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27-Year Sentence for Plant Manager

By [JULIA PRESTON](#)

A federal judge in Iowa on Monday announced a prison sentence of 27 years on financial fraud charges for Sholom Rubashkin, the former manager of a kosher meatpacking plant where hundreds of illegal immigrant workers were arrested in a 2008 raid that garnered national attention.

Although the case against Mr. Rubashkin originally centered on [immigration](#) charges, during the trial in Cedar Rapids prosecutors focused instead on financial abuses when he was in charge of the [Agriprocessors](#) slaughterhouse in Postville, Iowa.

The sentence, two years more than prosecutors had requested, was unusually high in the recent history of financial crimes — longer than the term for [Jeffrey K. Skilling](#), the former chief executive of [Enron](#), and [L. Dennis Kozlowski](#), the former chief executive of Tyco.

Lawyers for Mr. Rubashkin said they would appeal the decision, challenging the interpretation of federal sentencing guidelines by Judge Linda R. Reade. The appeal would expand the controversy surrounding the case, which has already included six former [United States attorneys](#) general writing to the judge to assail the prosecutors' logic in seeking a term that could amount to a life sentence.

The sentence is also likely to deepen the belief among some Orthodox Jewish leaders, who have sustained an international campaign on Mr. Rubashkin's behalf, that he was unfairly tried.

In an unusual procedure, Judge Reade, of the Northern District of Iowa, released a 52-page memorandum on Monday, a day before the scheduled sentencing hearing, in which she explained her decision. She will formally impose the sentence on Tuesday.

The raid on the Postville plant became an emblem of the Bush administration's tough immigration enforcement strategy. It led to the bankruptcy of Agriprocessors, prison and deportation for hundreds of illegal immigrant workers, and a battered economy for the northeast Iowa town.

Mr. Rubashkin was convicted in November in a federal trial of 86 counts of financial fraud for his mishandling of a revolving loan from First Bank Business Capital of St. Louis, among other loans. After that conviction, prosecutors dismissed separate federal immigration charges.

Judge Reade noted that Mr. Rubashkin had misled the bank repeatedly about the finances of Agriprocessors, ordering employees to create fake invoices and moving cash secretly among different accounts, including some designated for religious purposes. The maneuvers caused a loss to the bank of \$26 million, the judge found.

In one episode, Judge Reade wrote, Mr. Rubashkin lent \$4,500 to illegal immigrants working in the plant so they could buy new fake identity documents, after immigration authorities had questioned the validity of their original hiring documents.

Judge Reade rejected a defense argument that Mr. Rubashkin was not motivated by greed, but was trying out of loyalty and religious faith to sustain a business owned by his father, Aaron Rubashkin. At the time of the raid, Agriprocessors was the largest kosher beef producer in the country.

“No matter defendant’s motive,” Judge Reade wrote, “he defrauded the victim banks out of millions of dollars.” She also sentenced Mr. Rubashkin to pay almost \$27 million in restitution to the institutions.

“There was no bank robbery, he never intended to cheat or steal from anyone,” said Guy Cook, Mr. Rubashkin’s defense lawyer. Mr. Cook said the term was “essentially a life sentence” for Mr. Rubashkin, who is 51, and was especially difficult for Mr. Rubashkin’s 10 children, one of whom is autistic.

Mr. Cook said Mr. Rubashkin, who was informed of the sentence Monday morning in a county jail, had taken the news calmly. “He understands that ultimately what happens to him is in God’s hands,” Mr. Cook said.

Some Jewish leaders were not calm.

“Our community will react just as I have, with shock and disgust,” said Rabbi Pesach Lerner, executive vice president of the National Council of Young Israel, who has organized support for Mr. Rubashkin among Orthodox Jews. Rabbi Lerner said he would try to raise an outcry to bring attention to the appeal.

In a separate state trial in Iowa, Mr. Rubashkin was acquitted earlier this month of all charges that he knowingly employed under-age workers at the Agriprocessors plant.

While state prosecutors were not able to convince the jury that Mr. Rubashkin was personally aware of minors in the plant, the trial evidence showed that at least 29 immigrants under 18 were employed on Agriprocessors’ packing lines, some working night shifts and wielding sharp knives.

The company itself pleaded guilty at the outset of the trial to multiple charges of abuse of under-age laborers. Because Agriprocessors is bankrupt, prosecutors said they would not be able to collect any fine.

Last year, responding to the Agriprocessors events, the Iowa state legislature passed a law making it easier to convict employers who hire child laborers and increasing penalties.

Nearly 400 immigrants who worked in the plant, most from Guatemala, served federal prison sentences of up to five months for identity theft and were deported.

But some of the former workers will be allowed to remain in the United States. To date, 41 of the immigrants have been approved to receive a special visa, known as a U-visa, that is granted to victims of violent abuse, said Sonia Parras Konrad, a lawyer who represented those workers. The workers showed that they had been struck by managers or sexually assaulted while working at Agriprocessors, she said.

Ms. Parras praised Judge Reade’s sentence.

“Even though these labor practices never came out in court, the sentence sends a really good message that this kind of practice will not be tolerated,” she said.

The federal prosecutors had originally sought a life sentence for Mr. Rubashkin, but then revised their request to 25 years. Six former attorneys general, including [Janet Reno](#) and Edwin Meese III, wrote to Judge Reade in April arguing that a life sentence would be a severe misreading of the sentencing guidelines as applied to white-collar crimes.

Mr. Skilling was sentenced to 24 years, after the court found he caused losses at Enron of \$80 million. Mr. Kozlowski, who was convicted of a \$150 million fraud, was sentenced in state court to 8 1/3 to 25 years.