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## **Judge seizes four vessels and 34 miscellaneous permits from Codfather in latest fraud sentencing**

*Fisheries advocates question whether seizing this small fraction of Carlos Rafael's assets could allow him to profit from his crimes*

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*Boston, MA --* A Federal judge has ordered the seizure of four fishing vessels and 34 miscellaneous fishing permits owned by Carlos Rafael, AKA the Codfather. This follows on the heels of Judge William Young's Sept. 25 sentence condemning Rafael to 46 months in jail, 3 years probation, and over \$200,000 in fines.

Judge Young's decision represents a seizure of a small amount of Rafael's assets. Both the Northwest Atlantic Marine Alliance and Maine Center for Coastal Fisheries question whether, without further action from NOAA, Rafael could ultimately still profit from the crimes he pled guilty to in federal court.

The judge's hands were tied by the level of penalty allowed under the constitution. NOAA's "on the other hand" are not. NOAA can act independently of the court and decide how to address the civil aspects of the Codfather's severe crimes of fraud, corruption, and cheating the system. NOAA has the ability to permanently remove a corrupt abuser and seize all fishing assets, as they have [done in the past](#).

**The amount of assets repossessed by NOAA and what happens to those assets will determine the future of the New England groundfish fishery for generations to come.**

"His [Mr. Rafael's] actions impacted the entire New England fishery. Essentially, his overall strategy was to use his financial leverage, which he generated through his illegal behavior, to preserve his business while other fishing businesses were collapsing around him," said Judge Young in the recent court order.

The judge's court order included a forfeiture of 4 fishing vessels and 34 permits. It should be made clear that the 34 permits included primarily non-groundfish permits (squid, summer flounder, scup, sea bass, etc). Only 4 out of the 34 permits included groundfish permits to access fish like cod, pollock, haddock, various species of flounder, etc. which were the species used to commit the crimes.

Meanwhile, the bulk of the Codfather's groundfish empire is still in his family's possession.

It should also be noted that the judge decided to avoid seizing other vessels because "they have scalloping permits and scalloping is not involved in this wrongdoing." Yet it's clear from NOAA's permit database that 3 out of 4 of the vessels seized have scallop permits attached to them as well as many other limited access non-groundfish permits.

### **Why the boats and permits matter**

Since the sentencing, brothers Richard and Raymond Canastra who own and operate the Whaling City Seafood Display Auction as well as the Boston Seafood Display auction, have offered Mr. Rafael \$93 million for his fishing assets. Read the story [here](#). The value of Rafael's fines and forfeitures total to about \$2.5 million, a mere fraction of what his business could sell for to the Canastras.

**What concerns us about this deal is that it doesn't address the systemic problem that put Mr. Rafael in such a power position, to begin with, and what's worse it gives more power to another entity who is already controlling a big part of the region's seafood chain.**

During the sentencing, the US Attorney stated, "This was a concerted effort of Mr. Rafael to squeeze out smaller fishermen while trying to control the whole thing."

Despite recommendations from fishermen throughout the region, NOAA has refused to put protections currently in place to ensure this squeeze won't continue if another big player buys his assets.

Over the years, hundreds of New England fishermen and thousands of concerned citizens brought solutions to fisheries managers in order to protect the fish and the fishermen from such crimes as Mr. Rafael's. In addition, thousands more weighed-in through networks of hospitals, universities, and institutional advocates. When totaled, this equated to over a billion dollars worth of seafood purchasing power affected by Mr. Rafael's actions.

NOAA has the opportunity to prevent excessive consolidation by seizing Mr. Rafael's assets separate from the criminal case. Their decisions will not only have a lasting impact on New England's fishing communities but also for fishing communities around the country as this decision will set the stage for how we either allow or prevent 'too-big-to-fail' fisheries.

**To do right by the fish, fishermen, and the public, NOAA should seize all Mr. Rafael's permits and boats and re-allocate on a New England-wide basis and exclude any entities that currently have an excessive share (2% or over for any given groundfish species). Small and medium scale fishermen, as well as**

**those who were put out of business due to Mr. Rafael's crimes, should get a right of first refusal.**

We acknowledge there are many calling for any revenue gained from asset seizure to be put toward supporting vessel-monitoring systems. But some of Mr. Rafael's crimes happened after he landed his fish and come as a direct result of his influence and control of the entire seafood value chain he literally owned. **No amount of vessel monitoring will address the root issue.** The only solution is to stop the policies that are allowing a few to control the rights to fish. If we're serious about the marine ecosystem and the health of the ocean, we need to prioritize the monitoring of excessive consolidation and prevent too-big-to-fail entities in our fisheries.

We are witnessing the same 'too-big-to-fail' models that undermined our banking and financial systems being replicated on the ocean. NOAA has the power to change this.

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**Note to the editor:** if you would would like to speak with someone on these issues please contact: Brett Tolley, [brett@namanet.org](mailto:brett@namanet.org), 718-570-2377.

**For more information:**

Link to Victim's Statement: <http://bit.ly/2wTY3K0>

Link to Sentencing Statement: <http://bit.ly/2xDThE7>