

## **Affidavit accuses Wal-Mart; Executives knew of illegal workers, unsealed 2003 document says**

St. Paul Pioneer Press (Minnesota)

November 8, 2005 Tuesday

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**Section:** BUSINESS; Pg. 3C

**Length:** 584 words

**Byline:** MARCUS KABEL, Associated Press

### **Body**

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SPRINGFIELD, Mo. — Senior **Wal-Mart executives knew** cleaning contractors were hiring **illegal** immigrants, many of whom were housed in crowded conditions and sometimes slept in the backs of stores, according to a federal agency's **affidavit**.

The **affidavit, unsealed** last week, was part of an investigation of **Wal-Mart** by federal immigration officials that led to the **2003** raid on 60 **Wal-Mart** stores in 21 states, and the arrests of 245 **illegal workers**. The retailer agreed to pay \$11 million in March to settle the case, but **says** top **executives** neither encouraged nor **knew** of the practice.

The **affidavit** was filed by the Bureau of Immigration and Customs Enforcement to secure search warrants for a **2003** raid on **Wal-Mart** Stores Inc. headquarters in Bentonville, Ark.

The **document** was **unsealed** Nov. 2 by a U.S. district judge in Fayetteville, Ark. at the request of a New York attorney representing more than 200 former employees in a civil lawsuit against the world's largest retailer.

In the **affidavit**, investigators **said** testimony and taped conversations from **2003** showed two **executives** at **Wal-Mart** headquarters **knew** that contractors and subcontractors cleaning its stores in several states employed **illegal** immigrants from eastern Europe and elsewhere.

The lawyer who asked that the **affidavit** be **unsealed said** it shows **Wal-Mart knew** it had **illegal** janitors in its stores.

"The sworn testimony (in the **affidavit**) establishes that top **Wal-Mart executives** conspired with contractors to exploit undocumented immigrants," **said** James L. Linsey, a New York attorney leading a class-action lawsuit on behalf of former janitors.

**Wal-Mart** denied there was any incriminating evidence in the **affidavit** and **said** the comments by **executives** that it contained were "bits and pieces of information from larger conversations."

"As we have maintained all along, no company senior official had any direct knowledge that undocumented **workers** were working in our stores," **Wal-Mart** spokesman Marty Heires **said** in an e-mail .

According to the **affidavit**, one cleaning contractor, Christopher Walters, told INS investigators that his company, IMC Associates of St. Louis, had been dropped by **Wal-Mart** in 1997 after INS raids in the St. Louis area found **illegal workers** cleaning the retailers' stores.

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Walters told the INS that a **Wal-Mart** vice president, Leroy Schuetz, advised him to set up multiple subsidiaries so that if one of them was found using **illegal workers**, he could continue to do business with the retailer through the others.

The **affidavit said** another conversation took place in April **2003** at **Wal-Mart** headquarters between Steve Bertschy, a **Wal-Mart** vice president who managed maintenance of all **Wal-Mart** stores, and two contractors accompanied by an undercover INS investigator.

After one of the contractors repeatedly mentioned that many cleaning subcontractors were **known** to be using **illegal** immigrants at **Wal-Mart** stores, the **affidavit said** Bertschy commented: "And they load them up into one or two apartments and they take a family of five and pay them \$1,000 a week, that's probably a dollar an hour if they're there seven days a week and they're not paying taxes because they're not getting paid a fair rate compared to U.S. standards, then they start stealing from the store to make up the difference."

Federal raids later found immigrants crowded into small apartments or trailers in sleeping bags and, in some cases, sleeping in the backs of **Wal-Mart** stores, carrying their personal belongings from job site to job site.

## Classification

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**Language:** ENGLISH

**Publication-Type:** Newspaper

**Subject:** IMMIGRATION (91%); **ILLEGAL** IMMIGRANTS (90%); SUITS & CLAIMS (90%); LITIGATION (90%); SUBCONTRACTING (89%); FOREIGN LABOR (89%); INVESTIGATIONS (89%); LAWYERS (88%); **EXECUTIVES** (78%); ARRESTS (78%); IMMIGRATION LAW (78%); CONSPIRACY (78%); US FEDERAL GOVERNMENT (77%); SEARCH WARRANTS (77%); WITNESSES (77%); JUDGES (75%); SUBSIDIARY CREATION (64%)

**Company:** **WAL-MART** STORES INC (98%)

**Ticker:** WMT (NYSE) (98%)

**Industry:** JANITORIAL SERVICES (89%); RETAILERS (89%); LAWYERS (88%)

**Geographic:** SPRINGFIELD, MO, USA (59%); NEW YORK, USA (92%); ARKANSAS, USA (92%); MISSOURI, USA (79%); UNITED STATES (79%); EUROPE (77%); EASTERN EUROPE (55%)

**Load-Date:** November 8, 2005