



United States Attorney  
District of Connecticut

PRESS RELEASE  
**September 17, 2008**

### **DANBURY MAN INVOLVED IN TRASH-HAULING CONSPIRACY IS SENTENCED**

Nora R. Dannehy, Acting United States Attorney for the District of Connecticut, announced that ANTHONY NOVELLA III, 31, of Danbury, was sentenced today by Senior United States District Judge Ellen Bree Burns in New Haven to two years of probation for conspiring to violate the federal Racketeer Influenced and Corrupt Organizations Act (RICO). Judge Burns also ordered NOVELLA to perform 100 hours of community service and forfeit \$15,000 to the United States. NOVELLA pleaded guilty to the offense on April 10, 2007.

This matter stems from a long-term investigation into the waste-hauling industry in Connecticut and eastern New York. According to documents filed with the Court and statements made in court, NOVELLA and others conspired to perpetuate a system, commonly called the "property rights system." Carters engaged in the property rights system would not service or compete for other carters' customers. The property rights system essentially destroys free enterprise, allowing the participating carters to artificially inflate their prices and leaving waste removal customers with no other options. In this scheme, which was directed at commercial and municipal customers, participating carters agreed to quote inflated prices to customers controlled by other carters.

Until approximately May 2005, NOVELLA was associated with *A.J. Novella Sanitation*, a carting company located in Danbury. In December 2004, NOVELLA was intercepted over a court-authorized wiretap engaging in a series of discussions with Richard Galietti, a former lead salesman at *Automated Waste Disposal (AWD)* and affiliated companies operated by James Galante. The discussions concerned a New Milford business that had a service contract with *A.J. Novella Sanitation*. Pursuant to the property rights system, NOVELLA planned to discontinue servicing the customer in deference to AWD, even though the customer had signed a contract with NOVELLA's company. However, the customer did not want to be serviced by AWD. In one intercepted conversation, NOVELLA agreed with Galietti that the New Milford business should be serviced by AWD, and NOVELLA told Galietti "I want to get our stories straight" with respect to why NOVELLA would no longer service the account. Initially, Galietti advised NOVELLA to tell the customer that NOVELLA was being sued by AWD, a fact that was not true. When that plan failed to work, on January 3, 2005, Galietti told NOVELLA to recommend to the customer one of two AWD-affiliated companies on the false pretense that these companies were independent entities. *A.J. Novella Sanitation* eventually removed its dumpster and stopped providing service to the New Milford business.

In early 2005, Galante purchased *A.J. Novella Sanitation*.

In sentencing NOVELLA below the recommended sentencing guidelines range of 15 to 21 months of imprisonment, Judge Burns noted that, prior to the defendant's participation in the conspiracy, his family's company was the subject of economic retaliation by James Galante-controlled companies. The Government agreed that NOVELLA was not as culpable as other defendants in this matter who conspired to fix prices with Galante and his companies.

Galante and Galietti each pleaded guilty to various federal charges stemming from the investigation. On September 3, 2008, Galante was sentenced to 87 months of imprisonment. In addition, Galante has forfeited his ownership interests in 25 trash hauling companies, a Southbury residence, six racing cars and a trailer used to haul the racing cars, and \$448,153.10 seized from Galante's business office and his home. Galante also was

ordered to pay a fine in the amount of \$100,000, and approximately \$1.6 million in back taxes to the Internal Revenue Service.

On July 29, 2008, Galietti was sentenced to 46 months of imprisonment for his role in the conspiracy.

This matter was investigated by the Federal Bureau of Investigation, the Internal Revenue Service – Criminal Investigation, the United States Department of Labor, Office of Inspector General, and the Connecticut State Police. The United States Marshals Service, the Drug Enforcement Administration's Office of Professional Responsibility, and the Connecticut Department of Correction have provided critical assistance in the investigation. Assistant United States Attorneys Michael J. Gustafson, Raymond F. Miller, and Henry K. Kopel are prosecuting this case.

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