

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

Washington, D. C.

FILE NO.

62-2695

REPORT MADE AT Washington, D. C.	DATE WHEN MADE 7/29/35	PERIOD FOR WHICH MADE 7/22-27/35	REPORT MADE BY M. D. Traub JCM
TITLE ALPHONSE CAPONE, with aliases, et al			CHARACTER OF CASE CONSPIRACY TO RECEIVE AND SEND CONTRABAND OUT OF THE UNITED STATES PENITENTIARY, ATLANTA, GA.

SYNOPSIS OF FACTS:

Discreet investigation at 323 North Fulton Avenue, Baltimore, Maryland reveals no person named F. Barrett resides or is known at this address. No record of F. Barrett at Baltimore Police Department, Post Office, mercantile agencies nor is he listed in city directories. Photograph and fingerprints of [REDACTED] former tenant this address obtained, photograph being transmitted to New York Office to be exhibited to Mr. Mickam.

- P -

REFERENCE: Bureau letter dated 6/29/35.

DETAILS: AT BALTIMORE, MARYLAND.

Agent searched the old and recent city directories, but was unable to find the name of F. Barrett listed as having resided at 323 North Fulton Avenue (not Street) Baltimore, Maryland. Agent interviewed [REDACTED]

[REDACTED] who was unable to find the name of F. Barrett listed [REDACTED] Similar inquiry was made at the Gas & Electric Company and the files at the Police Department at Baltimore were searched but the name of F. Barrett could not be found.

Discreet inquiries were made in the neighborhood and vicinity of 323 North Fulton Avenue by Agent, and it was learned that this address

APPROVED AND FORWARDED: M. Keith SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES 62-39128-13 AUG -8 P.M. AUG 8 1935 AUG 13 1935	
COPIES OF THIS REPORT 3 Bureau 2 New York 2 Washington Field		
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is a rooming house and that a number of people have been coming and going to this house in the past several months. It was learned from neighbors that this house was operated by Mrs. Lillie Guinan, a widow who rents out furnished rooms and small apartments. The neighbors interviewed by Agent advised that they knew very little concerning Mrs. Guinan and the other tenants in the house, inasmuch as people come and go from this address at frequent intervals.

Agent at the Southwestern Police Station conferred with Lieutenant William B. Jones and Sergeant George Schlipper, who advised they had no information concerning one F. Barrett, nor did they have any information relating to the occupants of 323 Fulton Avenue. b7C b7D

[REDACTED] He states he knows that Mrs. Lillie Guinan lives at this address with her two children, Frank and Alfred.

[REDACTED] that he knows of nothing derogatory concerning Mrs. Guinan, but to the best of his recollection he believes that Frank Guinan is an ex-convict. He states he understood that Frank Guinan was in trouble in Florida and was sentenced from the Federal Court to the Atlanta or Leavenworth Penitentiary, the details of which he did not know. [REDACTED] states that he does not recall who gave him this information. Agent made arrangements with [REDACTED] to make guarded inquiries concerning F. Barrett and when again interviewed by Agent stated he was unable to ascertain whether there was such a person residing at this address.

Agent without revealing his identity interviewed Mrs. Lillie Guinan, 323 North Fulton Avenue, who resides in the basement of this house. She states she is a widow and occupies the basement at this address. She states she never had anyone named F. Barrett living at her house, and that she never heard of this person. Mrs. Guinan states her son Frank Guinan did not know of any such person. When questioned as to whether her son Frank was ever arrested, she stated to her knowledge he had never been in any trouble other than being involved in some minor trouble over an automobile somewhere in Florida about two years ago. She denied that her son Frank had ever served any time in any institution. She admitted, however, that he does not work steady and that he is at present unemployed and is now living at [REDACTED] 1706 Fulton Avenue, b7C and that he has been living with a man named Carl Crawford at this address. She states the last position held by her son Frank was a

laboring job at Pratt's Bay Farm, Conowingo, Maryland and that Crawford also worked on this project, this being about two years ago.

Mrs. Guinan recalled that a family named [redacted] resided at her house in May, 1935 for several weeks. She stated [redacted] was a cab driver and was living with his wife and baby at her house, and that he moved out to [redacted]. She states she believes his home was at [redacted]. She states she knows nothing concerning [redacted] or of the persons who visited him.

[redacted] was again interviewed but had no information concerning [redacted] but recalls such a person resided at 325 N. Fulton Avenue, [redacted] b7C b7D

Agent made discreet inquiries of [redacted] from [redacted] and ascertained [redacted] and his wife were living at this address and that he was a cab driver. b7C

Agent interviewed Lieutenant William P. Burns, Identification Division, Baltimore Police Department, who was unable to find a criminal record on F. Barrett [redacted] or Frank Guinan. Similar inquiries were made by Agent at the Records Room, Police Department but nothing could be found on these persons.

Interviewed [redacted] records. [redacted] located a card showing that [redacted] was a [redacted] at present for the [redacted]. The records show [redacted] formerly lived at [redacted] and his last known address is [redacted]. Agent advised [redacted] of the [redacted] address.

The description of [redacted] as obtained from the Baltimore Police Department is as follows:

Age
Height
Weight
Eyes

[redacted]

b7c

Hair
Complexion
Occupation
Born

Agent was advised by the police that the fingerprints of [REDACTED] are non-criminal and the number [REDACTED] relates to [REDACTED]. The fingerprints of [REDACTED] were searched with the criminal fingerprints on file at Baltimore, but no record was found in the local police department's file.

Conferred with Captain John H. Mintiens, Detective Bureau, Baltimore Police Department who agreed to allow Agent to borrow the original fingerprints of [REDACTED] also the photograph of this person, in order that the photograph may be exhibited in New York, and that a search may be made of the fingerprint records of the Federal Bureau of Investigation to ascertain whether [REDACTED] has a criminal record.

UNDEVELOPED LEADS.

THE NEW YORK OFFICE AT NEW YORK CITY

will exhibit photograph of [REDACTED] to Mr. R. W. Mickam, Executive Editor, Real Detective Stories, 444 Madison Avenue, to ascertain whether he can identify this picture as F. Barrett. If not, obtain a description of F. Barrett from Mr. Mickam.
(The Bureau requests three copies of reports in this matter).

THE WASHINGTON FIELD OFFICE AT BALTIMORE, MARYLAND

upon receipt of information from the New York Office will endeavor to ascertain whether [REDACTED] is F. Barrett; if necessary conduct similar inquiry as to Frank Guinan and Carl Crawford, 1706 Fulton Avenue, Baltimore, Md.

Federal Bureau of Investigation

U. S. Department of Justice

Room 1403
370 Lexington Avenue
New York, N. Y.

GJS:LF

August 3, 1935.

~~PERSONAL AND CONFIDENTIAL~~

Mr. Nathan	✓
Mr. Tolson	✓
Mr. Baughman	✓
Chief Clerk	✓
Mr. Clegg	✓
Mr. Coffey	✓
Mr. Edwards	✓
Mr. Egan	✓
Mr. Foxworth	✓
Mr. Harbo	✓
Mr. Joseph	✓
Mr. Keith	✓
Mr. Lester	✓
Mr. Quinn	✓
Mr. Scheidt	✓
Mr. Schilder	✓
Mr. Tamm	✓
Mr. Tracy	✓
Miss Gandy	✓

Director,
Federal Bureau of Investigation,
U. S. Department of Justice,
Pennsylvania Avenue at 9th Street, N. W.,
Washington, D. C.

Dear Sir:

Reference is made to letter from Special Agent in Charge J. M. Keith, Washington Field Office, dated July 27, 1935, in the matter of an article entitled "The 'X' Men" which appeared in the Detective Fiction Weekly magazine published by the Frank A. Munsey Company of New York City in the issue of May 4, 1935.

Special Agent George J. Starr of this office called at the office of Frank A. Munsey Company, 280 Broadway, New York City, and in the absence of William T. Dewart, president, talked with Albert J. Gibney, an associate publisher of the Frank A. Munsey Company. Mr. Gibney stated that before disclosing the identity of the writer of the article he would want to discuss the matter with the lawyers for the company. He stated, however, that the article was written by a man formerly in the Government service and now residing in New Jersey. Mr. Gibney stated that he had no knowledge of the authenticity of the article and that the statements contained therein might be true or untrue. He personally had no knowledge of the extent to which they could be relied upon.

RECORDED & INDEXED

Mr. Gibney subsequently telephoned to Agent Starr and stated that he had been in communication with the author of the article and the latter promised to be in Gibney's office on Thursday or Friday of this week, at which time he would talk with Agent Starr whom he claimed to know. On Thursday of this week, in the absence of Agent Starr, a telephone call was received from Mr. Gibney's office, which was handled by Special Agent F. X. O'Donnell of this office, and the

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SEP 6 - 1935

Get Starr get details.
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NATHAN
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TAMM
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EXTENDT
Return SAC, NYC
10/9/35

Director,

August 3, 1935.

person calling stated that he was Mr. Gibney, that the person to be interviewed was then in his office, and that he had informed Gibney that he was well acquainted with Agent Starr and preferred to talk personally with that agent. The person calling then stated that the man in his office told him he lived out of town and would be in town again on Monday when he would telephone this office before calling to see Agent Starr.

Yesterday a man whom I believe you know of, namely, Major Charles E. Russell, called at this office and was interviewed by Agent Starr. Major Russell stated to Agent Starr that he was the author of the magazine article, that he was the man who talked with Agent O'Donnell from Mr. Gibney's office, and that his reason for being so cautious was that he did not want to be "put on the spot" by discussing the matter indiscriminately with some agent whom he did not know. Major Russell stated that the statements contained in the article which was published in Detective Fiction Weekly are absolutely correct as to facts, that whatever embellishments appear therein were merely added to make a better story, but that the substance is absolutely correct. The meeting referred to occurred, however, in Brooklyn, N. Y., and not in a mid-western city, and the man to whom the \$10,000.00 a week offer was made is Major Russell himself.

Major Russell stated that the headquarters of the Al Capone syndicate have been shifted from Chicago to Brooklyn, and that the entire racket syndicate field, including vice, gambling, liquor and various other lines, is now controlled and directed by a man named Vito and two men named Totto of Brooklyn. They have associated with them many notorious racketeers, including "Dutch" Schultz, and the three men named are the heads of the syndicate. At their headquarters they have a group of young men, none of whom appear to be over twenty-four years of age, who are professional killers and whose activities are limited to performing that function for the syndicate. They have numerous henchmen, including young lawyers, doctors, and various other men of the professional type, as well as the usual gangster type. They receive a "cut" from all the racketeer operations from Chicago to the east coast and from Boston to below Philadelphia. Some time, possibly along in April, they had Russell come to their meeting place and there in the presence of from twelve to fifteen men, including Vito, one of the Tottos, "Dutch" Schultz and others, made to him the proposition which is set out in the magazine article. Major Russell stated that

C O

Director

August 3, 1935.

they are absolutely desperate, that they are fighting their battles to the wall, and that they feel something has to be done to curb the activities of the Department of Justice agents.

Agent Starr states that he has known Major Russell for a number of years and there has always been some doubt as to him. Russell claims to have been one of the more important men in charge of Military Intelligence operations in France and elsewhere in Europe during the World War. He has written magazine articles and possibly books about his various almost unbelievable exploits. In many instances it seems to be impossible to determine whether he is dealing with fact or fiction in his articles and talks. In addition to his writings he has frequently talked over the air and at various gatherings, and on such occasions he manages to create the impression that he actually directed the investigations whereof he speaks and that they are true happenings.

When Colonel Peter Traub was stationed at Governors Island, New York, he and Russell were very friendly and at that time Russell gave a series of lectures considered to be of a confidential nature on espionage and counter-espionage. These lectures were given in the Army Building and were attended by reserve and regular Army officers. Agent Starr attended practically all of the lectures and he states that so far as he could determine the instructions given were valuable and apparently based on a good knowledge of the subject or were the result of considerable reading. These lectures were illustrated by occasional stories of episodes occurring over seas, but as to the authenticity of these stories Agent Starr has no knowledge.

The officers of the Military Intelligence Division stationed on Governors Island, New York, have on many occasions been doubtful of Major Russell's background and have seriously questioned his right to insinuate that he occupied a position of responsibility in the Military Intelligence over seas during the World War. The Intelligence office here and in the War Department at Washington should have considerable information as to Major Russell.

Major Russell stated to Agent Starr that he knows you quite well, having become acquainted with you when "Billy Burns", as he called him, was the Director of the Bureau.

Director,

August 3, 1935.

Agent Starr states that he is unable to form a definite opinion as to whether or not Russell has anything tangible to offer. In spite of his emphatic restatement of what appears in the magazine article and his claim of close contact with these underworld characters developed as a result of favors which he has been able to do for them from time to time, it appears that he, according to his own statement, attempted to expose them on the radio. It is somewhat difficult to reconcile these two attitudes. In addition to his verbal corroboration of the magazine article, he stated further to Agent Starr that the inside story of Al Capone, which was published in the newspapers some time ago, was written by him at Capone's request and with material furnished by Capone; that the purpose of writing the series of articles was to clear up to the satisfaction of the underworld the stories which were floating around regarding the so-called "mark of the rat" - the scar which appears on Capone's cheek. Russell stated that a man was sent here from Chicago to deliver to him an envelope which presumably contained money to reimburse him for having written these articles but that he declined to accept this envelope, stating that he had already been paid by the newspaper syndicate which published the articles. Russell further stated that the inside story of Frankie Yale, alias Frankie Yale, also was written by him with material furnished through underworld sources.

Russell was very emphatic in his statement that the underworld desires to "plant", if not possibly already successful in so doing, men in the Federal Bureau of Investigation or, as he terms it, the Department of Justice, and he stated that he was told by these underworld characters that they have available men who can meet all the requirements for appointment to a position in the Department.

The above are statements made as statements of fact by Russell. As against this, however, Agent Starr notes that there are times when there seems to be a lack of sincerity in Russell's statements. Occasionally he slightly changes the information which he furnishes.

Russell indicated that he is anxious to cooperate with the Bureau, that he would expect to make no money out of it, and that he sees a serious menace in the situation. He further indicated that if the Bureau will pay his expenses he will be perfectly willing to proceed to Washington to discuss this matter with you personally;

Director,

August 3, 1935.

otherwise, he will be glad to discuss it further with Agent Starr. The matter was left open to future contact inasmuch as Agent Starr informed Russell that this information would be transmitted direct to you and that thereafter Agent Starr would communicate with him.

A copy of this letter is being forwarded to the Washington Field office for Special Agent in Charge J. M. Keith, marked "Personal and Confidential".

No further action will be taken in this matter pending receipt of instructions from the Bureau.

Very truly yours,



R. WHITLEY,
Special Agent in Charge.

CC-Washington Field

WAT:ARK

62-39128-14

August 29, 1935

RECORDED

~~PERSONAL & CONFIDENTIAL~~

Mr. R. Whitley,
Federal Bureau of Investigation,
U. S. Department of Justice,
370 Lexington Avenue, Room 1403,
New York, New York.

Dear Sir:

Reference is made to your personal and confidential letter of August 3, 1935 relating to the interview had by Special Agent George J. Starr with Major Charles E. Russell concerning the publication in the Detective Fiction Weekly magazine of May 4, 1935 of an article entitled "The 'X' Men", and to your letter of August 24, 1935 in the case entitled ALPHONSE CAPONE with aliases, et al, Conspiracy to Receive and Send Contraband out of the U. S. Penitentiary, Atlanta, Georgia.

It is desired that you arrange immediately to have Special Agent Starr conduct a further interview with Major Russell for the purpose of obtaining all information in his possession concerning both of these matters. I do not consider it necessary at the present time for Major Russell to proceed to Washington and discuss this matter with me.

Very truly yours,

John Edgar Hoover,
Director.

COMMUNICATIONS SECTION MAILED
AUG 29 1935
F. B. I.
U. S. DEPARTMENT OF JUSTICE

Handwritten signature and initials.

Washington Field Office, Room 5252
Washington, D. C.

August 19, 1935.

Special Agent in Charge,
New York, N. Y.

RE: ALPHONSE CAPONE, with aliases, et al;
Conspiracy to Receive and Send
Contraband out of the United States
Penitentiary, Atlanta, Georgia.

Dear Sirs:

In connection with the above entitled investigation, attention is directed to the report submitted by Special Agent M. D. Traub, of this office, dated July 29, 1935. This office was advised today by the Nashville, Tennessee, office that the Sheriff at Kingsport, Tennessee, is holding Frank Guinan, parolee, 323 North Fulton Avenue, Baltimore, Maryland. Appropriate action has been taken by the Department whereby a parole warrant is being forwarded to the United States Marshal covering Kingsport, Tennessee, so that Guinan may be taken into custody.

Guinan was convicted for forging a money order and sentenced to serve three years in the United States Penitentiary at Atlanta, Georgia. It is possible that Guinan is the individual who delivered to Mr. H. W. Mickan, Executive Editor, Real Detective Stories, 444 Madison Avenue, New York City, a manuscript entitled "Biography of Al Capone's life in the United States Penitentiary", together with various newspaper clippings, photographs of purported inmates of the Atlanta Penitentiary, scenes of that institution, considerable correspondence and what are purported to be official records of that institution.

I am attaching hereto a photograph of Frank Guinan, Atlanta Penitentiary #42507, which you are kindly requested to exhibit to Mr. Mickan in an effort to establish the identity of the individual who left the above described data with him.

Very truly yours,

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INDEXED

J. H. KLITH,

Special Agent in Charge.

FMH:DSS

cc Bureau

Nashville



AUG 21 1935

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U. S. DEPARTMENT OF JUSTICE

RECEIVED
AUGUST 19 1935

To: COMMUNICATIONS SECTION.

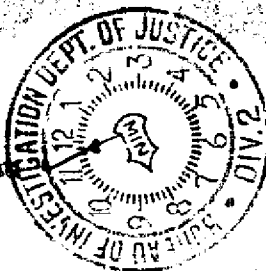
Transmit the following message to:

NASHVILLE

FRANK J. GUINAN PAROLE VIOLATOR DEPARTMENT FORWARDING PAROLE WARRANT TO
APPROPRIATE US MARSHAL COVERING KINGSFORD TENNESSEE ALSO WIRING SHERIFF
TO HOLD IS WANTED AS PAROLE VIOLATOR FOR LEAVING BALTIMORE MARYLAND WITHOUT
PERMISSION WAS CONVICTED FOR FORGERY OF POSTOFFICE MONEY ORDER AND
RECEIVED SENTENCE OF THREE YEARS ATLANTA PENITENTIARY IS SUSPECTED AS
BEING WANTED IN CONNECTION WITH CASE ENTITLED ALPHONSE CAPONE VS REAL
CONSPIRACY TO RECEIVE AND SEND CONTRABAND OUT OF THE US PENITENTIARY ATLANTA
GEORGIA ORIGIN HERE AM FORWARDING PHOTOGRAPH GUINAN TO NEWYORK OFFICE IN
ENDEAVOR MAKE IDENTIFICATION OF INDIVIDUAL THOUGHT TO BE GUINAN AND AUTHOR
OF A MANUSCRIPT ENTITLED THE BIOGRAPHY OF AL CAPONE'S LIFE IN THE PENITENTIARY
WHICH CONTAINS PHOTOGRAPHS OF PURPORTED INMATES OF THE US PENITENTIARY AT
ATLANTA SCENES OF THAT INSTITUTION AND WHAT ARE PURPORTED TO BE OFFICIAL
RECORDS OF THE PENITENTIARY THESE DATA LEFT WITH R E NICKAN EXECUTIVE
EDITOR REAL DETECTIVE STORIES FOUR FOUR FOUR MADISON AVENUE NEW YORK CITY
BY F BARRETT THREE TWO THREE NORTH FULTON AVENUE BALTIMORE MARYLAND AT
WHICH PLACE INVESTIGATION DISCLOSED NO ONE BY THAT NAME AS EVER RESIDING
THERE BUT AS THE RESIDENCE OF GUINAN SUGGEST IMMEDIATE INTERVIEW WITH
GUINAN CONCERNING HIS CONNECTIONS WITH ABOVE

KEITH FEN

cc Bureau
62-2696



AUG 21 1935 AM

RECORDED
&
INDEXED

AUG 27 1935

SENT VIA

62-39128-16
FEDERAL BUREAU OF INVESTIGATION
AUG 19 1935
U. S. DEPARTMENT OF JUSTICE
THORP
SHEW

C D Lm
Washington Field Office, Room 5252
Washington, D. C.

August 20, 1935.

Special Agent in Charge,
Nashville, Tenn.

RE: ALFONSE CAPONE, with aliases,
P. I. ALIAS, SYRUS I. ALIAS,
Conspiracy to Receive and Send
Contraband out of the United States
Penitentiary, Atlanta, Georgia.

Dear Sir:

For your further information, in continuing investigation with reference to one Frank Guinan, who is being held by the Sheriff at Kingsport, Tennessee, as a parole violator, on June 29, 1935, the Bureau notified the Washington Field Office that on May 14, 1935, Mr. J. W. Mickan, Executive Editor, Real Detective Stories, 444 Madison Avenue, New York City, delivered to the New York Bureau office a manuscript entitled "The Biography of Al Capone's Life in the Atlanta Penitentiary", together with various newspaper clippings, photographs of purported inmates of the United States Penitentiary at Atlanta, scenes of that institution, considerable correspondence, and what are purported to be official records of the penitentiary. Mr. Mickan advised confidentially that these data had been left with him by a Mr. F. Barrett, of 323 North Fulton Avenue, Baltimore, Maryland, who had called to sell the manuscript, and that he, Mr. Mickan, was referring the matter to the Bureau for the reason that he believed that some of the papers were official records of the United States Penitentiary.

Photostatic copies of the manuscript and the accompanying data were submitted to the Department of Justice and a request has been received from the Assistant to the Attorney General, Mr. Stanley, that this material be considered in connection with the investigation being conducted by the Bureau in the above entitled case. Mr. Stanley has also requested information regarding the identity of the author of the manuscript.

Accordingly, it is requested that your office institute an immediate and discreet investigation regarding the antecedents and connections of Barrett. Three copies of reports in this matter should be furnished the Bureau."

RECORDED & INDEXED

AUG 27 1935

RECEIVED



62-39128-17	
FEDERAL BUREAU OF INVESTIGATION	
AUG 21 1935 A. M.	
U. S. DEPARTMENT OF JUSTICE	
FILE	

For your further information, investigation conducted by Special Agent M. L. Traub at Baltimore, Maryland, failed to locate anyone by the name of F. Barrett known or residing at 323 North Fulton Avenue, Baltimore, Maryland. This address was a rooming house contacted by Mrs. Lillie Guinan, a widow and the mother of two children, Frank and Alfred. Investigation disclosed that Frank Guinan is an ex-convict, having served a term in the Atlanta Penitentiary. Discreetly interviewed, Mrs. Guinan stated that she never had anyone by the name of F. Barrett living at her house and that she had never heard of this person. She stated that her son Frank Guinan did not know of any such person. No further information of value was obtained.

As indicated in my telegram to you of yesterday a photograph of Frank Guinan, Atlanta #42507, has been transmitted to the New York Office to be exhibited to Mr. Mickam in an effort to ascertain whether or not Guinan is the individual who delivered the manuscript to him.

The file of the Washington Field Office does not reflect any other information which would be of value to you in conducting the investigation requested by telegram on August 19, 1935. Therefore, it is decided that you have an Agent interview Frank Guinan in an effort to establish whether or not he delivered the above described documents to Mr. Mickam.

Very truly yours,

J. M. KEITH,
Special Agent in Charge.

FMH:DSS
62-2696
cc Bureau
New York



Federal Bureau of Investigation

U. S. Department of Justice

Room 1403
370 Lexington Avenue
New York, N. Y.

FEW:ML
62-5552

August 24, 1935.

Director,
Federal Bureau of Investigation,
U. S. Department of Justice,
Pennsylvania Avenue at Ninth Street, N. W.,
Washington, D. C.

Mr. Nathan	✓
Mr. Tolson	✓
Mr. Baughman	
Chief Clerk	
Mr. Clegg	
Mr. Coffey	
Mr. Edwards	
Mr. Egan	
Mr. Foxworth	
Mr. Harbo	
Mr. Joseph	
Mr. Keith	
Mr. Lester	
Mr. Quinn	
Mr. Scheidt	
Mr. Schilder	✓
Mr. Tamm	
Mr. Tracy	
Miss Gandy	

RE: ALPHONSE CAPONE with aliases.
O. T. BISHOP. STEPHEN T. BROWN.
Conspiracy to Receive and Send
Contraband out of the United States
Penitentiary, Atlanta, Georgia.

Dear Sir:-

Reference is made to my personal and confidential letter to you dated August 3, 1935, relative to the investigative activity conducted by Special Agent George J. Starr of this office concerning article entitled "The 'X' Men" which appeared in the Detective Fiction Weekly Magazine published by the Frank A. Munsey Company of New York City, in the issue of May 4, 1935, in New York File No. 62-5556.

A review of this file and the above entitled matter indicates the possibility of Major Charles E. Russell having some knowledge concerning the U. S. Penitentiary matter. The letter of reference indicates that in addition to the article mentioned above, Major Russell has written a number of magazine articles and possibly books, relative to matters criminal and stated to Agent Starr that he had written the "inside story" of Al Capone at Capone's request, and from material furnished by Capone himself.

In view of Major Russell's interest in criminal activities, and alleged previous connection with Alphonse Capone, the Bureau is now being requested to consider the advisability of having Agent Starr again interview Major Russell for the purpose of determining whether he has any knowledge of the manuscript entitled "The Biography of Al Capone's Life in the Atlanta Penitentiary" which was submitted to Mr. R. W. Mickam, Executive Editor, "Real Detective Stories", New York City, together with various newspaper clippings,

COPIES DESTROYED
20 JUL - 6 1964

SEP 6 - 1935

From JAC hyl
8/29/35
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TOLSON


62-39128-18
FEDERAL BUREAU OF INVESTIGATION
AUG 26 1935 A.M.

Director

August 24, 1935.

b7c
photographs of purported inmates of the United States Penitentiary at Atlanta, scenes of that institution, considerable correspondence, and what are purported to be official records of the Penitentiary. In the event Major Russell is questioned upon these points, it should also be determined whether he has any connection with [REDACTED], F. Barrett, and Frank Guinan, these three individuals having been mentioned in the above entitled matter.

Very truly yours,


R. WHITLEY,
Special Agent in Charge.

cc - Washington Field.

cc - N.Y. File No. 62-5556

RECEIVED

RECORDED

62-39128-18
August 29, 1935
~~PERSONAL & CONFIDENTIAL~~

Mr. E. Whitley,
Federal Bureau of Investigation,
U. S. Department of Justice,
370 Lexington Avenue, Room 1403,
New York, New York.

Dear Sir:

Reference is made to your personal and confidential letter of August 3, 1935 relating to the interview had by Special Agent George J. Starr with Major Charles E. Russell concerning the publication in the Detective Fiction Weekly magazine of May 4, 1935 of an article entitled "The 'X' Man", and to your letter of August 24, 1935 in the case entitled ALPHONSE CAPONE with aliases, et al, Conspiracy to Receive and Send Contraband out of the U. S. Penitentiary, Atlanta, Georgia.

It is desired that you arrange immediately to have Special Agent Starr conduct a further interview with Major Russell for the purpose of obtaining all information in his possession concerning both of these matters. I do not consider it necessary at the present time for Major Russell to proceed to Washington and discuss this matter with me.

Very truly yours,

John Edgar Hoover,
Director.

KRM.

CLASS OF SERVICE DESIRED		
DOMESTIC	FOREIGN	
TELEGRAM	FULL RATE CABLE	
DAY LETTER	DEFERRED CABLE	
NIGHT MESSAGE	NIGHT CABLE	
NIGHT LETTER	WIRE	
SHIP RADIOGRAM	PARAGRAM	

Patrons should check class of service desired, otherwise message will be transmitted at a full-rate communication

International
INTERNATIONAL

All America
Cables



Commercial
Cables

Mackay
Radio

Send the following message, subject to the terms on back hereof, which are hereby agreed to

NASHVILLE, TENNESSEE

AUGUST 18, 1935

JES

J. M. KEITH
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
8802 U. S. DEPARTMENT OF JUSTICE BUILDING
WASHINGTON D. C.



SHERIFF KINGSPORT TENNESSEE HOLDING FRANK J. JOHNSON PAROLEE 882 FOUR FOUR
AVENUE BALTIMORE MARYLAND ASCENDING IF WANTED BY PROBATION OFFICER BALTIMORE

OFFICIAL BUSINESS
CHARGE GOVT. RATE
808 MEDICAL ARTS BLDG.
NASHVILLE, TENN.
CC BUREAU

RECORDED-INDEXED

RECORDED
&
INDEXED

AUG 27 1935

RECEIVER'S NUMBER 7m
CHECK
TIME FILED
STANDARD TIME

FEDERAL BUREAU OF INVESTIGATION
AUG 21 1935 A.M.
U. S. DEPARTMENT OF JUSTICE
FILE

46-26-30397

Smith 62-39128-19

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

WASHINGTON DC
NEW YORK, NEW YORK

FILE NO.

62-42 MEM

REPORT MADE AT NASHVILLE TENNESSEE	DATE WHEN MADE 8-27-35	PERIOD FOR WHICH MADE 8-19-35	REPORT MADE BY THOMAS E. BOW
TITLE ALPHONSE CAPONE, with aliases; O. T. RISEUP; STEPHEN T. BROWN.			CHARACTER OF CASE CONSPIRACY TO VIOLATE AND KIDNAP CONTRABAND, U.S. MARSHAL, UNITED STATES PENITENTIARY, ATLANTA GEORGIA
SYNOPSIS OF FACTS: <p>Guinan arrested by Deputy Sheriff, Kingsport, Tennessee, on August 16, 1935, charged with drunkenness. Guinan said he left Baltimore, Maryland, without permission of the parole officers. He denies having written a biography of Al Capone's life while in the Federal Penitentiary, or being involved in a conspiracy to receive and send contraband out of the Federal Penitentiary at Atlanta, Georgia. Guinan was arrested driving a 1934 four-door Plymouth Sedan, color, gunmetal, motor # [REDACTED] serial # [REDACTED], New Jersey license # [REDACTED], property of [REDACTED], Atlantic City, New Jersey, but he had letters proving that he had permission to drive the car any place he so desired. Guinan being held for the United States Marshal.</p>			
- R U C -			
REFERENCE Letter from Washington Field dated August 20, 1935.			
DETAILS <p style="text-align: center;"><u>AT KINGSFORT TENNESSEE</u></p> <p>Deputy Sheriff, George Pierce, Kingsport, Tennessee, advised that on August 16, 1935, he arrested Guinan on a charge of drunkenness and he later arrested his partner, Carl Crawford, on a similar charge; that Crawford was a known parole violator and was held for the United States Marshal and that he questioned Guinan about his criminal record. Guinan admitted he was sentenced to the Federal Penitentiary at Atlanta, Georgia, in 1933, for three years for violation of the postal laws.</p> <p>Pierce stated that Guinan called his girl friend, [REDACTED] telephone number [REDACTED] residence [REDACTED]</p>			
APPROVED AND FORWARDED <i>W. A. Smith</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES <div style="font-size: 2em; font-weight: bold;">62-39128-20</div> <div style="font-size: 1.5em; font-weight: bold;">AUG 29 A.M.</div>		
COPIES OF THIS REPORT 3 - Bureau 2 - New York 2 - Washington Field 2 - Nashville	AUG 28 1935 SEP 3 1935		

Atlantic City, New Jersey, and that he also called his brother, name and telephone number unknown, at Baltimore, Maryland. 67C

Pierce also advised he learned during the telephone call to Atlantic City that Guinan had permission from his girl friend to drive her four-door 1934 model Plymouth Sedan, color, gunmetal, motor [REDACTED] serial [REDACTED] New Jersey License [REDACTED]

Frank J. Guinan, who gave his address as 323 North Fulton Avenue, Baltimore, Maryland, advised that during January of 1933, he was sentenced by the Federal Judge at Roanoke, Virginia, to serve three years in the Federal Penitentiary for forgery of Post Office money orders; that in July of 1934 he received a parole and was instructed to report on the first of each month to the parole officer, Mr. Richard Eddy, Baltimore, Maryland. Guinan advised he reported to the parole officer as required, on August 1, 1935, and a few days later went to Atlantic City, New Jersey, to see his girl friend, [REDACTED]; that he visited her for a few days and proceeded to Buffalo, New York to seek employment at some steel mill which he heard was being constructed; that he remained in Buffalo for two nights and that on the second night he met Carl Crawford, another parolee, and that they decided to go to Kingsport, Tennessee, and from there he was going to Tampa, Florida, and arrange for his girl friend to open a beauty parlor there.

Guinan stated that he and his girl friend were planning to get married and he had permission to drive her Plymouth Sedan and he had letters in his possession establishing the fact that he had permission to drive the car, and he also had his girl friend's auto registration card.

Guinan stated he was formerly married to [REDACTED] but that when he was sent to the Federal Penitentiary at Atlanta, Georgia, his wife divorced him and the last he heard of her she was living at [REDACTED] Baltimore, Maryland, but since obtaining the divorce, she has moved to either [REDACTED] and he has not heard from her since the time she moved.

Guinan related that a short time after he arrived at the Federal Penitentiary, Atlanta, Georgia, he was assigned to duty in the office of the record clerk and his duties were to take dictation and write form letters for the signature of the record clerk and other officials at the penitentiary. A man by the name of Merriman was assigned to the record clerk's office and was assigned to take care of the files.

Guinan advised that while he was in the penitentiary, he wrote a small book, entitled "Remember Man" which consisted of about 150 pages, but that he was refused permission to have it printed until his sentence had been served. Guinan said his book contained no photographs or any reference to official records, because all this would be cut out when the

book was censored by the officials at the Penitentiary. According to Guinan's statement, no one is permitted to have a book or camera while they are in the penitentiary and no one is permitted to print anything about the official records and the officials make periodical inspections of all prisoner's books and personal effects.

Guinan denied writing anything about Al Capone or being a party to a conspiracy to receive and send contraband out of the Federal Penitentiary at Atlanta, and he further stated that all prisoners who had any connections with Capone while he was in the Penitentiary, either lost their good time or were placed in that part of the Penitentiary known as "the hole". Guinan said that the only thing he heard of Capone's having smuggled into the penitentiary was silk underwear and whisky.

After Guinan received his Parole during July of 1934, he was employed by his brother, Raymond Guinan, who operates a printing and stationery establishment at 217 West Franklin Street, Baltimore, Maryland, until March of 1935.

Guinan stated he has been in New York City, New York, several times but that he has not been there since 1929. He denies knowing R. E. Micken, executive editor of the Real Detective Stories, 444 Madison Avenue, New York City, New York, or F. Barrett, 323 North Fulton Avenue, Baltimore, Maryland. Guinan advised he has stayed at a rooming house on 37th Street, near Ninth Street, and at a rooming house on 191st Street near St. Nicholas Avenue, New York City, New York, but that he does not remember the names of the rooming houses nor the names of the persons in charge of them.

For the benefit of the Nashville Office a description of Guinan is included in this report, which was furnished by Guinan and taken from observation.

Name	Frank J. Guinan
Age	35 years (Born Dec. 19, 1900, at Baltimore Md.)
Height	5'7"
Weight	125 pounds
Build	Slender
Hair	Dark Brown
Eyes	Gray, or light blue
Complexion	Muddy, apparently he never wears a hat
Mustache or beard	Clean shaven
Teeth	Regular
Scars	None
Peculiarities	None
Eyeglasses	None
Residence	323 North Fulton Avenue, Baltimore, Maryland
Occupation	Private Secretary & clerical work
Marital Status	Divorced
Race	White

Citizenship and nationality
Fingerprints

American

Fingerprinted at Federal Penitentiary, Atlanta, Georgia, 1935 & by PO Kingsport, Tenn on August 17, 1935

Police Number
Photographed

42507 Atlanta Penitentiary
Photographed at Federal Penitentiary, Atlanta, Georgia

Relatives

Father - dead

Mother - Mrs. Lillie Guinan, Mother, 325 No. Fulton Ave., Baltimore, Md.

Brothers- Edward Guinan, 51200 Oakford Ave. Baltimore, Maryland

Raymond Guinan, 428 East 22nd St. Baltimore, Maryland

Leo Guinan, 1020 Whitmore Ave., Baltimore, Md.

Albert Guinan, probably 323 North Fulton Ave. Baltimore, Md. b7c

Friends

[REDACTED] Mount Carmel, Pennsylvania

[REDACTED] Claremont, California

[REDACTED] Tampa, Florida

[REDACTED] Stovall Building, Tampa, Florida.

Education

2 years high school. Business college

Criminal Record

Sentenced January, 1935, by Federal Judge Roanoke, Virginia, to Federal Penitentiary, Atlanta, Georgia, for 3 years, for forgery of Post Office Money Orders. Received a parole July, 1934.

Guinan claims that the property of 323 North Fulton Avenue, Baltimore, Maryland, is the property of his mother, Lillie Guinan, and that it is an apartment house.

Guinan is being held by the Sheriff of Sullivan County at Kingsport, Tennessee, for the United States Marshal.

REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN

R

Bureau of Investigation
U. S. Department of Justice

Room 1403
370 Lexington Avenue
New York City

GJS:EL
62-5552

September 10, 1935

Director,
Federal Bureau of Investigation,
U. S. Department of Justice,
Pennsylvania Avenue at 9th Street, NW,
Washington, D. C.

Re: ALPHONSE CAPONE, with aliases, et al.
CONSPIRACY TO RECEIVE AND SEND
CONTRABAND OUT OF THE UNITED STATES
PENITENTIARY, ATLANTA, GEORGIA.

Dear Sir:

Reference is made to the letter from this office to the Bureau, dated August 24, 1935, and the reply thereto which was contained in personal and confidential letter from the Director dated August 29, 1935.

In accordance with the instructions contained in the Bureau letter, Special Agent George J. Starr of this office interviewed Major Charles E. Russell regarding the above matter. Major Russell stated that he was not the author of the article which was submitted to Real Detective Stories entitled "The Biography of Al Capone's Life in the Atlanta Penitentiary," supposed to have been written by F. Barrett, Baltimore, Md. The name of Barrett was mentioned, but brought no response or reaction from Major Russell, who apparently was not at all familiar with the name. He could offer no information as to who might write an article of that nature, but expressed the belief that it might be an article more or less concocted by someone having some superficial knowledge of the general situation.

RECORDED & INDEXED

Very truly yours,

SEP 11 1935

R. WHITLEY,
Special Agent in Charge.

cc: Washington Field
Nashville

SEP 13 1935

62-39128-21
TOLSON
AMM
SCHEIDT

FEDERAL BUREAU OF INVESTIGATION

TITLE

REPORT MADE AT
DATE
REPORT MADE BY

REPORT MADE AT
DATE
REPORT MADE BY

SYNOPSIS OF FACTS

R. W. Micham, editor, of the "Atlantic", representing himself as F. Barrett, deposited Capone manuscript with him, which Micham later turned over to Carl Brant, literary agent. He returned the same to Barrett. Micham and three employees failed to identify photographs of [redacted] and Frank Wilson. Correspondence from Barrett to Micham not yet herein.

REFERENCE

Letter from Washington Field Office to New York Office dated August 30, 1935, and letter from Bureau to Washington Field Office, dated June 25, 1935.

DETAILS

The writer interviewed R. W. Micham, Editor, "Real Detective Story Magazine", 444 Madison Avenue, New York City, who stated that a person, representing himself as F. Barrett, of 323 North Fulton Avenue, Baltimore, Maryland, in May, 1935, called upon him at his office and delivered to him a manuscript entitled "Biography of Al Capone's Life in the Atlanta Penitentiary", together with various newspaper clippings, photographs of purported inmates of the United

DO NOT WRITE IN THESE SPACES

APPROVED AND
FORWARDED:

R. White
SPECIAL AGENT
IN CHARGE

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- 3 - Bureau
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- 2 - New York

COPIES DESTROYED

BUREAU OF INVESTIGATION

DEPARTMENT OF JUSTICE

62-39128-22

RECORDED AND INDEXED
SEP 25 1935

CHECKED OFF
OCT 14 1935

JACKETED:

SEP 25 A.M.
FILE

States Penitentiary at Atlanta, scenes of that institution, considerable correspondence, and what were purported to be official records of the penitentiary. The second letter of reference indicated that Mr. Mickam turned all this material over to this office and the same was forwarded to the Department of Justice.

According to Mickam, when Barrett came to his office he, Mickam, was out and the manuscript was left with his secretary, Ruth Silvers, who later turned it over to Mickam. Barrett later came to the office and conferred with Mickam, and both Mickam and Miss Silvers described Barrett as follows:

Name:	<u>F. BARRETT</u>
Age:	About 38 years
Height:	5' 7"
Weight:	Unknown
Hair:	Straight, brown
Eyes:	Unknown
Build:	Slight
Complexion:	Tan
Features:	Boyish, weak-looking face.
Residence:	323 North Fulton Avenue, Baltimore, Md.

Mickam said that he had very little conversation with Barrett and told him to leave the manuscript with him and that he would read the same over and notify him of his decision concerning the same by letter to the Fulton Avenue address in Baltimore, Md. At this time, Barrett said that it was necessary to keep the matter entirely confidential as he was violating his parole from the Atlanta Penitentiary.

Mickam informed that after he received the manuscript back from the Department of Justice, he sent the same to Carl Brandt, Ashland 4-5690, a literary agent, who, after he read the same, informed Mickam that he could not possibly use it and returned it by insured express to F. Barrett, 323 North Fulton Avenue, Baltimore, Md. Brandt advised that he had never seen the man alleged to be Barrett, and had not entered into any correspondence with him. He did say that the manuscript was shipped by insured express on June 26, 1935, collect, and that the same had not been returned to him undelivered. Mickam also stated that he believed Barrett had called him on the long distance telephone on one occasion from Baltimore, concerning the sale of the manuscript.

62-1558

The writer exhibited the photograph of [redacted] believed to be F. Barrett, and the photograph of Frank Quinn to Mr. Nickam, Miss Silverman and two other girls employed by Mr. Nickam. None of these individuals could identify the subject of either photograph as being the individual who presented the manuscript to Mr. Nickam. Mr. Nickam's file disclosed three letters from F. Barrett, which are being set out in full below, the first two of which are typewritten, and the third being written in long-hand:

Baltimore, Md.
April 29, 1935.

Real Detective Story Magazine,
444 Madison Avenue,
New York City.

Attention: Secretary to
Mr. R. W. Mickam, Editor.

Dear Sirs:

Friday noon, April 26th, 1935, I called on Mr. Mickam with a manuscript entitled "Biography of Al Capone's Life in the Atlanta Penitentiary", and being advised Mr. Mickam was out of the city, and you were not expected back before an hour, I took the liberty to place the manuscript and records and photographs, etc. with the young lady with whom I conversed regarding the possibility of the story's acceptance by Real Detective Story Magazine. At that time I informed her it was compulsory I return to Baltimore before the following day, in order that I may make my parole report in person, and for that reason could not remain, since I was depending chiefly on free transportation home.

In order that you may better comprehend the story I give you a brief outline of its origin. While incarcerated in Atlanta I was secretary to the Record Clerk. In such position I had access to all correspondence and records, and was cognizant of every incident that occurred within the walls, not alone concerning Capone, but confidential matters between the prison and the Department of Justice in Washington. Recognizing my position Capone bid for and obtained my services as his prison secretary, even purchasing and giving to me a typewriter to use in the evenings with which to do his correspondence. Naturally, I was aware of every thought and

desire that was not with the
 success, but to be a success.
 disagree with all concerning the
 celve of the time I was a prisoner
 I have been the same.

The story is a story of a man who
 is no fabrication whatsoever. Significant incidents
 of course, have been omitted. The story is given in
 detail his daily life, his aspirations and so on. No
 significant occurrence has been overlooked, since I
 made it my duty to code all incidents and "bits" then
 out to a place where I could obtain them upon my re-
 lease, knowing as I did that John would not consent to
 Al's wishes so far as remuneration was concerned.

Any question you desire answered I shall be
 glad to answer. Of course, I am still on parole and as
 a parolee forbidden to write of the institution, its
 inmates or officials. To wait until my parole expires
 may be too late to be of interest to the public since
 Al is due to go before the Parole Board in September.
 The article by Hearst (Charleston Collier) left with you
 is a paid article and a gross fabrication, which the
 manuscript proves false. The desire to sell this infor-
 mation arises from the fact that employment is out of the
 question. If it is worth anything to you - I shall be
 glad to discuss it either personally or by mail.

Very truly yours,

523 N. Fulton Avenue

J. Barrett

Baltimore, Md.
 May 10, 1935.

Mr. R. W. Mickam,
 Editor, REAL DETECTIVE STORY MAGAZINE,
 444 Madison Avenue,
 New York City.

Dear Mr. Mickam:

I trust you have had an opportunity to read the

manuscript concerning which I telephoned you last
Friday, and then, to examine the records, photos,
graphs and other paraphernalia accompanying it.
I am quite anxious to dispose of this biography,
and taking into consideration the fact that Eugene
is now preparing his application for parole, I do not
think a better opportunity - so far as public interest
is concerned - will arise. It was necessary I
telephone in order that I might make arrangements re-
garding an appointment in New York, which appointment,
of course, is for the discussion of the sale of the
story. I have every confidence in your magazine, and
sincerely believe - and have been definitely informed -
that it would be to the financial advantage of any
publisher to run the story as it is. This, of course,
is entirely up to the purchaser. He may alter or re-
vise it as he sees fit, excepting, of course, falsify-
ing facts. Such revision of facts would naturally tend
to cheapen the authenticity of the biography, and it
now is absolutely and entirely true.

So in conclusion I would suggest you inform me
as early as you conveniently can just what your opinion
is - whether you can or cannot use the material. The
question of its being obtained should be a concern of
mine, and being a parolee and not desirous of inflict-
ing unnecessary punishment on myself, I do not fear the
consequence of its publication since there is no proof
as to how it was conveyed from the institution at
Atlanta.

Please be kind enough to write me the early part
of the week, for which consideration I thank you.

Very truly yours,

323 N. Fulton Avenue,

F. Barrett.

62-5532

Baltimore, Md.
May 1, 1936

Dear Mr. Mickam:

Having heard nothing from you since my long distance call several weeks ago, and wishing to avoid unnecessary delay in disposing of my manuscript left with you (Biography of Al Capone's Life in the Atlanta Penitentiary) I would greatly appreciate an expression from you before June 1st, 1936. I make this request because I have two prospective purchasers, and they have my word that I will have the manuscript and records in their hands about June 1st, unless I fail to sell it to either.

Any remarks will be timely, and since the manuscript and records have been in your possession more than a month, I feel you must have reached a conclusion concerning your desire in the matter.

Please write what I may know by the date mentioned just what course I must take in the event you do not find the article suitable for your publication.

Very truly,

F. Barrett

323 N. Fulton Ave.

Mr. Mickam was reluctant to part with these letters, but it is believed that he will furnish the originals to this office to be photostated if the Bureau requests the same.

UNDEVELOPED LEAD: WASHINGTON FIELD OFFICE.

At Baltimore, Md., will contact the express agency to ascertain the facts of the receipt by F. Barrett, 323 North Fulton Avenue, of the manuscript which was forwarded to him via

62-2500

insured address, collect, on or about June 1, 1935, from
Brandt, the literary agent, New York City, N. Y., to locate Barrett.

At Baltimore, Md., will contact the Federal Bureau
of Prisons for all information relative to Barrett, or [redacted]
[redacted] and his present whereabouts. Inasmuch as the letter
dated April 29, 1935 set out above, states that F. Barrett was then
on parole.

-REFERRED UPON COMPLETION TO OFFICE OF ORIGIN-

Bureau of Investigation
U. S. Department of Justice
Room 1403
370 Lexington Avenue
New York City

GJS:EL
62-5556 OCT 4 1935

September 10, 1935

~~PERSONAL AND CONFIDENTIAL~~

RECORDED

Director,
Federal Bureau of Investigation,
U. S. Department of Justice,
Pennsylvania Avenue at 9th Street, NW
Washington, D. C.

62-39128-23
FEDERAL BUREAU OF INVESTIGATION

OCT 3 1935 A.M.

U. S. DEPARTMENT OF JUSTICE

Re: Article Entitled "The ~~Box~~ Men",
Detective Fiction Weekly. FIL

Dear Sir:

Reference is made to letter from this office dated August 3, 1935, and Bureau reply thereto contained in personal and confidential letter from the Director dated August 29, 1935. Major Charles E. Russell was interviewed by Special Agent George J. Starr of this office, and furnished to Agent Starr information to the effect that the present headquarters of the so-called "Capone Syndicate", controlling racketeering in the Middle West and East, is located in Brooklyn, N. Y., near the Brooklyn Navy Yard.

He made a rough diagram showing the Lane Democratic Club on York Street, and stated that this is a hangout for some of the minor members of the organization; that two of the so-called "big shots" live on York Street; one of them, known to him as "Mike", lives on the same side of the street as the Lane Democratic Club is located and a block or so south, while another one, known to him as "Charlie", lives on the opposite side of the street some distance north of the location of the Lane Democratic Club. The Lane Democratic Club is located at about the middle of the block, and according to Major Russell, the actual headquarters of the Syndicate is located in the premises occupied by an ice cream parlor on either one of the two streets between which the Lane Democratic Club is located and at the corner of the street east of Sands Street and parallel thereto. He stated that this location would be identified by the fact that diagonally across the street, in the middle of the block, would be found an Italian restaurant run by an individual who is supposed to be a Count. Major Russell also stated that a favorite hangout for these people is in a grill or cafe, the name of which is the "Seashell" or some similar name.

Mr. Nathan	
Mr. Tolson	
Mr. Baughman	
Chief Clerk	
Mr. Clegg	
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Mr. Tamm	
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Miss Gandy	

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9 8 OCT -6 1964

60 030

Director
62-5556
9-10-35

Special Agents Starr and Bryan Farrell of this office drove through the territory included in Major Russell's description for the purpose of checking whether or not there is any indication of the accuracy of the addresses furnished. The agents found that the Lane Democratic Club is located at 200 York Street, telephone, Cumberland 6-9576, and it is situated between Gold and Charles Streets. The agents then drove along Gold Street, and at the corner of Gold and Nassau Streets found the Nassau Ice Cream Parlor. Nassau Street continues on into the Bridge Plaza, and located next to the ice cream parlor are some very well-built garages. Both of these facts corroborate what was mentioned by Major Russell in endeavoring to designate the exact location to Agent Starr. The Italian restaurant, however, which was supposed to be located diagonally across the street, was not observed by the agents. Following the street around the Navy Yard wall, agents found that the Sea Grill was located in approximately the location described by Major Russell, at the corner of North Elliott Street and Flushing Avenue.

As to the operations of these people, Major Russell stated that as far as he knows, these men do not themselves participate in any activities such as handling "hot" bonds or jewelry or operating any vice or gambling establishments. They do, however, completely control the so-called "protection" racket. They have divided the entire Middle West and East into districts, and the City of New York is also divided into districts, and the people operating in the various criminal activities in these districts do so with the permission of the Syndicate and in accordance with the dictates of the Syndicate. Disputes between various operators of illegal activities in the districts, or disputes between contiguous districts are settled by this Syndicate, and practically daily meetings are held by the heads of the Syndicate in the premises in which the above-mentioned ice cream parlor is located. It is impossible to operate any of the profitable rackets without the sanction of this Syndicate, and the revenue of the Syndicate is derived from the cut which it takes on all revenue from such activities.

Major Russell states that the members of the Syndicate have no trouble getting things which they want. For example, he mentioned in confidence that when he expressed a desire to obtain a nice fox neck piece for his daughter, he obtained one through one of the members of this Syndicate for an amount far below its actual value. More recently, he states, he was approached by a certain Sheriff of New Jersey, whose name he did not disclose, but

Director
62-5556
9-10-35

who is about sixty-five years of age and is shortly to be married, who desired to obtain a diamond bracelet for his intended bride, stating that he would like to get something worth about \$10,000 and would pay therefor about \$2,500. Major Russell states that he spoke to one of the members of the Syndicate, possibly either Mike or Charlie, and was told that the word would be sent out that such an article was wanted, and that as soon as it was available, it would be delivered to Major Russell. The latter states, however, that he informed them that he had no desire to handle the article and that when the article was obtained, if they notified him, he would bring their representative to the prospective purchaser or vice versa.

Agent inquired further of Major Russell whether or not he had any information to indicate that this Syndicate actually handled any "hot" bonds or securities at the premises where they have their headquarters, and he stated that they did not. Continuing along this line of conversation, however, he stated that somewhere on [REDACTED] in New York City is located a detective agency operated by a man named [REDACTED], who claims to have some very good contacts and supposedly does some work for the Standard Oil and Vacuum Oil Companies. One of his employees or associates is a man named [REDACTED], commonly known as [REDACTED]. This [REDACTED], according to Major Russell, has approached him on three different occasions regarding the possibility of disposing of some "hot" bonds or securities. However, Major Russell states he never went into any details of the matter, has absolutely no knowledge of the nature of the securities of which this man was trying to dispose, and does not know whether all three conversations pertained to the same lot of securities or whether these were three different transactions. b7c

With reference to the financial activities of the Syndicate, Major Russell stated that the Syndicate is at the present time financing the construction of a large, glass-enclosed club or cafe, which is to be located on the bottom of the ocean somewhere near Miami, Fla., where the guests will be surrounded by marine life visible through the glass walls while they partake of refreshment, amusement and entertainment inside the glass-enclosed night club.

Agent Starr noted two discrepancies in the information furnished by Major Russell. He stated that there were

Director
62-5556
9-10-35

unlisted telephones in the premises occupied by the ice cream parlor, which premises served as headquarters for the Syndicate. This is not substantiated by the Brooklyn Address Telephone Directory.

During the previous interview, Major Russell stated to Agent Starr that after he had written the life of Capone, upon the latter's instructions, for the purpose of clearing up in the minds of the underworld and Capone's friends and enemies the reason for the scar on Capone's face, Capone sent to him by one of his henchmen an envelope which presumably, according to Major Russell, contained money to compensate him for having written the article. He stated, however, that he declined to accept this envelope, as he had been adequately compensated when he sold the story to the press. During the course of the more recent interview, passing reference was made to this incident, and on this occasion Major Russell stated that the envelope contained, as he termed it, "ten grand", meaning, of course, \$10,000. In connection with the above discrepancy, Agent Starr states that during the previous interview, it was made very clear by Major Russell that he had not seen the contents of the letter; therefore, could only presume that it contained money.

Major Russell promised to get in touch with Agent Starr at a future date in the event that he picked up any further information. The agent states that Major Russell appeared to be slightly disappointed that he had not been invited to Washington to be interviewed there or possibly here by the Director, although he stated to the agent that he was quite willing to discuss these matters with the agent, for the reason that he has known the agent for a number of years.

It is Major Russell's opinion that it will take a very clever agent to work in with these people, but that possibly it could be done by someone who looked the part and who could hang around the Sea Grill. He also suggested the possibility of taps on the telephones located in the premises where the ice cream parlor is.

No further investigation is being undertaken with reference to the activities of the Syndicate described by Major Russell, pending receipt of instructions from the Bureau.

A copy of this letter is being forwarded to the Washington Field Office for the attention of Special Agent in Charge J. M. Keith, marked Personal and Confidential.

Very truly yours,

R. Whitley
R. WHITLEY,

Special Agent in Charge.

cc: Washington Field

Room 1403,
370 Lexington Avenue,
New York, N. Y.

October 14, 1935

WJH
FIV:CM
62-28933

Special Agent in Charge,
Washington, D. C.

RE: ⁰ALPHONSE CAPONE, et al.
CONSPIRACY TO RECEIVE AND SEND
CONTRABAND OUT OF THE UNITED
STATES PENITENTIARY, ATLANTA, GA.

Dear Sir:

Reference is made to the report of Special Agent
F. E. Wright dated at New York City, September 23, 1935, in
the above entitled matter, relative to the correspondence re-
ceived from F. Barrett by R. W. Mickam, Editor, "Real Detective
Story Magazine", 444 Madison Avenue, New York City.

There are forwarded herewith photostatic copies of
the three original pieces of correspondence received by Mr.
Mickam from F. Barrett, copies of which are being retained in
the New York file of this case.

Very truly yours,

R. WHITLEY
Special Agent in Charge

cc-Bureau

3 Enclosures

39728

62-28933-	
FEDERAL BUREAU OF INVESTIGATION	
OCT 15 1935 A.M.	
U. S. DEPARTMENT OF JUSTICE	
TWO	FILE

XXXXXX
XXXXXX
XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET

_____ Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☐ Deleted under exemption(s) _____ with no segregable material available for release to you.
- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
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