



U.S. Department of Justice

Loretta E. Lynch
United States Attorney
Eastern District of New York

271 Cadman Plaza East
Brooklyn, New York 11201

FOR IMMEDIATE RELEASE

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Contact:

Zugiel Soto

United States Attorney's Office

(718) 254-6323

PRESS RELEASE

**AUTOMOBILE TRANSPORTATION BROKER ARRESTED ON LONG ISLAND FOR
WIRE AND MAIL FRAUD SCHEME**

Defendant Allegedly Defrauded More Than 100 Customers of Over \$600,000

A criminal complaint was unsealed today in federal court in the Eastern District of New York charging Gregory Sclafani with conducting a fraudulent scheme from his residence on Long Island related to his ownership and operation of numerous automobile transportation brokerage companies. Sclafani was arrested earlier today in Southampton, New York. His initial appearance was held this afternoon before United States Magistrate Judge A. Kathleen Tomlinson at the United States Courthouse, 100 Federal Plaza, Central Islip, New York, and the defendant was remanded.

The charges were announced by Loretta E. Lynch, United States Attorney for the Eastern District of New York; Douglas Shoemaker, Regional Special Agent in Charge, United States Department of Transportation, Office of Inspector General; Philip R. Bartlett, Postal Inspector in Charge, United States Postal Inspection Service, New York Division; and Joseph D'Amico, Superintendent, New York State Police.

According to the complaint, from January 2008 to the present, Sclafani solicited customers online to induce them to use his brokerage services to obtain long-distance car hauling services for the customers' vehicles. To pay Sclafani for the services to be performed, customers were required to provide Sclafani with information allowing him to withdraw funds directly from their checking accounts. As part of the scheme, not only did Sclafani allegedly fail to deliver the services as contracted, but once in possession of the customers' bank account information, he also generated fraudulent checks in order to make repeated, unauthorized withdrawals from those customers' accounts. To date, Sclafani's scheme victimized at least 100 individuals and caused an aggregate loss amount of approximately \$600,000 to the victims.

"Under the guise of acting as a cost-effective broker of automobile transportation services, the defendant allegedly broke the trust of his victims and stole hundreds of thousands of dollars from them," stated United States Attorney Lynch. "We and our law enforcement partners

will continue to hold accountable those who would seek to defraud hardworking Americans.” Ms. Lynch thanked the New York State Attorney General’s Office for its assistance in the investigation.

“Consumer protection is one of our top investigative priorities,” stated DOT OIG Regional Special Agent in Charge Shoemaker. “Working with our law enforcement and prosecutorial partners, we will continue to leverage our resources to bring to justice those who engaged in unscrupulous acts of fraud against unwitting consumers.”

“When Mr. Sclafani allegedly violated his clients’ trust, he underestimated the resolve of law enforcement to protect hard working consumers from scammers whose only intention is to defraud for their personal gain,” said Postal Inspector in Charge Bartlett.

Individuals who believe they may have been victims of the defendant’s alleged fraudulent scheme should call 888-DOT-SAFT or file a complaint online at <http://nccdb.fmcsa.dot.gov>.

The charges in the complaint are merely allegations, and the defendant is presumed innocent unless and until proven guilty.

The government’s case is being prosecuted by Assistant United States Attorney Charles N. Rose.

The Defendant:

GREGORY SCLAFANI
Age: 62
Southampton, New York

E.D.N.Y. Docket No. 14-MJ-0961 (AKT)