

RECORDED

23-2130-257

b7c

U. S. DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
WASHINGTON, D. C.

DECLASSIFIED ON 5-29-85  
BY SP-4 FSW

[The main body of the document contains several paragraphs of text that are almost entirely illegible due to extreme noise and grain in the scan. There are several large black redaction marks covering portions of the text.]

COMMUNICATIONS SECTION  
MAY 1985  
FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE

[Redacted area]

b7c

Mr. Eastman

- 2 -

11/24/51

With reference to the Bureau's report to the State that there was a  
copy of the report, rather than the State has no record of the reference  
of this case in the past, and that certain investigations have been  
conducted.

Very truly yours,

J. Edgar Hoover

John Edgar Hoover,  
Director.

XXXXXX  
XXXXXX  
XXXXXX

FEDERAL BUREAU OF INVESTIGATION  
FOIPA DELETED PAGE INFORMATION SHEET

2 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) b7c, b7d 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.
- Document(s) originating with the following government agency(ies) \_\_\_\_\_, was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies); \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

\_\_\_\_\_ Page(s) withheld for the following reason(s):  
\_\_\_\_\_  
\_\_\_\_\_

For your information: \_\_\_\_\_  
\_\_\_\_\_

The following number is to be used for reference regarding these pages:  
23-2130 serial NR

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX

SECRET

November 21, 1933.

RECORDED

INDEXED - 255

Special Agent in Charge,  
New York, New York.

The <sup>0</sup> ~~SECRET~~ ~~RECORDED~~ ~~INDEXED~~

Dear Sir:

For your information, copies of the following  
photostat copies of a confidential communication received at the  
Bureau, as of 11:30 p.m. 11/17/33, are being furnished to you  
under the terms of the communication as received. The letter was  
protected by a special agent, New York, 11/17/33.

Very truly yours,  
  
John Edgar Hoover,  
Director.

COMMUNICATIONS SECTION  
MAILED  
NOV 21 1933  
P. M.  
U. S. DEPARTMENT OF JUSTICE

SECRET

Federal Bureau of Investigation

U. S. Department of Justice

Washington, D. C.

November 19, 1935.

Mr. Nathan	.....
Mr. Tolson	.....
Mr. Clegg	.....
Mr. Glavin	.....
Mr. Ladd	.....
Mr. Nichols	.....
Mr. Rosen	.....
Mr. Tracy	.....
Mr. Carson	.....
Mr. Egan	.....
Mr. Foxworth	.....
Mr. Hendon	.....
Mr. Joseph	.....
Mr. Keith	.....
Mr. Lester	.....
Mr. Quinn	.....
Mr. Schuler	.....
Mr. Tamm	.....
Mr. Egan	.....
Miss Gandy	.....

Time - 6:30 P.M.

MEMORANDUM FOR THE DIRECTOR

Re: "Dutch" Schultz Matter.

8  
12  
24

An individual who said that his name [redacted] telephoned [redacted] Bradford, Pennsylvania, and said that he had some very good information relative to the identity of the party or parties who shot Dutch Schultz in Newark, New Jersey. [redacted] said that his information cannot be imparted over the telephone, but if an Agent of the Bureau could meet him at the White Front, presumably a cafe or pool hall, in [redacted] Pennsylvania, tomorrow morning, he would be glad to give us the information. He said that the Agent should go into the White Front and ask [redacted] would tell the Agent [redacted] was, and that he [redacted] would be the [redacted] mentioned. I told [redacted] that we would have an Agent contact him in the morning.

Time - 6:45 P.M.

I telephoned the night clerk at the Pittsburgh Office, gave him the above information, and instructed him to get in touch with Mr. DiLillo, who is Acting in Charge of the Office, so that Mr. DiLillo might have an Agent interview [redacted] in the morning.

Respectfully,

E. A. TAMM.

RECORDED  
&  
INDEXED

23-2130-257

FEDERAL BUREAU OF INVESTIGATION

NOV 23 1935 A.M.

U. S. DEPARTMENT OF JUSTICE

TAMM      ONE      FILE

NOV 23 1935

Federal Bureau of Investigation

U. S. Department of Justice

[Faded typed text]

[Faded typed text]

[Redacted block of text]

b7c

[Faded typed text]

Very truly yours,

*A. L. Listerman*

Special Agent in Charge.

[Redacted block]

b7c

RECORDED & INDEXED 23-2130-259

1935

[Redacted block]

[Redacted]

b7c

[Redacted]

John Edgar Hoover  
Director

23-2130-258

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Hendon
Mr. Pennington
Mr. Quinn
Mr. Nease
Miss Gandy

b7c

November 21, 1953

Mr. Tom Miller,  
Special Agent in Charge,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
170 Main Street, New York 10038

DECLASSIFIED ON 5-29-85  
BY SP-4 EFW

Dear Sir:

Enclosed for the Bureau are two copies of a letterhead memorandum (LHM) dated and captioned as above. This LHM was prepared by the New York Office on 11/18/53 and is being furnished to you for your information. The LHM contains information regarding the activities of the Communist Party in New York City and the activities of the Communist Party in the State of New York. The LHM also contains information regarding the activities of the Communist Party in the District of Columbia. The LHM is being furnished to you for your information and for the information of the Bureau.

b7c

In the enclosed copy of the LHM, the New York Office has advised that it has received information regarding the activities of the Communist Party in New York City and the activities of the Communist Party in the State of New York. The LHM also contains information regarding the activities of the Communist Party in the District of Columbia. The LHM is being furnished to you for your information and for the information of the Bureau.

22-2136-257

COMMUNICATIONS SECTION  
MAILED  
NOV 22 1953  
U. S. DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

[Redacted]

b7c



XXXXXX  
XXXXXX  
XXXXXX

### FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

3 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) b7c, b7D 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.
- Document(s) originating with the following government agency(ies) \_\_\_\_\_, was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies); \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

\_\_\_\_\_ Page(s) withheld for the following reason(s):  
\_\_\_\_\_  
\_\_\_\_\_

For your information: \_\_\_\_\_  
\_\_\_\_\_

The following number is to be used for reference regarding these pages:  
23-2130 Serial 259 enclosure

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX

# Federal Bureau of Investigation

U. S. Department of Justice  
P. O. Box #1505  
Pittsburgh, Pa.

November 26, 1935.

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

Dear Sir:

Reference is had to telephonic conversation had by Mr. E. A. Tamm of the Bureau November 19, 1935 with the Pittsburgh Office, conveying the information that [redacted] Pennsylvania, could disclose the identity of the murderer of DUTCH SCHULTZ if [redacted] would be interviewed under the name [redacted] at the White Frost Restaurant, Paxonstowney, Pennsylvania on the morning of November 20, 1935.

Special Agents [redacted]

Agents [redacted] during the morning of November 20, 1935. [redacted] in his telephonic conversation with the Bureau, [redacted]

RECORDED  
&  
INDEXED

103-2130-260

[redacted]

12/1/35

b7c

b7c

b7D

b7c

XXXXXX  
XXXXXX  
XXXXXX

FEDERAL BUREAU OF INVESTIGATION  
FOIPA DELETED PAGE INFORMATION SHEET

2 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) b7c, b7D 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.
- Document(s) originating with the following government agency(ies) \_\_\_\_\_, was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies); \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

\_\_\_\_\_ Page(s) withheld for the following reason(s):  
\_\_\_\_\_  
\_\_\_\_\_

For your information: \_\_\_\_\_  
\_\_\_\_\_

The following number is to be used for reference regarding these pages:  
23-2130-Serial 260 Pgs. 2 & 3

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX

RECORDED

23-2130-2577

b7c

U. S. DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
WASHINGTON, D. C. 20535

DECLASSIFIED ON 5-29-85  
BY SP-4 EFW

Date: 5/29/85

[Redacted]

[Redacted]

[Redacted]

NOV 1985

U. S. DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
WASHINGTON, D. C. 20535

[Redacted]

Federal Bureau of Investigation

U. S. Department of Justice

317 Broad Street National Bank Building  
Trenton New Jersey

November 6, 1935.

~~CONFIDENTIAL~~  
X

*[Handwritten signature]*

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

Dear Sir:-

There is transmitted herewith a memorandum prepared  
by Special Agent [redacted] with attached exhibits. It will be  
noted that the memorandum refers to a confidential source from which  
these exhibits and information were obtained.

b7c

[Large redacted block]

b7c

b7D

[Large redacted block]

the assassination of DUTCH SCHULTZ and his  
three henchmen. It has since been determined that Special Agent  
Charge R. Whitley, New York City, [redacted]

RECORDED 63-2150-261

DEC 4 1935

DECLASSIFIED ON 5/29/85  
BY SP4 ELW/khh

[Redacted stamp]

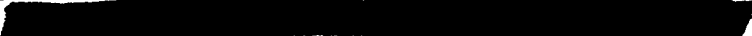
b7c

*See serial 251*

Director.

11-6-38

b7c  
b7D

 contrary to the newspaper comments the Federal Bureau of Investigation, U. S. Department of Justice was in no way interested in the SCHULTZ killing. However, the Bureau was at all times interested in attending any cooperation and assistance possible to him and to obtain, if possible, the fruits of any investigation conducted by him which might appear of value to the Bureau or furnish constructive information for future reference.

Director.

11-6-35.

[REDACTED]

of Special Agent in Charge R. Whitley, however, since that time, it has been unnecessary to do this for reasons to be hereinafter set forth.

b7c  
b7D

[REDACTED]

It was Agent [REDACTED] assumption that as a matter of policy, the Bureau would be hesitant to request in an official manner, information from the Dewey Investigative Commission, presently conducting a general survey of racketeering conditions in the State of New York, which fact, as a result of subsequent interview with Special Agent in Charge R. Whitley, has been confirmed.

b7c

[REDACTED]

b7c  
b7D

[REDACTED] that the Bureau, as he well knew, was in no way interested in the [REDACTED] killing of [REDACTED]

activities, and that the purpose of this telephone call was merely to extend the courtesy [redacted] arrange his entrance upon arrival at the District Attorney's Office in New York City, and for a like investigation and examination of [redacted]

[redacted]

b7c  
b7D

So called shooting and his known activities, at which time [redacted] will make the necessary arrangements to effect his own purpose and ultimately that of the Bureau, in obtaining any information that will appear of value concerning racketeering generally in the New York area, and possible Jersey connection.

In the event any of this information is subsequently received, it will be immediately transmitted to the Bureau.

Subsequent to the initial call on the part [redacted] and what appeared to be the first opportunity for his doing so, he [redacted]

b7c  
b7D

[redacted]

Agent [redacted] immediately communicated with me [redacted] and I in turn telephonically communicated with Special Agent in Charge R. Whitley of the New York Office, advising [redacted]

[redacted]

b7c  
b7D



Director.

11-5.

[REDACTED]

b7c  
b7D

[REDACTED]

b7c  
b7D

which might be of interest to the Bureau, as well as to the investigation surrounding the shooting of SCHULZ and his associates. These agents were instructed to afford every assistance possible [REDACTED] but to participate in no manner whatsoever with the interrogation as far as the questioning [REDACTED] possible participation in the SCHULZ matter was concerned, however, to question him privately if they cared to do so if at any time disclosures were made which would indicate his knowledge of matters presently pending in this district, or matters directly interesting to the Bureau, and further, to insist upon their presence and identity being kept confidential.

b7c

[REDACTED]

b7c  
b7D

For the interest of the Bureau, attention is called to [REDACTED]

XXXXXX  
XXXXXX  
XXXXXX

FEDERAL BUREAU OF INVESTIGATION  
FOIPA DELETED PAGE INFORMATION SHEET

3

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) b7c, b7d 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.
- Document(s) originating with the following government agency(ies) \_\_\_\_\_, was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies); \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

\_\_\_\_\_ Page(s) withheld for the following reason(s):  
\_\_\_\_\_  
\_\_\_\_\_

For your information: \_\_\_\_\_  
\_\_\_\_\_

The following number is to be used for reference regarding these pages:  
23-2130 Serial 261 pgs. 6, 7+8

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX

Director.

11-6-35.

[REDACTED]

b7c

From the information that could be obtained in a discreet and tactful manner, it appears that the New York Police Department are content to let the Newark authorities handle the problem that is confronting them and solve the matter in the best manner possible, knowing that in the absence of any proof to the contrary, the Newark crime will remain a purely local difficulty, whereas the Newark authorities are equally interested in showing and proving, if possible, that it was merely an unfortunate circumstance that JOHN SCHULTZ and his henchmen were killed in their city and that the responsibility for the killing is traceable to racketeers in New York City, who apparently were desirous of "muscling" in on SCHULTZ'S enormous means of revenue in and around Manhattan.

[REDACTED]

for the belief that SCHULTZ was killed by Newark gangsters or gangsters brought into Newark by racketeers of that city, rather than New York individuals.

b7c

b7c

[REDACTED]

[Handwritten scribble]

[REDACTED]

XXXXXX  
XXXXXX  
XXXXXX

### FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

2 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) b7c, b7d 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.
- Document(s) originating with the following government agency(ies) \_\_\_\_\_, was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies); \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

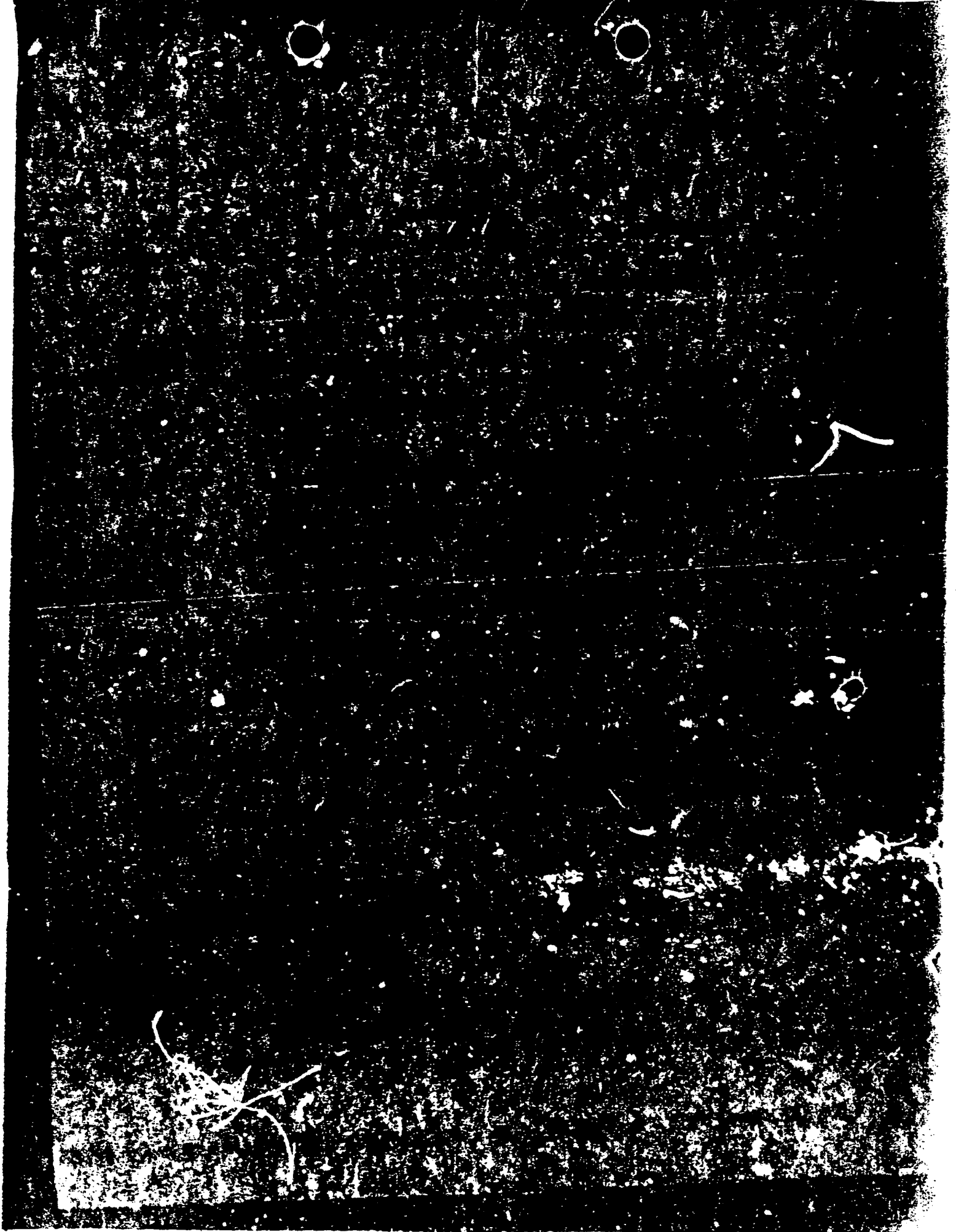
\_\_\_\_\_ Page(s) withheld for the following reason(s):  
\_\_\_\_\_  
\_\_\_\_\_

For your information: \_\_\_\_\_  
\_\_\_\_\_

The following number is to be used for reference regarding these pages:  
23 - 2130 Serial 251 pgs 10 & 11

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX



*To Hoover*

Some of these smart newspaper men  
laugh. Now everybody is guessing that  
Shultz's own gun killed him.

Do you know that the D.J. men always  
are guilty. Did it ever occur to you that  
the S. couldn't convict this so-called  
man on any charge? He has been called  
nothing by the Government, yet not a thing  
has been said except the very sound about way  
of catching him. That always seemed an unfair  
way of fighting. He escaped their grasp  
on the same charge, and it looked as if he  
would go free a third time so that would  
be easier than to pop him off. You say  
can't being done? They have an excellent  
of their own.

Twenty years ago a sub-treasurer in  
Chicago looked like a D.J. Only one D.J.  
had evidence. He received a 10 year salary  
from the crooked politician. Disappeared.  
Five years later his body was found in the  
Bay of Naples with a dagger between the  
shoulder blades. The department executive  
had done the trick. Story easily identified.  
Never printed at any time.

So I say Shultz was wiped out by a  
D.J. man and you can prove it.

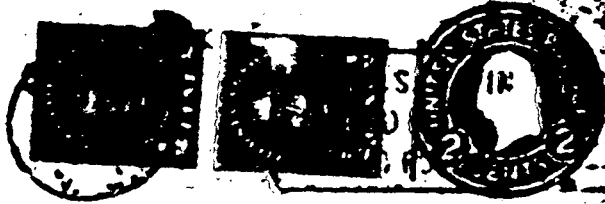
DEC - 9 1935

RECORDED  
INDEXED

*Letter to Mr. Y  
11/26/35 b7c*

79-2130-247

NOV 11 1935 A.M.
U.S. DEPARTMENT OF JUSTICE
FILE



Post Office,  
National Bank,  
1000

672



To Daily Mirror  
N.Y. City

*[Handwritten scribble]*

# Federal Bureau of Investigation

U. S. Department of Justice  
Room 1103  
370 Lexington Avenue  
New York, N. Y.

November 1, 1935.

~~PERSONAL AND CONFIDENTIAL~~

Mr. Tolson	
Mr. E. A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Hendon	
Mr. Jones	
Mr. Quinn	
Mr. Nease	
Miss Gandy	

Mr. J. Edgar Hoover,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
Pennsylvania Avenue at 9th St., N. W.,  
Washington, D. C.

Dear Mr. Hoover:

Reference is made to our telephone conversation relative to developments in connection with the numerous recent gang shootings in New York City which might involve developments of interest to the Bureau, in connection with cases under investigation or which might possibly develop into Federal violations.

The following is a brief resume of the principal gang killings which have occurred in New York during the past thirty days. There have been several other recent killings involving minor gangsters whose exact affiliations and connections are unknown and it has been impossible to determine just what part, if any, they played in the gang war or whether their killings were actually connected with the activities of the larger gangs.

On September 30, 1935, JOSEPH AMBERG and his chauffeur and associate, MORRIS KESSLER, were shot to death in a garage at 385 Elake Avenue, Brooklyn, by three unidentified men disguised as mechanics.

Joseph Amberg was a brother of the notorious Amberg family.

It is thought that the Ambergs have been here or 1933 independent operators who have, for some time, been trying to expand their activities and become affiliated either with the Dutch Schultz gang or with the other principal racketeering organization in New York, known as the "BIG 6", which includes such racketeers

251

DECLASSIFIED ON 5/29/85  
BY SP4 EJM/lav

RECORDED

23-2130-262

NOV 1 1935 [redacted] b7c



Mr. J. Edgar Hoover  
Washington, D. C.

November 2, 1935.

and gangsters a [REDACTED]

On October 12, 1935, the body of FRANK (LITTLE FRANKIE) FEITELBAUM was found in a trunk at Roosevelt and South Streets, New York City. He had been hacked to death, apparently with an axe. b7c

Feitelbaum is alleged to have been associated with the Dutch Schultz [REDACTED] b7c

On October 23, 1935, the body of LOUIS (PRETTY) AMBERG was found in a burning automobile at 133 North Elliott Place, Brooklyn. He had been hacked to death and the body left in the automobile.

Pretty Amberg, another one of the notorious Amberg brothers referred to above, had for several months prior to his death been living in the Lincoln Hotel in New York City, under the name of Louis Cohen.

On the night of October 23, 1935, ARTHUR FLEISCHER, known as DUTCH SCHULTZ, and three of his henchmen and bodyguards, LEO FRANK, BERNARD ROSENKRANTZ and OTTO BERNHEIM, were shot to death in a restaurant in Newark, New Jersey. About an hour later, the same night, another prominent Dutch Schultz gangster, MARTY KROMPIER, and an associate of his, SAM GOLD, were shot in a barber shop at 47th Street and Seventh Avenue, New York City. It is thought that Gold will recover; Krompier's recovery is doubtful.

It is alleged that the two gunmen participated in the killing of Schultz and his associates in Newark. However, the actual names of the gunman has not been definitely established since there were no eyewitnesses to the shooting. It is reported that one gunman was responsible for the shooting of Krompier and Gold. It appears that the wounding of Gold was probably accidental since he is not known to be an active gangster although he associates with them. Schultz's three associates in the Newark chop house were killed by bullets from .38 calibre revolvers. Schultz was killed by one bullet from a .45 calibre revolver. At the time the killers started shooting at the three gangsters seated at the table where

Mr. J. Edgar Hoover,  
Washington, D. C.

November 1, 1936.

Schultz had been sitting, Schultz was in the lavatory directly behind them. As he emerged from the lavatory during the shooting, he was struck by the .45 calibre bullet which caused his death. Krompfer and Gold likewise were shot with .38 calibre revolvers. The activities of Schultz and his gang are too well known to call for any description.

Apparently, the New York and the Newark, New Jersey Police have nothing definite at all insofar as the identities of the killers in the various shootings are concerned. Likewise, it appears that although there are numerous theories for the motive for the killings, nothing definite in this connection is known. The most logical theory which has been advanced and which is, in reality, a composite of various theories, explained to me by officials and newspaper reporters, is that the so-called "BIG 6" gang, which is identified above, was apprehensive that Schultz would be removed to New York City to stand trial in the Southern District of New York on the indictments for income tax evasion still pending against him and that his actual return to New York would greatly strengthen the position of his gang and its activities.

It should be borne in mind that, for the past two years, Schultz had been absent from New York City. During part of this time he was a fugitive, being sought in connection with income tax violations, and since the first of this year he had been out on bond or standing trial on the income tax indictments. He recently was acquitted in Federal Court at Malone, New York, on one income tax charge. He had, since he had been out on bond, kept out of New York City, in an effort to avoid trial in New York City on other income tax charges. During this two years' absence from New York, his various rackets had been carried on by his associates; but during the same period, rival gangsters, affiliated with the so-called "Big 6" organization, have taken advantage of his absence and lack of personal direction, and have grown rapidly in their racketeering activities. At the time of his death, Schultz was involved in removal proceedings in the Federal Court at Newark, New Jersey, and it appeared certain that he would be ordered to be removed to New York City to stand trial on the charges pending against him here.

The theory is that the rival gangsters of the "Big 6" organization, including Costello and Luciano, were fearful

W. J. Edgar Hoover,  
Washington, D. C.

November 1, 1936.

that when Schultz actually returned to New York and took over the management of his gang, their own racketeering activities would be endangered. They likewise were fearful that he would again be acquitted in the trial for income tax evasion in the Southern District of New York and that this would do greatly to his local prestige and strengthen his position. It is believed that these possibilities caused the "Big 6" racketeers to take the action which precipitated the killings.

The theory is that they first, in order to test Schultz's actual strength, designated the Ambergs to approach certain known members of the Schultz gang for the purpose of finding out whether they would desert their leader, with proper inducements, or whether they could be depended upon to stick with him. It is reported that as a result of these approaches by the Ambergs to certain members of the Schultz mob it was learned that these members were entirely loyal to Schultz; that Schultz, learning of the efforts of the Amberg and their associates to cause some of his men to desert him, had Joseph Amberg and Morris Kessler killed.

It is reported that [redacted] three who actually carried out this killing on Schultz's orders. It also appears that Louis (Pretty) Amberg shortly afterwards, by way of retaliation against Schultz for the death of his brother Joseph, engineered the death of Frankie Feitelbaum. Immediately thereafter, Pretty Amberg was himself killed, supposedly by Schultz mob. b7c

The theory advanced is that the "Big 6" organization, realizing that they had precipitated open warfare with Schultz and his mob as a result of their efforts to test out the strength of the Schultz mob, decided that the only way to settle the matter was to cause the immediate death of Schultz and his principal lieutenants, and it is believed that this is the series of events leading up to the various killings and the motives which prompted them.

It further appears likely that the three men who killed Schultz and his henchmen on the night of October 23 were imported from out of town for this purpose. It is alleged [redacted] representing the "Big 6" mob, played a prominent part in planning and seeing that the killings were carried out. b7c

One theory advanced, which sounds entirely plausible, [redacted] several months ago, as a favor to certain Kansas City, Missouri, gangsters, had MICHAEL JAMES LACAPPA killed, and that the gunman who was brought to New York to dispose of Schultz b7c

Mr. J. Edgar Hoover,  
Washington, D. C.

November 1, 1935.

and his mob were furnished by the Kansas City underworld, partially, at least, to repay [redacted] for having taken care of LaCapra for them. One newspaper reporter has informed me that he has heard definitely that three gunmen arrived in New York City a few days before the Schultz killing; that they were entertained and accompanied by a party known [redacted] that they were also seen in company with one [redacted] man; that the three strangers stated they were from Chicago, but that one of them was heard, on one occasion, when he had had too much to drink, to make the statement, "Dear old K.C., I wish I was back there tonight."

Another theory advanced as to the motive for the execution of Schultz and his gangsters is that OTTO BERMAN, who was killed with Schultz in the Newark restaurant, had recently, while operating in Cincinnati, double-crossed certain members of the Detroit PURPLE GANG; that he left Cincinnati hurriedly in order to escape violence from the Purple Gang; that they followed him to New York and killed him, together with Schultz and the other members of the Schultz mob. This is merely another theory advanced and does not appear to be as logical as the theory described above, since there is no reasonable explanation as to why the Purple Gang members, if they wanted to kill Berman, should at the same time kill Schultz and his other associates in Newark and then come immediately to New York City and shoot another prominent member of the Schultz gang.

With reference to the so-called "BIG 5", or Broadway mob, generally, of which organization [redacted] information has been received from various sources that there is a [redacted] in reality, is the dominating influence in this mob and that he has always kept in the background, but that any important problems to be settled or policies to be decided upon have to receive the final approval [redacted]

It might be stated that information from various sources indicates that [redacted] to be the possessor of political influence and he apparently is the political father of the mob. [redacted]

Mr. J. Edgar Hoover,  
Washington, D. C.

November 1, 1935.

[REDACTED]

b7c  
b7D

[REDACTED]

At the time SCHULTZ'S body was found in the Newark restaurant, certain ledger sheets and records were taken from him by the Newark police. Others were found in his room in the Robert Treat Hotel. On October 31, 1935, I conferred with Chief of Police [REDACTED]

b7c

[REDACTED]

These officials appeared to be frank and entirely cooperative, and they stated that all of the papers which they had taken from SCHULTZ and from his room had been turned over to the Intelligence Unit of the Internal Revenue Bureau immediately following the shooting; that agents of the Intelligence Unit had made photostatic copies of all of the records and papers and that the originals are now in possession of the County Prosecutor of Essex County, New Jersey.

I discussed the Newark killings at length with Chief [REDACTED]. It is obvious that they have no definite information whatever as to the identities of the killers or the motive for the killing. As a matter of fact, it appears that their entire knowledge of the background and activities of the various gangsters, which might have led to the killings, is very limited and they are merely groping in the dark with little prospect of ever accomplishing anything insofar as their alleged investigation is concerned.

b7c

Incidentally, the newspapers in Newark are very bitterly criticizing the police, particularly [REDACTED]

b7c

[REDACTED] for not having taken precautions to prevent the killings and for not being able to make any progress in the investigation into the murders, and a County Grand Jury in Essex County is now inquiring into the entire matter, particularly with reference to a special Deputy Sheriff's badge and identification card which were found on ROSENKRANTZ, one of SCHULTZ'S men, after he was killed in the Newark restaurant.

During my conversation with [REDACTED] yesterday at Newark, he showed me a list of telephone calls which were made by SCHULTZ from his room at the Robert Treat Hotel in Newark during his stay there, while awaiting the decision of the Federal Court as to his removal to New York City. Most of these

b7c

Mr. J. Edgar Hoover,  
Washington, D. C.

November 1, 1935.

calls appear to have no particular significance and were made to various New York attorneys, hotels, and bonding companies. It was noted, however, that one of the long distance calls by SCHULTZ from the Robert Treat Hotel was [REDACTED] b7c

[REDACTED] This might be significant in view of the numerous rumors and allegations which had existed for a long period of time to the effect that SCHULTZ had strong political connections and ample protection for his activities.

[REDACTED] b7c  
b7D

With reference to the report that the New York City Police, who have been working with the Newark, New Jersey Police on the investigation of the Newark killings, had not received the proper cooperation in Newark and had been ordered to leave there, neither Chief [REDACTED] any time during my conversations with them, said anything to indicate that this report might be true. They had every opportunity to express themselves, and it would seem from their general attitude that they have been working with the New York police. I do not believe that they are the types who would order the New York police out of their city, especially in view of the fact that they are presently being subjected to severe newspaper attacks. They impressed me as being glad to have anybody assisting them in order that some of the responsibility for the investigation and the lack of results being attained might be divided. b7c

With reference to the papers and records alleged to have been found in the hotel room of LOUIS (PETTI), AMBERG following his death, information was received that all of these papers were in the possession of [REDACTED] the New York Police Department. Accordingly, Special Agent [REDACTED] of the New York office, [REDACTED] b7c

[REDACTED] contacted him October 31, 1935, with reference to these papers. [REDACTED] records found in LOUIS AMBERG'S room and presently in the possession of [REDACTED] in charge of the Detective Division of the New York Police Department, and would have to be obtained through him. During the conversation, [REDACTED] that he felt that the Bureau

Mr. J. Edgar Hoover,  
Washington, D. C.

November 1, 1935.

should be furnished with this information; that he, personally, is not on speaking terms with [redacted] and he used some very forceful profanity in his references to, and his description of [redacted]. I do not consider it advisable to approach [redacted] for the purpose of securing these records and papers, and efforts will be made to obtain access to these papers through the offices of the U. S. Attorney or other likely sources. The local newspapers have referred to the ALBREG papers as containing information of a sensational nature. b7c

On October 29, 1935, I communicated with Agent in Charge Smith of the Kansas City Office by telephone and advised him concerning the theory that Kansas City gangsters might have come to New York for the purpose of killing SCHULTZ and his four lieutenants, and suggested that Mr. Smith, in a discreet manner and without indicating to anyone that the Bureau might be interested, endeavor to secure such information as might be available in Kansas City regarding this matter.

It is reported that [redacted] and several other prominent members of the "Big 6" gang, are now in Miami Beach, Florida. It is not known whether their absence from New York will be temporary or for an extended period. It may be that they have left the city at this time to avoid the questioning in connection with the numerous shootings, since the local police have repeatedly stated, according to the newspapers, that these parties were definite suspects and wanted for questioning. It is understood that the Miami Beach police have offered to arrest them for the New York police, but that the New York police have advised that they would not be able to extradite because of the lack of evidence. b7c

It is also reported that Mayor LaGuardia has severely criticized Police Commissioner Valentine for permitting the wholesale killings and for not making any progress in the investigation looking to the identification and apprehension of the parties responsible. It is also reported that Commissioner Valentine has, in turn, issued instructions to Assistant Chief [redacted] to bring in all known gangsters and racketeers, and [redacted] has issued definite instructions to the same effect to his men. The papers have also quoted Commissioner Valentine as having stated that he wants his men to resort to rough tactics in handling gangsters, and he is reported to have issued what is referred to as "kiss 'em up" orders and to be reviving the old or called "strong arm" squad of detectives whose function is to administer physical assaults on known gangsters on all occasions when they are seen. It might be stated that some of the newspaper editorials have criticized the Commissioner for this "kiss 'em up" policy. b7c

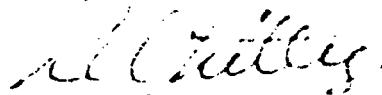
Mr. J. Edgar Hoover,  
Washington, D. C.

November 1, 1935.

stating that it is an admission of ineffective investigative ability.

I will continue to keep in close touch with any developments and will secure such information as it is possible to obtain, in a discreet manner, in order that the Bureau might be advised and in a position to take appropriate action promptly in the event it appears that there might have been a Federal violation, or in the event any of the gangsters involved subsequently become subjects of the Bureau's investigations.

Very truly yours,



R. WHITLEY  
Special Agent in Charge

ENCLOSURES

cc: Kansas City

cc: Trenton

SPECIAL DELIVERY  
RECORDED



170 (only in groups)  
See Spec. 17-1

b7c



April 12, 1954

Special Agent in Charge,  
FBI, New York

Dear Sir:

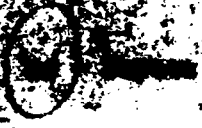
Reference is made to your letter of April 8, 1954, regarding the matter of the above captioned case. The Bureau is advised that the information furnished by you is being reviewed and the results will be reported to you as soon as possible.

It is requested that you continue to keep the Bureau advised of any developments in this matter.

Very truly yours,  
Special Agent in Charge

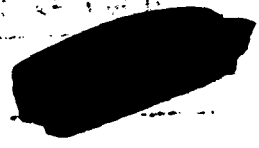
W. J. [Name]

Enclosure



RECORDED  
&  
INDEXED

23-2130-263
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
NEW YORK OFFICE
APR 12 1954



b7c