CRIME FIGURES.

IN MARCH, 1976, MAWN WAS NEGOTIATING THE PURCHASE OF CHARLIE BROWN'S STEAK JOINT, HALLENDALE, FLORIDA, THEN OWNED BY PHILLIP "BROTHER" MOSCOTO, AN ASSOCIATE OF KNOWN ORGANIZED CRIME FIGURES.

FOR THE INFORMATION OF THE BUREAU, SAL BRIGUGLIO AND TOMMY EBOLI ARE BOTH DECEASED.

ON JANUARY 22, 1981, AT _____

_____ WAS INTERVIEWED. _____ STATED THAT

VALENTINE ELECTRIC CHANGED ITS NAME AUGUST, 1974 TO POWER

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Date _____

PAGE TWELVE, NEWARK 161B-3133, UNCLAS

ELECTRIC. HE IS [] OF POWER ELECTRIC. HIS []

[] IS [] OF POWER ELECTRIC. SINCE HE [] HAS

BEEN INVOLVED WITH VALENTINE/POWER (SINCE 1959) HE HAS NEVER HAD ANY DEALINGS WITH SCHIAVONE CONSTRUCTION. HE ADMITS THAT VALENTINE DID THE ELECTRIC WORK ON THE NEWARK FEDERAL BUILDING BUT SAYS THAT TERMINAL CONSTRUCTION AND NOT SCHIAVONE WAS THE GENERAL CONTRACTOR. HE STATED THAT SCHIAVONE WAS NOT INVOLVED WITH THE CONSTRUCTION OF THE FEDERAL BUILDING AT ALL.

SINCE JUNE 5, 1969, THE NEWARK DIVISION HAS CONDUCTED 273 COURT ORDERED TITLE III ELECTRONIC SURVEILLANCES OR PEN REGISTER INSTALLATIONS, THE VAST MAJORITY OF WHICH INVOLVED EITHER ORGANIZED CRIME OR LABOR RELATED MATTERS. REVIEW OF NEWARK ELSUR INDEX REVEALS NO REFERENCES TO RAYMOND DONOVAN, RONALD SCHIAVONE OR SCC. IT SHOULD BE NOTED THAT THIS INDEX WOULD ALSO CONTAIN ALL "OVERHEARS" ON CONSENSUAL MONITORINGS.

IN THE PAST FIVE YEARS THE MAJOR TITLE III'S INVOLVE THE TRUCKING INDUSTRY, THE SHIPPING INDUSTRY AND THE CHEESE INDUSTRY.

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FM NEWARK (161B-3133) (P) (C-9)

TO DIRECTOR (IMMEDIATE)

NEW YORK (161B-7053) (IMMEDIATE)

BT

UNCLAS

ATTN: FBIHQ CID SECTION CHIEF J. SCHULTE

ATTN: NEW YORK SUPERVISOR (M-13)

FINAL SECTION OF THREE

RAYMOND J. DONOVAN; SPIN

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- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date: _____

PAGE THIRTEEN, NEWARK 161B-3133, UNCLAS

FOR THE INFORMATION OF THE BUREAU, IN MARCH, 1978, PURSUANT TO THE ISSUANCE OF A SEARCH WARRANT THE RESIDENCE OF SAL BRIGUGLIO AND HIS OFFICE AT TEAMSTERS LOCAL 560 WERE SEARCHED (NK FILE 183-474) AT THAT TIME FIVE OF BRIGUGLIO'S ADDRESS BOOKS WERE REVIEWED AND CONTAIN NO REFERENCE TO RAY DONOVAN, RONALD SCHIAVONE OR SCC.

ON JANUARY 22, 1981, CAPTAIN CHARLES COE, NEW JERSEY STATE POLICE, DEPUTY CHIEF INTELLIGENCE DIVISION, WHO HAS ALSO DEBRIEFED [REDACTED] IN THE PAST, ADVISED HE COULF FIND NO RECORD IN NEW JERSEY STATE POLICE FILES REGARDING ANY PROBLEMS BETWEEN SCC AND A CARPENTERS UNION IN 1968.

BT

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memorandum

DATE:
REPLY TO
ATTN OF:
SUBJECT:

1/22/81

Supervisor

RAYMOND J. DONOVAN
SPIN

SAC, NEWARK (161B-3133)

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Re FBIHQ facsimile to Newark, 1/21/81, which is attached.

On 1/22/81, Executive Assistant Director Francis M. Mullen, Jr., Assistant Director Charles Monroe, Section Chief Joe Schulte, and Unit Chief telephonically clarified the investigation being requested in the attached facsimile.

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Regarding Question #1, they recommended we interview Ronald Schiavone and check with local labor unions to determine whether Schiavone Construction Company (SCC) did have strikes, particularly during 1965 - 1970.

Regarding Question #2, they requested that we simply restate our investigation at SCC regarding the books and records reviewed for the period 1965 - 1970.

Regarding Question #3, they requested that we identify the Reynwood Corp. and Fidler's Elbow Country Club, setting forth the relationship between those two entities and SCC, Raymond Donovan and Ronald Schiavone.

Regarding Question #4, they were of the opinion that this question had been sufficiently answered in the Newark teletype to FBIHQ, 1/17/81, but requested that we submit a statement regarding the number of sources which we have contacted on this investigation.

Regarding Question #5, they requested that we determine the relationship between SCC and Precast Concrete Company through interview of Ronald Schiavone. Regarding the background of Precast Concrete, they stated that they would ask New York to furnish that information.

(2)

161B-3133-86

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 22 1981	
FBI - NEWARK	

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Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

NK 161B-3133

Regarding Question #6, they requested that we identify the owners of Moscato Brothers Construction Company and identify any organize crime connection. They also requested that we furnish a statement from Schiavone regarding SCC uses of Moscato.

Regarding Question #7, they requested that we ask Ronald Schiavone about any construction projects for the Port Authority involving filling in at the airport and pier area.

Regarding Question #8, they requested that we characterize Archer's Restaurant and state whether this is an "OC handout."

Regarding Question #9, they requested we ask Schiavone about any business dealings SCC might have had with Valentine Electric and also requested that we go to Valentine Electric and request that they furnish records relating to their involvement with SCC. The second part of Question #9 has already been answered, and the Bureau was advised of the results by teletype, 1/21/81

They also requested that we advise the Bureau of how many Title III's have been conducted in the Newark Division involving the construction or labor industry and the fact that Raymond J. Donovan's name has never come up.

They also advised that in 1968, SCC had "problems with a carpenter's union," and the State Police in New Jersey should be aware of this information. They requested we check with NJSP regarding this.

Transmit attached by Facsimile. **UNCLAS**

Precedence IMMEDIATE

JAN 23 1981

To: **FBI NEWARK**

Date: **1/21/81**

From: **Director FBI**

Time Transmitted -

Subject: **RAY J. DONOVAN**

Initials -

- Fingerprint Photo
- Fingerprint Record
- Map
- Newspaper clipping
- Photograph
- Artist's Conception
- Other _____

Special handling instructions:

HAND CARRY TO

IMMEDIATELY

Approved: _____

8/11/81

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5. [redacted] said that the Moscato Brothers Construction Company, who he said are well known mobsters, were doing subcontracting for Schiavone and that Schiavone gave work to Moscato Brothers in return for labor peace.

a) Has the FBI checked into that?

7. [redacted] said that Salvatore Briguglio told him that the Schiavone Company was making cash payoffs for labor peace in connection with the construction for the Port Authority contract filling in the airport and pier area.

a) Do we know if Schiavone had such a contract?

b) Has the FBI attempted to determine whether there were any cash payoffs in connection with that construction?

8. [redacted] said that he saw Raymond Donovan in the company of Salvatore Briguglio and Tommy Eholi, a known mobster, at Archer's Restaurant sometime in the early 1970's.

a) Has the FBI checked into this?

9. [redacted] who was [redacted] had advised the majority staff that the Schiavone Company had business dealings with the mob controlled Valentine Electric Company in connection with the construction of the federal building in Newark and paid Valentine for work done and not done. Mr. Donovan told us that he had had no dealings with Valentine Electric Company.

In addition [redacted] claimed that [redacted] alias [redacted] was on the Schiavone payroll [redacted]

a) Has the FBI checked into either of these allegations?

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Questions for Judge Webster

1. [] said that the reasons for the payments was to buy labor peace. More specifically, he said they would allow the Schiavone Company to use non union people and pay substandard wages or hire non union subcontractors. It would save them money and they would not be struck. [] later said that Schiavone had no strikes because they were paying for protection.
 - a) Has the FBI checked to see if Schiavone hired non union employees? For example, have they checked to see if contributions were made to the Health and Welfare Pension funds for all employees?
 - b) Has the FBI checked to see if the Schiavone Company had any strikes, particularly back at that time?
2. We understand that some of the Schiavone checks are missing.
 - a) What is the extent of the missing check?
 - b) What is the possibility that the checks in question could be among the missing checks?
3. Did the FBI check all of the Schiavone accounts that the checks could have been written on?
 - a) Did they check the records of the Reynwood Corporation which we understand is or was a subsidiary of Schiavone Corporation?
 - b) Did they check the records of the Fidler Elbow Country Club which we understand is or was owned by the Reynwood Corporation or the Schiavone Company?
AIX
4. [] said that he had previously told the FBI that a man named Musco who was connected with the mob, had used his influence to secure Schiavone Company contracts. He said that the FBI had never followed up on it.
 - a) Has the FBI checked into that?
5. [] said that in 1958 the Schiavone Company paid the PreCast Concrete Company, a subcontractor who in turn paid a mobster named [] for labor peace. He said in addition that the Schiavone Company was being billed by PreCast for non existant material.
 - a) Has the FBI made an effort to determine whether this was true?
 - b) Do we know whether the Schiavone Company has had business relations with PreCast and the nature of the relations?
 - c) Do we know whether PreCast has any mob connections?

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Transmit attached by Facsimile - UNCLAS

Precedence _____

To: FBI HQ
From: NEWARK
Subject: RAYMOND DONOVAN
SPIN

Date: 11/26/82
Time: Transmitted - 11⁴_P
Initials - Y

- Fingerprint Photo
- Fingerprint Record
- Map
- Newspaper clipping
- Photograph
- Artists Conception
- Other Memo.

Special handling instructions: Hand carry to SA [redacted] Rm 3835
Immediate. Per request of SA [redacted]

Approved: _____

[redacted signature box]

161B-3133-86A

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/20/81b6
b7C

[redacted]
[redacted]
[redacted] was contacted at her place of employment, was advised of the official identity of the contacting agent and as to the nature of the interview. [redacted] then provided the following information:

[redacted] advised [redacted]
[redacted] and that at that time, Raymond J. Donovan, Vice President of Schiavone Construction Company, occupied the office [redacted]
[redacted] advised [redacted]
[redacted]

When Donovan moved in to his present office [redacted] advised another person occupied his former office for about a year [redacted] (First Name Unknown) (FNU) [redacted] is no longer with the company.

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[redacted] advised Donovan moved into his present office
[redacted]

[redacted] did not recall much about the decore of the room when Donovan occupied it. Essentially, [redacted] explained, the arrangement and contents were entirely different. The black file cabinets were not there, the rug was blue, there was a lamp hanging on a track over the desk, the desk was against the wall to the left of the entrance, the pictures have been changed. The drapes were also different, [redacted] advised, [redacted]
[redacted]

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[redacted] said she did not know if anyone ever used the outside door to gain access to or exit Donovan's former office.

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[redacted] advised [redacted]
[redacted] also advised that the locks on the door have been changed twice to comply with fire department regulations, allowing exit without a key.

Investigation on 1/16/81 at [redacted] New Jersey File # Newark 161-3133-87

by SA [redacted] Date dictated 1/19/81

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NK 161-3133

stated to the best of her knowledge no construction changes have occurred in the office.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/20/81

[redacted]
[redacted] was contacted at her place of employment, was advised of the official identity of the contacting agent and as to the nature of the interview. [redacted] then provided the following information:

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[redacted] advised [redacted] [redacted] said that at that time, Raymond J. Donovan, Vice President of Schiavone Construction Company, had his office in the room where secretary [redacted] now works.

[redacted] stated that to the best of her recollection in Donovan's former office his desk was against the far wall by the window and outside door. [redacted] added there was a chair in front of the desk and a lamp hung over the desk. [redacted] also said there was a telephone on a desk or table to the right of the entrance from the hall. [redacted] remembered the rug as being blue.

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b7C

[redacted] advised that when [redacted] moved in to that office, she re-arranged it and so would be the best person to contact in regards to changes there.

[redacted] said that prior to being the office that it is now, the area Donovan presently occupies, along with the office of Joseph A. DiCarolus, Senior Vice President of Schiavone Construction Company, consisted of two smaller offices that were rented out to various customers. The area that comprises Ronald Schiavone's office, President of Schiavone Construction Company, [redacted] advised, was once a garage.

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[redacted] said that when some tenants left the rented offices in 1967, the company began the construction that eventually culminated in the present offices.

To the best of her recollection, [redacted] advised Donovan moved in to his present office in mid 1968. [redacted] said that the only changes that have occurred in Donovan's present office since he moved in have been in the decor. [redacted] said

Investigation on 1/16/81 at Secaucus, New Jersey File # Newark 161-3133-88

by SA [redacted] Date dictated 1/19/81

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NK 161-3133

Donovan first had gold drapes on the windows behind his desk and on the window by the closet on the other outside wall, and that these drapes were not as long as the present ones, reaching only to the bottoms of the windows as opposed to the floor. [redacted] said the carpet has been changed three times, but has always been basically the same color. [redacted] further advised that the pictures on the wall next to Donovan's desk were new, but she couldn't remember how recent the photograph above the couch was. [redacted] also advised that Donovan's office was always cluttered.

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[redacted] said no one ever used the outside door to gain access to Donovan's office. All visitors, [redacted] stated, came through her area and entered through the interior door. [redacted] advised there was a sign on the outside of the exterior door that read "Do Not Enter" or "This is Not an Entrance." [redacted] said she would have known if anyone ever entered through that door, and she stated most definitely that no one ever had.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/20/81

[REDACTED] b6
b7C

was contacted at his place of employment and was advised of the official identity of the contacting agent. [REDACTED] then voluntarily executed the following photographs and provided them without charge to agents of the Federal Bureau of Investigation (FBI):

Photographs of the offices of Raymond J. Donovan,
Vice President, Schiavone Construction Company:

Mid 1968 - present:

1. Approach to Donovan's office as viewed from the first floor hallway.
2. Donovan's office as viewed from the top of the stairs to the secretary's area, through which one must pass to get to the office door. There are five to seven steps.
3. Donovan's office as viewed from the secretary's area, his door is to the left.
4. Entrance to Donovan's office from the secretary's area.
5. Entrance to Donovan's office from Schiavone's office.
6. Donovan's desk as viewed from just inside his office doorway.
7. Donovan's desk as viewed from the entrance to Schiavone's office.
8. Donovan's office as viewed from in front of the closed outside door.
9. Wall, next to Donovan's desk, to the left of the entrance from the secretary's area.
10. Same as above.

Investigation on 1/16/81 at [REDACTED] New Jersey File # Newark 161-3133-89
by SA [REDACTED] Date dictated 1/19/81

NK 161-3133

11. Entrance to Donovan's office from the secretary's area as viewed from in front of the closed outside door.
12. Opened utility closet.

Prior office of Raymond J. Donovan, present office of :

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13. Entrance to office from the hallway.
14. Entrance to the office from the neighboring office, formerly that of Schiavone.
15. Entrance to the office from the outside door.
16. View of the office from the far left corner, opposite the hallway entrance.

Date page, name of paper, city and state.)

Date: THE HUDSON DISPATCH
Edition: HUDSON COUNTY, N.J.
1/20/81

(Mount Clipping in Space Below)

Title:

Character: 161-3133
or
Classification:
Submitting Office:

- SAC _____
- ASAC (C) _____
- ASAC (A) _____
- C-1 _____
- C-2 ✓
- C-3 _____
- C-4 ✓
- C-5 _____
- C-6 _____
- C-7 _____
- C-8 _____
- C-9 _____
- C-10 _____
- FCI-1 _____
- FCI-2 _____
- Night _____
- SA _____

More Cabinet appointees move but Donovan remains bottled up

WASHINGTON (UPI) — Senate committees unanimously approved six more members of President-elect Ronald Reagan's Cabinet yesterday but Labor Secretary-designate Raymond Donovan remains under investigation, his prospects uncertain.

In addition, two other Cabinet-level appointees were approved by Senate committees. Five others, including Secretary of State-designate Alexander Haig, were cleared by committees last week.

The Senate Banking Committee was polling its members on the nomination of Samuel Pierce, New York lawyer named secretary of Housing and Urban Development, with indications of approval is certain.

Voting a day before Reagan's inauguration, committees approved and recommended confirmation of Donald Regan, Treasury secretary; Richard Schweiker, secretary of Health and Human Services; John Block, Agriculture secretary; Caspar Weinberger, Defense secretary; Malcolm Baldrige, Commerce secretary, and Andrew Lewis, Transportation secretary.

Committees yesterday also approved unanimously the nominations of former Republican National Chairman William Brock as special trade representative; William Casey as director of the CIA; Darrel Trent as deputy Transportation secretary, and Frank Carlucci, now No. 2 at the CIA, as deputy Defense secretary.

Approved last week were Haig; James Watt, Interior secretary; James Edwards, Energy secretary; Terrell Bell, Education secretary, and William French Smith, attorney general.

Jeane Kirkpatrick was approved last week as ambassador to the United Nations — also a Cabinet-level position.

Reagan, in his first act as President today, will sign the commissions for members of his Cabinet, several Cabinet-level nominees and some deputy secretaries. The ceremony will be held in the President's Room, just off the Senate chamber.

The Senate, in a post-inauguration session today, plans to confirm noncontroversial members of the Cabinet and then act on Haig and others during the rest of the week.

But any hope that Donovan's name would go to the Senate along with the others evaporated yesterday, when a spokeswoman for the Labor Committee said the investigation of new allegations has not been completed.

Committee chief clerk Rita Pfeiffer said, "It really would be humanly impossible" for the committee to act before Reagan's inauguration on the nomination of Donovan, 50-year-old construction contractor from New Jersey.

Original to Bu. 1/21/81

161B-3133-90
161-3133

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 20 1981	
FBI - HUDSON COUNTY	

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Blue Original

001

FROM NEWARK (161B-3133)

TO DIRECTOR (IMMEDIATE)

11¹⁰/PM 0250415 2 HQ 1/ []

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b7C

ATTN: CID SECTION CHIEF J. SCHULTE

MIAMI (IMMEDIATE) (161A-1713)

11²⁰/PM 02504262 MM 1/ []

HOUSTON (IMMEDIATE)

11³⁰/PM 0250434 2 HOI/AMC

BT

U N C L A S ~~EFTO~~

RAYMOND J. DONOVAN; SPIN

RE BUTEL CALL TO NEWARK 1/24/81.

RAYMOND J. DONOVAN IS THE SECRETARY OF LABOR DESIGNATE. SINCE 1959 HE HAS BEEN THE EXECUTIVE VICE PRESIDENT OF SCHIAVONE CONSTRUCTION COMPANY(SCC) IN SECAUCUS NEW JERSEY. SCC IS A HORIZONTAL HEAVY CONSTRUCTION FIRM, I.E. BUILDS PRIMARILY HIGHWAYS. PRESIDENT OF SCC IS RONALD SCHIAVONE.

A STAFF MEMBER OF THE SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES ADVISED FBIHQ THAT [] (PROTECT IDENTITY) FURNISHED THE FOLLOWING INFORMATION:

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[Redacted]

SEARCHED _____ INDEXED _____
SERIALIZED [] ED []

001 - 11⁰⁰/PM 161B-3133-94

PAGE TWO NEWARK (161B-3133)

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INVESTIGATION AT NEWARK ON 1/24/81 REVEALED THAT PETER W. WEBER WHO RESIDES AT 549 PARK STREET, MONTCLAIR NEW JERSEY ALSO OWNS A HOUSE IN DEERFIELD PARK, FLORIDA (ADDRESS AND TELEPHONE NUMBER UNKNOWN). WEBER LEFT NEW JERSEY WITHIN THE

PAGE THREE NEWARK (161B-3133)

LAST FEW DAYS AND CURRENTLY IS IN DEERFIELD PARK, FLORIDA.

HE IS A:

W/M

DOB: 3/28/06

[REDACTED] IS PRESENTLY [REDACTED]

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[REDACTED]

ON 1/24/81 [REDACTED] CONTACTED THE NEWARK OFFICE AND ADVISED

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HE IS STAYING AT [REDACTED]

TELEPHONE NUMBER [REDACTED] HE SAID HE WOULD BE AVAILABLE
FOR INTERVIEW BETWEEN 9:00 AM AND 10:00 AM 1/25/81.

LEADS:

MIAMI AT DEERFIELD PARK WILL IMMEDIATELY DETERMINE LOCATION
OF WEBER AND CONDUCT INTERVIEW REGARDING THE AFOREMENTIONED
ALLEGATION A.M. 1/25/81.

HOUSTON WILL INTERVIEW [REDACTED] RE ALLEGATIONS ON 1/25/81 AM.

SUTEL RESULTS OF INTERVIEWS.

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BT

FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 1/21/81

The following is a summary of information furnished by Mr. Joseph A. Di Carolis, Senior Vice President, Schiavone Construction Company (SCC), 1600 Paterson Plank Road, Secaucus, New Jersey:

Di Carolis joined the company in 1962 beginning as the superintendent of various construction jobs. During the period of 1965 through 1970, he had no authority to sign checks issued by the company. As he recalls, several persons had authority during that period in the absence of the President, Ronald Schiavone. He now has such authority, having received it approximately four years ago.

To the best of his recollection, the only other person besides Raymond Donovan who was employed by SCC was an individual he knew as [redacted] but who he recalls was not an officer or a supervisor. He recalls that this [redacted] bore no physical resemblance to Raymond Donovan.

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Di Carolis was unable to identify the following names as having done business with SCC:

[redacted] Sal Briguglio, Philip "Brother" Moscato, William Musto, "O. K." Trucking, "XYZ Leasing". He does recall that the name XYZ Leasing is somewhat familiar, but he does not recall the context of this recollection.

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Di Carolis was unable to identify photographs of [redacted] or Sal Briguglio, each displayed to him in a set of six photographs each.

He stated that he has no personal knowledge regarding allegations that Raymond Donovan made payoffs to anyone for "labor peace". He added that such activity on the part of Raymond Donovan would be totally out of character for Donovan.

Investigation on 1/16/81 at Secaucus, New Jersey File # NK 161-3133-95

by SAs [redacted] [redacted] Date dictated 1/20/81

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 1/23/81

The following is a summary of information furnished by [redacted]

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[redacted]

[redacted] is unaware of any check signing responsibility on the part of Raymond Donovan, and is unaware of any other employee of SCC named Ray.

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[redacted] was unable to identify any of the following names as having done business with SCC:

[redacted] Sal Briguglio, Philip "Brother" Moscato, William Musto, "O. K." Trucking, "XYZ Leasing".

[redacted] was unable to identify a photograph of [redacted] displayed to her in a set of six photographs, and was unable to identify a photograph of Sal Briguglio displayed to her in the same manner.

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[redacted] is aware that there is a company known as Schiavone-Bonomo, located in Jersey City, that deals with scrap metal, and she is aware that occasionally people on the outside confuse the two companies.

[redacted] has no personal knowledge concerning the allegations that Raymond Donovan at any time made payments to anyone in return for "labor peace".

Investigation on 1/16/81 at Secaucus, New Jersey

File # NK 161-3133

by SAs [redacted]

Date dictated 1/20/81

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[redacted]

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 1/22/81

The following is a summary of information furnished by [redacted]

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The only Ray who he knows as having been employed by the company other than Raymond Donovan was an individual named [redacted] who bears no physical resemblance to Raymond Donovan.

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[redacted] was unable to identify any of the following names as having done business with SCC to his knowledge:

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[redacted] Sal Briguglio, Philip "Brother" Moscato, William Musto, "O. K." Trucking, "XYZ Leasing".

[redacted] was unable to identify a photograph of [redacted] displayed in a set of six photographs, or a photograph of Sal Briguglio displayed in the same manner.

[redacted] is aware that occasionally his company is confused with a company known as Schiavone-Bonomo, a scrap metal dealer located in Jersey City, New Jersey. He is aware that the Internal Revenue Service (IRS) has confused work papers between his company and the other company, and that this has happened five or six times since 1974.

[redacted] has no personal knowledge concerning the allegations that Raymond Donovan had made payments to anyone in return for "labor peace".

Investigation on 1/16/81 at Secaucus, New Jersey File # NK 161-3133
by SA's [redacted] Date dictated 1/20/81

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ncy:

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 1/22/81

The following is a summary of information furnished by [redacted] Schiavone Construction Company (SCC), 1600 Paterson Plank Road, Secaucus, New Jersey:

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[redacted]

The only other Ray employed by the company besides Ray Donovan, of which he is aware is a [redacted] who bore no physical resemblance to Ray Donovan, being [redacted] and [redacted]

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[redacted] was unable to identify the following names as having done business with the company:

[redacted] Sal Briguglio, Philip "Brother" Moscato, William Musto, "O. K." Trucking, "XYZ Leasing". He stated that the name Moscato was familiar to him from having read of him in the newspapers, and he is aware that Musto is the Mayor of Union City; however, as he recalls the only municipal job handled by the company was in Jersey City in the period 1974 to 1975.

[redacted] was unable to identify a photograph of [redacted] displayed to him in a set of six photographs, and was unable to identify a photograph of Sal Briguglio displayed in the same manner.

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[redacted] noted that his company is sometimes confused with a scrap dealer company by the name of Schiavone-Bonomo, located in Jersey City, New Jersey, which is said to be one of the biggest scrap dealers on the east coast. He said that this confusion has occurred in the form of his company having received mail intended for that company, perhaps two or three times a year, and in the form of legal process having been served on his company once or twice in the past, which actually was meant for the other company. He added that he is aware that the Internal Revenue Service (IRS) has also made inquiry with his company concerning certain checks, when they really

Investigation on 1/16/81 at Secaucus, New JerseyFile # NK 161-3133by SAs [redacted]Date dictated 1/20/81

2

NK 161-3133

were concerned with the other company.

has no personal knowledge concerning allegations that Raymond Donovan made payments to anyone in return for "labor peace".

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