



*United States Attorney
Southern District of New York*

**FOR IMMEDIATE RELEASE
MARCH 14, 2011**

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**MANHATTAN U.S. ATTORNEY ANNOUNCES INDICTMENT OF UNION
LAWYER FOR EMBEZZLING FROM AMERICAN BALLET THEATRE
DANCERS AND STAGEHANDS**

PREET BHARARA, the United States Attorney for the Southern District of New York, and RALPH E. GERCHAK, the New York District Director of the U.S. Department of Labor's Office of Labor-Management Standards ("DOL-OLMS"), announced today that long-time union lawyer LEONARD LEIBOWITZ was indicted for embezzling funds from the Independent Artists of America Union ("IAA"), which was a small independent union of approximately 80 dancers and stagehands at the American Ballet Theatre ("ABT") at Lincoln Center. LEIBOWITZ, 72, previously was charged in a Complaint. He surrendered to federal authorities this morning and was presented and arraigned today in Manhattan federal court before U.S. District Judge DENISE L. COTE.

According to the Indictment and the Complaint previously filed in Manhattan federal court:

In 1994, LEIBOWITZ, with ABT dancers and stagehands, founded a new independent union, the IAA. LEIBOWITZ served as the union's attorney from its inception through 2007. The IAA averaged about \$80,000 per year in dues from its members and those dues were deposited into a bank account that LEIBOWITZ controlled.

In 1997, LEIBOWITZ told a union official he was having financial difficulties and obtained an advance on his monthly retainer in an amount that the union officer believed would not exceed \$100,000. Even though LEIBOWITZ's monthly retainer was approximately \$2,500, from 1997 through 2005, he wrote IAA checks to himself, his law firm, and his former wife, in the total

amount of more than \$350,000. This amount exceeded his monthly retainer for that eight year period by approximately \$150,000.

In 2007, new union leadership learned that LEIBOWITZ owed the union approximately \$150,000, the difference between checks he had written for himself and the amount of his retainers. During a review of annual reports filed with the DOL, new union leadership also found that while the reports listed the amount LEIBOWITZ had advanced himself each year as a "loan," some of the signatures of the union officers on the reports had apparently been forged, as certain individuals who purportedly signed them were no longer union officers. LEIBOWITZ had helped prepare these reports and certain signatures were allegedly forged at his request by the union officer whom LEIBOWITZ initially had told about his need for an advance.

When confronted by new IAA leadership about his withdrawal of union funds for personal use, LEIBOWITZ stated, among other things, that he needed the money because he owed the government money and his children attended private school. LEIBOWITZ also admitted that by 2000 he realized he had borrowed more than he could pay back.

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LEIBOWITZ is charged with one count of embezzlement of union funds, which carries a maximum sentence of five years in prison, and one count of falsification of annual reports filed by a union, which carries a maximum sentence of one year in prison.

Mr. BHARARA praised the work of the Department of Labor, Office of Labor-Management Standards.

This case is being prosecuted by the Office's Public Corruption Unit. Assistant U. S. Attorney CARRIE H. COHEN is in charge of the prosecution.

The charges contained in the Indictment are merely accusations and the defendant is presumed innocent unless and until proven guilty.

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