

9:38 A.M., March 18, 1937      Outgoing on No. 648      B.M.S.

Hazel:                      661 (City Barn)  
Gilbert:                  Hello.  
Hazel:                      Is Jim there?  
Gilbert:                  No, this is Gilbert talking.  
Hazel:                      Gilbert, this is Hazel, Leo wants any of the boys who  
                                 are not out on the street working to come up here  
                                 at eleven o'clock.

9:39 A.M., March 18, 1937      Outgoing on No. 648      B.M.S.

Hazel:                      1124 (City Fire Department)  
Archie:                    Hello.  
Hazel:                      Archie, Hazel, there's going to be a little meeting  
                                 here at eleven o'clock, any of the boys who are not  
                                 on duty, bring up.  
Archie:                    All right Hazel.

9:41 A.M., March 18, 1937      Outgoing on No. 648      B.M.S.

Hazel:                      1542 (Fred J. Mazzia, Cigars)  
Mazzia:                    Hello.  
Hazel:                      Mr. Mazzia, this is Hazel at the Mayor's office. We  
                                 wondered if you and the boys could come up for a  
                                 little meeting at eleven o'clock.

9:41 A.M., March 18, 1937      Incoming on No. 446      W.T.M.

Hazel Marsh:              Raspberry - there will be a meeting at the office this  
                                 morning at eleven and Leo wants all the boys there  
                                 to come.

9:50 A.M., March 18, 1937      Outgoing on No. 648      B.M.S.

Hazel:                      1424 (Roscoe Johnson)  
Woman:                    Hello.  
Hazel:                      Maude, is your husband there?  
Maude:                    No, he's at the Southern, Hazel. He's been gone  
                                 about 30 minutes.

9:52 A.M., March 18, 1937 Outgoing on No. 648

B.M.S.

Hazel: 1065 (Southern Club)  
Operator: The line is busy.  
Hazel: 116 (Miller's Cigar Store.)  
Freddie: Hello.  
Hazel: Is Wheatley in?  
Freddie: No.  
Hazel: Is Red Powers or Harry Bledsoe there?  
Freddie: No, this is Freddie.  
Hazel: Where are they?  
Freddie: They are all over the restaurant where they're fixing up.  
Hazel: Well, go over and get one of them and have him call 648.

9:55 A.M., March 18, 1937 Incoming on No. 648

B.M.S.

Roscoe Johnson: You want me, Hazel?  
Hazel: Yes, I want you, and any of the boys who are around  
to come over the office at eleven o'clock.

10:12 A.M., March 18, 1937 Incoming on No. 648

B.M.S.

Wheatley: Herb Wheatley talking.  
Hazel: We are having a little meeting at eleven o'clock  
Herb, come up and bring all the boys with you.

10:20 A.M., March 18, 1937 Outgoing on No. 446

W.T.M.

Akers called Mayor, asking if he wanted to pull the men off of their  
"beats" for the meeting in his office. Mayor said he did not - just  
two or three of them at the time could come when they could get off.

10:59 A.M., March 18, 1937 Incoming on No. 648

B.M.S.

Woman: Let me speak to Leo  
Hazel: Just a minute.  
Leo: Hello.  
Woman: Leo, would you like to have these lists of the ones  
who have lists before you go up to the meeting?  
Leo: Yes I would.  
Woman: OK.



11:05 A.M., March 18, 1937 Incoming on No. 648 B.M.S.

Earl: May I speak to Leo?  
Hazel: Earl?  
Earl: Yes.  
Hazel: They are having a little meeting upstairs this morning  
it'll be about 15 minutes, shall I have him call.  
Earl: Yes - 2089 (New Park Sanitorium)

11:15 A.M., March 18, 1937 Incoming on No. 648 B.M.S.

Man: Is Judge Ledgerwood there?  
Hazel: Yes, but he's upstairs.  
Man: Is he in Court?  
Hazel: No, but I can't get hold of him right now.  
Swain: Well as soon as he comes down have him call Swain  
at 3420.

The following call tends to verify the fact that the meeting in question on the morning of March 18, 1937 was relative to poll tax and assessments:

11:49 A.M., March 18, 1937 Incoming on No. 2115 D.P.S.

Roscoe: Roscoe calling, spoke with Jacobs about some draft from Oklahoma, and stated he had been at a meeting at City hall where the question of poll taxes and assessments was discussed. Roscoe told Jacobs he had talked with "Tink" (Young) who said he didn't do much business last night.

-o- -o- -o- -o- -o- -o-

The following telephone calls disclose Mayor McLaughlin's diplomacy in attempting to gain the good will of Governor Carl Bailey:

11:50 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Leo: 2089  
Operator: Line busy.  
Leo: Then try Hall again, Sec'ty State's office.  
Hall: Hello Leo.

Leo: How are you. Say, we've got this Governor  
L-e-c-h-e from Louisiana in here, tell Carl if  
he has not given away his box for the day, he should  
offer it to him as a gesture. It is a gesture we  
should do. He is staying at the Arlington. Wire  
him and then let me know.  
Hall: Thanks Leo, we certainly will.

12:02 P.M., March 18, 1937 Incoming on No. 648 B.M.S.  
(Long Distance from Little Rock)

Hall: I talked to the Governor, his box is full today, but  
he is going to wire him and offer him the box for  
any day after this.

Mayor: OK, fine.

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The following conversation between W. S. Jacobs and an unidentified  
man indicates that Jacobs is apparently dissatisfied with McLaughlin's efforts  
to "fix" open gambling in Hot Springs, and that he has in mind to make other  
connections in this regard:

6:41 P.M., March 18, 1937, Incoming on No. 2115 D.P.S.

Man calling: How's everything?  
Jacobs: Haven't heard anything.  
Man: Any new "beefs"?  
Jacobs: No. I talked to a fellow (Mayor?) and he told me to  
keep closed. I don't know whether they are giving  
me the run around or not. Heard I could go over  
there (Little Rock?) and see a fellow and get  
straightened out right away, but you know I got to  
go along with them here.  
Man calling: We'll go ahead again tonight.  
Jacobs: Yes, I guess that's alright. The least they can do  
will be to let us know ahead of time.  
Man: Yeah.

With reference to the above call, the following conversation  
definitely indicates that Municipal Judge Verne Ledgerwood is likewise a  
political contact of W. S. Jacobs. The conversation is self explanatory, and  
as a matter of record, it is stated that Hamilton Moses is a former law partner  
of U. S. Senator Joe T. Robinson, and is the leading contender to replace

the late Federal Judge John E. Martineau as United States District Judge for the Eastern District of Arkansas:

11:01 A.M., March 19, 1937      Outgoing on No. 2115      D.P.S.

To 743.

Jacobs:      Hello, Judge?

Judge (Ledgerwood): Yes.

Jacobs:      This is Jacobs. I've got something on my chest. I figure that Bailey (Governor) is mad at Sunny (Davies) and Leo (McLaughlin). Now "Ham" (Hamilton Moses) is really Robinson's (U.S. Senator Joe T. Robinson) spokesman, and I think they are all Robinson men, don't you?

Ledgerwood:      Yes, I think so.

Jacobs:      They don't like Leo (McLaughlin), but Moses will do anything for Sunny (Davies). I figure to send Sunny over there and talk with Moses and get things straightened. Don't say anything to Leo about this, but he goes over but its not so good.

Ledgerwood:      I've got some irons in the fire today and tomorrow. Then we'll work on it.

Jacobs:      We ought to send Sunny over there and keep Leo away from there. He keeps going over there and they don't like him. Now my doctor, Dr. Smith, told me he is a friend of Moses and offered his assistance, but nothing was done. Get Sunny to go over there and see Moses and get in touch with Bailey and the rest, and he can set Leo in. You know I believe that "Hardin" and "Beavers" are trying to muscle in over here.

Ledgerwood:      I think there's something in what you say and we may be able to work it.

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The following call indicates the large volume of cash handled by W. S. Jacobs' gambling operations and also that the gambling syndicate is anxious to learn whether they will be unofficially permitted to resume open gambling in Hot Springs in the near future:

2:00 P.M., March 19, 1937      Incoming on No. 2115

J.L.M.

Jacobs:      Hello.

Otho Phillips:      Do you know anything?

Jacobs:      Not a thing.

Otho Phillips:

I came by there last night, and everything was quiet.

Jacobs:

I may find out something later.

Otho Phillips:

All right, I'll call you.

2:15 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Roscoe:

This is Roscoe. How are you feeling?

Jacobs:

Pretty good - much improved today.

Roscoe:

Dooley's here - he's got a \$4200 cashier's check on a Kansas City bank that he wants cashed - is it alright?

Jacobs:

He's all right, isn't he?

Roscoe:

Yes.

Jacobs:

He never gave us anything bad, did he?

Roscoe:

No.

Jacobs:

Well, I'd like to accommodate him - if we lose it - it can't be helped.

Roscoe:

I think he is O.K.

Jacobs:

All rightie, give it to him.

2:16 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Tink:

This is Tink - what's new?

Jacobs:

Nothing - they took you for a cleaning last night, I heard.

Tink:

Yeah, but it was good advertising; that'll bring more in today.

Jacobs:

Yeah, that's true.

Tink:

Haven't heard anything, have you?

Jacobs:

No, Bill (not certain) was supposed to go up there this afternoon. We won't know till this evening.

Tink:

I hope he does some good.

Jacobs:

Yeah, so do I.

Tink:

I'll call you later.

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The following conversations definitely reveal that C. E. Palmer is "go-between" for Mayor McLaughlin, et al, and someone high in State politics (possibly Governor Bailey) in the matter of "fixing" the return of open gambling in Hot Springs. Previous telephone conversations overheard disclosed that Palmer is publisher of the Hot Springs newspapers and that he is also operating a newspaper in Texarkana, Arkansas, and that for many years previous was a resident of Hot Springs:

3:47 P.M., March 19, 1937 Incoming on No. 648 B.M.S.

Operator 12 at Little Rock trying to locate Mayor, Mr. Palmer calling.

3:50 P.M., March 19, 1937 Outgoing on No. 648 B.M.S.

Hazel called Ed Farris of the racing commission, to send Anderson or someone up to the Mayors box and tell him to get in touch with his office at once.

4:05 P.M., March 19, 1937 Outgoing on No. 648 B.M.S.

Hazel: 912  
Man: Racing commission office, Reed talking.  
Hazel: Please get word to the Mayor to call his office immediately, it is urgent.  
Reed: I certainly will.

4:07 P.M., March 19, 1937 Incoming on No. 648 B.M.S.

Mayor: You call me?  
Hazel: Yes. I've been trying to get you. Mr. Palmer is trying to get in touch with you and I knew you were anxious to hear from him.  
Mayor: Well, suppose you call Little Rock back and tell them to put that call through to 807, that's the race track number. I'll go in there right now.  
Hazel: All right.

4:15 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1065  
Woman: Southern.

Jacobs: Is Cap. Smith there?  
 Woman: Yes, he's outside.  
 Jacobs: Is Otis McGraw there?  
 Woman: No - just a minute, I'll call for Cap Smith.  
 Smith: Hello.  
 Jacobs: It's all right to open upstairs tonight, but keep it quiet. We're also going to open at the Belvedere. Get a hold of the crews for both places - you know who they are, and get them out there. Where's Otis?  
 Smith: He's at the track. They just stuck up the place upstairs.  
 Jacobs: Do you know who did it?  
 Smith: No. I didn't see them.  
 Jacobs: How much did they get?  
 Smith: I don't know - around \$2000. I think. I know they got everything we had in the box.  
 Jacobs: Was there a crowd up there at the time?  
 Smith: I don't know - get in touch with Roscoe - he knows all about it.

-O- -O- -O- -O- -O- -O- -O-

At 4:15 P.M. on March 19, 1937 five masked and armed robbers held up the Southern Club and escaped with \$8,100.00. Those robbed were Thomas Abdo, \$500.00, Spike Dooley \$3,000.00, Brass McDonald \$700.00, Sam Nathan \$500.00, and a man named Murphy, \$900.00. All of these men were reported to be bookmakers from Chicago. In addition to the above the robbers secured \$2,500.00 belonging to the Southern Club or Grill. Inasmuch as the Southern Club, as well as other bookmaking places in Hot Springs was supposed to be closed on orders by the Governor, on March 15, 1937, Mayor Leo P. McLaughlin suggested to Jacobs to instruct all of his employees that they should not discuss the holdup with anyone, particularly the amount of money that was actually taken in the robbery. In other words, the Mayor wanted to conceal the fact that the Southern Club was operating a bookmaking game in violation of the Governor's orders. The following conversations clearly illustrate this point. These conversations also disclose the rapid preparation for the opening of both the Southern and Belvedere Clubs, as the Mayor gave Jacobs unofficial authority to re-open these places:

4:14 P.M., March 19, 1937      Outgoing on No. 2115      J.L.M.

Jacobs called 1283, and agent overheard some man call 446 (Police Dept.) from 1283 - he told operator the call was urgent. As a result of this call being completed, Jacobs got the busy signal.

4:15 P.M., March 19, 1937      Outgoing on No. 2115

J.L.M.

Jacobs: 1065  
Woman: Southern.  
Jacobs: Is Cap. Smith there?  
Woman: Yes, he's outside.  
Jacobs: Is Otis McGraw there?  
Woman: No - just a minute, I'll call for Cap Smith.  
Smith: Hello.  
Jacobs: It's all right to open upstairs tonight, but keep it  
quiet. We're also going to open at the Belvedere.  
Get a hold of the crews for both places - you know  
who they are, and get them out there. Where's Otis?  
Smith: He's at the track. They just stuck up the place upstairs.  
Jacobs: Do you know who did it?  
Smith: No. I didn't see them.  
Jacobs: How much did they get?  
Smith: I don't know - around \$2000. I think. I know they got  
everything we had in the box.  
Jacobs: Was there a crowd up there at the time?  
Smith: I don't know - get in touch with Roscoe - he knows  
all about it.

4:18 P.M., March 19, 1937      Outgoing on No. 2115

J.L.M.

Jacobs: 1283 (Unlisted phone of Southern Club)  
Frankie: Hello.  
Jacobs: Is Roscoe there?  
Frankie: No, not just now.  
Jacobs: Who is this?  
Frankie: Frankie.  
Jacobs: What happened up there?  
Frankie: Five holdup men stuck us up - they got Roscoe's box.  
I don't think there was much in there - we already  
had taken the money to the bank twice. I think they  
got around \$2,000.  
Jacobs: Well, we're going to close up taking horse bets - we'll  
open the poker upstairs and out in the country tonight.  
Frankie: That's fine.  
Jacobs: Don't take anymore bets around there.  
Frankie: All right.

4:25 P.M., March 19, 1937

Outgoing on No. 2115

J.L.M.

Jacobs: 1065  
Woman: Southern.  
Jacobs: Is Roscoe or Cap Smith there?  
Woman: Roscoe is upstairs - I'll call Smitty.  
Smith: Hello.  
Jacobs: Don't tell anybody what happened. It might hurt us.  
Smith: Everyone knows about it already - Swede Watkins is  
here now. Frankie called him.  
Jacobs: Don't say anything to anybody - you don't know how  
much money was taken, if anybody should ask you.  
Smith: O.K.  
Jacobs: I've been trying to get the Ohio, but they don't  
answer over there.

4:32 P.M., March 19, 1937

Outgoing on No. 2115

J.L.M.

Jacobs: 1283  
Roscoe: Hello.  
Jacobs: That's touch luck you had there - don't let the fellows  
around the place talk about the holdup. We got  
orders to open up tonight, but we're not going to  
book any horses until the racing season is over -  
that's the rule in our agreement.  
Roscoe: O.K.  
Jacobs: How much did they get from us?  
Roscoe: There was about \$2000 in the box and then they got  
\$3000 from Spike Docley and \$1500 from Abdoe -  
they were both sitting upstairs when those men  
came in.  
Jacobs: Well, don't tell anybody how much they got - just say  
you don't know anything about it.  
Roscoe: All right.  
Jacobs: Where's Otis?  
Roscoe: He's at the track.  
Jacobs: You better go out there too, and when you see Otis,  
tell him to call me. Now close up, and go out there,  
and don't talk to anybody about the holdup.  
Roscoe: O.K., Mr. Jacobs.

4:38 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Otis: This is Otis.



Jacobs: It's all right to open tonight.  
Otis: Yeah, I know. Everything is all set out in the country.  
Jacobs: Get a hazard table from the Southern and take it out there.  
Otis: O.K. I'm going out there now and get things in order.

4:52 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.  
Brownie: Did you want me - this is Brownie.  
Jacobs: Is Tink (Young) around there?  
Brownie: No, he just stepped out.  
Jacobs: We're going to run "poker" at the Southern and Ohio tonight. We promised them we wouldn't take any more race horse bets; that's the agreement we got with them.  
Brownie: I'll get the crew together for tonight.  
Jacobs: Allrightie - when you see Tink, have him call me.

4:55 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.  
Mayor: What happened over at the Southern?  
Jacobs: Five men stuck it up while we were talking a little while ago - they made Roscoe open up the safe and got around \$2000 from him. They also took \$3000 away from Spike Dooley and \$1500 from Abdo. Both of them were upstairs when the robbers stuck up the place. It looks like an inside job to me, because Roscoe cashed a \$4200 cashier's check for Dooley this afternoon.  
Mayor: It's too bad this had to happen - it might put some heat on us, if the commission found out that you were sneaking some bets up there.  
Jacobs: Well, it couldn't be helped.  
Mayor: Get a hold of Roscoe, and tell him you didn't lose any money.  
Jacobs: I already told Smitty to tell the boys not to talk about the holdup to anyone.  
Mayor: Yeah, it's best to keep it quiet.  
Jacobs: The police and Swede Watkins are there now. Frankie called them shortly after I talked with you.  
Mayor: Well, try and keep it as quiet as you can.  
Jacobs: Allrightie.

4:57 P.M., March 19, 1937 Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Frankie: This is Frankie.  
Jacobs: I just talked to "them" - don't say anything to anyone about the holdup.  
Frankie: I think the newspapers already got a hold of it - a Western Union boy got caught in it. He was taking some stuff to the newspaper office.  
Jacobs: You don't know who he is - do you?  
Frankie: No, but I will know him, if I see him.  
Jacobs: Well, we didn't lose any money, if anyone should ask you.  
Frankie: Yeah, I understand. You better call the paper and tell them to keep it quiet.  
Jacobs: All rightie.

4:58 P.M., March 19, 1937 Outgoing on No. 2115

J.L.M.

Jacobs called 648 (Mayor's office) and 600 (Mayor's residence) - no answer from either place.

5:05 P.M., March 19, 1937 Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Tink Young: This is Tink.  
Jacobs: They got straightened around, Tink - we're going to run tonight, but he asked me not to run any books until after the races - that is the agreement he made with them.  
Tink Young: That's fine.  
Jacobs: Roscoe just left here - he told me all about the trouble at the Southern.  
Tink Young: Yeah, that was too bad.  
Jacobs: We're going to deny it - that's what he said we should do.  
Tink Young: Yeah - that's best.  
Jacobs: We'll spring everything around 6:30 tonight - we promised not to do anything during the day until the racing is over.  
Tink Young: I'll call you later.

5:26 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Smith: This is Smitty.  
Jacobs: How are you coming?  
Smith: I'll be ready in about half an hour. Who should I  
put to work.  
Jacobs: The same people who worked for us before - you know  
who they are.  
Smith: How about those people we brought in?  
Jacobs: Who do you mean?  
Smith: Well, there's Skippy and Asher.  
Jacobs: If you can't use them - tell Otho to put them on.  
Smith: Otho said he had a full crew.  
Jacobs: Well, we got to pay them just the same - use them  
somewhere. But I don't want you fellows running  
over one another. We can't open in the day time  
under this rule - we might work it out later.  
Smith: I'll find something for Skippy and Asher to do -  
we'll be ready to open at seven o'clock.  
Jacobs: Alrightie.

5:40 P.M., March 19, 1937

Outgoing on No. 2115

J.L.M.

Jacobs: 2485  
Womans: Belvedere  
Jacobs: Is Otho there?  
Otho: Hello.  
Jacobs: You know we're going to open tonight.  
Otho: Yeah. I heard about it.  
Jacobs: Is Otis out there yet?  
Otho: Yeah, he's here.  
Jacobs: Have you got any hazard tables there?  
Otho: Otis brought two of them in from town.  
Jacobs: That's good.  
Otho: Pretty tough luck you had in town.  
Jacobs: Yeah, it looks like an inside job.  
Otho: It's tough that it had to happen at this time.  
Jacobs: Yeah, we're denying everything. How was it last night?  
Otho: Pretty good - had 244 - the food business is picking  
up. Opening up the other side tonight will help  
it out a lot.  
Jacobs: Yeah, that ought to help it.  
Otho: Oliver from Little Rock was out last night - he made  
a pretty good donation toward Bailey's campaign  
you know.  
Jacobs: Did he say anything?

Otho: No - nothing about opening up gambling or anything like that - just general conversation about the place.  
 Jacobs: Uh huh.  
 Otho: I may have to borrow your Ford tomorrow - mine's at the garage getting fixed.  
 Jacobs: You can use it whenever you want - it's sitting right outside. You can use the big car if you want it.  
 Otho: No, the Ford will do.  
 Jacobs: Well, things look pretty good again.  
 Otho: Yeah, I hope we have a crowd tonight.

5:45 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
 Mayor: Hello.  
 Jacobs: What do you know?  
 Mayor: I was talking to Charlie Goslee - they want to know what happened at the Southern.  
 Jacobs: There were four or five fellows in the place - all bookmakers, and five fellows stuck them up. They came down from the mountain, and got in the back way. It looks like an inside job to me.  
 Mayor: How much did they get?  
 Jacobs: They got around \$1500 from Roscoe - the money was in the safe, and they made him open it - then they got \$3500 from Spike Dooley. He had a \$4200 cashier's check cashed this afternoon.  
 Mayor: It looks like they knew about that money and were after it.  
 Jacobs: Uh huh.  
 Mayor: Who is he?  
 Jacobs: He's a bookmaker - there were five of them upstairs.  
 Mayor: Who were the others?  
 Jacobs: Sam Nathan, Thomas Abbdo, and a fellow named Murphy. They were all put off the track and hung around the club after that.  
 Mayor: How much was taken from those fellows?  
 Jacobs: I don't know - get a hold of Roscoe, he knows all about it.  
 Mayor: I'm at 3700 - have him call me there.  
 Jacobs: Alrightie.

5:50 P.M., March 19, 1937      Outgoing on No. 2115      J.L.M.

Jacobs:      1468  
Man:      Hello.  
Jacobs:      Is Frankie there?  
Man:      No, he went to the Southern.

5:50 P.M., March 19, 1937      Outgoing on No. 2115      J.L.M.

Jacobs:      1283.  
Frankie:      Hello.  
Jacobs:      Who all got stuck up over there?  
Frankie:      There were around 12 or 15 in the place.  
Jacobs:      Figure out the names of five or six men only, and then  
                 call 3700 and ask for the Mayor. Give him the dope  
                 on it.  
Frankie:      Alright.

5:55 P.M., March 19, 1937:      Incoming on No. 2115      J.L.M.

Jacobs:      Hello.  
Akers:      This is Dutch. I'm doing everything I can Jake. It  
                 looks like some inside help - they knew just  
                 where the money was.  
Jacobs:      Yeah, I know.  
Akers:      I heard that two birds just checked out of the  
                 Kingsway - I'm checking on that now, and will  
                 call Little Rock.  
Jacobs:      UH huh.  
Akers:      The papers have been after me for a statement -  
                 what shall I tell them?  
Jacobs:      Leo is at the newspaper office now, giving them a  
                 story. I had Frankie give Leo the dope on it.  
Akers:      How much did they get from Roscoe?  
Jacobs:      Around \$1500 to \$2000.  
Akers:      Is that all - I thought he had a lot of money on hand,  
                 figuring you were going to open tonight.  
Jacobs:      No, that's all they got, but we're denying it.  
Akers:      I'll call you later, or drop up.

6:30 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs:  
Mayor:

Hello.  
Goslee was very much peeved at Roscoe, because he wouldn't tell him anything. I got it all straightened now, and everything is all right.  
That's good.

Jacobs:  
Mayor:

The point I was trying to get over was that the holdup was not individual, but that they were after the money those bookmakers had on them. After I talked with Frankie I gave them a story that won't hurt us. They're all pleased now. The paper is going to say that it was a bunch of bookmakers that were held up and that the money in the safe belonged to the Southern Grill.

Jacobs:  
Mayor:  
Jacobs:

Yeah, I told everybody to deny everything.  
What have you been doing since I talked with you?  
Getting the fellows set to open all three places tonight at 7:00 P.M., I've been trying to get hold of the police to check the house at 138 Cedar St.

Mayor:  
Jacobs:  
Mayor:

Did you call Dutch?  
Yes, but he wasn't in - they couldn't hear over there. I'm going to have those fellows down tomorrow - you must tell those boys not to do anything about those books.

Jacobs:

All right, they won't do anything.

7:41 P.M., March 19, 1937

Outgoing on No. 2115

B.M.S.

Jacobs:  
Otho:  
Jacobs:  
Otho:

2484.

Hello.

How are you getting along?

We are getting things straightened up, we've got two wheels, three dice tables, two blackjack tables, one 21, three craps, one hazard. All we need now is a good crew for tomorrow night.

Skippy and Asher are both at the other place.  
Well, I'll see you later.

Jacobs:  
Otho:

8:14 P.M., March 19, 1937

Outgoing on No. 2115

B.M.S.

Jacobs:  
Roscoe:

2791.  
Hello.

Jacobs: How is it? All right?  
 Roscoe: All three wheels up, good dice game going, good crew,  
 all we need is business and to win.  
 Jacobs: Did they get hold of that fellow in St. Louis?  
 Roscoe: They will before long. Young Terry's up here  
 playing, he's 300 in the game so far.  
 Jacobs: Good. I'll see you.

8:20 P.M., March 19, 1937 Incoming on No. 2115 B.M.S.

Dutch: You call me?  
 Jacobs: Yes, have you been over to the Esso place yet?  
 Dutch: Yeah, nothing to that, that was a Chrysler. Swede  
 saw the guys, they were Italians, wops; he chased  
 them around the mountain, thru south Hot Springs,  
 and out to the Lake before he lost them. We have  
 a report now from Amity that they are hung up on a  
 country road, the State Rangers are rushing over there  
 now. They were seen this morning talking to those  
 smart-alek uppity niggers from New York on Malvern  
 Avenue. We're checking on that. You know its  
 funny that Gully, who wears about a ten carat ring,  
 had just walked out of the Club not more than five  
 minutes, when they rushed in. The first thing they  
 asked was, where was the guy with the big ring.  
 It looks like whoever left just ahead of Gully  
 gave the tip.  
 Jacobs: Looks funny, don't it?  
 Dutch: By the way I've got a awful good guard if you need him  
 in the country. I heard Bob Moore was looking around.  
 You find out and call me back.  
 Jacobs: All right.

8:47 P.M., March 19, 1937 Outgoing on No. 2115 B.M.S.

Jacobs: 2791.  
 Man: Hello.  
 Jacobs: Bob Moore there?  
 Jacobs: Was you trying to get a heavy man down there?  
 Moore: Yes sir.  
 Jacobs: Call Dutch, he's got a man.  
 Moore: I know who he's got, it's a little ex-prize fighter.  
 I don't trust him, 'fraid he'll get drunk.  
 Jacobs: Call him anyhow, might not be the same one.  
 Moore: All right.

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 - 29 -

There has been some talk at Hot Springs, that within the next few days a swank casino will be opened upstairs of the Ozark Cafe at 724 Central Avenue. Telephone conversations relative to this place indicate that Herb Wheatley, Red Powers and Harry Bledsoe will operate this place, with the financial assistance of W. S. Jacobs. The following conversation undoubtedly pertains to this gambling place, and it is particularly interesting to note that Jacobs suggested to Wheatley that he see Mayor McLaughlin relative to opening this casino on the following day, (March 20, 1937):

8:05 P.M., March 19, 1937 Incoming on No. 2115

B.M.S.

Jacobs: Hello.  
Wheatley: Herb Wheatley, Mr. Jacobs, how you feel?  
Jacobs: All right. We've got everything fixed up. We won't book no horses here till after the races. I think if you will go over to see him (Mayor) you can get it all fixed up to start tomorrow night, even if you are not ready.  
Wheatley: Yeah, I'll do that. One of my men though, you know Walter, got drunk on me yesterday.  
Jacobs: How's the place looking?  
Wheatley: Swell, everybody that sees it says it'll be the best looking room in Hot Springs. I've got to get some money from you tomorrow to pay off with.  
Jacobs: All right bring a blank check with you.  
Wheatley: How are things looking in general?  
Jacobs: Fine, better than they ever have.  
Wheatley: Too bad about that stick up.  
Jacobs: (Laughs) Yeah, I think it was an inside job, though. Somebody left the door open for them.  
Wheatley: How much did they get.  
Jacobs: We only lost 2000, they made Roscoe open up the safe and got 1500 from there and 500 out of Roscoe's packet that Simonds had just given him. They hit the bookies heavy - 500 off Sam Nathan; 1500 off Abbd; 3500 from Spike.  
Wheatley: Well, I'll see you at noon tomorrow.  
Jacobs: All rightie.

-- oo -- oo -- oo -- oo -- oo -- oo --



The following conversation indicates that a new prostitute named Helen Blake is working at the Hatterie Hotel for Grace Goldstein:

9:46 A.M., March 19, 1937      Outgoing on No. 123      W.T.M.

3421 (Hatterie Hotel)

Man:      Let me speak to Helen - that new girl.  
 Woman:    I can't wake her.  
 Man:      What?  
 Woman:    She's asleep now - I can't wake her.  
 Man:      Listen you - - - you know who this is? This is her old  
             man and he is in jail - get her up!  
             (Woman goes to get Helen up)  
 Helen:    Hello.  
 Man:      Hello! This is Blake - down here in jail - just stuck  
             me 75.  
 Helen:    Well you knew that didn't you? - when you got drunk  
             and driving an automobile.  
 Blake:    OK! OK! Good bye!

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The following conversation shows the close association of Herbert "Dutch" Akers with Grace Goldstein. One Ned Stewart is Prosecuting Attorney at Texarkana, Arkansas, and one Dexter Bush is Judge of the Circuit Court at Texarkana, Arkansas.

8:23 P.M., March 19, 1937      Incoming on No. 123      H.A.S.

Ned Stewart:      Advised Dutch that he and Judge Bush were "in town"  
                          at Room 310 Como Hotel - not to come over if he  
                          got a complaint from the Como (jokingly). Asked  
                          if it was OK for them to visit the place "just  
                          past the Arlington" (Hatterie Hotel) for a "good time".  
 Akers:            It's OK there. Tell her that you are a friend of  
                          mine. Hope I see you tomorrow.

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The following conversation speaks for itself:

8:28 P.M., March 19, 1937      Outgoing on No. 123      H.A.S.

Akers:            Called 2484 (Belvedere Club)  
 Otis McGraw:    Hello.

Akers: Otis, Sam Watt told me that you said you saw some fellows at the track who you knew were "pretty hot". Would they have had anything to do with the Southern job?

McGraw: I don't know. Saw them at the track - know they are "hot" but don't know their names. I've been there around several places in the past.

Akers: Are they from Little Rock?

McGraw: Oh, no. They're from "up the country".

Akers: See if "Mickey" out there recognized any of them. He was up there. Had a green suit on.

McGraw: All right, I'll find out.

Akers: Do you need another guard out there tonight? I spoke to Mr. Jacobs about it.

McGraw: Yes. Who is he?

Akers: Name is Houston. I'll send him out.

McGraw: OK.

In referring to the above conversation, and from the following call it appears that Dutch Akers might be getting some commission for arranging employment for one Houston at the Belvedere Club:

8:40 P.M., March 19, 1937 Incoming on No. 123 H.A.S.

Akers: Instructed an officer to go over to the wrestling match, get Houston, and tell him to work until noon tomorrow, when he, (Akers) would settle with him. For him to start work tomorrow night out at the Belvedere.

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The following call is self-explanatory:

9:00 A.M., March 20, 1937 Incoming on No. 648 R.H.L.

W. E. Chester called for Mr. Grady Manning.

Chester: We have Governor Chandler's party and Harry Hopkins coming in Monday and would like to get a uniformed policeman stationed at the entrance. Of course we will pay for it.

Manning: OK. I'll see Dutch Akers about it and make arrangements.

Chester: That business at the Southern Club has got me worried.

Manning: Well, I think we have a pretty good line on who did it.

Certain people know who it was but won't talk.

Evidently the thieves were from Chicago and the only difference here was that they wore masks.

Well, I'll see Dutch about a man. You know that it will take two men to cover this though.

Chester: Yes two men is right. We'll pay for them.

NOTE: W. E. Chester is manager of the Arlington Hotel.

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The following related conversations further sustain the fact that C. E. Palmer, publisher of Hot Springs newspapers, is "go-between" for the gambling syndicate and Governor Carl E. Bailey in the matter of the syndicate's efforts to re-open gambling in Hot Springs:

10:45 A.M., March 20, 1937 Incoming on No. 648 RHL

C. E. Palmer calling the Mayor. Was told that he was out and requested that the Mayor call him later at his office.

10:47 A.M., March 20, 1937 Outgoing on No. 648 R.H.L.  
3800 (Ark. National Bank)

Hazel: Hazel calling Leo about C. E. Palmer's call. Leo said he would drop by Palmer's office later.

12:04 P.M., March 20, 1937 Outgoing on No. 648 R.H.L.  
2115 (W. S. Jacobs)

Mayor: I just called to tell you that the man that went over yonder for us did alright. In fact it was very satisfactory. However, I am glad I told you what I did a while ago.

Jacobs: That man (Herb Wheatley) just left and I told him what you said.

Mayor: That's all right. I'll tell you more about it when I am closer to you. See you later.

6:55 P.M., March 20, 1937 Incoming on No. 2115 D.P.S.

Mayor: Hello, just got in from the track. Biggest crowd we ever had out there and more money bet than any other day, about \$160,000.00.

Jacobs: \$150,000 eh, I figured it would be \$200,000.

Mayor: There were eight races today. I was just sitting here and watching the cars go by. There ought to be a big crowd out there (Belvedere) tonight.

Jacobs:  
Mayor:

I don't know yet.  
I had a long talk with Palmer (C. E. Palmer) today and he said he had a long talk with "The Man" (Mayor here talked in a whisper and agent was unable to understand what he was saying. He continued-) Afterwards I talked with the man, who gave us the word last week, you know, "The Chief". He said he wondered that they (probably the persons who robbed the Southern Club) didn't take that place (Belvedere?) on the way out of town. I just left him. He was on his way back to Little Rock.

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The following call apparently relates to the above last quoted conversation, and undoubtedly refers to the new gambling casino which Wheatley is to open in the next few days:

10:45 A.M., March 20, 1937 Incoming on No. 2115 B.M.S.

Mayor:

I've been thinking it over after talking to Herb (Wheatley) this morning. I don't think Herb ought to spring there tonight. It would focus things on it (gambling) too much and might blast everything. You've got the Ohio, Southern and Belvedere, so just wait 'till you open the books up before springing it. (Ozark Club)

Jacobs:

I think you're right. I'll tell Herb.

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The following two conversations seem to indicate some connivance on the part of Mayor Leo P. McLaughlin in connection with poll taxes and assessments. The true background of these calls is not known:

12:17 P.M., March 20, 1937 Outgoing on No. 648 R.H.L.

764 (Millsaps Sporting Results)

Mayor:

Is Bud there?

Mayor:

Hello Bud, did the boys tell you about me being down there this morning?

Bud:

Yes, they told me, and listen Leo, there is an awful beef being raised about the fellows that moved in on Down (?) St. yesterday. We've only got two weeks to wait Leo and if I were you I wouldn't do it. It will only get you locked up.

Mayor:

O.K. kid.

12:20 P.M., March 20, 1937      Outgoing on No. 548      R.H.L.  
 471 (Hot Springs City Health Dept.)  
 Mayor:      Hello Davis (?) Look on the cover of that book and  
                  tell me what it says.  
 Davis:      It says, "Official Poll Tax List for 1933"  
 Mayor:      That is the wrong list and is going to get us in bad.  
                  I'll be over to see you later.

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The following conversation discloses the extent of the extent  
 of the dining room business at the Southern Club:

9:05 A.M., March 20, 1937      Outgoing on No. 2115      B.M.S.  
 Jacobs:      Called Roscoe - 1065  
 Jacobs:      How's yesterday's business?  
 Roscoe:      790.  
 Jacobs:      What time did they close upstairs this morning?  
 Roscoe:      Closed at 6:30 this morning, 600 ahead.  
 Jacobs:      Good.

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The following conversation indicates that W. S. Jacobs is very  
 anxious to have the new gambling equipment he ordered from Detroit to be  
 delivered to his gambling casinos in Hot Springs:

11:05 A.M., March 20, 1937      Outgoing on No. 2115      B.M.S.  
 Jacobs called Detroit, Cadillac 5974, and discussed the shipment of two  
 Hazard tables with the man who answered the phone, he then added: "We  
 want those by Tuesday, you know how it is in a resort town, the crowds  
 are here now, we're open and gonna stay open, but things will slow down  
 after April 1st."

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The following two conversations are of interest and are self  
 explanatory. It might be stated that John Morris operates the Morris Insurance  
 Agency and is W. S. Jacobs' auditor:

1:30 A.M., March 20, 1937      Incoming on No. 2115      J.L.M.  
 L. D. Operator:      Are you Mr. Jacobs?  
 Jacobs:      Yes ma'am - this is Jacobs.

L. D. Operator: Just a minute - Houston calling you.  
 Lee Brown: Hello Jake - how are you feeling? This is Lee Brown.  
 Jacobs: Oh, pretty good.  
 Lee Brown: I heard you got everything open tonight?  
 Jacobs: Yeah, but I don't know how long it will last.  
 Lee Brown: I got two or three crap games running here, and I'm  
 about \$300 in arrears. I'm nothing loser, but  
 just a little short. I wonder if you can send me  
 down \$2500. in the morning. If you say you will  
 I can borrow it down here, and pay off when I get  
 your check.  
 Jacobs: O.K., I'll send it to you in the morning.  
 Lee Brown: As I said before - I'm not any loser - just a little  
 short.  
 Jacobs: O.K. I'll send it.  
 Lee Brown: Send it to me at the McTeague Hotel (not certain).  
 Jacobs: Allrightie, Lee.  
 Lee Brown: Thanks a lot, Jake.

11:22 A.M., March 20, 1937      Outgoing on No. 2115      B.M.S.

Jacobs called Jahnnny Morris at Morris Insurance Agency.  
 Morris: Hello.  
 Jacobs: I've got to send Lee Brown a check, so come up here  
 when you can.  
 Morris: I'll be right up. Say how much did they get yesterday?  
 Jacobs: Nobody'll ever know. They got \$3500 from us. ? (could  
 not catch name) had been out hustling around a  
 little on the streets getting some business, he had  
 just walked upstairs, they got eleven hundred off  
 him. A bunch of the rich bookies were hiding  
 upstairs, you know the bookmakers had been run off  
 the street and had just been sitting around when  
 they came in.  
 Morris: Well, I'll see you after while.

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The following conversation further indicates that his desire to  
 make money causes W. S. Jacobs to break his promise to the Mayor to restrain from  
 booking horses until after the racing meet in Hot Springs:

12:25 P.M., March 20, 1937      Incoming on No. 2115      B.M.S.

Jacobs: Hello.  
 Roscoe: Well how'd things go last night?

Jacobs: Made 600 at Southern, lost at Ohio.  
 Roscoe: Tom Ray's in town; wants to bet.  
 Jacobs: We can't take it.  
 Roscoe: Well just wanted to know. Tom's a good bet you know.  
 Jacobs: I know, but we've promised positive, of course now, if  
 we had somebody outside of our regular men we  
 might be able to ease it around a little. He bets  
 so much it's kinda hard to let go by.  
 Roscoe: O.K. I think we'll be able to wiggle it around.  
 Might.

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The following call was probably made by Jacobs to frighten employees at telephone 1468, which is a racing wire service room maintained by Jacobs for booking horses, so as they would not book horses on the "sly". No call was received by Jacobs to the effect that police complained about betting at this place:

3:32 P.M., March 20, 1937      Outgoing on No. 2115      J.L.M.

Jacobs: 1468 (Unlisted)  
 Man: Hello.  
 Jacobs: This is Jacobs - the police just called and said they  
 were booking up there. There's no one up there,  
 is there?  
 Man: No.  
 Jacobs: Are there any bookmakers there?  
 Man: No one, but our crowd.  
 Jacobs: Anybody else?  
 Man: Sam Nathan is sitting around.  
 Jacobs: Is Roscoe at the track?  
 Man: Yeah.  
 Jacobs: They're going to raid the place - they just called me  
 from the station. There's no one up there, is there?  
 Man: Only two or three of us and Sam Nathan.  
 Jacobs: Lock all the doors, and don't let anybody else in.  
 Man: All right - there's no one at the Southern.  
 Jacobs: I know - lock that door up there and keep everybody  
 out. Don't let anybody book any kind of races.

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The conversation below is self explanatory:

7:42 P.M., March 20, 1937      Incoming on No. 2115      B.M.S.

Jacobs:

I want you to shut that door and keep it shut,  
be sure about that. I told Smitty.

Man:

Yes sir.

The man in above conversation sounded like Roscoe  
Johnson, Manager of the Southern Club.

-- oo -- oo -- oo -- oo --

The following calls pertain to the activities of the Arkansas  
Democrat, a Little Rock newspaper, in an effort to ascertain whether open  
gambling was in operation on the night of March 20, 1937:

8:35 P.M., March 20, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Tink:

This is Tink - the Democrat is calling all places  
and asking whether they are open. They called the  
Belvedere and our place. I told them we were shut up.

Jacobs:

Yeah, if anybody is open they're sneaking.

Tink:

I just told them cold turkey we weren't open.

Jacobs:

Alrightie.

8:36 P.M., March 20, 1937

Outgoing on No. 2115

J.L.M.

Jacobs:

2484.

Man:

Belvedere.

Jacobs:

Is Mr. McGraw there?

McGraw:

Hello.

Jacobs:

Tink just called and said the Democrat has been calling  
and asking whether they were open. Have they  
called you yet?

McGraw:

No - they called Otho. He wouldn't give them any  
satisfaction. Said we were open for dining and  
dancing only.

Jacobs:

Tink told them the same thing.

McGraw:

I'll tell them the same when they call me.

Jacobs:

Alrightie.

9:20 P.M., March 20, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Smitty:

How are you feeling?



Jacobs: Pretty good.  
 Smitty: We got a pretty good crowd here (Southern) a good  
 dice game, a good poker game, and good wheel,  
 and part of another wheel.  
 Jacobs: That's good - did Terry go?  
 Smitty: Yes.  
 Jacobs: Anybody tend to what he owes?  
 Smitty: Yeah, Archie tried to get a check from him.  
 Jacobs: How much does he owe?  
 Smitty: \$500.  
 Jacobs: He'll pay it - who is playing there?  
 Smitty: Harris and a couple three boys from Cleveland are  
 playing the bank. Jimmy Hazard and his wife  
 are playing the wheel.  
 Jacobs: Did the Democrat call there?  
 Smitty: Not that I know of.  
 Jacobs: They called the Belvedere and Ohio, and they told  
 them they weren't open.  
 Smitty: That's what I would tell them, if they call me.  
 Jacobs: Yeah.  
 Smitty: I'll call you later.

9:40 P.M., March 20, 1937: Incoming on No. 2115 J.L.M.

Jacobs: Hello.  
 Mayor: Lot of people downtown.  
 Jacobs: Yeah - the Democrat's been calling around town asking  
 whether we're open. Tink said absolutely no, and  
 Otho told them we were open for dancing and dining  
 only. They probably called downstairs at the  
 Southern too. I wonder what they're going to  
 print tomorrow.  
 Mayor: It don't make any difference.  
 Jacobs: I see where Brewer beat out Denby by 13 votes in the  
 school election.  
 Mayor: Yeah, that's about extent of their backing.  
 Jacobs: So there's a big crowd up town.  
 Mayor: Yeah, what there is doing - that's what the people  
 want to do.  
 Jacobs: There isn't much doing at the Southern and Belvedere  
 yet - it's too early; the people haven't started  
 going out yet.  
 Mayor: I'll call you later on.

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It is interesting to note with reference to the following conversation, that Dewell Jackson and Dr. Howell Brewer are the two candidates that were endorsed by Mayor Leo P. McLaughlin in the election for two members of the school board at Hot Springs:

9:25 P.M., March 20, 1937      Outgoing on No. 2115      J.L.M.

Jacobs called 3700 (Sentinel-Record) and inquired about the school election returns - he was informed: Jackson 1091 - Brewer 650 - Denby - 637.

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The following calls pertain to the operation of a bookmaking game at the Ohio Club on Sunday, March 21, 1937, inasmuch as the local track was not open on that date. These calls are self-evident of the Mayor's friendship with W. S. Jacobs, and his unofficial alliance with Jacobs' gambling interests in Hot Springs:

10:20 P.M., March 20, 1937      Incoming on No. 2115      J.L.M.

Jacobs:      Hello.  
Tink:      This is Tink - what do you think of opening up tomorrow during the day?  
Jacobs:      I think it would be all right.  
Tink:      Tom Ray is around here, and nothing is open tomorrow.  
Jacobs:      I was thinking today - keep that door locked and take Tom up there. Let him sit around and book him. You could give him something to drink - you wouldn't need a whole crew up there.  
Tink:      Only one or two men can take care of him.  
Jacobs:      Yeah, leave him in the room and don't let anybody else in.  
Tink:      There'll be no racing tomorrow. I think it'll be all right. You think it over, and I'll call you tomorrow.  
Jacobs:      Alrightie.

10:31 P.M., March 20, 1937      Incoming on No. 2115      J.L.M.

Jacobs:      Hello.  
Mayor:      I'm at home - after I talked with you I went by the newspaper office. It's nothing at all.  
Jacobs:      I didn't think so.

Mayor: Those people are friendly anyhow. I think they wanted to make sure that the "old lady" wasn't going to put something over on them.

Jacobs: Yeah, I guess that's it.

Mayor: Lots of cars downtown tonight.

Jacobs: Yeah, lots of people in town. I wonder if it's OK to open tomorrow afternoon.

Mayor: It won't make any difference.

Jacobs: We'll open over the Ohio. Tom Ray and a few private citizens want to book them.

Mayor: I think it'll be all right - there's no racing tomorrow - that's all they are concerned about.

Jacobs: Did you find out what the take was out there today?

Mayor: No, I didn't - I'll call right now and call you back.

10:36 P.M., March 20, 1937 Incoming on No. 2115 4 J.L.M.

Jacobs: Hello.

Mayor: It was \$171,000 today.

Jacobs: That's an all-time high, isn't it?

Mayor: Yeah, the newspapers just told me. They had a big day today.

Jacobs: Have they done any checking in the country yet - has anybody come in to look around?

Mayor: No, I don't think so - they haven't said anything.

Jacobs: I don't think they'll be around there. I've got to go downstairs, I'll call you later.

Mayor: Allrightie.

10:50 P.M., March 20, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 210 (Ohio Club)

Man: Ohio.

Jacobs: Mr. Young there?

Young: Hello.

Jacobs: I was talking to "that fellow" (Mayor) about tomorrow, and he said it was all right. He said that the only thing they agreed to do was not to interfere with the races. Well, they won't be running tomorrow.

Young: Allrightie.

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The following conversation gives some idea of the volume of open gambling at the Southern and Belvedere Clubs:

11:00 P.M., March 20, 1937      Outgoing on No. 2115      J.L.M.

Jacobs:                      2484.  
 Man:                        Belvedere.  
 Jacobs:                      How's the crowd?  
 Man:                        We got a good crowd, Mr. Jacobs.  
 Jacobs:                      Got the three dice games open?  
 Man:                        Yes, they are all full.  
 Jacobs:                      That's good.

11:10 P.M., March 20, 1937      Incoming on No. 2115      J.L.M.

Jacobs:                      Hello.  
 Smitty:                     Got a house full of people here.  
 Jacobs:                     They got a full house at the Belvedere and Ohio Club too. How's the bank doing?  
 Smitty:                     It might be a little winner. We got two wheels running - every game has got a play.  
 Jacobs:                     That's good.  
 Smitty:                     The black jack table just took some guy for \$300 or \$400.  
 Jacobs:                     That's fine.  
 Smitty:                     I hope we make some money tonight - we sure need it.  
 Jacobs:                     Can't make much - they're playing only small money out in the country - only \$10 and \$20 bets.  
 Smitty:                     The wheels here are getting a lot of play.  
 Jacobs:                     Yeah, it's all small though.  
 Smitty:                     I don't know, the wheels may be a little winner.  
 Jacobs:                     Has Pat showed up around there yet?  
 Smitty:                     Yeah.  
 Jacobs:                     Tell him to stay there until Pete shows up there tomorrow, and don't let Pete go dinner without somebody taking his place. I don't want to leave that place alone.  
 Smitty:                     I'll be down and relieve him while he's out dinner.

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The following conversation indicates the close connection between Dutch Akers and Marshall Purvis, Attorney, who has in the past furnished this division with valuable information:

43: 10:45 A.M., March 20, 1937      Outgoing on No. 445      W.T.M.

870 (Purvis & Purvis, Attorneys)

Akers asked for Marshall Purvis and secretary told him Purvis would be away a few minutes. Akers told her he was sending Purvis a client up and for Purvis to "treat him right."

1:00 P.M., March 20, 1937      Incoming on No. 123      W.T.M.

Marshal Purvis called Akers, telling him "that party" (a client sent to Purvis by Akers) came to see him but he (Purvis) had to go to Texas and would be away until March 28th. Arrangements were made with Akers to get the client to wait until Purvis' return. The client wants to file suit against the Bus Company.

-- oo -- oo -- oo -- oo --

The following conversation reveals the close association of Herbert "Dutch" Akers with Mr. Shepard of the Southwestern Bell Telephone Company. Mr. Shepard is District Manager at Hot Springs. It also discloses that Akers owns or has an interest in Highland Park Inn, a beer joint in Hot Springs:

11:43 A.M., March 20, 1937      Outgoing on No. 123      W.T.M.

Akers called Mr. Shepard of the Telephone Co., and in a friendly manner argued with Shepard about the telephone which has been disconnected at Highland Park Inn for non-payment of charges by the previous owner. Akers now owns or has an interest in the Highland Park Inn. The conversation ended as follows:

Akers:                      Oh, say, you heard anything?  
Shepherd:                  No, I haven't.  
Akers:                      Well, keep your ears open for me on that.  
Shepherd:                  I'll do it. Have you heard anything I would be  
                                interested in?  
Akers:                      No. I'll listen out.

-- oo -- oo -- oo -- oo --

The following conversation indicates that former Chief of Police Joe Wakelin and Grace Goldstein are still on intimate relations:

1:22 P.M., March 20, 1937

Incoming on No. 445

W.T.M.

Former Chief of Police Wakelin called Akers:

Akers: I wish you would do some more checking for me.

Wakelin: Check what?

Akers: Work on some of your informants - can't you?

You know them b-----rds must have come back in here last night. They found the books and checks in that mail box on Central at Blakes Jewelry Store this morning. They must have put it in there after six o'clock last night. You know they rob (postman collects) those mail boxes at six for the last time. They may be in here now.

Wakelin: Well I got something - you know who it is coming from - you got to keep her out of it though. Now, don't mention her name with it --

Akers: Who, Grace?

Wakelin: Yes. She told me about this Joe Panana and his mob. They were up to her place night before last doing a lot of popping off - they popped off about this Karpis business and the jobs they had pulled. She says they are a tough bunch of babies. I'd check up on that.

Akers: Well, can't you get more about them? - where they are from and where they stay - what cars do they have? I'm checking at the Southern.

Wakelin: I will - Grace is finding out for me - but you got to be careful, now, to keep her out of it.

(Pause) Say, you remember them two girls that was doing all that stuff in them hotels last year?

Akers: Naw, what girls?

Wakelin: You know them girls that was doing all that rolling in them hotels.

Akers: What are their names?

Wakelin: One of 'em's names is Pat and the other's is Paula or something. They are staying at the Eddie Hotel now. Grace told me.

Akers: Well can't you get somebody to finger them to me?

Wakelin: Yes. Grace is working on it - but it will take a day or two. I'll call you.

The Chicago Field Division is being requested by letter to discreetly ascertain the identity of Joe Panana (phonetic), and his connections in Chicago, etc.

The following calls apparently refer to the two girls mentioned by former Chief Wakelin in his above conversation with Dutch Akers. It should be noted that these two girls, who appear to be prostitutes, appealed to members of the Hot Springs Police Department for protection:

3:55 A.M., March 20, 1937      Outgoing on No. 446      H.A.S.

"Pat":      Called 1402 (Cecil Brock)  
Advised Brock that she and her girlfriend were arrested in a cafe for "loitering". Requested that he "stand for her" because they didn't have any money.  
Brock:      Advised Rogers that he would "stand for" the girls.

6:10 P.M., March 20, 1937      Incoming on No. 123      H.A.S.

"Pat":      Asked for Chief,  
Rasberry:      Hello.  
"Pat":      Chief, this is "Pat". Miss Hargrove and I were picked up last night while we were eating in a cafe. The night captain arrested us - charged us with loitering. We weren't doing anything. I've never been in court in my life - you can ask Cecil Brock. I called him last night.  
Rasberry:      Did you come to court this morning?  
"Pat":      No. They said we could put up \$10.00 cash bond for loitering and we forfeited that rather than be embarrassed by court. What I want to know is this - if they've got it in for me, well I'll just have to go somewhere else, because I can't make a living by paying fines like last night. You know I'm at the Eddy (Hotel). Mr. Blakely there talked to Mr. Akers, and Mr. Akers didn't have anything against me - he said it was all due to the night captain. Wish you'd look into it and let me know how I stand - whether I'll get picked up every time that I go out. I answer some "calls" but I've never been in court before. If the night force have got it in for me I'll just have to leave town.  
Rasberry:      I don't know. I'll look into it. Didn't know anything about it until I saw your name this morning.  
"Pat":      Thank you.

7:10 P.M., March 20, 1937

Incoming on No. 123

H.A.S.

Woman:

Mr. Akers, this is Mrs. Blake at the Eddy Hotel.

Can I see you tonight sometime?

Akers:

Just going out to eat now. What's it about?

Woman:

I can't tell you over the phone - can you stop by?

Akers:

I'll come by after supper.

Woman:

All right.

-- oo -- oo -- oo -- oo --

The following telephone conversation discloses that prostitutes call members of the Hot Springs Police Department for assistance in securing jobs in houses of prostitution in Hot Springs. It is interesting to note that the Empire Hotel, mentioned in this conversation, is reported to be a house of prostitution owned by Mayor Leo P. McLaughlin:

7:16 P.M., March 20, 1937

Incoming on No. 446

H.A.S.

Woman:

Jerry Watkins, there?

Watkins:

Hello.

Woman:

Jerry, this is Inez. Will you call Mr. Williams up at the Empire (Hotel) and tell him it's all right with you all for me to come in there and work.

He says it's OK with him but wanted to be sure it's

OK with you. Be sure to call him tonight, will you?

Watkins:

All right.

-- oo -- oo -- oo -- oo --

P-E-N-D-I-N-G

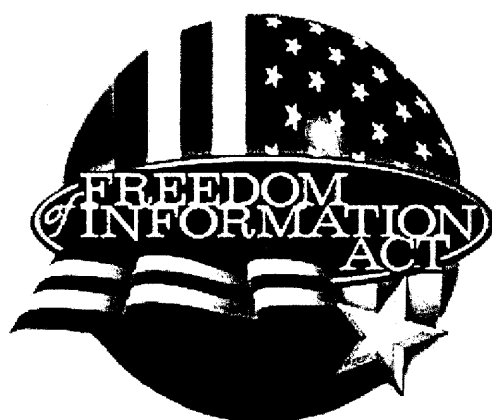


**FREEDOM OF INFORMATION  
AND  
PRIVACY ACTS**

**SUBJECT: BARKER/KARPIS GANG  
BREMER KIDNAPPING**

**FILE NUMBER: 7-576**

**SECTION : SUB 3 Section 5**



**FEDERAL BUREAU OF INVESTIGATION**

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SUBJECT Barker/Karpis Gang (Bremer Kidnapping)

FILE NUMBER 7-576 Sub 3

SECTION NUMBER 5

SERIALS 86-104

TOTAL PAGES 135

PAGES RELEASED 135

PAGES WITHHELD 0

EXEMPTION(S) USED b2 b7d b7c

**Federal Bureau of Investigation**  
**United States Department of Justice**

Post Office Box #1469,  
Little Rock, Arkansas,  
March 30th, 1937.

PERSONAL AND CONFIDENTIAL

Mr. Nathan	.....
Mr. Tolson	.....
Mr. Clegg	.....
Mr. Coffey	.....
Mr. Egan	.....
Mr. Foxworth	.....
Mr. Glavin	.....
Mr. Harbo	.....
Mr. Joseph	.....
Mr. Lester	.....
Mr. Nichols	.....
Mr. Quinn	.....
Mr. Tamm	.....
Mr. Tracy	.....

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

RE: BREKID

Dear Sir:

Please be advised that information has been furnished me by Special Agent D. P. Sullivan to the effect that on Monday, March 29th, 1937, at approximately 2:30 P. M., the telephone taps were again installed on the telephones of the Police Department at Hot Springs, Arkansas and Mayor Leo P. McLaughlin, the numbers of which are #123, #446 and #648.

Agent Sullivan informs me that these telephone taps were installed only after a thorough surveillance had been made from which he assured himself that this might be successfully accomplished.

RECORDED  
&

Very truly yours, INDEXED.

*Chas. Fletcher*  
CHARLTON FLETCHER, APR 5 1937  
Special Agent in Charge.

CF:DAN  
AIR MAIL AND SPECIAL DELIVERY

cc: Mr. E. J. Connelley, Tacoma (Air Mail & Special Delivery)  
Cincinnati

COPY

POST OFFICE BOX 812  
CHICAGO, ILLINOIS

April 1, 1937

Special Agent in Charge,  
Kansas City, Missouri.

PERSONAL AND CONFIDENTIAL  
Re: BREKID

Dear Sir:

In connection with the above captioned case, one Russell Frank Thompson was interviewed at the Chicago Field Division on March 28, 1937 regarding his sale of numerous machine guns.

During this interview Thompson advised that he had been in the "con racket" selling eyeglasses, and had been arrested at Hannibal, St. Joseph and Kansas City, Missouri, all of which arrests Thompson claims were "shake-downs".

When questioned in this regard Thompson advised that he was engaged in the "con racket" with one Cawthon and one George Plummer, Cawthon in all probability being identical with the subject in the case entitled Robert Terrell Cawthon with aliases, Impersonation. Thompson advised that Cawthon was the "fix man" for the mob and in order for the "con men" to work in Kansas City, Missouri contact had to be made with Johnnie Baker who would see Prendergast at Hot Springs, Arkansas, arrangements having been made with the Chief of Police before the "con men" could operate.

The Bureau's Identification Division records disclose Thompson was arrested in St. Joseph, Missouri September 5, 1935 charged with obtaining money under false pretenses; no disposition. Thompson advised that at that time he had been approached by an Assistant States Attorney, and due to the fact that Thompson was "broke" he was allowed to square the charge with the woman from whom he had obtained certain money and in addition was alleged to have paid \$250.00. After his release Thompson left town.

The Bureau's records also indicate an arrest at Kansas City, Missouri August 22, 1935 on a charge of investigation; no disposition, and in this connection Thompson advised that this was an out and out "shake-down"; that Detective Cole and his partner who had made the arrest told Thompson he had to "put it on the line" before he could work in that town; that subsequently he had left \$20.00 with the operator of Miller's saloon at 19th and Main Streets on the north west corner, to be given to Detective Cole.

RECORDED  
&  
INDEXED

7-576-3-87

7  
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THIS SERIAL ONLY  
1/29/57 23

With reference to the "fix" at Hot Springs, Thompson advised that he had been through Hot Springs approximately a year ago but had not worked the town, but during a discussion he had had with Cawthon regarding the possibility of working in Hot Springs Arkansas, Cawthon advised that the "fix" was with the Chief of Police, and indicated that this "fix" had been arranged through one Douglas Connor, a confidence man who is alleged to work the "payoff" all over the country.

The above is submitted for your information.

Very truly yours,

D. M. LADD,

Special Agent in Charge.

JLM:JMS

CC Bureau  
CC Little Rock

7-82

**Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.  
March 22, 1937.**

Under date of February 25, 1937, Mrs. Scott Wood of Hot Springs, Arkansas, addressed a letter to the Bureau complaining of general lawless conditions in Hot Springs, involving income tax evasions, harboring of criminals, 4 gambling and general corruption on the part of public officials, etc. She wanted to know if the Bureau couldn't do something to bring to justice those persons who are responsible for the conditions which exist there.

In a letter dated March 8, 1937, the Bureau acknowledged receipt of Mrs. Scott Wood's letter and advised her that the Special Agent in Charge of the Bureau's Little Rock Office would arrange for an Agent to interview her in the immediate future for the purpose of determining if she had any information indicating a violation within the investigative jurisdiction of the Bureau.

On March 14, 1937, the Bureau received a short note from Mrs. Wood enclosing an article which appeared in The Memphis Commercial Appeal for March 12, 1937, under a Little Rock date line, in which it is stated that "An agent of the FBI has been ordered to Hot Springs to conduct a secret investigation of conditions in the resort city \* \*". This article continues as follows: "According to information here, one of the Hot Springs residents responsible for the investigation by a House committee during the recent Legislature wrote J. Edgar Hoover, director of the FBI requesting that he send an agent to the spa. Mr. Hoover replied that he was assigning a man and that he would pay special attention to the income tax reports of certain city officials and so-called "big shots" in the gambling world, in an effort to discover any possible law violations." Mrs. Wood says in her letter that she did not give this information to the newspapers, but that if the Bureau thought it good strategy to give out information of this nature, it would be all right with her. This letter was acknowledged by the Bureau under date of March 19, 1937 with a statement to the effect that this newspaper article is without foundation and fact, since Special Agents of the FBI do not conduct investigations into matters involving income tax frauds, such cases being handled by the Internal Revenue Bureau of the Treasury Department.

RECORDED & INDEXED

Before receiving the above letter, Mrs. Wood addressed another letter to the Bureau under date of March 16, 1937, with further reference to this newspaper clipping. She says that her husband recently encountered R. W. Sisson, Little Rock correspondent for the Memphis Commercial Appeal

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11 MAR 25 1965

I want to find out how the fact of the communication from Mrs. Wood with the Bureau became known to the press. She denies she gave it & we ought to make certain no one else has. I will give you a list of the people who were in the room when she gave it.

3/16/37

and the following conversation, in substance, took place:

Mr. Sisson: Well, Mr. Wood, did you see my story about Hot Springs in our paper a few days ago. (This is the clipping above mentioned).

Mr. Wood: Yes, I did, but I noticed that the following day the Arkansas Gazette denied the story, saying they had investigated it and found that Mr. Hoover's department has nothing to do with income taxes, and that investigation of those are handled by another department.

Mr. Sisson: Sure, I saw that, but you know why they did that. The Gazette tried to get some information on the story and couldn't, and that made them sore. You see, I know all about your wife writing that letter to Mr. Hoover, and just what Mr. Hoover wrote her, and I know who the Agent is that he told her he was going to send. The Gazette wanted this news awfully bad, but they couldn't get it.

Mrs. Wood in her letter is, of course, very indignant because she has arrived at the conclusion that the Bureau gave this information. She says that in the first place, it would appear that we wouldn't want to give out information which is given to us in confidence, and that in the second place, should we give out the information, we certainly should give it to all of the newspapers. She continues that the interview promised her in the Bureau's letter of March 8, 1937, has not materialized, and she has not seen an Agent as yet.

On Saturday afternoon, March 20, 1937, I talked with Mr. Calhoun at the Little Rock Field Division, and told him to get in touch with Mr. Fletcher and have him interview, or have someone interview, this woman at once, obtaining from her any and all information she has relating to violations of Federal law within the investigative jurisdiction of the Bureau. I told him that the position of the Bureau as respects allegations of violations of Federal laws which are not within our jurisdiction should be clearly explained. I further told Mr. Calhoun that Mrs. Wood should be informed Mr. Hoover's office in Washington has called about this matter, and that Mr. Hoover wanted her to be advised the Bureau did not disclose this information to any person whatsoever, including any newspaper man or anyone else.

This morning, Mr. Fletcher telephoned me from the Little Rock Office and said that he had written the Bureau about this situation, and the letter should be in here this morning. He said that he explained in his letter that Mrs. Scott Wood is the wife of Mr. Scott Wood, who is the person largely responsible for the legislative investigation which is in progress in Hot Springs at this time.



3/22/37

He said that in view of this tieup, he had suggested in his letter that it might not be a good idea to interview this woman at this time for the reason that a great deal of publicity might emanate therefrom. He said that he believes this woman will want the Bureau to come over there and make an open investigation to influence the election which is to be held there early in April.

I told Mr. Fletcher that in the first place, we won't make any inquiry unless she has information indicating a Federal violation within our jurisdiction; that if she writes the Bureau demanding to be interviewed stating that she has such information, we would certainly be drawing more suspicion to ourselves by not interviewing her than we would if we did interview her and explain that there is nothing we can do. I told Mr. Fletcher that the thing is to do in this situation is to have an Agent walk right in there and interview this woman, ascertain what the facts are in her possession, and if there is no violation within our jurisdiction, so inform her and tell her there is no action we can take. As to any publicity, I told Mr. Fletcher that it has been in all of the papers down there that we are in Hot Springs conducting an investigation at this time, and it would appear there is little or nothing to be added to that.

I told Mr. Fletcher that he should make absolutely no attempt to secrete the fact that this interview is being conducted; that some Agent from the regular staff of Agents should conduct the interview, and in a manner in which it would be conducted under usual and ordinary circumstances. I told Mr. Fletcher that if there is any inquiry about this situation, we can say that we interviewed this woman as a complainant just as we interview all complainants. I can't conceive of any information this woman has which would indicate a Bureau violation, and I told Fletcher that the exact position of the Bureau in so far as jurisdiction should be carefully explained to her so that there will be no question.

Respectfully,

  
E. A. TAMM.

JOHN EDGAR HOOVER  
DIRECTOR

EAT:CDW

**Federal Bureau of Investigation**  
**United States Department of Justice**  
**Washington, D. C.**

March 29, 1937.

Time - 11:35 A.M.

MEMORANDUM FOR THE DIRECTOR

I telephoned SAC Fletcher at the Little Rock Office and inquired as to what had developed as a result of the interview with Mrs. Scott Wood at Hot Springs, Arkansas, who has written the Bureau two or three letters asking to be interviewed.

Mr. Fletcher said that he has written the Bureau a complete letter reflecting the results of this interview. Mrs. Wood, he said, did not have any information indicating any violation of Federal law within the investigative jurisdiction of the Bureau. She had some alleged information concerning violations of the Income Tax Laws, and complained about general lawlessness, but other than that, nothing developed as a result of the interview.

During the course of the interview, Mr. Wood came in. He said he did not know his wife had written the Director, but that in any event, she should not have done it because she did not have any information based on fact in which the FBI would be interested.

Mr. Fletcher said that Mrs. Wood had told Mr. Huff, the U. S. Commissioner at Hot Springs about writing the Bureau and about the reply which she received to the effect that an Agent would call upon her for an interview, and Mr. Huff evidently told other people about it, and Mrs. Wood undoubtedly told others about it. It was probably through this method that the information relative to this situation got into the newspapers. Incidentally, Mr. Wood informed the Agent that the newspaper reporter did not tell him that he knew the identity of the Agent who was going to call on Mrs. Wood, as erroneously reported to the Bureau in a letter from Mrs. Wood.

Respectfully,

E. A. TAMM.

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7-576-5 89  
FEDERAL BUREAU OF INVESTIGATION  
APR 16 1937  
TOLSON  
ONE  
FILE

JOHN EDGAR HOOVER  
DIRECTOR

Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.

LMC:MFW

April 6, 1937

MEMORANDUM FOR MR. TAMM

The following is a resume of the pertinent information developed through the telephone taps conducted in the Brekid matter, such information being reflected in the report of Special Agent B. L. Damron, March 16, 1937, at Little Rock, Arkansas:

"On March 1, 1937, [REDACTED] called at the Little Rock Division, upon request, and advised Special Agent in Charge Fletcher that Mayor Leo McLaughlin is financially interested in two houses of prostitution in Hot Springs. These two houses were alleged to be - one operated by Lillian Brown, alias Lillian Pearrow at 105 Prospect, and the other being operated by Ruth Johnson, alias Ruth Jones, and located at 350 Malvern Avenue.

"The address of 105 Prospect, and the name of Lillian Pearrow has appeared in the logs previous to this date, and indicates that she is operating a house of prostitution, and is known to the police department. Special Agents D. P. Sullivan and J. M. Jones, made a survey of this address, and Inspector Connelley and the Bureau advised. The advisability of establishing a tap on this telephone is now under consideration.

"With reference to the address of 350 Malvern Avenue and Ruth Johnson alias Ruth Jones, neither the address nor name has appeared among the logs submitted in this case. Reporting agent ascertained that this address is occupied by the Peoples Laundry, but opposite this building was the Empire Rooms. Thereafter Special Agent D. P. Sullivan ascertained that the Empire Rooms were operated by Ruth Jones, but there was no telephone at this address. It also appeared that the Empire Rooms is located in the negro section, and would be a low class house. The Bureau and Inspector Connelley were advised of these facts.

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7-576-3-90

April 6, 1937

"On March 4, 1937 the telephone company employees completed their repair work on Cedar Street and at 6:07 P. M. the tap on the residence telephone of W. S. Jacobs (unlisted number 2115) was reestablished by Special Agent J. M. Jones, and the plant maintained by Special Agents Jones and B. M. Suttler. \*\*\*

"Re: JOHN DICKSON MATTER

On March 3, 1937 Chief of Detectives Herbert Akers telephoned, reporting agent, and advised that Alfred "Pug" Dickson was released to the Sheriff at Benton, Arkansas, for prosecution as to the theft of a Ford truck. Newspaper releases for March 5, 1937 reported that Dickson was found guilty, and was sentenced to serve one year in the State Penitentiary. The newspapers quoted Floyd Huff, U. S. Commissioner at Hot Springs and attorney for the defense, as stating that, 'John Dickson was killed because he had committed the "unpardonable crime of robbing a Hot Springs gambling joint" and that "no crime could so enrage the Hot Springs police as that".

"Re: ARREST AND RELEASE OF EARL KING

At approximately eleven o'clock on the morning of March 3, 1937, Chief of Detectives Herbert Akers and Day Captain Jerry "Swede" Watkins raided the residence of Mrs. Claire Sims at 211 Woodbine St., in Hot Springs, and arrested Earl King, Andrew "Tex" Anderson, and another man whose identity is unknown. These three men were arrested for operating a race horse wire service of some kind. The names or tips being transmitted from California. The three men were arrested and taken to the city jail. John Condon and Frank McCarthy, who are connected with the Oak-lawn Park track in some unknown capacity there joined Akers at the Police Station. Soon thereafter Earl King made a long distance telephone call to Dave Schmidman in Los Angeles, California, and told him that it would take \$500.00 to get him out of jail and 'square it with them.' Dave promised to send the money by Western Union.

April 6, 1937

"Thereafter, and during the afternoon, King attended the races or was not in jail when long distance telephone calls for him were coming in from Los Angeles, and at approximately six o'clock King, with the assistance of Akers, obtained \$500.00 from the Western Union. King, apparently, was released on the night of March 3, 1937, but Anderson and his companion were held in jail. King apparently disappeared for several days, and 'run out' on Anderson and his companion, who were convicted on some charge, and sentenced to serve 30 days in jail, each. On the night of March 5, 1937, King called Captain Watkins and in strong language told him to spring the 'two kids' and to tell Akers he was willing to go 'go along' with him, but 'what the Hell - I've got to get some results.' King apparently remained in hiding at or near Benton, Arkansas, during which time the brother of Andrew Anderson made strenuous efforts to have his brother released and out of town.\*\*\*

"The following conversation is further evidence as to the traffic in firearms by the police. "Curley" apparently refers to Detective Curley Evans:

12:05 P.M., outgoing on No. 123 W.T.M.

"Curley" asked Akers what he did about that pistol. Akers said he sold it.\*\*\*

"The following conversations are self-explanatory:

6:55 P.M., incoming on No. 123

J.M.J.

Man asking if the 1928 Buick Coach reported stolen last night had been recovered.  
Jailor: No information yet.  
Man: Would you mind explaining what that detective meant about there would have to be a reward posted before the detective department would start looking for it?  
Jailor: You will have to speak to Mr. Akers about that, he's in charge of that work.

April 6, 1937

9:31 P.M., incoming on No. 446

J.M.J.

Man asked for Rogers - reported theft last night about 11:00 P.M. of a 1928 Buick, Iowa 1936 license #77-25488 - advised Rogers - 'This fellow will kick in if you get the car back.

Rogers: OK.\*\*\*

"The following conversation between W. S. Jacobs and Mayor McLaughlin is self-explanatory:

11:00 A.M., outgoing on No. 648

B.M.S.

Mayor 2115 (W. S. Jacobs' unlisted phone)

Jacobs: Hello

Mayor: Have anybody out at the Club last night?

Jacobs: When I left at 7 o'clock there was 40 or 50 cars in the yard, the Governor's secretary and a party were there ordering dinner.

Mayor: Did they pay for it?

Jacobs: I don't know, I left a check with Otho and left it up to him, told him if they didn't offer to it was all right. Track was short of folks, wasn't it?

Mayor: Yeah, folks and money too.

Jacobs: Maybe more will come in Saturday.

Mayor: They've put in another bill against us, I think it was put in from the other side of the State. I think I'll be able to block it, just got a few days now, and I think I can keep it pushed around 'til it's over.

Jacobs: Yeah, two days this week and all next week.

Mayor: I'll show you the bill when I see you.

Jacobs: All rightie.

(The Club apparently refers to the Belvedere Club. The bill referred to by McLaughlin appears to be the election bill previously mentioned.)\*\*\*

April 6, 1937

"March 3, 1937

The following conversation indicates the practice of Chief Akers in talking to persons in his automobile. It will also be noted that the Mayor fixed a meeting place which is in the business district and not near his residence:

8:07 A.M., incoming on No. 123

B.M.S.

Mayor: Let me speak to Dutch Akers.  
Corrington: Just a minute.  
Akers: Hello  
Mayor: Busy?  
Akers: No.  
Mayor: Drive on up and park on the other side of the street from Bath House Row. I'll sit in the car with you, I wanna talk to you about something.  
Akers: Be right up.

The following conversation, noted in the logs as a questionable transaction, probably originated with Gus Maile, (Not Bailey), Manager of the General Exchange Insurance Company at Little Rock:

10:19 A.M., outgoing on #23

B.M.S.

Dutch Akers got Operator 12, Little Rock, re: to his call.  
Bailey: Dutch, this is Gus Bailey.  
Dutch: Hello, Gus.  
Bailey: I've got a check for you in that Wright case at Holland's Garage, made payable to you. Remember?  
Dutch: Yeah, just mail it.  
Bailey: Well, I would have done that, but you all have been having so much trouble over there lately.  
Dutch: That didn't affect me, I wasn't mixed up in it.  
Bailey: Good, the check is for \$25.00, dated Feb. 13th, I'll mail it to Police Headquarters.  
Dutch: Thanks, Gus.

NOTE: This transaction sounds as though it may be questionable.

April 6, 1937

The following conversation is self-explanatory:

10:30 A. M., incoming on No. 123

B.M.S.

Mrs. Dudley: Mr. Akers, please.  
Akers: All right.  
Mrs. Dudley: Mr. Akers, this is Mrs. Dudley.  
Akers: Who?  
Mrs. Dudley: You remember Dr. Dudley, don't you?  
Akers: Sure.  
Mrs. Dudley: Well, this is Mrs. Dudley. I've had my upper teeth pulled, that's why you can't understand me. Mr. Akers, I want to buy something from you. I don't want to mention it on the phone. Will you come by?  
Akers: Go ahead and tell me, it's all right.  
Mrs. Dudley: Well, you got any diamonds?  
Akers: Got some small ones.  
Mrs. Dudley: How about some one or two carats?  
Akers: I tell you, I'll look around and see what I can pick up. I'll let you know.  
Mrs. Dudley: I was telling Mr. Scott yesterday I wanted to see you, you're not afraid of me are you?  
Akers: Oh, for Christ's sake no.  
Mrs. Dudley: Thank you, Mr. Akers.

The following conversations indicate that the 'administration' at Hot Springs is now working with the State administration and Governor Bailey:

(Long distance operator announced a call for Mayor McLaughlin from Little Rock)  
Mayor: Hello.  
Man: Hello, Leo, this is Grover J --(indistinct) (probably Grover Jarnigan, Bank Commissioner).  
Mayor: Why, hello Grover.  
Man: Say, Leo, I want you to do something for me.  
Mayor: Sure will.  
Man: They are bringing up a bill here - house bill 521 - by Boyer - about assuming the debts on the toll bridges.  
Mayor: House bill 521.  
Man: 521 by Boyer.  
Mayor: Alright.  
Man: We want you to kill it. (Explaining it was adverse to the Refunding Bill)



April 6, 1937

Mayor: Sure will.  
Man: Yes. Want you to call your two representatives and have them kill it.  
Mayor: I'll do it. I'll do it.  
Man: We'll sure appreciate it.  
Mayor: What's the status of that bill now?  
Man: They are trying to get it up in the house this morning.  
Mayor: Alright, we'll do it.  
Man: I am sorry that I haven't been over to your races yet.  
Mayor: Yes. I had the pleasure of meeting the "Boss" wife yesterday. Their box was next to mine. I gave them two losers though, so I guess I am in bad up there again.

10:15 A.M., incoming on No. 648

W.T.M.

(Operator announced completion of call to Mr. Maner in Little Rock.)  
Mayor: Hello, Earnest, this is Leo. You know that house bill 521, by Boyer?  
Maner: Well, I dunno.  
Mayor: Well, they are trying to get it up in the house this morning, aren't they?  
Maner: No, they have a Senate Bill up for amendment about the County examiners.  
Mayor: Well, I got a call about this bill from headquarters, you understand what I mean?  
Maner: Yes.  
Mayor: It seems that they are trying to kill this bill because it interferes in some way with that refund bill - something about the toll bridge.  
Maner: Yes. What is that number?  
Mayor: Yes, get a pencil (pause) it is House Bill #521 by Boyer. Now, not that we give a damn about this bill but the Governor and them are against it and here we can go with them. You see?  
Maner: Yes - vote against it.  
Mayor: Yes - vote against it. See Jim and tell him.

April 6, 1937

10:17 A. M., incoming on No. 648

W.T.M.

(Call to Rep. Campbell connected at Little Rock.)

Mayor: Hello, Jim, just got a call from other there a while ago about that house bill #521 - this is Leo.

Campbell: Alright.

Mayor: Seems like the "Big Fellow" (probably Governor Carl Bailey) and the others down stairs are against it.

Campbell: Yes, that must be that thing of Harris' about those bridges.

Mayor: Well, they are trying to get in the house this morning - it is by Boyer, they told me - they want to kill it - I dunno, they claim that it will interfere with that refund bill - something about the toll bridge.

Campbell: Well, now, I don't know - if it is that thing I am thinking about, I am obligated to those fellows from Jefferson County. I am traded out with them - on that bill of ours - 421.

Mayor: Uh huh.

Campbell: Anyway I don't think that thing will pass. They've tried it time and again.

Mayor: Well, you see the Governor and them are against it and we can go with them.

Campbell: Well I don't know whether we are talking about the same thing. I'd better look it up.

Mayor: This is by Boyer they told me.

Campbell: Well, I'll look into it and see what I can do.

Mayor: Well, the administration is against it - just let Earnest go one way and you go the other, I guess. \*\*\*

"The following conversation appears of interest, and is being made the subject matter of a separate file in the Little Rock Field Division. It may be stated that C. Floyd "Babe" Huff is United States Commissioner at Hot Springs, and is the subject of an administration investigation at the present time, the file being entitled "C. Floyd Huff, United States Commissioner, Hot Springs, Arkansas."

April 6, 1937

11:44 A.M. outgoing on No. 123

W.T.M.

Akers placed long distance call to Sheriff's Office at Benton, and when Sheriff could not be located he called the State Prosecutor at Malvern, whom he addressed as "Bill". Akers advised that "Pug" Dixon would not be returned to Hot Springs for prosecution and that he could be sent on to Tucker Farm. During the conversation the prosecutor said he brought out on the witness stand that "Babe" Huff harbored "Pug" Dickson in Little Rock while he was being sought in connection with his crime. Akers appeared highly aroused, and urged that the Prosecutor address a letter to the Department of Justice pointing out that Huff harbored a Government fugitive.\*\*\*

"The following conversation between Mayor McLaughlin and W. S. Jacobs, appears of interest:

8:35 P.M., incoming on No. 2115

E.M.S

Jacobs: Hello.  
Mayor: Whatdya know?  
Jacobs: What's that?  
Mayor: Lots of people in town today.  
Jacobs: Hello there, I didn't catch your voice for a minute. Yeah, plenty of people in town. I was just getting ready to call the Southern when your call came in, to tell 'em not to take any more reservations for Belvedere, it's full.  
Mayor: That's fine. Lot of our friends in here tonight.  
Jake: Yeah?  
Mayor: Yeah: Saw Bob Crisp today, he told me a bill got lost today in the house. Funny. He saw the bill before it went up. Seems that Tackett (probably Taggart) who lives here and is a brother of Tackett over there and he sent the bill to his brother and his brother sent it back. I believe it was an election bill presented by that fellow Gavins. Funny how a bill could get lost in the House like that.

April 6, 1937

Jacobs: Jim told me today Tackett was going to run against you.  
Mayor: Yeah, he qualified today.  
Jacobs: You know Huff, he told Wheatley that there won't be any gambling around here if McLaughlin is elected. (laughs)  
Mayor: (laughs) Well there sure won't be any if Tackett is elected.  
Jacobs: You say he qualified today?  
Mayor: Yes, today was the last day. That's all right tho, it's perfect. I'm not worried at all.  
Jake: I guess it ain't hardly safe to sneak around a little yet. (Gambling)  
Mayor: No, I think he wants you to stay quiet a few more days anyhow.  
Jacobs: Yeah, all right.  
Mayor: I'll be seeing you.

"(Bob Crisp is a State Representative from Pulaski County, is personally known to reporting agent, and has an office in the Rector Building. He is an attorney and close friend of former Governor J. M. Futrell. Tackett is Elmer S. Tackett, Attorney of Hot Springs, and candidate for Mayor in the city election to be held at Hot Springs on April 6th. He is opposing Mayor McLaughlin and the "administration." His brother is Representative Tackett of Pike County, a friend of the administration. The election bill apparently refers to the bill mentioned by McLaughlin in previous conversations. Huff refers to U. S. Commissioner C. Floyd Huff, who is opposing the administration and cooperating with Scott Wood in fighting the administration. Mr. Huff called at the Little Rock Division on March 8, 1937, and during his visit stated that several people had hoped the Bureau would take some action in Hot Springs with reference to harboring Alvin Karpis, as Karpis stayed in Hot Springs so long that surely someone gave him protection. Wheatley apparently refers to Mill Wheatley, who owns much real estate in Hot Springs and is friendly to the administration. The expression by McLaughlin of 'he wants you to stay quiet, etc.' apparently refers to Circuit Judge Earl Witt, and also refers to the opening of the gambling houses. It appears that public gambling is being held in abeyance pending the adjournment of the present legislature, as shown by the following conversation between Jacobs and "Tink" Young of the Ohio Club:

April 6, 1937

9:14 P. M., outgoing on No. 2115

B.M.S.

Jacobs: 210 (Ohio Cigar Store)  
Man: Hello.  
Jacobs: Is Mr. Young there?  
Young: Hello.  
Jacobs: Well, have you got a pretty good crowd?  
Young: Yes, fair, the racing didn't get paid  
off today, waiting 'till Monday. If they  
had we would have had a big night sho nuff.  
Jacobs: All reservations are taken at Belvedere.\*\*\*

"The following conversation is self-explanatory. Al and Lillian  
Pearrow operate a house of prostitution at 105 Prospect Street:

12:15 P. M., outgoing on No. 123

W.T.M.

789 (A. J. Pearrow, 105 Prospect)  
Swede (Watkins) called and said to Lillian: I asked them boys  
about what Al wanted me to find out for him. Tell  
him I'll see him about it.  
Lillian: He is here now.  
Watkins: Which 'un was it that did it?  
Lillian: He said Davis.  
Watkins: Well, I talked to the man what done it and he swore  
he knew nothing about it.  
Al: Swede, I'll be over there - I'll see you."

The major portion of the conversation reflected by this report  
shows general activities on the part of the city administration at Hot  
Springs, Arkansas in connection with their endeavors to defeat certain  
bills before the state legislature which is now in session. However,  
the conversations quoted are the only ones reflecting any definite  
incidents of this type.

Respectfully,

*L. M. Chipman*  
L. M. Chipman.

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1  
THIS CASE ORIGINATED AT Cincinnati, Ohio.

L.R. FILE NO. 7-2

REPORT MADE AT <b>Little Rock, Arkansas</b>	DATE WHEN MADE <b>4/6/37</b>	PERIOD FOR WHICH MADE <b>3/21-27/37</b>	REPORT MADE BY <b>JOHN L. MADALA</b>	Mr. Tolson _____ Mr. E. A. Tamm _____ Mr. Clegg _____ Mr. Coffey _____ Mr. Glavin _____ Mr. Ladd _____ Mr. Nichols _____ Mr. Rosen _____ Mr. Tracy _____ Mr. Carson _____ Mr. Egan _____ Mr. Gurnea _____ Mr. Harbo _____ Mr. Joseph _____ Mr. Lester _____ Mr. Quinn Tamm _____ Mr. Nease _____ Mr. Gandy _____
TITLE <b>GEORGE T. MINNEY; DR. JOSEPH P. MORAN, with aliases - FUGITIVE, I. O. No. 1232; ET AL; EDWARD GEORGE BREMER - Victim.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT</b>	

**SYNOPSIS OF FACTS:**

Conversations of interest overheard on taps on police, Mayor's and W. S. Jacobs' telephones at Hot Springs for period of March 21 to 27, 1937, inclusive, set forth. Logs for this period reveal that Mayor McLaughlin was successful through the medium of C. E. Palmer, local publisher, to secure unofficial sanction from Gov. Carl E. Bailey to re-open gambling in Hot Springs on Mar. 19, 1937. Gov. Bailey issued ultimatum on Mar. 21, 1937 that all gambling in Arkansas must stop, and thereafter upon permission of Mayor McLaughlin, the enterprises of W. S. Jacobs have been sneaking horse racing bets at the Southern and Kentucky Clubs, Hot Springs. Logs also disclose that employees of W. S. Jacobs are actively participating in the campaign of Mayor Leo P. McLaughlin in the coming city election on April 6, 1937. Racing season in Hot Springs terminates on April 3, 1937.

- P -

REFERENCE: Report of Special Agent John L. Madala, dated at Little Rock, Ark., March 27, 1937.

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11 MAR 25 1965

APPROVED AND FORWARDED: <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES			
COPIES OF THIS REPORT 3- Bureau 2- Cincinnati 1- Cleveland 1- Chicago 1- Mr. E. J. Connelley 4- Little Rock	7	576-2	91	APR 10 1937
	<div style="position: relative;"> <div style="position: absolute; top: 0; right: 0; font-size: 2em; font-weight: bold;">7</div> </div>			

The taps on telephones 123, 446 and 648, listed to the City Jail, Chief of Police, and Mayor's office respectively, were disconnected at 11:35 A.M., March 25, 1937, after the following conversation was overheard by Special Agent W. T. Morton:

10:46 A.M., March 25, 1937

Outgoing on No. 648

W.T.M.

Mayor: Asked operator to connect him with Mr. Shepherd of the Manager's office of the telephone company.  
(Conversation, in substance, is as follows:)

Mayor: Shep, this is Leo, if you will look there in your office you will find that the lines out of my office are being tampered with.

Shepherd: Well, Leo, what makes you think so?

Mayor: It is that every time I take up my receiver on this phone I hear clicking noises. I have also heard some extracts of some telephone conversations of mine repeated around. I know nobody could get hold of that unless they were listening in.

Shepherd: You mean you don't feel that you can talk any business over that phone -- some of it is leaking out?

Mayor: Well, I don't do any particular business over this phone. I don't have any secrets particularly. It is just that I don't have the assurance that I can pick up this telephone and carry on a conversation without being overheard.

Shepherd: Well, that clicking and some of your secrets leaking out is what --

Mayor: No, I don't have any secrets. I just don't want to have anyone listening in or tampering with the lines of this phone. I might want to talk to a 'gal' over this phone (laughs) and I don't want anyone to hear me but her.

Shepherd: All right Leo, I'll ---

Mayor: I don't know who it is or what it is they are after hearing - there's nothing of importance going on over this line. But I want you to personally look into it and see about it. I think you will find it there in your office.

Shepherd: All right Leo, I'll personally look into it and check up on your line right away.

Mayor: Say! - you are going to vote aren't you?

Shepherd: Sure, when is it?

Mayor: April 6th.

Shepherd: I didn't know that it was that near, though.  
Mayor: Yes, April 6th - be sure and vote.

NOTE: With respect to the above call, this agent heard nothing during the period agent was on watch on this telephone out of the ordinary indicating that any other person was on the line. No clicking sounds were heard. No more conversations were heard over this telephone after the above call.

The Little Rock Field Division was promptly advised of the discontinuance of the above described taps, and immediately thereafter the Bureau was so informed by telegraph.

On March 25, 1937, and every day thereafter, to the morning of March 29, 1937, when the taps were re-established, a periodic surveillance was made of the master telephone box and the aerial boxes which serve the City Hall's telephone service, but nothing was observed that indicated the local telephone company was checking the wires to locate a tap.

The telephone tap on No. 2115, listed to W. S. Jacobs, 116 Cedar Street, was not removed and remained in operation during the entire period of this report.

The plant at 207 Laurel Avenue is being maintained by Special Agents H. A. Snow, W. T. Morton, and R. H. Laughlin. The plant at 205 Cedar Street is manned by Special Agents D. P. Sullivan, B. M. Suttler, and the reporting agent.

The following conversations of interest are taken from the logs submitted for the period of March 21 to March 27, 1937, inclusive:

The following telephone conversation refers to a news article which appeared in the Little Rock Democrat paper on March 21, 1937 relative to the re-opening of gambling operations in Hot Springs, Arkansas:

10:10 A.M., March 21, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.  
Roscoe: How you feeling?  
Jacobs: All right.  
Roscoe: Democrat's got a nice picture on the front page this morning. Have you seen it?  
Jacobs: Yeah, I noticed it they were calling around to the Belvedere, Ohio and Southern last night.  
Roscoe: Well, maybe it'll be OK.  
Jacobs: Yeah, maybe we can overcome it.



Roscoe: How's the poker game coming?  
Jacobs: It's still going on.  
Roscoe: Well I'll see you.  
Jake: Yeah, I'll see you.

Inasmuch as the above referred to news article appears to be the basis for the ultimatum issued by Governor Carl E. Bailey on the following day (3/22/37) that "Open Gambling in Hot Springs Must Stop", this article is being quoted below as it appears to be of vital interest to this investigation. The article in question reads as follows:

Dice Click, Roulette Wheels  
Spin and Big Party Resumes  
Activities at Hot Springs

Dice were clicking, the roulette wheels spinning and everything was o. k. at Hot Springs' gambling casinos Saturday night, the activity having been resumed after a month's "breathing spell," which followed spectacular raids by state officers during the recent legislative sessions.

The word went around that folks who had something left when they left the race track might drop in the Ohio Club, the Southern Grill or the fashionable Belvedere, which is located some five miles out of Hot Springs on the Little Rock highway, and try their luck.

Under an unofficial agreement with state officials, the illegal bookmaking on horse races isn't being permitted. There is a reason. When the books aren't in operation downtown, the folks who want to make horse race bets have to go the the Oaklawn track to do their betting. And when they do, the state gets four per cent of what they bet. The track, of course, also profits to the extent of 10 per cent.

As a result of an edict from Mayor McLaughlin, presumably issued on request of state officials, the state is reaping a larger crop of racing dollars. The state didn't get anything from the bookies, and the city only perhaps an occasional license fee fine.

Whether the high state officials have given tacit permission for resumption of gambling activities, could not be learned. There are numerous state rangers and other state officials at Hot Springs, but whether they intended to again raid gambling centers could not be learned.

According to word received from Hot Springs, gambling house operators got word they could reopen "because of an agreement with Little Rock." Those responsible for the statement declined to elaborate.

It also was reported that following the closing of the races at Oaklawn April 3, the bookmaking activities also will be permitted to resume.

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The following conversation between Mayor Leo P. McLaughlin and W. S. Jacobs reveals the Mayor's participation in the operation of illegal gambling in Hot Springs:

12:15 P.M., March 21, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Mayor: What's going on?  
Jacobs: Did you see the Gazette this morning - the papers are talking nicely about you.  
Mayor: Yeah, it's a combination election story. Huff's report and Cambell.  
Jacobs: I talked with Ebel this morning about it - he can't understand it.  
Mayor: Thought maybe Sunday night - better than Sunday afternoon. What do you think?  
Jacobs: That's all right, but I figured only one or two persons at the Ohio to take care of Tom Ray and those fellows. I have no crew for the Southern or Ohio. They all worked last night. We had a good night last night - \$4500 at both places.  
Mayor: That's all right - I didn't know.  
Jacobs: Had a poker game at the Southern all night - I guess it's still going on. We are short of tools - only got four wheels in both places - couldn't take care of everyone. Had a big handle and general business was fine. Everyone was pleased and happy.  
Mayor: I think we better have that ready tomorrow - you know to take care of those fellows.  
Jacobs: Yeah. I'll have it ready for you tonight.  
Mayor: Well, I'll see you.

The foregoing conversation, particularly the underscored portions thereof, and the following calls, appear to be evidence of a "pay-off" through Mayor McLaughlin by W. S. Jacobs to C. E. Palmer, or through him to some high State official, for the unofficial sanction to resume gambling in Hot Springs:

7:18 P.M., March 21, 1937

Outgoing on No. 2115

B.M.S.

Leo: 3700  
Man: Sentinel-Record.

- 5 -

Leo: Is John Scutter on desk?  
 Man: No, Roy's here.  
 Roy: Hello.  
 Leo: Roy, Leo. Is Mr. Palmer in town?  
 Roy: No, be in tomorrow night, try his residence in  
 Texarkana, listed as C. E. Palmer.

7:20 P.M., March 21, 1937      Outgoing on No. 2115      B.M.S.

Leo: Leo called Long Distance.  
 Operator, 2115, Leo McLaughlin, calling C. E.  
 Palmer at Texarkana.

7:25 P.M., March 21, 1937      Incoming on No. 2115      B.M.S.

L. D. Opr. Mr. McLaughlin, I've tried his residence and newspaper,  
 but have failed to locate Mr. Palmer. Shall I  
 keep trying?  
 Leo: No, I'll call you in an hour. I won't be at this number.  
 Operator: All right, just ask for Operator 4.

7:45 P.M., March 21, 1937      Incoming on No. 2115 4      B.M.S.

Tink Young called Jacobs and discussed the distri-  
 bution of the wheels at the various clubs when  
 they arrive from Detroit Wednesday, then the  
 following conversation took place.  
 Jacobs: They'll need 400 tonight. (very low)  
 Young: I'll send it up. (also low)  
 Jacobs: Might need another hundred or so tomorrow night.  
 Young: OK.  
 Jacobs: How'd you do today?  
 Young: Made 4100  
 Jacobs: All paper?  
 Young: No, only 2000 of it - it's good.  
 Jacobs: Good.

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The following conversation between Mayor Leo P. McLaughlin and John Bransford, Designate Speaker of the House of Representatives, is self-explanatory, and evidences the fact that Bransford is one of McLaughlin's many intermediaries in his efforts to reach the Governor:

12:16 P.M., March 21, 1937

Outgoing on No. 648

W.T.M.

Mayor placed long distance call to John Bransford, Lonoke, Ark.

Mayor: John, this is Leo. What are you doing, eating your dinner?

Bransford: Yes. Just got through. Say, I saw all that publicity in the papers you got (laughs).

Mayor: Yes. You know we had more people in town last night than I have ever seen before. I tell you I never saw such a crowd. There are only two places running - the Southern and Belvedere. We are cutting out that small stuff. That slimey, petty, slot machine. We are just not going to stand for that stuff - none of those machines, etc. Now the two newspapers and the people are backing us on the two places running now - and we will keep that backing as long as we hold to that and not have any of that small stuff. I knew where you were going tomorrow so I thought I would call you.

Bransford:

Mayor:

Yes.

I just thought I would call you and you would go over there and kind of give the idea that we got the backing for those two places - they will not kick - the newspapers and people as long as we have none of that other stuff. You see what I mean? I thought I'd give you that idea. He ought to know that anything politically wanted, why, we would just dump it in his lap. You know that.

Bransford:

Mayor:

Yes, I know.

And the best thing about it is it won't cost him anything. He won't have to buy up any ballot boxes. (Both laugh)

Bransford:

Well, I'll talk to Carl and get his reaction. I understand.

(Mayor then exchanges racing talk and states that they are being attended by the largest crowds in history - and stresses the point that the attendants want to go to high class places as the Southern and Belvedere after the races.)

Bransford:

Well, I'll get Carl's reaction and let you know.

I'll call Hendrix and get him to be sure and be there.

- o - o - o - o -

The following related conversations reveal Mayor McLaughlin's dictatorial control and influence over the Sheriff and Circuit Judge of Garland County, Hot Springs, Arkansas, and further reveals that the Mayor does not only condone illegal gambling in his town, but also sees that the owner of these places, W. S. Jacobs, is protected from fines and arrests:

8:25 P.M., March 21, 1937      Incoming on No. 2115      B.M.S.

Tink:      Tink Young calling in, breathless.  
Mr. Jacobs, Tink Young. Marion Anderson just came up, said Witt had a special delivery letter at his home, that there was a crap game going on upstairs. I told him there was so he didn't look around. What must I do?  
Jacobs:      I'll try to connect.

8:27 P.M., March 21, 1937      Outgoing on No. 2115      B.M.S.

Jacobs:      Leo there?  
Will:      Just a minute, this is Will.  
Jacobs:      Watzisname just called at said Marion came up, said Witt sent him, he talked to Tink, said he was told to look around but he didn't go upstairs.  
Leo:      Where's Marion? Get hold of him and ask him to call me and I'll tell him how things stand.  
Jake:      All right.

8:30 P.M., March 21, 1937      Outgoing on No. 2115      B.M.S.

Jacobs:      210 (Ohio)  
Tink:      Hello.  
Jacobs:      Is Marion there?  
Tink:      No, he's gone down the street.  
Jacobs:      He said to get hold of Marion.  
Tink:      I'll try to find him.

8:32 P.M., March 21, 1937      Outgoing on No. 2115      B.M.S.

Jacobs:      613 (Sheriff's Office)  
Man:      Sheriff's Office.  
Jacobs:      Is Marion there?  
Man:      No, he's not in.

8:40 P.M., March 21, 1937

Incoming on No. 2115

B.M.S.

Tink: I got Marion, he's coming up to see you now.  
Jacobs: Down there you say?  
Tink: No, your house.  
Jacobs: All rightie.

8:45 A.M., March 21, 1937

Outgoing on No. 2115

B.M.S.

Marion: 600 (Leo McLaughlin's residence)  
Leo: Hello.  
Marion: You want me?  
Leo: Yes. I was up at Jake's house about an hour ago making arrangements. I heard you had been down looking around at the Ohio.  
Marion: Yeah. This fellow (Witt) met me on the street a little while ago, he said he had been looking for me quite a while, that he had a special delivery letter at home saying there was a crap game going on upstairs in the Ohio. He told me to go down and look around. I did, and called him back. When I told him what I found he told me to go back down there and tell 'um to be in Court in the morning, so I did.  
Leo: Well I'd better call him cause he (?) told me to look out for them.  
Marion: Yeah, you better call him right now, he's at home now. I just finished talking to him.

8:52 P.M., March 21, 1937

Incoming on No. 2115

B.M.S.

Jacobs: Hello.  
Leo: I talked to him (Witt) it's all right.  
Jacobs: Good.  
Leo: He just didn't know how it was. I explained everything to him just like I did to you. I told him that that was that 15th agreement, the same situation as we had at Miller's you know, just a matter of moving upstairs. I told him it was going to be fixed. I told him that he (?) told me to make my arrangements by Monday and I was doing that.  
Jacobs: Will they have to come down to court now? Marion cited them.

Leo: Oh no, not now.  
 Jacobs: Marion is here now.  
 Leo: Lemme talk to Marion.  
 Marion: Hello.  
 Leo: Everything's all right now, he just did not understand how thing were. I explained everything and it's OK.  
 Marion: All right.

8:55 P.M., March 21, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.  
 Young: Tink talking.  
 Jacobs: You needn't go over there in the morning.  
 Young: That's the reason I called you up.  
 Jacobs: It's all right now, go right ahead.  
 Young: Right ahead now?  
 Jacobs: Yeah.

8:57 P.M., March 21, 1937 Incoming on No. 2115 B.M.S.

Young: Tink again, I just wanted to be sure, you say open up now?  
 Jacobs: Yeah, go ahead and you needn't send nobody over. (To court.)

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The following conversations appear to be of interest:

1:17 P.M., March 21, 1937 Incoming on No. 123 R.H.L.

A man from the Arlington Hotel, Frank V. Thompson, asked if a Mr. Chaisley (phonetic) was in jail.

Fowler: No he isn't here.  
 Man: Well he is there under the name of William Russell, what's he charged with?

Fowler: Picked up for investigation.  
 Man: What is his bond, and who picked him up?

Fowler: There is no bond in this type of case. Night Captain Rogers picked him up and I don't know anything about the charges.

Man: Where's the Chief? I know him and Mr. Akers and Leo very well and they know me. This fellow is alright. I knew him in San Anita. You know I have lived here for about eight months. I have rooms 806-807 and 808 at the Arlington.

Fowler: The Chief is home - number 1696.

- 10 -

1:51 P.M., March 21, 1937

Incoming on No. 123

R.H.L.

Call for Chief Rasberry.

Man:

Chief this is Frank V. Thompson. I understand you have a man in jail by the name of William Russell.

Chief:

Yes, Night Captain Ben Rogers picked him up for investigation.

Thompson:

I have known Russell for quite awhile, Chief, and I think he is alright. I own an interest in several tracks - San Anita and Caliente, and believe that he is nothing but a hustler. If he is a suspect in that Southern Club job I am sure you are wrong, since one of my boys tells me Russell was at the track that day. I thought if it was just for touting I would send cash for his bond and pay his fine. I have been coming to Hot Springs for thirty years and am now staying at 806-807-808 Arlington Hotel. I know Mr. Akers, Leo, Jacobs and Dugan. I think this young fellow is alright. I know he gave me and my friends some good dope. These friends are Edwards and Price from Seattle. When will Mr. Rogers be in?

Chief:

He comes on duty at 9:00 P.M.

Thompson:

Would it be alright with you if I call him up and find out what this is all about?

Chief:

That is alright with me.

Thompson:

Well, if it isn't say so. A Chief is a Chief with me you know. If you hear anything call me on my private phone number 2093 if you learn anything more about the matter.

2:45 P.M., March 21, 1937

Outgoing on No. 446

R.H.L.

Dutch

Arlington Hotel.

McAdams:

Is McAdams there?

Dutch:

Hello Dutch, what do you want.

Say Mac, find out what's going on in 806-807-808, and call me back. Don't let them know about it though, don't make any inquiries, and call me back.

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The following conversation emanated from Mr. "Crip" Hall, who is Secretary of State, Little Rock, Arkansas, and who, according to previous telephone conversations, is very close to Mayor McLaughlin:

9:42 A.M., March 22, 1937

Incoming on No. 648

R.H.L.

Mr. Hall calling from Little Rock.

Mayor:

I was trying to get you yesterday, but the matter can wait now. Did you see the front page of the Gazette yesterday. That guy hasn't enough sense to know that we are complying with the law on that poll tax business. That fellow Huff is nuts and trying to stir up trouble. Say, we have more people in town now than at any time since I can remember. People who had two weeks of racing were leaving town, but now that we have opened Belvedere and Southern they have some place to go at night and are staying longer. You know we are not having any of that small stuff around - the people don't like that petty stuff - but they won't squawk about this.

Hall:

I agree with you, Leo. I don't think that article will hurt anything. I'll be over to see you some day this week.

Mayor:

When you come or if your wife comes alone, be sure to come to box L at the track. Feel free to use this box at any time. Say, you better have Bailey send a letter to Governor Chandler of Kentucky. You know that he will be here tomorrow and those little gestures help.

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The following conversation is indicative of Mayor McLaughlin's influence over County officials:

9:50 A.M., March 22, 1937

Outgoing on No. 648

R.H.L.

636 (County Judge)

Mayor:

(In quiet voice, having previously requested some people to leave his office) Is anybody there with you?

Man:

Yes, several.

Mayor:

Well, you don't need to answer, but I want to tell you something. I wouldn't let that Denby rib me into a mess by making a recount of the election. You know you have to have a petition before you can open the ballot boxes. You know if you do mess with this you will have the American Legion down on you.

Man:

He has already been in but I refused to do anything. I told him that some of his absentee votes would be thrown out. I wish you had told me more about this before the election, Leo. Things would be different if you had.

It might be stated to explain the above call that the City of Hot Springs voted on March 20, 1937, to elect two members of the Hot Springs School Board. Conversations overheard relative to this election disclosed that the City Administration endorsed Dewell Jackson and Dr. Howell Brewer in this election. The final election results were:

Dewell Jackson	1091
Dr. Howell Brewer	650
W. P. Demby	638

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The following conversations further reveal Mayor McLaughlin's interest and control over illegal gambling in Hot Springs, Arkansas:

12:05 P.M., March 22, 1937

Incoming on No. 2115

B.M.S.

Jacobs:

Hello.

Leo:

We've been talking this thing over this morning and here's what we was thinking. Of course, as you know we've got a certain understanding over there (Little Rock probably) but as time goes on things change. You know how that is. We've thought it over and we(?) think it best for Tink not to operate for a while. It would be bad if one of those fellows did come up there and find you were running another place in addition to the two (Belvedere and Southern) agreed on, see? Tell them at the Ohio not to discuss the closing with anybody, just to close as quietly as possible. We're gonna make that report to the grand jury this morning. I'll call you later.

Jacobs:

All right.

12:18 P.M., March 22, 1937

Outgoing on No. 2115

B.M.S.

Jacobs:

123 (City Jail)

Officer:

Chief's office.

Jacobs:

Is Dutch there?

Officer:

No, he's gone to dinner.

Jacobs:

OK, thank you.

12:22 P.M., March 22, 1937

Outgoing on No. 2115

B.M.S.

Jacobs: 210(Ohio)  
Man: Hello.  
Jacobs: Young there?  
Man: No.  
Jacobs: Ralph down yet?  
Man: No, not yet.  
Jacobs: This is Jacobs. Keep that door locked to the upstairs.  
Tell Ralph or Young to call me.  
Man: Yessir.

12:39 P.M., March 22, 1937

Incoming on No. 2115

B.M.S.

Jacobs: Hello.  
Ralph: This is Ralph.  
Jacobs: I 'spec you better keep it closed tonight. Keep the door shut so can't nobody git up in the wire room. Tink was out partying pretty late last night so if he comes O.K., if he don't it's all right. Just don't say nuthin' to nobody - see?  
Ralph: All right Mr. Jacobs.

2:15 P.M., March 22, 1937

Incoming on No. 2115

J.L.M.

Long Distance Operator advised that Mr. Gene Morton was calling from St. Louis, Mo., collect.

Jacobs: Hello.  
Gene: This is Gene - how are you feeling?  
Jacobs: Pretty good. Those fellows (robbers) mailed the check back to us.  
Gene: He stopped payment on it - he said he would write you details as to what to do.  
Jacobs: Well, he could just send me another check, and I'll send this one back to him.  
Gene: He said he was going to write to you. If you have any trouble with him, just let me know and I'll straighten it out for you.  
Jacobs: All rightie - those robbers mailed everything back to me.  
Gene: How's business?  
Jacobs: Business is good, but only half of what it should be.  
People are afraid on account of the hold-up and the heat on the town - then I don't have many tools, but I got some new ones in today. He only gave permission to open

two places - the Southern and Belvedere. Anytime  
you want to work for us again, just come back. It  
looks like we're going to stay open.  
 Gene: Thanks, Mr. Jacobs. Heard you were sick in bed.  
 Jacobs: Yeah. Got the rheumatism. I'm in bed now.  
 Gene: Well, hope you get well soon.  
 Jacobs: Thanks, Gene - goodbye.

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The following conversations further reveal the fact that Mr. C. E. Palmer, publisher of the Hot Springs newspapers, is the intermediary between Carl E. Bailey and Mayor McLaughlin, who appears to be representing the gambling syndicate in Hot Springs:

3:15 P.M., March 22, 1937 Incoming on No. 648 H.A.S.

L. D. Operator: Mr. Palmer at Texarkana, Ark., is calling Mayor  
 McLaughlin.  
 Hazel: He's out, but I'll get in touch with him.  
 L. D. Operator: Have him call operator 8.

3:16 P.M., March 22, 1937 Outgoing on No. 648 H.A.S.

Hazel: Called 912.  
 Farris: Hello.  
 Hazel: Can I speak to Mr. McLaughlin?  
 McLaughlin: Hello.  
 Hazel: Operator #8 at Texarkana is calling. It's Mr. Palmer.  
 McLaughlin: I'll take it in at 807. Call the operator and tell  
 her to ring me there.

3:17 P.M., March 22, 1937 Outgoing on No. 648 H.A.S.

Hazel: Called Long Distance operator #8, Texarkana, and  
 informed her that McLaughlin could be reached at 807.

3:25 P.M., March 22, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.  
 Mayor: I just talked with Palmer - he said that the Governor  
 called and told him that we had better close down  
 here until after the races.

Jacobs: You mean close down everything?  
 Mayor: Yeah, I don't believe anything can be done until after the races.

Jacobs: Then you think we better close tonight?  
 Mayor: Yeah, it would be best. He said that there's a lot of fire down here because of the newspaper story in the Gazette yesterday.

Jacobs: You suppose this is for good?  
 Mayor: I think so, although they said it is just until the racing meet is over. I think they're stalling in this thing - he said the Governor told him that these places are keeping the money away from the race track, and also that there are a lot of State Rangers in town while the racing is on, and that they had orders to see that these places remain closed.

Jacobs: They haven't been around to bother us.  
 Mayor: I know, but that's what he said. Palmer said he will be here tomorrow - that they got him (the Governor) "ribbed" about this thing down here.

Jacobs: Then you think we ought to close tonight.  
 Mayor: Yeah, he said the best thing not to open tonight; that it will eventually iron itself out.

Jacobs: All rightie.  
 Mayor: They've also got to get to this fellow Alban (or Auburn) before they go do anything.

Jacobs: Uh - uh.  
 Mayor: Well, I'll see you tonight, and we'll talk it over.

NOTE: The identity of Alban or Auburn is not known at this time.

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It is pointed out in referring to the last above quoted telephone conversation between Mayor McLaughlin and W. S. Jacobs that Governor Bailey apparently has given the official order to Palmer that gambling in Hot Springs must cease, at least until after the racing meet which ends on April 3, 1937. On the night of March 22, 1937 Governor Bailey made a formal statement to the press that open gambling in Arkansas must stop, and it has been indicated that this statement was prompted by the published reports in the Arkansas Democrat paper (which is heretofore in this report set out). He went on to state to the press that he has no patience with gambling; that it is morally and economically destructive; and that he will exercise his authority and the law enforcement facilities at his command to see that it is stopped.

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The following conversations indicate the reaction of Governor Bailey's ultimatum in regard to gambling:

3:22 P.M., March 22, 1937      Outgoing on No. 2115      J.L.M.

Jacobs:      2791 (Southern Club)  
Smitty:      Hello.  
Jacobs:      This is Jacobs - we're going to have to close. Take those bowls from the wheels, wrap them up, and lock 'em up some where. Leave the rest of the tools in the place.  
Smitty:      O.K.  
Jacobs:      Lock up the place, and don't leave anybody in. We'll just keep a watchman on duty.  
Smitty:      Where do you want me to put the bowls for the wheels?  
Jacobs:      Better bring them over here - I'll keep them upstairs.  
Smitty:      All rightie.

3:25 P.M., March 22, 1937      Outgoing on No. 2115      J.L.M.

Jacobs:      2435  
Sam:      Belvedere.  
Jacobs:      Don't move any of the tables out of there - we got to close up again.  
Sam:      That's too bad.  
Jacobs:      Lock everything up and put the curtains up on the side.  
Sam:      All right.

3:37 P.M., March 22, 1937      Incoming on No. 2115      J.L.M.

Jacobs:      Hello.  
Otis:      Heard anything?  
Jacobs:      He blew up - we got to close.  
Otis:      Does it look like it's for good?  
Jacobs:      Yes - it looks like this is the end.  
Otis:      I figured that  
Jacobs:      He said it's just until the racing is over, but I think they're only stalling - they said it's keeping money away from the track and that there are a lot of State Police around. He said that the Governor couldn't take the heat from that newspaper story yesterday.  
Otis:      Well, that's too bad - how are you feeling?  
Jacobs:      Much better.  
Otis:      That's the main thing.

4:02 P.M., March 22, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Frankie: This is Frankie. Abdo called up down here - he wants to have a couple of winners. I just wondered whether it's all right.  
Jacobs: Yes, let him have one or two, but tell him to keep it quiet. He's probably booking.  
Frankie: He called only once and asked me whether he could have some.  
Jacobs: Yes, let him have one or two.  
Frankie: Anything new?  
Jacobs: Yeah, we closed up and will stay closed.  
Frankie: Was that last night?  
Jacobs: No, just now - everything's closed up and there's nobody at both places.

5:45 P.M., March 22, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Man: What do you know?  
Jacobs: We blew up - had to close.  
Man: That's what I heard.  
Jacobs: Looks like it is for good. I don't know they said until after the races - looks like the race track is kicking.  
Man: O.K.

6:45 P.M., March 22, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Archie: (Engaged in lengthy conversation with Jacobs about finances of the Southern Club. Said that they had some money of Bill Haver's in the safe and that he wants it in the morning. Also said that Bill Miller promised to give him his check for \$1800 tomorrow; also that Terry sent him a check for \$400 but that he owes \$500. Jacobs told Archie to write Terry and inform him that he owes another \$100.)  
Archie: What does it look like?  
Jacobs: It's all over.

Archie: There's lots of currency in the safe - if we don't do anything we ought to get rid of it.  
 Jacobs: Yeah, we'll put it in the bank tomorrow - all but \$4000 or \$5000. I wouldn't open that safe tonight unless I absolutely had to. We might get robbed again.  
 Archie: I won't have any occasion to get into tonight.  
 Jacobs: Be sure you have plenty of guards around tomorrow when you take it over to the bank - call the police if necessary. Have Roscoe help you.  
 Archie: All right - Roscoe is downstairs. I'll tell him.  
 Jacobs: Get a certificate for what you take to the bank.  
 Archie: Just one?  
 Jacobs: That'll be enough.  
 Archie: O.K. I'll call you tomorrow after the money is in the bank.  
 Jacobs: All rightie.

7:35 P.M., March 22, 1937

Incoming on No. 2115

B.M.S.

Jacobs: Hello.  
 Moore: This is Bob Moore.  
 Jacobs: Hello Bob.  
 Moore: It don't look so good.  
 Jacobs: Looks pretty bad.  
 Moore: I believe you're gone.  
 Jacobs: Yeah - looks like we're gone.  
 Moore: I heard you were sick and didn't know whether you were having company. How you feeling?  
 Jacobs: Yeah, I've been pretty sick, had a lot of business to tend to, I might get up in a few days.  
 Moore: Glad to hear that.  
 Jacobs: Glad you called, Bob.

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The following conversation indicates the possibility that Jacobs will not turn any "fix" money over to Palmer in view of the orders issued by Bailey prohibiting further open gambling in Hot Springs:

3:45 P.M., March 22, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
 Smitty: I'm all closed and locked up, and those two tops will be up there in a minute.



Jacobs: All rightie.  
 Smitty: What do you want me to do about this "fix"?  
 Jacobs: The what?  
 Smitty: I got this money in my pocket.  
 Jacobs: Hold it.  
 Smitty: That's what I thought. I'll be up there in a few minutes.  
 Jacobs: All rightie.

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The following conversation pertains to "Dutch" Akers' request of Roscoe Johnson and Frank Souder to appear at the City Jail and look at several prisoners in an effort to identify them as the men who robbed the Southern Club on March 19, 1937:

6:37 P.M., March 22, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
 Roscoe: That guy insists upon me coming down there to identify those fellows - I already told them I can't identify any of them. Won't you call up there and tell them to stop bothering me and that I can't identify any of them.

Jacobs: Who's that, Dutch?  
 Roscoe: Yeah, he and Swede have been calling me since last night.  
 Jacobs: I think it would be best if you go on down there and look at them. We might be criticized by the newspapers if we didn't co-operate with the law.

Roscoe: Well, I can't identify them.  
 Jacobs: Just look at them and tell Dutch you can't identify them. But I think you and Frankie (Souder) ought to go over there.

Roscoe: All right - that's a tough break about closing.  
 Jacobs: Yeah, call me tomorrow morning - I think we'll go back to sneaking bets on the horses again. I'm going to see "a fellow" (Mayor) tonight about it.

Roscoe: It looks bad, doesn't it?  
 Jacobs: Yeah, it's the toughest it's ever been.  
 Roscoe: All rightie, I'll call you tomorrow.

With reference to the underscored portion of the above conversation, it is pointed out that W. S. Jacobs will attempt to get the Mayor's permission to book horses at his places on the "sneak". This permission undoubtedly was granted to Jacobs, as the following day conversations indicated that Jacobs' employees were booking horses at the Southern, Ohio, and Kentucky Clubs.

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The following call, which emanated from Jacobs' residence by Mayor McLaughlin, undoubtedly has reference to the conference between Sheriff Marion Anderson and Gray Albright, Superintendent of the State Rangers, at which time Sheriff Anderson made the statement that the gambling houses in Hot Springs were closed, and that as far as he was concerned they will remain closed:

7:25 P.M., March 22, 1937

Outgoing on No. 2115

J.L.M.

Mayor: 2393 (Marion Anderson, Sheriff)  
Anderson: Hello.  
Mayor: What was that you were telling me when you left me a while ago?  
Anderson: I don't want to tell you over the phone.  
Mayor: What did he say to you?  
Anderson: I'll tell you when I see you.  
Mayor: When can I see you?  
Anderson: I'm eating supper now. He called me just a while ago.  
Mayor: He did --  
Anderson: I'll see you at Spencer's at eight o'clock.

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On Monday, March 22, 1937, a new Grand Jury for Garland County was empaneled for duty during the present term of the Circuit Court, and telephone conversations overheard indicated that Mayor McLaughlin indirectly participated in the selection of these jurors. Circuit Judge Earl Witt's charge to this Grand Jury is of interest, as conversations intercepted by the agents on the Mayor's telephone indicated that Mayor McLaughlin assisted Judge Witt in writing this charge. Inasmuch as it pertains to gambling and law enforcement in Hot Springs generally, it is being included in this report. The statement reads as follows:

"We have in Hot Springs one situation that may be peculiar and that is with respect to the gambling laws.

"Gambling includes the operation of about every sort of device of any kind whereby anybody might win or lose money, and any device that is set up and operated for the purpose of inducing people to take a chance on winning or losing money would be gambling device. And however innocent the thing may appear to be, it is included in the general term of gambling devices. The law mentions a great many of such devices and also sets out and enumerates a great many games which are defined as gambling, such as poker and faro and roulette wheels, and the statute mentions a number of others. I don't have the statute before me now, and for that reason I can't enumerate all of them that is mentioned in the statute. But you are familiar with those.

"Now, I believe the only sane way to solve any question is by a direct approach to it. I don't think you can ever meet any issue successfully by dodging it. It is not the honest way to do a thing;

it is not the effective way. The honest way and right way to face any issue is to walk right square up to it and face it.

"Now then, I don't know just how long the courts and juries of Garland county have had to contend with gambling, but for many, many years. Now, I know there was gambling in Hot Springs before I came here, and you know that as well as I do, and most of you have lived here longer than I have. It is no new question in Hot Springs and Hot Springs is not the only community where gambling exists. Hot Springs is not the only place where gambling devices are operated. So we are not the only people who have to undertake to deal with that issue. The men who have been reputed to be gamblers around Hot Springs were here before I came here.

"I didn't bring that class of people here with me and I grew up in a community where none of it existed. But I have been familiar with Hot Springs all of my life and most of you have been familiar with it most of your lives. I think I have a right to believe that it is the best town in our country.

"Now, I want to say this, that spasmodic efforts at law enforcement do no permanent good. They serve about the same purpose in law enforcement as these hot weather revivals do in the cause of Christianity. Periods of time come along and we have flare-ups of intense activity in the lines of law enforcement. They are just like the summer revivals: Cold weather comes and the spirit plays out. So after all, in the long run, there should be a proper and sensible steady course to pursue, and of course along the path-way that the law would direct would be the proper course.

"Now then, Hot Springs is not confronted with any more propositions of law enforcement, according to my information and belief, than any other resort town in the country; and, while I have visited very few of them, still I have talked to many people who have seen a great many of them, and I think we have about the same question here to contend with as they have. It has always been my belief that the good people of the community can and will regulate it and adjust themselves to the law and I believe that the local authorities constituted by the law is not only the proper way but is the best way to accomplish lasting and good results in the enforcement of the law, and, as I say, I believe the good people of the community can always be depended upon to do that.

"Now, in this county and community I think I know pretty well who the good people are, and I know that you are going to do what you think is the best for your community. As I stated, you have lived here a number of years, and you have your investments here, and your homes are here, and your interest is here in your community; and you do not need me nor anybody else in Hot Springs or out of Hot Springs to enlighten you upon your duty as citizens. It would be presumptuous upon me to undertake it and it is nothing but foolish upon the part of some outsider to tell me that you are not going to perform your duty as you conscientiously see it, because I know you will.

"Now then, it is true that at times, conditions here in Hot Springs become such as they need and demand, the special attention of the officers; and there have been many, many times during my tenure of office when it has been necessary to send the officials around and raid places and close them up and get rid of these gambling devices up and down the streets of our town. That has been done time and time again and there has been no rush upon our part to the newspapers to have notice of those acts of our given publicity. I think a public officer who performs the duty of the office for the sake of publicity is a 'cheap skate.' I don't think he deserves the respect of the people. There is something cheap about him somewhere when he runs to a newspaper and wants to have publicity given to everything he does in line with the performance of a simple duty.

"Now, there are two ways that we can keep down public nuisances here in Hot Springs along what is termed the gambling business. One is to indict everybody every time any sort of gambling device appears anywhere in this city. Another is to let the officers of this county go around and keep these places free from such gambling devices. There is not going to be any considerable number of these gambling places continue for any length of time unless it is tolerated or overlooked by the officers. Now, we know that. And I say, let's just meet these questions squarely and directly. I believe the best way is to require a little stricter lookout upon the part of our officers with respect to what I have just stated to you, and, by doing that, we can avoid the necessity of a great many prosecutions here which brings about untold expense upon the people of this county. Efforts properly directed along the line of my suggestion are more effective in suppressing the thing you want to stop and is certainly less expensive. The officers of this county are upon a salary and it is their duty to observe for any violations of the law, not only gambling but any other, every day in the week as might become a nuisance or a disturbance to Hot Springs. It is their duty and they are paid to do that.

"Now, I want to say this to you, too, that I am not undertaking to jump on any officers. It is not my practice to do that. Sometimes we all become a little careless. And just because there may be times here when there may be going around Hot Springs, gives no man the right to say that it is on account of the collusion of the officers. That does not necessarily follow, by any means and the man who makes that statement against the public officers of this county is not informed or else he is highly prejudiced. But, as I say to you, I think there should be more vigilance upon the part of the local officers of this county and city. They have told me that they would be more vigilant and diligent in observing for these violations to which I have referred. I want to believe and I do believe that they will make their promise good. I have every confidence in the world in the sheriff of this county, not only in his integrity but in his ability. He wants to work with you and he wants to work with the people of this county. I know what he desires to do; and

the chief of police of the city officials referred to by the outgoing grand jury, Mr. Rasberry, according to my information and belief that he is a good, conscientious officer. So I say, when conditions reach the point, if they do, where the attention of the officers should be called to them, then I think all you would have to do would be to let them know about it. If, in your judgment, indictments should be returned against anybody who might set any sort of gambling device, then you return those indictments and they will be tried; they won't be whitewashed. Just let me tell you that. You know it is a pretty easy thing for the judge of a court to do a lot of "grandstanding;" if he wants to do a lot of grandstanding, he can do that. But that is a mighty cheap, shallow way to perform a public service. Let's just illustrate what I mean by that, suppose it was against the law to have horse racing in Hot Springs and they were out there racing. You can't have horse racing without people making investments. (They call it investments.) All right. It is a violation of the law and the judge of the court with a lot of dignity (and he can have a long-tailed frock coat on with everything else he wants to) calls the grand jury. He can assemble the grand jury and give a moral lecture on gambling that would raise the roof off of a church house and order the sheriff and deputies out there. They come back and say, "no, there is no gambling," and the judge goes home, and in all his dignity and honor, he feels he has done his duty. If you think he has, you have a different idea from what I have. I am not going to do that kind of business. I have never engaged in it. I never have and never will. I am not that sort of a four-flusher. So I say, the only way to get at a thing is walk right up in front of it; you can't dodge around and sidestep issues and do much with them.

"Now then, there are two or three other things I had in mind saying to the jury this morning, but it might not be proper for me to do that. On second thought, I have decided it wouldn't be. It doesn't concern law violations, however. What I had in mind saying would be considered as being somewhat political or having a political color to it and I think there are two or three places where politics should be eliminated and forgotten: one is the pulpit, and the other the court room. I think a judge of a court who tries a case for the sake of politics is a cheap skate and I don't care who he is. So I think you gentlemen understand now pretty well about the performance of your duties. You have the assistance at all times, of course, of the prosecuting attorney, and if I can be of any assistance to you, of course I am always glad to help you."

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The following conversations reveal that W. S. Jacobs and his employees are participating in the campaign to have Leo P. McLaughlin re-elected as Mayor in the coming City Election on April 6, 1937:

8:05 A.M., March 22, 1937

Outgoing on No. 2115

B.M.S.

Jacobs: 2485 (Belvedere Club)  
Otho: Hello.  
Jacobs: Otho, Jacobs, in the morning, if you get a chance,  
go down and see the Mayor. I want you to get off  
those absentee votes. Get one of those lists of  
all those we've (?) got to assess.  
Otho: All right.

7:45 P.M., March 24, 1937

Incoming on No. 2115

B.M.S.

Jacobs: Hello.  
Leo: How are you?  
Jacobs: All right, how you feel my friend?  
Leo: Well pretty good, I've been worrying about that  
election.  
Jake: I sent Otie over with those things.  
Leo: I saw Wallie out to the race track.  
Jake: They're after him in Little Rock. Bobby Hughes says  
they're pretty hot over there. We've been sneaking  
one or two.  
Leo: I want to get all those other things (probably votes)  
together.  
Jacobs: I'll see Roscoe and get him to get 'em together.  
Leo: The sooner the better.

9:52 A.M., March 25, 1937

Outgoing on No. 2115

B.P.S.

To 648 (Mayor's office)  
Hazel: Hello, Mayor's office.  
Jacobs: Is he very busy?  
Hazel: I think he will have time to talk to you.  
Jacobs: The only record that Roscoe needs is the assessment list.  
Mayor: He can get the list from Violet.  
Jacobs: Has Otis shown up yet? I had Frankie call for Roscoe  
at the Country Club. He will be in soon.  
Mayor: There's no hurry. That fellow's brother was here  
last night.  
Jacobs: Who? Bailey's brother?  
Mayor: Yes. He picked up Marion (Anderson) and Earl (Witt)  
and took Earl off. I haven't seen Earl yet to find  
out what it was.  
Jacobs: Earl is getting kinda high hat (?) isn't he?  
Mayor: No.

Jacobs: They loaded that boy up with clothing and all that,  
but I think he will wind up voting for you.  
Mayor: Who?  
Jacobs: \*Corrigan.  
Mayor: Yes.

11:30 A.M., March 26, 1937 Outgoing on No. 2115 B.M.S.

Jacobs: 648  
Hazel: Mayor's office.  
Jacobs: May I speak to him?  
Hazel: Yes, just a minute."  
Mayor: Hello.  
Jacobs: That stuff you give Roscoe - you want him to git  
duplicates?  
Mayor: No, just keep going "up there" with them, two or  
three at a time.  
Jacobs: Oh I see, you mean use 'em over and over.  
Mayor: Yeah, and also keep making copies of those lists.  
Jacobs: What do you mean by "up there" - Mc Wilsons?  
Mayor: No, no, County Clerk.  
Jacobs: Oh, all right.

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The following conversation is interesting, as it pertains to  
prostitution in Hot Springs:

12:05 A.M., March 22, 1937 Incoming on No. 446 H.A.S.

Bill Hamilton: (Drunk) - Requested that he be notified if any of  
the jockeys from the track were arrested or seen  
visiting houses of prostitution or like "joints."

NOTE: Bill Hamilton is an official at the Oaklawn  
Race Track.

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The following conversation indicates that Grace Goldstein has  
some visitors from Ohio, the identities of whom are unknown:

5:32 A.M., March 22, 1937

Outgoing on No.123

H.A.S.

Man: Called 3421 (Hatterie Hotel)  
Woman: Hello.  
Man: Still there? Did Grace come back?  
Woman: No. She's out with some friends from Ohio. I'm  
still here.  
Man: Can you get away for a while?  
Woman: Come on up. Maybe I can get away.  
Man: O.K. See you in a few minutes.

NOTE: Although parties did not identify themselves,  
it is possible that they were Jack ~~Mc~~ Jenkins (city  
fireman) and Connie ~~Mc~~ Morris.

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The following conversation may have some reference to an I. O.  
Bureau fugitive:

11:34 A.M., March 22, 1937

Incoming on No. 123

W.T.M.

Condon talked to Akers and Akers told him "your friend Moron is out of  
pocket again", also urging him to tighten up the guard saying, "that  
thing is still here and may hit again". Condon also mentioned seeing  
a "circular" where O'Neal was wanted for stealing a Ford and who hangs  
around race tracks. Condon says he knew him in Canada and will be on  
watch out for him here.

(NOTE: O'Neal may be a subject of a Bureau investigation. John Condon  
is Captain of the guards at the Oaklawn Race Track.)

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The following conversation reveals that "Dutch" Akers probably  
at times hires himself out to secure evidence in divorce suits:

9:45 P.M., March 22, 1937

Incoming on No. 123

H.A.S.

Woman: Mr. Akers there?  
Akers: Hello.  
Woman: Did you see them out there this afternoon?  
Akers: No, but there was such a crowd.  
Woman: Do you think you'll get anything by Saturday?  
Akers: Maybe.  
Woman: Can you get me a detective who could take some pictures?

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Akers: Not from Hot Springs while the races are on.  
I'll think about it, though.  
Woman: Did you get that I sent you Saturday?  
Akers: Yes. Thanks.

NOTE: Woman was same who has made previous calls, apparently seeking grounds for divorce.

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The following conversations are of interest and are self-explanatory:

9:00 A.M., March 23, 1937

Incoming on No. 648

W.T.M.

Man: Leo, this is Jack Manier (phonetic) I just wanted to call you and let you know I am going to support you for Mayor and do everything I can to help you.  
Mayor: Well thanks very much. That's fine.  
Manier: It's a political fight. I read that statement of Tackett's (opposing candidate for Mayor) in the paper, and it looks like that Bailey is trying to put the pressure on just to hit at you. I'm with you.  
Mayor: That's fine - thank you.

11:47 A.M., March 23, 1937

Incoming on No. 648

J.L.M.

Miss Marsh: Mayor's office.  
Levi: Is Sonny Davies there?  
Miss Marsh: I'll ring the Mayor - you ask him.  
Levi: All right.  
Mayor: Hello.  
Levi: Do you know who is stalking for you?  
Mayor: No.  
Levi: Levi (laughs).  
Mayor: Hello - are you going to vote for me on the 6th?  
Levi: You bet I am, and so is my son and the whole bunch.  
Mayor: O.K. I'm going to depend on you.  
Levi: Don't worry - we don't want any change down here.  
Mayor: O.K. then.  
Levi: Is Sonny Davies there?  
Mayor: He just went downstairs - you can get him at 184.

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The following conversation between Mayor McLaughlin and Jack  
Holt, State Attorney General, is of interest:

9:35 A.M., March 23, 1937

Incoming on No. 648

W.T.M.

(Connection with Holt at Little Rock established)

Mayor: Jack, Leo. What you say?

Holt: Oh, not much. We are pretty much covered up here. I  
think we can come up for air soon.

Mayor: Did you give that much thought that I called you about?

Holt: Yes. I'm coming over there today and I'll talk to you.  
When can I see you - at dark or after dark - what?

Mayor: Yes. You going to stay over after races?

Holt: No, I got to get back - but I'll be at the Arlington  
after the races. Where can I get hold of you at  
about 7 o'clock?

Mayor: I tell you what do - you call me at 600 at 7 o'clock  
and I'll arrange to come to you.

Holt: Yes, that's the best way to handle it.

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The following conversations reveal that W. S. Jacobs authorized  
his employees to "sneak" bookmaking horse race bets at the Ohio, Kentucky, and  
Southern Clubs, this being in violation of Governor Bailey's strict orders the  
day previous. It is to be recalled that Jacobs indicated in one of his  
telephone conversations the day previous that he would get Mayor McLaughlin's  
unofficial sanction to operate bookmaking games in his places.

10:55 A.M., March 23, 1937

Incoming on No. 2115

B.M.S.

Men: How about it.

Jacobs: It's all right, but be mighty careful.

10:17 A.M., March 23, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.

Roscoe: What do you know?

Jacobs: Nothing new.

Roscoe: What do you want me to do.

Jacobs: I think we can sneak a little, but don't let the fellows  
gang up around the front of the place or upstairs -  
they might hold us up again.

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Roscoe: O.K. Anything you say.  
 Jacobs: We probably will get fined if we get caught, but that can't be helped. We just can't give up and starve to death.  
 Roscoe: That's right,  
 Jacobs: Did you see Doc around the Kentucky?  
 Roscoe: No.  
 Jacobs: I'll call him and the Ohio, and tell them they can sneak a little if they want to.  
 Roscoe: O.K.

10:24 A.M., March 23, 1937      Outgoing on No. 21154      J.L.M.

Jacobs: 1117 (Kentucky Club)  
 Man: Hello.  
 Jacobs: Is Doc around there?  
 Man: No, he hasn't come down yet.  
 Jacobs: When he comes down, tell him Jacobs wants him to call him at #2115.  
 Man: All right, Mr. Jacobs.

(10:40 A.M., March 23, 1937      Outgoing on No. 2115      J.L.M.

Jacobs: 210 (Ohio Club)  
 Jackson: Ohio.  
 Jacobs: Is Tink around?  
 Jackson: Not yet - this is Jackson talking.  
 Jacobs: Was he there yesterday.  
 Jackson: No.  
 Jacobs: I wonder if he's in town.  
 Jackson: I don't know.  
 Jacobs: We thought we can sneak on the horses around the Southern, Kentucky, and Ohio Clubs, but I don't want to do anything unless he's around.  
 Jackson: When he comes in - can he call you?  
 Jacobs: Yeah, he can call me.

6:20 P.M., March 24, 1937      Incoming on No. 2115      B.M.S.

Jacobs: Hello.  
 Roscoe: We quit 821 winner.  
 Jacobs: Good.  
 Roscoe: We had 18 on the markers and 721 cash, total take of 2521.

Jacobs: Are they open in Little Rock?  
 Roscoe: They're sneaking. Joe called me, said they handled 1095 at the Kentucky. They bet me that much.  
 Jacobs: Has Levey bet much?  
 Roscoe: No, he bet me once while Joe was betting him.  
 Jacobs: They're in together aren't they?  
 Roscoe: No, they're both booking.  
 Jacobs: Bobby was over here from Little Rock, said two police were sitting in his place when he left. How about Memphis.  
 Roscoe: They said Memphis was all closed up, all wire have been cut off.  
 Jacobs: Bernard told me that and I told him to call 1468 and he could get what he wanted. Did he call?  
 Roscoe: No.  
 Jacobs: Are Tink (Ohio) and Kentucky sneaking?  
 Roscoe: Yeah - they're sneaking.  
 Jacobs: Well, I'll see you.  
 Roscoe: O.K.

1:50 P.M., March 25, 1937

Outgoing on No. 2115

B.M.S.

Jacobs: 1117 (Kentucky)  
 Doc: Hello.  
 Jacobs: You doing any business Doc.  
 Doc: Business good.  
 Jacobs: Any Little Rock business?  
 Doc: 1520 take on Little Rock and only 1504 on Hot Springs today. Joe Robinson was in here and said he would have brought that check down if he had known he was coming.  
 Jacobs: That's OK. Glad to hear you getting good bets.  
 Doc: OK, I'll see 'ya.

6:25 P.M., March 25, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
 Roscoe: Hello Jake, this is Roscoe - we were \$443.85 loser today. We lost all of our money on place and show bets.  
 Jacobs: Is that right?  
 Roscoe: How do you feel?  
 Jacobs: Oh pretty good. Did you ever get a hold of Otis?  
 Roscoe: No. I saw him on Central Avenue at 3:00 P.M., but I couldn't get him to stop.

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The following conversation is of interest, as it pertains to certain gambling equipment that W. S. Jacobs ordered sometime previously:

11:14 A.M., March 23, 1937

Outgoing on No. 2115

B.M.S.

Jacobs called Wills at Cadillac 5974, Detroit, Mich.

Man:

X Wills.

Jacobs:

Jacobs, Hot Springs.

Man:

Yessir, Mr. Jacobs.

Jacobs:

Did they ship those out yet?

Man:

Couldn't get them out yesterday, but they'll go out today sure.

Jacobs:

Well, they got us closed again. I was gonna say you can slow up if it would help you any.

Man:

That's too bad, but we will be mighty glad to get more time. We are holding up production on everything else to get those out. We can now give you a better drying and more satisfactory job. Are you closed for good?

Jacobs:

Think so. I think we blowed it this time.

Man:

Well, if it will help you any, here's luck to you.

Jacobs:

Thanks.

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The following conversation is of interest, as it pertains to the closing of a ~~Tango~~ Parlor in Hot Springs, which place is not owned by W. S. Jacobs:

7:00 P.M., March 23, 1937

Outgoing on No. 2115

J.L.M.

Mayor:

2393 (residence of Marion Anderson)

Sheriff:

Hello.

Mayor:

You haven't been over to those places yet, have you?

Sheriff:

No, I'm going to meet the Judge in a little while, and he's going to give me the papers.

Mayor:

Just talked with Palmer, and he thought it best that you go over there tonight. It's raining and not many people will be in the place. Be sure to tell them that you're closing them up on the instructions of the State Police.

Sheriff:

Yeah.

Mayor:

Tell them you got your orders from Little Rock, and stay there until they take that tango stuff off the wall.

Sheriff:

All right!

Mayor:

Just tell them you got your orders from Little Rock.

I'll see you later.

Sheriff:

All rightie.

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The following conversation pertains to an employee of "Dutch" Akers at the Highland Park Inn, who was arrested and charged with carrying a concealed weapons:

2:06 A.M., March 23, 1937      Outgoing on No. 446      H.A.S.

Rogers:      Called 341 (Citizens Cigar)  
                  Asked for Lee Ault.  
 Ault:      Hello.  
 Rogers:      Lee, we've got an old fellow named Dan - used to work  
                  at Jim & Georges (Cafe) - now works for Dutch at the  
                  Highland Park Inn. He's charged with carrying  
                  concealed weapon. Do you want to go his bond?  
 Ault:      Can't get off now.  
 Rogers:      I'll just put your name down as "standing for him."  
 Ault:      OK.

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The following conversation shows a relationship between "Dutch" Akers and W. S. Jacobs:

9:02 A.M., March 23, 1937      Incoming on No. 123      R.H.L.

Jacobs:      What about the boys you got Dutch?  
 Dutch:      We have the boys that stuck up the liquor store.  
                  Roscoe Johnson took a look at all of them but was  
                  not impressed. The other victims don't seem to be  
                  interested. I think some of them victims know who  
                  done it and know that we have the wrong man.  
 Jacobs:      Wheatley was telling me about a Pontiac that  
                  sometimes has 1937 Arkansas plates #1-51 and  
                  sometimes Texas plates.  
 Dutch:      I hadn't heard about that. I'll sure have to  
                  investigate that.

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The following conversation indicates that "Dutch" Akers considers himself part of the gambling syndicate in Hot Springs. The "money from the Clubs" referred to in this conversation is a quantity of currency which was removed from the Southern Club to the bank on this date:

11:21 A.M., March 23, 1937      Outgoing on No. 446      R.H.L.

                 1111 - Park Hotel. Calling Mr. Condon.  
 Condon:      I was over to see you this morning.

Dutch: Yea, I know. I was busy moving the money from the Clubs. It don't look like we will get a chance to use it now.

Condon: It sure don't. You called me this morning, what did you want?

Dutch: I have that scabbard ready for the gun at the track. I'll bring it out there with me this afternoon.

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The following conversations are of interest, as it gives some "inside" on the Southern Club robbery, and mentions the possibility of a New York mob perpetrating this robbery, and the fact that they are in town. The New York Field Division was requested by letter to check on Costello and his mob to determine whether they are being sought by the Bureau for a Federal violation:

8:52 P.M., March 23, 1937      Outgoing on No. 123      R.H.L.  
1111- Park Hotel - Mr. McCarthy.

Dutch: Do you have a personal friend in Baltimore that I could wire?

Mac: Sure, what about?

Dutch: There was a man in the Arlington Hotel named Sindler, who had four men visit him on March 18. Somebody heard them talking about a robbery. He registered from Baltimore. I want to check up on him.

Mac: You wire Lt. Wm. J. Murphy. He is the smartest dick there.

Dutch: Thanks, Mac.

8:55 P.M., March 23, 1937      Outgoing on No. 123      R.H.L.  
2115 - Jacobs.

Dutch: How are you feeling?

Jacobs: Pretty good. What do you know?

Dutch: I checked on that bird at the Arlington. There may be something to that.

Jacobs: Where did you get your information?

Dutch: That fellow at the Belvedere Club, you know, the tall guy - McKinley is his name I believe. He works at the Arlington in the daytime. This guy checked in on March 8 and out on March 18. His name is L. E. ~~X~~Sindler, Baltimore, Md., and I am checking on him.

Jacobs: What about the men at Little Rock?

Dutch: I don't believe there is anything to that. They picked up another boy in Memphis, but he had a perfect alibi and they let him go. He proved that he was in Chicago at the time.

Jacobs: Did the fingerprints check out?  
Dutch: Do you know the nigger up there wiped the prints off after the guy had the powder on them. He said it was an accident. All that I have now is a police print. I am confident that at least one of the boys that was robbed knows all about this. It looks like an inside job to me. They found two men shot in Mississippi today and don't know who they are. They might have had a fight over the split. I wired down there but haven't heard anything.

Jacobs: I ran into Costello and his mob the other day.  
Dutch: Yea, I know they are in town, but they got in after it was over.

Jacobs: Costello's brother is a notorious hystor and he was here. I think there is some connection with that job that was pulled in Miami not long ago.  
Dutch: Mebbe so. Some of those men lived alright. Of course it could have been some of those extra dice dealers, but I don't think so. I think we can eliminate Frankie.

Jacobs: Yes. He and Roscoe were scared to death. Roscoe ain't over it yet.  
Dutch: I saw Cue Ball at the track. He looked pretty seedy - had dirty fingernails. I don't think he had anything to do with it, though.

Jacobs: I am not so sure about Jas. Farrell.  
Dutch: He told me about that taxi ride, but when I got the taxi driver the story didn't check. I don't believe they ever threatened him. He's an old time hystor you know.

Jacobs: I think it was an inside job.  
Dutch: Yea. You know they really went up that mountain. The girl said they took off their masks right away. Hell, they must have known that anyone could see them from that back window and shoot at them. Those guys could have got a good look at them. I am sure Swede was chasing the right car. I don't believe that Amity business though. Young was drunk. They probably went to the lake and then came back through here and left those checks. We found a tin box this morning from that Walnut Street job.

Jacobs: Those loafers never should have been allowed to be in there. The whole thing stinks.  
Dutch: Yea, it don't look on the up and up to me. Say, Swede said to tell you that he took your "pea pals" (?) to Belvedere. What do you hear from Little Rock?

Jacobs: It looks bad. I heard they closed up Marion (?)  
Dutch: Yea.



Dutch: I guess we'll have to go to Mexico yet.  
 Jacobs: Yea, let's pack up. It looks like that guy (Bailey) is trying to be U. S. Judge.  
 Dutch: Who is going to get it, Moses (Hamilton)?  
 Jacobs: No, I don't think so. I think Trimble will get it. He is a relative of Robinson's. Moses owns too much oil stock. Mrs. Caraway (U. S. Senator) is pushing Bailey because she don't want him to run against her.  
 Dutch: Well hurry up and get on your feet.  
 Jacobs: I will.  
 Dutch: Well, so long partner.

9:15 P.M., March 23, 1937      Outgoing on No. 123      R.H.L.  
 30 - unlisted (over Arcade)  
 Dutch asked McAdams to look up L. E. Sindler's address in Baltimore.

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The following conversation is of interest:

1:17 P.M., March 23, 1937      Incoming on No. 123      J.L.M.  
 Mr. Belsham: Is Captain Watkins there?  
 Watkins: Hello.  
 Mr. Belsham: This is Belsham (phonetic)  
 Watkins: What kind of pistols have you?  
 Mr. Belsham: .38 S & W pistol and a .45 automatic pistol.  
 Watkins: Where did you get the automatic from?  
 Mr. Belsham: I got it from Dutch.  
 Watkins: I'd like to trade with you for that automatic.  
 Mr. Belsham: I want to keep it - I'll let you carry it for awhile.  
 Watkins: No, I want to trade you - there's something in back of that pistol; that's why I want it.  
 Mr. Belsham: Where can I see you?  
 Watkins: See me in the morning. I think after I talk with you, you'll let me have it.  
 Mr. Belsham: All right.

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The following conversations appear somewhat suspicious:

7:20 P.M., March 23, 1937

Incoming on No. 446

H.A.S.

Man: Dutch Akers there?  
Akers: Hello.  
Man: Hello old man, did you bet on that "squeezer"?  
Akers: Yeah - OK.  
Man: Have you got "Hank" Millo in jail?  
Akers: Who?  
Man: Hank Millo.  
Akers: Oh I know who you mean.  
Man: How much will it take to get him out?  
Akers: "Half way".  
Man: What?  
Akers: "Half way".  
Man: All right, I'll be down to see you.

NOTE: Party calling did not identify himself. Man in jail is probably held as "Hank" Mills, as per previous calls.

7:40 P.M., March 23, 1937

Incoming on No. 123

H.A.S.

Man: Is Mr. Akers there?  
Akers: Hello.  
Man: Mr. Akers, this is Dr. Brown. Do you have any information for me?  
Akers: (Pause) Well I don't have any car here now but the police car.  
Man: Well (pause) can I meet you?  
Akers: All right - where?  
Man: (Pause) Same place?  
Akers: Yes - I'll be in the police car - the big Buick. Look out for me.  
Man: O.K.

NOTE: Party calling did not identify himself other than using the name Doctor Brown. From tone of voice and conversation it was thought to be an alias.

7:15 P.M., March 24, 1937

Incoming on 123

H.A.S.

Man: Is Mr. Akers there?  
Akers: Hello.  
Man: This is Dr. Brown (pause) Any information for me?  
Akers: No, doctor, not a thing since I talked to you last time.  
Man: All right.

NOTE: Voice of man giving name as Dr. Brown was identical with that of man inquiring Akers' residence phone number at 7:12 P.M., and also who talked to Akers on night of March 23, 1937.

8:25 P.M., March 24, 1937

Incoming on No. 123

H.A.S.

Man: Mr. Akers there?  
Akers: Hello.  
Man: Dutch this is "Doc" What'd you know?  
Akers: I'm all tied up now with a half dozen prisoners.  
Man: Well, I think those fellows will be there all tonight.  
Akers: Can't help it. I can't get away tonight.  
Man: Could I meet you at the same place?  
Akers: No, not tonight. Anyway, I couldn't see that other fellow until "way late" tonight because he comes in and takes a "nap" at this time. Only thing I can say is to use your best judgment.  
Man: All right. I'll call tomorrow.

NOTE: Man who gave name as "Doc" had voice similar to man who called Akers on two previous evenings giving name as "Doctor Brown."

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The following conversation between Mayor McLaughlin and Harry Hopkins, W.P.A. Administrator, is of interest:

10:38 A.M., March 24, 1937

Incoming on No. 648

B.M.S.

Hazel: Mayor's office.  
Harry Hopkins: This is Harry Hopkins speaking, could I talk to the Mayor?  
Hazel: Yes, Mr. Hopkins, just a moment.  
Leo: Hello.  
Hopkins: Hello Mayor, this is Harry Hopkins, we are going out tonight, but not until after the seventh race. (laughs)  
Leo: Well I hate to see you leave. If you have any tickets to cash in and don't have time to cash them I'll cash them for you for 10%. (laughs)  
Hopkins: I am sorry I have to leave, I would like to have seen more of you while I was here. There are many interesting things to be seen in your town.  
Leo: Yes it is a nice and interesting place. I would like to have seen more of you too.  
Hopkins: I find politics the same here as in other places.  
Leo: Yeah, just like Washington.  
Hopkins: If the Federal Government would put some of your medical friends on the payroll it might help the situation.  
Leo: Yeah, this marriage will help one of your men, he's been flat broke around this town here for ten years. And this Wooten is one of the damndest four-flushers in town. I think they put him on the pay roll last

Mayor (cont'd):

year then sent a man to count the number of post holes he dug per day. (laughs)

Hopkins:

Well, if you come into Washington be sure and come in and see me.

Mayor:

Thanks, and if any of your friends come down, tell 'em to drop in and see me.

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On the morning of March 26, 1937 there appeared a news item in the Hot Springs Sentinel-Record paper to the effect that an unconfirmed report had it that \$30,000 and not \$8,100 was taken in the robbery of the Southern Club on March 19, 1937. The following conversation between "Dutch" Akers and W. S. Jacobs undoubtedly refers to this news article. The reference made to Governor Bailey is of interest.

10:17 A.M., March 26, 1937

Outgoing on No. 2115

D.P.S.

To 123 (Police Department)

Jacobs:

Is Dutch there?

Akers:

Hello.

Jacobs:

Why didn't you tell me they got all that money up at the Southern?

Akers:

I read about it in the papers this morning.

Jacobs:

What do you know?

Akers:

I thought I'd be a preacher and join up with Bailey. (Governor Bailey)

Jacobs:

He is trying to be the U. S. Judge over Robinson. (Senator Robinson)

Akers:

I was coming by last night, but I thought you'd be in bed.

Jacobs:

Where did the "flare-back" come from?

Akers:

It must be out of one of the racing sheets. I'll go down now and find out and come by the house.

It might be stated that the reporting agent observed the Hot Springs Police Department Oldsmobile car parked in front of the residence of W. S. Jacobs on Cedar Street at approximately 11:00 A.M. on this morning. A short time later agent saw this same automobile proceed south on Central Avenue, with "Dutch" Akers at the wheel, and Day Police Captain "Jerry" Watkins sitting beside him.

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The following conversation between W. S. Jacobs and Roscoe Johnson, Manager of the Southern Club, is of interest:

10:23 A.M., March 26, 1937 Incoming on No. 2115 D.P.S.

Jacobs: Hello.  
Roscoe Johnson: You are a little "O.D." at the bank.  
Jacobs: You mean overdrawn?  
Roscoe: Yes.  
Jacobs: I knew that. I sent some checks down to Houston, they have been short.  
Roscoe: "Pete" called and said it was \$3800.00. I am going down and see that party now.  
Jacobs: Who?  
Roscoe: Al.

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The following conversations are evidence that W. S. Jacobs' enterprises are booking horses in Hot Springs in violation of Governor Bailey's orders a few days previous:

4:55 P.M., March 26, 1937 Outgoing on No. 2115 B.M.S.

Jacobs: 1117 (Kentucky Club)  
Doc: Hello.  
Jacobs: Doc (Omar), W. S. Jacobs, getting anything from Little Rock  
Doc: Yes, quite a bit. They haven't won anything yet.  
Jacobs: Good, hope they don't.  
Doc: 5 We had a take yesterday of \$1800.00 but only came out \$17.00 ahead.  
Jacobs: Well, glad to hear you are getting some bets from them, it shows they're not all in jail as the papers try to make out.  
Doc: Glad you called Mr. Jacobs, and hope we keep winning.  
Jacobs: Yes, so do I.

6:15 P.M., March 26, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.  
Roscoe: 899 winner. 1195 Markers, 324 cash.  
Jacobs: OK, Did you get all your votes in?  
Roscoe: I guess they all got in, I give 'em to Tim, I suppose he got 'em in.  
Jacobs: What did Kentucky do?  
Roscoe: 895 on markers I think, they quit even.  
Jacobs: All rightie.

6:25 P.M., March 27, 1937

Incoming on No. 2115

D.P.S.

Roscoe:

530 markers, 540 cash, 353 salary, \$150 Nationwide (wire service) (Rest of figures indistinguishable because of speed with which Roscoe was talking).  
Got some bets today from the Ohio and Kentucky.

Jacobs:

Have you heard whether they are going over at Little Rock?

Roscoe:

No.

6:26 P.M., March 27, 1937

Outgoing on No. 2115

D.P.S.

Jacobs:

To 1117 (Ky. Club)

Man:

Did you hear from Little Rock today?

Jacobs:

No, I didn't. We won \$120.00 over here.

Man:

Same fellow bet you?

Jacobs:

Yeah.

I saw where someone was arrested (probably referring to Little Rock) Lost \$700 at the Southern Club today?

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The following conversations between Lee Brown of Houston, Texas, and W. S. Jacobs, disclose a corrupt situation in the State of Texas:

7:56 P.M., March 27, 1937

Outgoing on No. 2115

B.M.S.

Jacobs:

Called Long distance operator. 2115 calling Mr. Lee Brown, McAfee Hotel, Houston, Texas.

Operator:

Held the line please. (pause) Mr. Jacobs could I call you back, the lines are all busy to Houston right now.

Jacobs:

All right.

8:02 P.M., March 27, 1937

Incoming on No. 2115

B.M.S.

Jacobs:

(Operator completed the long distance to Lee Brown indicated above.)

Brown:

Hello, Lee, how you feeling?

Jacobs:

All right Mr. Jacobs, are you still in bed?

Brown:

Yeah, still got the gout.

Gee, that's too bad, I saw in the paper where everything folded up over there.

Jacobs:

Yep things look bad. You know they robbed us a few minutes before or after I talked to you last time. They stuck up the Southern.

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Brown: Yeah? I heard something about it over the radio.  
 Jacobs: Well we didn't lose so much, but Murphy, Abbdoo and Nathan lost a lot. Any business over there?  
 Brown: Dragging along. Six hundred dollar day yesterday but got a \$350.00 bad check, think he will make it good later. I had the bookies going but I cut one off yesterday, he had too many bad customers that wouldn't pay. The other one is doing very good, he's made \$450.00 in four days. I talked to Bob yesterday and he thinks we'll do better after the races close here. Another thing is they're cooling off a bad man here name \*Durkesdoll (phonetic) after that, things should open up. A man could take a lay-off book and make some money around here.  
 Jacobs: Looks like we're through for a long time over here. The Governor went on a rampage.  
 Brown: That's sure too bad. There's a lot of money here. The town boasts they will have a million population here in 10 years. Is there anything over here I can do for you?  
 Jacobs: No, I was just laying here in bed thinking about you and decided to call. Million population eh, ten years humpp.  
 Brown: Yeah and by the way one of these Texas Rangers by name of Glover came up to me the other day and says there's a county down here that he knows and he can fix the District Attorney and the Sheriff. He says it's a good county for slot machines. He was going out to the track then so he didn't have time to give me any more details. He's a reliable fellow though. He and his wife live out at the track, I knew them before they moved here. The fact that he's a ranger he should know what he's talking about.  
 Jacobs: Yeah a ranger should know.  
 Brown: I told him I thought we could handle it.  
 Jacobs: Yeah we can handle it.  
 Brown: I'll talk to him again tomorrow and write you what he says.  
 Jacobs: All right you talk to him and write me.  
 Brown: Thanks for calling, Mr. Jake, and do it again sometime.  
 Jake: OK.

9:22 P.M., March 27, 1937

Incoming on No. 2115

B.M.S.

Lee Brown calling Jacobs from Houston, Texas.

Brown:

Lee Brown, Mr. Jacobs, after I talked to you I ran into this ranger in the lobby. He said everything could be fixed like I told you. He and I will drive up to see you Sunday morning. I want to see you anyhow about another proposition. Otis might be interested in. A fellow from New York told me about it.

Jacobs:

That's probably the same man that came by here.

Brown:

No, I don't think so. He's here for the races, his name is Herman Johnson, he says there's a big hotel opening up in May in the Catskill Mountains and it ought to be a plenty good proposition. I'll see you Sunday morning.

Jacobs:

All right.

- 0 - 0 - 0 -

The following conversations reveal the close association between W. S. Jacobs and the family of Mayor Leo P. McLaughlin:

9:25 A.M., March 27, 1937

Outgoing on No. 2115

J.L.M.

Jacobs called 618 (Johnson Floral Co.) and ordered a nice pot of Easter lilies to be sent to the McLaughlin family sometime today. He ordered a \$5.00 plant.

12:30 P.M., March 27, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Miss McLaughlin:

I got the surprise of my life when we got your plant this morning. I want to thank you very much for it.

Jacobs:

That's all right.

Miss McLaughlin:

It was very thoughtful of you.

Jacobs:

I'm glad you liked it.

Miss McLaughlin:

I was out riding this morning, but it was pretty cold.

Jacobs:

It is cold.

Miss McLaughlin:

Are you getting out soon?

Jacobs:

In about the next day or so.

Miss McLaughlin:

Thank you again for the plants.

- 0 - 0 - 0 - 0 -

It might be stated that the horse racing season at the Oaklawn Race track park, Hot Springs, Arkansas, terminates on April 3, 1937.

P-E-N-D-I-N-G



Post Office Box #1469,  
Little Rock, Arkansas.  
April 8th, 1937.

PERSONAL AND CONFIDENTIAL

RE: B R E K I D

There is attached hereto three copies of a memorandum prepared by me covering the additional work necessary at Hot Springs, Arkansas, in order to report to date the details of the corrupt condition existing at Hot Springs, Arkansas and Garland County, Arkansas.

There is also set out two suggestions as to possibilities of proving a motor theft ring and the possibilities of prosecution under the White Slave Traffic Act.

In keeping with the information set out in this memorandum, unless advised to the contrary by the Bureau, the telephone taps now in existence at Hot Springs, Arkansas, will be discontinued April 12th, 1937 and all evidence of such taps eliminated. It is believed

**RECORDED  
&  
INDEXED**

APR 10 1937

ONE TWO

DIRECTOR

4/8/37

that this is desirable by reason of the fact that we have obtained sufficient information to show the corrupt conditions at Hot Springs, Arkansas by the officials and others and by reason of the fact that we have obtained about as much as it is possible to obtain to assist us in the harboring situation. A continued telephone tap surveillance, it is believed, will add nothing other than additional instances of the same information we have and to, a long continued telephone tap surveillance means there is always the possibility that our activities will be disclosed.

With the above in mind, Agents Madala, Sullivan, Snow and Suttler will, immediately upon discontinuance of the telephone taps, prepare the detailed report outlined in my memorandum, as to the corrupt conditions existing at Hot Springs, Arkansas. This will show, of course, the outline indicated in my memorandum, supplemented by a detailed arrangement of the information available as to each individual concerned and as to whom we have obtained information as to their activities.

Thereafter, on April 12th, 1937, Agent Laughlin will return to his headquarters at Louisville and Agent Morton will return to his headquarters at Nashville. Special Agent J. M. Jones, who has been here in contemplation of establishing some taps in connection with the houses of prostitution at Hot Springs, will return to his headquarters at Chicago on April 8th.

This supplements the information covered in my teletype to you of April 7th, 1937.

Special Agent D. P. Sullivan will be in charge of the harboring investigation, during my absence from the Little Rock Office, under the supervision of Special Agent in Charge Chapmon Fletcher.

Very truly yours,

  
E. J. CONNELLEY,  
Inspector.

EJC:DAN  
Enclosures

- Page #2 -

cc Chgo  
Cint  
Cleveland

Federal Bureau of Investigation  
United States Department of Justice

Post Office Box #1469,  
Little Rock, Arkansas,  
April 7th, 1937.

MEMORANDUM FOR THE FILE:

RE: B R E K I D

In connection with the telephone taps established and maintained for sometime, on the telephone of the police department, the Mayor's office and the jail at Hot Springs, Arkansas and the home telephone of W. S. Jacobs, rather definite and conclusive information and evidence have been disclosed regarding the definite corrupt conditions, politically, at Hot Springs and the county in which Hot Springs is located. This shows rather definitely that practically all public officials in the county and city in question are corrupt and aligned with each other in these corrupt practices. It is apparent that most of the corruption concerns violations of the state laws. Some parts of the information and evidence collected will be of value to us in showing the definite associations of these various parties, persons and public officials, through their more or less joint corrupt practices and it may be of assistance for this purpose in the possible harboring charges to be considered against those who may have harbored Alvin Karpis, Harry Campbell, Sam Coker and Fred Hunter, all of whom were wanted in connection with the Bremer kidnaping and the robbery of the United States mails in the train robbery had at Garrettsville, Ohio, on November 7th, 1935. It is believed that the continued operation of these taps will only show additional instances of this general corrupt condition and will not add much available information, which can be of use to us in prosecutions had under the Federal violations, which apparently consist of the possibilities as to charging these persons with having harbored Federal fugitives. With this idea in mind, unless advised to the contrary by the Bureau, the telephone taps above referred to will be suspended and disconnected as of April 12th, 1937.

COPIES DESTROYED

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7-5743-92

MEMORANDUM FOR THE FILE:

4/7/37

Based upon the information collected and previously reported and as will be reported at the conclusion of the taps on the telephones in question, a more or less definite picture has been obtained of the corrupt conditions existing in the City of Hot Springs and the County of Garland, Arkansas. A report as to the corruption existing will be prepared in detail, covering all of the various officials and persons concerned. This report will be prepared by Agents Sullivan, Madala, Snow and Suttler. The other Agents working at Hot Springs - Agent Laughlin will return to his headquarters in Louisville; Agent Morton will return to his headquarters at Nashville and Agent J. M. Jones will return to his headquarters at Chicago.

In order to show the corrupt conditions at Hot Springs, Arkansas and in Garland County, based upon the information we have obtained to date, a report will be prepared as to this situation, in which will be set up the various members of the City Government of Hot Springs, including the Mayor, City Attorney, Aldermen, Police Chief, City Judge, et al, together with the members of the police department, divided as to the old personnel of the police department and the new personnel of the police department, appointed subsequent to the dismissal of the various officers involved in the alleged murder of prisoner Dickson. The same set-up will be arranged as to the various officials of the County, such as the Judge, Prosecuting Attorney, Commissioners, Sheriff, et al. There will also be set up such members of the Government of the State of Arkansas, as have come in contact with the situation, as brought to our attention during this investigation, as effecting Garland County. There will also be set out the principal racketeers and their supposed place of operation of dominance in the City. The various places where extensive gambling is being carried on will be set out, such as the Belvedere Club, Southern Club, Ohio Club, et cetera. The owners and operators of the race track will be indicated, with their set-up, particularly as to the arrangements for the policing of the track through the Sheriff's office, during the racing season. The members of the racing commission will be indicated.

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Thereafter will be included the results of the most recent election there, with the picture as to the preliminaries, of particularly Mayor McLaughlin, in arranging to get everybody to vote by wholesale arrangements for poll tax receipts. This election resulted, of course, in the overwhelming election of Mayor McLaughlin and his associates.

The general picture will be set up concerning the alleged murder of prisoner Dickson, the indictment of the officers concerned with this, the various references to the treatment given this prisoner before he died, the subsequent indictment of the officers and, where available, information as to how and where these discharged officers are now located at Hot Springs.

The picture insofar as possible will be set up as to the racket operated in connection with prisoners who have money, whereby this information is furnished by Akers and others to attorneys who immediately arrange to represent these prisoners.

The information available as to the various houses of prostitution will be set up. In this connection reference should be had as to the admissions by Wakelin and Akers to E. J. Connelley, in an interview with them as to the operation of these houses. Reference should be had to the properties owned by Mayor McLaughlin, in which houses of prostitution are located (the ownership of these properties will be verified by a check of the property records in Garland County). Reference will be made particularly to the approval of prostitutes working in the various houses, from time to time, by the police.

A general picture will be drawn as to the activities of the legislative inquiry made recently as to gambling, et cetera in Hot Springs, with reference to a limited detail of the disclosures and activities, particularly

MEMORANDUM FOR THE FILE:

4/7/37

of Mayor McLaughlin:

- (1) In blocking the appointment of such a committee
- (2) Thereafter the selection of the personnel who would comprise this committee
- (3) The reference to money to be obtained from W. S. Jacobs to place in the proper place among presumably the legislators, who would have anything to do with the passage of this particular resolution for the inquiry in question.
- (4) Reference will be made to the various persons contacted by Mayor McLaughlin to block this inquiry

A picture will be drawn as to the raids conducted by the Arkansas Rangers at Hot Springs about January 15th, 1937 and the various tips received from sources such as Bransford, Ebel, Akers, et al, that these raids were to be conducted.

There will also be set up a general picture of the case involving Earl King; the release of prisoners by Akers as favors to his friends and persons in power. Reference will be had as to the disclosures of Wakelin to Grace Goldstein on December 5th, 1936, in which he advised her of the activities of Akers, the Chief of Detectives, in trying to apparently place some offense against persons staying at the house of prostitution of Grace Goldstein. Reference will be made to the sale of diamonds by Akers and the sale of guns by the police. Particular reference should be made to Agent Damron's report of January 21st, 1937, where apparently

MEMORANDUM FOR THE FILE:

4/7/37

Judge Ledgerwood, himself, contacted secretively two colored members of the Grand Jury hearing the case involving the alleged murder of Dickson.

It is realized that much of the above information from a possible prosecutive standpoint is incomplete, however, it definitely shows the conditions which exist. The investigation if pursued further would only make possible, it is believed, the prosecution of the above citizens under state laws and due to the corrupt conditions existing, even if all of this information were made available with the various situations thoroughly covered, it is very doubtful if any prosecution would ever result by the State prosecutive agencies. This is borne out very definitely by the results of the legislative inquiry.

Upon the completion of the above report, Agents Madala, Sullivan and Snow will then proceed to a careful, discreet inquiry, openly and otherwise, as necessary, to determine the facts whereby, if possible, we can substantiate a harboring charge against Herbert Akers, et al.

In this connection reference is made to the undeveloped lead as set out in the report of Special Agent D. P. Sullivan, December 2nd, 1936, all of which, at this time, should be run out to a logical conclusion. In this connection contact with Grace Goldstein during the time the efforts are pending with her to obtain the return of the bonds stolen in the Garrettsville train robbery, should not be had, neither should direct inquiry be made with the prostitutes actually located in her house. Those prostitutes who have previously operated in her place, it is believed can be safely approached. Supplementing the information set out in the undeveloped lead referred to, it is believed that Alfred "Pug" Dickson, now serving a sentence in connection with charges from Hot Springs, Arkansas, should be interviewed, as to any information he may have.

MEMORANDUM FOR THE FILE:

4/7/37

If it can be discreetly done, a transcript of the legislative Committee's testimony should be obtained and reviewed for any possible information. This latter, however, will only supplement or confirm the information we previously have obtained and set out in the report covering the corruption at Hot Springs.

Virginia Moore, alias "Ginger", should be contacted, particularly for information as to just what information she furnished to Herbert Akers as to Grace Goldstein being located at 602 South 3rd Street, during the period after Karpis arrived there November 10th, 1935 from the Northern District of Ohio.

Particular reference should be had to the various places where Grace Goldstein lived and where Karpis lived with her, such as 123 Palm Street, 602 South 3rd Street, 1338 South Central Avenue and a neighborhood inquiry should be made as to placing Karpis at the various places and particularly, if possible, to place Herbert Akers, former Chief of Police Wakelin and other police officers at these addresses, as it may be able to show them at these places at the time Karpis was living at the same address.

When Grace Goldstein has delivered certain confidential information she is furnishing as to the stolen bonds in the Garrettsville train robbery, we will have her give us definite information as to any and all prostitutes who have been at her place during 1935 and 1936, in order that they may be checked, particularly for the association of Wakelin and Karpis with Grace Goldstein, during the period Karpis was living with her.

Special Agent B. L. Damron, at a suitable opportunity should prepare a detailed memorandum covering his contact with Herbert Akers on October 5th, 1935 and his investigation at Dyer's Landing at this time, with particular reference to when Herbert Akers knew definitely, by some direct evidence we have, that Karpis had been at Dyer's Landing. Reference should be had



MEMORANDUM FOR THE FILE:

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specifically to the fact that "Dutch" Akers assisted us in efforts to locate the colored maid who worked at Dyer's Landing for Karpis, et al, as well as the supposed two Hot Springs women, who were out there, inasmuch as it is to be noted he undoubtedly knew from October 2nd, 1935, that Grace Goldstein was one of these women, by reason of him having seen her car at this place. Insofar as possible, all conversations should be recalled and the date of such conversations, with Herbert Akers, as to this situation. Reference should be had to this party Morris Loftis, as to just what instructions were left with him when he identified the picture of Karpis, as to advising us should this party return there, it being noted he did return on November 10th, 1935 with Grace and Goldstein and talked with Loftis. It may be desirable at a later date to have Agent R. C. Coulter, after examining the memorandum of Special Agent Damron as to this, supplement the information, if it is possible for him to do so.

When Morris Loftis is interviewed he should be questioned as to the situation covered in letter of July 17th, 1936 to the Director from the Little Rock Office, to the effect that he had furnished to Karpis the descriptions of Agents Coulter and Damron, when Karpis apparently talked with him on November 10th, 1935.

Reference should be had to the report of Special Agent C. A. Mahan, Little Rock, dated July 13th, 1936, wherein one L. M. Lynch at Hot Springs, referred to Herbert Akers as having cautioned him against making inquiry as to certain occupants of the home of Judge Davis in Hot Springs and as to Akers advising that he suspected Alvin Karpis had not left Hot Springs. This approach was made on March 25th, 1936.

At some subsequent date, when the investigation above indicated has progressed sufficiently, there should be considered for investigative possibilities, by the Little Rock Office, the possibilities of showing a motor theft

MEMORANDUM FOR THE FILE:

4/7/37

ring at Hot Springs in which will probably be involved - "Dutch" Akers. In this connection the following quotation is had from memorandum for the Director dated May 22nd, 1936, prepared at the Bureau, with reference to Herbert "Dutch" Akers and Joe Wakelin:

"You will remember that the States of Oklahoma and Arkansas have produced numerous outlaws who have been interested in the theft of automobiles. One such case involved Elmer Mikel, in the case entitled Orville E. Ervin, National Motor Vehicle Theft Act. Mikel was a notorious car thief. In connection with the activities of 'Dutch' Akers, he furnished the following information:

Mikel stated that he has never had any direct dealings with 'Dutch' Akers, but he knows from his intimate contacts with Joe Stone, Clarence Stone, Clem Holman, Pete Traxler, Paul Ervin and W. L. (Bullet) Ebby, now in Little Rock prison, that 'Dutch' Akers has been dealing with these automobile thieves and receiving \$50 on every car brought into Hot Springs and sold there. 'Dutch' Akers works with one Burt Conners, used car dealer at Hot Springs, and helps find customers for 'hot' cars brought there. Akers personally located prospective purchasers for these stolen cars among the underworld element as well as others. Mikel further stated that he is of the opinion that about 75 per cent of the city firemen, policemen and other city employees of Hot Springs are possessors of stolen cars obtained through the above mentioned source; that while he cannot prove it, he knows that U. S. Commissioner Huff of Hot Springs is connected with Akers and operates in the same manner with some of these thieves, especially Clem Holman; and that any information known to Huff was immediately conveyed by him to Akers and to persons interested; that in fact Huff is the criminal's source of information on

MEMORANDUM FOR THE FILE:

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Government matters. Mikel stated that it would be no trick to trap Huff and Akers if undercover men were put in Hot Springs to deal with them as they, especially Akers, will go any route. Mikel further informed that thieves were instructed by Akers not to steal any local cars in Hot Springs but to take cars brought in there by tourists; that Akers, in order to keep down suspicion, turns up a thief occasionally to the Government--he turned up Paul Ervin because he would not pay off or did not have the money to pay off."


In connection with the same situation, as to the possible handling of stolen cars, there has been some reference to possibilities of this situation in logs of the telephone taps maintained. It is to be noted that it is indicated that probably various firemen and police officers presumably have stolen automobiles. It might be possible to check the registration of these cars to determine their source and the possibility that some of these have been transported interstate into Hot Springs.

With reference to the general situation at Hot Springs, Arkansas, as to the possibility of making violations under the White Slave Traffic Act, it has been indicated that Herbert Akers himself, personally calls upon all the various prostitutes, probably both for intimate association and for collection of, if anything, they make in the way of a pay-off. As to this it might be well, at a later date, to check the various prostitutes and Madams in these houses of prostitution, through some pretext. This might be possible by going into these houses and checking the Madams and inmates for the alleged harboring of some fictitious fugitive, which would permit a detailed interview with these women, as to their identity, source and possible interstate travel into Hot Springs. It might also be possible to at this time establish telephone taps on one or more of these houses, with the idea in mind of

MEMORANDUM FOR THE FILE:

4/7/37

locating some girl who had recently been transported, or possibly determining through conversations, to whom the pay-off is made.

  
E. J. CONNELLEY,  
Inspector.

EJC:DAN

Post Office Box #1469,  
Little Rock, Arkansas,  
April 9th, 1937.

PERSONAL AND CONFIDENTIAL

Mr. E. J. Connelley, Inspector,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
1130 Enquirer Building,  
Cincinnati, Ohio.

RE: BREKID

Dear Sir:

In accordance with your instructions and in confirmation of my telephone conversation with you this morning, Grace Goldstein called at this Division on yesterday and advised me that she had gone to her home in Texas and had contacted her brother, Leonard, and that Leonard had definitely advised her that Karpis had buried some papers in a fruit jar which were evidently the bonds in question and that he, Leonard, had personally burned these papers, as instructed by his sister, Grace. I asked Grace, at this time, to definitely say whether her brother had personally burned these bonds, or whether he had someone else do so for him. She said that Leonard had informed her that he personally had destroyed the bonds and that she, knowing Leonard as she does, feels confident that he would not permit anyone else to know he had any information whatever concerning the bonds.

As stated to you on the telephone, Grace was in a highly nervous condition when she arrived at this office and informed me that she was sick of it all and that she proposed to take "Old Man" Wakelin (former Chief of Police Joe Wakelin, Hot Springs, Arkansas) over to Memphis and treat in her car and have

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INDEXED

7-576-3-93

16

*at m. Karpis*  
*Leonard Goldstein*

RECEIVED  
FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE  
APR 10 1937

RECEIVED  
DIVISION ONE  
APR 10 1937

Mr. E. J. Connelley

4/9/37

the "Old Man" buy her a smaller car, after which she proposed to leave Hot Springs and no one would know of her whereabouts. I informed her that I felt this would be a very bad plan, in view of the present situation, as it would leave no one to negotiate with her brother Leonard, for the return of the bonds in question, which might prove fatal, as an investigation would naturally result and personal contact would have to be made with persons known to this Division to have been in possession of the bonds, or who had information concerning their whereabouts, since the date they were supposed to have been destroyed and that these bonds might even now be destroyed and cause her brother more embarrassment and place him in a more serious situation than he now finds himself.

Grace informed me that she had not definitely told her brother that information was in possession of the Federal Bureau of Investigation, as to the existence of these bonds, subsequent to the time they were supposed to have been destroyed, although she had told him that inquiry was being made of her concerning these bonds. I asked Grace whether it was possible that her brother did not realize the seriousness of the situation and even now felt that he was perfectly safe and for that reason had not told her the entire truth concerning the bonds. She is inclined to believe that her brother has told the entire truth and that the bonds have been destroyed, as he has said. However, from her very nervous condition I doubt that she is sincere in her statements in this regard. She said that if you so desired, she would definitely say to her brother that it was known to this Division that these bonds were in existence and that she would return to her home in Paris, Texas and again contact her brother regarding this matter.

Mr. E. J. Connelley

4/9/37

As stated to you in our conversation, I feel perfectly confident, as I know you do also, that Grace Goldstein is not telling the truth in regard to this matter. I feel that she knows a great deal more than she has told us and I am somewhat confident that it will be only a matter of time before she finds herself in such position as will necessitate her telling us all she knows regarding this matter.

I will follow this matter closely and keep you fully informed of all developments.

Very truly yours,

CHAPMAN FLUTCHER,  
Special Agent in Charge.

CF:DAN

cc: Bureau  
Cleveland  
Chicago

AIR MAIL AND SPECIAL DELIVERY

- Page #3 -

FEDERAL BUREAU OF INVESTIGATION

1937.

☐ The Director  
☐ Mr. Nathan  
☐ Mr. Tolson  
☐ Mr. Quinn  
☐ Mr. Clegg  
☒ Mr. Foxworth

☐ Files Section  
☐ Personnel Files  
☐ Chief Clerk's Office  
☐ Identification Division  
☐ Technical Laboratory  
☐ Mechanical Section

SUPERVISORS

☒ Mr. Brandt  
☒ Mr. Chambers  
☒ Mr. Chipman  
☐ Mr. Collier  
☐ Mr. Drayton

☒ Mr. Lawler  
☒ Mr. Leckie  
☒ Mr. McDade  
☒ Mr. McIntire  
☐ Mr. Pennington

☒ Mr. Banstad  
☒ Mr. Rosen  
☒ Mr. Spear  
☒ Mr. Vogel  
☐ Mr. Wyly  
☐ Mr.

\* \* \*

☐ Miss Gandy  
☐ Mrs. Fisher  
☐ Mrs. Morton  
☐ Mr. Ward  
☐ Mr. Parsons  
☐ Miss Conlon  
☐ Typists - 5257

☐ See Me  
☐ Send File  
☐ Call me regarding this  
☒ Correct  
☐ Note and Return  
☐ Search, serialize and route  
☐ Stenographers - 5730

E. A. TAMM - 5738.



Federal Bureau of Investigation  
United States Department of Justice

Post Office Box #1469,  
Little Rock, Arkansas,  
April 12th, 1937.

PERSONAL AND CONFIDENTIAL

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

RE: B R E K I D

Dear Sir:

In accordance with advice furnished the Bureau in letter from Inspector Connelley, dated April 8th, 1937, please be advised that telephone taps on telephones #123, #446 and #648, listed to the Hot Springs Police Department and the Mayor's Office, were discontinued at approximately 2:30 P. M. on this date.

I am advised by Special Agent D. P. Sullivan that all evidence of these taps has now been removed.

Very truly yours,

*Chapman Fletcher*  
CHAPMAN FLETCHER,  
Special Agent in Charge.

CF:DAN  
cc: Mr. E. J. Connelley, Newark, N. J.  
Cincinnati  
Cleveland  
Chicago

AIR MAIL

RECORDED  
&  
INDEXED

7-576-3-94	
FEDERAL BUREAU OF INVESTIGATION	
APR 14 1937	A. M.
U. S. DEPT. OF JUSTICE	

PARTIALLY  
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SERIAL ONLY

62-42152-31  
RECORDED & INDEXED IN 10-10-10-10-10-10

Post Office Box #1469,  
Little Rock, Arkansas,  
April 12th, 1937.

PERSONAL AND CONFIDENTIAL

Mr. E. J. Connelley, Inspector,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
936 Raymond-Commerce Building,  
Newark, New Jersey.

RE: BREKID

Dear Sir:

With further reference to my letter of April 9th, 1937, you are advised that I communicated with Grace Goldstein by telephone and informed her that it would be satisfactory for her to inform her brother, Leonard Grayson, that this Bureau was making inquiry concerning the bonds stolen in the Garrettsville mail robbery and that it was definitely known to this Bureau that these bonds were in existence subsequent to the time they were supposed to have been destroyed by Leonard Grayson.

Grace Goldstein called at this office today and informed me that she has gotten in touch with her brother, Leonard, who was in Hot Springs, at her request, on Friday evening, April 9th, 1937, at which time Leonard informed her that the fruit jar previously mentioned, which had been buried by Karpis on the farm in Texas, did not contain any papers of value, particularly a brown envelope, such as has been described previously by Grace Goldstein.

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&  
INDEXED.

7-576-3-95	
FEDERAL BUREAU OF INVESTIGATION	
APR 14 1937 P.M.	
U. S. DEPARTMENT OF JUSTICE	
ONE	FILE

Mr. E. J. Connelley, Inspector

4/12/37

Leonard, at this time, according to Grace Goldstein, stated that on one of the occasions when she and Karpis, who was known to Leonard as "Slim", visited the farm in Texas, that during a temporary absence of Grace, Karpis had thrown in the open fireplace a brown envelope and at the time he did so he said, "There goes \$15,000.00 that is not any good to anybody".

Grace informs me that Leonard has told her that at no time did he have these bonds in his possession, or did he have any information concerning the bonds, other than as stated above.

During the course of this conversation, I did not make known to Grace any of the facts concerning the information in our possession, but feel that at some later date and during the course of any investigation you may contemplate concerning these bonds, that if additional information is secured, she would then bring pressure to bear upon her brother to tell her the entire truth. I cannot help but feel that Leonard would not keep anything from Grace and that if he has handled these bonds he has told her so and that there is a possibility that he is in such a position, at the present time, that he is unable to make delivery of them, therefore, he, counseled by his sister Grace, feels that the best thing to do is to stick by their story that he has never handled the bonds.

During the course of my conversation with Grace today, we spoke casually of her association with former Chief of Police Joe Makelin at Hot Springs and during our conference she said that on several occasions she had remained away from Hot Springs overnight with Chief Makelin. On one occasion to which she

Mr. E. J. Connelley, Inspector

4/12/37

referred they had gone to Tulsa and Oklahoma City. I mention this as you may possibly want to give this consideration during the course of the anticipated investigation at Hot Springs, when you interview Wakelin.

Very truly yours,

CHARLES W. FLETCHER,  
Special Agent in Charge.

CF: DAN

cc: Bureau  
Cleveland  
Cincinnati  
Chicago

AIR MAIL AND SPECIAL DELIVERY

- Page #3 -

JOHN EDGAR HOOVER  
DIRECTOR

Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.

LMC:TD

March 15, 1937

MEMORANDUM FOR MR. TAMM

The following is a resume of pertinent information obtained from various telephone taps at Hot Springs, Arkansas from February 11 until February 23, 1937. The taps on the phones of the police and the Mayor were temporarily removed on February 10, 1937 because of activities of telephone company employees and were not reinstated until February 24, 1937 because of the unrest caused by the legislative investigation which at that time was being made at Hot Springs.

The following telephone conversation took place on February 13, 1937, incoming on No. 2115 (Jacobs) -

Jacobs Hello.  
Mayor Earl (Judge Earl Witt) just called me and said they arrested all the boys that were booking yesterday. I reckon we better stop all booking until this thing is over.  
Jacobs All rightie, thanks.  
Mayor All right.

Outgoing on No. 2115 (Jacobs) -

Jacobs (Called 210 (Ohio Cigar Store). Is Mr. Young there?  
Man No  
Jacobs Is Brownie there?  
Man Yes (He calls Brownie to phone)  
Brownie All right.  
Jacobs Brownie, they called me up and told me we'd have to quit booking, so don't book any in the store today, if you see any bets take 'em across to a hotel room, you know.  
Brownie OK, thanks, Mr. Jacobs.

The following telephone conversation took place on February 14, 1937, outgoing No. 2115 (Jacobs) -

McLaughlin placed long distance call to Crip Hall (phonetic),  
(Mayor) Little Rock, Ark. (Secretary of State)  
McLaughlin Crip (phonetic) - Leo - you might see that fellow we got two boys and one in the Senate that will vote any way he wants and they are here for him.

COPIES DESTROYED

MAR 25 1965

Mr. Nathan ✓  
Mr. Tolson ✓  
Mr. Baughman ✓  
Mr. Clegg ✓  
Mr. Coffey ✓  
Mr. Downey ✓  
Mr. Egan ✓  
Mr. Foxworth ✓  
Mr. Glavin ✓  
Mr. Harbo ✓  
Mr. Joseph ✓  
Mr. Lester ✓  
Mr. Quinn ✓  
Mr. Schilder ✓  
Mr. Tracy ✓  
Miss Gandy ✓

7-576-3-96  
RECORDED & INDEXED  
FOLSON  
Nichols  
TAMM  
ONE

Hall

Now, Leo, I tell you, I am laying out of that fight. He's going to lose that. You want me to tell him in the morning?

McLaughlin

Yes, you can tell him they are for his use - they will go any way he wants them.

Hall

All right. I'll tell him in the morning. \*\*\*\*

The following telephone conversation took place on February 17, 1937, outgoing on 2115 (Jacobs) -

Leo

Yeah, it's all right, go ahead.

Farris

Well, Jake said you were really in with Governor Bailey, and through him you were going to get some of the representatives.

Leo

You know damn well I didn't make any such statement. I know it, and it made me mad.

Farris

Leo

The whole thing is this Ed. The investigation really started out on Earl Witt, and before they got through they were investigating me as much as they were Earl. The only ones that know a damn thing about me are those two preachers. You know about my divorce. That's why I hate to come over to Little Rock. Every time I do those two damn preachers "tail" me, they know every where I go, every room I'm in. I know there's a lot of bull--- going around Leo, that's why I've kept quiet to everybody except Witt about what Jake said. Now listen, I'll tell you something else Jake told me. I haven't told anybody this, and am not, except you. He said he heard you talking to Carl Bailey over the phone, he said he was on an upstairs phone listening. I'm not going to tell anybody that.

Farris

Leo

Please don't, Jake's crazy as hell. He ought to quit talking like that, that'll put me in the middle sure enough..

The above conversation is between Mayor ~~McLaughlin~~ and Ed ~~Farris~~, who is Secretary of the Racing Commission for the State of ~~Arkansas~~, showing a possible connection between ~~McLaughlin~~ and Governor ~~Bailey~~.

The following conversation between Jacobs and Mayor ~~McLaughlin~~ refers to the raids on the gambling houses at Hot Springs made apparently under the supervision of Thompson, who is in the State Legislature and indicates that by trickery they obtained a receipt from Thompson in the amount of \$7,000.00 for funds which apparently were not there. Incoming on 2115 (Jacobs),

3-15-37

February 19, 1937 -

Jacobs Listen, we've got a receipt from Thompson for \$7,000 in currency and \$3,500 in checks for checking the Ohio's stuff. Johnny was checking up with the Revenue Department today and when he went over to get the stuff they could not produce the \$7,000 in currency or the \$3,500 in checks.

Leo Have you got the receipt?

Jake Sure. Thompson gave a receipt to Johnny.

Leo We ought to bring that to light.

Jacobs Do you want the receipt.

Leo Yes

Jacobs OK, I'll send it over in the morning

Leo What's been done about it?

Jacobs Johnny taken it up with the Revenue Department.

Leo Why did Thompson give him a receipt for \$7,000?

Jacobs I dunno, but I was sitting by him and seen him write out the receipt.

Leo Do you mean "Tink" actually gave Thompson \$7000 in currency?

Jacobs Well, Thompson gave him a receipt for it anyhow. You know there wasn't that much around.

Leo Oh! I see. Well?

Jacobs You know Tink, he had a box.

Leo Well, howdit happen?

Jacobs Well, Johnny handed him the box and told him there was \$7000 in it in cash and he give him a receipt for it.

Leo Well, keep that receipt, we gonna make the son-uv-uh-biches pay that money back.

Jacobs OK, I'll see yuh.

(The conversation as to the receipt given Johnny Morris by Representative Thompson is to be noted, apparently the same being a trick to embarrass Mr. Thompson).

Incoming on 2115 (Jacobs) 7:28 P.M., February 19, 1937 -

Jacobs Hello

Young Mr. Jacobs - Tink, you call me?

Jacobs Yeah, you got that receipt from Thompson for \$7000.00?

Young No sir, Johnny's got it.

Jacobs Would you like to collect on it?

Young Yes, sir.

Jacobs Well, Leo is going to collect it for us.

Young Good, I'm going to get 5% interest on the money besides.

(Both laugh)

3-15-37

Young Does Leo want to take it on a commission?  
Jacobs Yeah. He's probably made enough though to collect it  
without any commission.  
Young Well, I wish I could collect it. We've got the receipt  
all right. (Laughs)  
Jacobs Yeah, and I was right there when you give him the box,  
but I turned around so didn't see him count it. (Laughs)  
Young (Laughs) Pretty good — (?) (Sounded like he said gyp, or  
trick).  
Jacobs Well, we'll worry them plenty.  
Young I'll call Johnny about the receipt.  
Jacobs All right.

On February 10, 1937 the following incoming call was made on #2115 (Jacobs),  
which may have a bearing on what follows:

11:27 A.M. incoming on 2115 -

Roscoe Did you want me?  
Jacobs Yes. Have \$750.00 ready. I may come down and get it  
or have you take it somewhere.  
Roscoe OK.

11:29 A.M., incoming on 2115 -

Mayor Did you want me?  
Jacobs Yes - Are you going to see me tonight?  
Mayor Yes.  
Jacobs OK, that is all.

On February 20, 1937 an incoming call, as follows, was made on 2115 (Jacobs) -  
which may have some bearing to the above - 9:46 A.M.

Jacobs Hello  
Leo Whatdeyasay?  
Jacobs Nothing much, what's the news?  
Leo Well, quite a few of the boys were in town last night.  
Several of them are around here now. You know Monday  
is a legal holiday. The banks and everything else will  
be closed, so you better get me three C's up to the house  
right away. I may not want it, but want to be in a  
position, you know.  
Jacobs Yeah, is that all you need?  
Leo Yes, I may not need that but in case I do, you know, just  
like that seven I needed.  
Jacobs I'll get it now, got a boy you can send over?  
Leo Yeah, maybe 30 or 40 minutes.



3-15-37

Jacobs Well, is Washington's Birthday gonna effect the boys over ther  
Leo No, they'll work right on.  
Jacobs How do things look?  
Leo I'm getting things in good shape for you. I'm trying to  
handle it just like you would want me to.  
Jacobs That's fine, well you send one of your boys over.

(It will be noted from the log as to February 10, 1937 that Jacobs had one of his men get \$700 ready and it appears this is the money referred to by McLaughlin, and was paid to someone as a bribe.)

The following outgoing call on 2115 (Jacobs) made February 20, 1937 pertains further to the receipt obtained from Mr. Thompson concerning the \$7,000.00 above mentioned: 7:08 P.M.

Jacobs Jacobs called 210 (Ohio Cigar Store) and asked for Mr. Young.  
Young What kind of fellows hang around your place?  
Jacobs All kinds, why?  
Young Well, one of them took me out and got me drunk - Do you  
Jacobs think you'll get your \$7000 back?  
Young Ha Ha I should - what's doing about that?  
Jacobs Well, I'm waiting for some folks to decide.  
Young I should get it.  
Jacobs Yes, I saw Nichols pick it up.  
Young And I got a receipt.  
Jacobs I told Ebel to wait on that - I told Rogers they took 7000  
in cash and 3500 checks.  
Young That's correct. Ha! Ha!  
Jacobs It might be good publicity.  
Young Well, it won't look good if they have to make good the  
\$7,000.  
Jacobs How's business?  
Young Plenty of people but very little money, we could do better  
if we wanted to, but I wonder if it's advisable.  
Jacobs No. I'll see what can be done, and will call you if it's  
OK for Monday.

Respectfully,

*L.M. Chipman*  
L.M. Chipman

Federal Bureau of Investigation  
United States Department of Justice

Post Office Box #1469,  
Little Rock, Arkansas,  
April 7th, 1937.

PERSONAL AND CONFIDENTIAL

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

RE: BREKID

Dear Sir:

With reference to my letter of this same date concerning the possible recovery of certain bonds taken in the Garrettsville train robbery on November 7th, 1935 and which Karpis left in the possession of Grace Goldstein, a further interview was had with Informant Grace Goldstein in an effort to associate Herbert Akers, Chief of Detectives at Hot Springs, Arkansas and former Chief of Police Wakelin, with some direct act which would verify the harboring of Alvin Karpis, Harry Campbell and Fred Hunter. Reference should be had to report of Special Agent D. P. Sullivan, Little Rock, Arkansas, dated December 2nd, 1936, as well as the report of Special Agent R. C. Coulter, Little Rock, Arkansas, dated October 17th, 1935, concerning the incident at Dyer's Landing, in the vicinity of Hot Springs, wherein on the afternoon of October 5th, 1935, Herbert Akers advised the Bureau of certain suspicious persons located at Dyer's Landing and as to which he had, on October 2nd, in the morning thereof, checked at Dyer's Landing two Hudson Coupes, obtaining the license numbers, which he subsequently checked through the registration Bureau in Ohio and reported on the one which was issued to E. F. Parker, who was in reality Alvin Karpis. It is my definite impression that Akers, in this instance, knew who these parties were and after definitely determining that they had left this vicinity, furnished us with the information in order to furnish himself with an alibi in connection with any subsequent occurrences.

RECORDED  
&  
INDEXED.

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11 MAR 25 1965

Mr. Nathan.....  
Mr. Tolson.....  
Mr. Baughman.....  
Mr. Clegg.....  
Mr. Coffey.....  
Mr. Dawsey.....  
Mr. Egan.....  
Mr. Foxworth.....  
Mr. Glavin.....  
Mr. Ladd.....  
Mr. Nichols.....  
Mr. Rosen.....  
Mr. Tracy.....  
Miss Gandy.....

7-576-3-97

DIRECTOR

4/7/37

Grace Goldstein advises that Karpis and Campbell probably left Dyer's Landing the afternoon of about October 2nd, 1935; that either that same night or the previous night they had had a big party at her place in Hot Springs; that all were drunk; that in fact, Campbell was drunk when he left her. Campbell and Karpis left together in one of the Hudson Coupes; that the time Karpis and Campbell had come to Hot Springs on this particular occasion was when Karpis brought her the Great Dane dog from Ohio. Freddie Hunter and Sam Coker, the latter being known to her as Tommie Coleman, stayed at her house, drinking until the morning of October 5th, 1935, when they also left in the other Hudson Coupe. Subsequent to October 5th, 1935, Hunter, previous to the date of November 10th, 1935, had been back to Hot Springs and called upon her and visited with Connie Morris, he stopping part of the time at the Marquette Hotel; that this was the first occasion she believes that Hunter knew that she, Grace Goldstein, knew definitely the identity of Alvin Karpis. This was prior to the robbery of the mail train at Garrettsville, Ohio. During the period of October 5th to November 10th, 1935, she had learned of the search of the place at Dyer's Landing by Agents of this Bureau and in this connection she advises that at about the time of the occurrences, October 5th or 6th, 1935, either Wakelin or Akers advised her that they had been out driving in the vicinity of the place at Dyer's Landing and had noted the automobiles of the persons stopping at this place and among the automobiles there at the time they checked these cars, was her green Chevrolet Coupe. They definitely advised her they had seen her automobile at this place. She, however, will not say which of the two advised her as to this information, claiming that she does not recall. She advised that she learned from the papers also, that this place had been checked. It is noted, in the past that there has been referred to a news dispatch of October 12th, 1935, referring to the raid in an effort to apprehend Karpis in the vicinity of Hot Springs, Arkansas. Grace Goldstein advises that either

DIRECTOR

4/7/37

by advice from Hunter when he called on two occasions, or through a note or letter sent to her by Alvin Karpis, that she and Connie were to meet them at the airport in Hot Springs on November 9th, 1935; that in fact, she and Connie Morris were there at the airfield practically all day November 9th, there being a large number of people around the airport, who were shooting at targets; that she was there with her green Chevrolet Coupe. When these parties did not arrive they returned home and, as will be noted, Karpis and Hunter arrived by plane piloted by John Zetzer on November 10th, 1935 and thereafter when brought into town by the pilot Stover, they contacted her and Connie Morris at Hot Springs. At this time she advised Karpis of the alleged check made of their former residence at Dyer's Landing. She and Karpis then drove out to Dyer's Landing and talked to Morris Loftis as to just what had occurred and Loftis at that time told her that the Agents had checked this place a very short time after she had been out there in the morning to clean the place up, on October 5th, 1935. It is to be noted that this is subsequent to the time that pictures had been shown to Loftis and he had identified Karpis' picture. Loftis never made any effort to communicate this information to us, that Karpis subsequently called there as above noted. At this time Grace Goldstein advised she did not recall stating previously that Akers had advised her of the finding of her fingerprint on the mirror in the house and says now she is not certain as to who told her this. It is to be noted that Akers and Cecil Brock were aware of the efforts of the Agents to obtain latent prints from the cottage at Dyer's Landing. On November 10th, 1935, when Karpis and Hunter returned, Grace Goldstein was then living at 602 South 3rd Street and she says that Akers knew where she was living in Hot Springs, as she understands that Virginia Moore, alias "Ginger", advised Akers of the fact that she, Grace Goldstein, was living at this address and that she was residing at this address with Connie Morris, Karpis and Hunter. Subsequent to the above, sometime before Christmas 1935, she moved to Finchell Avenue, where they all four continued to live until

DIRECTOR

4/7/37


about February 12th, 1936, when they moved to the Fairchild Place on the Malvern Road. This is also known as the Woodcock place and is the place which was raided on March 30th, 1936; that these places she lived in were furnished places and that she moved out to the Fairchild Place her radio, victrola, clothing, et cetera. This place is located on the road and in the close vicinity of the place of Herbert Akers, known as "Akers' Acres"; that on numerous occasions while she was living at this address with Karpis from February 12th, 1936 to March 26th, 1936, she would meet Herbert Akers on the Malvern Road, as he went out each morning to feed the chickens and she is satisfied that he was fully aware of the fact that she was living at the Fairchild Place. In December she traded in her green Chevrolet Coupe and obtained the green Buick Coupe, which she still has and which was purchased for her by Karpis. The last part of January, Karpis obtained the maroon-colored Buick Sedan, which was subsequently used by Karpis, particularly for long trips. During most of the time Karpis was back in Hot Springs, from November 10th, 1935 to March 26th, 1936, he used her green Buick Coupe for traveling about; that she, Grace Goldstein, is satisfied Akers saw her with Karpis on numerous occasions in this car and undoubtedly saw Karpis at various times in the automobile, as he drove about in Hot Springs; that he came to the Hatterie Hotel, where she was operating her house of prostitution in this car; that in fact, on one occasion she and Karpis, in this car, drove up where Akers was on the street, sufficiently close for her to have reached out and touched him. Notwithstanding this situation, however, she insists that she cannot say, based on an actual statement of Akers' himself, that he actually knew who Karpis was, that is, that Karpis was Karpis and was the party with her on these occasions. She was unable to offer any satisfactory explanation of why, after Akers had undoubtedly known that Karpis had been at Dyer's Landing October 2nd, 1935 and that she had been there with him, he did not associate her with Karpis, with the actual identity of Karpis being known during the period of November 10th, 1935 to March 26th, 1936. As to this Grace Goldstein advises that she believes probably Akers

DIRECTOR

4/7/37

was afraid to turn Karpis in for reason that he did not want  
Grace Goldstein to know that he had done this.

Very truly yours,

  
E. J. CONNELLEY,  
Inspector.

EJC:DAN

cc: Cleveland  
Cincinnati  
Chicago

**Federal Bureau of Investigation  
United States Department of Justice**

Post Office Box #1469,  
Little Rock, Arkansas,  
April 7th, 1937.

PERSONAL AND CONFIDENTIAL

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

RE: B R E K I D

Dear Sir:

On April 6th, 1937, Grace Goldstein, [redacted] was interviewed at the Little Rock Bureau office by me.

This interview was had, particularly for the purpose, if possible, of securing information as to the Treasury Bonds stolen in the mail train robbery at Garrettsville, Ohio, on November 7th, 1935. In this connection reference should be made to reports of the San Antonio office entitled: ROBERT HUDSON; ET AL., NATIONAL STOLEN PROPERTY ACT. These reports concern the efforts of a party, presumably Robert Hudson, to dispose of \$6,000.00 of these Treasury Bonds through Attorney W. C. Wofford at Taylor, Texas on September 4th and 21st, 1936.

Reference has been made in the file, as per letter of the Little Rock Office to the Cleveland office, under date of March 5th, 1937, that Grace Goldstein was at that time in Cleveland, Ohio and had been sent \$100.00. Informant Goldstein advises me that Connie Morris, the paramour of Fred Hunter, at the time Hunter, Karpis, Connie Morris and Grace Goldstein were associating together, received a special delivery letter from Fred Hunter, which he had secretly gotten out of the jail at Cleveland, Ohio, where he is being held for trial in connection with the Garrettsville train robbery, the trial starting April 7th.

RECORDED  
&  
INDEXED.

7-576-3-98

APR 15 1937  
TAMM  
ONE

Mr. Tolson  
Mr. Baughman  
Mr. Clegg  
Mr. Coffey  
Mr. Dawsey  
Mr. Egan  
Mr. Foxworth  
Mr. Glavin  
Mr. Harbo  
Mr. Joseph  
Mr. Lester  
Mr. Nichols  
Mr. Quinn  
Mr. Schilder  
Mr. Tamm  
Mr. Tracy  
Miss Gandy

48-1087-89  
100-1087-89

DIRECTOR

4/7/37

1937, at Cleveland; that this letter directed that she, Grace, come to Cleveland and confer with the attorney who was representing Hunter in this trial, the attorney being James H. Murray, located in the Engineer's Building in Cleveland, Ohio. This attorney had a note from Hunter advising Grace Goldstein to turn over to Murray certain bonds stolen in the Garrettsville train robbery, which he, Hunter, believed Grace Goldstein had in her possession, or knew the location of. James H. Murray, the attorney, advised her that Hunter was arranging to turn over these bonds to him and that these bonds were to be his, Murray's, fee for representing Hunter in the trial in question. In proceeding to Cleveland, Ohio, on this trip, in her Buick Coupe, at Mansfield, Ohio, at a street intersection she ran over a small child, breaking the leg of this child and thereafter, she was held in jail in Mansfield, Ohio, overnight, until the following evening by Chief of Police Bates. Bates communicated with Chief of Police Wakelin by telephone at Hot Springs, Arkansas and he vouched for Grace Goldstein and she was released. She, of course, was identified by her automobile registration and poll tax receipt in her possession at the time she was picked up. She was held from 7:30 one night until late the following night, when she then drove on into Cleveland, Ohio and registered in at the Hollenden Hotel. After her arrival in Cleveland, she conferred with Attorney James H. Murray, as previously indicated above, as to these bonds. Grace Goldstein advised that she very definitely told Attorney Murray that she knew nothing about any bonds of any kind and, therefore, could furnish him no information. She insisted that Murray stated he intended to accept these bonds as his fee for representing Hunter at Cleveland.

This woman was adroitly interviewed with the inference that apparently her brother, Leonard Grayson at Paris, Texas, had not destroyed the bonds from the Garrettsville train robbery and that in fact, he with others had made efforts to dispose of these bonds in Texas. Without disclosing to her where and how they had tried to dispose of these bonds, she was convinced that we definitely knew that



DIRECTOR

4/7/37

her brother put these bonds into circulation, or had attempted to do so and we were aware of the identity of at least \$6,000.00 of these bonds and that they had come from her brother into the possession of the party who was trying to dispose of these bonds; that action against persons responsible for the possession of these bonds was being deferred until a certain confidential informant could identify to us the location of the party who had actually disposed of them and who apparently had received them from the Grayson boy, who has two small children. This was made upon the assumption that Leonard Grayson at Paris, with whom Karpis and Grace visited at various times during the time they were associated together, was the one who had possession of the bonds at the time Karpis was apprehended. This proved to be the circumstances, as Grace Goldstein then admitted that she had only advised her brother to destroy all papers and things left by Karpis and that she assumed he had destroyed the bonds in question; that as a matter of fact she did not see them destroyed; that she had not destroyed them, which, of course, is contrary to the information she previously had given to Special Agent in Charge Chapmon Fletcher, as related in his letter of November 6th, 1936.

This woman was advised that, of course, we could promise them nothing in the way of immunity from prosecution, but that if these bonds were returned this would represent a savings to the Government of the amount of the bonds and at least would be a talking argument in favor of the person who was responsible for turning them back to the Government. In this connection, Grace Goldstein advised me that these bonds were contained in a brown envelope, according to the statement of Karpis to her and she denied that she had actually seen the bonds themselves; that there was \$12,000.00 in bonds in this package when it was presumably destroyed; that Karpis for a considerable period of time had allowed these to remain in her automobile. Karpis told her that these bonds belonged to Hunter. All of these various things were left at the Grayson home in Paris, Texas and she insists that she instructed her brother to destroy, by burning, all of the various papers and things left behind by Karpis, after

DIRECTOR

4/7/37

the time Karpis was apprehended and at about the time she returned to us, during the previous summer, the two machine guns which had been left by Alvin Karpis. She was definitely given to understand that these bonds were still in existence and the destruction of them at this time would further enhance the possibilities of definite prosecution of all persons concerned. Her three brothers are, namely, Leonard Grayson, who has two children and lives with his wife at Route #6, Paris, Texas - this is the brother who was presumably to have destroyed the bonds at her request, together with all other papers - Leonard Grayson is twenty-five years old; Laughton Grayson, the other brother, is thirty-eight years old, married, no children; Bryan Grayson, another brother, is thirty-three years of age, married and lives with his wife and four children in the Walnut Hills Section a few miles from where Leonard Grayson lives.

The Informant, Grace Goldstein, advises that she could not understand her brother, Leonard Grayson, doing a thing of this kind; that he had always been honest, that in fact, one of her uncles is President of one of the banks at Paris, Texas. This woman is thoroughly frightened as to the possibilities concerning her relatives and definitely agreed that she would immediately proceed to Paris, Texas and get these bonds and return them to us; that if these bonds have passed into the hands of a third party she would learn who this is and caution her brother against contacting the party in question until we had the opportunity first to interview him and request him to surrender the bonds, in order that the third party might not become frightened and destroy them. She insisted that if these bonds are still in existence she can and will prevail upon her brother to surrender them and not destroy them.

Careful reference was had to such parties as B. R. Shirley, Palestine, Texas, O. R. Ratley and his wife, Mildred Ratley and Sterling L. Jones, as well as this party "Robert", preliminary to the above interview, and she could not place any of these persons. This was carried on in such a manner as she definitely did not get the names

DIRECTOR

4/7/37

for future reference, but she has sufficient information to make the brother in question definitely believe that we have him definitely associated with the bonds and are deferring action as to him only until such time as we locate the person who actually tried to negotiate these bonds. She will consider the possibility that the brother may have effected a transfer of all of these bonds at this time into the hands of possibly innocent third persons. It is believed that she will make a sincere effort to locate these bonds and have them surrendered to the Government.

She advised that she will return with these bonds to Little Rock, if she can obtain them and if I am not available she will confer with Special Agent in Charge Chapmon Fletcher. It is to be noted that no promise of immunity has been offered to obtain the surrender of these bonds and if the Bureau has any instructions as to what action Special Agent in Charge Chapmon Fletcher should take, as to this, these instructions should be immediately communicated to him, as it is believed she will return with the bonds, if obtainable, in the next two or three days.

Very truly yours,

  
E. J. CONNELLEY,  
Inspector.

EJC:DAN

cc: Cleveland  
Cincinnati  
Chicago

DECODED COPY

TELETYPE

APR 8 1937

Mr. Nathan  
Mr. Tolson  
Mr. Baughman  
Mr. Clegg  
Mr. Coffey  
Mr. Dawsey  
Mr. Egan  
Mr. Foxworth  
Mr. Glavin  
Mr. Harbo  
Mr. Joseph  
Mr. Lester  
Mr. Nichols  
Mr. Quinn  
Mr. Schilder  
Mr. Tamm  
Mr. Tracy  
Miss Gandy

FBI LITTLE ROCK APRIL 7, 1937 10-55 PM DAN

DIRECTOR

PHONE. 0 BREKID. HAVE GONE OVER SITUATION HOT SPRINGS AND BELIEVE WE HAVE

OBTAINED SUFFICIENT NOW TO SHOW THE CORRUPT CONDITION HOT SPRINGS OF OFFICIALS

PACKETEERS ETAL AND ADDITIONAL INFORMATION FROM TAP WILL ONLY REPETITION OF SIMILAR

PRACTICES. WITH THIS IDEA IN MIND UNLESS ADVISED TO CONTRARY BY BUREAU ALL

TELEPHONE TAPS WILL BE DISCONTINUED APRIL TWELVE. THEREAFTER AGENTS SULLIVAN

MADALA SNOW AND SUTTLE WILL PREPARE DETAILED SUMMARY OF CORRUPTION HOT SPRINGS  
NUMEROUS

SITUATIONS AS TO STATE VIOLATIONS I BELIEVE WILL BE SUFFICIENT FOR OUR PURPOSE

WITHOUT FURTHER INQUIRY. THE DATA AVAILABLE WILL PRESENT A GOOD PICTURE OF THE

SITUATION. HAVE PREPARED WRITTEN INSTRUCTIONS FOR NECESSARY REGULAR INQUIRY

THEN AS TO HARBORING SITUATION WHICH WILL THEN BE COVERED AS TO HARBORING KARPIS

ETAL. AGENTS SULLIVAN MADALA SNOW AND SUTTLE WILL COVER THESE LEADS WHICH ARE

RATHER EXTENSIVE. AGENT J M JONES WILL RETURN CHICAGO HEADQUARTERS APRIL EIGHT.

AGENTS LAUGHLIN AND MORTON WILL RETURN RESPECTIVE HEADQUARTERS LOUISVILLE AND

NASHVILLE APRIL TWELVE. AIRMAIL LETTER APRIL EIGHT TO BUREAU WILL COVER IN DETAIL

RECORDED & INDEXED

PLAN OF REPORT ABOVE REFERRED TO AND OPEN DISCREET INQUIRY TO FOLLOW.

CONFIDENTIAL INFORMANT GRACE GOLDSTEIN ADVISES MARCH FIVE SHE UPON LETTER RECEIVED

BY CONNIE MORRIS FROM FRED HUNTER HELP PENDING TRIAL CLEVELAND GARRETTVILLE TRAIN

ROBBERY PROCEEDED CLEVELAND OHIO. SHE CONTACTED JAMES H MURRAY ENGINEERS BUILDING

CLEVELAND ATTORNEY FOR FRED HUNTER WHO NOTE FROM HUNTER FOR HER TO DELIVER TO

MURRAY THE BONDS FROM GARRETTVILLE ROBBERY SHE SUPPOSEDLY HAD AS HIS FEE. MURRAY

Copy to Mr. T

PAGE TWO

APPARENTLY KNEW THE SOURCE OF THE BONDS. SHE ADVISE MURRAY SHE HAD NO KNOWLEDGE OF ANY BONDS AND THEN RETURNED TO HOT SPRINGS. CONFIDENTIAL INFORMANT GOLDSTEIN WAS MADE TO BELIEVE WE KNEW HER BROTHER LEONARD GRAYSON PARIS HAD THESE BONDS AND TRIED TO DISPOSE OF THEM. GOLDSTEIN ADMITTED SHE HAD NOT PERSONALLY DESTROYED THE BONDS WHICH KARPIS SAID TOTALED TWELVE THOUSAND DOLLARS BUT HAD ONLY INSTRUCTED THE BROTHER TO DESTROY SAME AND ALL OTHER PAPERS LEFT BY KARPIS. BONDS PROBABLY STILL IN EXISTENCE AND GOLDSTEIN PROCEEDED PARIS TODAY AND INSISTS WILL OBTAIN BONDS FOR RETURN IF STILL IN EXISTENCE. SHE IS THOROUGHLY FRIGHTENED AS TO PROBABLE CONSEQUENCES TO ANYONE INVOLVED EVEN IF BONDS DESTROYED. SHE BELIEVES ONLY POSSIBLE CHANCE FOR CONSIDERATION WILL BE IF BONDS RETURNED AND LOSS TO GOVERNMENT AVERTED. SHE HAS BEEN PROMISED NOTHING BUT TOLD SHE MUST DELIVER. IT IS BELIEVED SHE WILL MAKE SINCERE EFFORT TO OBTAIN THE BONDS. SHE WILL SEE ME OR SAC FLETCHER WHEN SHE RETURNS. GOLDSTEIN ALSO FURNISHES INFORMATION SHOWING ARNERS MUST HAVE KNOWN SHE AND KARPIS ETAL WERE IN HOT SPRINGS NOVEMBER TENTH THIRTY FIVE TO MARCH TWENTY SIXTH THIRTY SIX AS HE SAW HERE ON MALGERS ROAD A NUMBER OF MORNINGS RETURNING FROM FAIRCHILD OR WOODCOCK HOME WHERE ALL LOCATED KARPIS HUNTER GOLDSTEIN AND CONNIE MORRIS ALSO SAW KARPIS IN HER CAR WITH HER AND ALONE. ALSO AKERS OR WAKELIN TOLD HER OF SEEING HER AUTOMOBILE AT DYERS LANDING OCTOBER SECOND THIRTY FIVE WHEN THEY CHECKED TWO HUDSON COUPES USED BY KARPIS AND CAMPBELL. NEITHER EVER DIVULGED THIS TO US. SHE CANNOT GIVE DEFINITE STATEMENT ALONG THESE LINES BUT SHOWS CIRCUMSTANCES WHICH WOULD INDICATE AKERS PROBABLY KNEW OF WHO PARTY KARPIS WAS WITH HER. LETTERS FOLLOW COVERING THIS IN DETAIL.

CONNELLEY

END

OK FBI WASHINGTON DC JW.

Federal Bureau of Investigation  
United States Department of Justice  
Post Office Box 1469,  
Little Rock, Arkansas,  
April 13, 1937.

PERSONAL AND CONFIDENTIAL

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

Re: BREKID.

Dear Sir:

You are advised that at 5:55 P.M., on April 12, 1937 the telephone tap on telephone number 2115, the unlisted telephone of W. S. Jacobs at 116 Cedar Street, Hot Springs, Arkansas, was disconnected.

As I have advised the Bureau in my letter dated April 12, 1937 the taps on telephones 123, 446 and 648, listed to the Police Department and Mayor's office at Hot Springs, were disconnected at 2:30 P.M., April 12, 1937. All evidence that might indicate that taps had been in operation on these telephones was removed. All Bureau property at the plants located at 207 Laurel Street and 205 1/2 Cedar Street, was removed. Special Agents B. M. Suttler, H. A. Snow, John L. Madala and D. P. Sullivan are now at the Little Rock Field Office preparing the comprehensive summary of information obtained over the above telephone taps.

Very truly yours,

*Chapman Fletcher*  
CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS:cpw  
7-2  
cc - Cincinnati  
Cleveland  
Mr. Connelley,  
Newark, N.J.

RECORDED  
&  
INDEXED.

7-576-3-100	
FEDERAL BUREAU OF INVESTIGATION	
APR 16 1937 P.M.	
U.S. DEPARTMENT OF JUSTICE	
ONE 6	FILE

PARTIALLY  
DEINDEXED  
THIS SERIAL ONLY  
7/19/57 23

Mr. Nathan .....  
Mr. Tolson .....  
Mr. Baughman .....  
Mr. Clegg .....  
Mr. Coffey .....  
Mr. Dawsey .....  
Mr. Egan .....  
Mr. Foxworth .....  
Mr. Glavin .....  
Mr. Harbo .....  
Mr. Joseph .....  
Mr. Lester .....  
Mr. Nichols .....  
Mr. Quinn .....  
Mr. Schilder .....  
Mr. Tamm .....  
Mr. Tracy .....  
Miss Gandy .....

RECORDED COPY FILED IN 62-12114-1066



Post Office Box 1459,  
Little Rock, Arkansas,  
April 18, 1937.

Special Agent in Charge,  
Chicago, Illinois.

Re: BREKID.

Dear Sir:

You are requested to forward to the Little Rock Field  
Division at your earliest convenience, copies of the following photo-  
graphs:

5 photographs of Frank Nash  
5 " " Francis Keating  
5 " " Thomas Holden  
5 " " Harley Bailey  
5 " " Verne Miller  
5 " " Herbert Farmer  
5 " " Esther Farmer  
5 " " George "Burrhead" Keady

It is suggested that the photographs of Keating, Holden and  
Bailey be copies of those taken after their arrest at Kansas City  
on July 6, 1932.

It is requested that copies as indicated below be made of  
the following photographs, copies of which are being forwarded to the  
Chicago office with this letter:

5 photographs of Winona Burdette  
5 " " Harry Campbell (shirtsleeves)  
5 " " Harry Campbell (taken in sweater)  
5 " " Fred Hunter (shirtsleeves)  
5 " " Mrs. Milton Lett  
5 " " Paula Harmon (#43238)  
5 " " Alvin Karpis (#8003)

5 combination strip photos of Grace Goldstein and  
Connie Morris

5 bust photographs of Doc Barker

5 photographs of Benson Groves

5 " " Fred Barker

5 bust photographs of Fred Barker in shirtsleeves

5 stand-up photographs of Fred Barker

5 photographs of John Brock

4 photographs of Volney Davis, St. P. F. D. #25598

5 bust photographs of Alvin Karpis.

APR 19 1937 A.M.

ONE

FILL

If it can be done without embarrassing the Bureau in any confidential work that Clayton Hall may be engaged in, it is requested that a discreet effort be made to obtain photographs of him for use in the present harboring investigation being conducted at Hot Springs, Arkansas.

Very truly yours,

CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS:spw  
7-2

cc - Bureau ✓  
Cincinnati  
Cleveland

Enclosures (15)



# FEDERAL BUREAU OF INVESTIGATION

52069

Form No. 1  
THIS CASE ORIGINATED AT Cincinnati, Ohio.

L.R. FILE NO. 7-2

REPORT MADE AT <b>Little Rock, Arkansas.</b>	DATE WHEN MADE <b>4/13/37</b>	PERIOD FOR WHICH MADE <b>3/28 - 4/3/37</b>	REPORT MADE BY <b>John L. Madala</b> <span style="float: right;">cpw</span>
TITLE <b>GEORGE TIMINEY; DR. JOSEPH P. MORAN, with aliases - FUGITIVE, I. O. No. 1232; ET AL; EDWARD GEORGE BREMER - Victim.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.</b>

**SYNOPSIS OF FACTS:**

Conversations of interest overheard on taps on Police, Mayor's and W. S. Jacobs' telephones at Hot Springs for period of March 28 to April 3, 1937, inclusive, set forth. Logs for this period reveal that W. S. Jacobs and his gambling employees were very active in the interest of Mayor McLaughlin in his campaign for re-election as Mayor of Hot Springs. Evidence overheard disclosed that W. S. Jacobs is conducting bookmaking bets at the Southern and Kentucky Clubs in violation of State Law and Governor Bailey's recent ultimatum in regard to gambling. W. S. Jacobs is setting up Lee Brown in slot machine business in county in Texas where Brown has "fixed" the Sheriff and District Attorney so that he could operate these machines without police interference. Mayor McLaughlin held an election meeting at his office on morning of Apr. 3, 1937, which was attended by gamblers, police and city employees.

- P -

NCE:

Report of Special Agent John L. Madala, dated at Little Rock, Ark., April 6, 1937.

*to Mr. Tamm 4-22-37 Lme.*

<p style="text-align: center;">SPECIAL AGENT IN CHARGE</p> <p style="text-align: center;"><i>John L. Madala</i></p> <p style="text-align: center;"><b>COPIES DESTROYED</b></p> <p style="text-align: center;"><b>11 MAR 25 1965</b></p>	<p style="text-align: center;">DO NOT WRITE IN THESE SPACES</p> <div style="display: flex; justify-content: space-between;"> <span><b>7-1576-34 102</b></span> <span><b>APR 21 1937</b></span> </div> <div style="text-align: center; margin-top: 10px;"> <b>APR 19 AM</b>  <i>ONE 6</i>  <b>STAT. SECT.</b> </div>
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DETAILS:

As previously reported, the taps on telephones 123, 446 and 648 were temporarily removed on March 25, 1937, after a conversation was overheard which indicated that the Mayor was suspicious of some one tampering with his telephone lines.

A periodic surveillance was thereafter made of the telephone boxes which serve the City Hall, and on March 29, 1937, when it was definitely observed that no apparent check was being made in the outside telephone boxes, these three taps were re-installed by the reporting agent and placed into operation at 2:40 P.M. The Bureau was advised by telegram on the same date of the re-establishment of these taps.

At the present time, all four telephone taps heretofore in operation are being manned by Special Agents R. H. Laughlin, W. T. Morton, H. A. Snow, B. M. Suttler, D. P. Sullivan, and the reporting agent.

The following conversations of interest were taken from the logs submitted for the period of March 28, 1937 to April 3, 1937, inclusive:

The following conversation between W. S. Jacobs and Mayor Leo P. McLaughlin is further evidence of the fact that Jacobs is lending his employees to the Mayor for use in his campaign for re-election on April 6, 1937. This conversation also indicates that Mayor McLaughlin intends to make further efforts after the election to have gambling resumed in Hot Springs, Arkansas:

12:30 P.M., March 28, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Mayor: How are you?  
Jacobs: Pretty good.  
Mayor: I got a slight cold.  
Jacobs: I seen by the papers that you were at the Belvedere for dinner Friday and Saturday night - I said to myself that the Mayor is stepping out.  
Mayor: I was there Friday night, but not Saturday.  
Jacobs: The papers said you were there last night too.  
Mayor: Yeah, I know. I told Tom to get me a bunch of fellows together for tomorrow - I'm going to have to use them.  
Jacobs: Jim Farrell is getting them up and Roscoe is helping him.  
Mayor: I was talking to Palmer - he thought he would be over today. They said that this fellow Albin (phonetic) called him and wanted him to wait Friday night until he brought that fellow (probably Bailey) over. Palmer said he couldn't wait, as he had to go back to Texarkana that night. He wanted a day or two until

Mayor: (cont'd)

the conference they are working on is over - he thought there was too much fire at that time. After talking around in the last couple of days I'm convinced that he is pleased that we complied with his request. After this meet is over, I'll be in a very good position to talk, because so far we complied with every request they asked. I want to do a big job of it while I'm still Mayor. After the election we can start over again.

Jacobs:

Yeah.

Mayor:

Well, I'll be seeing you.

NOTE: The identity of Albin is not known, but from previous calls it appears that he is Palmer's friend and intermediary to the Governor.

-o-o-o-o-o-o-o-o-o-o-

The following conversation between W. S. Jacobs and Otho Phillips, Manager of the Belvedere Club, is of interest:

7:35 P.M., March 28, 1937

Incoming on No. 2115

B.M.S.

Otho:

How are you feeling?

Jacobs:

Pretty good Otho.

Otho:

Bottom dropped out in a hurry didn't it?

Jacobs:

Yeah, well, you can't expect anything else this time of year. The Grill Room dropped off 300 and you dropped 400.

Otho:

Did you see the Gazette?

Jacobs:

Yeah, they gave you a story about having the Governor and his party out.

Otho:

Front page, eh?

Jacobs:

Well, they've kept us on the front page so much about getting raided or gonna be raided that they'd a felt kinda bad puttin' us on the back page now. (Both laugh)

Otho:

Well, I'll see you tomorrow.

-o-o-o-o-o-o-o-o-o-o-

The following conversations are additional evidence that W. S. Jacobs is having his employees assist Mayor McLaughlin in his mayoralty campaign. The calls also indicate a possible corrupt practice in securing votes for the coming election:

9:36 A.M., March 29, 1937

Outgoing on No. 2115

D.P.S.

Jacobs: To 648 (Mayor's office)  
Hello, do you need any men today?  
Mayor: Has Roscoe still got that list? I was thinking of  
gradually exhausting that.  
Jacobs: He got 17 in Saturday and will finish it up. Do you  
want any men?  
Mayor: I could use 4 or 5 men for a few hours. Send them down.  
Jacobs: 4 or 5, huh? When do you want them? You know it is  
kinda hard to find those fellows when you want them.  
Mayor: Sometime. This afternoon.  
Jacobs: Alright.  
Mayor: Alright.

1:34 P.M., March 29, 1937

Outgoing on No. 2115

B.M.S.

Jacobs: 600.  
Woman: Hello.  
Jacobs: Is the Mayor there?  
Woman: Yes.  
Mayor: Hello.  
Jacobs: What time did you need those persons?  
Mayor: Right away.  
Jacobs: There'll be 4 or 5 waiting for you when you get there.  
(office.)

3:56 P.M., March 29, 1937

Incoming on No. 2115

B.M.S.

Jacobs: Hello.  
Man: How you feeling?  
Jacobs: Lots better now, how you coming?  
Man: Well I got that floor just about oiled.  
Jacobs: Good. You been 'uh gittin' in any of your out of town  
votes?  
Man: No, I thought I'd do it the first thing in the morning.  
Jacobs: We've been 'uh doing some work for him (the Mayor) and  
I think you better go in to see him.  
Man: I've been s'busy oiling them floors I just ain't had time  
but I will go first thing tomorrow. When do you think  
we can open up?  
Jacobs: Well, I don't know whether Bailey's gonna let us open up  
or not, he's raising s'much hell about everything. 'Tend  
to that thing tomorrow. We haven't got our assessments  
all in but we've been working on the out-of-town votes.  
NOTE: Previous calls have indicated that Jacobs' employees  
are cleaning up the Southern Club while it is  
closed to business.

6:20 P.M., March 29, 1937

Incoming on No. 2115

D.P.S.

Mayor: I used those fellows as far as I could go today, without creating, you know.

Jacobs: Yeah, I know.

Mayor: Got a week to go, you know.

Jacobs: How many do you have?

Mayor: Altogether about 65, but all aren't in yet. I didn't want to overdo this with the same faces. There's such a thing as overdoing things.

Jacobs: Yeah.

Mayor: I want to get 1700 colors (phonetic) in the book. I opened up headquarters today, two places, one on Whittington and one on the South side. We want to do things right. It'll take about a "G" to do the job.

Jacobs: Yeah.

Mayor: Got two judges and clerks today, but it won't be announced until next week. I want to do it up right and cover the town. I was in the office until 4 o'clock today. I can use those boys some more tomorrow.

Jacobs: You told them to come down tomorrow, didn't you?

Mayor: Yes. They'll be down. I want to see Roscoe tomorrow morning, too.

Jacobs: I saw Hinton. He's been all around the State. He said the "books" up in Little Rock are closed.

Mayor: Yeah. They gave up money to Bailey's campaign. It's talked about all over. Some think it is the racing commission, some think it is somebody else. (Note this statement apparently refers to the closing of the race horse books in Little Rock and Hot Springs.) The more they talk the better. Some of them blame it on Manning (Grady Manning) because he wanted to put it (gambling) in the Eastman Hotel.

Jacobs: (Here mentioned that he thought today was the last day to file in Marion's (Marion Anderson) campaign, and the Mayor stated he had looked it up and had also learned from Little Rock that the first day of April was the last day for filing.)

2:50 P.M., April 1, 1937

Outgoing on No. 548

H.A.S.

McLaughlin:  
Man:

Called 1065 (Southern Club) Asked for Otho Phillips.  
Call 2485 (Belvedere Club) There's an extension at the house.

2:51 P.M., April 1, 1937

Outgoing on No. 648

H.A.S.

McLaughlin:

Called 1175 (County Clerk)

Ray:

Hello.

McLaughlin:

Did you ever get those things from those orchestra boys in New Orleans?

Ray:

No, not yet.

McLaughlin:

Well, Otis (McGraw) was suppose to have gotten them to mail them in. There's a good bunch of them. Maybe they'll come in this afternoon's mail. Have you gotten it yet?

Ray:

No, it hasn't come yet.

McLaughlin:

Well, if they don't come in this afternoon's mail I guess we'll have to use them "the other way". Call me when the mail comes in if they're in there.

Ray:

All right.

(Probably refers to McLaughlin's "voting" the entire orchestra of Joe Capraro, New Orleans, La., which played at Belvedere Club prior to closing of gambling there.)

3:00 P.M., April 1, 1937

Outgoing on No. 648

H.A.S.

McLaughlin:

Called 2485 (Belvedere Club) Asked for Gtho Phillips.

Phillips:

Hello.

McLaughlin:

Have you heard from that orchestra - Joe Capraro - about those registrations?

Phillips:

No. He was supposed to have gotten them in, though.

McLaughlin:

Well, they haven't come in yet. Suppose you call him up and get him to send them right up - by tomorrow.

Phillips:

All right I'll do that. They should have been in.

McLaughlin:

In case they don't get in by tomorrow, do you have a list of all their names?

Phillips:

Yes.

McLaughlin:

How many of them were there?

Phillips:

About 30.

McLaughlin:

All right. Call him up.

4:10 P.M., April 1, 1937

Incoming on No. 8115

B.M.S.

Jacobs:

Hello.

Louis Bloom:

Mr. Jake, Louis, I was up so late and had to get up so early to see Leo that I was tired so I went across the street and took a bath.



Jake: That's all right, that's good for you.  
 Louie: Well how you feelin'?  
 Jacobs: Still got the gout but I'm coming along. It's gettin' pretty close to the first so you better see that feller. Course I know we ain't gonna git open but you better see what he'll do then come on up and see me.  
 Louie: All right, Mr. Jake, I'll do dat.

11:58 A.M., April 2, 1937 Incoming on No. 648 H.A.S.

Gentry: At Cafeteria - advised Leo that he has about 15 votes of employees at his cafeteria. They hadn't registered. Requested advice how they can vote.  
 McLaughlin: Come over here Monday and I'll tell you.

9:05 P.M., April 2, 1937 Incoming on No. 446 W.T.M.

Officer Murry reporting - 3337 (O'Donnel's Liquor Store)  
 Tucker called him back and reminded him to be down to City Hall tomorrow morning.

Reference is made to the report of Special Agent John L. Madala, dated at Little Rock, Arkansas, April 6, 1937, wherein on pages 42 and 43 telephone conversations between W. S. Jacobs and Lee Brown of Houston, Texas, are set out, indicating that Brown was propositioned the other day by a Texas State Ranger named Glover that he could "fix" the District Attorney and Sheriff of a county in Texas where slot machines would get a good "play". Brown, at this time, made an appointment to see Jacobs at his home in Hot Springs on Sunday, March 28, 1937.

The following conversations confirm the above indicated meeting, and likewise relate to the matter of establishing slot machines in the particular county mentioned by Brown in reference report. It appears that W. S. Jacobs may have some monetary interest in this venture.

3:11 P.M., March 28, 1937 Incoming on No. 2115 R.H.L.

Lee Brown: Hello Jake, how are you, this is Lee (Brown).  
 Jacobs: Not so good. When did you get in?  
 Lee Brown: I just got in. Checked up a big wreck near Henderson. Say I'm out to Otis' now and I want to come out to see you sometime.  
 Jacobs: Alright, come out anytime this afternoon.

10:32 A.M., March 29, 1937

Outgoing on No. 2115

D.P.S.

Long distance - To Cadillac 5974 (C. B. Wills Co.)  
Detroit, Michigan.

Jacobs:

Hello, is Dutch there?

Man:

No. He's not around.

Jacobs:

This is W. S. Jacobs at Hot Springs. I was trying to find out about slot machines. Do you handle them?

Man:

Yes. We handle the Kaley (phonetic) 5¢ machines.

Jacobs:

How much you get for them.

Man:

Just a minute, I'll find out (pause). The Kaley machines - \$63.00 plus tax.

Jacobs:

How much is the tax?

Man:

10% excise. We don't make any profit on the machines. We just handle them.

Jacobs:

If you've got such a thing, mail me some cuts of them.

Man:

Advertising you mean? I'll look around and send you down a batch.

Jacobs:

Tell Dutch that I called and I'll be in the market for 200 machines.

Man:

Yessir.

Jacobs:

Give that message to Mr. (Dutch) Weinberg please, and tell him I'm sick at home in bed, if he wants to talk with me at Hot Springs No. 2115.

1:45 P.M., March 29, 1937

Incoming on No. 2115

B.M.S.

Jacobs:

Hello.

Dutch:

Dutch in Detroit Jake, in regard to those slot machines, we don't handle them ourselves but we can get them for you. A concern by the name of Kaylie carries a good line of 5 cent, 10 cent and 25 cent machines.

Jacobs:

How are they priced?

Dutch:

There are two prices: \$63.50 plus tax - total \$70.00; \$65.00 plus tax - total \$71.50. We don't make any profit on these and I don't know a whole lot about slot machines but I'll have one of the men come by to see you. How many do you need?

Jacobs:

Well there's one of them Texas Ranger fellers in here to see me, he said they'd need about a hundred.

Dutch:

That's a lot of machines. If it's good country they pay good. The fellows up around here that have got 50 of those out take eight to ten thousand a month.

Jacobs:

Well this county is in lower Texas, Hillsboro I think.



Dutch: Well you know Jimmy Robinson had 200 of these at El Paso and he didn't do so well with them and that is better country than further down. Don't make the mistake of putting out too many machines. Whatever they ask for cut it in half.

Jacobs: Well, this Ranger wants 200 machines, but I figured on about 100. He says he can work in some dice along with the machines. I figure I'll put 75 in Aurora and 25 in the county.

Dutch: I'll drop you a letter tonight Jake.

Jacobs: All right.

4:16 P.M., March 30, 1937 Incoming on No. 2115 D.P.S.

Otho: Did a little better last night.

Jacobs: Yes, how much?

Otho: \$92.00

Jake: Well, it's getting a little better every day.

Otho: Things are awful quiet downtown here. There's a letter here for Lee Brown, guess we had better forward it.

Jacobs: Where's it from?

Otho: Kentucky.

Jacobs: Yeah, down near Fulton, huh? Better forward it.

Otho: Where shall we forward it.

Jacobs: Send it to him care of the McAtee Hotel, Houston, Texas. Anybody new around?

Otho: No, we served the same old crowd last night. A lot of them are leaving town.

Jacobs: The cold weather. Nobody come in either, huh?

Otho: No.

10:05 P.M., April 1, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.

Lee Brown: How are you, Jake - this is Lee Brown.

Jacobs: Hello Lee.

Lee Brown: I made my trip up to that county and contacted those people. They're in for two years, but they'll be a cinch for four years. I'm making direct contacts with them, not through any third party. Jake, that county is the best in the State (Texas). It can easily take 250 machines. There are six pretty good sized towns, and a lot of small towns. These small towns are right on the highway between Houston and

Lee Brown:(cont'd) Dallas, and they have places that remain open all night because of the heavy truck traffic through there. It sure looks good to me.

Jacobs: It does.

Lee Brown: I'm contacting these fellows myself, and they're anxious to go. I'm going to the County Seat tomorrow, and I was just wondering what a man can offer them - what is customary?

Jacobs: The usual percentage is 40 -60.

Lee Brown: No, I mean those fellows in the county.

Jacobs: Oh! Anywhere from 20% to 25% after that (40%) comes off.

Lee Brown: I'm going direct to them. They are the right kind of people and anxious to go. They run the county and are a cinch for 4 years. They guaranteed that they will take care of the Mayors in the county and also the rangers. They want to make money. Five or six people tried to get it before, but they turned them down. Jim was a lot of help to me.

Jacobs: Tell them you'll give them 20% of the net, but give them 25% if best.

Lee Brown: We're not to that point yet - we haven't discussed their share. I'm going back tomorrow to settle it off. I told them to give me time for an answer. I wanted to talk to you first. I don't know yet whether they want a percentage or a flat rate per month.

Jacobs: Best to give them a percentage - you can't lose that way. What kind of trade is there mostly.

Lee Brown: There are a lot of cattle farmers in the county and also a lot of railroad terminals.. They make a lot and spend it all. Then there's also the "Hot Springs" of Texas there - there are many wells and springs and bath houses, and a lot of people come there to take those baths.

Jacobs: What's the population of the county?

Lee Brown: The voting population is 4500, but there are ten times of that for slot machine play.

Jacobs: Do they do much cotton farming there?

Lee Brown: Yes, it's right in the black belt - there are a lot of wealthy farmers in the county. This place is 120 miles out of Houston on the highway between Dallas and Houston. The machines ought to get a lot of play from these night truck drivers.

Jacobs: You find out what you can do and what they want.

Lee Brown: I told them I'd give them my answer after I came to Hot Springs and talked with you.

Jacobs: Even if you go as high as 25%, it would be all right - but 20% is customary.

Lee Brown: I don't think they expect that much - they don't know what is customary, and I believe they'll accept anything I offer within reason. It's a cinch for 4 years. Mansfield tried to get it, but they turned him down. I got it mainly from recommendations from you and through the people you know.

Jacobs: How's your other business?

Lee Brown: My business in Houston is not so good - my bank handled \$600 today, but I did not make any money.

Jacobs: Business is not so good down here either.

Lee Brown: I drove 400 miles yesterday and looked over the whole county. It sure looks like a good thing. I asked Bill for time to come to Hot Springs and talk with you about it. He said all right.

Jacobs: Well, let me know what you'll do.

10:30 P.M., April 3, 1937

Incoming on No. 2115

D.P.S.

Long Distance from Houston, Texas.

Lee Brown: Hello Jake. I saw that fellow today and everything is fixed. Got the whole county, - gambling and everything.

Jacobs: That's fine.

Brown: There's one town in the county that has a payroll of \$44,000 every month. We closed up today on the book. You remember you said we would get to handle \$1000.00 a day on the book?

Jacobs: Yeah.

Brown: Well, we handled \$1084.00 on the book today. I've got everything fixed up; got the whole county, and no go between - handling it direct. Are you going to be home tomorrow?

Jacobs: Yeah.

Brown: Thought I would stop over and see you tomorrow, but just wanted to know first whether you'd be home.

Jacobs: Yeah, I'll be here.

Brown: Alright. I'll see you tomorrow.

-o-o-o-o-o-o-o-o-o-o-

The following conversation indicates that W. S. Jacobs is interested in the opening of a new gambling place over the Kentucky Club, which place may be managed by Louis Bloom, the present manager of the Kentucky Liquor Store, 316 Central Avenue:

1:36 P.M., March 29, 1937

Incoming on No. 2115

B.M.S.

Louie:

What did you decided about that upstairs? They're gettin' wires up in the White Front.

Jacobs:

Well you know how things are, they're putting those fellows in at Little Rock.

Louie:

I don't want to do anything wrong, you're the boss.

Jacobs:

Well \$2400.00 is a lot of money to put out for rent when we don't know when we can open. Does he still want 1/2 the rent?

Louie:

Yes, \$1200.00.

Jacobs:

Try to get him down to \$900.00. Things are so uncertain, why over in Little Rock that fellow, I mean Bailey, is putting some of the fellows in jail who helped elect him. Beavers, Hardin and the Levy boys put up \$15,000.00 for his campaign and now he's gonna send that Levy boy to jail. You know I was learning those boys the game and they said Bailey just about demanded this campaign money and I helped them pay it. So you see how it is. How's your liquor business?

Louie:

Still about 200. I'll talk to him about getting it for 900 and let you know.

Jacobs:

All right. Do that.

4:10 P.M., April 1, 1937

Incoming on No. 2115

B.M.S.

Jacobs:

Hello.

Louie Bloom:

Mr. Jake, Louie. I was up so late and had to get up so early to see Leo that I was tired so I went across the street and took a bath.

Jake:

That's all right, that's good for you.

Louie:

Well how you feelin'?

Jacobs:

Still got the gout but I'm coming along. It's gettin' pretty close to the first so you better see that feller. Course I know we ain't gonna git open but you better see what he'll do then come on up and see me.

Louie:

All right Mr. Jake, I'll do dat.

8:50 P.M., April 2, 1937

Incoming on No. 2115

D.P.S.

Louey:

(This man probably is Louis Bloom) I just talked to the old man. I offered to pay him \$75.00 opened or closed. He wouldn't take it.

Jacobs:

We'll see whether we will open. That's too much money. Looks like he is trying to hold us up. He gave it to Ryan (Geo. Ryan, recently deceased gambler) for that much. Tell him we'll give it to him if we open, but he'll just have to wait until we can open.

Louey:

That's what I think, if he don't want to take what we can give him, let him wait until we can open.

-O-O-O-O-O-O-O-O-O-O-

The following calls are evidence of the fact that the Southern and Kentucky Clubs, both apparently owned by Jacobs, are booking horses in violation of the laws of Arkansas:

6:30 P.M., March 29, 1937

Incoming on No. 2115

D.P.S.

Roscoe:

Pretty good day - \$540 won; \$4100.00 markers; \$495.00 cash. Frank and Van gave us some bets today.

Jacobs:3

Get anything from up the way?

Roscoe:

No. Didn't get anything from Little Rock.

Jacobs:

Didn't you give Frank anything?

Roscoe:

I don't think so, maybe a few small ones.

Jacobs:

Come by here in the morning.

Roscoe:

What time?

Jacobs:

He (Mayor McLaughlin) wants to see you about 11 o'clock.

Roscoe:

Alright.

6:32 P.M., March 29, 1937

Outgoing on No. 2115

D.P.S.

Jacobs:

To 1117 (Kentucky Club)

Doc:

How was your business today?

Jacobs:

About \$150.00 today. \$80.00 from Little Rock.

Doc:

Roscoe didn't know that.

Jacobs:

No, probably not. I laid 'em with the other fellow there.

Jacobs:

Alright. Was just checking up to see how you were doing.

6:55 P.M., March 30, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Roscoe:

We had a little action today.

Jacobs:

That's good. How did you make out?

Roscoe:

We quit \$260.90 losers - \$3100 in markers; \$2675 in (didn't catch) and \$951 in cash. Kentucky made some bets and quit \$150.50 loser. Johnnie Lazzeri won \$1900 and Van quit \$123.50 winner.

Jacobs: That's nice business for not to quit anymore loser  
than that.  
Roscoe: Yeah - it might pick up after this meet is over.  
Jacobs: What races were bet on?  
Roscoe: Every bet was for those out here - there are not  
many hanging around, but those that do are betting.  
Jacobs: Yeah, that's good - we don't want to have too many  
together in one place.  
Roscoe: Haven't heard anything, have you?  
Jacobs: No.

8:32 P.M., March 30, 1937

Outgoing on No. 2115

J.L.M.

Jacobs: 1117 (Kentucky Club)  
Men: Kentucky.  
Jacobs: Is Doc there?  
Doc: Hello.  
Jacobs: This is Jacobs - how did you make out today?  
Doc: We won \$81.00 - he handled \$800; \$635 was handled  
over at Little Rock. We let Smithers handle some of it.  
Jacobs: That's good.  
Doc: Will we get the spread as soon as things are fixed up?  
Jacobs: I'm pretty much discouraged - don't know what we'll do.  
I'm afraid that as soon as he finds we are sneaking  
here he'll send the State Police down.  
Doc: Maybe it's not so bad.  
Jacobs: It's almost hopeless - we'll try after the election  
(4/6/37) is over, but I don't think we'll get anywhere.  
Doc: Oh, it might.  
Jacobs: I don't think we got a chance to get the Belvedere  
re-opened under no conditions.

6:45 P.M., March 31, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Roscoe: We didn't do so good today - we quit \$1042.75 loser.  
The Kentucky beat us out of \$800.  
Jacobs: They must have lost too.  
Roscoe: Yeah, they did. Frank Costello beat us for \$682.00.  
There was \$6400 in markers and \$864 in cash.  
Jacobs: Mmph - around \$7200 uh?  
Roscoe: Yeah - Van beat us around \$54.00.  
Jacobs: All rightie.



6:52 P.M., March 31, 1937

Outgoing on No. 2115

J.L.M.

Jacobs: 1117 (Kentucky Club)  
Men: Kentucky.  
Jacobs: Is Doc around.  
Doc: Hello.  
Jacobs: Had a bad day, didn't you?  
Doc: Yeah - I lost approximately \$343.00.  
Jacobs: On that business?  
Doc: Yes - we beat Roscoe out of \$343.00.  
Jacobs: That came out of Little Rock, didn't it?  
Doc: Yeah.  
Jacobs: Who was over there?  
Doc: Joe Hardin was in the office over there today. We  
were getting the business from him.  
Jacobs: All rightie.

6:26 P.M., April 3, 1937

Outgoing on 2115

B.M.S.

Jacobs: 1117 (Kentucky Club)  
Doc: Hello.  
Jacobs: How's your business?  
Doc: We had quite a bit of business across the board, but  
I think we lose. I haven't figured up the last race  
yet. I was talking to Baker today, kidding him. I  
asked him why he didn't bring me in some business from  
Little Rock and he brought me in eight or nine  
hundred today.  
Jake: That's good. Well I was just laying here in bed thinking  
about you and decided to call.  
Doc: Call anytime, Mr. Jake.

7:37 P.M., April 3, 1937

Incoming on No. 2115

B.M.S.

Jacobs: Hello.  
Roscoe: Well we're loser again, 2700. The markers were  
10,067 and cash 600 - plenty of business across  
the board but lost on last six races. Frank C won  
1601. Looks like we can't win for losing.  
Jacobs: That's too bad. Maybe now that the races are over you  
can spend more time on your bets. You ought to  
personally watch every bet that's made across the board.

Roscoe: Well Monday I'll have more time. I was booking  
at the races today.  
Jacobs: Well I'm glad the races are over, maybe now we'll get  
some bets. You watch 'em closer from now on.  
Roscoe: All right, I'll see you Jake.

-o-o-o-o-o-o-o-o-o-o-

The following calls disclose the receipt of some gambling  
equipment by W. S. Jacobs from the Wills & Company, Detroit, Michigan, to be  
used probably at the Southern and Belvedere Clubs when gambling is permitted to  
resume in Hot Springs:

7:40 P.M., March 29, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.  
Otie: Otie. We just got that invoice in from Wills. I'll  
read it to you:

6 New York style layouts	@ \$75.00 ea	- \$450.00
6 Tables	@ \$75.00 ea	- 450.00
6 Wheels	@ 100.00 ea	- 600.00
6 Ornaments	@ 7.00 ea	- 42.00
6 Spindles	@ 6.00 ea	- 36.00
6 Bowls refinished	@ 25.00 ea	- 150.00
?(Could not catch)		& 57.00
Total bill		\$1,785.00

The letter attached says they are sending these by  
freight at once in order to cut down on the expense.  
Now some of this stuff we don't need such as  
ornaments, we can send those back.

Jacobs: Yeah, we can send back enough to pay the freight.  
Otie: I'll put the invoice with the rest of the bills.  
Jacobs: All rightie,

4:22 P.M., March 30, 1937 Incoming on No. 2115 D.P.S.

Otho telling Jacobs there is some freight for him at the Freight Depot,  
from Detroit, Michigan, and suggesting that Jacobs call the Murray Transfer  
Co., and let them take it out to the country. (Club Belvedere)

4:23 P.M., March 30, 1937 Outgoing on No. 2115 D.P.S.  
To 82 (Murray Transfer Co.)

Jacobs directing Murray transfer to pick up 12 boxes at Freight Depot and  
take them to the Club Belvedere.



5:40 P.M., March 30, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Sam: How are you feeling boss? This is Sam.  
Jacobs: Oh pretty good, Sam.  
Sam: Those 12 boxes came - where do you want me to put them?  
Jacobs: Put them in the back room of the casino, and leave them packed up.  
Sam: O.K.

-O-O-O-O-O-O-O-O-O-O-

The following conversations between Mayor Leo P. McLaughlin and Grace Goldstein appear to be of interest:

3:58 P.M., March 29, 1937

Incoming on No. 648

H.L.S.

Woman: Mayor McLaughlin in?  
McLaughlin: Hello.  
Woman: Mayor, are you busy now?  
McLaughlin: Yes, I am now. Who is this?  
Woman: This is Miss Goldstein (Grace) over at the Hatterie Hotel.  
McLaughlin: Yes, what is it?  
Grace: I wanted you to do me a favor and write a letter for me. I went over to see Bailey (Governor) and he was out of town. I want one of you fellows to write it for me.  
McLaughlin: Well, I'm busy this afternoon. Suppose you come down in the morning.  
Grace: All rightie. Thanks, I'll be down.

It might be stated that Special Agent B. M. Suttler maintained a surveillance of the City Hall all morning of March 30, 1937, but he observed no one answering the description of Grace Goldstein enter this building during this period. She made the following call the next day:

10:04 A.M., March 31, 1937

Incoming on No. 648

J.L.M.

Mayor: Hello.  
Grace: This is Miss Goldstein. I was supposed to see you yesterday - remember I called you a couple of days ago.  
Mayor: Yeah, what was it?  
Grace: I want to send some money on a bill, and I wanted some one to fix up a letter for me.  
Mayor: I have 20 people in my office waiting to see me this morning. Call Mr. Clyde Brown at 646 - he's a good man for that.  
Grace: All right, thank you.

-O-O-O-O-O-O-O-O-O-O-

The following calls reveal the relationship between Herbert "Dutch" Akers and D. B. Murray, a professional bondsman in Hot Springs, Arkansas:

5:02 P.M., March 29, 1937 Incoming on No. 123 W.T.M.

Operator reported that long distance call to Mr. Newton at Little Rock was ready. Man calling advised Newton that the 19 year old boy in jail at Hot Springs named LeRoy Hamilton, claimed that he had given the money to the boy now under arrest in Little Rock named Willie Jones to pay some bills. (NOTE: The conversation indicated this to be a counterfeit money case). Newton ordered party calling to "file" on the prisoner at Hot Springs before the U. S. Commissioner charging "possession and passing." Party calling advised Newton that Akers wanted to be present at the hearing in Little Rock. Party calling also advised he was working on two \$20 bills (counterfeit) which turned up at the race track.

9:35 P.M., March 29, 1937 Outgoing on No. 123 H.A.S.

Akers: Called "Ben" (D.B.) Murray (professional bondsman) - instructed him to see him in morning; that he thought he would have a bond before U. S. Commissioner for him to sign.

1:05 P.M., March 30, 1937 Outgoing on No. 446 W.T.M.

3675 (D. B. Murray)  
Tucker told "Ben" to call "Babe" Huff (U. S. Commissioner).

1:19 P.M., March 30, 1937 Outgoing on No. 123 W.T.M.

3675 (D. B. Murry)  
Akers told "Ben" that "them people" are going to be at "Babe" Huff's office at 1:30 and he had better go on up there.

8:15 P.M., April 2, 1937 Incoming on No. 446 H.A.S.

Woman: Is Mr. Akers there?  
Akers: Hello.  
Ben Murry: (Taking phone) Dutch if those boys get up half of that they can get out.  
Akers: Too late.

( D. B. Murry is a bondsman)

-O-O-O-O-O-O-O-O-O-O-O-O-

4:02 P.M., March 30, 1937

Outgoing on No. 2115

D.P.S.

Jacobs called Louis Tarlowski, Attorney at law, Rector Building, telephone 4-7251, Little Rock.

Jacobs: Hello Louis. Want to beg a little information off you. What are they trying to do to our friend Levy?

Tarlowski: I don't know of anything.

Jacobs: Read in the papers about his case coming up.

Tarlowski: That's an old case. He was arrested some time ago out here on the road at the Aurora Club, with George Helmbeck. They got him for operating a gaming table. I thought they had just got him. I tried to get him on the phone, but it is disconnected.

Jacobs: They cut off all those phones.

Tarlowski: Isn't that class legislature?

Jacobs: Don't know about that, he's in an illegal enterprise.

Tarlowski: Yes, but he may be in a legal business.

Jacobs: Never thought of that. It's funny but I just got a call from New York from Earl Wiseman and he was asking about you.

Tarlowski: That's fine.

Jacobs: What are they going to do, close you up?

Tarlowski: It looks like it.

Jacobs: It looks to me like he (Governor Bailey) wants somebody to come over and beg him on their knees.

Tarlowski: Maybe you're right.

Jacobs: In the next legislature, I believe he is going to repeal the liquor and racing laws.

Tarlowski: I wouldn't be surprised.

Jacobs: In the next election, Cook will run against him. He'll give him (Bailey) a good race.

Tarlowski: That would be better. I remember when we thought

Jacobs: Futrell (Ex-Governor) was bad, but he turned out to be the best man we ever had.

Tarlowski: How is Wiseman?

Jacobs: He said he's got the best job he ever had. He's coming down in the fall. He'll be back here in politics before long.

Tarlowski: How about the Judge? (U. S. District Judge)

Jacobs: Ham Moses looks like the man. He wants it too. We don't want that fellow from Forrest City.

Tarlowski: How about Trimbell? He's a Robinson man and used to practice law with Robinson.

Jacobs: Maybe, however Moses looks like the man. I talked to him the other day and asked him about whether he wanted it and I was surprised when he didn't deny it.

Tarlowski: The story is going around here that Hamilton Moses is going to get it.

Jacobs: I wouldn't be surprised.

Jacobs:

I was just here thinking about that class legislature (legislation). There were two cases recently on that, one in the Supreme Court of Texas and one in the U. S. Court in New York.

Tarlowski:

I'll look them up and let you know.

Jacobs:

I thought maybe some of the boys over there might need some help.

Tarlowski:

No. Donham is a good friend of Helmbeck and he was forced to it. He went out and got Levy and Levy raised so much noise, Donham had to get Helmbeck too.

Jacobs:

Yeah, Levy is a good boy. We kind of showed him the ropes on the horses. He's made money too.

Tarlowski:

I may get over there this week. If I do I'll stop by and see you.

Jacobs:

All right, Louis.

-o-o-o-o-o-o-o-o-o-o-o-

The following calls reveal the type of people that Mayor McLaughlin called to his office for a meeting on Saturday morning, April 3, 1937, in connection with the coming city election:

10:31 A.M., March 30, 1937

Outgoing on No. 648

H.A.S.

Hazel:

Called 116 (Miller's) Asked for Herb Wheatley.

Clerk:

Call him at 800.

10:32 A.M., March 30, 1937

Outgoing on No. 648

H.A.S.

Hazel:

Called 800 (Unlisted - Miller's)

Wheatley:

Hello.

Hazel:

Herb, that meeting has been changed to 10:00 A.M., Saturday.

Wheatley:

O.K.

10:33 A.M., March 30, 1937

Incoming on No. 648

H.A.S.

Anderson: (Sheriff)

You want me?

Hazel:

Yes. If you see John Condon there, tell him I've got that book here for him - he'll know what I mean.

Anderson:

O.K.

10:15 A.M., March 31, 1937

Incoming on No. 648

J.L.M.

Mayor: Hello.  
Man: You want to speak to me?  
Mayor: I want to get all the boys around here Saturday morning for a meeting - Oh yes, I know what it was now.  
Man: What?  
Mayor: I want you for a Judge Tuesday morning. We're going to have a meeting around here Saturday morning at 10:00 - be here.  
Man: All rightie.

11:07 A.M., March 31, 1937

Outgoing on No. 648

H.A.S.

Man: Called 429 (listed - Mrs. R. G. Bennie)  
Mrs. Bennie: Hello.  
Man: Mrs. Bennie, this is Elmer Walters. Does George Tackman (phonetic) stay there?  
Mrs. Bennie: Yes, but he's out now.  
Walters: Tell him that the Mayor wants him in his office Saturday morning at ten o'clock.

10:26 A.M., April 2, 1937

Outgoing on No. 123

W.T.M.

Fowler calls Mayor saying Rasberry has just stepped out.  
Mayor: Well, get hold of Trambell at the Fire Department. I want all the firemen - both shifts - both shifts of the Police and Street Department in my office tomorrow morning.

-O-C-C-C-O-O-O-O-C-O-

The following conversations between Hazel ~~Marsh~~, the Mayor's secretary, and her mother are of interest:

11:25 A.M., March 30, 1937

Outgoing on No. 648

H.A.S.

Hazel: Called 2250 (R. O. Carpenter)  
Spoke to her mother - informed her that a colored minister had made a speech before the colored minister's association last night and "gave Leo Hell" - stating that "a vote for Leo was a vote for vice" and that even Leo's secretary's "mother and father-in-law were openly supporting Elmer Tackett for Mayor."  
Woman: Advised that she would personally "get him told."  
Hazel: Gave the preacher's name as being Claude Jones.

8:35 A.M., March 31, 1937

Outgoing on No. 648

H.A.S.

Hazel: Called her mother at 2250 (listed - R. O. Carpenter,  
1121 W. Grand Ave.) Inquired if her mother had  
"gotten that preacher told."  
Woman: Informed that she had called the preacher but that  
he had denied making the statement as to how Hazel's  
mother was going to vote.  
Hazel: Stated that her mother didn't make it strong enough,  
but that "she would put him in his place." Also  
said that "she knew something on him at Houston,  
Texas", as "our Sheriff's brother is Sheriff down  
there" and had told them of the "mess which the  
preacher had stirred up there."

-O-O-O-O-O-O-O-O-O-O-

The following conversation is of interest; the identities of  
Johnny White and Chamblis are not known:

11:29 A.M., March 30, 1937

Incoming on No. 446

W.T.M.

Johnny White called Akers that his, White's ex-partner, Chamblis, is in  
town and wants to attend the races. White assured Akers that if Chamblis  
were allowed to attend he would "do nothing & lay no horses or nothing"  
and didn't want to be humiliated by being thrown off the track. Akers  
told him to contact Condon or Bill Hamilton, as he had nothing to do  
with that.

-O-O-O-O-O-O-O-O-O-O-

The following conversations show the relationship between  
W. S. Jacobs and Johnny Hoskins, who was arrested by the U. S. Narcotic Agents  
for peddling narcotics:

2:25 P.M., April 1, 1937

Incoming on No. 2115

J.L.M.

Johnny Hoskins called Mr. Jacobs and talked with him at length about  
renting two rooms upstairs from the Eckler Studio in the McLaughlin  
Building for living quarters - said that Mr. Eckler wanted \$15.00 a month  
for this space, but he didn't want to rent it out as living quarters.  
Johnny asked Mr. Jacobs to call Eckler at #46 and tell him that he (Johnny)  
is OK, and that he will guarantee that the rent will be paid. Johnny said  
that he will get \$500 from the estate of his brother, Jimmie, who died  
recently, by June 1st. He said that he wants to get back on his feet.  
Jacobs told him he would call Ekler in his behalf.



2:43 P.M., April 1, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Johnny Hoskins: I'd like to call you at 4:30 again to see what he has to say. I've got some other irons in the fire, and if he doesn't act favorably, I'll look around for something else.  
Jacobs: He may not be in.  
Johnny Hoskins: Yes, he's there all the time.  
Jacobs: All rightie.

2:45 P.M., April 1, 1937

Outgoing on No. 2115

J.L.M.

Jacobs: 46 (Ekler Studio.)  
Ekler: Hello.  
Jacobs: This is W. S. Jacobs - Johnny Hoskins wanted me to call you about renting some rooms to him.  
Ekler: Yeah, I know. He said he wants to live up there, and I don't want anybody to live there - I want to rent it as office space.  
Jacobs: He said the rent will be \$15.00 a week.  
Ekler: We haven't discussed the rent, but that's what it would be if I rented it to him.  
Jacobs: If it's only \$15.00, I'll take care of it for the first six months.  
Ekler: That would be fine - but I don't want to rent Mr. Hoskins that space for rooms. I don't want anybody to live up there.  
Jacobs: All rightie then.

10:15 A.M., April 2, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.  
Johnny: This is Johnny (Hoskins) - I'm at Babe Huff's office. I was arrested this morning for selling narcotics. I need \$1000 bond. Will you sign it for me, so I can get out of this?  
Jacobs: What were you arrested for?  
Johnny: Selling narcotics - some of these dope addicts are trying to frame me. They asked me yesterday to sell them some, but I don't handle the stuff.  
Jacobs: What police officer arrested you?  
Johnny: McBurnett - he's a Deputy U. S. Marshal - will you go my bond?

Jacobs: Yeah, tell them to bring it up to my house and I'll sign it.  
Johnny: All right, Floyd Huff and I'll come up. This is just the preliminary hearing.

11:47 A.M., April 2, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.  
Johnny Hoskins: Johnny, Mr. Fake. Please call Charlie Goslee and tell him not to put anything in the paper about this. (his arrest on narcotic charge) God Almighty that would be terrible. Try to keep it out of the Gazette too. I know you'll do all you can for me.  
Jacobs: All right.

-o-o-o-o-o-o-o-o-o-o-o-

The following conversation is self-explanatory, and of interest:

1:36 P.M., March 31, 1937 Incoming on No. 123 W.T.M.

Mrs. Wilcox: This is Mrs. Wilcox again - come and git Eugene, he is out here on the rampage again.  
Tucker: Well, they ain't nobody here.  
Mrs. Wilcox: Well I talked to Mayor McLaughlin today and he said if Eugene gave any more trouble for you guys to come git him. You know it's too near election time for any scandal to get out.  
Tucker: Well I ain't got nobody to send out there and get him.  
Mrs. Wilcox: Well, I'm telling you I talked to the Mayor this morning and he said he would give us some service.  
Tucker: I tell you there's nobody here to send out there. I am here alone and I can't leave. Why don't you call the sheriff's office - it's out of the city anyway.  
Mrs. Wilcox: You know Marion Anderson ain't going to have Eugene arrested. You better send out here quick - find somebody - he's out here with a shot gun.  
Tucker: Well, I dunno -  
Mrs. Wilcox: What's the sheriff's number?  
Tucker: 613.

-o-o-o-o-o-o-o-o-o-o-o-



The following calls are apparently related and probably have some reference to the matter of vote-getting in the coming Mayoralty election. Matt Picchi is owner of the White Front Cigar Store, which was formerly owned by Dick Galatas:

10:45 A.M., March 31, 1937      Outgoing on No. 648      J.L.M.

Geo. McLaughlin: 682 (White Front)  
 Marshall: Hello.  
 George: Is Matt Picchi around there?  
 Marshall: No, he isn't.  
 Geo. McLaughlin: This is George - tell him I thought he was coming over here this morning.  
 Marshall: All right, I'll tell him.

11:00 A.M., March 31, 1937      Incoming on No. 648      H.A.S.

Man: Is that "handicapper" in the office - Mr. George?  
 Hazel: Yes.  
 George: Hello.  
 Man: I'm going to wait until three or four (P.M.?) - don't you think that will be best?  
 George: Yes, I do.  
 Man: OK, I've already got one.  
 George: Good.

-O-O-O-O-O-O-O-O-O-O-

The Empire Rooms mentioned in the telephone conversation below, is a house of prostitution reportedly owned by Mayor McLaughlin:

2:30 A.M., April 1, 1937      Incoming on No. 446      R.H.L.

Send an officer to the Empire Rooms on Malvern to stop a fight.

-O-O-O-O-O-O-O-O-O-O-

The following conversation between former Night Captain of Police Bob Moore, and his sister, Helen Trammel, is of interest:

9:25 A.M., April 1, 1937      Outgoing on No. 446      W.T.M.  
 1965 (Helen Trammel, 609 $\frac{1}{2}$  Central)

Man called up woman inquiring about her health. During the general conversation she stated that her house was empty (probably boarding house) and she was distressed. The man said everyone was complaining of the

same condition due to the "lid" being on. The man stated: "I'm down here at the police station. I think I'll get back on soon." The woman said: "I hope so - so you can help me some?"

-O-O-O-O-O-O-O-O-

The following conversation between "Dutch" Akers and a man identified as "Doc" appears somewhat irregular:

7:15 P.M., April 1, 1937

Incoming on No. 123

R.H.L.

Man: This is the Doctor. I have recovered several of these tires that I lost.  
Dutch: Good.  
Doctor: Did you see our friend today.  
Dutch: He was out there. Drive down in front of the post office and I will come out there.  
Doctor: Alright.

-O-O-O-O-O-O-O-O-

The address mentioned below may be a house of prostitution:

4:10 P.M., April 1, 1937

Incoming on No. 123

H.A.S.

Joe Houston: Requested pickup of woman at 10 Exchange St. for fighting.  
Fowler: Where's the "landlady"?  
Woman: Hello.  
Fowler: Do you want Ann picked up? She was in jail the other day.  
Woman: Yes, come get her.

-O-O-O-O-O-O-O-O-

The following call between County Judge Elza Housley and Mayor McLaughlin is of interest, as is the call between "Dutch" Akers and Elizabeth McLaughlin, sister of the Mayor. They both pertain to the campaign activities of Elmer Tackett, who is the Mayor's opponent in the coming city election:

10:02 A.M., April 2, 1937

Incoming on No. 548

H.A.S.

Elza Housley: Leo, that fellow Tackett is going to have a speaking up here by the Court House tonight. I couldn't keep him from having it here but I don't think it'll amount to much. Anyway, I'm not going to furnish lights for them. They'll have to get their own lights.  
McLaughlin: Yes. That's right. I don't think it'll amount to anything tonight anyhow.

Housley:

No. Well I'm planning to take off all Tuesday afternoon to help you in every way I can Leo. Everybody I've talked to thinks it's just a joke, but what we want to do is to get out as big a vote as possible. I'm letting off all the county employees to go vote. Anything else you want me to do?

McLaughlin:

No. Just do for me what you'd do if you were running. get out as big a vote as we can. Thanks.

(Further discussion of an application of Mrs. Bertha Gordon, Plateau Street, for position in the County's Social Welfare Department.)

12:55 P.M., April 2, 1937

Outgoing on No. 123

W.T.M.

To 600.

Akers:

Miss Elizabeth is the Mayor there?

Elizabeth:

No, he is out riding.

Akers:

Well tell him that I see Arthur Jefferson and Max the barber's son driving a car with a loud speaker announcing the speaking this afternoon. (Note: Candidate Elmer Tackett spoke in connection with election for Mayor.)

Elizabeth:

Who did you say it was?

Akers:

Arthur Jefferson - he's sitting hid back in the car doing the talking.

Elizabeth:

Who did you say was driving?

Akers:

Max the barber's son-in-law, I think his name is Singleton - naw it's Pennington. He's the one we kept from getting that job in the Revenue Department. You tell Leo when he gets back - he might want to put a stop to it.

-O-O-O-O-O-O-O-O-O-

The following calls are believed to be related and are of interest. The identity of Jack, mentioned in the last two conversations, is unknown:

9:15 A.M., April 2, 1937

Incoming on No. 123

W.T.M.

Condon called Akers who asked Condon if he had had "3 ringer tickets" run in on him for the daily double. He stated he has Pete Barrow and two other unlicensed jockeys there under arrest with about \$67.00 a piece on them which they claim is winnings of the daily double. Akers suspects them of "flim-flamming" an old man at Goddard Hotel out of \$8.00 and also has information that they "burned" a lady for \$1400 in Houston, Texas. Condon had no information about this.

1:37 P.M., April 2, 1937

Incoming on No. 123

J.L.M.

Jack: Is Dutch around?  
Fowler: No. He's at the race track.  
Jack: You've got two friends of mine in jail for investigation - one is from Kentucky and the other is from Detroit. I'd like to have them out - they're both friends of mine.  
Fowler: You'll have to see Dutch.  
Jack: Is the Chief around?  
Fowler: He's at the track too.  
Jack: I want those boys out now - one of them is working at the track. He's liable to lose his job. What shall I do.  
Fowler: You'll have to see Dutch.  
Jack: I'll come down and sign their bond - I don't want this fellow to lose his job.  
Fowler: Well, you'll have to see Dutch.  
Jack: Can I call him at the track?  
Fowler: I don't know.  
Jack: All right, thanks.

6:38 P.M., April 2, 1937

Incoming on No. 446

H.A.S.

Man: Asked Jerry Watkins if Dutch was there.  
Akers: Hello.  
Man: Dutch this is Jack. Did those boys get picked up?  
Akers: Yes. They're in. That money disappeared didn't it?  
Jack: Well, they're good boys, though, Dutch. They come from my home town - Covington, Ky. Can't you let them out?  
Akers: I can't let them out now. They're booked. They might get out at their trial. I know they can't be straight if you're talking for them - you'd pick up anything wouldn't you?  
Jack: Anything I could get my hands on (laughs). I don't think you're so "right" yourself. Another thing - you put me on the spot by your "touting" horses. I was talking to a girl out there who bet on a horse that came in next to last - asked her where she got her tip - she said "Mr. Akers."  
(Here the connection was broken by operator - Akers said he didn't know the number to which he was talking.)

-O-O-O-O-O-O-O-O-O-O-O-O-

The following conversation is of interest, and it indicates that Norman Ballard may operate a gambling place in French Lick, Indiana, a resort town:

2:25 P.M., April 3, 1937

Outgoing on No. 2115

B.M.S.

Jacobs called Norman Ballard, Brown Hotel, French Lick, Indiana.  
 Ballard: Hello.  
 Jacobs: Mr. Ballard this is W. S. Jacobs at Hot Springs. Skippy is trying to get a job with you. I'll recommend him. He's a good fellow and can handle what you've got, he hasn't got much education or manners, but is a good fellow.  
 Ballard: Yes I noticed that he lacked both.  
 Jacobs: He used to work for us and also worked in the gorge (phonetic) for about two years.  
 Ballard: That did not help him any.  
 Jacobs: You think that was bad for him, eh?  
 Ballard: Very much so. Well, much obliged to you for calling.

-O-O-O-O-O-O-O-O-O-

The following conversation between W. S. Jacobs and "Swede" Watkins, Day Captain of Police, reveals the close relationship between the Hot Springs Police and Mayor's office with W. S. Jacobs' friends (probably gamblers):

Watkins: Called 2115 (W. S. Jacobs)  
 Jacobs: Hello.  
 Watkins: This is Swede. How are you feeling Mr. Jake?  
 Jacobs: Some better, thank you.  
 Watkins: I got all those pictures back today on those people. I'm going to get Frank to look at them up at the Southern.  
 Jacobs: All right. He's upstairs at the Southern.  
 Watkins: I was out at the track this afternoon. They had a little trouble out there. They put off two of your friends - Mr. Bierman and Mr. Priestly (phonetic). I had to go to see Leo to get them put back in the track.  
 Jacobs: Well, there's nothing the matter with them - they're good men and wouldn't be taking bets. They are the ones who brought over that special train from Memphis today. Who had them put off?  
 Watkins: Condon pulled them off. He treated them just like negro tramps. He got sore because Otis McGraw and I went to Leo (McLaughlin) and got them back in the track.

6:16 P.M., April 3, 1937

Incoming on No. 2115

B.M.S.

Otho: Mr. Jacobs, how you feeling?  
Jake: Pretty good Otho.  
Otho: Another beautiful day out there, I went out to the track today, must have been twelve to fifteen thousand people there.  
Jacobs: They put Bob Priestly and Berriman off the track.  
Otho: What? Why that guy Condon is just a natural born copper.  
Jake: Yeah. He said they were booking, but they got back though.  
Otho: We ought to have a fine crowd tonight. We didn't do bad last night, 192. I thought that was pretty good.  
Jacobs: That was fine.  
Otho: We've got good food now, the only bad feature is the music and that's rotten.  
Jacobs: Yeah, you'll have to tough it out though.  
Otho: Well I'll drop up to see you tomorrow, Mr. Jacobs.

It might be stated that John Condon, mentioned above, is Captain of the Guards at the Oaklawn Race Track, Hot Springs.

-O-O-O-O-O-O-O-O-O-

The following conversation between W. S. Jacobs and Tink Young, manager of the Ohio Club, is of interest:

9:45 P.M., April 3, 1937

Outgoing on No. 2115

D.P.S.

To 210 (Ohio Cigar Store)  
Jacobs: Is Mr. Young there?  
Tink Young: (To phone) Hello.  
Jacobs: Did you hear anybody say how many they (Tackett) had out at the political meeting.  
Young: It was very light, Bob Moore said.  
Jacobs: How many, 50 or 75?  
Young: I don't know. He didn't say exactly, but there weren't many there.  
Jacobs: Uh huh.  
Young: How you feeling?  
Jacobs: A little better. The meeting (probably of Mayor McLaughlin tonight is over. A lot of people there - a lot of people I figured up the store business for the month with that of March last year and you know how much we run behind each day?  
Jacobs: \$30.00?  
Young: No. \$45.00 a day.  
Jacobs: We ran ahead of last year at the Southern.

Young: I can't figure it. It seemed there were a lot of people here and they all had a little money, but they weren't so many who had a lot of money.

Jacobs: No. There weren't so many with a lot of money.

Young: How long do you figure you'll keep the dining room open?

Jacobs: All week.

Young: You remember Roy Williams from Amarillo, Texas who was here in 1927 or 1928?

Jacobs: Yeah. He's a good man and he's got a lot of money.

Young: I was thinking of getting around this week and party with him a bit and get him out to the place. (Belvedere?)

Jacobs: Alrightie.

Young: I just wanted to know if it would be alright with you.

Jacobs: Alrightie.

-O-O-O-O-O-O-O-O-O-O-

The following conversations between Mayor McLaughlin and a man named Arch, last name not known, are of interest:

11:12 A.M., April 3, 1937 Incoming on No. 648 H.A.S.

"Arch": Leo, I'm short of money, and will need some for change out there this afternoon. Can you give me a check for \$200.00, and I'll have it back on Monday.

McLaughlin: I can't do that. They got an injunction against my bank account on that divorce case, and I can't touch it. Suppose you see Mr. Higgins at the bank and make out a note for that until Monday. I'll sign it.

11:32 A.M., April 3, 1937 Incoming on No. 648 H.A.S.

"Arch": Will you step out the back door into the lobby of the Auditorium (Theatre) in a minute. Want to see you.

McLaughlin: All right.

-O-O-O-O-O-O-O-O-O-O-

The following call by Mayor McLaughlin to his secretary, Hazel Marsh, emanated from the telephone of W. S. Jacobs:

9:32 P.M., April 2, 1937 Outgoing on No. 2115 D.P.S.

Mayor McLaughlin talking to Hazel Marsh, asked her if she thought he had gotten lost, that he had been unable to get to a telephone. The



Mayor talked of just leaving a meeting, apparently sponsored by his political opponent Tackett, who is a candidate for Mayor; that when they left he believed that some "of those fellows" pulled out behind them as though they intended to follow the Mayor, that Jerry (probably Jerry Watkins, Police Captain) and Jimmie went after them. The Mayor mentioned he then stopped off at a place downtown. Hazel asked where he was calling from and the Mayor said "Jake's". Further conversation in whispers by both the Mayor and Hazel Marsh about the Mayor not feeling well. Hazel talked about some man, with whom she has had an argument; probably meaning Gibson Witt, she stating she would tell him she would tell him she would not see him again. In a very low whisper the Mayor here said he had something to tell her tomorrow at the office, it sounding somewhat mushy. They hung up after Hazel warned him to be sure to take his medicine.

-O-O-O-O-O-O-O-O-O-

The following conversation is between the Police Department and Bob Moore, former police officer, and presently under indictment for second degree murder:

1:20 A.M., April 3, 1937

Incoming on No. 123

R.H.L.

Man:

This is Bob (Moore). Have one of the boys come up to the Southern Club. I have to leave my car, and I want someone to drive it home.

Corrington:

OK, I'll send someone right up.

-O-O-O-O-O-O-O-O-O-

The following conversation between Chief of Police Rasberry and Mayor McLaughlin is of great interest:

7:46 P.M., April 3, 1937

Outgoing on No. 446

W.T.M.

600 (Mayor McLaughlin's residence)

Rasberry:

Hello, Mayor, this is Rasberry.

Mayor:

Yes.

Rasberry:

That fellow we got here Sancher or Sanching (Chief did not definitely know the name).

Mayor:

Yes, I know - he's from Little Rock.

Rasberry:

Well, what you want to do - burn that back?

Mayor:

Yes - better let that go - he's pretty well connected.

-O-O-O-O-O-O-O-O-O-

P-E-N-D-I-N-G



LMC:MC

52068

April 17, 1937.

~~PERSONAL AND CONFIDENTIAL~~

7-576 -3-91

Mr. Gus T. Jones,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
1216 Smith-Young Tower Building,  
San Antonio, Texas.

Re: GEORGE TIMINEX;  
Dr. Joseph P. Moran, with aliases -  
FUGITIVE, I. O. 1232, et al;  
Edward George Bremer - Victim;  
Kidnaping; Harboring of Fugitives;  
Obstruction of Justice; National  
Firearms Act.

Dear Sir:

For your general information and possible future reference in connection with your contacts at Houston, Texas, I am enclosing herewith the substance of telephone conversations had between Lee Brown, of Houston, Texas, who is apparently a gambler, and W. S. Jacobs, who controls the gambling activities at Hot Springs, Arkansas, indicating that apparently gambling is carried on in Texas with the knowledge of one Glover, who it is indicated is a Texas Ranger.

Very truly yours,

John Edgar Hoover,  
Director.

COMMUNICATIONS SECTION  
MAILED

APR 19 1937

Enclosure #1019107  
FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE

RECORDED  
&  
INDEXED

7-576-3-103

FEDERAL BUREAU OF INVESTIGATION

APR 20 1937

EAT

April 21, 1937

JEL:DC

Special Agent in Charge,  
Oklahoma City, Oklahoma.

Dear Sir:

The Bureau desires that you make a search of your index file concerning Joe Stone, Clarence Stone, Clem Holman, Pete Traxler, Paul Ervin, and W. L. (Bullet) Abby, and ascertain if the pertinent serials in the cases concerning these individuals are in the possession of the Little Rock Field Division.

Reference is made particularly to the case entitled JOE ELMER STONE, with aliases, ET AL - NATIONAL MOTOR VEHICLE THEFT ACT, Oklahoma City Field Division File No. 26-3216, Bureau File No. 26-29906, which file sets out interviews with Joe Stone in which he gives a considerable amount of information concerning the activities of the Police Department at Hot Springs, Arkansas. It will be noted, of course, that the Statute of Limitations has run in these cases; however, the Bureau desires that this information be forwarded to the Little Rock Field Division as of possible assistance in establishing the association and activities of certain members of the Police Department at Hot Springs, Arkansas, with these individuals.

Very truly yours,

John Edgar Hoover,  
Director.

cc-Little Rock

RECORDED  
&  
INDEXED

7-576-3-104	
FEDERAL BUREAU OF INVESTIGATION	
APR 23 1937 A.M.	
U. S. DEPARTMENT OF JUSTICE	
	FILE

PARTIALLY  
DEINDEXED  
THIS SERIAL ONLY  
9/19/57 23

**FREEDOM OF INFORMATION  
AND  
PRIVACY ACTS**

**SUBJECT: BARKER/KARPIS GANG  
BREMER KIDNAPPING**

**FILE NUMBER: 7-576**

**SECTION : SUB 3 Section 8**



**FEDERAL BUREAU OF INVESTIGATION**

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SUBJECT Barker/Karpis Gang (Bremer Kidnapping)

FILE NUMBER 7-576 Sub 3

SECTION NUMBER 8

SERIALS 142-160

TOTAL PAGES 122

PAGES RELEASED 122

PAGES WITHHELD 0

EXEMPTION(S) USED b2 b7d B3

Federal Bureau of Investigation

United States Department of Justice  
Post Office Box 1469,  
Little Rock, Arkansas,  
July 5, 1937.

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

Re: BREKID.

Dear Sir:

During the time that the surveillance was being maintained over the telephones at the Police Department and the Mayor's Office at Hot Springs, Arkansas, a great deal of information was obtained which pointed to the fact that the prisoner, John Dickson, who died on December 24, 1936 while in the custody of the Hot Springs Police Department, was actually beaten to death by certain Hot Springs police officers. As a result of this killing, seven Hot Springs police officers were indicted on a charge of second degree murder. On May 10, 1937 these officers were placed on trial. On May 13, 1937 the jury returned a verdict of "Not Guilty" as to each of the defendants on trial.

The attention of the Bureau is directed to the information contained in the report of Special Agent D. P. Sullivan, dated at Little Rock, Arkansas, June 26, 1937, beginning on page 59, which indicates that former Chief of Police Joseph Wakelin and certain other persons who are closely associated with the present City Administration of Hot Springs, Arkansas, fled from the State of Arkansas to avoid being served with a subpoena in the murder trial of the seven police officers.

It will be noted that the unlawful flight of the witnesses in the above trial presents a case unlike the ordinary complaint received by the Bureau, in that no State or local law enforcement agencies appear to be interested in the prosecution of the guilty parties. For this reason no active investigation in this matter has been conducted by the agents now engaged in the investigation of the harboring case at Hot Springs, Arkansas. It is believed that information already obtained practically proves a prima facie case of Unlawful Flight on the part of Former Chief of Police Joseph Wakelin, even though no active investigation has been conducted along these lines. The names of additional prospective witnesses who are not mentioned in the above referred to report, who fled from Hot Springs, Arkansas, before subpoenas could be issued for them, can be readily obtained from Mrs. W. L. Haynes, the aunt of John Dickson.

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7-576-3-

142

11 MAR 25 1965

In view of the lawless conditions existing in Hot Springs, Arkansas, it is probable that investigation will disclose that certain material witnesses, including former Chief of Police Wakelin and

ack  
lmc 7/16/37


*[Handwritten signature]*

Fannie McLaughlin, sister-in-law of Mayor Leo P. McLaughlin, fled from the State of Arkansas as the result of a conspiracy designed to prevent the successful prosecution of the seven police officers on trial.

A thorough investigation, based on the unlawful flight of former Police Chief Joseph Wakelin and other material witnesses, probably would be an effective weapon in obtaining valuable information from him and other persons bearing on the harboring of Alvin Karpis at Hot Springs, Arkansas.

It is requested that the Bureau advise whether it desires that an active investigation be conducted to prove a case of "Unlawful Flight" on the part of former Chief of Police Wakelin, et al, by the agents presently conducting the harboring case at Hot Springs, Arkansas.

Very truly yours,

  
CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS cpm  
7-2

cc - Cincinnati  
Inspector E. J. Connelley  
Cleveland

Via AIR MAIL

LMC:MEG

7-576

- 3 - 142

July 16, 1937.

RECORDED

Special Agent in Charge,  
Little Rock, Arkansas.

Re: BREKID

Dear Sir:

Reference is made to your letter dated July 5, 1937, requesting advice as to whether an active investigation should be conducted to establish a case of unlawful flight to avoid the giving of testimony on the part of former Chief of Police Joseph Wakelin, Hot Springs, Arkansas.

Please be advised that the Bureau desires that investigation along the lines suggested in your communication be made in connection with the investigation already in progress at Hot Springs. However, it is not deemed advisable to initiate a new file concerning this matter, and any information developed should be reported in the regular reports covering the Harboring investigation.

Very truly yours,

John Edgar Hoover,  
Director.





Post Office Box 1469,  
Little Rock, Arkansas,  
July 5, 1937.

PERSONAL AND CONFIDENTIAL

Special Agent in Charge,  
Oklahoma City, Oklahoma.

Re: BREKID.

Dear Sir:

In the report of Special Agent D. O. Smith, Oklahoma City, Oklahoma, dated July 29, 1932, mention is made of [redacted] who provided information concerning Frank Nash, Francis Keating, Thomas Holden and others. If the information is available at your office, it is requested that this Field Division be advised of the identity of [redacted], inasmuch as this informant appears to have information that will be of value in the present harboring investigation being conducted at Hot Springs, Arkansas.

Very truly yours,

CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS opw  
7-2

cc - Bureau  
Cincinnati  
Cleveland

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&  
INDEXED

7-576-3-143	
FEDERAL BUREAU OF INVESTIGATION	
JUL 1937	
ONE	FILE

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THIS SPECIAL ONLY  
2/19/57 23

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# FEDERAL BUREAU OF INVESTIGATION

49516

Form No. 1  
THIS CASE ORIGINATED AT Cincinnati, Ohio.

L.R. FILE NO. 7-2

REPORT MADE AT <b>Little Rock, Arkansas.</b>	DATE WHEN MADE <b>7/3/37</b>	PERIOD FOR WHICH MADE <b>6/18-24/37</b>	REPORT MADE BY <b>D. P. SULLIVAN</b> <span style="float: right;">cpw</span>
TITLE <b>ALVIN KARPIS, with aliases; Dr. JOSEPH MORAN, with aliases - FUGITIVE, I.O. No. 1232; ANTHONY J. AMERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - Victim.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.</b>

**SYNOPSIS OF FACTS:** Former Hot Springs Police Lieutenant Cecil Brock interviewed and he indicates that Chief of Detectives Akers and former Chief of Police Wakelin had opportunity to see Bureau circulars on Alvin Karpis, et al; states large reward circular containing photographs of Karpis and Fred Barker hung on door in city jail for over a year about 1932. Brock denies knowing where Akers got information of Karpis' residence at Dyer's Landing in October 1935; denies ever having seen Karpis or other members of gang in Hot Springs and does not implicate Akers or Wakelin in harboring case. Information obtained that Akers intended renting his home on Lake Catherine to Karpis around time of Woodcock raid. Investigation in vicinity of Woodcock home unproductive in placing Akers or Wakelin there. Additional witnesses place Karpis and Hunter with Grace Goldstein and Connie Morris in Hatterie Hotel and show association of Goldstein woman with Herbert Akers. Oral admissions previously obtained from O. P. Wise, R. F. Armenia, Rosa Scott and Catholia Smith incorporated in signed statements. Files of Hot Springs New Era newspaper checked for articles bearing on Bremer kidnaping and activities of Barker-Karpis gang from January 17, 1934 to October 1, 1934.

- P -

**Reference:** Report of Special Agent D. P. Sullivan, dated at Little Rock, Arkansas, June 26, 1937.

APPROVED AND FORWARDED: <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES <div style="font-size: 2em; font-weight: bold; text-align: center;">7 1576-3-145</div> <div style="text-align: right; font-weight: bold;">JUL 6 1937</div> <div style="text-align: center; margin-top: 20px;"> <b>JUL -7 P.M.</b>  <i>[Signature]</i> </div>
COPIES OF THIS REPORT 3- Bureau 2- Cincinnati 1- Cleveland 1- Chicago 1- Inspector E. V. Connelley 4- Little Rock	<div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <b>COPIES DESTROYED</b>  <b>MAR 25 1965</b> </div>

Details:

This report covers the investigative activity of Special Agents H. A. Snow, W. H. McCabe, B. M. Suttler and the writer, at Hot Springs, Arkansas, from June 18 to 24, inclusive, 1937.

During the course of instant investigation agents have come in casual contact with Cecil Brock, former Identification Officer for the Hot Springs Police Department. Brock has from time to time volunteered bits of information. This man was close to Herbert "Dutch" Akers, Chief of Detectives, prior to Brock's dismissal in January as a result of the killing of the prisoner, John Dickson. Brock has indicated in the past that he is not wholly in sympathy with the present City Administration. For this reason Brock was interviewed at the temporary office, 322 Thompson Building on June 23, 1937 by Special Agents B. M. Suttler and D. P. Sullivan for the purpose of determining what he knew concerning the harboring of Alvin Karpis, Fred Hunter and others during the time they resided in Hot Springs, Arkansas.

The file in the Little Rock Field Division indicates that in about April, 1934, temporary wanted notices issued by the Bureau for Alvin Karpis, Arthur R. "Doc" Barker, Harry Sawyer and others, were delivered to the Hot Springs Police Department. Brock was questioned about this and he stated that to his best recollection two or three agents called at the Hot Springs Police Department and delivered these temporary wanted notices to him; that he cannot exactly recall what he did with them at that time but it was the usual practice to place circulars for badly wanted fugitives in a box located on the Chief of Police's desk, where they remained about a week before they were filed, this being done in order that the Chief of Police and the Chief of Detectives might have an opportunity to examine such notices. Brock recalled that he thereafter filed these temporary wanted notices in the police files and he stated that they are probably still in the files.

Brock recalled that thereafter, from time to time, the Hot Springs Police Department received identification orders for Alvin Karpis, Arthur R. "Doc" Barker, Harry Campbell, and others wanted for the kidnaping of Edward G. Bremer; that he believes that these identification orders were left on the Chief of Police's desk for the approximate period of a week, as was the usual custom, prior to their being filed.

At this time Brock stated that he recalled that shortly after the killing of Sheriff Kelly at West Plains, Missouri, in 1932, the Hot Springs Police Department received a large circular containing the photographs and fingerprints of Alvin Karpis and Fred Barker, who were wanted for this killing. This notice indicated that there was a \$2000.00

reward offered for the capture of these men. Brock stated that this large circular was tacked on a door in the city jail directly beside the mail box. The notice therefore, was in full view of officers employed in the Police Department, and directly in front of all officers when they went to get their mail. Brock stated that this wanted notice was left on that door for at least a year and until it had turned yellow with age.

Brock was closely questioned as to when he first learned or heard that Karpis was at Hot Springs, Arkansas. He denied that he knew of Karpis' presence at 1338 S. Central Avenue, where Grace Goldstein operated a house of prostitution prior to May 15, 1935. He recalled that Grace Goldstein thereafter operated a house of prostitution somewhere on Palm Street; that he and "Dutch" frequently toured around that district looking for out-of-State licenses that might belong to stolen cars that were in possession of thieves who were receiving treatment from the U. S. Public Health Service; that for each stolen car they recovered the officer would get a reward or commission. It is known that during the time Alvin Karpis resided with Grace Goldstein at 123 Palm Street, he had a black Ford coupe, bearing Kentucky license plates. Brock was asked if he had ever noticed such a car parked in front of Grace Goldstein's house and he stated he had not. Brock stated he had visited Grace Goldstein's house of prostitution on only one occasion when the Police Department received a call from her. Brock said the complaint had to do with some prostitute who was leaving Grace's house without paying her bill. Photographs of all members of the Barker-Karpis gang who were known to have resided in Hot Springs, Arkansas, were shown to Brock, but he was unable to identify any of them as persons he had ever seen before.

Brock was questioned as to whether he had ever heard or knew that Karpis had ever resided at Milan's Landing or at Carpenter's Dam on Lake Hamilton, but he denied any and all knowledge of Karpis residing at these places. He stated that he recalled that one morning after he reported for work at nine A.M., Herbert "Dutch" Akers asked him to take a ride with him to check a license plate. Akers drove to Dyer's Landing and pointed out a particular cottage and a coupe which was parked in front and asked Brock to obtain the license plate number, which Brock did. Brock stated that neither he nor Akers got out of their car, but proceeded back to the Police Department; that later that day he wired the motor vehicle bureau at Columbus, Ohio, requesting information on this license plate; that to his best recollection the reply stated that this plate was issued to a man named Parker at Youngstown, Ohio; that thereafter he wired the police at Youngstown, Ohio, requesting that they attempt to learn the identity of Parker; that the Youngstown police indicated that the address given was a vacant lot; that shortly after receiving this reply from the Youngstown police, which was probably a day or two after he and Akers had checked the license plate at Dyer's Landing,

Akers notified the Little Rock Field Division. Brock was asked whether he knew at that time that the persons suspected of owing the car at Dyer's Landing was Alvin Karpis. He at first denied knowing that this was Karpis and stated that Akers did not inform him why he was checking this license plate number and did not reveal the source of his information. Brock later stated that undoubtedly he must have known that the persons who owned the car which he and Akers checked was wanted by the Bureau, or Akers would not have notified the Little Rock Field Division.

Brock further recalled that shortly after Akers notified the Little Rock Field Division, two agents, one of whom he believes was Agent Coulter, called at the Hot Springs Police Department; that he does not believe that he was present when Akers spoke with these agents; that a few days thereafter certain medicine bottles that were taken from the cottage at Dyer's Landing after the Bureau's investigation at that place, came into possession of the Hot Springs Police Department, but he does not recall who delivered these bottles to the police department, but he does remember that the label on the bottles indicated that the prescription was given by Dr. Paul Z. Browne; that he took one of these bottles and interviewed Dr. Browne and learned that the prescription was issued to a man named Hunter. Brock stated that he was certain that he never conducted any investigation at Dyer's Landing, except the one time mentioned above when he and Akers checked the automobile license, and he knew of no other investigation conducted there by any other officer either before or after the Bureau's investigation at Dyer's Landing. Brock here stated, upon questioning, that some time during the period that investigation was conducted at Dyer's Landing he learned that Alvin Karpis possibly may have been suspected of having resided at this place; that he could not recall whether he had heard this from Akers or from the Bureau agents who made the investigation.

Brock stated that he did not again hear anything indicating that Karpis might be in Hot Springs, Arkansas, until around the first of the year 1936. At that time Gray Albright, head of the Arkansas State Police, mentioned to him in a casual conversation that Karpis and his gang might visit Hot Springs; that in view of this possibility they should be on the lookout for this man.

Brock was questioned concerning the period immediately preceding the raid on the Woodcock home on March 30, 1936, and he indicated that from the time of his conversation with Albright up until about a week prior to the raid, he received no information as to Karpis residing at Hot Springs, Arkansas. He recalled that about a week prior to the Woodcock raid, Joe Anderson and another Kansas State Trooper, Post Office Inspector who he believes is named Smith, came to Hot Springs; that these men particularly contacted Herbert "Dutch" Akers, and he, Brock, at first did not know they were checking on Karpis; that Anderson did contact him after

his arrival at the Police Department and inquired concerning the Hatterie Hotel. Brock said that he could not recall that Anderson was checking on Alvin Karpis or Grace Goldstein, and that up until this time he did not know that Grace Goldstein was connected with Karpis; that he is certain that "Dutch" Akers had never informed him up until this time of Grace Goldstein associating with Karpis; that a day or two later Anderson again contacted him and he learned for the first time that Anderson had gotten in touch with Brock's brother named Erzell, a Yellow Cab Taxi driver, in an effort to obtain information concerning activities at the Hatterie Hotel, inasmuch as Erzell Brock was supposed to be keeping company with the prostitute Connie Morris. Brock stated that he is not certain, but it is probable that it was around this time that he first learned that Alvin Karpis was associating with Grace Goldstein; that thereafter he heard that his brother got drunk and informed Connie Morris of the investigation being conducted by Post Office Inspectors and Joe Anderson. Brock stated that when he learned this he got his brother out of town, as he was afraid that Alvin Karpis or some members of the gang might harm him. Brock here mentioned that he believed that "Dutch" Akers was in close contact with Post Office Inspectors and Joe Anderson during this time; that on one occasion he saw Akers leave the hotel where Joe Anderson was staying.

When questioned concerning the Woodcock raid Brock stated that the first he learned of this was one morning when he reported to Police headquarters at nine A.M. and found quite a crowd gathered there; that a man by the name of Ben Murry, a bondsman in Hot Springs, was relating to the crowd how he had been stopped by Federal Agents that morning on his way to town out on the Malvern road. Brock stated that this man Murry lived near the Woodcock home and had to drive his hogs across the road near there every morning and that this was the first word that he, Cecil Brock, had heard of the raid by agents on the Woodcock home. Brock added that Murry was very crooked and was a very close friend of "Babe" Huff, United States Commissioner in Hot Springs, Arkansas; that Huff was just as crooked as Murry and that one time the two of them handled a case for a man who had a diamond ring and \$1,500.00 in cash; that Huff took the \$1,500.00 cash and Murry took the diamond ring and still wears it.

Brock stated that after he heard from Murry about the raid that he, Brock, Joe Wakelin, Chief of Police; Herbert Akers, Chief of Detectives; Walter Abel and Kent Rush, newspaper men, all went out to the site of the raid, but that Federal Agents had the road blocked and would not allow them to go into the house. Brock stated that he noticed Joe Wakelin that morning had dog hair all over him as if he had been playing with a dog; that Joe Anderson, the State Trooper, later



told him that Wakelin had been at the Woodcock house with Grace Goldstein on the night preceding the raid.

Brock advised agents to get in touch with his brother, Erceall Brock, 620 West Jefferson Street, Dallas, Texas. He stated that at the present time his brother is engaged in repair work or as a carpenter's helper of some kind; that his brother should know a great deal as to what went on at the Hatterie Hotel, as he spent quite a bit of time there with Connie Morris.

Brock advised that in November of 1936 while he and Joe Wakelin were en route to Sawyer, Oklahoma to "pick up" a prisoner by the name of John Price, they passed through the town of Arkadelphia, Arkansas; that just as they got to the tourist camp just outside the City Limits of Arkadelphia on the left hand side of the road leading into Arkadelphia from Hot Springs, Joe Wakelin pointed out to him a tourist cabin. Brock stated that Joe Wakelin then informed him that was where Karpis had stayed the night after Federal Agents raided the Woodcock home. One search has already been made of the Arkadelphia highway for this cabin based upon information previously obtained from Brock, but the investigation was negative. Brock stated that agents had not gone close enough in toward Arkadelphia, as it is the last tourist camp going into Arkadelphia instead of the first as he had previously stated.

Brock was questioned as to whether he knew how it came about that Karpis and Grace Goldstein rented the Woodcock home. He indicated that he did not know how this happened, but informed that Deputy Sheriff Bill Lowe stated that some years ago he heard of "Pretty Boy" Floyd residing at the Woodcock home; that when he investigated this rumor he found that Floyd had left some time before. Brock stated that "Sonny" Davies, City Attorney, is a brother-in-law of Mr. Woodcock; that Mrs. Verne Ledgerwood, wife of the City Judge, is a sister of former Chief of Police Joseph Wakelin.

It has previously been reported that Joseph Wakelin fled from Hot Springs, Arkansas, to Tulsa, Oklahoma, to avoid testifying in the recent trial of seven Hot Springs police officers for the murder of prisoner John Dickson. Brock stated that Wakelin has a sister named Maude Ward who lives in Tulsa, Oklahoma. Brock recalled that this street is the street that the busses enter the City of Tulsa on; that the name of the street is similar to Oriole; that the number is 1215; that Mrs. Ward has a grown son named Fred who is working for an insurance company, probably the Kansas City Insurance Company, at Tulsa, Oklahoma.

Brock further informed that for about ten years up until about two years ago, former Chief of Police Joseph Wakelin kept company Anette Anker, who was employed at Madam Irene's Beauty Shop in the

Arlington Hotel; that the Apker woman married Fred Price, a roulette dealer employed at that time at the Belvedere Club; that he last heard that the Prices were living in Chicago, where Price is employed as a gambler.

Brock was asked whether he knew of any places frequented by Karpis or his associates in Hot Springs, Arkansas, but he indicated that he did not know any place frequented by Karpis, other than Grace Goldstein's house of prostitution, and that he did not know of any other persons who associated with Karpis in Hot Springs, Arkansas. At this point Brock mentioned that Glenn Buchanan, a former Hot Springs police officer, who was dismissed in January, 1937, as a result of the murder of prisoner John Dickson, did some "outside investigative work" for the Hot Springs Police Department during the last half of 1935 and also 1936. Brock did not indicate what Buchanan might know, but he left the impression that this man might be able to provide information of value to instant investigation, and suggested that agents contact Buchanan. Brock indicated that Buchanan was at the present time employed by the Mose Holliman Automobile Agency on Ouachita Avenue.

Brock was questioned, but he stated he had no information that Karpis ever resided at "Dutch" Akers' home located on Lake Catherine. He stated that this home is located immediately adjacent to the Majestic Lodge; that this lodge is operated by the manager of the Buckstaff Bath House, who is very much opposed to the present administration. There have been previous indications that Karpis left a 16 horsepower outboard motor with "some friend" in Hot Springs, Arkansas, the possibility being that this friend is either Akers or Wakelin. An effort will be made to determine the identity of any outboard motors in the possession of Akers through the caretaker employed at the Majestic Lodge.

On June 22, 1937, Special Agent N. H. McCabe interviewed Walter L. Funk, 1508 Second Street, Little Rock, Arkansas, who has previously been reported as having associated with the prostitute "Ginger" Morgan while the latter was employed by Grace Goldstein at 123 Palm Street, Hot Springs, Arkansas.

Walter Funk advised agent that he formerly was employed at Poe's Furniture Store in Hot Springs; that his wife is a half sister to Robert and Owen Poe, who now operate this concern; that the Poe boys were left this business by their father, as well as other property, but that they have run through most of their money by spending considerable time and money on women in Hot Springs. Funk stated that he is acquainted with the prostitute Ginger Morgan, having seen her at 123 Palm Street and at the Hatterie Hotel while she was working for Grace Goldstein, but denied absolutely that he had ever run around with this woman. Funk stated that he believes that he saw Ginger Morgan in Little Rock about two weeks ago, at which time she was accompanied by a young girl, possibly a daughter of Ginger's.



Funk further advised that he is well acquainted with Grace Goldstein, having seen her numerous times in Hot Springs. Agent displayed to Funk photographs of all members of the Barker-Karpis gang, and Funk immediately selected the photographs of Grace Goldstein, Connie Morris, Alvin Karpis and Fred Hunter as being people known to him.

Funk stated that sometime during the summer of 1935, while he was employed by the Poe Furniture Company, he was sent to the Hatterie Hotel to install a new Electrolux Refrigerator which had been purchased by Grace Goldstein; that while he was installing this refrigerator at the Hatterie he saw Connie Morris there with a man whom he later recognized through photographs in the papers as being Fred Hunter; that Connie Morris called this man "Harold" and that he recalls that on this occasion Hunter and Connie Morris went swimming out to Fountain Lake shortly after he arrived to install the refrigerator; that while he was working Grace Goldstein asked him to come in the front room and have a drink, and that he did so; that in the front room he noticed a man sitting in a corner of the room who appeared to be mad about something and was in a bad humor; that he later recognized from photographs that this was Alvin Karpis; that Grace Goldstein went over to where Karpis was sitting and petted him to try to restore his humor, and that he (Funk) returned to his work in the kitchen.

Funk further stated that about a week after this he was called to the Hatterie Hotel about 2:00 A.M. one morning, to service this refrigerator which he had installed; that at this time he saw Connie Morris and Hunter again, and that Hunter sat down in the kitchen with him and watched him work on the refrigerator. Funk stated that on this occasion he did not go into the front rooms and did not notice Karpis around the place.

Funk stated that about two weeks later he again visited the Hatterie Hotel on a service call about 6:00 P.M. one evening; that at this time he showed Grace Goldstein how to properly defrost the refrigerator, and that while he was doing this Hunter came in and asked if Connie Morris was there; that Grace told Hunter that Connie had gone with someone for a boat ride on the lake, and that she did not know when she would return. Funk stated that Hunter stayed a few minutes and talked with a small woman who was there with Grace, and then departed.

Funk advised agent that the only other time that he saw Karpis was on one occasion in the early spring of 1936 while he was at the U-Drive-It place in Hot Springs talking with Rex Broughton and Curtis Ridgeway, Assistant Prosecuting Attorney at Hot Springs; that two men were driven up to this place by a negro bell-hop from either the Majestic or the Arlington Hotel, and came in to rent a car; that these men wore pants

which seemed to be too large for them around the waist, and inquired the way to some Sulphur Spring in the vicinity of Hot Springs; that he walked out the door at this point, and in passing one of these men noticed the handles of two guns beneath the waist band of the pants of one of these men. Funk stated that he later recognized from photographs in the papers that one of these men, the one who did all of the talking, was Alvin Karpis, but was unable to identify the other man from photographs shown him by agent. Funk advised that after Karpis was apprehended he talked with Rex Broughton about this incident, and told Rex that he believed that one of these men was Karpis and that Rex agreed with him; that he then asked Rex whether he knew at the time that this was Karpis, to which question Rex Broughton replied, "I'm not saying."

Funk further advised that he believes that he saw Karpis and the man who was with him at the U-Drive-It place, at the race track in Hot Springs several times after this occasion, which he stated took place about two weeks before the raid on the Woodcock home by Bureau agents; that he believes he recalls seeing Karpis at the track once or twice after the raid on the Woodcock home with this man, and that each time he saw these men together they were wearing the same pants with waists too large for them; that they walked around with their hands in their waist band and with their thumbs sticking outside.

With reference to other girls who were working for Grace Goldstein during 1935, Funk stated that he recalls that there was a girl who formerly worked for Grace by the name of Greta; that he believes that Greta is now living in Memphis, Tennessee, as he saw her during January or February, 1937, in a hotel in Memphis.

Funk advised agent that one day after Karpis was apprehended Mrs. Akers, wife of "Dutch" Akers, was in the Poe Furniture Store talking to one of the Poe boys, and that he overheard her tell Poe that if the raid on the Woodcock house had taken place about a month later, "Dutch" Akers would have had his summer home on the lake sold to Karpis for \$6500.00. Funk advised that he understood from this conversation that "Dutch" Akers was negotiating with Karpis for the sale of his summer home to him at a handsome figure about the time that the Woodcock home was raided by Bureau agents.

Funk stated that in his opinion little information would be obtained from questioning the Poe brothers, inasmuch as they are very intimate with the present city administration at Hot Springs and the Police Department.

Funk appeared to be against the present city administration at Hot Springs, and advised that he would be willing to furnish any information he knew about these city officials. Funk persistently denied being

a close friend of Ginger Morgan, although he seemed to be wellacquainted with the prostitutes working for Grace Goldstein, and it is believed that Funk has probably associated to some extent with these women, but will not divulge any information which would place him in an unfavorable light.

The report of Special Agent D. P. Sullivan, dated at Little Rock, Arkansas, June 17, 1937, on page 51, reflects that in an interview with Dr. Pressman Wellman, it was learned that a patient of his by the name of Billy, a prostitute, had informed him that Karpis had taken her to St. Louis at one time. Dr. Wellman also informed that this prostitute still resided in Hot Springs, Arkansas.

Billy Jones, prostitute, #3 Crystal Street, Hot Springs, Arkansas, was interviewed on June 22, 1937, by Special Agents D. P. Sullivan and B. M. Suttler at the temporary office, 322 Thompson Building, Hot Springs, Arkansas.

Billy stated that her real name is Cecilia Villa. She was located at Mrs. Webb's house of prostitution at number 3 Crystal Street and stated that she had been working for Mrs. Webb for about four years at this same address. Agents exhibited photographs to Billy of the Barker-Karpis gang. The only two photographs she could identify were the photographs of Grace Goldstein and Connie Morris. She stated that she knew Grace Goldstein more by her notorious reputation than through personal observation. She stated that she knew Connie because Connie, on several occasions, had come to Mrs. Webb's house to fill "french" dates.

Billy denied that she had ever gone to St. Louis with Alvin Karpis, nor would she admit that she had ever seen him to recognize him. She stated she did not even recognize his photographs.

Billy was questioned closely about her trip to St. Louis, Missouri, some two years ago with a man who was reported to have been Alvin Karpis. She stated that this came about one night when a taxi driver, whose name she did not recall, brought a man over to Mrs. Webb's house of prostitution where she, Billy, was employed at that time. She stated that the cab driver came in and told Mrs. Webb that he had a man in his cab that wanted a date with a girl to go for a ride; that she went out to the cab to see this man and that after talking to him he came in the house and had a round of beer; that she told him the only way she would go to ride with him would be for him to give her \$5.00 in advance. She stated he gave her the \$5.00, and that they went for a ride; that after spending about \$10 taxi fare they returned to the house and that he spent the night there; that the next morning he took her to the railroad station with him and ordered a private compartment for two people and then informed her that he would pay her to ride as far as St. Louis with him, as he did not care to ride up there alone. Billy stated that she decided to go; that they went to

St. Louis, and that as soon as they got there he wanted her to go to Chicago with him, but that she by this time was a little "leary" of him and decided to catch the next train back to Hot Springs, Arkansas. Billy stated that up until this time he had not said how much money he was going to give her, but that when she told him she wanted to go back to Hot Springs that he bought her a return ticket, gave her a hundred dollars, and that they then had breakfast together in the station in St. Louis. Billy stated that she caught the next train to Hot Springs, Arkansas, and returned alone.

Billy stated that the only name she knew this man by was Harry Herring, and she described him as follows:

Height	5' 9"
Weight	150
Hair	Dark brown
Eyes	Dark brown
Build	Slight, sickly looking
Clothes	Neat oxford grey suit

Billy stated that she remembers distinctly that this man had very dark brown eyes, so dark in fact, they were nearly black, and that it was his dark eyes that she admired so.

As to his occupation, Billy stated he showed her some pamphlets that indicated that he sold small baggage trucks used around railroad stations.

Billy stated that she has not ever seen or heard of this man since that night; that the way he drank beer, bought drinks for the house, spent money freely and other little things, made her "kinda leary" of him and that was the reason she refused to go to Chicago with him after arriving in St. Louis.

Billy further recalled in regard to Karpis that a man by the name of Kinsey, who worked at the Belvedere Dairy in Hot Springs, Arkansas, came to Mrs. Webb's house one night with another man and they were both dressed in fishing clothes; that Kinsey ordered beer and that she, Billy, did not pay any attention as to who the man was with Kinsey; that after Karpis was captured in New Orleans, Louisiana, Kinsey came to Mrs. Webb's house again and told them that the man who came to Mrs. Webb's house with him the time they came in wearing fishing clothes was Alvin Karpis, and that he, Kinsey, had fished many times with Karpis. Billy also stated that Kinsey informed him that Karpis at that time was using the name of Ed Wood. Billy stated that this man Kinsey had served time in McAlester, Oklahoma; that he was married to a school teacher from Hot Springs, Arkansas; that he at one time was house detective for the Arlington Hotel, and that she thinks he is at the present time living

in California. Billy stated that Kinsey was tall and thin. He therefore answers the description of the man who Morris Loftis, caretaker at Dyer's Landing, described as the fishing companion of Karpis on at least two occasions.

Billy further stated that she had heard from different prostitutes that when Karpis and his partner first came to Hot Springs, Arkansas, they called two of "Mother" Proctor's girls up and had dates with them; that evidently these girls did not get very far with Karpis, as he later took up with Grace Goldstein. She stated that agents could procure further information about these dates from "Mother" Proctor or any of her girls; that one of "Mother" Proctor's former girls, Violet, who had only been in Hot Springs for a few weeks was at the present time working for Mrs. Webb.

Mrs. Louise Proctor, madam of "Mother Proctor's Hotel", was interviewed on June 22, 1937 by Special Agents D. P. Sullivan and B. M. Suttler, at her place of business, 344 1/2 Central Avenue, Hot Springs, Arkansas.

Mrs. Proctor could not identify the photographs of Fred Hunter, Alvin Karpis or any other members of the Barker-Karpis gang except Grace Goldstein. She stated that she did recall that on Thanksgiving night, two years ago, 1935, a porter from the Howe Hotel called by her place and asked for Ethel Thomas and some other prostitute; that Ethel got a girl by the name of Edna Propest to go to the Howe Hotel with her for dates. Mrs. Proctor stated that a little while later this same porter called again and asked for four turkey dinners and she informed him that it was too late at night for her to prepare four dinners. She stated that the porter insisted on taking what she had, so she prepared four cold turkey dinners and told him they would be \$1.50 each. The porter then informed her that these men had plenty of money and to charge them \$2.00; that she agreed and the porter paid her \$3.00 for these four dinners; that she later figured from what Ethel told her that these four dinners were for Karpis, his friend, and Ethel and Edna. Mrs. Proctor stated that Ethel Thomas returned about three o'clock in the morning and told her one of the men had asked Edna to spend the night. Mrs. Proctor stated that later when these girls, Ethel and Edna, were looking at a Detective Story magazine they recognized a photograph of Alvin Karpis as being identical with that of the man Ethel had filled a date with, and Edna had later spent the night with. She also informed that Ethel was still working for her and that Edna was at the present time being treated in the Government Clinic for a venereal disease and was living at the Government camp.

Mrs. Proctor thereupon called Ethel Thomas for agents and told Ethel to tell agents all about the time she had a date with Karpis.

Ethel Thomas stated that on Thanksgiving night, 1935, Edna received a call from the Howe Hotel to come there and fill a date and to bring another girl; that Edna then called her and the two of them went there and filled dates with two men; that these two men were on the third floor of the hotel in a front room on the left side of the corridor going toward Central Avenue; that these men were registered under the name of Johnson; that the porter who called them was Porter #2 or #3, and that he has a big scar on his left or right cheek and is still working at the Howe Hotel.

Ethel further stated that after she filled a date with this man who she later identified as Karpis, she was playing around on the bed and fell between the bed and the wall; that when she fell she noticed a suit case full of guns; that she later was sitting in a chair and noticed that under the cushion of the chair there was a whole lot of money; that she also found money stuffed in the dresser drawers and in a book on the mantle. She stated that after Karpis had filled the date with her he gave her \$200.00. She later changed this part of her story to \$100.00, and then added that the other man gave her twenty and that she and this big man Karpis called "Red" got into a fight and he took both the hundred dollar bill and the twenty dollar bill away from her and told her to get out and go home. She stated that before she left Karpis told her who he was, but that she never did tell anybody until after he was arrested.

Agents exhibited to Ethel the photographs of the Barker-Karpis gang. She selected the photograph of Alvin Karpis as being the man she filled a date with in the Howe Hotel on Thanksgiving night, 1935. Ethel also identified photographs of Grace Goldstein and Connie Morris as being two of the prostitutes in the Hatterie Hotel.

Ethel further stated that after Karpis had given her this hundred dollar bill the big fellow pulled a gun on her and told her he would "blow her damn brains out" if she did not give him the money; that when she refused to give it to him he started a fight with her. She recalls that this man was very large, weighing about 210 pounds, and had a tattoo on his arm.

Ethel stated that this big fellow that Karpis called "Red" in turn called Karpis by the name of Jimmy; that Karpis had a black set ring on that night, and also an Elgin wrist watch; that Karpis acted real nice to her, but the other fellow was too rough. She stated that as Karpis had told Edna he wanted Edna to spend the night with him, that she, Ethel, left about 3 o'clock in the morning, and sent another girl by the name of Frances Pruett up to spend the night with "Red"; that Frances Pruett is now in California somewhere.

Ethel stated that that was the only time she ever saw Karpis.



In an effort to learn the present whereabouts of Kinsey, who the prostitute Billy informed agents at one time had told her that he had been fishing with Alvin Karpis on several occasions, Special Agents D. P. Sullivan and B. M. Suttler interviewed Mrs. C. B. Webb, madam of a house of prostitution at #3 Crystal Street, Hot Springs, Arkansas, on June 22, 1937.

Mrs. Webb stated that she could not add much more about this man than Billy had already informed agents; that he came to her house to drink beer on numerous occasions; that he was married to a Hot Springs, Arkansas, school teacher and that he was employed at the Belvedere Dairy.

Mrs. Webb stated that she did not know Karpis by photograph and as far as she knows he has never been in her house. She identified the photographs of Connie Morris and Grace Goldstein. She stated she had called Connie on several occasions to fill "French" dates at her house.

Mrs. Webb also stated that up until two weeks prior to this interview she had had a girl by the name of Jerry working for her, and that this Jerry had worked for Grace Goldstein at the Hatterie Hotel; that Jerry left there owing her, Mrs. Webb, \$21.00 and sent her sister Juanita around to work for her and repay this money, but that Juanita left before the money was repaid and that Juanita is now going under the name of Juanita Blackwood and is living in her old home town, Winnie Wood, Okla.

On June 24, 1937, Special Agents D. P. Sullivan and B. M. Suttler inquired at the Howe Hotel and learned that the bell hop with the scar on his face was Toby Long, who resides at 320 Walnut Street, Hot Springs, Arkansas. Agents thereupon proceeded to this address and brought Long to the temporary office where he was interviewed. He stated that he could not recall the occasion when he obtained four turkey dinners at the Proctor Hotel for two men who were residing at the Howe Hotel and two prostitutes who were employed by Mrs. Proctor and who were visiting these two men. Long was thereupon taken to the Proctor Hotel, but Mrs. Proctor was unable to identify him as the negro who called for four turkey dinners on Thanksgiving night. Long was then faced with Ethel Thomas. This woman immediately said that Long was the bell hop at the Howe Hotel who showed her and Edna Propest to the room where they filled dates as mentioned above. Long persisted, however, in saying that he could not recall the prostitutes Edna and Ethel visiting two men at the Howe Hotel together; that he could only recall two men who may have answered the description of the men mentioned by Ethel Thomas; that these two men stayed overnight sometime prior to the Woodcock raid; that one man was heavy set and the other man was of medium size, both being young. Photographs of all members of the Barker-Karpis gang were shown to Long and he selected the photographs of Fred Hunter and Harry Campbell as looking somewhat similar to the men he mentioned. He

recalled that the larger man, whom he indicated by photographs as possibly being Harry Campbell, was supposed to be a Lieutenant in the Army; that the man who looked similar to Fred Hunter was supposed to be the larger man's aviator who had an aeroplane located at the municipal airport in Hot Springs, Arkansas. He recalled that he purchased champagne twice during the night and that he obtained about twenty dollars in tips from them that night; that the larger man once called him aside and said, "Come here 'Shina', you never have seen any money, have you?"; that this man then showed him a wallet filled with bills. This man also had an automatic pistol which he exhibited to Long. He recalled that these two men mentioned they were acquainted with Grace Goldstein and Connie Morris; that they indicated they desired prostitutes to come to their room merely to keep them company; that thereafter the prostitute Greta from the Hatterie Hotel came to their room and after she left Connie Morris visited this room; that he believed there were two or three other prostitutes in and out of that room that night. Long stated that Lester Morris, a bell hop then employed at the Howe Hotel might have been on duty that night and may have obtained turkey dinners from the Proctor Hotel; that Morris now lives in the vicinity of Gaines Avenue, Hot Springs, Arkansas.

Long stated that he kept company with a negro girl named May Sylvester, who was employed as a day maid at the Hatterie Hotel from the time just preceding the Woodcock raid up until a few months ago; that he believes from conversations he has had with her, that she might have some information concerning Karpis associating with Grace Goldstein. This woman lives in a one story apartment house next door to the Harris Negro Funeral Home, on Pleasant Street.

Edna Propest, who is presently incarcerated in the U. S. Public Health Service Camp, for the treatment of venereal disease, was interviewed there by agents in the presence of Toby Long, negro ball hop. She recalled the instance when she and Ethel Thomas answered a call at the Hatterie Hotel for two men who resided in adjoining rooms. She recalled that these men had a large number of new bills contained in currency wrappers which were in a desk drawer. Photographs of all members of the Barker-Karpis gang were exhibited to her and she selected the photographs of Fred Hunter as looking somewhat similar to one of the two men. She was unable to identify any one of four different poses of Alvin Karpis which were exhibited to her. She stated that both she and Ethel Thomas received \$10.00 for their services to these men. This contradicts Ethel Thomas, who stated that she received nothing for her services. Edna Propest stated that she is certain that Ethel had no argument with either of these men that night, and she indicated that very little reliability could be placed in any statements made by Ethel Thomas. The Propest woman stated that some time after the above occurrence, Ethel Thomas, not she, saw a photograph of



Alvin Karpis in a detective story magazine and Ethel Thomas recognized it as being the man at the Howe Hotel. Edna stated that after it had been called to her attention she also recognized it. Edna stated that she remained at the hotel that night for some time after Ethel Thomas left, and that she had no information that Grace Goldstein, Connie Morris or any other prostitute visited these men after Ethel Thomas left.

This is contrary to the statement of Ethel Thomas to the effect that Grace Goldstein was called to the Howe Hotel by these men after she, Ethel, left.

Daniel Duffie, clerk, and Miss Winnie Greenway, cashier, at the Howe Hotel, Hot Springs, Arkansas, both of whom having been employed at this hotel for more than two years, were interviewed. Photographs of all members of the Barker-Karpis gang were exhibited to these employees, but they were unable to recognize any one of them as any persons who had ever resided at this hotel, to their knowledge.

This matter will be checked out further to determine whether there is any truth in statements made by Ethel Thomas. It is entirely possible, however, that this woman is not telling the truth, as it is noted that she made various inconsistent statements at the time she was interviewed. Mrs. Proctor also advised agents that she has known Ethel Thomas since she was a young girl and that Ethel Thomas is a persistent liar, and that very little credence can be placed in her statements.

In view of the fact that the information obtained from Cetholia Atkinson Smith and Rosa Scott, who were employed formerly at the Hatterie Hotel, showed the close association of Grace Goldstein and Connie Morris with Alvin Karpis and Fred Hunter, and because these women provided information of the frequent visits of Alvin Karpis and Fred Hunter to the Hatterie Hotel, the information they provided was reduced to writing as contained in the following statements which they signed. The originals of these statements are being maintained in the Little Rock Field Division files:

Hot Springs, Arkansas.  
June 19, 1937.

"I, Cetholia Atkinson Smith, make the following voluntary statement to B. M. Suttler and N. H. McCabe, known by me to be Special Agents, Federal Bureau of Investigation, U. S. Department of Justice.

"I was employed by Miss Grace Goldstein about July of 1935 as a maid in the Hatterie Hotel. I was the day maid and my sister-in-law, Rosa Scott, was night maid. I worked for Miss Grace about a month and a half.

I became tired of my job in August, 1935, and quit. These agents have shown me a group of photographs. I have selected four of these photographs as being those of people I have known at the Hatterie Hotel. I do not know their names, but these agents have told me that they are the photographs of Alvin Karpis, Fred Hunter, and Connie Morris. The fourth photograph is that of Miss Goldstein, but of course I know her both by photograph and name. I do not ever remember hearing Miss Grace or Miss Connie call these men by name. I will not say that these men were living at the Hatterie Hotel during the time that I saw them there, although they did stay there most of the time. I have served beer to them on many occasions, and they usually had dinner with Miss Grace and Miss Connie about 5:30 or 6:00 o'clock in the afternoon.

"This statement has been read to me and it is the truth to the best of my belief and knowledge, and I have willingly signed my name below."

/s/ Catholia Atkinson Smith

Witnesses

R. M. Suttler,  
Special Agent.  
Federal Bureau of Investigation.

Hot Springs, Arkansas.  
June 19, 1937.

"I, Rosa Scott, make the following voluntary statement to R. M. Suttler and N. H. McCabe, known by me to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice.

"I have been employed by Miss Grace Goldstein on separate occasions in the past. The first time Goldstein was during the racing season which was in 1935. This was while Miss Goldstein was at Central Avenue and Hagen Street. This address until the day of the first part of August. This was in the late spring. I was first maid in the house in September, 1935.

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"When I first went to work for Miss Grace at the Hatterie Hotel Miss Connie was in the Hospital where she had been operated on. After she was well enough to be moved to the Hatterie Hotel, she stayed in bed for about ten days. While she was sick in bed at the Hatterie Hotel, this man (Fred Hunter) used to go into her room and talk to her all of the time. Miss Grace and Miss Connie and these two men who agents have told me are Alvin Karpis and Fred Hunter, went around together a whole lot. I have served beer to them at night at the Hatterie Hotel many times. These men never talked to me except to order beer.

"I remember that many times when I came to work at seven o'clock in the evening that I would notice that Miss Grace and Miss Connie had not been in for dinner. On these nights the women would come in later with these same two men, Karpis and Hunter. These two men were at the Hatterie Hotel just about every night that I worked there. They were friendly with all of the girls in the hotel. I do not ever remember seeing these men in Miss Grace's house at the time I worked for her on the corner of Central Avenue and Hagen Street, Hot Springs.

"This statement has been read to me and it is the truth. I have willingly signed my name below."

Witnesses

/s/ Rosa Scott

/s/ B M Suttler

/s/ N. H. McCabe

SPECIAL AGENTS

FEDERAL BUREAU OF INVESTIGATION

RESIDENCE OF ALVIN KARPIS  
AT THE WOODCOCK HOME ON LAKE CATHERINE

On June 22, 1937, Special Agents H. A. Snow and N. H. McCabe interviewed Charles Ralph Rogers, operator of Rogers Brothers Landing, a resort on Lake Catherine, approximately one half mile from the Woodcock home. Mr. Rogers receives mail through R.F.D. #2, Hot Springs, Arkansas. His resort consists of cottages and a beer and dance hall, as well as a boat landing.

Agents exhibited photographs of Karpis, Hunter, Campbell, and Coker to Rogers, but he was unable to identify any of these men as having frequented his place at any time during the months preceding the raid on the Woodcock house. Rogers stated that the only recollection that he has of any of the occupants of the Woodcock house during the six weeks immediately preceding the raid was that on about six different

occasions two women came into his place for beer, and that on one of these occasions one of these women informed him that they were neighbors, and that they lived at the Fairchild place, the name by which the Woodcock house is locally known. Rogers stated that the last time he saw these two women, which to the best of his recollection was a week preceding the raid, they came to his place and both drank a bottle of beer; that this was in the morning about 10:00 A.M., and that one of the women who he described as having dark red hair and being somewhat older than the other woman, had two black eyes which were very noticeable; that the other woman apparently had been drunk the entire preceding night or highly nervous, and that her hands shook considerably, and her dress was very dirty as if she had been sitting on the ground. Rogers believed that the younger of the two women was a blonde and somewhat resembled Connie Morris, although Rogers advised that this woman did not appear to him to be as heavy as the photograph of Connie Morris which was exhibited to him. Rogers was likewise unable to make a positive identification of the photograph of Grace Goldstein, pointing out that the hair of Grace Goldstein in the photograph appeared black, whereas the woman who stayed in the Woodcock house had dark red hair. Rogers stated that he had known Grace Goldstein about three years ago while she was living in the 1300 block on South Central Avenue in Hot Springs, because during that period she often came out to his place with numerous men, but that he did not recognize this woman from the Woodcock house as being Grace Goldstein, and did not associate <sup>her name</sup> with this woman until after the newspaper publicity appeared, following the raid. Rogers stated that at no time did he see any men accompanying these two women referred to above, who are probably Grace Goldstein and Connie Morris, nor did he see any men around the Woodcock house at any time during the six weeks preceding the raid. Rogers further stated that he did not hear any shots fired in the vicinity of the Woodcock house during this period before the raid which would indicate that the occupants were target shooting.

As is set forth in the report of Special Agent D. P. Sullivan, Little Rock, Arkansas, dated June 17, 1937, on page 41, C. J. Irwin, who was formerly employed as a helper at Rogers' Landing, stated that he is positive that he served beer to Grace Goldstein and Connie Morris on the morning of Friday, March 27, 1936, three days before the raid, at which time Grace Goldstein appeared to have blackened eyes, and both women had evidently been on an all night party. It is possible therefore that Rogers is confused in his statements that the occasion upon which he last saw the two women from the Woodcock house was a week before the raid.

Rogers stated that he was formerly well acquainted with Dick Galatas prior to the time that this man was apprehended, and that he often frequented his place about three years ago at which time he believes that Galatas was staying in the summer home of "Dutch" Akers, about a mile and a half from Rogers' Landing.

Rogers was questioned at length, but he persistently denied

ever having seen Karpis or any of his companions at his place of business. It is believed that Rogers is not furnishing all of the information known to him regarding this matter.

On June 23, 1937, Special Agents H. A. Snow and N. H. McCabe interviewed Demorris A. McCoy, colored, who resides just off the Malvern Highway, U. S. Route #270, near the Gulpha Creek Bridge, approximately 6 miles out from Hot Springs, Arkansas, and about one mile from the Woodcock home formerly occupied by Karpis, et al. McCoy stated that on the Friday or Saturday of the week preceding the raid on the Woodcock home by Bureau agents (March 30, 1936), he had been working all day in a field across U. S. Highway #270 from the Woodcock home; that also working with him on that day were his brother, Andies McCoy, Tom Holliman, and another boy known to him only as "Friday"; that he and the above named boys were bailing hay which had been cut the previous summer and stored in a barn located across the road, in a hay field, from the Woodcock place; that they had a good view of the entrance driveway leading from the main road up the hill to the Woodcock house. McCoy stated that he noticed on this date, which was either the Friday or Saturday preceding the raid on Monday, a large green coupe driven by a woman whom he partially identified as Grace Goldstein, make about three trips to and from the direction of Hot Springs; that these trips occurred throughout the day, and that later that same day in the afternoon he noticed this same green coupe and woman come down the driveway and proceed in the direction of Malvern, Arkansas, out Highway #270 away from the direction of Hot Springs, and that he did not again see this car or the woman on that date or any subsequent date.

McCoy further stated that in addition to the above mentioned occasions he had noticed this same green coupe earlier in the week preceding the raid, possibly on Monday or Tuesday of that week, while he was also working in the field across from the Woodcock house, emerge from the driveway and proceed in the direction of Hot Springs; that on this occasion the same woman was accompanied by a colored girl whom he thought was a maid, and who was riding in the front seat with the Goldstein woman, and that a colored man was riding in the rumble seat of the coupe, whom he thought was employed as a "gardener"; that on another occasion during the same week he noticed this same coupe driven by Grace Goldstein proceed toward Hot Springs, and that he noticed that a large black dog was riding in the car with her.

McCoy identified the photograph of "Shine", the black Great Dane dog given to Grace Goldstein by Karpis, as being the dog which he noticed in the car with Grace Goldstein on the above mentioned occasion. McCoy was questioned closely as to the identity of the colored man who he mentioned as being employed at the Woodcock house during that period, and



stated that this man is unknown to him; that he believes that Grace Goldstein carried this colored man back and forth from Hot Springs, and that he knows of no one who might furnish any information concerning the identity of this negro.

McCoy stated that Tom Holliman is now supposed to be in California, and that he was formerly employed at the Nichols' residence about half-way between Gulpha Bridge and Hot Springs, and that the boy known to him as "Friday" was also formerly employed at the Nichols place.

Andies McCoy, brother of Demorise McCoy, was interviewed previous to the above interview, and was unable to give any further information concerning the identity of the colored man believed to have been employed at the Woodcock place and stated that he was certain that this man did not live in the vicinity, but probably lived in Hot Springs. Both the McCoy brothers appeared to be reliable colored boys, and assist Mr. Barney Roark at times in paddling boats for fishermen at the latter's fishing camp at Gulpha Bridge. Neither of these boys were able to identify the photographs of Karpis, Hunter, or any other of Karpis' associates.

The McCoy boys advised that they never saw any men around the Woodcock place during the month or six weeks preceding the raid on the Woodcock home. Andies McCoy partially identified the photograph of Connie Morris as resembling a young woman with blonde hair whom he had observed riding in the green coupe driven by Grace Goldstein on one or two occasions.

The mail address of the McCoy brothers is R.F.D. #2, Hot Springs, Arkansas.

In an endeavor to locate the Tom Holliman and the man "Friday" referred to previously by D. A. McCoy, Special Agents Snow and McCabe interviewed Mrs. George Nichols at her home on the Malvern highway, approximately two miles from Hot Springs. Mrs. Nichols advised that Tom Holliman is her own brother, but that for some months she has not known his whereabouts; that her brother Tom is now separated from his wife who is now living in Los Angeles, California, and that the last known address that she had of her brother was Thomas S. Holliman, c/o Veterans' Camp No. 2930, El Toro, California, but that a letter which she directed to that address in June of this year had been returned "Not at this address". Mrs. Nichols was supplied with the temporary office address of agents, and stated that in the event she hears from her brother Tom Holliman in the near future she will notify agents immediately.

Concerning the man "Friday" also mentioned by D. A. McCoy as working in the field across the highway from the Woodcock place during the week preceding the raid, Mrs. Nichols stated that "Friday" was the nickname of a boy who was employed on occasions by her brother, whose real name was Tom Dickson; that Tom is a brother of the deceased John Dickson who was alleged to have been beaten to death by members of the Hot Springs Police Department; that Tom Dickson formerly lived in a house about a mile and a half out Malvern Avenue toward the Woodcock residence, but that this house has subsequently been sold and is now being remodeled, and that she is of the opinion that Tom Dickson now resides in the country with other members of his family, possibly at the place where his brother John was arrested by the Hot Springs Police officers just prior to his death.

The following investigation was conducted by Special Agents H. A. Snow and N. H. McCabe on June 23, 1937.

During the interview with Demorise McCoy set forth above, agents questioned McCoy concerning the identity of the inhabitants of two small cottages located on the Malvern Highway between a quarter and a half mile from the Woodcock house in the direction of Hot Springs. McCoy advised that a Mrs. Elzie Moore occupied the cottage nearest the Woodcock home at the time of the raid and prior thereto, and that a boy by the name of Robertson, who is now employed at Humphreys' Dairy near Lake Catherine, lived in the other cottage at about this same time.

Agents interviewed Henry Robertson at Humphreys' Dairy, who advised that he formerly lived in one of the cottages on the Malvern Road about a quarter mile from the Woodcock home; that he was living in this cottage at the time of the raid on the Woodcock home by Bureau agents, but that he had only been living at this place for a week at the time this raid took place; that he recalls that he moved into this cottage on March 23, 1936.

Robertson advised that during the week preceding the raid while he was living in this cottage he did not notice anyone going to or from the Woodcock home; that he does not recall seeing anyone around the Woodcock place during this time, and does not remember seeing any kind of an automobile at the Woodcock home during this time. Robertson stated that he did not see the large Great Dane dog at the Woodcock home during this time. Photographs of all members of the Barker-Karpis gang were displayed to Robertson, who was unable to make any identifications, or to state that any of these people were at all familiar to him. Robertson stated that he was working away from his place considerably during this period, and for that reason did not have an opportunity to observe anything in the neighborhood of the Woodcock home. Robertson advised that his sister, who was living with him at this time, is now in California, but that she

was working at this time, and was only home during the evenings, and that he is certain that she did not notice anything that was going on around the Woodcock place; that after the raid he recalls discussing this matter with his sister, and recalls that at the time they were not aware that anyone was living at the Woodcock home just prior to this raid.

Robertson suggested that agents contact Ernest Dickey, his former employer, who also lived on the Malvern Road near the Woodcock home during that period for further information regarding the inhabitants of the Woodcock home.

Agents endeavored to locate Mrs. Elzie Moore, who now resides about three miles from the Woodcock home in the direction of Malvern, Arkansas. Agents ascertained from George Moore, an eleven year old son of Mrs. Moore, that his mother is working in a WPA sewing room in Hot Springs at the present time. Agents questioned George Moore relative to his observations of the activities around the Woodcock home prior to the raid on this place by Bureau agents, and George stated that he never saw any men around the Woodcock place at any time prior to the raid; that on one occasion he saw a large black dog coming down the hill from the Woodcock home and that this dog frightened him considerably at that time, and that for this reason he never went up near the Woodcock home. George stated that he recalls seeing two women dressed in slacks come down from the Woodcock house and walk over to the Rogers Brothers Landing; that he recalls seeing these women several times during the period before the Woodcock home was raided, but that he at no time noticed these women walking with any men. George further stated that the only car that he recalls seeing entering the Woodcock place was an old Chevrolet Sedan, about a 1932 model, with dirty yellow wire wheels; that this car was driven by a dark complexioned man, but that he was not close enough to this man at any time to recognize him from photographs. George advised that he knows "Dutch" Akers, Chief of Detectives, Hot Springs Police Department, but that he is certain that this man driving the old Chevrolet sedan was not "Dutch" Akers. George stated that he noticed Akers pass by his home and the Woodcock home frequently during this period, but that he never saw Akers go up to the Woodcock place.

Photographs of all members of the Barker-Karpis gang were displayed to George Moore, but he was unable to make any identifications. George stated that Dexter Lecroy, who resides about a half or three quarters of a mile in back of the Woodcock home, may possibly have further information concerning the activities around the Woodcock home prior to the raid by Bureau agents.

Agents interviewed Clarence Wilson (no relation to Cl Wilson, operator of Wilson's Tavern on Lake Hamilton) at his home, Sulphur Springs, located about a half mile behind the Malvern highway.



with his resort, and stated that he is well acquainted with the Woodcock family, which according to Wilson is a reputable family. Wilson advised that Mr. E. E. Woodcock, the elder Woodcock, who owned the Woodcock house, is now living in New Orleans, but that his son, Ernest Woodcock, rents a cottage from him at Potash Sulphur Springs. Wilson advised that to his knowledge none of the occupants of the Woodcock house previous to the Bureau raid ever came to his resort, and Mr. Wilson was unable to identify photographs of any of the members of the Barker-Karpis gang as being familiar to him. Wilson stated that he thought that it was somewhat peculiar that the people who rented the Woodcock house after the Woodcock family moved out never did come to visit or appear in the vicinity of his place, since most of the occupants of the house often walked over to his sulphur spring for water. Wilson suggested that possibly Mrs. Ernest Woodcock, who is now living in one of Wilson's cottages, cottage #7, would possibly have some valuable information regarding this matter, since she was living at the Woodcock house during the time Karpis was making arrangements to rent this place.

Agents interviewed Barney Roark, who operates a fishing camp and small store at the Gulpha Creek Bridge on the Malvern Highway, U. S. Route #270, and which is located approximately three quarters of a mile toward Hot Springs from the Woodcock house. Neither Mr. Roark nor his wife, who was present during the interview, was able to identify the photographs of Karpis, Hunter, Campbell or Coker as being persons known to them, or as having been in this vicinity during the early part of 1936. When questioned regarding the details of his issuance of a residence fishing license to person by the name Ed Kane, which license was recovered in the Woodcock house after the raid, and is believed to have been issued to Karpis, Roark stated that he recalls that the name Kane is familiar, but that he cannot place this man definitely in his mind. Roark suggested that agents secure for his inspection the stub books of fishing licenses which he issued during March, 1936, and that he would then possibly be able to recall the incident of having issued the license to Karpis under the name Kane by observing its position in the book of fishing license stubs. He stated that these might be secured from the Secretary of the Fish and Game commission, Little Rock, Arkansas.

Roark stated further that he knows Grace Goldstein only by reputation as being the operator of a bawdy house at Hot Springs; that to his knowledge she did not stop at his camp or make any purchases from him during March, 1936, or at any other time previous or since that month, and that the only time he had heard about Grace Goldstein having lived at or frequented the Woodcock place was after the raid on that house by Bureau agents, and the publicity resulting therefrom. Concerning the fact that the fishing license believed to have been issued to Karpis was marked "Resident". Mr. Roark stated that the man securing this license must have given him some proof that he had lived or intended living in

the State of Arkansas for a period of six months or more as required by the State law, as most of his licenses are issued for non-residents, and are of a two weeks duration.

Roark further advised that on the morning that the raid took place on the Woodcock home, about 9:00 or 10:00 A.M., Herbert "Dutch" Akers stopped by his place and exhibited photographs of Karpis to him, and asked him whether he had ever seen that man in this vicinity, but that he was unable to identify the photograph of Karpis at that time.

Roark stated that at one time since the above mentioned raid he was talking with the brother of "Dutch" Akers, whose first name he was unable to recall, and that Akers' brother advised him that "Dutch" Akers had mentioned to him that had the agents not raided the Woodcock place at the time they did, that he would have rented his summer place to the woman who had been occupying the Woodcock place, presumably Grace Goldstein. Roark further stated that this brother of Akers informed him that a brother of Cecil Brock, who was at that time a taxi-cab driver in Hot Springs, became drunk one night and "spilled the beans" to Connie Morris concerning the Government's activity and which caused the entire party to leave the Woodcock place.

Roark advised agents that since the present investigation at Hot Springs has been instituted he has heard rumors to the effect that A. T. "Sonny" Davies, Prosecuting Attorney for the City of Hot Springs, and brother-in-law of the younger Woodcock, has been extremely nervous and wrought up over the investigation. As a source of possible information, Roark stated that Mr. Ullis Floyd, son of the former Sheriff, Jim Floyd, and present operator of Wilson's Tavern on Lake Hamilton, knows considerable about the entire Karpis affair. He stated that Floyd at one time was connected in the wholesale beer distributing business with a Mr. White, who now has the ABC Beer distributorship by himself, and that Ullis Floyd had told White on one occasion that he knew Karpis had been living in the Woodcock house prior to the raid. This man will be interviewed concerning any information he may have regarding this matter.

During the course of the interview with Barney Roark by agents Snow and McCabe, Mr. Roark introduced a truck driver, Ellis Earl Hughes, who frequently visits his place, and who was formerly employed on the county roads during the construction of the pavement of the Malvern Highway.

Hughes stated that he receives mail through the Lonsdale, Arkansas, Post Office, R.F.D #1, and that he resides on what is known as the "cut-off" road between the Malvern and Benton highways, near Lonsdale, Arkansas; that during March, 1936, he was assisting in dragging the Malvern highway near the Woodcock house and about opposite the entrance to Rogers Brothers Landing on Lake Catherine, when he on one occasion observed a large coupe stuck in the gravel at that point, and that he had previously

seen this same coupe parked at the Woodcock place; that at the time that this automobile was stuck it was occupied by two women, one of whom appeared to be a blonde, and the other with darker hair; that the photographs of Grace Goldstein and Connie Morris resemble these women somewhat, but that he did not observe them closely enough to be able to make a positive identification from their photographs; that this incident happened about one week or ten days previous to the raid on the Woodcock house by Bureau agents. Hughes stated that a State highway mechanic named Vaughn, first name unknown, assisted the women in getting their car out of the gravel, and drove the car a short distance for them. Hughes stated that Vaughn is now employed in the State Highway Department in Little Rock as a mechanic; that there were no men in the car with these two women at the time of the above incident, and that he did not see any men around the Woodcock house prior to the raid on this house.

In an endeavor to locate someone in the neighborhood of the Woodcock house who might have some information concerning the activities around this place prior to the raid by Bureau agents, Special Agents H. A. Snow and N. H. McCabe, on June 24, 1937, called at the home of Mr. Ernest Dickey, which is located about a quarter mile from the Woodcock home on the Malvern highway in the direction of Hot Springs, and located just opposite the entrance to Rogers Brothers Landing. Agents ascertained from Mrs. Loren Pearson, who is living temporarily at the Dickey home that Mr. Dickey and his family are now living in Kilgore, Texas, and receive mail at this place in care of General Delivery; that Mr. Dickey is now employed by the Shell Pipe Line Corporation at Kilgore, Texas. Mrs. Pearson stated that she and her husband have been living on the Dickey place only since November, 1935, and that they were not living in this vicinity during the time that Karpis was living at the Woodcock place.

The following investigation was conducted by Special Agents H. A. Snow and N. H. McCabe on June 24, 1937.

Agents interviewed Mr. Deckard Lecroy, who resides on R.F.D. #2, Hot Springs, Arkansas, and whose home is located about one mile off the Malvern highway beyond the Woodcock house. Lecroy stated that he first knew that the Woodcock family had moved out and that some other parties were occupying that house approximately one month previous to the time that the Woodcock house was raided by Bureau agents; that during that month he often noticed one or two automobiles parked in the driveway beside the Woodcock house, and that these automobiles were always headed out of the driveway; that during that time he does not recall ever having seen any men or women around that house, although on occasions when he passed this house at night he noticed lights within the house, and knew that some parties were living at this place. Mr. Lecroy was questioned closely as to whether he recalled lights within the house on the night before the raid, which was Sunday night, March 29, 1936, or whether he observed any

unusual activity during that day, but Lecroy advised that he does not believe that he passed by the Woodcock house on that night because he does not recall having attended church services held in the vicinity that night, nor does he recall any activity whatever around the Woodcock house on that date. Lecroy advised that he does not recall having seen any cars being parked around the Woodcock house for three or four days prior to the Bureau raid on this place. In this connection it should be noted that Lecroy is unable to observe the Woodcock place from his home or nearby fields, and that the only time he was in a position to observe the Woodcock house was on the occasions of passing down the side road leading from his home to the Malvern highway.

When exhibited photographs of the Barker-Karpis combination Lecroy definitely stated that he does not recall seeing any of these men in the neighborhood, and that he is positive that none of them came to his home for any purpose. Lecroy was likewise unable to identify any photographs of Grace Goldstein or Connie Morris, but stated that he has heard that Grace Goldstein has operated houses of prostitution in Hot Springs, and has read of the connection between Grace Goldstein and Alvin Karpis since the apprehension of Karpis. Lecroy did not have a good opinion of the city administration in Hot Springs, and advised that the city is controlled by the "combination" Mayor Leo McLaughlin, City Judge Verne Ledgerwood, and W. S. Jacobs, local gambling operator. As a possible source of information concerning the activity of the Hot Springs Police Department in connection with various rackets, Lecroy stated that J. V. Ross, who was formerly employed on the Hot Springs Police Department up to four or five years ago, would probably have considerable information in this regard. The home of Mr. Ross is reached by proceeding out the Malvern highway one mile past the Woodcock residence where a sideroad is taken leading to the right for a short distance past the railroad track when another right turn is made leading to the home of Mr. Ross. Lecroy stated that Ross' home is situated near the summer home of "Dutch" Akers on Lake Catherine. Lecroy advised that he knows "Dutch" Akers by sight, but that he has never seen him in the vicinity of the Woodcock home. Lecroy stated that he does not know former Chief of Police Joseph Wakelin by sight.

Agents interviewed Mrs. Ernest F. Woodcock at Cottage #7, Potash Sulphur Springs, who stated that her father-in-law, Mr. E. E. Woodcock, probably still has in his possession the canceled lease and other records pertaining to the renting of the Woodcock home to the men who were later identified as being Karpis and his associates. Mrs. Woodcock advised that the present address of Mr. E. E. Woodcock is 1716 Milam Street, New Orleans, Louisiana; that Mr. Woodcock is expected to return to Hot Springs on or about August 8, 1937, at which time they will again occupy the Woodcock home.

Mrs. Woodcock stated that her husband, Ernest F. Woodcock, maintains an office with Mr. Fred Rix in the Arkansas National Bank Building, Hot Springs, Arkansas. Incidentally, Mrs. Woodcock stated that she is a sister of A. T. "Sonny" Davies, Prosecuting Attorney for the City of Hot Springs.

Mrs. Woodcock advised agents that for several weeks prior to the time the Woodcock home was rented by Karpis, her father-in-law had been running a classified ad in a Hot Springs newspaper advertising this place for rent, and that she believes that this is the way that Alvin Karpis ascertained that this place was for rent; that she was present at the time that the first arrangements were discussed as to the renting of this property, and recalls that two men first called at the house to inspect the place; that one of these men introduced himself as a Mr. Hall, and stated that he was from Ohio, or some such state, and that he was expecting his daughter to join him in a short while; that the other man wore rimless glasses, and from photographs displayed to her, Mrs. Woodcock identified this man as being Alvin Karpis. Mrs. Woodcock described Hall as being a rather large heavy-set blonde man, and placed Hall's age around 50 or 60 years, although she advised that her husband stated that Hall was not that old.

Mrs. Woodcock further advised that these men returned on several occasions over a period of about a week during which time the arrangements were being completed for the renting of the premises by her father-in-law, Mr. E. E. Woodcock.

Mrs. Woodcock was unable to identify photographs of Harry Campbell or Sam Coker as being familiar to her, and stated that she did not believe that either of these men were around the Woodcock home during the time that arrangements were being made for the renting of this place by Karpis. Mrs. Woodcock also stated that she does not recall ever having seen any women with Karpis and Hall at the time they were arranging for the rental of the Woodcock place. Mrs. Woodcock was unable to place the exact date that the first arrangements were made to rent the Woodcock place by Karpis, but believes that this was around the middle of February, 1936. Mrs. Woodcock stated that her father-in-law was asking six months rent in advance at this time, and that he was paid on that basis at the rate of \$40.00 per month, receiving \$240.00 before Karpis moved into this place.

Mrs. Woodcock stated that during the time that Karpis was staying at the Woodcock place she never was inside this place, but that on two or three occasions she drove up to the house with her husband while the latter collected utilities bills which were still being sent to her husband, and that on one occasion her husband went inside this place to repair a water pipe; that on these occasions Karpis would always meet her

husband at the rear entrance, and that on these occasions whatever business her husband had was transacted at the back door, which was the nearest entrance to the automobile drive. Mrs. Woodcock stated that she at no time noticed any women around the Woodcock place during the time Karpis was staying there, and was not aware that there were any women staying there until after the raid; that on one occasion she saw the large black dog at this place.

Mrs. Woodcock stated that she recalls that at the time the Woodcock home was rented by Karpis, these men told her that they did not want any maid or other servants to work for them, and that they would not need any ice or milk delivered to these premises, as they would probably be taking most of their meals downtown. Mrs. Woodcock advised that she does not recall that these men gave any references at the time they rented these premises, but that this is not unusual; that to her knowledge these men were not asked whether or not they were acquainted with anyone in Hot Springs.

Mrs. Woodcock advised that at no time during the period when Karpis was living at the Woodcock home did she become suspicious of these men, and that she was greatly shocked when she was informed after the raid by Bureau agents that this house had been occupied by Alvin Karpis.

As was previously reported, in an interview with C. Floyd Huff, United States Commissioner at Hot Springs, Arkansas, agents were advised by Mr. Huff that Mr. Willie Williams had advised him that he had seen former Chief of Police Joseph Wakelin meet Grace Goldstein at some point near Hot Springs unknown to Mr. Huff. In an endeavor to locate Williams, agents made a general inquiry near the end of the street car line on Hobson Avenue where Mr. Huff had stated that Mr. Williams had at one time operated a small grocery store. It was ascertained that Williams at present resides and lives in a small grocery store about a mile southeast of Hot Springs near the Malvern Highway, and that this place is reached by turning off that highway at the first road after passing Ricks' baseball park and the overhead bridge on the Malvern Road.

Inquiry was made at the residence of Willie Williams, and it was ascertained that he is presently employed as a warehouseman in the warehouse of the Stuart Grocery Company just opposite the Garland County Court House in Hot Springs.

Willie Williams was interviewed at the Stuart Grocery Company Warehouse, at which time he advised that he was employed at the City Jail in Hot Springs from August, 1936, to December 14, 1936, when he resigned his position due to the scenes which he had seen enacted at the jail in connection with the beating to death of the prisoner John Dickson by members of the Hot Springs Police Department, whom Williams stated were



later acquitted by the "fixed" jury. Williams stated that during the time he was employed at the jail he often heard other members of the Police Department joking with former Chief of Police Joseph Wakelin about his girl friend, "Grace", and that he imagines that they were referring to Grace Goldstein. Photographs of Grace Goldstein were exhibited to Williams, and he stated that he definitely recalls seeing her on some occasions, but does not at present recall whether he has ever seen Grace Goldstein riding with or meeting former Chief of Police Wakelin, but that he possibly has done so and requested agents to again contact him at his home rather than at his place of business, at which time he may be at liberty to talk more freely concerning this matter. Williams was questioned briefly as to the system of pay-offs to the officials of the city, and the Police Department, and he stated that such pay-offs as are made in connection with the houses of prostitution are divided four ways; namely, Leo P. McLaughlin, Mayor; former Chief of Police Joseph Wakelin, City Judge Verne Ledgerwood, and Chief of Detectives Herbert "Dutch" Akers. Williams was unable to identify photographs of Karpis as being known to him, but stated that he recalls the incident of the news article appearing in the local newspapers, together with the photograph of Karpis, in connection with the investigation performed by Bureau agents at a cottage on Lake Hamilton in an effort to locate Karpis, and that he had also heard it generally rumored among members of the Hot Springs Police Department after that news article appeared and prior to the raid on the Woodcock place, that Karpis was still in town. Williams stated that he did not recall the exact source of this rumor, but that he would consider the matter and discuss same more freely in the next interview.

RESIDENCE OF ALVIN KARPIS ON  
LAKE HAMILTON.

Report of Special Agent D. P. Sullivan, Little Rock, Arkansas, dated June 17, 1937, reflects an interview with Miss Louise Banski, former waitress at Wilson's Tavern near Hot Springs, Arkansas, and among other statements made by this girl, she indicated that she would obtain the present address of her brother, Eddie Banski, former operator of Wilson's Tavern, in order that he might be interviewed by Bureau agents regarding any information which he might have concerning the activities of Karpis and Hunter near the Tavern during 1935 and possibly the early part of 1936.

Upon re-interviewing Miss Louise Banski on June 19, 1937, Special Agents Sullivan and Snow ascertained that the present address of her brother, Eddie Banski, is 1729 Fry Avenue, Peoria, Illinois, where he is residing with his wife. Louise Banski further stated that her brother

was recently in Hot Springs, Arkansas, on a short visit, at which time she informed him that Bureau agents wished to contact him relative to any information in his possession concerning the activities of Karpis and associates at Wilson's Tavern, Lake Hamilton, Arkansas, and that her brother at that time stated that he did not believe he knew anything about them. A letter will be directed to the Peoria office, however, requesting that Eddie Banski be interviewed at the above mentioned address. Miss Banski advised that her brother told her also on the occasion of his recent visit to Hot Springs, Arkansas, that it is possible that he will change his residence at Peoria, Illinois, in the near future, in which event his correct residence address might be obtained from the Mayor Hotel at Peoria, Illinois, where he is known and was at one time employed. Miss Banski has relinquished her position as salesgirl at the cigar counter of the Marquette Hotel, and is temporarily employed as a waitress at the White House Cafe, Ouachita Avenue, Hot Springs, Arkansas, and her residence address is 625 Prospect Avenue.

On June 21, 1937, Special Agent W. H. McCabe interviewed Weed Vick, an employee of the Rock Island Railroad in Little Rock, Arkansas. It will be noted that this man's name has previously been reported as being Reed Vic or possible Vicle.

Weed Vick advised that his present address is 209 Maple Street, North Little Rock, Arkansas; that he leased Wilson's Tavern on Lake Hamilton near Hot Springs, Arkansas, from about June 30, 1935 to the last of September or possibly the first day or two in October, 1935; that during this time he recalls seeing Grace Goldstein at Wilson's Tavern numerous times in a new Chevrolet coupe; that Grace was accompanied most of the time by a girl with black hair, whose name he does not recall. Vick stated that he does not recall ever seeing Grace Goldstein in Wilson's Tavern accompanied by any men; that he does recall that Grace Goldstein frequently drove up outside of Wilson's Tavern accompanied by a man who was very liberal with his money; that he had a girl working for him at that time named Irma May, whose name is now Mrs. Irma Floyd, and who received several large tips from Grace's companion on these occasions; that this man with Grace Goldstein always asked for Irma to wait on them, and that he would give her a five or ten dollar bill and tell her to keep the change. Vick stated that Irma told him about this, and that he figured Grace Goldstein was trying to induce this girl to come to her place and work for her, and that he warned Irma about this. Vick advised that if this man who accompanied Grace ever came into the Tavern, he was not aware of the fact.

Vick stated that the other girls who were working for him at the time were Ruby Miller, whose sister-in-law, a Mrs. Allen, is now at Gilliam's Landing; Louise Banski, and a girl by the name of Lucile, whose last name he is unable to recall.



Vick stated further that he employed a bartender at this time named Roy Dillard, who is acquainted with almost everyone in Hot Springs, and who knew most of the customers at Wilson's Tavern; that Dillard, he believes, is the son of the Chief of the Hot Springs Fire Department, and has a sister, whose name he is unable to recall, who spent considerable time at Wilson's Tavern.

Vick stated that he is well acquainted with "Dutch" Akers, former Chief of Police Joseph Wakelin, and "Sonny" Davies, Prosecuting Attorney, all of whom came out to Wilson's Tavern frequently while he was operating this place; that the local manager of Western Union in Hot Springs, whose name he is unable to recall, was also a frequent visitor at this place.

Agent displayed to Vick photographs of all members of the Barker-Karpis gang, but the only photographs which Vick could identify were those of Grace Goldstein and Connie Morris, who he stated he observed at his place several times.

Vick stated that after he left Wilson's Tavern the latter part of September or the first part of October, 1935, and returned to Little Rock, he recalls reading in the newspaper an account of a raid at Dyer's Landing by Federal officers, who were reported to have been looking for Alvin Karpis; that he recalls that this was just a day or two after he returned to Little Rock from Hot Springs.

In a previous interview with Mrs. Al C. Dyer, owner of Dyer's Landing, she stated that Karpis recommended to her on one occasion when she was ill, that she see Dr. Wade of the Wade Clinic, personally, and he indicated that he had received treatment from Dr. Wade.

On June 18, 1937, the records of the Wade Clinic were checked by Special Agents H. A. Snow and D. P. Sullivan, but no record could be found of any treatment given to Karpis under any of the aliases he is known to have used during the time he lived in Hot Springs, Arkansas. Dr. H. King Wade was not available for interview on this day and on the following day he was interviewed by Special Agents B. M. Suttler and D. P. Sullivan. Photographs of Alvin Karpis and other members of this gang were shown to Dr. Wade, and he selected the photograph of Alvin Karpis and stated that he recalled that he treated Karpis on about three or four occasions about two years ago. He stated that he probably had no record of the treatments given Karpis, because as he recalls Karpis came to his office for massages of the prostate gland; that he indicated that he did not desire a regular physical examination and none was given him, the result being that no history or personal information was obtained from him; that to his best recollection, Karpis

visited his office three or four times over a period of time; that he recalls Karpis particularly because he noticed at the time a scar behind either one or both ears and made some remark to Karpis to the effect that he had a close shave, because he believed that Karpis might have been in some kind of accident; that Karpis did not reply to his question, but he, Dr. Wade, thought no more of it until he heard after Karpis was captured that he had a scar behind his ear as the result of a plastic operation. Dr. Wade was questioned at length, but he stated that he did not know any persons who may have been acquainted with Karpis during the time he was in Hot Springs; that Karpis did not mention that anyone referred him to Dr. Wade for treatment. Dr. Wade here mentioned that he had treated Grace Goldstein and various of the prostitutes employed by her in the past, but he is certain that Grace Goldstein did not refer Karpis to him. Dr. Wade could not recall any conversations that Karpis had with him, and he stated that Karpis had little to say and appealed to him as a taciturn individual who said little.

Dr. Wade was questioned whether the local police department, and in particular "Dutch" Akers, or any other law enforcement agency had ever inquired of him whether he had ever treated Karpis, and Dr. Wade stated that this is the first time that any inquiry was ever made of him concerning Karpis.

Ernest Alton Reese was interviewed, and a signed statement obtained from him on June 21, 1937, at the temporary office located at 322 Thompson Building, Hot Springs, Arkansas. This signed statement reflects that Herbert "Dutch" Akers, Chief of Detectives of the Hot Springs Police Department, frequently called by on a friendly visit to see Grace Goldstein when she conducted her house of prostitution at 1338 S. Central Avenue. The signed statement is as follows:

Hot Springs, Arkansas.  
June 21, 1937.

"I, Ernest Alton Reese, do hereby make the following statement to Bernard M. Suttler, whom I know to be a Special Agent of the Federal Bureau of Investigation, United States Department of Justice.

"I leased the "505" Service Station, 1324 S. Central Avenue, corner of Hagen Street and S. Central Avenue from about October 1934 to October 1935. I leased this Station from the Marathon Oil Company. This Service Station was located directly across the Street from 1338 S. Central where Grace Goldstein was at this time conducting a house of prostitution.

"Grace Goldstein at that time traded with me quite a bit. She had her car washed and greased and her tire repair work done at my place. I saw her

around my station very often and in and around her house practically every day. I recall that during this time I often saw Herbert "Dutch" Akers, Chief of Detectives of the Hot Springs Police Department, Hot Springs, Arkansas, call by her house often. Due to the fact that I have seen "Dutch" Akers talking to Grace Goldstein in both Jim & George's Cafe and also standing on the porch of her house at 1338 S. Central Avenue and they appeared to be very friendly I would say that he was calling by to make either a social call on Grace Goldstein or to collect money from her, on the occasions that I saw him stop and go into her house of prostitution.

"I am not willing to state just how often I have seen "Dutch" Akers go into Grace Goldstein's house of prostitution at 1338 S. Central Avenue but I will say that it was quite a few times.

"These Agents have shown me photographs of a number of persons and from this group of photographs I have selected the photographs of Grace Goldstein, Connie Morris and Alvin Karpis. I knew Grace and Connie at 1338 S. Central Avenue but it was after they had moved from there that I saw Karpis. I was called by Grace Goldstein one night to come to the Hatterie Hotel to repair her tire. I went down and met her and Karpis standing on the sidewalk in front of the Hatterie Hotel, Grace handed me the keys to her car so that I could put on the spare then she and Karpis walked across the Street. When Karpis' picture appeared in the paper after he was captured in New Orleans, I recognized this man Karpis as being the same man I saw in front of the Hatterie Hotel with Grace Goldstein.

"I have read this statement and it is true to the best of my knowledge and belief. I am willing to sign this and the preceding page.

Signed E. A. Reese  
Ernest Alton Reese

Witness Bernard M. Suttler  
Bernard M. Suttler  
Special Agent  
Federal Bureau of Investigation  
United States Department of Justice.

During the course of the interview Reese also stated that in his opinion "Dutch" Akers was crooked, and "should be behind the bars". He also stated that Joe Wakelin, former Chief of the Hot Springs Police Department, was a "weak sister" when it came to bossing the Police Department and that it was his opinion that Akers ran the department and Wakelin was just weak enough to let him get by with anything. Reese stated that if "Dutch" Akers was receiving money from Alvin Karpis for protection that he probably just slipped Wakelin a hundred dollars now and then, enough to keep him satisfied, and that Wakelin was just weak enough to accept it and let Akers do what he wanted to.

In previous interviews conducted in Hot Springs, Arkansas, during the present investigation agents have been informed that "Dutch" Akers and Reese at one time were very close friends and were in a "hot car racket" together. Reese was questioned closely about this, and any business relations that may have ever existed between him and Akers. Reese emphatically denied any such relation, stating that if there was anyone that he hated, it was "Dutch" Akers. He gave as his reason for this hatred that while Wakelin was Chief of Police in Hot Springs, Wakelin gave him, Reese, the city business of hauling in and impounding cars off the street; that "Dutch" Akers knew that he, Reese, would not give him any cut out of this, so consequently "Dutch" on several occasions tried to get this "city business" away from him in order to give it to some garage man that would pay him, "Dutch", a cut.

Reese stated that on several occasions "Dutch" had gone to the Mayor and made up lies on him just to knock him out of this business. He further stated that he had heard that "Dutch" Akers at one time was in a "hot car racket" with a boy by the name of Harry Sparks; that this Sparks was at one time arrested by Federal authorities on a stolen car charge and later heard he had served time in Atlanta; that Harry Sparks is at present operating a used car lot across the street from the Chitwood Motor Company; that this Sparks was at one time very close friends with a Clem Hollimon or Holcomb, and that they stole cars together around Arkadelphia; that this Clem Holliman is at the present time serving time in Atlanta Federal Penitentiary for stealing cars. Reese stated he heard "Dutch" would let these fellows steal cars and then would help them dispose of them in some manner; that he did not know exactly the role that "Dutch" was supposed to have played, but that he was supposed to get a "cut" out of each stolen car.

Reese also informed that he is at the present time residing with his brother at 427 South Border Street, and that he will probably be there for a while, as he has cancer of the stomach, and that is the reason he is closing his garage at Summer and Hobson Streets in Hot Springs, Arkansas.

Reese was questioned as to what relation, if any, ever existed between Grace Goldstein. He stated that Wakelin was a very good friend of his and there would be no point in his telling a story about it; that he felt sure that no particular relation existed between Wakelin and Grace Goldstein, because Wakelin had been supporting a prostitute in Hot Springs, Arkansas, for ten years; that this woman goes by the name of Apker (phonetic), and lives at 130 Magnolia Street, Hot Springs, Arkansas. He stated that if Joe Wakelin even attempted to go with another woman, and this prostitute, Apker, found it out, that she would probably kill him and the woman too. He stated that Wakelin also has a wife and a grown son, and that between these two women he did not see how he could have gone with Grace Goldstein.

Reese further stated that during the time he, Reese, conducted his garage at 1324 S. Central Avenue, across from Grace Goldstein's place, he had in his employ his brother, C. A. Reese (now deceased), Floyd Bird and Lloyd Bird, brothers. He stated that Floyd Bird was working for him as a mechanic and that he went with Connie Morris, one of Grace Goldstein's prostitutes; that Floyd Bird was the first one to go with Connie; that he picked up Connie off the street, and after having intercourse with her, took her to Grace Goldstein's house of prostitution, where she stayed. Reese stated that as Floyd went with Connie quite a bit, he should be able to inform agents as to who visited Grace Goldstein's house of prostitution during the spring of 1935, and if Karpis really lived there or not at that time. Reese informed that Floyd Bird attended the funeral of his brother, C. A. Reese, in February, 1937, and that at that time he told Reese he was living in Camden, Arkansas, and working for the Chevrolet dealer there. This lead will be covered at an early date.

Reese informed further that Lloyd Bird was at the Dodge dealer's place in Texarkana, Arkansas, the last time he heard from him, but that he was married and had two children at the time he was working on S. Central, and could not probably tell very much about what went on at Grace Goldstein's house of prostitution during that period, as he did not hang around there like his brother, Floyd Bird.

Agents have previously heard that Marion Anderson, the present Sheriff, at the time Grace Goldstein conducted her house of prostitution on Central Avenue, went with one of her prostitutes. Marion Anderson was at that time the Deputy Sheriff of Garland County, Arkansas. Reese was questioned about this in an effort to ascertain which girl Anderson went with at that time. Reese stated that he did not believe that Anderson went with any prostitute working for Grace in 1935, due to the fact that he was married during that period, and had a wife and four children living in that neighborhood, and was not the type of man who associated with prostitutes.

During the course of a previous interview with Miss Ruth Mitchell, it was learned that a party by the name of Harry Bengal had formerly lived with her mother-in-law, Mrs. Brad Smith, at 104 Hagen Street, Hot Springs, Arkansas; that this was during the time that Grace Goldstein was living across the street from Mrs. Brad Smith at 1338 S. Central Avenue. Miss Mitchell informed further that Harry Bengal and his wife were to arrive in Hot Springs, Arkansas, on Friday, June 18th for a two day vacation; that they were at present living in Chicago, Illinois.

On June 18, 1937, Harry Bengal was located at the Wunderland Tourist Court on S. Central Avenue, Hot Springs, Arkansas. He was interviewed there by Special Agents H. H. McCabe and B. M. Suttler.

Bengal stated that he recalled the time he lived with Mrs. Brad Smith at 104 Hagen Street; that he also recalled that at that same time a woman by the name of Grace Goldstein lived across the street at the corner of Hagen and Central Avenue; that he was married at that time, but that his wife was spending most of her time in Chicago and he spent most of his time out with a party by the name of Wilton Battles, who owned a drug store nearby. He stated that he recalled a lot of cars going in and out at Grace Goldstein's house, but could not recall seeing a black Ford coupe parked there at regular intervals.

Photographs of the Barker-Karpis gang were exhibited to Bengal, but he stated he could not identify any of the photographs shown him.

Bengal appeared to be very nervous while agents were talking to him, and he seemed to be also very reluctant to give out any information as to what he did know. He professed ignorance to practically every question put to him by agents.

Bengal stated that he knew former Chief of Police Joseph Wakelin, Chief of Detectives Herbert "Dutch" Akers, and Arch Cooper, former policeman at Hot Springs. Bengal denied ever having seen any of the above named officers enter or leave Grace Goldstein's house during the time she resided at 1338 S. Central Avenue. He also stated that he himself had never been inside of the Goldstein woman's house, and never did know her by sight.

Bengal stated that during the time he was living across the street from Grace Goldstein he was employed in the service department of the Hamp Williams Motor Company; that as service manager for this company he came into contact with Joe Wakelin and Arch Cooper, and in fact did repair work on their cars at that time, but professed to know very little about either man. He denied ever having heard of any association of Wakelin with Grace Goldstein or any mention ever made to him that Alvin Karpis was in town.

Bengal stated his Chicago address is 4714 N. Bernard Street, Chicago, Illinois; that Wilton Battles, former owner of a drug store where Grace Goldstein and her girls traded, was now residing at 2600 Kedzie Boulevard, Loyola Vista Apartments, Chicago, Illinois; that Battles is now employed by the Tamm Spring & Axle Company, Belmont and Crawford, Chicago, Illinois.

The above interview took place on Friday morning, June 19, 1937. On the morning of Saturday, June 19, 1937, Miss Ruth Mitchell called agents and informed that Harry Bengal and his wife had been at her house on the previous night and that he informed her of the interview.<sup>new</sup>  
he



had with agents; that he informed her he did "not tell them anything", but that he knew "plenty". Miss Mitchell also stated that it seemed to worry Bengal just how agents had located him in Hot Springs, and that he intended leaving immediately for Chicago. Miss Mitchell further informed that Bengal told her he had a gun in his possession that former Chief of Police Joe Wakelin had given him; that he informed her that it "would have been too bad for me if those agents had come out with a search warrant, as I had that gun with me here when they called." Miss Mitchell stated that Mrs. Bengal "hinted" to her that this gun might have belonged to Alvin Karpis.

Agents N. H. McCabe and B. M. Suttler, upon being advised of the above information, proceeded immediately to the Wunderland Tourist Court again to re-interview Bengal, but they learned that he had already checked out and had left no forwarding address. The woman in charge of the cabins informed agents that she presumed the Bengals were returning to Chicago, but she overheard them say they might try to see Mrs. Brad Smith. Agent McCabe called Mrs. Brad Smith, and she informed him that the Bengals had come by there, but that they were somewhere downtown at that time and probably would not return to her home before leaving for Chicago. Agent Suttler called again at 6:00 P.M. Saturday evening, and the Bengals had not returned at that time and Mrs. Smith could not inform where they might be located. The bengals' Chicago address is incorporated in this report and they can be contacted in Chicago later on if it is deemed necessary to this investigation.

#### 123 PALM STREET

In oral statements which have been previously incorporated in reports, Oscar Poe Muse and Roy Franklin Armenia provided information concerning the frequent visits of Chief of Detectives Herbert "Dutch" Akers to 123 Palm Street during the time that Alvin Karpis was known to have resided at this address with Grace Goldstein during the summer of 1935. The statement of Mrs. Sirfean Armenia, who also has advised that she has seen Chief of Detectives Akers at this address during the summer of 1935, is corroborated in a great measure by the statements of the two above mentioned men. Due to the importance of their expected testimony, the substance of the statements of these two men are reduced to writing as is contained in the following quoted statements which they signed, to wit:

Hot Springs, Arkansas,  
June 18, 1937.

"I, Oscar Poe Muse do hereby make the following statement to N. H. McCabe and B. M. Suttler knowing them to be Special Agents of the Federal Bureau of Investigation, United States Department of Justice.

"I lived at #125 Palm Street during the summer of 1935. A prostitute by the name of Grace Goldstein lived next door to me at that time, 123 Palm Street, she had several girls there with her and I feel sure that she was conducting a house of prostitution. I recall very well a 1935 black Ford Coupe bearing Kentucky License plates, parked in front of Grace Goldstein's house practically all of the time. I also noticed this same Ford Coupe parked on Spring Street, near Palm Street on many occasions. I do not ever recall seeing any one driving this car. I saw Herbert "Dutch" Akers, Chief of Detectives, Hot Springs Arkansas Police Department, over at Grace's house constantly., during the summer months of 1935 when I lived next door and at the same time that this above mentioned Ford Coupe was parked in front of Grace Goldstein's house so much. I have selected the photograph of a man who Agents have informed me is Alvin Karpis. I have seen this man several times at Spencer's Liquor Store. I have also seen this man, on one occasion, standing on the corner of Hagen Street and S. Central Avenue, Hot Springs, Arkansas. On this last named occasion it was early in the morning, I was taking Grace Goldstein from The Chitwood Motor Company, where I worked, to her home where I left her, then I returned with her car to have the battery fixed at the Chitwood Motor Company. This man Karpis was standing on the corner of Hagen Street and S. Central Avenue, where Grace Goldstein lived, waiting for Grace Goldstein. He seemed to be mad about something and from the way the Goldstein woman flinched when she saw him I could tell there was something wrong. I thought at the time that he was just probably a pimp for Grace Goldstein as I knew she was a prostitute and I was ashamed to be seen with her. I have also identified the photograph of a little blonde girl who use to go around with Grace Goldstein. Agents have informed me her name is Connie Morris. At the time I use to see this man, Karpis, around Spencer's liquor store, Herbert "Dutch" Akers hung around this place a whole lot. I recall seeing former Chief of Police Joe Wakelin parked in front of 123 Palm Street one night, he seemed to be waiting on someone, this too was in the Summer of 1935 while I was living at 125 Palm Street, next door.

"I have read the above statement consisting of two pages and it is correct to the best of my knowledge and belief, I am willing to sign it."

WITNESSES:

/s/ N. H. McCabe

/s/ B. M. Suttler

SPECIAL AGENTS, FEDERAL BUREAU OF INVESTIGATION.

SIGNED Oscar Pope Muse  
OSCAR POPE MUSE.

Hot Springs, Arkansas,  
June 19, 1937.

"I, Roy Franklin Armenia, do hereby make the following signed statement, voluntarily to Special Agent B. M. Suttler of the Federal Bureau of Investigation, United States Department of Justice.



"At the present time I reside at 125 Palm Street, Hot Springs, Arkansas. I have lived in this house for several years. I was living at this address in the Summer of 1935 when Grace Goldstein conducted a house of prostitution at 123 Palm Street, next door to me.

"From a group of photographs I have selected the photograph of Grace Goldstein. I recognize her as being the same woman who conducted the house of prostitution next door to me in 1935 at 123 Palm Street. I recall that during this period Herbert "Dutch" Akers, Chief of Detectives of the Hot Springs, Arkansas Police Department, called at Grace Goldstein's house frequently. In fact it was practically every day that Akers called and sometimes twice a day during the entire time Grace Goldstein lived next door to me. I have known "Dutch" Akers for years and could not possibly be mistaken as to his identity.

"I further recall that at this same time I saw a black Ford coupe, 1935 model, with Kentucky license plates on it parked in front of Grace Goldstein's house practically all the time. I have seen Grace Goldstein at times driving this black Ford Coupe. The reason I recall that it was a Ford was because I have worked for the Burch Motor Company in Hot Springs, Arkansas for several years and they are Ford Dealers. It is quite natural for me to notice all Fords that I see. That is the reason I am positive that it was a Ford and also the fact that it sat in front of Grace Goldstein's house practically all the time. I often wondered who it belonged to. I knew that she drove a Chevrolet Coupe most of the time.

"I have read this statement consisting of two pages and it is correct to the best of my knowledge and belief.

SIGNED Roy Franklin Armenia

WITNESS /s/ B. M. Suttler

B. M. Suttler,  
Special Agent,  
Federal Bureau of Investigation,  
United States Department of Justice.

On June 19, 1937, Special Agents D. P. Sullivan and H. A. Snow interviewed Mr. W. G. Bouic, Attorney, Thompson Building, for any information in his possession pertaining to the harboring of Alvin Karpis at Hot Springs, Arkansas, during 1935 and 1936. Mr. Bouic advised agents that he is the former Prosecuting Attorney for Garland County, Arkansas (Hot Springs), and that since he has been in the private practice of law in Hot Springs, Arkansas, he has been very much opposed to the present Mayor and city administration. He stated that he one of the former publishers of the Hot Springs "Public Opinion", a weekly newspaper, which had for it's aim the presentation of news and facts to the public of

that city of all the corrupt and illegal practices engaged in by Mayor McLaughlin and his associates, but that this newspaper was forced out of business. He stated that a complete file of the published issues of the paper "Public Opinion" is in the possession of Mr. Ray Smith, realtor at Hot Springs, one of the former publishers of the paper, and suggested that agents obtain this file from Smith for the purpose of reviewing same in connection with instant investigation, because it is his recollection that some issues of the paper dealt with the harboring of criminals at Hot Springs by the present city administration.

Mr. Bouic stated that he does not have specific information regarding the harboring of Karpis at Hot Springs, but stated that one of his clients, a Mrs. Armenia, told him confidentially on one occasion that Karpis had resided in a house next door to her home on Palm Street during parts of the period during which he is supposed to have been in and around the city, and that it was her information that several of the city officials at Hot Springs attended a dinner party given in the house next door to her residence on one occasion, and that Karpis was present at the dinner. It should be noted here that Bouic undoubtedly refers to Mrs. Sirfean(S.J.) Armenia as his informant, who resides at 125 Palm Street, next door to the house formerly occupied by Grace Goldstein at 123 Palm Street, and that she has previously been interviewed by agents assigned to this investigation, as set forth in the report of Special Agent D. P. Sullivan, Little Rock, Arkansas, dated June 17, 1937. By referring further to Agent Sullivan's report, it is noted that Mrs. Armenia supplied interviewing agents with additional information not contained in her signed statement concerning a former gangster or con man named McHugh, who at one time resided in the house next to her place, and that parties were frequently given at the house, which were attended by several of the city officials, including Mayor McLaughlin. It is therefore possible that Mr. Bouic may have confused statements made to him by his client, Mrs. Armenia, concerning the occupants of the house next to her's at the time of the alleged dinner parties there which were attended by city officials.

Upon information received by agents in a previous interview with Oscar Pope Mise, it was learned that a woman by the name of "Pewee" Watson had had illicit relations with Herbert "Dutch" Akers, Chief of Detectives, Hot Springs, Arkansas.

"Pewee" Watson, now Mrs. Iva Clark, was located at 233 Jackson Avenue, Hot Springs, Arkansas. Mrs. Clark stated that she knows both "Dutch" Akers and former Chief of Police Joseph Wakelin; that she thinks they are both crooked. She stated that she also knows Verne Ledgerwood, Municipal Judge of Hot Springs, and Arch Cooper, former policeman, and in her opinion they are all crooked; that she has no use for any one of them, as they caused her a lot of worry several years ago.

Mrs. Clark stated that at one time she was going with a former world war veteran by the name of Dobson; that after "Dutch" Akers found that Dobson drank a good deal and had a steady income from the Government and could afford to pay fines, that he, Akers, arrested Dobson every time he saw him, and put him in jail; that they mistreated Dobson every time they put him in jail, and arrested him every time they saw him on the streets of Hot Springs; that this treatment helped to bring on his, Dobson's death. Mrs. Clark said that the last time she saw Dobson was when he drew his money out of the bank and left Hot Springs for good; that Cecil Brock, former Lieutenant of Detectives, went to the bank with Dobson to see that Dobson paid his fine of \$30.00 before leaving town; that Dobson drew his money and gave Brock \$30.00 of it to cover his fine.

Mrs. Clark stated that on one occasion in court one morning when she was in court with Dobson, that former Chief of Police Joe Wakelin, for no reason whatever, told Judge Ledgerwood that she and Dobson had been living together in Arizona; that this was a lie and Wakelin knew it was a lie.

Mrs. Clark was shown the photographs of the Barker-Karpis gang, but she was unable to identify any members of the gang. She stated, however, that she overheard a Mrs. Preston, wife of an ex-policeman, state one time that Herbert "Dutch" Akers, Chief of Detectives, was known as Alvin Karpis' bodyguard during the time Alvin Karpis stayed in Hot Springs, Arkansas. She stated that Mrs. Preston can be located at present at the "Dragon Barbecue" stand on Park Avenue in Hot Springs; that Mr. Preston is at present incarcerated in the insane asylum.

#### 602 THIRD STREET

The following investigation was conducted by Special Agent N. H. McCabe, at Little Rock, Arkansas:

Agent interviewed Lena Goodwin, colored, 1866 Denison Street, Little Rock, Arkansas, who stated that she formerly owned the premises at 305 and 307 South Avenue, Hot Springs, located across the street from the address 602 Third Street, where Grace Goldstein lived in the late fall of 1935; that she recalls the time when Grace Goldstein lived at 602 Third Street, and that she lived at 209 South Avenue for about three weeks during the period that Grace Goldstein was living in the neighborhood; that she recalls seeing a coupe parked in front of 602 Third Street most of the time that Grace Goldstein lived there, but does not recall the make of this automobile. Lena Goodwin advised that she knows nothing of what went on at 602 Third Street during this time, as she was in Hot Springs for but three weeks during this time, and was living a block down the street from this address.

Lena Goodwin stated that at the time Grace Goldstein was living at 602 Third Street, a family by the name of Ferguson lived at 307 South Avenue; that Ferguson is a white man and was formerly a mechanic in a garage on Third Street between Garland and Rector, and near the Modern Laundry; that at about this time a man by the name of Vanderslice, who operates a grocery store on Malvern Avenue on the corner of Jefferson rented the premises at 305 South Avenue for his mother and brother to live in. Lena Goodwin advised that Vanderslice is a white man, and that she believes that he is still in the grocery business on Malvern Avenue in Hot Springs.

Agent displayed photographs of members of the Barker-Karpis gang to Lena Goodwin, but she was unable to make any identifications, stating that she does not recall seeing anyone coming in or out of the premises at 602 Third Street at the time Grace Goldstein was there; that the only reason that she knows that Grace lived at this address was from the neighborhood gossip after Grace moved.

Endeavors will be made to locate the Vanderslice and Ferguson families who lived at 305 and 307 South Avenue during the time that Grace Goldstein occupied the premises at 602 Third Street, which is located diagonally across the street from these addresses.

In the report of Special Agent C. A. Mahan, Little Rock, Arkansas, dated July 13, 1936, is contained an interview had with Lewis W. Lynch, who formerly was employed as a private night watchman in the vicinity of Quapaw and Violet Streets. In this same report there is a written statement obtained from Lynch by members of the Hot Springs National Park Police, concerning certain statements made by Chief of Detectives Akers on March 21, 1936, about Karpis still being in Hot Springs, Arkansas. It will be noted that the raid on the Woodcock home by Bureau agents took place on March 30, 1936, which was nine days after the above reported conversation of Lynch with Akers. The file in the Little Rock Field Division does not reflect that Akers was advised by the Post Office Inspectors or by Bureau agents of Karpis' presence in Hot Springs, Arkansas, prior to March 24, 1936.

On June 24, 1937, L. W. Lynch called at the temporary office being maintained at Hot Springs, Arkansas, and stated that U. S. Commissioner C. Floyd Huff had suggested that he see investigating agents and advise them of what information he had concerning Akers. Lynch was interviewed at this time by Special Agent D. P. Sullivan. Lynch's written statement as contained in the above referred to report was read to him, and he stated that this statement was correct to his best recollection. He was particularly questioned as to the date on which he had the conversation with Akers, wherein Akers advised him that Karpis had not yet left town,

and Lynch stated that he could not now recall the exact date of this conversation. When asked whether he knew this conversation took place before or after the raid on the Woodcock home, Lynch stated that he was certain this conversation took place after the Woodcock raid. He stated he was certain of this, because he had no idea that Karpis was at Hot Springs, Arkansas, until he read of the raid by Bureau agents on the Woodcock home.

Lynch stated that the Roberson family, who resided at 207 or 209 Violet Street, whom Akers was investigating, continued to reside at the above address for about six months after March, 1936; that he never noticed anything suspicious about these people, but he did obtain license numbers on two of their cars and turned same over to one of the National Park Police, whom he believed was named Bolton.

Photographs of members of the Barker-Karpis gang were shown to Lynch, and he selected the photograph of Harry Campbell taken several years ago, and stated that this photograph looked somewhat similar to a man who drove a coupe with Illinois license plates, and who lived at the Roberson home. He also selected the photograph of Alvin Karpis and stated that he had seen this man several times on the streets of downtown Hot Springs, but he could not recall anything else about Karpis. Lynch stated that John McTaggart, who was with him on the night that he was contacted by "Dutch" Akers, was killed by two negroes on election night in August, 1936. Lynch stated that he no longer resides in Hot Springs, Arkansas, inasmuch as he voted against the present administration in August, 1936. For this and no other reason, he was arrested, thrown in jail, and held without bond. Thereafter he decided he would leave town, as he feared there was a strong possibility that he would be killed.

Lynch stated that he expected to go to the State of New Mexico to obtain employment, but that he could be reached at any time through Virgil Kitton, Paron, Arkansas.

The files of the Hot Springs New Era newspaper, containing copies of each issue published by this paper, were searched by Special Agent H. A. Snow for articles and news releases bearing on the kidnaping of Edward G. Bremer at St. Paul, covering the period beginning on January 17, 1934, and showing the connection of the Barker-Karpis gang with this crime.

The following articles covering the above subject matter were located between the dates of January 17, 1934, and October 1, 1934. Further search will be made of the files covering the period after October 1, 1934, until the apprehension of Karpis at New Orleans on May 1, 1936.

Upon the completion of the examination of these newspaper files, investigation will be conducted at the office of that paper to ascertain whether or not former Chief of Police Joseph Wakelin, Chief of Detectives Herbert "Dutch" Akers, or other city officials at Hot Springs subscribe to the local newspapers.

Date:

1/18/34

Page 1 - Five inch double column.

Heading: "KIDNAPERS HOLD ST. PAUL MAN FOR \$200,000 RANSOM"

Substance: AP release dated Jan. 17, 1934 at St. Paul, Minn., gave unverified report of kidnaping of Edward G. Bremer at St. Paul on Jan 17, 1934, by several unidentified men.

1/19/34

Page 1 - Fifteen inch single column.

Heading: "FEAR YOUNG ST. PAUL VICTIM OF KIDNAPERS MAY HAVE BEEN SLAIN"

Substance: AP release dated Jan. 19, 1934 at St. Paul, Minn., gave details of kidnaping of Bremer and finding of ransom note at home of Walter McGee. Stated that Federal Agents were working on the case.

1/20/34

Page 1 - Fifteen inch column, single.

Heading: "MYSTERY NOTE CLAIMS BREMER SLAIN BY GANG"

Substance: AP release dated Jan. 20, 1934 at St. Paul, Minn., gave further details of kidnaping of Bremer and efforts of Bureau agents and police to "break the case".

1/22/34

Page 1 - Ten inch single column.

Heading: "EXPECT ACTION IN KIDNAP CASE SOON"

Substance: AP story dated Jan. 22, 1934 from Washington, D.C., mentioned Verne Sankey as possibly one of the abductors of Bremer. In same release AP story dated Jan. 22, 1934 at St. Paul, Minn., reported further developments in Bremer case and the fact that no contact had been made with the kidnapers of Bremer.

1/23/34

Page 1 - Fifteen inch single column.

Heading: "SEE PLAN FOR KIDNAP VICTIM RELEASE SOON"

Substance: AP release dated 1/23/34 at St. Paul, Minn., contains story of reported contact with kidnapers of Bremer and gave further developments in case. Photograph of James Quinehan, milk truck driver, who witnessed kidnaping of Bremer, appeared on page 5.



Date:

- 1/24/34 Page 1 - Fifteen inch single column.  
Heading: "NO RANSOM IN BREMER KIDNAP CASE PAID YET"  
Substance: AP release dated Jan. 24, 1934 at St. Paul and Chicago reported further search for Bremer's abductors, and the possibility that Verne Sankay and Gordon Alcorn might be involved in case. Reported that Bremer was still held prisoner at some unknown point. Photographs of Victim, Edward G. Bremer, Adolph Bremer, his father, and Walter McGee, a friend, appeared on page 6.
- 1/25/34 Page 1 - Twelve inch single column.  
Heading: "NEW CLUES IN KIDNAPING MAY HELP PROBE"  
Substance: AP releases dated Jan. 25, 1934 at St. Paul gave reports of activities of police and Dept. of Justice agents in the case and stated that the whereabouts of Bremer was still unknown.
- 1/26/34 Page 1 - Eight inch single column.  
Heading: "WORK INTENSIFIED TO TRAP KIDNAPERS"  
Substance: AP release dated Jan. 26, 1934 at St. Paul, reported further developments in attempts made to contact kidnapers of Bremer.
- 1/27/34 Page 6 - Four inch single column.  
Heading: "CONTINUE EFFORTS FOR CONTACT WITH BREMER KIDNAPERS"  
Substance: AP release dated Jan. 27, 1934 at St. Paul, reported further efforts to contact kidnapers of Bremer.
- 1/29/34 Page 1 - Eight inch single column.  
Heading: "ELDER BREMER IN PLEA TO KIDNAPERS"  
Substance: AP release dated Jan. 29, 1934 at St. Paul reported efforts of Adolph Bremer to contact the kidnapers of his son.
- 2/2/34 Page 6 - Photograph of spot where Edward G. Bremer was seized by kidnapers near the Summit School in St. Paul. Photograph 3 columns wide.
- 2/5/34 Page 1 - Six inch single column.  
Substance: AP release dated Feb. 5, 1934, at St. Paul, expressed fear that Bremer had been killed by his abductors.
- 2/6/34 Page 6 - Ten inch single column.  
Substance: AP release dated 2/6/34 reported that eleven men had been arrested at Owatonna, Minn., as suspects in Bremer case, but investigation showed that they were not implicated. Release from St. Paul on same date reported ransom money for Bremer's release had not yet been paid.

Date:

- 2/7/34 Page 1 - Ten inch double column.  
Substance: AP releases dated 2/7/34 at New York and St. Paul, bearing heading "BREMER KIDNAP CASE NEAR RECORD LONGEST UNSOLVED". Releases reported that Bremer was still held by his abductors and compared the length of time he had been held - 22 days - with periods that victims held in other kidnap cases.
- 2/8/34 Page 1 - Entire single column.  
Heading: "BREMER IS RELEASED BY KIDNAPERS; WOUNDS NOW HEALED, BUT VERY WEAK"  
Substance: AP release dated Feb. 8, 1934 from St. Paul, reported release of Bremer by his abductors near Rochester, Minn., on night of Feb. 7, 1934.
- 2/9/34 Page 1 - Entire single column and continued to page 8.  
Substance: AP releases dated Feb. 9, 1934 at Milwaukee and St. Paul, gave further details of release of Bremer by kidnapers upon payment of \$200,000 ransom. Also reported arrest of two suspects, names not given, at Milwaukee, Wis., for investigation in this case.
- 2/10/34 Page 1 - Twenty inch single column.  
Substance: AP release dated Feb. 10, 1934, at St. Paul, reported the finding of possible clues by police and Federal agents which might identify the kidnapers of Bremer. The hideout where Bremer had been held was reported not yet found.
- 2/13/34 Page 6 - Fifteen inch single column.  
Substance: AP release dated Feb. 13, 1934, at Des Moines, Iowa, reported that a house was found near Creston, Iowa, which may have been the one used by Bremer's kidnapers as a hideout. Photograph of Edward G. Bremer, victim, taken in his home after his release appeared on page 3, and another photograph of Bremer together with his father, Adolph Bremer, appeared on page 5.
- 2/14/34 Page 6 - Photograph of wife and daughter of Edward G. Bremer taken at St. Paul after his release by abductors.
- 2/24/34 Page 6 - Photograph of Clarence Necombombe, manager of the brewery company owned by the Bremer family, taken after the release of Edward G. Bremer.



- 3/23/34 Page 7 - Eight inch single column.  
 Heading: "BREMER KIDNAPERS CLAIMED IDENTIFIED"  
 Substance: AP release dated Mar. 23, 1934 at St. Paul, Minn., reported that Alvin Karpis and Arthur Barker had been identified as two of the abductors of Bremer by the Department of Justice.
- 4/26/34 Page 1 -  
 Substance: In an AP news release dated Apr. 26, 1934 at Chicago, concerning efforts of Federal agents and police to locate John Dillinger, Alvin Karpis is referred to as having been identified as one of the abductors of Edward G. Bremer, and is reported to be wanted by the Government in that case along with Fred Barker.
- 4/28/34 Page 1 - Three inch single column.  
 Substance: AP release dated at Chicago Apr. 28, 1934, reported that a Chicago politician and his son, John J. McLaughlin, had been arrested at Chicago for complicity in Bremer kidnap case.
- 4/30/34 Page 1 - Fifteen inch single column.  
 Substance: AP release dated Apr. 30, 1934 at Chicago reported further details of the arrest of "Boss" McLaughlin, Chicago politician, his son, John J. McLaughlin, and William E. Vidler in connection with the possession and handling of the Bremer ransom money.
- 6/8/34 Local Hot Springs article reported the reorganization of the Hot Springs Police Department Fingerprint Bureau into a modern and up to date identification bureau, comparable with any such bureau maintained by any police department in that section of the country. The article reported that Lieutenant Cecil Brock was in charge of the Identification Bureau with Joe E. Watson as his assistant. It was reported also that the bureau had on file some 20,000 fingerprint records of persons who had been arrested or were wanted, and that the files were kept in order and up to date on all persons who were wanted as criminals.

No news releases were noted in the New Era concerning the Bremer case or Alvin Karpis during the months of July, August and September, 1934.

P E N D I N G

2401 Sterick Building,  
Memphis, Tennessee,  
July 6, 1937.

49514

repsch  
7-2

Special Agent in Charge,  
Little Rock, Arkansas.

Re: BREKID.

Dear Sir:

On July 2, 1937, Mr. Charles M. Preston, who now resides at 605 Vance Memphis, Tennessee, called at this office and advised that he had received information from his wife that Agents had been attempting to contact him at Hot Springs, Arkansas, with reference to the instant case. He stated that he believed they wanted to question him as to what information he might have, indicating that Chief of Detectives Akers had assisted in harboring Karpis at Hot Springs.

Mr. Preston advised that he had lived at Hot Springs, Arkansas, for a number of years, residing at 801 Higdon Street; that he worked as a special officer for the Hot Springs, Police Department from 1934 until June 1, 1937. He stated that he has no definite information that Chief of Detectives Akers assisted in harboring Karpis, but that he is quite sure that he did. He stated that in the fall of 1936, Akers borrowed his car one day, stating that he wanted to send it out to the airport to get a friend who was coming in; that when the car was returned to him he found a \$10.00 bill fastened to the steering post. He stated that he does not know for sure, but that he now believes that his automobile was used to haul Karpis and his friends from the airport to Hot Springs. He stated that just after this, Akers asked him if he wanted to rent his car out for sixty or ninety days, and stated that he believed that his friend would rent it for that length of time at the rate of \$5.00 per day; that later Akers advised him that his friend wanted a faster and heavier car.

Mr. Preston stated that he is quite sure that Akers' Buick automobile was used by Karpis when living out from Hot Springs; that this car was originally cream colored but had been repainted.

Mr. Preston advised that during the time that Karpis and Hunter were living at the house out from Hot Springs, he knew someone was living out there who was "cooling off", but that he did

RECORDED & INDEXED

7-576-3-146

ONE	FILE
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not know who these parties were. He advised that it is his information that Karpis and Hunter left this house a very short while before the place was raided by Bureau Agents; that on the morning of the raid he saw a police car going out Halvern Avenue which led to this place; that he believes that the parties in this car went to the place to warn Karpis and his friends that the place was about to be raided. He stated he saw Grace Goldstein around town with a strange man during the time Karpis was living at Hot Springs; that he saw her with this man on the afternoon before the Bureau raid was conducted.

Mr. Preston stated that one day soon after this raid, Akers exhibited to him five \$100 bills; that Akers said that the money was Karpis' money and had been paid to him as an option on his place located on a lake near Hot Springs; that Akers complained, stating that if the raid had been conducted a few days later he would have had his place sold for \$15,000 and then could have gotten it back again.

As this office is not in possession of sufficient information necessary to conduct a complete interview with Mr. Preston, it is suggested that you advise me as to just what information is desired or expected from him.

Very truly yours,

T. E. STAPLETON,  
Special Agent in Charge.

cc, Bureau  
Cincinnati  
Cleveland

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1  
THIS CASE ORIGINATED AT

Cincinnati, Ohio

FILE NO. 7-15

ahs

REPORT MADE AT New Orleans, Louisiana	DATE WHEN MADE 7/5/37	PERIOD FOR WHICH MADE 7/2/37	REPORT MADE BY F. A. Fletcher
TITLE GEORGE TIMINEY, with aliases; DR. JOSEPH P. MORAN, with aliases - FUGITIVE, I.O.#1232; et al; EDWARD GEORGE BREMER - VICTIM.			CHARACTER OF CASE KIDNAPING; OBSTRUCTION OF JUSTICE; HARBORING OF FUGITIVES; NATIONAL FIREARMS ACT.

**SYNOPSIS OF FACTS:**

Mrs. Phillip David identifies photographs of Grace Goldstein and Alvin Karpis as persons who rented house at 124 Fincell Street in Hot Springs, Ark. from her. Mrs. David identifies local officials as frequent visitors at that address. Mrs. David will be at 202 Fincell, Hot Springs, for several days following July 4, 1937.

P

**REFERENCE:** Letter from Little Rock Division dated June 10, 1937.

**DETAILS:** AT MONROE, LOUISIANA.

Agent located Mrs. Phillip David at 207 Adams Street, and upon first approaching her, found her unwilling to admit much knowledge concerning the activities of Grace Goldstein and Alvin Karpis, and she stated that she had no definite plans about a trip to Little Rock or Hot Springs, Arkansas in the near future.

After talking with Agent for a few minutes, Mrs. David gradually opened up and spoke quite freely and informed Agent that she intends going to Hot Springs, Arkansas after the Fourth of July, probably the fifth or sixth. Agent conversed with her for over an hour, during which time she said that she will be willing to discuss this case with an Agent during her stay in Hot Springs, which will in all probability be for several days for the purpose of renting her house.

Mrs. David said that sometime late in November or early in December, she was approached by a man and a woman whom she identifies as

APPROVED AND FORWARDED: <i>F. A. Smith</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 3-Bureau 2-Cincinnati 2-Cleveland 2-Little Rock (6 encs) (AIR MAIL) 2-New Orleans.	7 576-3+147
	JUL - 8 P.M.

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11 MAR 25 1965

Grace Goldstein and Alvin Karpis, and who represented themselves as husband and wife. They wanted to rent the house at 124 Fincell Street and were told the rent would be seventy-five dollars a month, paid in advance. They left and returned shortly with three months' rent.

Continuing, she said they were driving a Chevrolet coupe at that time, and a little later had a Buick or Oldsmobile coupe in its place.

Relative to Connie Morris living at that address with Karpis and Grace Goldstein, Mrs. David said that she thought that there were only the two of them living there. However, she stated that a young woman about nineteen years old was often seen with Grace Goldstein, and during some icy weather, she saw Grace and this woman leave the house on several occasions, dressed in riding clothes, apparently walking to the store for groceries, because cars could not be driven on the hills which were icy. Mrs. David said that this young woman was never close enough for her to see her full-face, and so she cannot say if she is the same as the picture of Connie Morris; that the girl appeared to have sort of blonde or sandy hair, light complexion, about five feet two or three inches tall, and a medium or slightly plump build. It would be possible for two couples to live in this house, as there was a day bed in the living room which could be made up into a large bed.

Mrs. David said that a man about forty-eight or fifty years of age, six feet tall, very heavy build, red complexion, sandy hair, and wearing glasses, was a very frequent visitor at 124 Fincell Street during this period; that he always drove a new Buick sedan with Illinois license plates.

Another car seen there by Mrs. David was a Cadillac or Packard (believes it was a Cadillac) with District of Columbia license plates.

Local officials that visited this address during this period included Dutch Akers, former Chief of Police Wakelin, and Prosecuting Attorney "Sonny" Davies. Davies, the most frequent visitor, even brought Grace Goldstein a wire garbage incinerator. In obtaining this information, Agent approached the subject by asking if the police ever went around there, to which Mrs. David refused to reply. No further effort was made to question her directly on this subject, and the above information was obtained from Mrs. David's own remarks made in conversation about the police situation. Mrs. David seems to have a grudge against these officers, arising from friction between them and her former husband about two years ago. In the conversation, Mrs. David mentioned a time when one Daisy Kilgore was manicuring her nails in a hotel shop Akers passed by the hotel corridor with a New York gangster and Daisy Kilgore said that Akers was taking him out of town so that other officers could not get him. Mrs. David could not remember this gangster's name, but it appears to have been Lucky Luciano. It is possible that Miss Kilgore may have information of value concerning local police activities.

Mrs. David said that late in October or early in November a woman was referred to her by the Hickman Federal Loan Company of Hot Springs concerning the renting of the house at 124 Fincell Street. Mrs. David cannot re-

call this woman's name but describes her as about thirty-five years old with her hair dyed red and registering as from Colorado Springs, Colorado. Mrs. David said that this woman drove a 1933 model Chevrolet coach which displayed on different occasions license plates from Colorado, Illinois, and Florida. This woman rented the house at 124 Fincell Street for one month, checking out in a hurry, leaving the key in the lock instead of bringing it to Mrs. David. Mrs. David said that this woman seldom left the house for over twenty minutes at a time, and when she left for good she had over a week to go in the month for which she rented the house. The last three of four days that this woman spent at 124 Fincell Street she had a man with her whom Mrs. David believes to be the same man described by her as being six feet tall, heavy build, and about forty-eight or fifty years old who visited Karpis and Grace Goldstein. She also believes that the Buick sedan with the Illinois license was the car driven by the man visiting this woman. Mrs. David said that she was suspicious of this woman, and one day while the woman was gone from the house, she entered with her pass-key and found about ten or twelve long, narrow cases in the dining room closet; that she opened one of the cases and found it contained a big gun. As all of the cases were similar, she concluded that they all were gun cases.

Mrs. David said that the reason Grace Goldstein and Karpis left her place was that she learned that Grace ran a sporting house, and she did not want that type of person renting her house; that they never had wild parties or caused any disturbance, but she was afraid that it would give the house a bad name and make it hard to rent.

No effort was made to question Mrs. David because reference letter states that if possible it is desired by the Little Rock Division that she be questioned in that Division if she intends to visit Hot Springs in the near future.

The above information was obtained in general conversation, with Agent saying little except where necessary to keep the conversation running along this subject. It is probable that the information given to Mrs. David concerning Grace Goldstein came from some one who may have information about the persons frequenting the house at 124 Fincell.

Agent left Mrs. David when a man came to the house and sat on the porch near an open window and no further effort was made to recontact her.

Mrs. David intends to stay at 202 Fincell Street while in Hot Springs and can best be contacted in the morning at that address. Her renting agent is Mrs. McCaffey of the McCaffey Real Estate Office in the Como Building, Hot Springs, Arkansas, and if Mrs. David is not found at home she may be located through Mrs. McCaffey. Mrs. David says that she is nearly certain to be at Hot Springs from July 7 to 10, 1937.

The photographs furnished the New Orleans Office with reference letter are being returned herewith to the Little Rock Office.

UNDEVELOPED LEADS

LITTLE ROCK OFFICE, at Hot Springs, Arkansas, will interview Mrs. Phillip David at 202 Fincell Street, as requested in reference letter.

P E N D I N G



Post Office Box 1489,  
Little Rock, Arkansas,  
July 6, 1937.

PERSONAL AND CONFIDENTIAL

Mr. E. J. Connelley, Inspector,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
607 U. S. Court House Bldg., Foley Square,  
New York, N. Y.

Re: BREKID.

*Edmond G. Bremer*

Dear Sir:

In order that you may be advised as to the progress being made in connection with the investigation of the above entitled matter at Hot Springs, Arkansas, I am transmitting herewith copies of a memorandum submitted to me by Special Agent D. P. Sullivan, which sets forth the status of this investigation, the progress being made, and further investigation which is contemplated.

It is estimated at this time that the investigation will be completed within the next four or five weeks.

Very truly yours,

CHAPMAN FLETCHER,  
Special Agent in Charge.

CF epw  
7-2  
Enclosure

ENCLOSURE  
cc - Bureau  
Cincinnati  
Cleveland

RECORDED  
&  
INDEXED

7-576-3-148	
FEDERAL BUREAU OF INVESTIGATION	
JUL 8 1937 P. M.	
U. S. DEPARTMENT OF JUSTICE	
ONE	FILE



Post Office Box 1469,  
Little Rock, Arkansas,  
June 29, 1937.

Memorandum for Special Agent in Charge Chapman Fletcher:

Re: BREKID.

Reference is made to my memorandum dated June 7, 1937, indicating the necessary investigation to be conducted at Hot Springs, in order to prove a case against Chief of Detectives Herbert "Dutch" Akers, former Chief of Police Joseph Wakelin, and possibly other officials at Hot Springs, Arkansas, for the harboring of Alvin Karpis, et al.

To date, the investigation has been directed primarily to the interviewing of various persons who can testify to the association of Alvin Karpis and Grace Goldstein with Herbert "Dutch" Akers and Joseph Wakelin at the various places where Grace Goldstein resided with Karpis in Hot Springs, Arkansas. This was done for the purpose of obtaining a definite background of Karpis' residence in Hot Springs, which is essential in any future questioning of Herbert Akers, Grace Goldstein or others who may have harbored Karpis. This investigation has been highly successful in achieving its purpose, in that it is now definitely known where Karpis, Hunter and others of the gang resided while in Hot Springs, Arkansas.

In addition to the above, witnesses have been located who can testify that as early as June 1935, "Dutch" Akers frequently visited Grace Goldstein's house of prostitution at 123 Palm Street, while Karpis and Hunter resided there, with indications that these visits by Akers were for the purpose of obtaining protection money from Grace Goldstein. At that same time Akers was seen conversing with Karpis in front of Grace Goldstein's house.

It has been shown through signed statements obtained from Mrs. Al C. Dyer, owner, and Morris Loftis, caretaker, of Dyer's Landing, Lake Hamilton, that these people kept Grace Goldstein, Alvin Karpis and Fred Hunter informed of the Bureau's investigative activity at Dyer's Landing from October, 1935 to February, 1936, even after they learned of the true identity of Alvin Karpis.

Further information has been obtained which indicates a possible "tip-off" to Karpis and Hunter at Milan's Landing on Lake Hamilton, where they resided prior to moving to Dyer's Landing about August 17, 1935. We have as yet been unable to prove this "tip-off".

7-576-3-148

The identities of various prostitutes employed by Grace Goldstein in 1935 and 1936 have been learned. The investigation has progressed to the point where these women can be interviewed and intelligently questioned as to their knowledge of the harboring of Alvin Karpis, et al, at Hot Springs, Arkansas, by Herbert "Dutch" Akers, and others. These women were in a position to know who Karpis associated with, and it is expected that valuable information will be obtained from them. Thorough interviews will be conducted with these prostitutes, whose whereabouts are known, beginning in the next day or two.

Investigation should be conducted at various gambling houses, restaurants, etc., in Hot Springs, where Karpis is reported to have frequented.

It has been indicated that Karpis possibly gave to either Akers or Wakelin a certain outboard motor, the type used on small boats. Some means will be found to learn the serial numbers on the motors presently in the possession of these persons.

Inasmuch as it has been almost two years since Karpis came to Hot Springs, it is expected that some difficulty may be experienced in locating certain witnesses who have moved to other parts of the country. It is believed, however, that the present harboring investigation can be concluded in from four to five weeks.

Respectfully submitted:

DANIEL P. SULLIVAN,  
Special Agent.

DPS epw *SPS*

7-2

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT Cincinnati, Ohio

L.R. FILE NO. 7-2

REPORT MADE AT <b>Little Rock, Arkansas.</b>	DATE WHEN MADE <b>7/7/37</b>	PERIOD FOR WHICH MADE <b>6/25-7/2/37</b>	REPORT MADE BY <b>D. P. SULLIVAN</b> <span style="float: right;">cpw</span>
TITLE <b>ALVIN KARPIS, with aliases; Dr. JOSEPH P. MORAN, with aliases, I.O. #1232 - FUGITIVE; ANTHONY J. AMERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - Victim.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.</b>

**SYNOPSIS OF FACTS:** In signed statement, Ollie Dowdy, alias Mary Williams, former housekeeper and prostitute employed by Grace Goldstein, identifies Karpis, Hunter and Coker as visitors at the Hatterie Hotel; admits she knew true identity of Alvin Karpis after December, 1935; denies knowledge of any "tip-offs" by the local police and denies having any information that Brock, the cab driver, frightened Connie Morris into leaving Hot Springs, Ark., before the Woodcock raid on March 30, 1936. Former police officer Preston Griffin states that former police officer Joe Scott once gave Karpis a parking ticket which Grace Goldstein "fixed". Fred Rix, former bank president, informs of his association with Grace Goldstein at 1338 S. Central Avenue. Details of rental of Woodcock home obtained from E. E. Woodcock, who denies he knew true identity of Karpis. Present whereabouts of R. R. Kinsey, who reportedly fished with Karpis on Lake Hamilton obtained. Arrangements made to obtain serial numbers on all boat motors owned by former Chief of Police Wakelin. Report that Milton Lett is in Hot Springs not yet verified.

- P -

**Reference:**

Report of Special Agent D. P. Sullivan, dated at Little Rock, Arkansas, July 3, 1937.

APPROVED AND FORWARDED <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES	
COPIES OF THIS REPORT 3 - Bureau 2 - Cincinnati 1 - Cleveland 1 - Chicago 1 - Insp. E. J. Connelley 4 - Little Rock	7 1576-3149 JUL 12 A.M. ONE JUL 12 1937	JUL 18 1937

DETAILS:

This report covers the investigative activity of Special Agent H. H. McCabe for the date of June 25, 1937, and of Special Agents H. A. Snow, B. M. Suttler and the writer for the period covered by this report.

HATTERIE HOTEL

—O—O—O—

During the investigation being conducted at Hot Springs, Arkansas, it was learned that the prostitute named Mary Williams, who formerly worked at the Hatterie Hotel, was presently employed at the Pigly Rooms, which is operated by Lillian Bahre. On June 28, 1937, this woman, whose proper name is Ollie Dowdy, was interviewed at the temporary office being maintained at Hot Springs, Arkansas, by Special Agents H. A. Snow, B. M. Suttler and D. P. Sullivan. At the beginning of the interview this woman was reluctant to admit anything which indicated that she knew the true identities of Alvin Karpis and Fred Hunter during the time that they frequented the Hatterie Hotel. She later signed the following typewritten statement, the original of which is being retained in the Little Rock Field Division file:

Hot Springs, Ark.  
June, 28, 1937

"I, Ollie Dowdy make the following typewritten statement to D. P. Sullivan and H. A. Snow, whom I know to be Special Agents of the Federal Bureau of Investigation, U.S. Department of Justice, I do this of my own free will, no threats or promises having been made to me and knowing that same can be used against me.

"I was born at Monroe, Louisiana on November 10, 1903, where I was raised and attended school. On October 8, 1935, I obtained employment at the house of prostitution operated by Grace Goldstein at The Hatterie Hotel. At that time Greta Swanson, "Ginger", and Connie Morris were also employed as prostitutes by Grace Goldstein. I recall that Grace Goldstein was then engaged in making curtains and a woman who advertises in the local papers by the name of Emily the Curtain Woman was helping Grace. I cannot recall reading in the papers, a short time after I went to work for Grace Goldstein, that Federal Agents had raided a cottage on Lake Hamilton for Alvin Karpis. I do remember that Grace Goldstein and Connie Morris were at home practically all of the time for the first month or so that I worked for Grace and they very seldom left The Hatterie Hotel except for short periods when they would go downtown.

"During the first month I worked at the Hatterie Hotel, I frequently heard Connie and Grace speak of their "boy friends" and Grace used to talk about her "Old man" and I was of the opinion at first that her friend really was an old man. A couple of days before November 9, 1935, Grace and Connie talked of their friends coming to town. I remember that about nine thirty or ten o'clock on the morning of November 9, 1935, Grace came into my room and told me that she was going out. Connie was not there on that day and had not been there for two or three days. Connie had told us when she left that she was going home to be with her people. Grace went out on that morning (November 9, 1935) and did not return until about two or three o'clock in the afternoon, when she came back with a cake and gave it to me for my birthday which was on the following day, November 10, 1935. Grace only remained for ten or fifteen minutes. She already had her grip packed, and when she left she said she was going out of town. I remember that she and Connie were away on my birthday, November 10, 1935. About four or five days later Grace returned one evening about seven o'clock with a young man whom I later learned was the fellow she had been referring to as her "old man". She called this man Mr. Ed Wood. He stayed until about midnight that night, and bought drinks for all the girls in the house. From a group of photographs exhibited to me I have selected a photograph of Alvin Karpis, and wish to state that this is the man who went with Grace Goldstein and used the name of Wood. I remember that this man returned to the Hatterie Hotel with Grace Goldstein on different nights, and I remember that he was at the hotel with Grace Goldstein about two nights after I first met him when Connie Morris came in with her "boy friend" who she called "Harold King". From a group of photographs I have selected a photograph of Fred Hunter and identified it as being the photograph of Harold King. Grace, Connie, and the two men left about eleven o'clock on that night, and did not return again that night. For about three weeks around this time Grace and Connie did not live at the hotel, but were staying somewhere else. Because they would stop by the hotel at different times during this time I thought then that they were living somewhere in town.

"When I first began to hear Grace and Connie talk of their "boy friends", up until sometime after I first met "Wood" and "Harold King", I understand from Grace and Connie that they were gamblers. During the month of November, 1935, these two men spent most of their evenings at the Hatterie Hotel. They spent money freely, and always bought drinks for the "house", which included all the girls who were working there at that time as well as any visitors there. During October and November of that year I remember that Greta and "Ginger" saying that they had a lot of fun swimming and boating out at one of the lakes near Hot Springs with Connie, Grace, and their "boy friends". I never heard what lake they went to, or whether they had a cottage there, but that this took place during the Summer months of 1935, before I went to work for Grace.

"I had been working for Grace Goldstein a long while before I found out that Ed Wood was Alvin Karpis. I believe that it was sometime in December of that year when I first learned of this, and I don't know exactly how I first learned it but I believe I heard some of the girls at the Hatterie Hotel talking about Wood being Karpis. Some time after that I remember reading in the newspaper about "Ma" Barker and her son being killed in a house some where by Federal Agents, and I remember that the newspaper article named Alvin Karpis as a member of this gang and that he and other members of the gang were wanted by the Federal Government for some crime. I rememered this when I first heard that Ed Wood was Alvin Karpis, and I worried about it. I didn't know when the house might get all shot up should the Federal Agents raid the house for Karpis. I did not learn that Harold King was Fred Hunter until some months later, when the newspapers reported that Hunter was Karpis' friend and that they were traveling together. At this time I did not know where Karpis and Hunter were staying with Grace and Connie, and I never did find out where they stayed during this period.

"About a month after I first met Karpis, and I think that it was during December of 1935, Connie left the Hatterie and said she was going home for a visit. I believe that she was away on Xmas day of 1935, and New Year's Day of 1936, and I believe she was away for some time. During the time that Connie was away I did not see Fred Hunter come to the Hatterie, but I did not know for certain whether he was with Connie. Karpis stayed in Hot Springs during this time and used to visit Grace Goldstein. Grace had a green Chevrolet Coupe which I understood she traded in for a green Buick Coupe, which she said Karpis bought for her as a Xmas present. I remember that Grace was at home at the Hatterie Hotel on Xmas Day, 1935, and also on New Year's Eve, but I cannot remember Karpis being there on either of these days, although Karpis was in and out of the Hatterie during this period. I believe that it was sometime in January, 1936, that Connie Morris returned to the Hatterie with Fred Hunter, and she told us what a wonderful time she had had visiting her mother, or sister, in Florida. I remember that Grace was at the Hatterie when Connie returned, but I cannot recall that Karpis had been around for sometime. He and Grace would be in and out, and they would be gone as much as one or two weks at a time and I never knew where they went. I believe that Connie stayed at the Hatterie Hotel for a period of several weeks after she returned from her trip to Florida, and Hunter would visit her at the Hatterie.

"I believe that Karpis and Hunter were visiting the Hatterie Hotel during the months of February and March, 1936, but there would be a period of a week or more when I would not see them. Grace and Connie would stay overnight at the Hatterie Hotel at times during this period, and at other times they would be out all night, but on practically every day they would be out for a period of an hour or two during the day. I can't remember seeing Grace drive away with a negro maid named Lillian Thompson during



the day. Occasionally Grace would take Lillian home after her work. During the time I worked at the Hatterie Hotel I recall that a negro girl named Maurine, and her aunt named Fanny, were day maids, and Rosalie and Sylvester were the night maids at different times. Lillian was the cook during the whole period I was there. Lillian had worked with Grace longer than the rest of the maids, and Grace relied on her more. The maids usually answered the telephone and door bell, although I or some of the other girls would do so if the maid was busy. When Grace would leave town or be gone for some time she left me in charge of the Hatterie. I did not know that Karpis and Grace Goldstein were living in a cottage near a lake off Malvern Road until the day that the Federal Agents raided a house as I have described. I believe that this was around the first part of April, 1936. I recall that Grace Goldstein moved some of her belongings on a Saturday afternoon two days before the raid. I recall that on that occasion she brought in a square looking woman's traveling case. This was a striped fibre traveling case. I cannot definitely say that it was Saturday that Grace returned to the Hatterie Hotel, and it may have been on Friday that she returned. I believe that someone had called earlier that day and left word for Grace to come by Police Headquarters when she came in. I believe she went down to the Police headquarters about six or six-thirty o'clock that afternoon, and she returned in about an hour or two. I am fairly certain that Connie Morris had already returned to the Hatterie Hotel when Grace moved back in on that day, Friday or Saturday. After Grace returned from Police Headquarters she sat in her room, and I am certain that Connie was also there as I recall that Grace and Connie sat on the bed and played cards. Grace said that Chief of Detective "Dutch" Akers and a couple of Government \_\_\_\_\_ had questioned her at headquarters as to whether her "boy friend" was Alvin Karpis, and she said that she told them that she only knew him as Ed Wood. I was not in Grace's room at this time but I overheard snatches of the conversation between Grace and Connie. I recall that Connie had talked of making a trip home to visit her folks for some few days before this, and I overheard Grace mention that she expected that the Government men and Akers would talk to her again in a day or two, and I am fairly certain that Grace suggested to Connie that she remain so that she would be with her, Grace, when she was interviewed again. I can't recall how Connie felt about this suggestion, but I feel certain that she remained at the hotel for a few days before she left.

"On the night that Grace was interviewed at Police Headquarters I believe that she spent the rest of the night at the Hatterie Hotel after she returned. I believe that it was on the following night, which I now think must have been Saturday night, that Grace went out about four o'clock that afternoon and got some groceries and returned with them a short while later. This was a short while after she had brought her traveling bag to the hotel. About six or seven o'clock Grace again left the hotel and did

not return until about one o'clock on the next morning which was Sunday morning, at which time she was sick and complained of a pain in her side. I am certain that Connie was at the hotel when Grace returned and that Connie helped us to treat Grace. Greta called one of the doctors attached to the Wade Clinic, I believe, which is the same doctor who examines Grace and the other girls working there. This doctor is about 40 to 45 years of age, about six feet tall, and is a stout build, and is dark complected. Grace stayed around the hotel all that day and I do not believe that she went out any that evening, although I am not positive. I did not leave the hotel later that night. The following morning, it being Monday morning, I woke up about 10:30 or 11:00 o'clock and recall that Grace Goldstein appeared to be nervous and upset. When the afternoon newspaper came about 3:00 o'clock, Grace read it in her room and I read it after she did. This newspaper carried headlines about "G-Men" raiding a house that was located just off Malvern Road near a lake earlier that same morning, and attempting to arrest Alvin Karpis. The paper said that the Federal Agents thought Karpis was in the house and that they shot gas shells and between 800 and 1,000 shots into the house, but they found that Karpis had left. While I was reading the paper Grace came into the room and in speaking about the newspaper article I told her that I didn't know that she had a house out on the lake. I cannot remember what she replied to this.

"I am fairly certain that on the day that I read in the newspapers of the raid conducted by the "G-Men" on a house on the lake on Malvern Road that Connie Morris had already left, as I recall that about 1:00 P.M. on the day of the raid, which was on a Monday, Dutch Akers and a couple of men whom I understood were Government officers called at the Hatterie Hotel and told us about the raid which was conducted earlier that same morning and told us about the shooting. This was the first I heard of the raid. Akers asked Grace and the other girls, including myself, where Connie was, and I remember that he wanted a photograph of her. We told him that we did not have a picture of Connie, ad told him that Connie had gone home for a visit. I cannot remember whether Grace or the other girls told Akers where Connie's home was.

"I believe that Connie left on the previous day, which was Sunday, as I rememeber that around 1:00 o'clock Grace or the maid got a call for a girl to come to the Marquette Hotel, and Connie went down to the Marquette by a cab to fill the date. Connie did not take any baggage with her when she left, and about an hour later Grace went out and was gone about an hour. When she returned she did not say anything about seeing Connie, who did not again return to the Hotel until sometime after Karpis was captured in New Orleans about May 1, 1936, and she did not again return to the Hatterie Hotel while I was working there.



"I recall that about 7:00 P.M. on the same day of the raid by Federal Agents, Grace Goldstein left and said she would be gone to her mother's for a few days. She was away about two days and returned about 10:00 A.M., and said that she had turned over three times in her car after it had skidded in loose gravel.

"Grace Goldstein remained around the hotel about five or six days, I believe, when she left again. This time she was gone for about ten days, and we did not know where she had gone. When she returned she said that she had been home. I believe it was about two days after she returned from this trip she was stopped by a young man at the entrance of the Hatterie Hotel. This same man had inquired for Grace for two or three days before she returned. She did not come upstairs at the hotel when she was picked up, and I did not see her again around the hotel for about six days, which was after Karpis was captured in New Orleans about May 1, 1936.

"After she returned, Grace Goldstein never talked to me about where she had been, or who she had met, during the time she went with Alvin Karpis, or where they resided, or how she first met him.

"I remember a cab driver named Brock who kept company at times with Connie Morris from the time I first went to work for Grace Goldstein on October 8, 1935, until I quit on May 12, 1936, or rather, on the last day I saw Connie Morris on the \_\_\_\_\_ before she left Grace's house, around a day before the Federal Agents raided the home on the lake. Brock came to see Connie quite often and indicated that he thought quite a bit about her. I can remember the period just before Connie left the last time, but I cannot remember that he visited Connie on the night before she left. He was, however, with her a few nights before she left and visited her at the hotel. This last time that I saw Connie with Brock they sat around and drank beer in the parlor of the hotel and did not go out, and Connie went to bed after he left and did not appear to be upset or nervous. I recall that on the night before Connie left she did not appear nervous or upset, and from what I heard and saw it seemed to me that she left without any unusual haste, as she had been planning to leave for several days. A day or so after the publicity appeared in the papers about the raid I recall that a special delivery letter, a telegram, and a registered letter came to the Hatterie Hotel addressed to Ruth Morris, and I believe that these were from Connie's mother, who wrote to her by that name.

"I believe that earlier during the day that I first met Alvin Karpis at the Hatterie Hotel, Grace Goldstein came in with a large black dog which she called "Shine". She would keep this dog at the hotel when she would stay there, but would take the dog with her when she went out for a few days or so while she was living some other place. I don't remember the exact day on which I last saw this dog with Grace at the hotel, but I believe it was a few days before the raid previously referred to,

"From a group of photographs I have selected a photograph of Sam Coker, and the name of Tommy Coleman sounds familiar to me associated with this man. I am certain that this man called at the hotel a few times over a period of a week or more, and I believe that he had dates with the prostitutes named June and Ruth. Ruth was a little blonde girl who only stayed there a few days. I cannot recall that Karpis, Hunter, Grace Goldstein, or Connie Morris were around the Hatterie Hotel when this man called, and I did not know until I was just advised that this man was associated with Karpis and Hunter.

"During the time while I was working for Grace Goldstein at the Hatterie Hotel mentioned hereinabove in this statement, which was from the month of October, 1935, to May, 1936, both of the Hot Springs newspapers were delivered at the Hatterie Hotel, and were subscribed to by Grace. I recall that the morning paper was the "Sentinal Record" and the evening paper was the "New Era".

"I wish also to state that I was known as Mary Williams while I was working at the Hatterie Hotel, and I am still known as Mary Williams at the place where I am now working.

"I have read the foregoing statement consisting of six typewritten pages and acknowledge that the same is true to the best of my knowledge and recollection. I have also signed my name to each of the five preceeding pages, and made the necessary corrections and initialed same."

(signed) Ollie Dowdy.

Witnesses:

Henry A. Snow, and

D. P. Sullivan,

Special Agents, Federal Bureau of Investigation,  
United States Department of Justice.  
500 Rector Bldg., Little Rock, Arkansas.

Ollie Dowdy stated that her home is in Monroe, Louisiana, where her mother and her 15 year old daughter reside; that her daughter is presently attending high school in Monroe, Louisiana.

Ollie Dowdy was questioned at great length concerning her knowledge of persons who may have visited the Hatterie Hotel, but she stated that practically all of the persons who came there were strangers from out of town, and that she could not recall seeing anyone that she knew except those persons mentioned in her signed statement. She was

questioned at great length whether she had ever seen Herbert "Dutch" Akers, former Chief of Police Wakelin, or any local police officers at the Hatterie Hotel, but she denied that she had ever seen any police officers or city officials there, except officer Joe Scott, who she said came up the Hatterie Hotel a couple of times to sell tickets for some police benefit. She denied that she had ever seen Arch Cooper, former Police Captain and reputed payoff man for vice operators, at the hotel, and she denied having any information of any protection money that any prostitutes or madams or houses of prostitution may have paid for police protection. Undoubtedly, in this and other statements bearing on police corruption, the Dowdy woman obviously was not telling the truth.

This woman denied having any information concerning the residence of Alvin Karpis or Fred Hunter at Lake Hamilton or Lake Catherine, except what she read in the newspapers of their residence at the Woodcock home, as she mentioned in her signed statement. She also stated that she never heard that Karpis and Grace Goldstein resided with Fred Hunter and Connie Morris at 602 Third Street or at 124 Clubb Street; that she recalled that Grace Goldstein did operate a house of prostitution at 1338 S. Central Avenue sometime before she moved into the Hatterie Hotel, and that she only visited this house once, and therefore had no information as to what persons may have visited there. She stated that when Grace Goldstein operated a house of prostitution at 123 Palm Street, she had no occasion to visit there, and therefore has no information concerning Karpis or Hunter residing there. She stated that when she went to work on October 8, 1935, at the Hatterie Hotel, which date it will be recalled was about four days after Karpis, Hunter and Coker evacuated the cottage at Dyer's Landing, she did not overhear any conversation about Karpis or Hunter; that she never did learn where Grace Goldstein, Connie Morris, Greta and Ginger had visited on the lake when they talked of the good times they had the previous summer. Upon questioning, Ollie Dowdy denied having any information concerning any occasions when Karpis or Hunter may have been tipped off by the local police.

Ollie Dowdy was also questioned as to whether she had any information concerning any airplane trips which Grace Goldstein or Karpis may have taken, but she stated that she never knew that Grace Goldstein rode in a plane until the local newspapers carried stories after the arrest of Karpis about him and Grace taking airplane trips; that she saw Grace Goldstein one night at the Hot Springs Confectionery and asked Grace where she got enough nerve to ride in a plane, but Grace did not reply to her question. The Dowdy woman stated that sometime after she learned that Grace Goldstein was keeping company with Karpis, she asked Grace Goldstein whether she was not afraid to go around with Karpis, but she cannot recall that Grace Goldstein would answer her question.

The Dowdy woman could not recall definitely when Connie Morris and Grace Goldstein moved back into the Hatterie Hotel before the raid on the Woodcock home. She at first stated that Connie Morris was at the Hatterie Hotel on the day of the raid, but she later stated that she believed that Connie Morris had gone, as she mentioned in her statement, on the day that the raid took place. She was questioned at length whether she could remember when Grace Goldstein's black Great Dane dog showed up at the Hatterie Hotel before the raid, in an effort to refresh her memory as to the exact date that Grace Goldstein and Connie Morris moved into the hotel when they left the Woodcock home, but she was unable to recall when the dog was brought in and she gave as her reason that Grace Goldstein came and went with the dog when she would stop at the Hatterie Hotel, even when she was not staying there at night. At first she stated that she believed that Grace Goldstein moved back into the Hatterie Hotel on the Saturday before the Woodcock raid, which was on Monday morning, but later she stated that she believed that Grace Goldstein moved back in on Friday.

Ollie Dowdy stated that she never heard that Brock the cab driver informed Connie Morris before the Woodcock raid that Government agents were investigating at Hot Springs to locate Alvin Karpis; that she could not recall that Connie Morris was in any way excited or nervous before she left, and departed without haste, and apparently Connie had planned leaving some days before, as she had been talking about visiting her home. She stated that she did not know who the person was at the Marquette Hotel with whom Connie had a date shortly before she left, but she, Ollie, stated that it appeared that Connie went to the Marquette Hotel in answer to a business date and not for the purpose of contacting any person with whom she was acquainted. This woman could not recall the dates or approximate periods during which Grace Goldstein came and left the Hatterie Hotel, during the period just preceding the Woodcock raid and thereafter until the capture of Alvin Karpis at New Orleans, Louisiana, on May 1, 1936.

Ollie Dowdy informed that during the time that Grace Goldstein operated a house of prostitution at 123 Palm Street, she employed Ginger, Greta, Connie, Ruth and Jackie as prostitutes. She stated that Jackie was in Hot Springs last Christmas, but she, Ollie, has not seen Jackie since that time; that Jackie's name is Jackie Nichols and she comes from Memphis, or somewhere in Texas; that Jackie used to go with Eddie Riley who works at the Blue Ribbon Bar. He formerly worked for Bress Hill at the bar at the Great Northern Hotel. She stated that she knew very little about the prostitute named Ruth, but believed that she originally came from New Orleans, and Ollie believes that Ruth went back there when she left Hot Springs.

POLICE DEPARTMENT

The following investigation was conducted by Special Agents B. M. Suttler and D. P. Sullivan on June 26, 1937.

In an interview with Roy Milam, who operates Milam's Landing on Lake Hamilton, which interview has previously been reported, he stated that Police Officer Preston Griffin, who was recently discharged, at one time arrested Alvin Karpis while Karpis resided in Hot Springs, Arkansas.

Officer Preston "Press" Griffin was interviewed at his residence at 501 Grand Avenue. He stated that he is presently employed as a tinsmith at the Stearns Hardware Company. He was questioned at some length concerning Alvin Karpis, and he at first stated that Karpis was arrested in a house located on Malvern Avenue just across the bridge near the Rix School, by Sheriff Marion Anderson and some deputies, during the time that Karpis resided in Hot Springs. Upon further questioning, Officer Griffin recalled that it was Charles "Lucky" Luciano who was arrested by Sheriff Anderson, and not Alvin Karpis. This officer is an ignorant type and appeared not to have a great deal of information concerning the harboring of the well-known criminals in the city of Hot Springs. He had been employed as a local police officer for ten years up until recent months when he was discharged, and prior to his employment as a police officer he was a Deputy Sheriff for nine years. He stated that throughout the time when he was a police officer, he worked the night shift exclusively, his hours being from 9:00 P.M. to 9:00 A.M., and for the last few years he did very little police work on the streets, as he was assigned to answer calls from the police department.

Griffin was questioned closely as to whether he ever arrested Alvin Karpis, and he stated that he had never arrested this man. He was shown photographs of all members of the Barker-Karpis gang, and he could recognize the photographs of Alvin Karpis, Fred Hunter and Grace Goldstein. The reason why he was able to recognize these photographs will be set out hereinafter.

He stated that the first information that he had that Karpis was residing in Hot Springs was obtained around the time that Bureau agents raided the Woodcock home on Lake Catherine. He was questioned whether he had ever received any "tips" or information that Karpis was in town prior to that time, or whether he had ever learned of any other Hot Springs police officers receiving any such information, but he denied that he had. When questioned concerning Alvin Karpis, Griffin stated that he was on duty one evening near the Walgreen Drug Store, and Grace Goldstein, accompanied by a young man and a large black dog which she still possesses, came down the street and got into her car, which was parked near Walgreen's

Drug Store, Griffin stated he walked over to the car to see the dog, and he talked with Grace Goldstein for a very brief time and only in connection with the dog which was in the car. Grace Goldstein introduced him to the man she was with, and Griffin stated that he believed Grace Goldstein introduced this man as Mr. Brown; that he did not pay any particular attention to the man with Grace Goldstein, and from the photographs of Alvin Karpis shown him, he could only state that the profile view of Alvin Karpis looked somewhat similar to the man who was in her car that night. Griffin stated that if this "Mr. Brown" was in fact Alvin Karpis, that was the only time that he ever recalled having seen Alvin Karpis in Hot Springs, Arkansas; that to his best recollection, this instance took place during the fall of 1935; that Grace Goldstein ate a midnight lunch practically every night at the Hot Springs Confectionery, but he could not recall ever having seen a young man who may have been Alvin Karpis at this place with Grace Goldstein.

Griffin stated that after the arrest of Alvin Karpis he talked with Grace Goldstein one evening when he saw her in the Hot Springs Confectionery; that he asked her how she happened to meet Karpis and she told him that Karpis was rooming at her hotel and he seemed to be a "good fellow" and she started going around with him. Griffin stated that Grace Goldstein told him that she knew Karpis by the name of Woods and married him under that name, but she did not tell Griffin where or when she was married to Karpis.

Upon questioning, Griffin denied that he ever heard of Karpis residing at Milan's Landing, Wilson's Landing, or any other place on Lake Hamilton or Lake Catherine, except the Woodcock home, and he did not learn of this until after the raid by Bureau agents.

Griffin identified the photograph of Fred Hunter, and stated that he is certain that he has seen Hunter around Ben Harrison's gambling place on Central Avenue; that he also recalls seeing Hunter with Grace Goldstein and Connie Morris, whose photograph Griffin could not identify, having supper late one night at the Hot Springs Confectionery. Griffin stated that during the racing season last year, which begun around February 22, he and Officer Peyton were assigned to the race track, and one evening about 8 p.m., after everyone else had left the track except employees, he and Peyton noticed two men and two women still hanging around; that all of these persons were strangers to Griffin and Peyton; that at that time or shortly thereafter, Peyton mentioned to him that he thought one of the men may have been Alvin Karpis, who possibly might have been planning a robbery there.

Griffin was questioned as to whether he recalled a large circular containing the photograph of Alvin Karpis, which circular indicated that Karpis was wanted for killing Sheriff Kelly at West Plains, Missouri, in the year 1932, and Griffin stated that he recalled this



circular which hung on the wall at the Hot Springs Police Department; that this photograph was later covered up by a calendar and some old license plates that were tacked on the wall, which were still there when he left the police department in January, 1937; that the photograph of Alvin Karpis is probably still hanging under the calendar.

Griffin stated that on the occasion when Grace Goldstein told him at the Hot Springs Confectionery of her meeting and marrying Alvin Karpis, she also told him that she did not know who Karpis really was until two months before he was arrested.

It is probable that Officer Griffin actually has information of value to this investigation, but is reluctant to disclose same. He will be interviewed again in the event that information is obtained that definitely shows that he knew of Karpis' true identity during the time that Karpis resided in Hot Springs, Arkansas.

Griffin also stated that he recalls on one occasion that an officer of the Hot Springs Police Department named Joe Scott gave Alvin Karpis a ticket for double parking in front of the Southern Grill as well as he could remember; that Grace Goldstein took the ticket and got it "fixed". In a previous interview with Officer Joe Scott he failed to inform Bureau agents of this incident, unless Griffin had reference to the time when Karpis and Grace Goldstein collided with another car on Central Avenue. It will be noted however, that Officer Scott did not inform agents he gave Karpis a parking ticket on that occasion.

Mrs. Sallie A. Preston, 108 East Lane, Hot Springs, Arkansas, was interviewed on June 24, 1937, at her residence by Special Agents D. P. Sullivan and B. M. Suttler. In an interview had with a Mrs. Iva Clark, which interview has been previously reported, Mrs. Clark advised agents to talk to Mrs. Preston, stating that Mrs. Preston had informed her at one time that "Dutch" Akers, Chief of Detectives of the Hot Springs, Arkansas Police Department, was "Alvin Karpis' private body-guard."

Mrs. Preston denied any knowledge of Karpis' activities at the time he was living in Hot Springs, Arkansas. Mrs. Preston was very unwilling to make any admissions at all in regard to Alvin Karpis, "Dutch" Akers, or any knowledge she might have that would be of assistance to agents in the present investigation. After continued questioning by agents, she did state that at one time there was a paper hanger in her home doing some work; that his name was Warren; that he lived in what is known as Manor Barn here; that while he was working in her house he asked Mr. and Mrs. Preston if they would be interested in becoming private detectives; that they both informed him that they were interested, as he had informed them that the pay was good and he could arrange it. Mrs. Preston stated that it was during this time that Warren informed her and her husband that "Dutch Akers was private body-guard for Alvin Karpis. She

stated that this man Warren informed her and her husband that he would arrange a meeting for them at a local hotel, as they had to take some sort of examination to get this job; that the job was supposed to be some sort of under cover work during the race season that was about to start; that the meeting at the hotel did not ever materialize; that the day after Federal agents raided the Woodcock home this man disappeared and she has never seen him since.

Agents exhibited to Mrs. Preston photographs of the Barker-Karpis gang, but she was unable to identify of them.

Mrs. Preston stated that she did not know the present address of her husband, as they were at the present time separated, and she had not heard from him in quite a while; that his last address was Trumann, Arkansas; that at that time he was visiting his mother, Mildred Fowler; that he was to leave for Memphis soon after she received this last letter and that by this time he should be in Memphis. She stated that as soon as she did learn his present correct address she would notify agents of same. Mrs. Preston stated that her husband was never connected with the Hot Springs Police Department as had been previously reported; that at one time he had been a private night watchman for some families in Hot Springs, Arkansas, but that was all.

Mrs. Preston further informed that a Mrs. Patton, owned the house that she lived in at the time Warren did the paper hanging work, and that Mrs. Patton probably hired him.

In the interview had with former police officer Joe L. Scott, whose signed statement has been set out in a previous report, he mentioned that about four years ago, Harry Campbell was arrested with another man and two women companions in an apartment located about one half block from the end of the Malvern Avenue car line; that he was fingerprinted but was released before the Hot Springs Police Department received his criminal record from the Bureau. It will be noted that no previous mention has ever been made in this file that Campbell was ever arrested in Hot Springs and his criminal record does not show any such arrest. This matter was checked on the possibility that Campbell was arrested and released before he was fingerprinted.

Special Agents H. A. Snow and D. P. Sullivan made a neighborhood investigation in the vicinity indicated by Officer Scott. Inquiry was made of the Bond Apartments on Malvern Avenue, and agents learned that this apartment house was operated by Mrs. Katie Chapman, residence 202 Henry Avenue, up until the past year.

Mrs. Katie Chapman, 202 Henry Avenue, was interviewed by Special Agents N. H. McCabe and D. P. Sullivan. Photographs of Harry Campbell



and other members of the Barker-Karpis gang were shown to her which she was unable to recognize, nor could she recall an instance when two couples were arrested by the local police at her apartment.

Inquiry was also made at the Johnson Apartments, the only other apartment house in that vicinity, and it was learned that Mrs. Lilly Johnson, who operated this apartment until recently, was reported to be living at the Burgess Apartments on Park Avenue.

At the Burgess Apartments on Park Avenue, agents learned that Mrs. Lilly Johnson had moved, and was residing at 210 Parker Avenue or 210 Park Avenue.

Mrs. Lilly Johnson was located at 110 Parker Avenue, Hot Springs, Arkansas. She stated that she did at one time own an apartment house near the end of the Malvern car line, and recalled that a man and a woman lived there who, it later turned out, the police were looking for. Mrs. Johnson stated that the first knowledge she had of this was one afternoon she was in her drug store; that this drug store was next to her apartments; that a man came in and asked her what all the excitement around her apartment was about, and she told him she did not know of any; that she thereupon stepped out of the drug store and asked one of the policemen surrounding the apartment what it was all about; that he informed her they were after a man who was living in her apartment; that she told him to go up and get him; that the police then raided the apartment, but the man was not there; that she later found out that the man and woman who they were looking for were sitting in a car up the street watching the police raid the place, and that they made good their escape. Agents exhibited photographs of the Barker-Karpis gang to Mrs. Johnson, but the only one she selected that might resemble this man was the photograph of Harry Campbell; that this man was about six feet tall, weight 200 pounds, with blond hair and a gold tooth in the front of his mouth. Mrs. Johnson stated that as the police left they told her to search the place thoroughly; that she and her son did this, and they found \$1,350.00 in a black dress; that they thought this money was counterfeit and turned it over to "Dutch" Akers, Chief of Detectives in Hot Springs, Arkansas, and never heard any more about what became of the money. She did hear later that the money was not counterfeit. This was the only instance she could recall about any arrest in her apartments.

#### 1338 SOUTH CENTRAL AVENUE

Fred Rix, 708 Prospect Street, was interviewed at his home on June 30, 1937, by Special Agents H. A. Snow and B. M. Suttler. Rix stated that he had known Grace Goldstein for about eight or ten years around Hot Springs, Arkansas; that he never did go with Grace or any particular one of her girls, but just went around her houses at various

times to get drinks of whiskey and beer before the prohibition laws were discarded. Rix recalls that about a week before the Sheriff of Garland County closed Grace Goldstein's house at 1338 S. Central Avenue, he stayed there at her house on a "four-day drunk". He stated that after he left there his wife called on Grace Goldstein, and after they had quite a few words, his wife called Marion Anderson, and he thinks this is the reason they closed the Goldstein woman's place up; that immediately after he left Grace's house he proceeded by plane to Oklahoma and stayed there for some time upon the advice of his doctor.

Rix stated that during the entire time that he stayed around Grace Goldstein's house of prostitution he saw only three strange men; that they came in on the last day that he was there; that he, Brad Smith, an ex-sheriff and E. A. Reese, a garage man and reputed auto thief, were all sitting around having a drink when a taxi pulled up in front of the house and let out three men; that he does not recall ever having seen these men before, nor does he recall ever having seen them since that day; that they sat around, drank and talked for about an hour, and kept the taxi waiting during this time; that they had a rather suspicious attitude, but did not say anything that he could recall.

Agents exhibited photographs of the Barker-Karpis gang to Mr. Rix, but he could not identify any of these photographs as being identical with these men above referred to. Rix did recognize the photographs of Alvin Karpis, Grace Goldstein and Connie Morris. He could not recall where he had seen Karpis, but seemed positive he had seen him somewhere in Hot Springs, Arkansas.

Rix further recalled that either prior to or after his four day stay at Grace Goldstein's house on S. Central Avenue, that he, Rix, spent about one month on Lake Catherine at Rogers Brothers Landing; that he and Ray Rogers were good friends and he stayed at his place; that during this time he often saw Grace Goldstein and Connie Morris come out to Rogers Brothers, in the cafe part, and order beer. He stated that as well as he could recall she always came out there in her little green coupe, and always with Connie Morris.

Rix was questioned as to his opinion in the matter of gangsters being allowed to come into Hot Springs, Arkansas, year after year, and live without being molested. Rix stated that there is but one man to blame for this, and that is Mayor Leo P. McLaughlin; that Mayor McLaughlin made most of his money from pay-offs by gangsters coming into Hot Springs to "cool off". He stated that one occasion as he was questioning Leo about this, Leo answered him by saying that when any big gangster hits Hot Springs they always contacted him first and talked the situation over with him;

that he would always inform the gangsters that they could stay in town as long as they did not raise any hell while they were in Hot Springs. Rix stated that although Leo had never admitted to him that he did receive any money from these gangsters for protection he feels sure in his own mind that they all go over and pay him off just as soon as they arrive in town, and after that they are fully protected while they stay in Hot Springs, Arkansas. Rix stated also that Leo McLaughlin and Verne Ledgerwood, the Municipal Judge of Hot Springs, Arkansas, are the only two in the city administration who make any money; that whatever they get they make a 50-50 split and no one else gets any. Rix was questioned as to what "Dutch" Akers, Chief of Detectives in Hot Springs, got out of the "pay-off" racket conducted in Hot Springs. Rix stated that "Dutch" was just a small time thief; that "Dutch" had the permission of the Mayor to go out and steal all he wants to, just as long as it is petty stealing and does not interfere with the Mayor's or Verne Ledgerwood's profits from the pay-offs. He also stated that Herbert Akers is merely a tool in the hands of the Mayor, and that the Mayor is the real boss in Hot Springs, and that Akers does just what the Mayor tells him to do.

Rix stated that he has been drunk with Mayor McLaughlin on many occasions, and that it was on these occasions that he got the above information from Leo. Rix also stated that at one time he played golf out on the Hot Springs Country Club course; that there were several members of the Capone gang from Chicago playing golf at the same time; that they brought their own caddies out to the golf course with them, and that each of these caddies had a machine gun tucked down into the golf bag; that everyone at the golf course was talking about it and wondering why such men were allowed to come to Hot Springs and not be molested by the local authorities. He stated that that night he asked the Mayor about this and the Mayor merely replied that these men were staying at the Arlington Hotel; that he knew they were in town; that while they were in Hot Springs they were occupying the best rooms in the Arlington Hotel, the \$20.00 per day suites; that while they were in Hot Springs they would probably spend five hundred to a thousand dollars. Rix stated that at that time he, Rix, was on the board of supervisors of the Arlington Hotel; that of course these gangsters occupying the twenty dollar per day suites in the hotel helped the business; that McLaughlin knew this, so instead of answering his question about gangsters he would always answer by asking the question, "Do you want me to put them out of your hotel?"

Rix further stated that he had known Leo McLaughlin, Verne Ledgerwood and City Attorney "Sonny" Davies, for years; that they all were raised together; that he, Rix, spent most of his early years in the East, but when he finally did come to Hot Springs, Arkansas, to take up his residence, that he and McLaughlin had an understanding that as long as they could use each other to gain their own particular ends, they would be friends, and after that their friendship ceased.

Rix stated that at one time, he, Rix, was President of the Arkansas National Bank, and that during this time he came in contact with Mayor Leo P. McLaughlin and Verne Ledgerwood; that it was through this association that he learned so much about the amount of income earned in some manner each year by these two men. He stated that he recalled two checks passing through the bank, drawn by Judge Verne Ledgerwood, one for \$100,000.00 made to Aetna Life Insurance Company, and one for \$25,000.00 made to the Pacific Mutual Life Insurance Company; that both of these checks were made to cover the purchase of annuities from these two insurance companies.

Rix stated that he recalls on one occasion that Mayor Leo McLaughlin purchased \$10,000 worth of Government bonds through his bank, and that he was curious to find out just where Leo kept his money so he put a little mark on each of the coupons on these bonds, so that they would be permanently ear-marked in order that when Leo cashed them he could tell where he cashed them. He recalls that they later came through his bank, and that by tracing them he found that they had been cashed in Little Rock. He stated that Leo McLaughlin was smart, and usually bought all of his Government bonds in the names of his sisters, Stella or Elizabeth, or his mother, Bridgett McLaughlin. Rix stated that from what he has observed in the bank, and other sources of information in the past ten years, he personally believes that Mayor McLaughlin and Judge Ledgerwood have an annual income of from fifty to seventy-five thousand dollars each, and that both of them now are worth more than a half million dollars each. He stated that it would be his guess that Mayor McLaughlin had at least \$500,000.00 in Government bonds alone.

Rix further stated that McLaughlin has these bonds and his cash scattered in at least five different places, Arkansas National Bank, Hot Springs, Arkansas; Arkansas Trust Company, Hot Springs, Arkansas; some bank in Troy, Ohio; some bank in Hamilton, Ohio; some bank in Little Rock, Arkansas. He stated that if agents ever desired to find out just how much he has got, they should first take a look in Leo McLaughlin's "strong boxes" in these banks.

Rix also recalled that on one occasion Leo turned over \$35,000. to his mother to invest for him in a piece of real estate belonging to the Biggs estate; that this property is located on Central Avenue, and that he thinks Leo took a first mortgage on the property.

Rix further stated that Judge Verne Ledgerwood owns a loan company, and he thinks that this loan company at present is being run by the Judge's brother, Cecil Ledgerwood.

Rix also stated that McLaughlin had a good accountant at the City Hall by the name of Emmett Jackson, and that this accountant balances the City Books, and that anyone could check for a week and would not find where Leo McLaughlin had converted the City funds to his own use, as he, Leo, is too smart to do anything like that.

Lawrence Alexander Coutlee, 1520 S. Central Avenue, was interviewed at his home on June 30, 1937, by Special Agents H. A. Snow and B. M. Suttler.

Coutlee stated he had lived in this neighborhood for several years and recalls the time that Grace Goldstein lived at 1338 S. Central Avenue in 1935. He stated that he did not ever go into Grace Goldstein's house, and also that he went to work in the grocery store where he is employed, at 6:30 A.M., and did not get off until 7:00 P.M., and for these reasons he does not have any first hand knowledge of what went on at Grace Goldstein's house in 1935. Photographs of the Barker-Karpis gang were exhibited to Coutlee. He recognized the photographs of Grace Goldstein and Connie Morris, but could not identify the photographs of Karpis and Hunter. Coutlee stated that during the entire time that Grace Goldstein lived at 1338 S. Central Avenue, the only boy he knew that ever went there was a boy by the name of James Furgo; that this boy is at present employed by the Jones Ice Company, of Hot Springs, Arkansas.

#### RESIDENCE OF ALVIN KARPIS ON LAKE CATHERINE.

On June 25, 1937, Special Agents H. A. Snow and N. H. McCabe interviewed Mr. Ernest F. Woodcock, at his office in the Arkansas National Bank Building, Hot Springs, Arkansas. This man is the son of Mr. E. E. Woodcock, the owner of the Woodcock home on the Malvern Highway, which was raided by Bureau agents on March 30, 1936, in an endeavor to locate Alvin Karpis. Ernest Woodcock is at the present time working in the office of Mr. Fred Rix, whose name has previously been mentioned in this case as being a former associate of Connie Morris, and whose associations with this prostitute was indirectly the cause of Rix losing his position as President of the Arkansas National Bank, and also caused marital difficulties.

Mr. Woodcock stated that he was present at the time that the first arrangements were made concerning the renting of the Woodcock home by a man giving the name of Hall, who was accompanied by a Mr. Wood, who he imagines was Karpis; that when these men first came to discuss renting the Woodcock home they did not indicate how they happened to be aware that the house was for rent, but that he presumed that these men noticed an advertisement which had been placed in the local newspapers by Mr. E. E. Woodcock. Mr. Woodcock advised that at the time of this first visit of



these two men, Hall advised that he was not certain whether or not he would be interested in the place, since at that time he was contemplating the purchase of Wilson's Tavern, a resort located on Lake Hamilton; that Hall stated that he had a daughter who was suffering from asthma, who was expected to arrive in Hot Springs in about a month. The Hall referred to by Woodcock is undoubtedly Clayton Hall, and Woodcock described this man as being a large heavy-set individual, with blond curly hair, and Woodcock stated that he does not believe that this man was as old a man as his wife has stated in her interview as previously reported.

Woodcock stated further that after being shown around the house by his father, Mr. E. E. Woodcock, these men departed and said that they would return in the next day or so and let them know whether they decided to rent this place; that on the next day these men returned and advised that they were still undecided whether or not they would take the Woodcock house pending the arrangements concerning the purchase of Wilson's Tavern. Woodcock advised further that at this time, or possibly at the time of one of the other visits by these two men, he ascertained that Wood, who Woodcock later advised is similar in appearance to the older photographs of Alvin Karpis, was at that time renting a place from Toby Finzell in Hot Springs, and was paying \$75.00 per month; that he, Woodcock, suggested that these two men get together and take the house together, and that this idea seemed agreeable to these men.

Woodcock advised that to the best of his recollection, these two men again came to the Woodcock place and that at this time he drew up a rough lease for the Woodcock place which he believes was for a year; that the elder Woodcock required a payment of six months rent in advance at the rate of \$40.00 per month; that he recalls that this amount, namely \$240.00, was paid to the elder Woodcock by Hall, and that although he did not see the money change hands, he believes that this was paid in cash and in bills of large denominations; that as he recalls these men moved into the Woodcock place immediately thereafter, and that the elder Woodcock moved to New Orleans, while Ernest Woodcock and his wife moved to Malvern, Ark.

Ernest Woodcock stated that after these men moved into the Woodcock place he recalls that he made two or three visits to this place; that on one of these occasions he went there to read the utilities meters in order that the bills for these services could be pro-rated; that he does not believe that he went into the house on this occasion, and that Karpis paid him a small amount, about \$5.00, at that time as his share of these bills; that on another occasion he visited this place to ascertain whether any of the water pipes had frozen; that this was on an unusually cold day after these men had moved into the Woodcock place, but that he does not recall the approximate date that this took place; that on this occasion

he went inside the place and was in the kitchen and the sleeping porch where he thawed out some pipes which were exposed to the weather; that on this occasion he only saw the two men at this place, and that Hall mentioned the fact to him that he was leaving that night to go to Youngstown, Ohio, and that he would probably return with his family in a few days. Woodcock stated that to the best of his knowledge this was the only time that he was actually inside of the Woodcock house after these men moved in.

Woodcock stated that the only cars that he can recall seeing around the Woodcock place after these men moved in were a maroon Buick sedan, which was driven by Karpis at the time these men first came to see about renting these premises, and which he afterwards noticed parked under the sleeping porch in the driveway, and a green Buick coupe which he saw parked by the Woodcock home on one or two occasions after these men had moved in; and which he assumed belonged to Hall. Woodcock denied ever having seen Grace Goldstein or any other women around this place during the time that these men were living there, and that at that time he had never heard of Grace Goldstein, even by reputation. Woodcock stated that he does recall seeing the large black Great Dane dog around the Woodcock place during the time that these men were staying there, and that after the raid by Bureau agents, this was the only fact that could convince him that it had actually been Karpis who had been living there, since none of the recent photographs of Karpis resemble him as he recalls him. Woodcock stated that the man who he now believes to have been Karpis was a very meek individual with a very quiet manner.

Agents displayed to Woodcock photographs of the members of the Barker-Karpis gang, and Woodcock selected an old full-length photograph of Alvin Karpis as most resembling the "Mr. Wood" who was at the house with Hall. He was unable to identify any other members of the Karpis-Barker combination as being anyone whom he had ever seen. He stated that on the one occasion when he went into the house after Hall and Karpis moved into it, which was the cold day when he thawed out a frozen pipe, he noticed that these men appeared to be "batching it", as he saw no signs of a regular cook or maid, and the kitchen was cluttered up with empty tin cans, etc. He stated, however, that this did not arouse any suspicion on his part, because he thought that the men were awaiting the coming of Hall's family before starting housekeeping in a decent way. The first time that he ever saw Grace Goldstein to his knowledge, Woodcock stated, was on one day sometime after the raid when his wife pointed out the Goldstein woman to him on the streets of Hot Springs, at which time Grace was leading the black Great Dane on a leash.

Woodcock denied ever having discussed Hall's renting his father's house with his brother-in-law, A. T. "Sonny" Davies, City Attorney, although he stated that it is possible that he might have mentioned the renting of the house to him if he had accidentally seen Davies on the street or at his house, but that he does not recall any discussion about Hall being the party who had offered to buy Wilson's Tavern from Clarence Wilson for \$25,000.00, when Davies had advised Wilson to take six months rent in advance, as "he would probably get the place back in a month or two and have the money" if there was anything wrong about Hall, as Wilson suspected at that time. Woodcock stated that Davies had never suggested that he get six months rent in advance from Hall, and the man later identified as Karpis, at the time when they rented his father's house, and stated that although he cannot say that it is the usual custom in the vicinity of Hot Springs to require tenants to pay six months rent in advance, it was, however, required in this case by his father, who wished the house to remain rented for some time, so that he would not be troubled with frequent changes of tenants.

C. Floyd Huff, U. S. Commissioner, Arkansas Trust Building, was interviewed at his office by Special Agents D. P. Sullivan and B. M. Suttler on June 21, 1937. He stated that since he was last interviewed by Bureau agents he had been talking to a party by the name of J. C. Long who lives at 715 Malvern Avenue, Hot Springs, Arkansas. Huff advised that Long had informed him he would like to talk to Bureau agents about a telephone call that he had accidentally overheard on the night before the Woodcock raid; that at 2:00 A.M., on the morning that the raid took place Long's telephone rang and when Long picked up the receiver he heard a woman speaking with a man; that the man asked the woman, "Is Bill there?", to which question the woman replied, "No". The man then said, "If you can find him tell him to get out of town, they're after him".

Huff further stated that Long told him that he saw Karpis in Spencer's Liquor Store one night before he was captured; that Long asked Spencer who the man was and that Spencer told him it was Karpis. Huff stated that since the last time agents had talked to him he has talked over with Roy Taylor, who operates Sneck's Drug Store, corner of Central and Prospect Avenues, as to the source from which Huff obtained the information in October 1935, that Karpis had been residing at Lake Hamilton, and that Bureau agents had raided a cottage in an effort to locate Karpis. He stated that he believed it possible that Roy Taylor may have told him of the above, but if it was not Taylor, he is unable to recall where he did obtain the information.

Agents interviewed Roy Taylor, Schneck Drug Store. He stated that he recalls hearing from some source that Bureau agents had raided some cottage on Lake Hamilton in October, 1935, in a search for Alvin Karpis, but he cannot recall exactly who told him and he explained that numerous customers are coming and going at his store, and he constantly receives bits of gossip and information; that he believes he heard of the



report of a Bureau investigation at Dyer's Landing prior to same appearing in the local newspapers. Mr. Taylor stated that he cannot recall telling Huff of the information that Bureau agents had raided a cottage on Lake Hamilton in October, 1935, in seeking Karpis, but that it is possible that he did tell Mr. Huff, as he and Huff are very friendly, but he cannot now recall that he did inform Huff.

Jessie Clarke Long, 715 Malvern Avenue, Hot Springs, Arkansas, was interviewed on June 30, 1937, upon information learned from U. S. Commissioner C. Floyd Huff in a previous interview.

Long stated that he recalls going into Spencer's Cigar Store a little less than a month before the Woodcock raid, and seeing a man whom he thought acted rather suspiciously. He asked Oliver Spencer who this man was, and Spencer answered him that this was Alvin Karpis. Long stated that he then remarked to Spencer why this man was allowed to stay around Hot Springs without being arrested, but he could not recall what the reply was that Spencer gave him.

Long further stated that on the night, or rather the morning before the raid by Federal agents on the Woodcock place, he recalls that about 2 A.M., his phone rang; that he got out of bed and answered the 'phone; that as he picked up the receiver he heard a man's voice ask, "Where are the boys?". A woman's voice answered, "They're not here, they're in town". The man then asked, "Do you know where they are?" The woman answered, "Yes". The man then said, "They're on their trail, tell 'em to beat it". The woman answered, "I'll get in my car and go to town and notify them". Long stated that he then hung up the receiver and returned to his bed; that before he went back to sleep he told his wife what he had heard and remarked to her at the time that it sounded like some men tipping off some woman about the law being after some gangsters. He stated that the next morning when he was in town he heard about the raid that had taken place at the Woodcock residence and he told his wife that that must have been some woman at the Woodcock residence the night before, as she had stated over the phone that she would get in her car and go down town, which evidently meant that she was at that time out in the country.

Long was shown photographs of the Barker-Karpis gang, and from the photos he selected the photograph of Alvin Karpis as being the man he saw in Spencer's Cigar Store on the aforementioned occasion. He also selected the photograph of Milton Lett as being identical with someone he had seen quite often in the various gambling houses around Hot Springs. Agents left a photograph of Milton Lett with Mr. Long, as he stated he would take the photograph and go around to the various gambling houses in town and see if he could further identify this man. He also stated that the night he saw Alvin Karpis in Spencer's Cigar Store he was dressed in tan wash pants and a brown or dark sweater. Close contact will be maintained with Long.

Long stated that if agents desired any further information about the conditions in the city as far as present city administration is concerned, to contact a former policeman by the name of Amos Rood, who lives in the 400 block of Pullman Street. He stated that Leo P. McLaughlin fired Rood for no reason at all except that he stated Rood was opposed to the administration. Long stated that Mayor McLaughlin sent Rood and another policeman down to arrest a very tough character by the name of Hunt who is known as a local menace to police. Long stated that McLaughlin sent Rood down to arrest this man because he was in hopes that Hunt would kill Rood on sight, as he is known to have it in for local police.

Long further stated that the way Leo P. McLaughlin gets his votes is that he buys them by buying up the poll tax receipts and using them as votes. He stated that the way Leo works is that on election day he gets his henchmen to go out and get a car full of men and then drives this car full of men from one polling place to another and that each votes one time at each poll box. Long stated that during the last elections he and a friend of his by the name of Adious Kilgore were standing at the polls when Herb Wheatley drove up with five men in the car; that these men got out and cast five votes, one each; that he and Kilgore decided to follow them and then went to all of the eight polling places in town and votes one time each at each place.

#### RESIDENCE OF KARPIS ON LAKE HAMILTON.

In the signed statement of Robert E. Rowe, the iceman who delivered ice to Dyer's Landing, as contained on page 16 of reference report, it will be noted that this man stated that on Saturday morning, October 5, 1935, Loftis, the caretaker at Dyer's Landing, told him that the occupants of the cottage who were Karpis, Hunter and Sam Coker, had left on the previous evening after they received a wire. In an effort to verify this information, Morris Loftis was interviewed by Special Agents B. M. Suttler and D. P. Sullivan on July 1, 1937 at Dyer's Landing. Loftis stated that he is absolutely certain that Hunter and Coker did not leave their cottage until the early evening of Saturday, October 5, 1935. He stated that these men did not receive a telegram on the evening before they departed and reiterated that Karpis, Hunter and Coker did not leave hurriedly, but had given him and Mrs. Dyer notice that they intended to leave on the previous Sunday, when Karpis stated that he intended leaving on Thursday. Loftis stated that Karpis said at that time that the other two would probably stay over two or three days after he left; that they left on the days that had been designated.

Loftis was questioned at length whether any investigation was ever conducted at Dyer's Landing by any members of the Hot Springs Police Department at any time during the time that Karpis and his companions lived at Dyer's Landing or after they had moved, but Loftis stated that he could not recall that the Hot Springs Police Department ever conducted any such investigation, and never remembered seeing a police car in the neighborhood. Loftis stated that he did not know Chief of Detectives Herbert Akers, and therefore could not state whether he had ever seen Akers at or in the vicinity of his cottages. Mrs. Al C. Dyer was present during a portion of this interview, and she also stated that she never knew of any investigation that was conducted at her cottages by any members of the Hot Springs Police Department.

Loftis was questioned as to whether he ever saw any visitors call at Karpis' cottage when he resided at Dyer's Landing, other than those persons who are known to have associated with Karpis at that time, and Loftis stated that one day about 11:30 A.M., Karpis drove up in his car and was accompanied by a gray haired man about 50 or 55 years of age, medium build, big nose, and appeared Jewish. This man was dressed in a blue suit and he and Karpis immediately went into the cottage. This man stayed for dinner and left with Karpis after dinner. Loftis stated that he did not see this man at close range and is not certain whether he could identify him if he saw him again. Loftis is not certain whether Grace Goldstein or Connie Morris visited the cottage that afternoon. He stated that he never saw the above described man before or since the above occasion.

Loftis stated that former Chief of Police Joseph Wakelin now has all of his motor boat motors at his cottage which is located next to Dyer's Landing. He promised to obtain the serial numbers and type of all of Wakelin's motors and provide agents with this information. When this information is made available by Loftis, these motors will be checked through their factories in order that they may be traced, for the purpose of learning whether any of these motors were purchased by Karpis or Hunter, and later given to Wakelin, as previous investigation has indicated.

Loftis was questioned as to why he did not inform investigating agents who interviewed him in October, 1935, a day after Hunter and Coker left and three days after Karpis had gone, of the identity of Grace Goldstein, and he stated that when he was first interviewed on the Sunday after the cottage was vacated, he was not advised that the occupants who had just left may have been Alvin Karpis. He was then asked why he did not inform the agent who exhibited a photograph of Alvin Karpis to him on or about October 7, 1935, which photograph he identified, that this man was keeping company with local women who, he, Loftis, knew. Loftis at this time stated that he knew Grace Goldstein's

correct name and address at that time, as he had read some magazines which Grace Goldstein had brought to Karpis. These magazines were also read by the negro maid, Rosalie, and Loftis stated that Grace Goldstein's name and mailing address were printed on these magazines. He stated that he did not inform the investigating agent of Grace Goldstein's identity and association with Alvin Karpis after he identified Karpis' photograph because of fear that some harm might come to him from Karpis, whom he thought was probably still somewhere in that vicinity, or from some of the Hot Springs people, as he had heard a great deal of what went on in Hot Springs of a lawless nature.

Loftis also stated that when Karpis and his friends left the cottage, they indicated that they would probably return later on during the fall or during the winter; that he tried to induce Karpis to store the two outboard motors at Dyer's Landing, but Karpis would not agree to this. Loftis stated that at the time that the agents conducted their investigation at Dyer's Landing in October, 1935, there was nothing in the trash left by Karpis, et al, except the medicine bottles which the agents obtained; that no magazines were in the trash pile, although some of those which bore Grace Goldstein's name and address may have been in the cottage which he and Mrs. Dyer occupied. Loftis stated that Karpis and the others left a couple of old hats and some old shoes, which he had taken out of the trash; that he did not inform the agents who investigated in October, 1935, that these hats were left. He stated that he still had one of the hats, which he showed to agents, and which is a gray imitation panama hat which was purchased at Moscovitz', 724 Central Avenue, Hot Springs, Arkansas. Loftis stated that he was not told to get in touch with the Bureau in case Karpis or his companions who had resided at Dyer's Landing, should return, but he could not explain why he did not notify the Bureau agents who investigated at Dyer's Landing in February, 1936, that Karpis and Hunter had both visited Dyer's Landing after October, 1935, other than to again state that he feared to inform on Alvin Karpis. Mrs. Dyer, who was also interviewed at this time, stated that prior to the departure of Karpis, Hunter and Coker, she had seen copies of the Woman's Home Companion which Grace Goldstein had brought to Karpis' cottage, and that these magazines bore the name of Grace Goldstein and a mailing address which she recalled to be somewhere around 1308 S. Central Ave., but that she never informed any Bureau agents that she knew the identity of Grace Goldstein as the woman associate of Alvin Karpis, prior to instant investigation; that when she was first interviewed by a Bureau agent in October, 1935, she was not told to notify the Little Rock Field Division in case Karpis or Hunter returned to her cottage, but she could not explain why she did not inform the investigating agent in February, 1936, of the fact that both Karpis and Hunter had visited her cottage and had questioned her after the Bureau investigation in October, 1935, other than to state that she was told that

all of these persons' whereabouts were known. Upon further questioning, Mrs. Dyer stated that in February, 1936, she was told that the whereabouts of Alvin Karpis were not known to the Bureau, but that she withheld the information which she possessed concerning Karpis, Grace Goldstein, Hunter, et al, because she feared bodily harm if Karpis should learn that she had informed on him, as she previously attempted to explain in her signed statement previously obtained from her.

Mrs. Dyer stated that Mr. F. J. Welsh, who is employed by the Burroughs Adding Machine Company at Little Rock, Arkansas, occupied the cottage adjoining the cottage which Karpis and Hunter occupied in the summer of 1935; that Karpis permitted Welsh to use one of his outboard motors for a period of ten days or more. Mrs. Dyer stated that Welsh may have some information of value to this investigation, as he just recently occupied one of Mrs. Dyer's cottages, and asked her whether she had heard from the gamblers who lived at Dyer's Landing in the summer of 1935, in referring to Karpis and Hunter, whom he believed to be gamblers.

Mrs. Dyer also stated that the cottage adjoining that one which Karpis occupied was rented for a time, when Karpis resided at Dyer's Landing, by two families, one being the family of L. H. Herndon, an undertaker, and by Bob Franklin. These people come from Hope, Arkansas.

Mrs. Dyer recalled that after the capture of Alvin Karpis, Grace Goldstein told her that both former Chief of Police Joseph Wakelin and Chief of Detectives Herbert Akers saw her with Alvin Karpis in Hot Springs on several occasions; that Akers became "sore" at her after the capture of Karpis.

Mrs. Dyer also informed that the cottage which is located in the property immediately adjacent to her property is owned by Mayor Moore of North Little Rock, Arkansas (the present Mayor of North Little Rock, Ark., is Ross L. Lawhon), and that he and his family at times spent the week ends at this cottage during the summer that Karpis resided at Dyer's Landing.

On July 1, 1937, Special Agents D. P. Sullivan and B. M. Suttler interviewed Don George, caretaker of Burchwood Landing, Lake Hamilton. George has been previously interviewed in regard to instant investigation, but since that time Agents have learned that Herbert "Dutch" Akers, Chief of Detectives of the Hot Springs Police Department, and Cecil Brock, former Lieutenant of the Hot Springs Police Department, made a trip on or about September 2, 1935 to Dyer's Landing, Lake Hamilton, for the purpose of checking the license plates on the cars of certain suspicious persons residing in one of Mrs. Al C. Dyer's cottages. These plates were on the cars belonging to Alvin Karpis and Grace Goldstein. George was

questioned closely to ascertain if he had at any time seen any police cars drive up and around Mrs. Dyer's cottages or stop there. George denied ever having seen any police cars around the vicinity of Lake Hamilton. Burchwood Landing is separated from Dyer's Landing by only one house, and this house is owned by former Chief of Police Joseph Wakelin. This would give George ample opportunity to observe any cars that might approach Dyer's Landing.

Photographs of the Barker-Karpis gang were exhibited to George. He could not positively identify any member of the gang. He stated that at one time he had a run-in with Alvin Karpis about shooting at some ducks, but Karpis was standing behind the screen on a porch and he did not get a very good look at him. He stated that the photograph of Harry Campbell looked familiar, but he could not identify him as being anyone he knew or definitely place where he had seen this man before.

#### 124 CLUBB STREET

Mrs. H. McCafferty, owner of the McCafferty Real Estate Company, Como Hotel, Hot Springs, Arkansas, was interviewed on June 26, 1937, by Special Agents D. P. Sullivan and B. M. Suttler.

Mrs. McCafferty, during the year 1936, was acting as rental agent for Mrs. Toby Fincell, who owned the property at 124 Clubb Street rented by Grace Goldstein and Alvin Karpis during December, 1935, and January, 1936. Mrs. McCafferty stated that she did act as rental agent for Mrs. Fincell at various times when her property would become vacant, but that lots of time after Mrs. Fincell had turned over certain property to her to rent, that she, Mrs. Fincell, would rent it to someone herself, before she, Mrs. McCafferty, would have a chance to find a tenant.

Mrs. McCafferty was asked to produce her records in an effort to ascertain who rented the house at 124 Clubb Street in December, 1935, for Grace Goldstein and Alvin Karpis. The records she produced were very poorly kept. They consisted of several small composition tablets written in pencil, and an old receipt book. Neither of these books contained dates further back than July, 1936, so consequently were of no value to this investigation. She stated that she would look further and see if she could find any records for December, 1935, and January, 1936. She also stated that Mrs. Fincell, who is now married again, and uses the name of Mrs. Phillip David, will be in town soon, and when she arrives she will notify agents at the temporary office in Hot Springs.



GENERAL

In an interview with the prostitute named Billie, who is employed by Mrs. C. B. Webb, she stated that a man named Kinsey, who formerly was employed at the Belvedere Dairy, and more recently during the past racing season, as a house detective at the Arlington Hotel, called at Mrs. Webb's house with a strange man and he later stated that this man was Alvin Karpis.

Special Agents B. M. Suttler and D. P. Sullivan conducted the following investigation for the purpose of locating Kinsey. At the Arlington Hotel, Mr. McAdams, house detective, was interviewed and he stated that R. R. Kinsey was employed as a "hall" man at the Arlington Hotel for about one month during the last racing season. McAdams stated that Kinsey's right name is R. R. Kinsey; that Kinsey's wife is a school teacher, and suggested that Mrs. Kinsey be located through the local school authorities.

At the Hot Springs High School, agents were informed that Mrs. Kinsey was not employed as a teacher in Hot Springs, but it was suggested that agents contact Mr. Claude Davis at the Magnolia Oil Company, as Mr. and Mrs. Kinsey lived with Davis before they recently left town.

Mr. Claude Davis was located on a pump installation job at Wilson's Landing. He stated that Mr. and Mrs. Kinsey recently left Hot Springs, Arkansas, for California, but he learned from them that they intended stopping with Mr. Kinsey's parents at Bromide, Oklahoma, for some time. Davis stated that Kinsey can be located at Bromide without any trouble, as he is known there. A lead is being set out by letter to the Oklahoma City Field Division, requesting that Kinsey be interviewed.

The following investigation was conducted by Special Agents B. M. Suttler and D. P. Sullivan on July 1, 1937.

During the course of instant investigation, several persons have suggested that "Bill" Miller, who operates Miller's Cigar Store, a gambling place, be interviewed for the reason that this man is widely acquainted with persons who visit Hot Springs, and therefore might have information concerning Alvin Karpis and Fred Hunter.

"Bill" Miller was interviewed at Miller's Court, a tourist camp which Miller operates on Highway #7, about five miles outside of Hot Springs, Arkansas. Miller stated that his correct name is Henry Franklin Miller; that up until the past January he operated Miller's Cigar Store, but was forced to give up this place after it was raided by the Arkansas State Troopers; that a few weeks ago he opened up the Ozark Sporting Results, a gambling place located on Central Avenue. He stated that the



"bankroll" at his present place of business and at his former place was put up by William S. Jacobs; that Jacobs gets fifty percent of the net profit, and that he, Miller, and another partner each received 25 percent of the net profit.

Miller was shown photographs of all members of the Barker-Karpis gang. He selected the photographs of Grace Goldstein, Connie Morris and Fred Hunter, as being persons whom he had either known or seen. He stated that he is acquainted with Grace Goldstein and with Connie Morris. In referring to the photographs of Fred Hunter, Miller stated that he recalls seeing this man only once, Hunter being in his former place of business; that he believes it was the winter before last. Connie Morris came into his place and sat in one of the booths and ordered some beer. A short while later Hunter came in and sat with Connie Morris. Miller stated that it sounded like Connie and Hunter were having some kind of argument; that Hunter was poorly dressed in a blue suit; that he, Miller, noticed that Hunter was wearing a diamond ring, and he figured that Hunter was some man from the country, and that Connie Morris was in Hunter's company for the sole purpose of obtaining in some way the diamond ring which he wore.

Miller stated that Hunter came to his place of business in a Yellow Cab; that he and Connie remained only for a short time and they left also in a Yellow Cab; that this was the only time he ever saw Hunter, who did not on this occasion do any gambling. Miller was also shown several photographs of Alvin Karpis, which he stated he was unable to identify. He was questioned as to whether he had heard of any places which Karpis frequented in Hot Springs, but he stated that he never heard of Karpis ever visiting any gambling places; that, in fact, he never heard that Karpis was in Hot Springs until after it became public knowledge. Miller stated he has not since heard any talk of any persons who saw Karpis when he was residing in Hot Springs, and he stated that he had no information about Karpis. Undoubtedly Miller is not disclosing any information which he has concerning the residence of Karpis and Hunter in Hot Springs, Arkansas.

#### UNLAWFUL FLIGHT

On July 1, 1937, Mrs. W. L. Haynes, aunt of the late John Dickson, prisoner in the Hot Springs jail who was murdered in jail during December 1936, called at the Bureau's temporary office, 322 Thompson Building, Hot Springs, Arkansas.

Mrs. Haynes was interviewed by Special Agents D. P. Sullivan and B. M. Suttler. She stated that in a previous interview with Bureau agents they had asked her to locate for them one Tom Dickson in order that they might interview him. Mrs. Haynes stated that she had learned since that time that Tom Dickson is at the present time living out near the Hamilton School House, beyond Mountain Valley on the Ozark Lithia Springs Road, and this side of Jessieville, Arkansas. She stated that Tom Dickson is at the present time employed near his residence by a man named Elbert Johnson.

Mrs. Haynes was questioned about certain witnesses who left Hot Springs, Arkansas for other states to avoid testifying in the trial of seven former policemen for the murder of her nephew, John Dickson. Mrs. Haynes stated that a woman by the name of Knight left town to avoid testifying; that this is Mrs. Knight was the first nurse to attend John Dickson after he was brought from the Hot Springs jail to the New Park Hospital; that Mrs. Knight could have furnished some valuable information about Dickson's condition, but she left for either California or Mexico during the Dickson trial. Mrs. Haynes stated that another nurse by the name of Mrs. Gentry was also subpoenaed to testify in this trial but she claimed to be sick and was unable to appear in court; that the same morning she was supposed to appear and give testimony, she, Mrs. Haynes, saw Mrs. Gentry working in her flower garden; that she was not ill at all, but was just paid to keep away from that trial.

Mrs. Haynes further stated that a Mrs. Stallcup was supposed to testify to the fact that Bob Moore told her to get in touch with Mrs. Haynes and tell Mrs. Haynes to get in touch with him at once, that it was very important. Mrs. Stallcup returned to her home in Montana by the time of the trial.

Mrs. Haynes stated that another person who was supposed to testify and who failed to show up was Mrs. Fannie McLaughlin, the Mayor's sister-in-law, who was the first person to treat John Dickson for his wounds. Mrs. Haynes stated she did not know whether Fannie McLaughlin was out of town or not, but knows that a subpoena was issued for her to appear, and she was not there.

Mrs. Haynes also stated that a man by the name of Johnny Lynn, cousin of Arch Cooper, was run out of the alley next to the Police Station at the time the other policemen had John Dickson in the boiler room beating him; that this man was run out of the alley by former policeman Joe Scott, so that he would not hear the cries of Dickson; that he was subpoenaed, but was sent out of town to keep from testifying.

Mrs. Haynes stated that she had a list at her home of all those who were subpoenaed but failed to be at the trial, and she will forward this list to agents. Her telephone number is 2321-W.

- PENDING -

Post Office Box 1469  
Little Rock, Arkansas  
July 12, 1937

Special Agent in Charge  
Oklahoma City, Oklahoma

RE: BREKID

Dear Sir:

In the investigation of the harboring case in Hot Springs, Arkansas, it has been definitely shown that Chief of Detectives Herbert "Dutch" Akers visited houses where Alvin Karpis resided in Hot Springs, Arkansas, during the years 1935 and 1936. It is, therefore, important to show that Herbert Akers knew the true identity of Alvin Karpis prior to the above years, in order to show his guilty knowledge.

The file in instant case, Kanno Case and Frank Nash Case indicate that Special Agents in Charge E. E. Conroy and Harold Anderson and Special Agent Frank S. Smith worked in Hot Springs and came in contact with Chief of Detectives Herbert Akers prior to 1935. It is requested that Special Agents in Charge Conroy and Anderson and Special Agent Frank Smith advise the Little Rock Field Division whether they can recall Akers mentioning that he was acquainted with Alvin Karpis or with other members of the Barker-Karpis gang prior to the years 1935 and 1936. It is also requested that they attempt to recall any conversations they may have had with former Chief of Police Joseph Wakelin, Lieutenant Cecil Brock or other Hot Springs Police Officers concerning Alvin Karpis prior to the years 1935 and 1936. They may be able to recall seeing a large \$1,200.00 reward circular bearing the photographs of Alvin Karpis and Fred Barker, which hung on a door in the Hot Springs City Jail for about a year after the murder of Sheriff Kelly at West Plains, Missouri, in the year 1932.

RECORDED  
&  
INDEXED

7-576-3-150

FILED

JUL 14 1937 A.M.

U. S. DEPARTMENT OF JUSTICE

6

FILE

Special Agent in Charge  
Oklahoma City, Oklahoma

July 12, 1937

A prompt response to this inquiry will be  
appreciated.

Very truly yours,

CHAPMAN FLETCHER  
Special Agent in Charge

DPS:ABM  
7-2

cc Bureau ✓  
Cincinnati  
Cleveland  
Butte  
Atlanta

Post Office Box 1469  
Little Rock, Arkansas  
July 12, 1937

Special Agent in Charge  
Buffalo, New York

RE: BREKID

Dear Sir:

Information has been obtained during the present harboring investigation at Hot Springs, Arkansas, that Alvin Karpis possibly gave to Former Chief of Police Joseph Wakelin an outboard motor during the time that he resided at Hot Springs, Arkansas. It has been learned that the following outboard motor is presently in the possession of Joseph Wakelin: One 35 horsepower quad. Kite Motor, Serial #890, Generator #3902.

Investigation should be conducted at the Owens Corporation, Syracuse, New York, the manufacturer of the above motor, to learn to whom that firm originally shipped the motor, in order that you may set out appropriate leads to trace the motor to the present possessor.

It is requested that this investigation be given your attention at the earliest possible date. Copies of letters or reports bearing on this investigation should be designated for the Cincinnati, Cleveland and Little Rock Field Divisions.

Very truly yours,

CHAPMAN FLETCHER  
Special Agent in Charge

DPS:ADM  
7-2

RECORDED

INDEXED

cc Bureau  
Cincinnati  
Cleveland

JUL 14 1937

U. S. DEPARTMENT OF JUSTICE

ONE

FILE

NO PREVIOUS RECORD AS LISTED S. P. L.

Post Office Box 1469  
Little Rock, Arkansas  
July 12, 1937

Special Agent in Charge  
Indianapolis, Indiana

RE: KARPIS

Dear Sir:

Information has been obtained during the present harboring investigation at Hot Springs, Arkansas, that Alvin Karpis possibly gave to Former Chief of Police Joseph Wakelin an outboard motor during the time that Karpis resided at Hot Springs, Arkansas. It has been learned that the following outboard motor is presently in the possession of Joseph Wakelin: One, Electric Motor, Serial #5A1766.

Investigation should be conducted at the Bendix Corporation at South Bend, Indiana, the manufacturer of the above motor, to learn to whom that firm originally shipped the motor, in order that you may set out appropriate leads to trace the motor to the present possessor.

It is requested that this investigation be given your attention at the earliest possible date. Copies of letters or reports bearing on this investigation should be designated for the Cincinnati, Cleveland and Little Rock Field Divisions.

Very truly yours,

CHAPMAN FLETCHER  
Special Agent in Charge

DPS:ADM  
7-2

cc Bureau  
Cincinnati  
Cleveland

RECORDED  
&  
INDEXED

7-576-3-152

JUL 14 1937

ONE

NO PREVIOUS RECORD AS LISTED S. P. I.

Post Office Box 1469  
Little Rock, Arkansas  
July 12, 1937

Special Agent in Charge  
Milwaukee, Wisconsin

RE: BREXID

*Edmond & Bremer*

Dear Sir:

During the course of the present harboring investigation being conducted at Hot Springs, Arkansas, it has been learned that Former Chief of Police Joseph Wakelin is in possession of the following outboard motors:

1. 12 horsepower Johnson, Model K-50, Serial #148900.
2. 3½ or 4½ horsepower Johnson Motor, Model 300, Serial #227-998.
3. 1½ horsepower Evinrude Motor, Serial #4091-5522.

PREVIOUS RECORD ON 4-9-37 IN 7-576-3-153

Investigation indicates that Joseph Wakelin was one of several Hot Springs City Officials who harbored Karpis at Hot Springs, Arkansas, and it has been indicated that Karpis may have given him an outboard motor. In order that this information may be verified, it is requested that a check be made at the Outboard Motors Company, Milwaukee, Wisconsin, to ascertain to whom that company shipped the above motors. It is requested that immediately after you obtain the necessary information, leads be set out for the respective Field Divisions covering the territory where the original consignees are located, to trace the above motors.

It is requested that this matter be given your attention at the earliest possible date. Copies of letters or reports bearing on this investigation should be designated for the Cincinnati, Cleveland and Little Rock Field Divisions.

Very truly yours,

RECORDED

&

INDEXED

CHAPMAN FLETCHER

Special Agent in Charge

7-576-3-153

JUL 14 1937

U. S. DEPARTMENT OF JUSTICE

ONE

FIVE

DPS:ADM  
7-2  
cc Bureau  
Cincinnati  
Cleveland

NO PREVIOUS RECORD AS LISTED S. P. I.



# FEDERAL BUREAU OF INVESTIGATION

Form No. 1  
THIS CASE ORIGINATED AT Cincinnati

FILE NO. 7-1

REPORT MADE AT <b>Cleveland, Ohio</b>	DATE WHEN MADE <b>7/11/37</b>	PERIOD FOR WHICH MADE <b>6/30; 7/9/37</b>	REPORT MADE BY <b>E. J. Wynn</b> <span style="float: right;">EJW:RH</span>
TITLE <b>ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases, I.O. #1232--FUGITIVE; ANTHONY J. AMERSBACH, with aliases--FUGITIVE; ET AL; EDWARD GEORGE BREMER - Victim</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.</b>

**SYNOPSIS OF FACTS:**

*Handwritten notes:*  
 Conventions 2  
 5 yrs.  
 2 yrs.  
 10 yrs.  
 DIVISION ONE  
 JUL 14 1937  
 RECEIVED  
 U.S. DEPT. OF JUSTICE  
 DIVISION ONE

Arthur W. Hebebrand and John Francis "Sharkey" Gorman, on June 30, 1937, in U. S. District Court, Cleveland, Ohio, entered pleas of guilty to the entire indictment and were sentenced by Federal Judge John Paul Jones as follows:-- Hebebrand two years and \$1000 fine; Gorman three years and \$1000 fine. Parole reports and disposition sheets submitted. Herbert Akers, Chief of Detectives, Hot Springs, Arkansas wired the Youngstown, Ohio Police Department on October 5, 1935 requesting any police record on E. F. Parker and any data available on 1935 Hudson coupe bearing license H-372-M. Copy of telegram secured from Youngstown Police Department. Detectives Harry Rowe and John Albaugh, Youngstown Police Department conducted the investigation, contacting J. Carroll Manning of the Manning-Merino Motor Company at Youngstown, Ohio. Former Chief of Detectives T. W. Thomas, Youngstown Police Department now deceased. Detectives Harry Rowe and John Albaugh stated that they were not acquainted personally with Fred Hunter and that they at no time ever talked with him concerning the investigation requested by Chief of Detectives Herbert Akers.

COPIES DESTROYED

11 MAR 25 1965

- P -

APPROVED AND FORWARDED: <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES	
COPIES OF THIS REPORT 3 - Bureau (2 encls.) 2 - Cincinnati 1 - Chicago 2 - Little Rock 2 - Cleveland ENCL. 2 DISPOSITION SHEET		<b>7-576-3-154</b>  <b>JUL 14 A.M.</b>	<b>JUL 14 1937</b>

7-1

REFERENCE:

Letter from Little Rock, Arkansas office to the Cleveland office dated June 11, 1937.

Report of Special Agent D. P. Sullivan dated at Little Rock, Arkansas December 2, 1936.

DETAILS:

Arthur W. Hebebrand and John Francis "Sharkey" Gorman on June 30, 1937 in the U. S. District Court, Cleveland, Ohio, before Federal Judge John Paul Jones, entered pleas of guilty to the entire indictment in this case charging them with harboring and accessories after the fact. Arthur W. Hebebrand was sentenced to serve two years in a United States Penitentiary and fined \$1000. John Francis "Sharkey" Gorman was sentenced to serve three years in a United States Penitentiary and fined \$1000.

Parole reports and disposition sheets as to both Arthur W. Hebebrand and John Francis "Sharkey" Gorman are being submitted with this report.

At the Youngstown, Ohio Police Department contact was had with the present Chief of Detectives W. W. Reed who advised that the former Chief of Detectives T. W. Thomas is deceased. Mr. Reed produced the telegram received by the Youngstown, Ohio Police Department from Herbert Akers, Chief of Detectives, Hot Springs, Arkansas, dated October 5, 1935, a copy of which was secured by the reporting agent and which reads as follows:

"HY 41 32 NL Hot Springs, Ark 4 1935 Oct. 5 AM 2 51

To Chief of Police  
Youngstown, Ohio

Advise any police record white man E. F. Parker  
323 N. Phelps St. your city; also any data on  
35 Hudson coupe bearing license H 372 M

Herbert Akers  
Chief of Detectives"

Detectives Harry Rowe and John Albaugh produced their original notes reflecting that on October 5, 1935 they made an investigation pursuant to the request contained in the above quoted telegram from Herbert Akers, Chief of Detectives, Hot Springs, Arkansas. They stated that their investigation reflected that E. F. Parker was unknown at 323 North Phelps. Detective John Albaugh stated that he conducted the investigation at the Manning-Merino Motor Company inasmuch as

Detective Harry Rowe is not on speaking terms with officials of the company; that he, John Albaugh, contacted J. Carroll Manning of the Manning-Merino Motor Company with reference to the E. F. Parker, and ascertained from the records of the Manning-Merino Motor Company that E. F. Parker, giving his address as 323 North Phelps Street, Youngstown, Ohio, on August 1, 1935 purchased by a cash payment of \$900 a 1935 Hudson coupe, motor number 60348, serial number 551492 and that the bill of sale for this car was numbered 385268. Detective Albaugh stated that Mr. Manning stated that he recalled the sale of the car but was unable to give any information as to the identity of E. F. Parker.

The aforementioned detectives stated that inasmuch as the investigation at the time failed to reflect any information of value they immediately came back to the Police Department and a telegram was sent to Chief of Detectives Herbert Akers, Hot Springs, Arkansas. The telegram of reply is quoted on page 22 of the report of Special Agent D. P. Sullivan, Little Rock, Arkansas, December 2, 1936.

Detective John Albaugh in his memorandum book has a notation on the page reflecting his investigation, "Fred Hunter, Garrettsville mail robbery." With reference to this he stated that some time after the original investigation was made on October 5, 1935 it was ascertained that E. F. Parker was in fact Fred Hunter who was wanted by the post office inspectors for the Garrettsville, Ohio mail train robbery of November 7, 1935. Both he and Detective Harry Rowe stated that they could not recall just how this information was brought to their attention, but did recall that they were furnished with a picture of Fred Hunter either by some agent of the Bureau or some post office inspector, and that as a result of obtaining this picture and Mr. Albaugh's exhibiting the picture to Mr. J. Carroll Manning of the Manning-Merino Motor Company, the latter advised that the photograph of Fred Hunter was identical in appearance with the man who purchased the Hudson under the name of E. F. Parker.

As stated, the detectives were not at all clear as to just how they associated Fred Hunter with this particular car or what motivated them in exhibiting Fred Hunter's picture at the Manning-Merino Motor Company in connection with this car. They both stated, however, that this particular information was not relayed to Herbert Akers at Hot Springs, Arkansas, and that as a matter of fact the telegram of October 5, 1935 sent by T. W. Thomas, the then Chief of Detectives at Youngstown, Ohio, was the only reply sent to Herbert Akers. In this connection the reporting agent and the present Chief of Detectives of the Youngstown, Ohio Police Department, W. W. Reed, searched the files of the Youngstown, Ohio Police Department and failed to find any communications directed to Herbert Akers other than the telegram quoted on page 22 of the report of Special Agent D. P. Sullivan dated at Little Rock, Arkansas December 2, 1936.

- PENDING-

# UNITED STATES DIVISION OF INVESTIGATION

Form No. 2

THIS CASE ORIGINATED AT Cincinnati

FILE NO. 7-1

REPORT MADE AT: Cleveland, Ohio	DATE WHEN MADE: 7/9/37	PERIOD FOR WHICH MADE: 7/9/37	REPORT MADE BY: E. J. Wynn EJW:RH
NAME OF CONVICT: JOHN FRANCIS GORMAN, alias "Sharkey" Gorman		PAROLE REPORT	
TITLE OF CASE: ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases, I.O. #1232 - FUGITIVE; ANTHONY J. ALERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - Victim		VIOLATION: KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.	
<p>On January 17, 1934 members of the notorious Barker-Karpis gang, including Alvin Karpis, Arthur R. "Doc" Barker, Fred Barker, Harry Campbell, Volney Davis, and William Weaver, at St. Paul, Minnesota, kidnaped Edward George Bremer, a wealthy banker, transported him in interstate commerce to Bensenville, Illinois where he was held pending ransom negotiations, and finally released him on February 7, 1934 after the payment of \$200,000. Following the release of Edward George Bremer various members of the Barker-Karpis gang proceeded to Toledo, Ohio and then in the fall of 1934 moved to Cleveland, Ohio where they frequented the notorious Harvard Club, a gambling rendezvous, where they became acquainted with John Francis "Sharkey" Gorman, an employee of the Harvard Club.</p> <p>In September 1934 the presence of the members of the Barker-Karpis gang in Cleveland, Ohio was discovered. However, the various men members of the gang were successful in eluding arrest. In January 1935 Alvin Karpis and Harry Campbell were successful in eluding a police trap in Atlantic City, New Jersey and then proceeded to Toledo, Ohio and Cleveland, Ohio where they resumed their association with John Francis "Sharkey" Gorman who materially aided Harry</p>			
APPROVED AND FORWARDED: <i>J. M. Woodland</i> SPECIAL AGENT IN CHARGE		DO NOT WRITE IN THESE SPACES	
COPIES OF THIS REPORT FURNISHED TO: 3 - Bureau 2 - Cincinnati 1 - Chicago 2 - Cleveland		7-576-3-155 DIVISION OF INVESTIGATION JUL 14 AM DEPARTMENT OF JUSTICE ROUTED TO: ONE FILE:	
		RECORDED AND INDEXED: JUL 14 1937 CHECKED OFF: JACKETED:	

U. S. GOVERNMENT PRINTING OFFICE: 1934

2 J. M. Woodland 7-15-37

Campbell and Alvin Karpis by renting an apartment for them in Cleveland, Ohio and acting as messenger for them in their negotiations with other criminals.

A Federal grand jury at Toledo, Ohio on June 10, 1937 returned an indictment in three counts against John Francis "Sharkey" Gorman and others, said indictment charging John Francis "Sharkey" Gorman and the other named defendants as accessories after the fact to the kidnaping of Edward George Bremer; conspiring as accessories after the fact to the kidnaping of Edward George Bremer; conspiracy to harbor Alvin Karpis and Harry Campbell, knowing these individuals to be fugitives from justice and wanted by the Government for the kidnaping of Edward George Bremer. On June 30, 1937 in the U. S. District Court at Cleveland, Ohio, before Federal Judge John Paul Jones, John Francis "Sharkey" Gorman entered a plea of guilty to the entire indictment and was on June 30, 1937 sentenced to serve three years in a United States Federal Penitentiary, and fined \$1000.

#### AGGRAVATING CIRCUMSTANCES

As stated, John Francis "Sharkey" Gorman was an employee of the Harvard Club, a notorious gambling rendezvous located in Newburg Heights, a suburb of Cleveland, Ohio, which club caters to underworld characters, and the employees of which for the most part are notorious ex-convicts. During the time of the association of Gorman with the members of the Barker-Karpis gang, particularly Alvin Karpis and Harry Campbell, the latter two were considered among the outstanding public enemies in the United States and were being vigorously sought by the Federal Bureau of Investigation for the kidnaping of Edward George Bremer.

#### PERSONAL HISTORY OF JOHN FRANCIS "SHARKEY" GORMAN

John Francis Gorman is 36 years of age, having been born in Cleveland, Ohio on September 13, 1901. He is married and resided with his wife at the time of conviction at 6202 Franklin Boulevard, Cleveland, Ohio. He is of the white race and of Irish descent. He has no children.

The following criminal record is admitted by Gorman:

About 1924 served 75 days in the workhouse, Dayton, Ohio on a charge of violation of the National Prohibition Act.

7-1

Several minor arrests by Cleveland, Ohio Police Department for fighting and investigation.

The criminal records of the Federal Bureau of Investigation reflect no further criminal record.



# UNITED STATES DIVISION OF INVESTIGATION

Form No. 2

THIS CASE ORIGINATED AT Cincinnati

FILE NO. 7-1

REPORT MADE AT: Cleveland, Ohio	DATE WHEN MADE: 7/9/37	PERIOD FOR WHICH MADE: 7/9/37	REPORT MADE BY: E. J. Wynn	EJW:RH
NAME OF CONVICT: ARTHUR W. HEBEBRAND, alias Art Hebebrand		PAROLE REPORT		
TITLE OF CASE: ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases, I.O. #1232 - FUGITIVE; ANTHONY J. AMERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - Victim		VIOLATION: KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.		

On January 17, 1934 members of the notorious Barker-Karpis gang, including Alvin Karpis, Arthur R. "Doc" Barker, Fred Barker, Harry Campbell, Volney Davis, and William Weaver, at St. Paul, Minnesota, kidnaped Edward George Bremer, a wealthy banker, transported him in interstate commerce to Bensenville, Illinois where he was held pending ransom negotiations, and finally released him on February 7, 1934 after the payment of \$200,000. Following the release of Edward George Bremer various members of the Barker-Karpis gang proceeded to Toledo, Ohio and then in the fall of 1934 moved to Cleveland, Ohio where they frequented the notorious Harvard Club, a gambling rendezvous. Arthur W. Hebebrand was one of the principal owners of the Harvard Club and was friendly with members of the Barker-Karpis gang, particularly Alvin Karpis, Harry Campbell, and Fred Barker, permitting them to visit the club and gamble. He otherwise assisted these criminals by renting a house owned by his real estate corporation in Cleveland, Ohio to Alvin Karpis under the name of H. G. Milgreth, and also aided these criminals in purchasing clothing.

In September 1934 the presence of the Barker-Karpis gang in Cleveland, Ohio was discovered, but the men members of the gang were successful in eluding arrest. However

APPROVED AND FORWARDED: <i>J. P. W. [Signature]</i>	SPECIAL AGENT IN CHARGE.	7-576-3-156	RECORDED AND INDEXED:
COPIES OF THIS REPORT FURNISHED TO: 3 - Bureau 2 - Cincinnati 1 - Chicago 2 - Cleveland		DIVISION OF INVESTIGATION JUL 14 AM	CHECKED OFF:
		DEPARTMENT OF JUSTICE	JACKETED:
		ROUTED TO: <i>ONE</i>	FILE:

2 parole Board 7-15-37

U. S. GOVERNMENT PRINTING OFFICE: 1934



Alvin Karpis and Harry Campbell re-appeared in Cleveland, Ohio in about February of 1935 following their escape from a police trap in Atlantic City, New Jersey. Upon their arrival in Cleveland they again associated with Arthur W. Hebebrand, continuing this association until November of 1935.

A Federal grand jury at Toledo, Ohio on June 10, 1937 returned an indictment in three counts against Arthur W. Hebebrand and others, said indictment charging Arthur W. Hebebrand and the other named defendants as accessories after the fact to the kidnaping of Edward George Bremer; conspiring as accessories after the fact to the kidnaping of Edward George Bremer; conspiracy to harbor Alvin Karpis and Harry Campbell, knowing these individuals to be fugitives from justice and wanted by the Government for the kidnaping of Edward George Bremer. On June 30, 1937 in the U. S. District Court at Cleveland, Ohio, before Federal Judge John Paul Jones, Arthur W. Hebebrand entered a plea of guilty to the entire indictment and was on June 30, 1937 sentenced to serve two years in a United States Federal Penitentiary, and fined \$1000.

#### AGGRAVATING CIRCUMSTANCES

At the times Alvin Karpis and Harry Campbell and other members of the Barker-Karpis gang were frequenting the Harvard Club they were considered among the outstanding public enemies and fugitives in the United States and were being vigorously sought by the Federal Bureau of Investigation. The Harvard Club is located in Newburg Heights, a suburb of Cleveland, Ohio, and is operated in open defiance of law, and it has been definitely established by investigation that the majority of the employees of the Harvard Club are ex-convicts, and the Harvard Club on the whole is a rendezvous for underworld characters. Arthur W. Hebebrand is one of the principal owners of this club. The place is so notorious that the operators were able on January 11, 1936 to openly defy a raiding party comprised of the Prosecuting Attorney of Cuyahoga County, Ohio and special deputies when an attempt was made to raid the Harvard Club. On this occasion the raiding party was threatened with death by machine gun fire and were thus held at bay until all of the gambling equipment had been moved out of the rear end of the club. The club was closed for a few weeks but re-opened in a new location a short distance away, and is presently doing a flourishing business.

#### PERSONAL HISTORY OF ARTHUR W. HEBE BRAND

Arthur W. Hebebrand is 40 years of age, having been born at Cleveland, Ohio on March 30, 1897. He is of the white race and of German descent. In his early youth he learned the carpenter trade and subsequently entered the building business and became a real

7-1

estate contractor of some importance in Cleveland, Ohio. While conducting his real estate business he and others opened the Harvard Club in Newburg Heights.

He is married and resides in Rocky River, Ohio, a suburb of Cleveland, Ohio, at 21256 Morewood Parkway, with his wife, Alice Hebebrand, and two small adopted children.

Following is the criminal record of Arthur W. Hebebrand as reflected in the files of the Federal Bureau of Investigation:

B3



# FEDERAL BUREAU OF INVESTIGATION

FILE NO. 7-24

Form No. 1  
THIS CASE ORIGINATED AT

Cincinnati, Ohio.

REPORT MADE AT <b>Miami, Florida.</b>	DATE WHEN MADE <b>7/12/37</b>	PERIOD FOR WHICH MADE <b>7/9/37</b>	REPORT MADE BY <b>S. K. McKee</b>
TITLE <b>ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases, FUGITIVE; I.O. #1232; ANTHONY J. AMERSBACH, with aliases, FUGITIVE; et al. Edward George Bremer-VICTIM.</b>			CHARACTER OF CASE <b>KIDNAPING; OBSTRUCTION OF JUSTICE; HARBORING OF FUGITIVES; NATIONAL FIREARMS ACT.</b>

**SYNOPSIS OF FACTS:**

William Gatza, Clearwater, Fla., stated he never saw Karpis, Hunter, or any police officers at house of prostitution run by Grace Goldstein, 1338 South Central Ave., and later at the Hatterie Hotel, Hot Springs, Ark. Gatza used to date Connie Morris as prostitute. Conversations with Gatza and Goldstein woman subsequent to arrest of Karpis set out.

**REFERENCE:**

Letter from Salt Lake City Office dated 7/3/37.

**DETAILS:**

**AT CLEARWATER, FLORIDA:**

William Gatza was interviewed at 405 Pennsylvania Avenue, Clearwater, Florida, where he is presently residing. The correct name of this individual is Boleslaus Gatza, and he was born at Buffalo, New York, May 10, 1901. He is under a peace time pension of \$112.50 per month for injuries received while in the United States Army between 1920 and 1925, and it is to be stated that he is suffering from a stiffening of the hips as a result of arthritis, which forces him to walk in a half bent over position. Gatza stated that he intends to make Clearwater his home inasmuch as the sun and salt water are beneficial to his condition. He came to Clearwater, Florida, from Hot Springs, Arkansas, on January 7, 1937. He stated that in event he moves he can always be located through Barney Gatza, a brother, 156 Weber Street, Buffalo, New York.

APPROVED AND FORWARDED <i>R. S. Shuman</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES <b>7 576-3 + 157 JUL 18 1937</b>
COPIES OF THIS REPORT 3 Bureau 2 Cincinnati 2 Little Rock 1 Cleveland 2 Miami		<b>JUL 14 P.M.</b>
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When questioned concerning his residence at 1340 South Central Avenue, Hot Springs, Arkansas, he advised that he roomed at this place from about December 1, 1934, to April 1, 1935; that during the first portion of his residence there he lived with another veteran named Horace Cobb, who died February 22, 1935. During the lifetime of Cobb, who was a disabled veteran, he was attended by Carl Tissue and wife, of Hope, Arkansas, and by Finus Stevens, of Hope, Arkansas, all of whom were nurses. He stated that after the death of Cobb a Mrs. Genevieve Ricks took over the house at 1340 South Central Avenue, and that she lived at this place with two daughters.

Gatza stated that during the entire period he was living at 1340 South Central Avenue, Grace Goldstein was operating a house of prostitution at 1338 South Central Avenue, and that he would see the various persons who worked at this house, and was acquainted with many of them inasmuch as he patronized the place as a customer about once every two weeks. He stated he remembered four of the girls at this place as being Connie, Ruth, Lola and Dorothy, and he advised that Connie was the girl with whom he had dates at this house.

Gatza stated that Grace Goldstein remained at 1338 South Central Avenue when he moved away from his rooming house about April 1, 1935; that he moved to another rooming house at 609½ Central Avenue, still later moving to a rooming house at 914 7th Street. He stated that none of the parties at the above two places were acquainted with the Goldstein woman. He stated that some time after he moved from the rooming house at 1340 South Central Avenue that the Goldstein woman moved her place of business to the Hatterie Hotel, this being in 1935, but that some time elapsed between the periods in which she was running these two places and he did not know her location during the interim.

A photograph of Grace Goldstein was displayed to Gatza and he identified same as the woman known by him under that name, and stated that the car on which she appeared to be sitting looked like the green Buick coupe which she was driving during the spring of 1936. He recalled that this car bore 1936 Arkansas licenses, the license number of which contained two figure threes.

He likewise identified the photograph of Connie Morris as the girl known to him as Connie, who worked at 1338 South Central Avenue as a prostitute, and later in the same capacity

at the Hatterie Hotel.

Gatza was shown the photograph of the black Great Dane dog and he stated this appeared to be the dog named "Shine" which he understood was owned by Grace Goldstein and which he first saw at the Hatterie Hotel as a pup in the latter part of 1935.

Photographs of Alvin Karpis and Fred Hunter were displayed to Gatza but he could not identify either as a person he had seen at the house of prostitution at 1338 South Central Avenue, at the Hatterie Hotel in Hot Springs, or elsewhere.

In response to questions Gatza advised that he never saw any police officers, either in uniform or plain clothes, at Grace Goldstein's house on South Central Avenue or at the Hatterie Hotel. He stated that he knows "Dutch" Akers and Arch Cooper by sight; also that he is acquainted personally with police officers Bob Moore, Garnet Moore, Glen Buchanan and "Red" Taylor. He also stated he is personally acquainted with Sheriff Marian Anderson.

Gatza stated, in response to inquiries, that Grace Goldstein had a boy friend during the period she ran the house at 1338 South Central Avenue, and he believed the last name of this individual to be Hughes. He stated he never knew of her having any boy friend at the Hatterie Hotel. In response to a question, he stated he never knew of Connie Morris having had a boy friend.

It was the statement of Gatza that after Grace Goldstein became situated at the Hatterie Hotel that he had only one date with Connie Morris; that she became sick about this time and he knew she was going to a doctor and for that reason he stopped having relations with her. He stated that after the above situation arose he had dates with a blond at the hotel whose name was Jerry; that he remembered prostitutes known as Connie, Jerry, Pat, and one other whose name he could not recall, as having been working for the Goldstein woman at the Hatterie Hotel.

Gatza stated that during the spring of 1936 he saw Grace Goldstein on several occasions driving down the street in her green Buick coupe with some man in the car with her, but that he never knew the identity of this man and cannot furnish information as to who he was.

In response to questions, Gatza stated that since the arrest of Karpis, and after the numerous stories which appeared in the Hot Springs newspapers concerning him and Grace Goldstein, that he asked her about Karpis, at which time she stated that he was a "fine gentleman" and was one of the best men she had ever known in her life, and that if he got out of the penitentiary she would go back to him. It was Gatza's story that the Goldstein woman told him that Karpis bought the Great Dane dog named "Shine" for her. Gatza stated that on one occasion he asked her if she was afraid while she was with Karpis and the gang and she stated that she had not been afraid because Karpis always looked after her.

The Goldstein woman also told Gatza that she and Karpis took an airplane trip to New York City to see a prize fight but that he could not recall either the date of the fight or the identity of same. Gatza stated that from his own knowledge he knows that Grace Goldstein was away from the Hatterie Hotel a lot in 1936, and she would always say she was going to see her mother in Texas. In connection with these trips, Gatza advised that she later told him she took Connie with her on some of same.

In connection with the rooming house at 1340 South Central Avenue, where Gatza lived in the spring of 1935, he advised that after the death of Horace Cobb that a woman lawyer, whose last name was Florence, handled his estate and conducted an auction sale as to his property, same taking place at Murray's warehouse. Gatza recalled that Grace Goldstein purchased a radio, a small electric fan, a single hospital bed and a specially made mattress, at this auction sale.

It is to be stated that Gatza was very frank in his manner during the course of this interview and it is believed highly probable that he is telling the truth. It was his story that he had no idea Grace Goldstein was fooling around with Karpis until the story concerning their relationship came out in the Hot Springs newspapers.

PENDING

JOHN EDGAR HOOVER  
DIRECTOR

TDQ:RCL

**Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.**


July 12, 1937.

MEMORANDUM FOR MR. TOLSON.

K  
Colonel <sup>X</sup>Gates telephoned this morning and stated that an Arkansas newspaperman made inquiry of him as to whether any reels would be made by the Bureau or Department concerning the Bureau's investigation of lawlessness in Hot Springs, Arkansas.

I advised the Colonel that the Bureau had no comment to make.

Respectfully,

  
✓ T. D. Quinn.

RECORDED  
INDEXED

7-576-3-158  
JUL 15 1937  
TOLSON  
TAMM



# FEDERAL BUREAU OF INVESTIGATION

Form No. 1  
THIS CASE ORIGINATED AT Cincinnati, Ohio

FILE NO. 7-36

REPORT MADE AT <b>Oklahoma City, Okla.</b>	DATE WHEN MADE <b>7-13-37</b>	PERIOD FOR WHICH MADE <b>7-8-37</b>	REPORT MADE BY <b>John R. Welles</b>
TITLE <b>GEORGE TIMINNEY; DR. JOSEPH P. MORAN with aliases - FUGITIVE, I.O. 1232, et al; EDWARD GEORGE BREMER - VICTIM.</b>			CHARACTER OF CASE <b>Kidnaping; Obstruction of Justice; Harboring of Fugitives; National Firearms Act.</b>
<p><b>SYNOPSIS OF FACTS:</b> R. R. Kinsey worked Belvedere Dairy, Hot Springs, Ark. during summer 1935, took numerous persons fishing on Lake Hamilton, but is positive Karpis not included. Believes Ted Woods mistaken for Karpis. Belvedere Dairy furnished milk to Mrs. R. E. Webb and Grace Goldstein, Kinsey frequently visiting these places. Identifies pictures Connie Morris and Grace Goldstein; fails to identify Karpis, Campbell, Hunter, Soker or Lett. Believes Herbert Barker through Mac Adams, caused him to lose job at Arlington Hotel. Was opposed to present administration which believes crooked, but has no facts to substantiate.</p> <p style="text-align: center;">P.</p> <p><b>REFERENCE:</b> Letter from Little Rock, dated July 5, 1937.</p> <p><b>DETAILS:</b> On July 7, 1937 Special Agent in Charge C. W. Stein, through the postmaster at Brawley, Oklahoma, ascertained that R. R. Kinsey was supposed to be then visiting his brother-in-law at Topelo, Oklahoma.</p> <p>On July 8, 1937 at Topelo, Oklahoma, Oscar Finch, brother-in-law of Kinsey, said that the latter was supposed to be selling groceries and living with another brother-in-law, Lloyd Brown at Madill, Oklahoma.</p> <p>At Madill, through Mrs. Loyd Brown, a sister of Kinsey, it was learned that Kinsey is residing on Timber Hill, eight miles east of Madill, with a widow named Mrs. Cox.</p>			
APPROVED AND FORWARDED: <i>[Signature]</i>		SPECIAL AGENT IN CHARGE	
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Kinsey was located on the road between this place and Madill, at which time he was driving a 1935 Ford V-8 with a homemade delivery box on the rear. Kinsey said he has been making a living peddling groceries with this outfit, and that he contemplates remaining at his present address.

R. R. Kinsey said he worked for the Belvedere Dairy at Hot Springs, Arkansas in the summer of 1935, and until January 1, 1937, at which time, due to raids conducted on the gambling establishments in and around Hot Springs, the milk business of the dairy fell off very badly and rather than take a reduction in wages, which would have been necessary, he resigned. Kinsey said that during the summer of 1935, he remembers taking the following persons fishing on Lake Hamilton:

Denison Yates, 916 Hobson Avenue, Hot Springs;  
Guy Ansler, Hot Springs;  
Arton Ratliff, Poolhall Motor Company, Hot Springs;  
Sam Gibson, manager of the Belvedere Dairy;  
Ed Merriott, operator of a roadstand on the Little Rock highway;  
Coyle Henderson, a resident at Lake Hamilton;  
Elmer Tackett, an attorney of Hot Springs, and unsuccessful candidate for mayor.

In addition to the above, Kinsey took Ted Woods, a former Northwest Mounted Policeman, and his, Kinsey's, brother-in-law, Loyd Brown, fishing on Lake Hamilton during the summer of 1935.

Kinsey was shown photographs of Alvin Karpis, Harry Campbell, Sam Coker, Milton Lett and Fred Hunter. He said he was certain he had never seen any of these men in Hot Springs or taken any of them fishing, with the exception that he believed he had seen Alvin Karpis at the race track. Kinsey was of the opinion that the story about his taking Karpis fishing developed through his telling several persons that he had taken Ted Woods fishing, and later learned that Ted Woods was the same man as Karpis at Hot Springs. Kinsey talked to several persons about this, but said he later saw a picture of Alvin Karpis and realized it was not a picture of Ted Woods. He also said he saw Ted Woods after Karpis was apprehended, and that Woods married a girl named Lola Whipple from Hot Springs.

Kinsey said the only person with whom he had gone to Mrs. Webb's while they were wearing fishing clothes, was his brother-in-law, Loyd Brown. Kinsey said he very often visited Mrs. Webb's place, as well as the place of Grace Goldstein, but that he only did so to drink beer and encourage their continued use of milk purchased from the Belvedere Dairy, of which he was sales manager. Kinsey was positive that he had never gone to either place with Alvin Karpis.

He said that subsequent to the arrest of Karpis in New Orleans, Grace Goldstein jokingly referred to herself as "Mrs. Karpis." Prior to that time he did not know that Karpis was associated with Grace Goldstein in any manner.

Kinsey was shown pictures of Grace Goldstein and Connie Morris, which he readily identified. He said that during the time he worked at the Arlington Hotel, Connie Morris came to this place on several occasions, and he watched her to make sure she was not hustling at that establishment.

Kinsey claims when he went to work for the Arlington Hotel, the manager, W. E. Chester, told him that he had no friends, and that any prostitute who came to that place should be immediately "kicked out." Kinsey at that time was working nights, and Mac Adams, who, according to Kinsey was closely associated with "Dutch" Akers, was working in the daytime. There were two prostitutes who stayed at a hotel on Central Avenue, south of the Spencer Cigar Store, who were continually coming to the Arlington Hotel, and each time he saw them, Kinsey claims he kicked them out. He says he is positive, although he can not prove it, that these prostitutes were paying Mac Adams for being allowed to come to the place. Kinsey said that on several occasions officer Bob Moore asked him why he didn't line up with Mac and Akers and make a little money on the prostitutes. He said that his refusal to do this was, in his estimation, the reason why Akers and Adams caused him to be let out more than a month earlier than some of the other employees.

Kinsey said it was his opinion that "Dutch" Akers knew Karpis was in Hot Springs, but he has no information to prove this. He said he knew the elections in Hot Springs were all crooked as he was opposing the administration in the last election, and found out that it is the custom to have visitors register in Hot Springs, assess a poll tax against them, and when the time comes to vote, the administration will pay the poll tax and vote these visitors through mostly colored residents. He had not heard about Chief Wohelim or any of his activities until Wohelim was hit over the head in Perry County. Kinsey said the whole setup in Hot Springs is under the complete domination of Mayor Leo P. McLaughlin, and that he was never close enough to McLaughlin or the administration to be in the "know" as to what was going on. However, he said it was common knowledge that a good deal of the funds of the administration were obtained through an old man named Jacobs, who paid the administration for the privilege of operating gambling places, the payments being made in the form of fines. Anyone opening a new gambling place first obtained the consent of Jacobs and then paid a certain proportion of the fines as assessed by Jacobs.

It would appear from the interview with R. R. Kinsey that his statements are truthful, but that he does not have information of value. He stated that if there is anything he can do to aid in showing up the rotten setup in Hot Springs, he is very anxious to do it. He suggested that if

they would talk, the four persons most likely to be able to give information concerning the setup and activities in Hot Springs, are the former members of the Police Department, who were recently let out, namely: Arch Cooper, Cecil Brock, Joe Scott and Andy Irwin.

As requested in reference letter, photographs of Alvin Karpis, Fred Hunter, Sam Coker, Harry Campbell, Grace Goldstein and Connie Morris are being returned to the Little Rock office with copies of this report.

P E N D I N G

Federal Bureau of Investigation  
United States Department of Justice

Post Office Box #1469  
Little Rock, Arkansas  
July 14, 1937

49513

PERSONAL AND CONFIDENTIAL

Director  
Federal Bureau of Investigation  
Washington, D. C.

RE: BREKID

Dear Sir:

In connection with the harboring investigation presently being conducted in Hot Springs, Arkansas, Special Agents Madala and Suttler interviewed John Stover, pilot and manager of the Hot Springs airport, on July 12, 1937. The Bureau will recall that John Stover was prominently mentioned in the Kansas City Massacre Case, in that he flew Mrs. Frank Nash and Richard T. Galatas from Hot Springs, Arkansas, to Joplin, Missouri, on the day that Frank Nash was apprehended by Bureau Agents in Hot Springs on June 16, 1933.

This is to advise that John Stover informed the above named Agents on July 12, 1937, that Richard T. Galatas and C. Floyd Huff, came to the Hot Springs airport approximately two hours after he returned from Joplin, Missouri, with Galatas after the above trip, and told him, Stover, that he should not mention to anyone that he had flown Mrs. Nash and Galatas to Joplin, Missouri. In this regard they told him that the woman taken on this trip had family trouble, and that she did not want anyone to know the name of the town to which she had flown.

Stover informed that shortly after Huff and Galatas contacted him, as stated above, two Bureau Agents interviewed him relative to his trip away from Hot Springs, and that he told them at that time that he had flown a woman and a man, whom he did not know, to some little town in Missouri other than Joplin. Stover stated he did this because Huff and Galatas advised him not to divulge the

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11 MAR 25 1965

*We ought to call this  
to attention of A. G. & Keenan*

7-576-3-159X  
FEDERAL BUREAU OF INVESTIGATION

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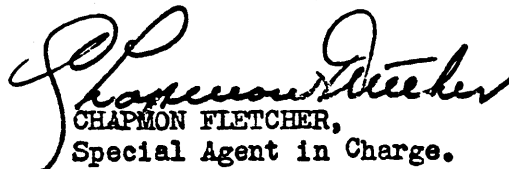
DIRECTOR

7-14-37

name of the town to which he had flown Galatas and Mrs. Nash; that, however, when he later found out about the shooting at Kansas City, Missouri, and when interviewed again by Bureau Agents, he told them the truth about the trip, but that he did not inform the Agents at that time that C. Floyd Huff was one of the men who had approached him about withholding the information as to the identity of his passengers and their destination.

This information is being called to the attention of the Bureau for the reason that C. Floyd Huff was at that time the United States Commissioner at Hot Springs, Arkansas, and still is holding that office under the Federal Government.

Very truly yours,

  
CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS:IN  
7-2

cc Inspector E. J. Connelley  
Kansas City  
Cincinnati

July 20, 1937.

49509

7-576-3-159x

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MEMORANDUM FOR THE ATTORNEY GENERAL

From time to time Agents of the Bureau have received information concerning questionable practices on the part of United States Commissioner C. Floyd Huff of Hot Springs, Arkansas, and at the present time, Mr. Huff is the subject of an investigation being conducted by the Bureau concerning certain irregular practices on his part in connection with the probating of a will in the State of Arkansas.

A Bureau Agent recently interviewed at Hot Springs, Arkansas, John Stover, whose name was prominently mentioned in investigative reports during the period when the Bureau was investigating the facts in connection with the Kansas City Massacre. John Stover is an airplane pilot and manager of the Hot Springs Airport and when Frank Nash, an escaped federal prisoner, was apprehended by Bureau Agents at Hot Springs on June 16, 1933, Stover flew Mrs. Frank Nash and Richard T. Galatas, subsequently convicted for participation in the Kansas City Massacre, from Hot Springs, Arkansas, to Joplin, Missouri. John Stover advised the Bureau Agent on July 12, 1937 that C. Floyd Huff, accompanied by Richard T. Galatas, came to the Hot Springs Airport approximately two hours after he, Stover, had returned from Joplin, Missouri, subsequent to the flight described above as having taken place on June 16, 1933, at which time Huff instructed Stover that he should not mention to anyone that he had flown Mrs. Nash and Galatas to Joplin, Missouri. According to Stover, Huff told him that the woman who had accompanied Stover and Galatas on this trip was having family trouble and did not want anyone to know the name of the town to which she had flown.

Shortly after Huff had contacted Stover, two Bureau Agents interviewed him relative to his trip away from Hot Springs, and he told the Bureau Agents at that time that he had flown a man and a woman whose identity he did not know to some little town in Missouri other than Joplin. Stover claimed that he furnished this misinformation because of the instructions of Huff and Galatas that he should not divulge the name of the town to which he had flown these people. Subsequently, when Stover learned about the Kansas City Massacre, he informed the Bureau Agents concerning the full facts surrounding this flight, but did not inform the Agents that Huff had approached him about withholding the information as to the identity of the passengers and their destination.

COMMUNICATIONS SECTION
MAILED
JUL 23 1937
P. M. 11 MAR 25 1965
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

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P. M. 11 MAR 25 1965

FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE



Memo for the Attorney General

-2-

49510

7/20/37

I thought you would be interested in receiving this information concerning the conduct of the United States Commissioner at Hot Springs, Arkansas.

Respectfully,

J. Edgar Hoover

John Edgar Hoover,  
Director.

EAT:CTW

July 20, 1937.

49508

7-576-3-159X

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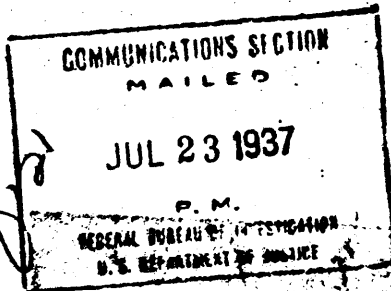
MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL,  
MR. JOSEPH B. KEENAN.

For your information, I am transmitting herewith a  
copy of a memorandum which I have today addressed to the Attorney  
General concerning the conduct of C. Floyd Huff, United States  
Commissioner at Hot Springs, Arkansas.

Very truly yours,

J. Edgar Hoover  
John Edgar Hoover,  
Director.

Enclosure #863967



# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT CINCINNATI, OHIO

Milwaukee FILE NO. 7-2

REPORT MADE AT Milwaukee, Wisconsin	DATE WHEN MADE 7/15/37	PERIOD FOR WHICH MADE 7/14/37	REPORT MADE BY H. I. BOBBITT HIB/EJB
TITLE GEORGE TIMINEY; DR. JOSEPH P. MORAN, with aliases, Fugitive, I. O. 1232; EDWARD GEORGE BREMER - Victim.			CHARACTER OF CASE KIDNAPING; OBSTRUCTION OF JUSTICE; HARBORING OF FUGITIVES; NATIONAL FIREARMS ACT
<p>SYNOPSIS OF FACTS: Evinrude motor serial #4091-5522 sold to F. C. Stearns Hardware Co., Hot Springs, Arkansas, 6/5/35.</p> <p style="text-align: right;">19502</p> <p style="text-align: center;">- RUC -</p> <p>REFERENCE: Letter from the Little Rock office to the Milwaukee office dated 7/12/37.</p> <p>DETAILS: <u>AT MILWAUKEE, WISCONSIN</u></p> <p>Mr. W. James, Assistant Sales Manager, Outboard Motor Company, Milwaukee, Wisconsin, stated that his company manufactures and sells only the Evinrude motor and that the one and one-half horse-power Evinrude motor, serial #4091-5522 was sold to F. C. Stearns Hardware Company, Hot Springs, Arkansas, on June 5, 1935, as reflected by his records. It was also reflected by the records that the person who purchased this motor from the Stearns Company did not register it with the Outboard Motor Company at Milwaukee.</p> <p>Mr. James stated that the Johnson motors are manufactured and sold by the Johnson Motor Division of the Outboard Marine &amp; Manufacturing Company, Waukegan, Illinois, and he suggested that the Agent making this contact ask for Mr. Pat Tanner, vice president in charge of sales of that company</p>			
APPROVED AND FORWARDED: <i>H. S. Melvin</i>		SPECIAL AGENT IN CHARGE	
COPIES DESTROYED		DO NOT WRITE IN THESE SPACES	
<p>11 MAR 25 1965</p> <p>COPIES OF THIS REPORT</p> <p>2 - Bureau 2 - Cincinnati</p> <p>2 - Little Rock</p> <p>2 - Cleveland</p> <p>2 - Chicago</p> <p>2 - Milwaukee</p> <p style="text-align: right;">f21</p>		<p>7 15763+160</p> <p>17 A.M.</p> <p>ONE 6</p> <p>STAT. SECT.</p> <p>84-10415</p>	

7-2

at Waukegan, Illinois.

For the information of the Chicago office, the following information is being set forth:

The Little Rock office has requested that the following motors be traced:

12 horse-power Johnson Outboard motor, model K-50,  
serial #148900;

2½ or 4½ horse-power Johnson motor, model 300,  
serial #227-998.

PREVIOUS RECORD OF *motor* IN 7-576-8-153

This information is desired in order to establish if Joseph Wakelin, a Hot Springs, Arkansas, city official, was presented with an outboard motor by Alvin Karpis.

UNDEVELOPED LEADS

THE CHICAGO OFFICE at Waukegan, Illinois, will contact Pat Tanner of the Johnson Motor Division of the Outboard Marine & Manufacturing Company, and ascertain the name of the consignee to whom these motors were sold and shipped. Leads should then be set out for the field offices covering the territory where the original consignees are located in order to trace the motors.

THE LITTLE ROCK OFFICE at Hot Springs, Arkansas, will contact the F. C. Stearns Hardware Company, and ascertain the identity of the person to whom one and one-half horse-power Evinrude motor, serial #4091-5522 was sold and will then trace the motor to Joseph Wakelin, in whose possession the motor was found.

- REFERRED UPON COMPLETION TO OFFICE OF ORIGIN -

**FREEDOM OF INFORMATION  
AND  
PRIVACY ACTS**

**SUBJECT: BARKER/KARPIS GANG**

**BREMER KIDNAPPING**

**FILE NUMBER: 7-576**

**SECTION : SUB 3 Section 9**



**FEDERAL BUREAU OF INVESTIGATION**

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SUBJECT Barker/Karpis Gang (Bremer Kidnapping)

FILE NUMBER 7-576 Sub 3

SECTION NUMBER 9

SERIALS 161 - 180

TOTAL PAGES 113

PAGES RELEASED 113

PAGES WITHHELD 0

EXEMPTION(S) USED -



Mr. Nathan .....  
 Mr. Tolson .....  
 Mr. Baughman .....  
 Mr. Clegg .....  
 Mr. Coffey .....  
 Mr. Dawsey .....  
 Mr. Egan .....  
 Mr. Foxworth .....  
 Mr. Glavin .....  
 Mr. Harbo .....  
 Mr. Joseph .....  
 Mr. Lester .....  
 Mr. Nichols .....  
 Mr. Quinn .....  
 Mr. Schilder .....  
 Mr. Tamm .....  
 Mr. Tracy .....  
 Miss Gandy .....

*Em*  
*Chapman*

POSTAL

JUL 15 1937

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DIRECTOR

FBI JUSTICE WASHN DC

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 HANDLING LEADS THIS CASE

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Post Office Box 1469,  
Little Rock, Arkansas,  
July 15, 1937.

Special Agent in Charge,  
Chicago, Illinois.

Re: BREKID.

Dear Sir:

On this date Sergeant Edward Clark of the Arkansas State Police, was interviewed by Special Agents H. A. Snow and D. P. Sullivan. He stated that early during the racing season of 1936 at Hot Springs, Arkansas, which opened on February 22, 1936, he received information from an informant at the Oaklawn Park Race Track, Hot Springs, Arkansas, that Alvin Karpis was residing in or in the vicinity of Hot Springs. Clark stated that this informant had definite information of Karpis' presence in Hot Springs, and this man was attempting to "finger" Karpis at the time that Bureau agents raided the Woodcock home where Karpis lived on the morning of March 30, 1936. Clark refused to divulge the name of his informant, but he stated that this informant is now located in Chicago, Illinois.

Clark intends leaving Little Rock, Arkansas, on the morning of July 16, 1937, to spend a week in Chicago, during which trip he will contact various law enforcement agencies. He stated that he will attempt to locate his informant while in Chicago, and would be glad to have a Bureau agent accompany him when he interviews this informant. The address of the Chicago Field Division Office was given to Clark, and he stated that he would call there upon his arrival in Chicago.

It is suggested that in the event Clark is successful in locating his informant, an agent who is acquainted at least in some measure with the facts developed in the harboring investigation at Hot Springs, Arkansas, accompany Sergeant Clark when he interviews this informant. We are particularly interested in obtaining all possible information which points to the association of Alvin Karpis with former Chief of Police Joseph Makelin, Chief of Detectives Herbert "Dutch" Akers, or other Hot Springs police officers or city officials.

Very truly yours,

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&

INDEXED CHAPMAN FLETCHER,  
Special Agent in Charge.

7-576-3-162
JUL 20 1937
ONE

DPS cfw  
7-2

cc - Bureau  
Cincinnati  
Cleveland

Via AIR MAIL

Post Office Box 1469  
Little Rock, Arkansas  
July 16, 1937

1035 JMT SI 11 3:42  
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INVESTIGATION  
BUREAU OF  
POLICE

Special Agent in Charge  
San Antonio, Texas

RE: BREKID

*Edmond G. Bremer*

Sir:

It is known that 1935 Texas license plates, #670-696, were once in the possession of Alvin Karpis. Please check the records of the State Highway Department at Austin, Texas, and obtain all available information concerning the person to whom the above plates were issued, the identity of the car bearing the above license plates and any other information that may be in the files of the State Highway Department.

It is requested that this investigation be given expeditious attention.

Very truly yours,

CHAPMAN FLETCHER  
Special Agent in Charge

DFS:ADM  
7-2

cc Bureau  
Cincinnati  
Cleveland

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7-576-3-163	
FEDERAL BUREAU OF INVESTIGATION	
JUL 20 1937	
U.S. DEPT. OF JUSTICE	
ONE	

Federal Bureau of Investigation

United States Department of Justice

Post Office Box #1469,  
Little Rock, Arkansas,  
July 16th, 1937.

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

RE: B R E K I D

Dear Sir:

Please be advised that Special Agents John L. Madala and B. M. Suttler, arrived in Texarkana, Arkansas, at 7:00 P. M., last night from Kilgore, Texas, at which point they had proceeded upon authority of the Bureau (Mr. Tamm), for the purpose of making certain investigation in connection with the BREKID case.

In securing this authority for Agents Suttler and Madala to proceed to Kilgore, Texas, a request was also made that they be permitted to continue on to Dallas for the purpose of interviewing Erzell Brock, in connection with this case. However, prior to their departure it was determined that there is a very strong possibility that Brock will be in Hot Springs within the next few days and it was felt more desirable to interview him at that point, if possible. Therefore, the Agents did not go to Dallas at this time.

Very truly yours,

*Chapman Fletcher*  
CHAPMAN FLETCHER,  
Special Agent in Charge. *Sub.*

CF:DAN  
cc: Dallas

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# FEDERAL BUREAU OF INVESTIGATION

Form No. 1  
THIS CASE ORIGINATED AT Cincinnati, Ohio.

L.R. FILE NO. 7-2

REPORT MADE AT <b>Little Rock, Arkansas.</b>	DATE WHEN MADE <b>7/15/37</b>	PERIOD FOR WHICH MADE <b>7/15/37</b>	REPORT MADE BY <b>D. P. SULLIVAN</b> <span style="float: right;">cpw</span>
TITLE <b>ALVIN KARPIS, with aliases; Dr. JOSEPH P. MORAN, with aliases - FUGITIVE, I.O.#1232; ANTHONY J. AMERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - Victim.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.</b>
<p><b>SYNOPSIS OF FACTS:</b> A review of the transcript of testimony taken before the State Legislative Committee which recently investigated Hot Springs, Ark., confirm truth of information obtained from telephone surveillance previously maintained which was discontinued by the Bureau on April 12, 1937. Allegations made by witnesses of gross cruelty and immorality of Hot Springs police officers toward women, also regarding pay-offs consisting of protection money paid to local police department and of the general corruption of local city officials of Hot Springs, Arkansas.</p> <p style="text-align: center;">- P -</p> <p><b>Reference:</b> Report of Special Agent D. P. Sullivan, Little Rock, Arkansas, dated May 12, 1937.</p> <p><b>Details:</b> On May 18, 1937, Mr. Treter Freedman, of the Income Tax Division, Department of Revenues, State of Arkansas, called at the Little Rock Field Division regarding another matter. He mentioned to Special Agent B. L. Damron that he had a copy of the transcript of the testimony taken by the Legislative Committee which recently conducted an investigation of lawlessness at Hot Springs, Arkansas. Mr. Freedman turned over to Agent Damron a copy of this transcript in order to ascertain whether the transcript contained any information which would indicate a violation over which this Bureau would have investigative jurisdiction.</p> <p>Thereafter, Special Agents H. A. Snow and B. M. Suttler reviewed this testimony contained in the transcript bearing on vice and corruption</p>			
APPROVED AND FORWARDED: <i>[Signature]</i>		SPECIAL AGENT IN CHARGE	
COPIES OF THIS REPORT 3- Bureau 2- Cincinnati 1- Chicago 1- Inspector E. J. Connelley 4- Little Rock		DO NOT WRITE IN THESE SPACES	
		7-1576-34-165	
		JUL 18 1937	
		JUL 21 1937	

as it exists at Hot Springs. The matter obtained from the above review is the substance of instant report. This information confirms the truth of the matter contained in reference report, bearing on corruption and lawlessness at Hot Springs, Arkansas.

After the transcript had been reviewed it was returned to Mr. Freedman on May 28, 1937. This man was not advised that an investigation is being conducted by the Bureau at Hot Springs, Arkansas.

#### POLICE BRUTALITY AND VICIOUSNESS

Information was obtained during the time that the telephones of the Hot Springs Police Department were kept under surveillance, showing that members of the Police Department had sexual relations with numerous women including local prostitutes and madams of houses of prostitution.

The testimony of three prostitutes named Billy Blair, Roxy Parker and Iva Lee Johnson was heard by the Legislative Committee. These girls allege that while still of tender age, they were first seduced or raped by members of the Hot Springs Police Department, naming particularly Chief of Detectives Herbert "Dutch" Akers. The gist of the testimony of these three women will be stated herewith. Their stories certainly disclose the sordid character of the men who are selected as peace officers of Hot Springs.

Billy Blair testified before the committee that she was at the present time incarcerated in the State prison. There is some question as to the character of this woman. If true, her testimony of the conduct of Hot Springs police officers presents a startling picture of conditions in the Police Department of that city.

She first stated that she was twenty-four years old, and that she had lived in the city of Hot Springs, Arkansas, for 15 years. She was asked to start at 15 years, and give her history. She stated that when she was 15 years old she lived at Bauxite, Arkansas; that all of her people were without work and she went to Hot Springs, Arkansas, where she worked as a housekeeper for a Mr. and Mrs. John Tubbs for two years. She testified that she went to town on Thanksgiving day, and on the way to the car line, "Dutch" Akers stopped in his car and suggested she ride downtown with him, which she did. Instead of stopping to let her out, he drove down to the police station; that Akers asked her whether she ever saw they fingerprinted anybody and whether she ever saw any fingerprints, and where they take pictures. When she said she had not, Akers took her

up to a room and commenced showing her fingerprints of murderers and pictures, and where they took pictures. The following is quoted from the transcript of Billy Blair's testimony:

".....So he commenced trying to fool around me and I told him-- I says, Quit but the door was locked and I couldn't get out. I said, Let me out. He says, "You can't get out!" he says, "all the doors is locked"-- Well I says I got to get out of here. He says, 'No, we're going to do something.' I says 'No, we're not going to do nothing.' So I put up a wrestle with him, well, which didn't amount to anything-- so he just went ahead and done what he wanted to."

Q. CHAIRMAN: "Did he complete the act of intercourse with you."

A. BILLY: "Yes sir, first time in my life. I wasn't willing for it but he just threw me down there on the mattress, or an old hay tick, and had intercourse with me against my will."

"When he (Akers) got through he told me, he says, 'If you ever tell this, when you tell it, I will lock you up here and keep you.' And he showed me in that old iron cell. 'In there he says that's where we will put you', then I says, 'Well I'll never tell it if that is where you are going to put me. So I went on out to Mrs. Tubbs and I was just sick. I mean just sick and had a fever. And she asked me what was the matter, and I wouldn't tell her. I told her nothing. She asked me did I want to have a doctor. I told her I would be all right, and so went ahead."

Billy Blair testified further that she went to downtown Hot Springs again about a week after the above experience, and while mailing some letters at the Post Office, she ran into Akers again.

The following is quoted from Billy Blair's testimony:

"..... Akers said, 'Come here a minute.' I says, 'What do you want?' He says, 'You done something.' I said, 'No I haven't done nothing, either.' He says, 'Yes you have.' I says, 'No, I haven't.' 'Well, you come get in here right now. I am not going to mess with you. You're going to get in that jail.' So I commenced crying. He says, 'You shut up crying. Don't let me see any fuss along here'. 'Well now', he say 'I am going up this way', and says, 'you go around that way and go up'- he showed me how to go. Well, I went up there I didn't know what he wanted, so I went up there. Well, the same thing happened again. I wasn't willing for it. I was fifteen years old. And so it went ahead



like that. Then he told me, he says, 'If I catch you in town again I am going to lock you up.' I says, 'Well, can't I go to town with Mrs. Tubbs and them?' He says, 'No, you stay out of town.' So I got the car and I went back home."

Billy stated she was afraid to tell Mrs. Tubbs, her employer, what had happened. Her testimony is continued, as follows:

"....And so I went home then and when I come back in Hot Springs after that, then I went to work. I went to work at Jacks and Bills Cafe on Malvern Avenue, and that's all. Then my Dad, he was loafing and I was working and keeping my Dad and my brother's little girl. And so I started home one day and "Dutch" says to me, 'Come on Billy', and says, 'It's been a long time since I've seen you. Ride down to the house. I am going to Ed Spencer's house.' I says, 'All right', and so instead of him stopping at Ed Spencer's house, he just kept going. We went out the old Benton Highway and drove up to some bushes in the woods. He propositioned me to have a "French" date with him. So I wouldn't do it. Well, he slapped me and poked me around up there, and pulled my hair and grabbed me here on my breast -- his whole fingerprints left here on the side of my breast. So he taken me back to jail and put me in jail and put vagrancy against me. Next morning I had to go before the Judge. And so I went before the judge and the judge fined me ten dollars. And I told the Judge, I says, 'I'm working'. I was afraid to say anything about it, because he says, 'I'll just beat you to death', and I was afraid to say anything about it, so I didn't say anything. Well, my Dad come up there and got me out of jail, so I told my Dad about it and he said he ought to take his gun and go up there and kill him, and so it just went on and so that's the last he done to me."

As the witness Billy was incarcerated in the Arkansas prison at the time she was testifying before the legislative committee, on a charge of robbery, she was asked why she was in there on that charge, and was asked to relate the circumstances of her incarceration.

She stated as follows:

"Well, it was in South Hot Springs in a Hot Dog joint, and it was one Sunday we was walking around, Ruth Dodson, we was walking around together and so we stopped in out there and there was a fellow sitting at the table, which I didn't know his name -- he was a railroad fellow. And so Cecil Brock and Curly Evans was in there. (Curly Evans is a member of the Hot Springs Police Department, and Cecil Brock is a former Lieutenant of Police, who was indicted for the murder of prisoner John Dickson).

In short, this witness testified that Cecil Brock put her up to stealing this strange man's money; that she got the man drunk at the insistence of Cecil Brock, took \$475.00 away from him, and then Bob Moore, another policeman, and several others, beat her with a leather strap until she gave the money up. They promised that if she would give them the money they would see that she did not go to prison. She gave them the money, then they kept her in jail. Later they told her that when she went before the grand jury, that if she would not tell them that she had given that money to the police department, they would see that she did not go to jail. She kept her promise, then they let her go to prison.

She stated that they would kill her now if she ever went back to Hot Springs, because she testified before the committee.

Roxy Parker, another woman inmate of the Arkansas State Prison, testified that she too had been whipped by Cecil Brock; that besides that he made her put her hands on a dead man; that he twisted her thumbs back until he nearly broke them; that he put her under two heat lights and kept her so long that her head hurt for a week; that he slapped her on both sides of the face. Harvey Cook was the man who was killed, and the police were trying to force this witness to give them some information about him, and she persistently declared that she did not have any.

Iva Lee Johnson, a prostitute, confined in the State prison at the time she testified, stated that "Dutch" Akers was the first member of the Hot Springs Police Department to mistreat her; that he took her out in the country one day, three years prior to this, when she was seventeen years old; that he told her if she did not go with him he would put her in jail; that he gave her three dollars, and that this was the first time she had ever prostituted herself. She stated that on another occasion at the Hot Springs jail she was whipped so hard by Curly Evens and Cecil Brock, with switches, that it left marks on her. Another time, she stated, Ben Rogers, who is presently Captain of Police, hit her with a black-jack three times, and on another occasion Ben Rogers and Evans slapped her down several times; that both of these police tried to date her and told her if she would date them they would turn her loose.

#### JOHN DICKSON

The testimony before the Legislative Committee regarding the death of prisoner John Dickson confirms the information previously obtained over the telephone taps, as set out in reference report, the testimony showing that the officials at Hot Springs, Arkansas, attempted to keep hidden the fact that John Dickson had been beaten after they

learned that the local Hot Springs police had in fact administered to him a beating which ultimately resulted in his death.

Houston Emory, former Garland County Prosecutor, who left office on December 31, 1936, was called as a witness, and when questioned as to whether he had conducted an investigation in the case of the beating to death of John Dickson, a city jail prisoner, by police, Emory stated that he had not. He advised that one Robert Demarr had been arrested by city police about two months prior to Dickson's death, and during questioning by police, had admitted that John and "Pug" Dickson were the parties who had hit former Chief Wakelin over the head during a raid conducted by him; that after John Dickson had been arrested and brought to the City Jail he had heard that Dickson was ready to enter a plea of guilty, and he therefore inquired of Deputy Prosecuting Attorney Curtis Ridgeway to look into the reason why Dickson had not been brought before the court for sentence; that a day or so later Ridgeway informed him that Dickson was reported to be ill with pneumonia at a local hospital; that later the same day or the next, Mrs. Haynes, Dickson's aunt, called him and informed that she had heard that Dickson had been beaten to death by officers, and that she was unable to obtain any information at the City Hall as to his condition or where he was at that time; that he immediately called Judge Witt, and made an appointment to meet him at the Mayor's office on the following morning, but he later changed the time to 3:00 P.M., since he had to make a trip to Little Rock on another matter; that he was delayed at Little Rock, and was unable to meet Witt as agreed; that he later viewed Dickson's body at the inquest and it appeared to him that the boy had been beaten to death, and he noted the following injuries: bruises all over his head, sides and back; bruised and mashed testicles; large burns on each cheek of his buttocks; entire outside of the body bruised; left kidney mashed to pieces, and four ribs broken.

Mrs. Helen Knight, 107 Pierce Street, testified that the city jail prisoner, John Dickson, was admitted to her hospital about 7:00 P.M. on the night of December 18, 1936; that he remained a patient there until his death six days later, on December 24, 1936; that he was brought there from the city jail in an ambulance by Dr. Merritt, the City Physician; that at the time Dickson was admitted she noticed that he was considerably bruised about the body, and he was also suffering from pneumonia; that his temperature at that time was about 104 degrees, and he had a porous plaster on his chest which Dr. Merritt advised her to allow to remain; that at all times Dickson was in her hospital he was guarded by a city policeman, who never allowed him to have visitors or to talk to anyone, although at that time he was hardly able to talk; that the city policemen assigned to guard Dickson worked in shifts of 12 hours each at first, and then later when there were three of them they worked in eight-hour shifts; that she had been instructed by the police not to

let anyone in to see Dickson, and as a consequence thereof he had no visitors or relatives at the hospital before he died; that at the time he was admitted to her hospital, Dr. Merritt had called her telephonically and made all arrangements, and came out personally about half an hour later, after Dickson had been brought to the hospital in an ambulance, accompanied by a policeman and two or three men with the ambulance, whose names she does not know.

Mrs. W. L. Haynes, 217 Poplar Street, Hot Springs, Arkansas, is the aunt of John Dickson, deceased prisoner of Hot Springs jail, and she was interrogated by the Legislative Committee. She testified that for no apparent reason, Joe Wakelin, the Chief, absolutely refused to let her visit her nephew while he was incarcerated. She testified that Captain Bob Moore told her just before Dickson died that Dickson would not live 24 hours, and he also told her "they will kill him"; that she asked what he meant by that, and he said, "If he (Dickson) wanted to tell anything he couldn't talk to tell it; that he also said that when Arch Cooper went to beating Dickson up he, Moore, said, "I got my old hat and went home, I heard the suffering of Christ". She testified that she went to Mayor McLaughlin and asked for a couple of doctors and he refused to allow her to have them, telling her he would have the matter investigated. She stated that she told Judge Ledgerwood what she had found out and was trying to find out what hospital John Dickson had been taken to; that after she finished telling Ledgerwood about it, he replied, "Well, if you're up here looking for sympathy, you might as well go on, because there is no one that has any sympathy for him. No matter what they done, nothing is too bad."

Mrs. Haynes stated that before they even captured Dickson she was trying to fix it so that they would put him in the County Jail instead of the City Jail, as a lawyer by the name of Dick Swaim had told her of a case of a prisoner by the name of DeMers who had been beaten up in the Hot Springs jail; that he told her that "you could feel the crack in his skull".

Further evidence showing that the case involving the fatal beating of John Dickson is not an isolated one is found in the testimony of Ray Cotton and John Thompson, who narrated the circumstances surrounding the beatings given them by local officers while in the custody of the Hot Springs Police Department.

Ray Cotton was interviewed by the legislative committee, and stated she had been arrested five times in Hot Springs for various supposed offenses; that on one of these occasions she was merely helping a man up to his feet that had been cut badly in a fight and later died.

She stated that she was held four days in jail, then tried and sent to the Pulaski County Farm, but was turned loose upon arrival at the farm because they did not want her there. She stated further that during the four days she was incarcerated in the City Jail at Hot Springs, Bob Moore, former Captain of Police, came up and gave her a whipping, and Officer Press Griffin hit her over the head, and that her ear is still affected from the effects of that blow. The actions of Bob Moore are best described by her, as follows:

".....Well, they took me up there and questioned me, then they took me and locked me up. And Bob -- after they couldn't get us to tell anything, which we didn't know anything, well they locked both girls up, Laura Beal and I, and Bob Moore came up there about ten o'clock and said, "The Judge wants to speak to you". And he took me up there-- and he had this strap hidden there, he took me in the court room. Then he told me to lay down and lean forward. I asked him what the big idea was, and he said 'Never mind, lay down.' So I did, and when I did he put his foot on the back of my neck and strapped me. And I jerked out my head from under his foot. He beat me and bruised me from my head to my feet, 'till I couldn't hardly walk. I jerked my head from under his foot and rolled over and over under the table, and begged him not to hit me any more. He told me to come out and I did and he hit me two or three times on the legs after I got out. And then he started to whip the other girl and she told him she would talk. And she told him she was in the back room and ran out and that the three boys ran out the back door, and that was all she said. So they didn't whip her. And he took us back down and locked us up and held us over for trial, next day."

John Thompson was examined by the Committee in regard to his experience while in Hot Springs, Arkansas jail, and he stated that Arch Cooper "hauled off and hit me two or three licks beside the head the first thing I got there". He went on to relate that the police then took him up some stairs, put a sack over his head and beat him so much that he finally made a confession to the charges, although he was not guilty, and that the grand jury later threw the case out. He stated he made this confession to keep from being beaten to death. He stated that after he had made this confession they took him before Judge Ledgerwood, and then he stated that he was not guilty, whereupon Archer Cooper took him off to a little room and hit him a few more times for telling the Judge he was not in on the stealing of a deer.

**ILLEGAL CONTROL EXERTED BY MAYOR McLAUGHLIN  
OVER ELECTIONS & COERCION**

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The information previously obtained from the telephone surveillance at Hot Springs, Arkansas, disclosed the wholesale violation of the election laws on the part of Mayor Leo P. McLaughlin and persons connected with the present city administration.

The testimony of witnesses who appeared before the Legislative Committee verifies and expands on the information previously reported in reference report, and shows clearly how McLaughlin controls elections through the selection of jury commissioners who are friendly to the present city administration. The election officials who obtain their positions through the jury commissioners are a selected group of gamblers, bookies, saloon keepers and present and former city employees. The testimony disclosed the manner in which fictitious votes are cast through the purchase of poll tax receipts by McLaughlin and his associates and the pressure which McLaughlin brings to bear on city employees to compel them to vote for the present officials. The testimony also shows the way in which the ballot boxes are stuffed, with the general feeling by the citizens of Hot Springs, that nothing can be done to rectify the present existing condition as long as McLaughlin and his colleagues control the election machinery.

In the reference report it will be noted that on pages 150 and 151, there is a list of the judges and clerks who handled the election returns at the polls during the election of Leo P. McLaughlin on April 6, 1937. It was known at that time that many were gamblers, but further information about them and their places of operation could not be learned at that time. During the recent Legislative Investigation of gambling and corrupt conditions in Hot Springs a witness by the name of Ray Smith gave the committee all the information he knew about these election clerks and judges. For possible future reference a list will be herein incorporated to show how closely aligned to the administration of Hot Springs these election clerks and judges really were:

Albert Bloom .....	Runs a saloon.
Walter Halsey .....	City employee.
Fred Vincent .....	Bookie, Southern Club.
Louis Crawford .....	City fireman.
Harry Bledsoe .....	City employee.
Ray Johnson .....	Former city policeman, now gambler.

Gordon Henderson ..... Connected with race horse booking business.  
 Norwood Phillips ..... Owns or runs bookie "joint".  
 Jack McJunkins, ..... City fireman.  
 Arthur Ormand ..... Works at one of the race horse books.  
 Paul Larcott ..... Operates race horse book.  
 Charles Decker and Frank Downing ..... Run rooming house, and known to be associates of city administration group.  
 Herman Sarge and Charles Penny ..... Both working in gambling joints.  
 Ed Chase ..... Gambler in Millsaps Cigar Store.  
 Cecil Brock ..... Ex-city police man.  
 Ike Kruppen ..... Has interest in White Front Gambling place.  
 John Hobbs ..... Tango Gambling Club employee.  
 Red Adair and Bud Smith ..... Gamblers.  
 George Hansford ..... Gambler at Citizens Club.  
 Dave Parkis ..... Miller's gambling place employee.  
 Mack Jordan ..... City employee.  
 Cecil Barker ..... Southern Club.  
 Ed Barnsback ..... Prizefight promoter.  
 Matt Picchi ..... Chicago Gambling Club.  
 Victor Rutherford .... Dealer, Belvedere Club.  
 Buddy Wakelin ..... Son of former Chief of Police, and employee of Belvedere Club.  
 Gilbert Waters ..... Gambler.  
 George Rankin ..... Guard at one of the gambling houses.  
 E. E. Gladson ..... City Health Officer.  
 Ben Antman ..... City Electrical Inspector.  
 L. D. Cooper, Jr. .... Father is interested in Belvedere.

Billy Mann, 110 Nevada Street, Hot Springs, Arkansas, testified before the committee, and stated that he attended a political rally meeting at the auditorium, attended by the Hot Springs police officers, firemen, and a selected group of citizens friendly to McLaughlin, and that after Judge Ledgerwood opened the meeting, Leo P. McLaughlin addressed the crowd and stated in part as follows:

"..... I expect ten votes from each one of you boys, I expect ten poll taxes. Get out here and get poll taxes for ten voters. If you can't make arrangements, come down and perhaps we can make arrangements to get the poll taxes. We will expect that. Now there was one of the employees that was asked if he had his poll



taxes and he said 'No.' He said, 'I'll get my own poll tax and vote for who I please!' Now there's a man who can vote for who he pleases, but after this election we are going to know how he voted and there will be some man to take his place. Now that applies to the drug stores and other businesses. The man that don't cooperate with the administration and vote right, that is don't vote right for his boss, he will be boycotted in business. Get those poll taxes -- down at the office you will find a slip there authorizing poll taxes for you. And I want those filled out. Ben Harris went and got his yesterday, he controls 63 votes over there. I want that put on a paper, and on my desk will be a loose leaf ledger. I want you to bring them up so I can turn to them at any time and see just what we need."

Mann was asked if he could furnish any further details about how that election was conducted, and he answered:

"Yes, sir, they just went right out and they bought all the poll taxes and just went right on with the pressure. They had those pink slips and were handing them out on every corner."

Roy Hurst, Minister, The Church of God, Hot Springs, Arkansas, testified that he had lived in Hot Springs, Arkansas, all his life, and he was asked whether or not Mayor Leo McLaughlin intimidated the voting population of Hot Springs, and he replied:

"Well, you can call it intimidating. If you want to fight him, well and good. If you don't want to vote like they say, you are going to lose your job if you work for the City or work for anybody that is running a business there. The Mayor comes out positively with orders that business men who don't cooperate with the 'Slate' would be boycotted and their employees fired if they don't line up. I consider that intimidating. The people of Garland County are oppressed, they need a new deal. The people are afraid to talk; they're afraid to make a move that is not in harmony with the administration."

Charley McMillan, a barber, 315 Malvern Avenue, stated that he was arrested last August the night before the primary elections. He stated that he had three cars working for Carl Bailey for Governor. This was in opposition to the desires of Leo McLaughlin, as he was supporting Ed McDonald in this particular election for Governor. He was arrested by "Dutch" Akers and Gafnett Moore, and placed in jail. No charges were placed against him. He was kept in jail for 27 hours. He stated that when they let him out, "Dutch" called him into a back room and said, "Mack I had to arrest you, you got some enemies in the east part of town and they have accused you of burning Bill Davis' store"; that "Dutch" further said, "I made a close check on it and can't connect you in any way and I will have to turn you loose." McMillan stated he then told Dutch, "Well, listen, that store burned about five months ago. Ain't you been a little slow about checking up on it-- as fast a man as you are supposed to be?" He stated that "Dutch" merely hung his head and said nothing. He stated that he did not do anything about it, as he knew he could not get any justice in the courts there.

Charles H. Sellers stated that he resides at 700 Harlem Street, Hot Springs, Arkansas, and was formerly a policeman on the Hot Springs Police Department until he was laid off after receiving an injury on September 5th or 6th, 1936; that he is well acquainted with Mayor Leo P. McLaughlin and his brother, George McLaughlin; that he took part in the handling of the ballot boxes during the State primary election held in August, 1936, as follows:

He stated that he was sent out by the present Sheriff, Marion Anderson, to bring in the ballot boxes after the closing of the polls; that he was accompanied by Roy Gillenwater on these trips to the various voting places in the wards, and they carried the ballot boxes to the County Clerk's office; that previous to the time of the taking of the boxes to the Clerk's office on the night of the election, Tuesday, August 11, 1936, Anderson had come to him and asked him to go with him; that this was after the polls had closed on election night; that they went out to George McLaughlin's house, where Anderson got out and went into the house; that upon returning to the automobile he was carrying a large paper sack which he put into the car and said, "That stuff there is just like that much dynamite"; that they returned to the Court House and on the way Anderson told him that there were thirteen hundred ballots in the paper sack; that the sack was taken into the Sheriff's Office, and from what took place it appeared that everything had been previously planned; that on each trip that he and Roy Gillenwater took out to the polling places, Gillenwater would have a big bunch of "those things" (ballots) and would put them into ballot boxes which they would bring into the Clerk's office on that night; that John Levitt was also with himself and Roy Gillenwater, and

that he (Levitt) would substantiate the statements he made concerning the putting of ballots into the boxes on each trip they made from the polling places to the Court House.

Sellers stated that before the State primary election held in August, 1936, he was given money on two different occasions by Mayor Leo P. McLaughlin which was to be used in purchasing poll tax receipts to be voted by the Mayor; that he recalls that McLaughlin gave him \$51.00 on one occasion and \$56.00 on another for this purpose; that he (Sellers) would go out and contact different people and have them sign a form which authorizes another party to assess their poll tax, and upon securing the necessary number of these authorizations he would take them to the county tax collector's office and pay for the poll tax receipts with the money which McLaughlin gave him; that he would then take all the poll tax receipts over to the City Hall and give them to a young lady clerk there, and that the receipts were never given to the parties who had signed their names to the list authorizing the assessment of their poll taxes; that everything he did in the connection of securing these poll tax receipts was at the instruction of Mayor McLaughlin and there did not appear to be any secret about it.

Ray Smith testified and cited instances of Judge Witt's failure to instruct the Grand Jury regarding violations of the election laws in the primaries of 1934, at which time Smith was a member of the Grand Jury and was also secretary of the Democratic Central Committee of Garland County, and after he had discovered considerable evidence of such election frauds through the cooperation of Mr. Gilbert Hagerboom, Chairman of the Democratic Committee. Mr. Smith stated that he is one of the former publishers of the now defunct weekly paper, "Public Opinion", which paper had to do largely with corrupt conditions at Hot Springs, and advocated "cleaning up" the conditions. Smith stated that since Mayor McLaughlin was elected about ten years ago, the elections have been so tampered with that the honest people at Hot Springs have been unable to get an expression of their vote. He stated that this is accomplished through the wholesale purchase of poll tax receipts and voting them at election times by the "administration". He cited instances of this being done, largely by purchasing negro votes.

Houston Emory, former Garland County Prosecutor, appeared as a witness before the Legislative Committee. When read portions of a letter received by the committee from Mr. Milton Nobles, Manager of the Western Union at Hot Springs, in which Mr. Nobles condemned existing conditions at Hot Springs and placed the blame of such conditions on the wholesale purchase of poll taxes and the illegal voting of many persons by the "administration" through which the elections are controlled, Mr. Emory agreed with the statements made by Mr. Nobles in his letter, and stated that

Mr. Nobles was right in his allegation that the crooks could be run out of town if the Circuit Judge so desired.

Concerning election frauds, Emory stated that the common talk at Hot Springs is that there is a wholesale purchase of poll tax receipts there by McLaughlin's "crowd", which receipts are voted by them in the support of their candidates in the elections; that this is accomplished by forms circulated by the "crowd" to which the signatures of various persons are affixed, and which authorizes their poll tax assessment and payment by another party; that these lists of authorization of poll tax assessments are taken directly to the County Tax Collector's office, where they are entered as qualified electors, and poll tax receipts are issued; that the administration also prints and distributes at election time "pink slips" which are sample ballots for use in voting the "administration endorsed" candidates.

He stated that it was generally rumored about the town that prior to an election McLaughlin, the Mayor, calls into his office all polling officials, a great many of whom are local gambling operators and employees of gambling houses, for a meeting, at which time he gives them their instructions and supplies them with the names of the candidates for each office whom he wishes to be elected; and that it is also generally rumored about town that any person who does not vote for his "endorsed" candidates will not be allowed to hold any kind of a job in the town.

Incidental information supplied by Emory was that Judge Witt owns a very nice home on Central Avenue worth approximately \$10,000.00; that his first wife was from Montgomery County and her maiden name was Hallum; that he divorced her at one time and married a Mrs. Ford with whom he lived for a time and then re-married his first wife. Concerning the selection of jury commissioners, Mr. Emory stated that care was always taken that these men be friendly to the city administration, and that he as prosecuting attorney had no influence in their selection and was not consulted about it.

It has been repeatedly stated that the citizens of Hot Springs are in a great measure opposed to the present city administration, but are powerless to aid themselves because those in power are advised by the election officials selected by them, for which candidate each voter cast his ballot; that the city administration metes out swift retribution to those persons who do not "go along" with the clique now in power. The testimony of witnesses who appeared before the Legislative Committee reveals the divers means used by McLaughlin to intimidate and punish persons politically opposed to him, through the dismissal of city employees who vote against the administration, the threat, and in some cases the actual boycotting of certain places of business because of their political

opposition. This group also, through the corrupt judiciary, brings fictitious suits against persons opposed to the administration for the purpose of harassing and financially embarrassing their opponents.

G. R. Massey testified as follows:

"..Gentlemen, I would rather not testify, because I'll tell you they sued me twice and collected seventeen thousand dollars off of me, and I have got an investment there (Hot Springs) of all I have and I know full well if I testify against them that they will just sue me and take the rest of it. And I have got a family and I have got to take care of them. I am absolutely afraid of being killed or being sued -- or my life taken away from me."

Mr. Massey explained to the committee that the cause of the aforementioned suits that cost him penalties amounting to \$17,000 came about in suits filed against him on two different occasions by people who claimed they fell in his store. One of these persons who claimed they fell in his store was a boy raised by Leo McLaughlin and sent in the store by him to curse Mr. Massey and strike him. Mr. Massey refused to be insulted and defended himself. Thus the suit was instigated and this boy was represented by Leo McLaughlin. This suit was compromised for \$12,000. The whole thing started when Mr. Massey failed to vote for Leo for Mayor.

Martin Eisele, druggist, 7 Kenyon Street, Hot Springs, Arkansas, testified before the Legislative Committee, and he stated that he owned three stores, one being in the Arlington Hotel, one being in the Medical Arts Building, and one in the Central Avenue Drug Company. He is also the vice president of the Arkansas National Bank. He was asked if during any of the years since he has been in Hot Springs, had his stores been boycotted and he stated that:

"Well, about three years ago -- this was following the Mayor's election in which there was a little spirit, little animosity, possibly some prejudice -- and a number of people in Hot Springs voted for me for Mayor. I wasn't a candidate but they voted for me. I think possibly some prejudice grew out of that, and in one of my stores on one occasion a gentleman came in and made quite a purchase and just as he was about to make the payment, there were three or four fellows rushed in. 'What are you doing here?' He says, 'I'm buying some goods.' They said, 'Well that don't go for us. Just cut that out. This firm is against the administration.' He said, 'I didn't know that and, gentlemen, I am sorry I took up your time but I can't patronize you.' The same thing happened in the Medical Arts Building."

Miss Gladys Wilson was asked by the Legislative Committee if she could furnish the committee with information about the lawless conditions existing in Hot Springs, and she informed them she could go on endlessly. She stated that the lawlessness was listed and given to Judge Witt for presentation to the Grand Jury, but no action was ever taken; that she personally talked to him about it and he accused her of prying into his personal affairs. She stated that Frank Clark, a notorious Con man, and Dick Galatas, head of the con men in Hot Springs, both on separate occasions gave pets to Judge Witt.

She further stated that during an election in 1934 at the time W. R. Dowling ran for Sheriff that one of the Judges at the polls was a Greek by the name of Pete Pekas; that he had been challenging some of the voters and had turned some of them away from the polls; that upon hearing of this, Leo McLaughlin drove up and entered the polling place and said, "You Greek s--- b---, you, don't you challenge another voter I bring in here. If you do I'll stomp you right into this concrete." Miss Wilson stated she heard this herself. Miss Wilson also stated, "I have seen George McLaughlin scratch ballots myself, I was an eye witness. That was when Martin Eisele was drafted for Mayor. Joe Scott tried to sell -- give me a poll tax receipt the first year I ran Public Opinion. He didn't know who I was." "I have seen Leo and Verne Ledgerwood and Sonny Davies make the polls inside their stomping grounds...."

Miss Wilson also stated that the day after Mayor McLaughlin had cursed the Greek, Pete Pekas, they (evidently meaning the city administration gang) tore up Pete Pekas' restaurant, just because he had challenged some voters at the polls.

Miss Wilson further stated that Verne Ledgerwood told her in January of 1937 that they had twenty three hundred negro votes that nobody could put their hands on.

Arthur Jefferson resides at 424 Oak Street, is presently employed as a city policeman for a period of about five years until May 2, 1936, when he was discharged. Jefferson stated that during the State election held on August 11, 1936, he assisted in taking people to the polls upon the promise of a job made to him by City Judge Verne S. Ledgerwood; that his duties on election day also consisted in getting a bunch of poll tax receipts from Jack McJunkin (City fireman and bodyguard for Mayor McLaughlin) and voting the people that he took to the polls with these poll tax receipts; that the receipts were already filled out with names on them. Further information given by Jefferson was in the nature of citing instances of his having seen Judge Earl Witt drunk in public places at Hot Springs. Jefferson stated that an instance of how

the city administration operates, there, is that of his younger brother who was employed at the Chicago Club, a gambling place; that prior to an election they came to his brother for his name to be filled in a blank poll tax receipt in order that it might go for a vote for administration endorsed candidates; that his brother replied to them that he would not do so, but would vote as he pleased; that shortly thereafter he learned that his brother, Bob, had lost his job at the Chicago Club, and he was advised by Norwood Phillips, the manager, that Judge Witt had sent another boy there to fill the job, with the instructions to Phillips that his brother was to be discharged; that subsequent to the discharge of his brother, about three or four days later, he was attending a political meeting at the City Hall which was presided over by Mayor McLaughlin, and that during the meeting McLaughlin cited the instance of his brother losing his job at the Chicago Club for failure to allow his poll tax receipt to be purchased and voted by the "administration".

Jefferson also stated that while he was on the police force he and Monroe Young, another officer, were warned at one time by the Chief of Police, Joseph Wakelin, that they had better "line up" or they would find themselves shot in the back one night by one of the police during a raid; that he had told Mayor McLaughlin about the incident of Wakelin threatening him, but nothing was done about it, and that he subsequently received other warnings. Jefferson stated that McLaughlin had him discharged from the police department at Hot Springs because he was not in favor of the election of Marion Anderson for Sheriff. This witness' expressions concerning the existing conditions and the local administration at Hot Springs were very bitter.

Harry Sparks resides at 717 Garland Street, and is employed as an automobile salesman for the Birch Motor Company, the only Ford distributor at Hot Springs.

He stated that he recently agreed with a city policeman on the terms for the purchase of a second-hand 1935 Model Ford automobile, which the policeman was desirous of purchasing, but this policeman explained that he would have to get the permission of Mayor McLaughlin before he could buy a car from him (Sparks), even for his personal automobile; that he also had to go to Mayor McLaughlin's office to ask his permission for the policeman to be able to buy an automobile for himself from him, and that later in the day McLaughlin stated that he guessed it would be all right for the policeman to buy the car from him; that shortly after the last State election, Mayor McLaughlin called him into his office, where Judge Verne Ledgerwood, Municipal Judge, was also present, and questioned him as to why he had not voted for the candidate for the office of Sheriff who he recommended be elected; that he (Sparks) told McLaughlin that he



would vote for whom he pleased, and in reply thereto McLaughlin stated in convincing terms that he would have the Ford Motor Company at Hot Springs boycotted if "you don't get right with the city bunch", and threatened to "get his job"; that McLaughlin also called the bookkeeper at the Ford place and told him the same thing; that subsequent to this incident one of McLaughlin's men came to see him and told him that he'd better leave town, but that he has decided to remain thus far; that in his opinion McLaughlin was not boasting when he told him that he'd "get his job", meaning having him fired, as he could do so, and has done so to other people at various times in the past; that the general opinion of the people in Hot Springs is that of fear of the Mayor, because if they don't vote for the candidates of the various offices whom he selects he will have them ruined in business. Further testimony by Sparks pertained to instances of having observed Circuit Judge Witt in a drunken condition, and gambling in the gambling houses, and also an instance of a law suit from which he believed Judge Witt had received a new Chevrolet automobile costing about \$600.00 from money supplied by A. T. (Sonny) Davies, City Attorney, for having a case thrown out of court which he (Sparks) had brought for damages incurred in an automobile wreck, and in which case Davies represented the defendant.

Mrs. Porter Austeel resides at 208 Park Avenue and operates the Yellow Cab Company in connection with the Arlington Hotel Garage, which she leases from the Hotel company. Her husband formerly operated the Yellow Cab Company prior to his death, but since that time Mayor McLaughlin and his associates have practically run her out of the taxi business at Hot Springs by having city legislation passed aimed directly at her business, by the use of pressure brought to bear against the railroads and hotels, and by intimidation of her taxi drivers.

Further testimony given by Mrs. Austeel was that about January 21, 1933, one of her cab "checkers" was murdered by George McLaughlin while he was on the floor of the cab company office and begging for his life, by being beaten with a pistol; that this happened at a time while she and her husband, who was living at that time, were attending a local move; that due to the fact that George McLaughlin is Mayor McLaughlin's brother, he was able to avoid a conviction for murder at his trial and was turned loose.

She stated that Mayor McLaughlin has on numerous occasions told her friends that he was going to drive her out of the taxi business at Hot Springs, and that he has just about succeeded in doing so, as he has taken all her cab stands away from her from the various hotels except the Arlington, where she is protected by a lease on the garage there and a supposed concession of the business of the guests at that hotel; that he

causes her cab drivers to be thrown in jail and her cabs impounded upon no apparent violation; that none of the other cab drivers are ever bothered in this way, as the other cab companies are operated by John Clemmons, who assists Mayor McLaughlin at election times by free transportation of his supporters to the polls, which she will not do. When questioned as to the reason for Mayor McLaughlin's discrimination against her business, Mrs. Austeel replied in part, as follows:

"....I'll tell you, my brotherman for Mayor and they just stepped in there and after everything was settled, and just stole the election, and of course I was against them and I supposed that's what started it. And I am hot for-- I am against-- I am poison to the underworld stuff and they're for it, so naturally it makes me their enemy. (laughs) I am not for anything that's underworld stuff, nor that's not right, I deal right and they don't."

Further testimony by Mrs. Austeel was that she had heard that Judge Witt had been an inmate of the New Park Hospital at Hot Springs on numerous occasions for the purpose of sobering up from a protracted drunk, and that she had been informed by Mrs. Helen Knight, who operates that hospital, that he had in fact been such a patient there.

Bryan Dismuke, Manager of the Yellow Cab Company, stated the following before the legislative committee:

"I will give you an idea: probably eight years ago the Yellow Cab Company had concessions at practically every hotel in Hot Springs, Ark.-- leading hotels, and two railroads -- exclusive contracts. Now out of that we have only one left -- and that during the time that gambling was open, over-run with hustlers for gambling houses. That we don't get. They are put in their cars (probably means other taxicabs) and hauled free of charge to night clubs and gambling houses. We're not allowed to haul any of them. They get hauled free. Naturally that gives them contact with people at night and more than apt to get them next day if they did any riding in the day time. That is all."

Mrs. Dismuke also testified that the reasons he did not care to testify before the newspaper reporters was because he feared personal harm to himself at the hands of George McLaughlin, the Mayor's brother, and also feared what the administration might do to his cab business by the levying of fines for minor offenses or by arresting his drivers, etc.

J. W. Fatheree testified that before the last State election Mayor McLaughlin came to him and asked whether he was going to support the candidates for the State offices whom he wished to be elected, and

upon being advised that he was not, McLaughlin threatened him that he would never have a way to make any more money; that the day after the State election McLaughlin sent the Night Captain of Police, Bob Moore, to his place and ordered that he remove all card tables, cards, etc., which he had to do, and furthermore that he could not keep his legal liquor store open as long as the hours permitted by State law. Fatheree stated that W. S. Jacobs is the real "boss" of the gambling operations at Hot Springs, and that if he is not receiving some part of the proceeds of a gambling establishment he will have the place closed up. He cited as an instance of this the fact that a place operated by one Jockey Ryan was closed by order of Sheriff Marion Anderson at the instance of Jacobs.

J. D. Pierce also testified that he overheard Judge Witt instructing gamblers and many others as to what and how to do at the election of last August, 1936, and that at this meeting he observed that they had many poll tax receipts and also the "pink" sample ballots showing the "administration's" selection of the various candidates; that on the day of election held in August, 1936, numerous people were paid money at the Sheriff's office for voting the "straight" administration ticket; that he was offered money there to do so, but refused to accept it; that one of his companions at the time, W. A. Cook, was paid \$3.00 to vote the ticket; and that numerous other people likewise told him about receiving their money at the Sheriff's office to vote as directed through the use of the "pink slips". Further testimony given by the witness, Mr. Pierce, had to do with instances of his knowledge when Judge Witt and the Prosecuting Attorney failed to prosecute or have arrested certain persons, friends of the "administration" who "rolled" some of his friends on one occasion, and himself at another time, for \$2,300.00. Incidentally, Mr. Pierce stated that W. S. Jacobs told him at about that time that he paid \$400.00 per month for being allowed to operate his gambling places.

#### CORRUPTION IN GAMBLING

Reference report contains information concerning the fictitious system of fines, whereby gamblers operating at Hot Springs, Arkansas, pay certain fines at regular periods to the city for the privilege of continuing their illegal operations. Testimony heard by the Legislative Committee shows the manner in which these fines are levied. It further reflects that Mayor McLaughlin is, in fact, the local "boss" of gambling, in that anyone who attempts to operate without first obtaining his consent, is immediately closed up. The testimony further indicates that operators such as Fatheree, Ryan, et al, who apparently are not very close to the present city administration are not permitted to operate.

George Pakis resides at 346 Holly Street, and is employed at the Southern Club, a bookmaking establishment. Pakis testified that he and Gordon Henderson and Lou Larson originally started the Southern Club, and that he has a part interest in that place at present, obtained through money furnished by his wife; that he also has been employed at the Blue Ribbon Club, another bookmaking place, which operated openly and all police officers knew about the gambling carried on there; that the Sheriff's office also knew about it, because they were the ones who collected the "fines" for being allowed to operate; that these fines went to the city government, and amounted to \$132.50 being paid every two weeks; that the collection of this money was divided as follows: the Sheriff or the constable collected \$42.50 every two weeks which went to the county, and the city police or city collector collected the balance of \$90.00 every two weeks as the city's share of the pre-arranged fines; that one of the bartenders or boys who worked in the place would have to appear in court each two weeks and be "fined" that amount; that at the time they opened up the gambling places referred to above it was necessary to first secure the permission of Mayor McLaughlin, who was a personal friend of Lou Larson, one of the three who first opened the Blue Ribbon Club; that it was necessary to first secure the protection of Mayor McLaughlin, or otherwise it would have been impossible to open the place; that he has known of instances where people attempted to open gambling places without first securing McLaughlin's permission, and they were immediately served with notice to close up; that he did not talk to Judge Witt about getting permission to open a gambling place, since McLaughlin is the only one to see about that.

Houston Emory, former County Prosecutor, testified that he held the office of Prosecuting Attorney of the Eighteenth Judicial District (Garland and Montgomery Counties) from January 1, 1931 to December 31, 1936; that when he came into office there were eleven bookmakers or gambling houses operating within the city limits of Hot Springs; that soon after taking office he was informed by the new Sheriff and former Deputy Sheriff, J. H. Floyd, that for several years previously each bookmaker had been paying a fine of \$10.00 per week to the City and \$25.00 per week as a fee to former Prosecuting Attorney Bouic; that shortly after he came into office he had a conversation with Judge Earl Witt and Mayor Leo McLaughlin, in which McLaughlin objected to the fact that the city only received \$40.00 per month from each bookmaker, while the Prosecuting Attorney was receiving \$100.00 per month from each one; that as a consequence of this objection by McLaughlin it was changed<sup>90</sup> that each booking house paid \$100.00 twice a month to the City as a fine, plus costs, which included a fee which he received for filing "informations" against each bookmaker for "gambling", which were also filed twice each month, the total fines and "costs" which each bookie paid each month

amounted to about \$262.60; that about two years ago the county objected to the fact that it was not receiving its share of the fines so paid, and as a result thereof the county was allowed to receive about ten or twenty dollars each month from the fines paid by the bookmaking establishments; that he presumes that the arrangements whereby the county was to receive a part of the fines collected were made by Mayor McLaughlin and the County Judge (Witt); that he never heard of any other gambling establishment, such as the Belvedere Club, paying any fine whatsoever and presumes that this was due to the fact that W. S. Jacobs, owner of the Belvedere, was paying the fines on four bookmaking establishments in the city, and therefore was allowed to operate the Belvedere without payment of such fines. He stated that he doesn't gamble, other than placing some bets on horse races held at Hot Springs, and as a consequence thereof he did not have occasion to go into the bookie places often, but that it was common knowledge that such places were operating wide open and anyone so desiring could enter them and make bets or otherwise engage in gambling; that he never heard Judge Earl Witt instruct the Grand Jury in regard to violation of the State gambling laws at Hot Springs during his last two years in office, although he recalls one or two occasions when Judge Witt did so instruct the Grand Jury soon after he came into office.

Buddy K. Vernon testified before the committee and stated that at one time he ran a race horse book, and although he was never arrested for running his bookie place still he was made to pay a fine every two weeks in court, his explanation of how this was worked being as follows:

"They would call us from the sheriff's office or from the constables office -- one time it was from the sheriff's and one time it was from the constable's office. They would tell us to report in court, and they would give us names that would be called. We were never told to report under our own name. They would call those names and 'You're charged with gaming. Guilty or not guilty?' And we would say, 'Guilty'. 'Hundred dollars and cost.' and then the sheriff or constable would come around and collect it."

Vernon was asked how he got his news service wire for operating his book. He replied:

"Well, we got it from Jacobs. I had to go to Jacobs and make arrangements for our service -- pay him \$75.00 a week. Most any place in the world you can get a general news bureau wire into a town for \$200 per week. There were twelve books in town and each one paid \$75.00 per week."

Mr. Vernon went on to explain that Jacobs' three books, of course, paid nothing for the service, but the other nine paid \$75 per week, and it was rumored that the difference between the amount of expense involved in maintaining this by Jacobs, and the amount that he took in from leasing the wire, or an approximate sum of \$350.00 per week, went to Mayor Leo P. McLaughlin and his clique.

Earl Screeton, auditor for the Income Tax Division of the State Revenue Department, State of Arkansas, testified before the Legislative Committee that he had made an examination of the books of the various gambling establishments. The Belvedere Club, Southern Club, and Ohio Club, are properties of Wm. S. Jacobs. It is probable that Jacobs has an interest in other gambling establishments in Hot Springs, other than the above.

He stated that the books reflected that the Belvedere Club made a net profit of \$33,765.00 for the year 1936, but paid a dividend from the bankroll of \$40,000.00; that this dividend was paid to Archie Ledgerwood, Sam Watt, D. Hotchkiss, L. D. Cooper, Captain William Smith, Otis Carr, Roscoe Johnson and W. S. Jacobs.

He stated that the Southern Club paid a dividend for the year 1936, of \$50,000.00, and that this dividend was paid to the same individuals above named.

He stated that the books showed that the Ohio Club was owned two thirds by W. S. Jacobs and one third by Cleveland "Tink" Young; that in the year 1936 they had a net profit of \$27,000.00; that the Blue Ribbon Club had a profit of \$15,261.00, and was owned by George Pakis, Gordon Henderson, and Leo Larson, each having one-third interest; that this club paid semi-monthly fines to the court for operating, of \$132.50 each two weeks; that other clubs named did not.

Mr. Screeton stated that Miller's Club, owned 75% by W. S. Jacobs, and 25% by W. F. Miller, made a net profit of \$44,500.00 for 1936; that this club was not fined at all; that B. F. Harrison Cigar Store made a net profit of \$31,297.00 for 1936. This was divided between B. F. Harrison and F. Longinotti.

It will be noted that the net profit of the three above gambling places of Jacobs' totals \$110,765.00 from one year's operation.

Sam Watt, 1134 Central Avenue, Hot Springs, Arkansas, testified before the legislative committee. He gave the following men as being owners of and interested in Belvedere Country Club:

W. S. Jacobs	Gambler	Hot Springs, Ark.
Sam Watt	Gambler	"
Cleveland Young	Bar Attendant	Ohio Club
L. D. Cooper	Grocery store owner	Hot Springs, Ark.
Douglas Hotchkiss	"	"
Harry Strong	Gambler	"
Roscoe Johnson	Gambler	Southern Club
Archie Ledgerwood	(Brother of Municipal Judge Verne S. Ledgerwood.)	"
Otis McGraw	Gambler	Southern Club
Capt. William Smith	Gambler	Southern Club

Watt named the following employees of the Belvedere Club as having some connection with the City Administration:

Jerry Watkins, Policeman  
 Tex Rutherford, Fireman  
 Jack McJunkin, Fireman  
 Bob Moore, Ex-police captain  
 T. G. "Curley" Evans, policeman ✓  
 Mrs. Herbert Akers, wife of Chief of Detectives  
 Herbert "Dutch" Akers.  
 Arch Cooper, Ex-policeman.

Archie Ledgerwood, 210 Birchwood Street, Hot Springs, Arkansas, testified before the legislative committee. He stated that he bought a one fourth interest from W. S. Jacobs for the sum of \$12,500; that this money he borrowed from one Ed Ballard a gambler worth some thirty million dollars; that this was back in 1932; that he gave his note due in 1936, with interest, and in 1936 he paid this note off, which by this time had grown to be \$20,500. Very shortly after this money was paid to Ballard, Ballard and another gambler were found killed in their Arlington Hotel room under mysterious circumstances.

Ledgerwood stated Jacobs owned the controlling interest in Belvedere Club, Southern Club, a half interest in the Ohio and Kentucky Clubs, and was also interested in Miller's Cigar Store.



Charles H. Sellers, former police officer, stated that for a period of about two years he considered himself to be the personal bodyguard of Mayor McLaughlin and accompanied him on most of his trips around the city; that they made frequent trips to the Belvedere and Southern Clubs (gambling places) where McLaughlin would go inside, but that he does not know whether McLaughlin would receive any money as a "pay-off" on these occasions or not. When questioned concerning gambling operations at Hot Springs, Sellers stated that for about thirteen years prior to his injury in 1936 he had been a member of the police department there, and that during that time gambling houses were operated "wide open" and some of them sold liquor during prohibition; that he had frequently been in these places and had seen their illegal operations; that while he was a member of the police department he was responsible directly to Mayor McLaughlin for his actions, and he never made any arrests or otherwise interfered in the operation of the gambling places because he knew that he would lose his job on the force if he did; that he imagines that these places were "paying off" to be allowed to operate, because on some occasions he would be sent by McLaughlin to close up a particular gambling place while all the others were running openly; that some of the places which he had been sent to close up by McLaughlin were places operated by Mr. Fatheree, Jockey Ryan, and Bert Hall at the Midway Bar; that on these occasions the Mayor did not tell him why he was closing up the places, and he did not question McLaughlin. Sellers denied having ever been sent by the Mayor to any gambling place at Hot Springs for the purpose of collecting money, and stated that he did not know who was supposed to collect such money.

Dr. M. O. Evans testified before the legislative committee and during the course of questioning was asked if he had ever been a defendant in any court action in any court in Hot Springs, and his answer is as follows:

"At one time I was. It was in the Police Court, and I appealed to the Circuit Court. Dutch Akers was a detective on the force at that time. Dutch Akers was punching chances on one of those little punch boards there - gambling - and I opened up about twenty five of those for him, and unthoughtedly I punch five, myself, and paid for them, and Dutch arrested me and took me over to the Judge and the Judge gave me a \$10.00 fine, and I thought that was a little bit high, so I appealed to the circuit court and plead guilty and got a dollar fine."

### JUDICIAL CORRUPTION

The corrupt conditions existing at Hot Springs embrace every phase of the official city and county administration. The testimony heard by the Legislative Committee definitely indicates that Circuit Judge Earl Witt and other local officials are apprised of the lawlessness in the city, but rather than attempt to rectify and punish for violations of law, countenance and in some instances, lend aid to those forces which operate outside the law.

Testimony herein referred to shows that the local courts protect those violators of the law, who are aligned with the city administration and the judges lend their cooperation to those interests which openly transgress laws against gambling. The manner in which a brutal and willful killing perpetrated by George McLaughlin, brother of the Mayor, was so fixed that a conviction could not be obtained is reminiscent of the way in which the seven former police officers charged with the brutal killing of prisoner John Dickson were promptly acquitted.

The bribery of the city and county officials is portrayed in clear and unmistakable language.

Ray Smith resides at 125 Hebert Street, and is engaged in the real estate business at 909 Central Avenue. He testified that a general lawless condition exists in the city of Hot Springs; that the respectable and law-abiding citizens there have a strong dislike for Mayor McLaughlin, because he has no respect for law and order; that there is no such thing as ordinary legal procedure there with regard to law enforcement by officials, but on the other hand it resolves itself into a question of getting things "fixed" and seeing the proper person; that as far as the city court is concerned, Judge Ledgerwood or Mayor McLaughlin are the proper persons with whom to talk, before a particular matter comes up, and that he believes that Judge Witt in the Circuit Court, has been talked to "ahead of trials"; that decent people in Hot Springs are powerless to do anything about correcting the lawless conditions there because the courts will refuse to hear any information or evidence which complainants rightfully attempt to present; that there is no chance of getting a fair and impartial trial in the Circuit Court there before Judge Witt, especially in regard to criminal cases, and likewise in civil cases, if Mayor McLaughlin is interested in one side or another, because the Court will lean in that direction; that he has no respect for Mayor McLaughlin whatsoever, because McLaughlin has no respect for any law.

Will Brantley resides at 283 Woodlawn Avenue, Oaklawn, Hot Springs, Arkansas, is a minister and also works at Stearns Hardware Company. He gave testimony of the instances which he had seen Judge Earl

Witt drunk publicly on the streets and in his court room while he was presiding over a trial of a case brought by a woman against Woodcock and Lawson Company; that Judge Witt could not have helped but knowing that open gambling was being engaged in at Hot Springs, because he has seen him standing in front of the places while the cries of the barkers inside could be heard on the street. Brantley stated that the open gambling places have ruined one of his sons who is 21 years of age and his younger son, 16 years of age, has also started in that direction; that there is no use to appeal to the local courts or officers there to have the gambling places closed due to the people who now occupy the city and county offices.

J. D. Pierce resides at the corner of Hobson and Market Streets, and is engaged in the real estate business at Hot Springs. He testified that on one occasion the prosecuting attorney brought a man named George Acre, whom he did not know, to his place and at his insistence, he, Pierce, executed a bond in the amount of \$1,000.00 for Acre's appearance; that Acre jumped his bond but he, Pierce, located him in another town and brought him back to Hot Springs in order to be released from his bond; that upon arriving at Hot Springs, Acre met W. S. Jacobs on the street, and in a conversation with him, he, Pierce, learned that Acre paid Jacobs \$500.00; that Acre was taken to the Sheriff's office, where Judge Witt, Prosecuting Attorney Bouic, W. S. Jacobs, and former Sheriff Garland Vansickle were present; that Jacobs later told him in a conversation that of the \$500.00 he and Mayor McLaughlin received \$150.00 and Judge Witt got \$350.00, and Acre was released from custody by the Sheriff on the same day that he returned him (Acre) to Hot Springs. Other information furnished by Pierce referred to an occasion when he paid \$25.00 to Judge Witt and Sheriff Vansickle or Mayor McLaughlin (the testimony is not clear on that point) for the release of a prisoner and observed them dividing the money after he had put it on a desk where they were. Pierce stated that he had observed Judge Witt drinking on occasions with Ed Spears and W. S. Jacobs, local gambling operators, at various gambling places at Hot Springs.

Wesley Taylor resides at 306 Barrett Street, and is a painter by occupation. Taylor stated that he had seen Judge Earl Witt drunk in public places on numerous occasions, and had also seen him in the Chicago Club, a gambling place, playing the bookies.

J. W. Spiva stated that he resides about half a mile out of the City Limits of Hot Springs on the Mount Ida Road. Spiva testified concerning his knowledge of Judge Witt's drinking habits, and also stated that he had seen Judge Witt in the Chicago gambling club on numerous occasions making bets through the "bookies" there.

Mrs. Walter (Pauline) Hebert resides at 121 White Street. She gave testimony that she had observed Circuit Judge Earl Witt in a drunken condition while on the bench during the course of a trial of a case brought against Woodcock and Lawson by a Mrs. Michael Jordan, and while she, Mrs. Hebert, was a member of the jury panel and about the courthouse, and on another time while he was trying a case on the bench while she was on the trial jury, Judge Witt was so drunk that Mr. Campbell sat with him on the bench to help him.

Mr. George Sherman testified that he at one time attempted to get several attorneys to represent him after George McLaughlin had arranged for his arrest and incarceration in jail. He stated that he went to Atwell, Shelton and others, and they would not handle the case for him, as they informed him that even if they did handle it they would not expect to get any justice in the courts there.

Mr. Sherman offered to give a transcript of about 25 pages which he said would cover malfeasance on the part of city officials in Hot Springs, Arkansas.

Gladys Wilson, 1101 Central Avenue, former editor of Public Opinion, testified before the legislative committee investigation conditions in Hot Springs. Her testimony begins on page 675 of the legislative committee's report.

Miss Wilson was asked if she attended the trial of George McLaughlin for beating to death a cab driver named Long, and she stated that she attended the trial as a reporter. She stated that the trial was not a fair trial; that Leo McLaughlin, even though he was Mayor, defended his brother and made the closing argument to the jury. The following questions and answers are of interest, to wit:

- Q. Do you know whether or not the jury was tampered with?  
A. I listed them in Public Opinion just as I figured they were paid.  
Q. What did you say about them?  
A. Now, I couldn't give you that in detail, but I could locate it in Public Opinion. I could tell you their names and just exactly what pay-offs they had, but I didn't have time to go into that. I was going to get those things but I didn't.  
Q. Well do you think any of them were paid?  
A. I certainly do, personally. Well, Mrs. Crawford, she was a lady on the jury - she said that she was a direct foe of Leo P. McLaughlin's - now, that didn't come to me - I mean she didn't tell me that; she told a friend of mine. But, anyhow, it was generally talked on Malvern Avenue that she was a foe. Well, when she was selected on the jury I thought that was our main hope for a conviction. Later I learned that her son was promised a job, and I ran it in Public Opinion and was threatened.

Q. Who threatened you?  
 A. Ray Crawford.  
 Q. Who was he?  
 A. He's her son.  
 Q. What did he say to you?  
 A. He came to the office and told me that if I printed that article I would print my last article.  
 Q. Did you print it?  
 A. I printed it - and he hit Ray Smith.

Houston Emory, former District Prosecuting Attorney, when questioned as to difficulty experienced in enforcing State laws in Hot Springs, cited a case where he attempted to prosecute one Murphy on a charge of murder for shooting a man named Gwynn, but that Murphy was represented by the firm Murphy and Wood in his defense, and he was unable to successfully prosecute him, since it appeared that the court (Witt) leaned to the defendant; that another instance was the case when George McLaughlin, brother of the Mayor, killed a man by hitting him over the head with a pistol butt. In that instance "they" got all the witnesses out of town before the trial started, and he was unable to bring them back, consequently the defendant was released. He was unable to introduce evidence at the trial that McLaughlin killed the victim because the deceased had put "slugs" in slot machines which were owned by the Mayor's brother, George McLaughlin, together with Dick Galatas and Frank Clark.

William A. Seiz testified before the legislative committee that the reason he first fell out with the Hot Springs city administration was because he started an investigation to get Galatas out of the Masonic Order on account of his confidence game activities and thereby incurred the wrath of the city administration.

Seiz testified that the day that George McLaughlin beat up Sydney Long, a yellow cab employee so that he died the next day, he, Seiz, was called to talk to Long as a masonic brother. He stated that after Long had told him the story of the whole affair he left his room and Roy Erney, then Deputy Sheriff, came in and Long told Erney the whole story of the affair just as Long had told him. He also stated that when the Grand Jury met he testified before them and noted that Roy Erney was not there to corroborate his testimony. He went to see Houston Emory, Prosecuting Attorney, to find out why Erney had not been subpoenaed, and Emory informed him that Jim Floyd, the Sheriff, had gotten Roy Erney out of town so that he could not testify, and therefore he could not get hold of him for the Grand Jury.

Seiz testified that after this the City Administration put the pressure on, and refused to grant him permits to hang signs; that he went to Leo McLaughlin and McLaughlin told him as long as he was Mayor he would not give him a permit.

Bill Seiz further testified that George McLaughlin was indicted for second degree murder as a result of a killing, and at the trial of the case Roy Emey was again out of town so that he could not testify, and that his (Seiz') testimony was not heard due to the fact that the court disqualified him as a witness on the grounds that he could not swear that what Long said to him was a dying confession, as Long did not know at the time that he was dying. Seiz testified that as a result of this court ruling George McLaughlin was acquitted.

EVIDENCE OF GENERAL CORRUPT  
CONDITIONS EXISTING AT  
HOT SPRINGS, ARKANSAS.

The general corrupt conditions existing in Hot Springs are aptly narrated by former Police Officer Charles M. Robins. His testimony presents a bird's eye view of the manner in which McLaughlin dominates the present city administration.

It is interesting to note the testimony of Mayor Leo P. McLaughlin, in view of the allegation made by his wife, that he has an estimated monthly income of \$5,000.00.

C. M. Robins resides on South Second Street, and is a former member of the Police Department of Hot Springs, resigning therefrom to run as Constable about July, 1934. He testified that during the time he was a member of the police department he observed that it was impossible to arrest and convict any of the law-breakers there who were friendly to McLaughlin and those in power; that Mayor McLaughlin and the Chief of Police (Wakelin) would tell the officers which persons could or could not be arrested; that at that time gambling houses were operating openly, and also numerous places were selling bootleg liquor, but that he as an officer could do nothing towards arresting any of the operators of these places due to previous instructions not to do so.

Robins stated that prior to the August 11, 1936, primary election he had become employed on the night shift of the police department; that he purchased 13 or 14 poll tax receipts for various people by paying for them with money from his own pocket; that still prior to election day he had taken these poll tax receipts which he had secured to the Mayor's office and had given them to Mayor McLaughlin; that McLaughlin then gave

him an order to the County Clerk and he went over there where he was reimbursed for the amount that he had expended in purchasing the poll tax receipts. He also stated that on election day, August 11, 1936, he came to the police station about nine p.m., at which time he went on duty on the night shift; that about ten or eleven o'clock that night he saw Night Captain Bob Moore and Charlie Sellers around the City Clerk's office in the City Hall; that Charlie Sellers asked him to drive them down on Malvern Avenue, to which he agreed and thereupon all three got into an automobile which he drove; that he observed Charlie Sellers' shirt was unbuttoned in the front and something stuffed in it, so he asked Sellers what he had in his shirt, to which question Sellers replied, "I got fourteen hundred ballots in it"; that these ballots looked to him to be similar in every respect to the regular ballots, but that he could not swear as to whether they had been voted or not; that he drove Sellers to the voting place on Malvern Avenue (Second Ward) where Sellers got out of the automobile and went into the voting place, still with the bundle of ballots in his shirt; that he and Moore returned to the police station and he did not see Sellers again that night. Regarding the 13 or 14 poll tax receipts which Robins stated he purchased for various people, the witness added that these receipts were returned to him shortly before the election by the Mayor, with the instructions to return them to the people he purchased them for, and to see who they voted for at the election; that the Mayor also supplied him with some "pink slips" (sample ballots showing the Mayor's choice of all the candidates) which he gave to the persons at the time he returned their poll tax receipts.

Robins also gave testimony of having seen Judge Witt publicly drunk on the streets of Hot Springs many times, and that he had also observed him being attended in an automobile while riding, by Mrs. Lois Wheatley, his nurse on the occasions of his sobering up from drunks. He stated that Judge Witt could not help but have knowledge of the operation of gambling houses there, as they were running wide open.

Concerning the John Dickson case, Robins stated that he was a member of the party of officers who caught Dickson in Nevada County about 18 miles from Prescott, Arkansas; that Dickson was put into the automobile in which he driving when the party reached Prescott, Arkansas, and remained in that automobile for the balance of the trip to Hot Springs; that also in the automobile besides he and Dickson were Joe Wakelin, the then Chief of Police, Arch Cooper, then Day Captain, and Officer Ben Rogers; that during the trip to Hot Springs they kept asking Dickson if he was the one who had hit Joe Wakelin on the head on a previous raid near his home, but that Dickson repeatedly denied having done so, and said that his uncle named Bogg was the one who had done so; that Dickson was not hit by the officers on the trip to Hot Springs and arrived there in apparently good condition, having only received a small cut over one eye where Arch Cooper hit him when he was captured; that he left the party of officers upon their



arrival at the jail to go home and sleep some, which was about ten or eleven o'clock in the morning, and did not see Dickson again; that some time later Chief Wakelin told him that the prisoner Dickson had died, and that it was necessary to fix up a story that he had jumped out of the automobile on the trip to Hot Springs on the morning that he was captured; that thereupon Wakelin got him (Robins), Arch Cooper and Ben Rogers to go over the same route that they had traveled when the prisoner was brought to Hot Springs, and all of them picked out a spot which Wakelin suggested as being the place where Dickson was supposed to have jumped out of the automobile and injured himself; that this place was picked out just before reaching Arkadelphia, Arkansas, and Wakelin instructed them on the story that they were supposed to tell, namely, that Dickson had jumped out of the automobile and was injured while attempting to run away from the officers over an embankment, but that he was again caught on a rocky road near the supposed escape; that he, Robins, was not again approached by Wakelin or the other officers regarding the story after their return to Hot Springs from the trip when it was concocted, but that he told a Mr. Lovell and Mr. Huff about the story that he was supposed to tell, and consequently he was called before the Grand Jury which investigated the death of Dickson and told that body what actually happened, also the story and circumstances that he was instructed to tell by Chief Wakelin and Arch Cooper; that subsequently he had received several warnings from some of his friends that "they were going to get him", so rather than take a chance on being killed by one of them he resigned from the Police Department on February 1, 1937; that he feared for his life because "they" had killed "plenty of guys" there and had always gotten away with it without being prosecuted. As instances of that the witness pointed to cases where Arch Cooper had killed some men and was never prosecuted; that the same thing applied to Ed Spears, a gambling operator; that on one occasion in the past a body of a city jail prisoner was found on the railroad right-of-way not far from the city jail and the report had gotten out that the prisoner had been beaten to death in the jail and his body carried out the railroad to make it appear that a train had struck him.

Houston Emory, in his testimony, also cited the instance of a case which involved "Dick" Galatas, a local confidence man, and Frank Clark, formerly associated with Galatas and George McLaughlin in the operation of slot machines at Hot Springs, taking about \$10,000.00 from an old couple who had been visiting there from North Carolina in a confidence game, in which the couple had been "steered" from Hot Springs to the Albert Pike Hotel at Little Rock; that the old man did not actually come across with the money as he was supposed to do in the scheme, and therefore one of them held him while the other grabbed up the money and ran out of the hotel; that both Galatas and Clark were indicted by a Grand Jury at Little Rock, but were never prosecuted because the victim died before the scheduled trial.

Leo P. McLaughlin was subpoenaed and appeared before the Legislative Committee. The only papers he brought before the Committee was a copy of his Federal Income Tax return for the year 1936. He stated that the only source of his income is his salary of \$160.00 per month from the City of Hot Springs, the rental on one piece of property at Hot Springs, for which he receives \$45.00 per month, the rental on one piece of property located at 1534 Harold Street, Houston, Texas, for which he receives \$70.00 per month, and an unknown amount which he receives from his private law practice. McLaughlin testified that he doesn't keep records of any kind as to the amount that he earns in his law practice, and that he was unable to estimate the amount; that he takes the statements of his deposits at his bank as being correct, since his total income is deposited with the bank as received. He does considerable law practice with Richard Ryan, attorney at Hot Springs, and fees therefrom are split evenly, and also tries numerous cases alone; that he receives the total fees from such cases, as he and Ryan are not partners in their practice.

Houston Emory mentioned that Rex Broughton, manager of the "U-Drive-It" Company at Hot Springs had informed him that Karpis had rented various automobiles from him on different occasions, but that his identity was unknown to Mr. Broughton at the time he rented the automobiles to him.

Houston Emory, when questioned as to the harboring of criminals by the officials in power at Hot Springs, he stated that he had heard it generally rumored about the city after the raid by Federal agents in an effort to locate Karpis, that Karpis had in fact been harbored there, but that he never saw him nor did he hear anything about his being there until after the raid. He also stated that Luciano had been allowed to live there unmolested for quite a while prior to his return to New York, but that he likewise had never seen Luciano to his knowledge; that open gambling has existed in Hot Springs for the past ten or twelve years, and that any knowledge on his part concerning the situation of criminals being harbored there was only hearsay on his part.

PROTECTION OF "CON" MEN BY POLICE  
DEPARTMENT AND CITY ADMINISTRATION

For many years it has been nationally known that Hot Springs was a refuge for "con" men, particularly during the time when Richard Tallman "Dick" Galatas was in power, prior to his conviction in the Kansas City Massacre case. It is known that Chief of Detectives Herbert "Dutch" Akers was closely associated with Galatas and other "con" men who made Hot Springs a meeting place.

The testimony of Samuel Yudin, who was victimized, is a clear account of the manner in which city officials at Hot Springs and individual criminals co-operate in their unlawful activities.

C. W. Fatheree testified regarding Dick Galatas. He advised that Galatas was in with the McLaughlin administration and had done most of their confidence game work for them, but that after Galatas became involved in the Kansas City Massacre case, the administration "dropped" him and "poured" all the fire on him that they could, because they were so deeply involved themselves; that prior to the time when Galatas was convicted he had seen him in company with Mayor McLaughlin on numerous occasions.

Houston Emory, former County Prosecutor, while testifying before the Legislative Committee, agreed that the Circuit Judge and Mayor could have easily prevented such men as Galatas from operating in the town. Emory admitted acquaintance with Galatas, but denied that he had ever seen Galatas in company with Mayor McLaughlin. He stated that he was first introduced to Galatas by a police officer named Joe Scott, who introduced him as being a "retired real estate operator from Detroit", and that Galatas cultivated his acquaintance and took him fishing in his boat, but that upon learning later that Galatas was one of the leading confidence men in the country he had dropped his association with him. Emory stated that Hot Springs is a haven for confidence men, although he believes that the majority of the good people there are against this situation. He also agreed with a statement read to him from a letter written by Mr. Nobles to the Committee to the effect that if something isn't done to stop the existing conditions there, that it will continue to grow worse and more corruption will ensue from the present political power there, which in effect means that the gambling element actually runs the city government, to the detriment of the substantial business and professional men with the resulting loss of legitimate business and personal privileges.

Mr. Emory denied having any actual knowledge of agreements made by officials at Hot Springs with criminal classes, other than the agreement previously mentioned by him as having been made between himself, the Mayor, Judge Witt, and the Sheriff, in which they allowed the operators of handbook establishments to pay their semi-monthly fines.

Samuel M. Yudin testified that for several years he stopped at the Arlington Hotel during the seasons when he brought his invalid daughter to Hot Springs, Arkansas, to take the baths; that during the course of these visits he met one Charlie Rockafellow, who owns the Rockafellow Hotel; that this party suggested to him that he should come to the Rockafellow Hotel and get a room that would be less expensive. Mr. Yudin stated that he did this, and that in due time became quite friendly with

Rockafellow. He stated that Rockafellow and his wife use to take him riding and ask him out to the house for dinner, and he thought Rockafellow was a "swell fellow". He stated that he told Rockafellow one day the following:

"Charley, you know I am coming down here to Hot Springs for my baths, and then I bring my girl along. And she has no home and I have no home. I would like to have my own business property in Hot Springs so the child can have an income. She's totally disabled for life, you know and she's sixteen. I have worked all my life and have saved up some money, and I bought \$20,000 worth of Government bonds, etc."...

Mr. Yudin related to the committee that he told Rockafellow this in order to solicit his help in investing his money. Rockafellow told him he would help him and needed a little time to think it over. A few days later Rockafellow introduced him to a confidence man by the name of Leonard, who told him he was a retired tailor from Chicago. He stated that Rockafellow told him he knew two men who needed about \$20,000, and had him to have his bonds sent up and cashed in Tuscon, Arizona, and had the twenty thousand dollars in cash sent up to the Arkansas Trust Company in Hot Springs, Arkansas. The committee chairman then asked Mr. Yudin if he went to the bank and got the money, and he answered:

"Yes, sir, when this money arrived I was supposed to go down and see Mr. Scott Wood, you know, an honest and reputable attorney. And so they got to hurrying up the job, you know; then it was all framed and figured out, you know and - for me to get the money and, 'I'll wait outside for you and then we'll go down to the lawyer.' And all of a sudden they got excited and they said, 'Just a minute. We got to go in here.', and lured me into the McDermott Hotel, or whatever it is next to the bank - they all went in and after I went in they shoved me into the elevator and then some way they took me upstairs and I didn't know what's all about it. And naturally I looked downstairs and I wanted to jump out of the window and I couldn't run out of the place. They offered me a drink and they must have put some knockout drops in it....."

Mr. Yudin stated that after they had administered the knockout drops they then put him in a car, took him to Little Rock, Arkansas, and got him into the Albert Pike Hotel; that all this time he still had the \$21,000 pinned in his pocket with the original Post Office stamp on it and the seal as yet unbroken. He stated that Gypsie Howard (nationally known con man) and Leonard made the trip to Little Rock with him. He stated that a third man entered the room, knocked him in the head and nearly beat him

to death; that they took his money and left him on the floor; that he came back to Hot Springs, went to Rockafellow, who claimed he knew nothing about it at all. Later he stated he was walking down the street and Louis Bloom, a gambling operator for Jacobs, called him over and told him he knew what it was all about and suggested he call the Mayor, Leo McLaughlin, and Judge Verne Ledgerwood; that he did this and they came over to see him. He got a woman friend of his to come down from Detroit, and she was his lawyer. This woman, Charley Rockafellow, Verne Ledgerwood and Leo McLaughlin all listened to his story and then they all laughed at him and did nothing about it. A woman friend of his later told him that if he did not leave town he was going to be killed. He stated he became afraid, and continued, stating:

"...I went to the Justice Department here and they said it's not their jurisdiction, they couldn't do nothing. So I finally landed in Washington and went to Edgar Hoover's office. They told me to go to the Post Office Department; I went to the Postal authorities and finally they took the case and Mr. Graham flew from New York to El Paso to meet me. Then later they had the Grand Jury over here and they indicted the three fellows (A. J. Conner, Leonard and Gyppe Howard) Charlie Rockafellow told me to keep my mouth shut."

Mr. Yudin further informed that Charlie Rockafellow said to him:

"Say nothing man. You can't do nothing. Neither can I help you, and I go fishing trips and I'm intimate with the Federal Judge".

Mr. Yudin stated later that he went to Pace and Davis, supposed to be good lawyers in Little Rock; that Mr. Pace told him he felt sorry for him, but could not do anything for him because he did not have a chance in the Court over there; that everything was interwoven and that he (evidently meaning Rockafellow) was intimate with the Federal Judge. Mr. Yudin stated that he went from one lawyer to another and they all said the same thing, that they could not help him. He stated that "Dutch" Akers told a fellow by the name of Ross, and Ross passed it on to him, that he, Akers, got a thousand dollars of that money; that Rockafellow got ten per cent; that half of the money was divided among the city officials in Hot Springs, Arkansas. He stated that George McLaughlin, Mayor McLaughlin's brother, was the man who gave him the blow on the head in the hotel. He stated that at the time he did not know that this man who pushed him into the elevator and knocked him around was George McLaughlin, but later found out who he was. (The Ross he refers to in the above paragraph is Ira Ross, the Postal Inspector.)

"PAY-OFFS"

The following testimony regarding "pay-offs" made to Mayor McLaughlin and officials connected with the present city administration or county administration, discloses the fundamental cause of the open lawless conditions existing in Hot Springs. The testimony indicates that the real reason why gambling and other unlawful activities are condoned is not because the city is benefited through the collection of fictitious fines, but because of the personal monetary benefits which McLaughlin and his associates get in the way of "pay-offs".

Mrs. Dawn H. Witt resides at 32 Pullman Avenue, Hot Springs. She testified that she is the divorced wife of Judge Earl Witt, having lived with him for about fifteen months, from February, 1932, to May, 1933. She provided testimony concerning Judge Witt's excessive drinking habits during the time she was married to him, and stated that that was the reason for her leaving him. She stated that she believed Judge Witt's income at that time was something over \$400.00 per month; that he was a very good friend of Mayor Leo McLaughlin, and that the Mayor often came to see him at his home, but would usually remain in the automobile or just come to the steps where they would talk; that she often accompanied Judge Witt on visits to the City Hall, where he went to see McLaughlin at the Mayor's office every Saturday; that the only time which she has actual knowledge of McLaughlin having given Judge Witt any money during this period, was on one occasion when he came out to their house, but remained outside; that Judge Witt came into the house and requested her to count out the money which had been given to him by McLaughlin, since he, Judge Witt, had been drinking and could not count the money himself, and that she recalls that there were between two and three hundred dollars which McLaughlin had given him. She further stated that most of Judge Witt's property, and property which he accumulates, is listed in the name of his father.

J. W. Fatheree testified that he resides at 218 Morrison Street and operates a liquor store at 633 Central Avenue, Hot Springs, Arkansas; that he operated the store prior to the repeal of prohibition by the State, and also had several gambling games in operation in the rear of his store; that the facts were known to Mayor McLaughlin, Judge Witt, and Sheriff Floyd that he was illegally selling liquor and operating gambling games at his place; that Leo McLaughlin, the Mayor, often came into his store whenever he wanted a "gift", but that the actual money which McLaughlin received as a "pay-off" for the operation of the business was always sent for by different men, who collected the money regularly and carried it to the Mayor; that there was no doubt that McLaughlin received this money regularly as a "pay-off", because he often talked to him about it; that later the system was changed to that of paying a fine in open court at the city hall, first \$50.00 each month,

which was subsequently reduced to \$25.00 monthly, and continued to remain at that figure until the State allowed the sale of liquor, and he was able to obtain such a license; that while he was paying off to Leo McLaughlin for the privilege of being allowed to sell illegal liquor he was often cautioned by McLaughlin not to tell anyone about it, but that he believed that Judge Witt suspicioned that he was doing so, since Witt asked him about it on one occasion, and he, Fatheree, denied that it was so, in accordance with McLaughlin's instructions; that while he was operating gambling games at his place, on one occasion about a year ago, he stopped paying off for the privilege of running them and immediately the Mayor sent his "big, tough brother", George McLaughlin down to his place and he demanded that they be paid one half the profits from the operation of the games; that he did give George McLaughlin and Leo McLaughlin's brother-in-law half the profits which were for the Mayor, Leo McLaughlin; that this situation continued to exist until the Sheriff officers, Will Ragon and Roy Ahren told him that he had not made the proper arrangements for operating and that the gambling would have to stop or they would burn his fixtures; that it is his opinion that Mayor McLaughlin got scared because there were so many places operating like his and had gotten Judge Witt to send the Sheriff's deputies down to close him up; that he did close most of his gambling games and only kept about four tables of cards in operation.

He further stated that George McLaughlin, brother of the Mayor, did the "collecting" for them for a long time; that George carries a gun and always threatens to kill someone when he is drunk, but that "they" will never lock him in jail because he is the Mayor's brother.

- PENDING -



29481

Post Office Box #1469  
Little Rock, Arkansas  
July 14, 1937

PERSONAL AND CONFIDENTIAL

MEMORANDUM TO INSPECTOR E. J. CONNELLEY:

RE: BREKID

On July 5, 1937, Special Agent John L. Medala reported at Hot Springs, Arkansas, and he with Special Agents H. A. Snow, B. M. Suttler and the writer are now engaged in the harboring investigation at Hot Springs, Arkansas.

The investigation to date has been successful in showing the association of Grace Goldstein with Chief of Detectives Herbert Akers at the following places where she resided during the years 1935 and 1936; 1538 South Central Avenue, prior to May 15, 1935; 123 Palm Street, from May 15, 1935, to about June 21, 1935; the Hatterie Hotel, from about June 21, 1935, to the date of the Bureau raid on the Woodcock home on March 30, 1936. The investigation has resulted in definite information that Akers associated with Alvin Karpis during the time that Karpis resided with Grace Goldstein at 123 Palm Street.

Recently Special Agent F. A. Fletcher of the New Orleans Field Division interviewed Mrs. Philip David who owned the premises at 124 Clubb Street, Hot Springs, Arkansas, during December, 1935 and January, 1936, when it was occupied by Alvin Karpis and Grace Goldstein. Mrs. David, at the time of the above interview, stated that while Grace Goldstein resided at 124 Clubb Street, Herbert "Dutch" Akers, Chief of Detectives, former Chief of Police Joseph Makelin and City Attorney A. T. "Sonny" Davies among other City officials visited that address. Mrs. David intends visiting Hot Springs, Arkansas, in the next day or two and she will be thoroughly interviewed for all possible information relative to the association of Hot Springs City Officials with Grace Goldstein and Alvin Karpis during the time they resided at 124 Clubb Street.

EX-100-100

17-156-3-116

MEMO TO INSPECTOR CONNELLEY:

9-14-37

During the coming week a definite effort will be made to show that Alvin Karpis resided at Hot Springs, Arkansas, prior to the year 1935 for the purpose of showing that Chief of Detectives Herbert Akers and former Chief of Police Joseph Wakelin were personally acquainted with Alvin Karpis prior to his residence in Hot Springs, Arkansas, in the years 1935 and 1936. The former known places of residence of Herbert Farmer, Harvey Bailey, Verne Miller and Frank Nash in Hot Springs, Arkansas, will be checked as it is probable that Karpis was in association with the above individuals at various times, while they resided in Hot Springs, Arkansas.

Information has been obtained concerning the families of Beckard Le Roy and Ernest Dickey that these people have information concerning the activities of Grace Goldstein and Alvin Karpis while they resided in the Woodcock home at Lake Catherine during February and March, 1936. The Dickey family at that time lived on the property adjacent to the Woodcock property and are reported to have information that Hot Springs Police Officials visited the Woodcock home while Karpis resided there.

Information has been obtained that Flo McLaughlin and Betty Galatas, the respective wives of Mayor Leo P. McLaughlin and Richard T. "Dick" Galatas have information concerning the harboring of Alvin Karpis at Hot Springs, Arkansas, and are willing to provide this information to the Bureau. These women will be thoroughly interviewed during the coming week.

Investigation in the vicinity of the Hatterie Hotel has disclosed the association of Alvin Karpis and Fred Hunter with Grace Goldstein and Connie Morris and has also resulted in the information that former Chief of Police Joseph Wakelin, Chief of Detectives Herbert Akers, former Lieutenant of Police Cecil Brock and other Hot Springs Police Officers visited the Hatterie Hotel during the time that Karpis and Hunter were frequent visitors at that place. This neighborhood inquiry will be completed during the coming week. An attempt will be made to place Hot Springs Police Officials in the Hatterie Hotel during the time Karpis and Hunter were visiting there.

MEMO TO INSPECTOR CONNELLEY:

7-14-37

Special Agents John L. Madala and B. M. Butler will, in the next day or two, proceed to Texarkana, Texas, where they will interview Dixie Parker, a prostitute employed at the Batterie Hotel, during the time that Grace Goldstein was associating with Alvin Karpis. These Agents will also locate and interview the prostitutes, Eva Owens and Mamie Clark at Stamps, Arkansas. You will recall that these girls worked for Grace Goldstein at the Batterie Hotel during the Spring of 1936 and that Agent Buchanan interviewed them while he was working undercover during the time that investigation was being conducted at Hot Springs, Arkansas, in an effort to locate Alvin Karpis during April, 1936. Agents Madala and Butler will also cover certain other outstanding leads at Texarkana, Arkansas, and at Camden, Arkansas, during the coming week.

Inquiry will also be made of various physicians who treated the prostitutes employed by Grace Goldstein for the purpose of obtaining the personal histories of the girls who worked for Grace Goldstein while she was associating with Alvin Karpis. These women will be interviewed at the earliest possible date.

In a signed statement obtained from John Stever he has suggested the names of certain other persons who may have been in association with Alvin Karpis at Hot Springs, Arkansas. Stever's statements concerning his admitted association with Alvin Karpis, Fred Hunter, Grace Goldstein, et al, will be checked and the persons he has mentioned as possible associates of Alvin Karpis will be interviewed.

Numerous leads have been set out by letter to various Field Divisions and the outboard motors now in the possession of former Chief of Police Joseph Wakelin are now being traced through their factories as it is possible from information that has been obtained that one or more of these outboard motors was given Wakelin by Alvin Karpis.

It is believed that the present hartering investigation at Hot Springs, Arkansas, can be concluded in about three weeks. It now appears likely that evidence will be obtained of the association of City Attorney A. T. "Benny" Davies and possibly

29482

MEMO TO INSPECTOR CONNELLEY:

7-14-37

other Hot Springs City Officials with Alvin Karpis and Fred Hunter when they were associating with Grece Goldstein and Connie Morris in Hot Springs, Arkansas.

Respectfully submitted,

D. P. SULLIVAN,  
Special Agent.

DPS:IN  
7-2

cc Bureau  
Cincinnati  
Cleveland

AIR MAIL

*WPS*

1130 Enquirer Building  
Cincinnati, Ohio

July 19, 1937.

**BIDH:WGR**  
**7-43**

Special Agent in Charge,  
Little Rock, Arkansas.

**Re: BREKID.**

Dear Sirs

In compliance with your letter of July 16, 1937, there is transmitted herewith one copy of the report of Special Agent J. S. Johnson dated at Cincinnati, Ohio, 5-27-36, in the above entitled case, which contains the information relative to the purchase of 1935 Ford Coupe, Motor #18-1625895 by Fred Hunter at Newport, Kentucky.

For your additional information the letter of reference from the Cleveland Office dated May 13, 1936, indicated that this automobile had been located in the Manning-Yarino Hudson Automobile Agency at Youngstown, Ohio, and the letter from the Detroit office dated May 18, 1936, indicated that the records of the Ford Motor Company showed this automobile was shipped from the Detroit Ford Motor Company to the Cincinnati Ford Motor Company branch on March 12, 1935.

Very truly yours,

H. D. HARRIS,  
Special Agent in Charge.

CC Bureau  
Cleveland

**RECORDED  
&  
INDEXED.**

7-376-3-167  
FEDERAL BUREAU OF INVESTIGATION  
JUL 22 1937 P. M.  
U. S. DEPT. OF JUSTICE  
ONE-6 FILE

Post Office Box 1469  
Little Rock, Arkansas  
July 16, 1937

Special Agent in Charge  
Miami, Florida

RE: BREKID

Dear Sir:

For the information of the agents presently engaged in the harboring investigation at Hot Springs, Arkansas, it is requested that you forward to this Field Division copies of those reports which contain the results of investigation conducted at various parts in the State of Florida concerning the various places of residence and activities of Fred Hunter. As I recall, this investigation was conducted during March and April of 1936 by the Jacksonville Field Division.

Very truly yours,

CHARLTON FLETCHER  
Special Agent in Charge

DPS:ADM  
7-2

cc Bureau  
Cincinnati  
Cleveland

RECORDED  
&  
INDEXED.

7-576-3-168	
JUL 20 1937	
ONE	

Post Office Box 1469  
Little Rock, Arkansas  
July 16, 1937

Special Agent in Charge  
Cincinnati, Ohio

RE: BREKID

Dear Sir:

Please forward to this Field Division  
copies of the reports bearing on the investigation  
relative to the purchase of a 1935 Ford Coupe at  
Newport, Kentucky, on or about May, 1935, by Fred  
Hunter under the name of Harold King.

This Ford was used by Fred Hunter and  
Alvin Karpis at Hot Springs, Arkansas, during the  
summer of 1935, and whatever information you have  
in your files relative to the identity of the car  
and the circumstances surrounding the purchase  
would be helpful in the instant harboring investigation  
being conducted at Hot Springs, Arkansas.

Very truly yours,

CHAPMAN FLETCHER  
Special Agent in Charge

DPS:ADM  
7-2

cc Bureau  
Cleveland

RECORDED  
&  
INDEXED

7-576-3-169	
FEDERAL BUREAU OF INVESTIGATION	
JUL 20 1937	
1	102
1	102



# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT Cincinnati, Ohio

FILE NO. 7-9

REPORT MADE AT <b>Indianapolis, Indiana</b>	DATE WHEN MADE <b>7-18-37</b>	PERIOD FOR WHICH MADE <b>7-15,16-37</b>	REPORT MADE BY <b>HEROLD H. REINECKE</b> <span style="float: right;">elb S.P.I.</span>
TITLE <b>ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases, I.O. #1232 - FUGITIVE; ANTHONY J. AMERSBACH, with aliases - FUGITIVE, et al., EDWARD GEORGE BREMER - Victim.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT</b>
<p>SYNOPSIS OF FACTS: <b>Eclipse Electric Motor serial number 5A1766 was originally sold by the Bendix Products Corporation, South Bend, Indiana to its distributor the Bush-Caldwell Company, 121 Main Street, Little Rock, Arkansas.</b></p> <p style="text-align: center;">-RUC-</p> <p>REFERENCE: Letter from Little Rock Office dated July 12, 1937.</p> <p>DETAILS:  The letter of reference requested that one electric motor serial number 5A1766 which is presently in possession of Joseph Wakelin, Hot Springs, Arkansas be traced from its manufacturer, the Bendix Corporation at South Bend, Indiana.</p> <p>Under date of July 15, 1937 a letter was addressed to this corporation requesting information as to the disposition they had made of it.</p> <p>A letter dated July 16, 1937 was received from the Bendix Products Corporation, South Bend, Indiana signed by J. F. Held, Sales Manager, Marine Division stating that Eclipse Electric Motor serial number 5A1766 had been originally shipped to the distributor for that corporation, the Bush-Caldwell Company, 121 Main Street, Little Rock, Arkansas.</p> <p>UNDEVELOPED LEADS:  THE LITTLE ROCK DIVISION: AT LITTLE ROCK, ARKANSAS will contact the Bush-Caldwell Company, 121 Main Street, Little Rock, Arkansas to further trace this motor.</p> <p style="text-align: center;">REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN</p>			
APPROVED AND FORWARDED: <i>Herold H. Reinecke</i>		SPECIAL AGENT IN CHARGE	
COPIES OF THIS REPORT		DO NOT WRITE IN THESE SPACES	
3 Bureau 2 Cincinnati 1 Cleveland 1 St. Paul 1 Chicago 2 Indianapolis		<b>7 1576-3 + 170 JUL 21 1937</b>  <b>JUL 21 A.M.</b>  ONE STAT. SECT. - WWS	
COPIES DESTROYED 11 MAR 25 1965			

F32:121  
7-26

Post Office Box 1276,  
Oklahoma City, Oklahoma,  
July 19th, 1937

Special Agent in Charge,  
Little Rock, Arkansas

Re: BREKID

Dear Sir:

Referring to your letter of July 12, 1937 relative the knowledge of Special Agent F. S. Smith of this office as to whether Herbert Akers of Hot Springs, Arkansas, knew the identity of Alvin Karpis prior to 1935 and 1936, you are advised that Special Agent Smith advises me he has no recollection of ever discussing Alvin Karpis with Akers in the handling of the Frank Nash case. Agent Smith states he does not recall Akers ever discussing Karpis prior to 1935.

Just prior to the apprehension of Karpis, and subsequent to the raid made at Hot Springs in the interest of apprehending him, Agent Smith states he did talk with Akers, and at that time Akers stated he recalled seeing Karpis with Grace Goldstein at Hot Springs, but did not know who Karpis was at the time. Special Agent Smith states that in handling the Nash matter with Akers, he did not have any contact with Cecil Brock, Joseph Wakelin, and does not recall seeing photographs of Karpis and Fred Barker hanging on the door of the Hot Springs City Jail. In fact, in handling the Nash matter, Agent Smith states he did not visit the Police Department, but made his contact with Akers undercover.

Very truly yours,

C. W. STAIN,  
Special Agent in Charge.

CC Bureau  
Cincinnati  
Cleveland

7-576-3
FEDERAL BUREAU OF INVESTIGATION
JUL 22 1937
ONE

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **CINCINNATI, OHIO**

L.R. FILE NO. 7-2

REPORT MADE AT <b>LITTLE ROCK, ARKANSAS</b>	DATE WHEN MADE <b>7-19-37</b>	PERIOD FOR WHICH MADE <b>7/2-11/37</b>	REPORT MADE BY <b>D. P. SULLIVAN</b> <span style="float: right;"><b>ADM</b></span>
TITLE <b>ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases - FUGITIVE, I.O. #1232; ANTHONY J. CAMERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - VICTIM.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.</b>

**SYNOPSIS OF FACTS:**

Gladys M. Powers, alias Madame Gladheart, a medium, provides information she obtained from Grace Goldstein and Connie Morris; states Grace Goldstein received two "tipoffs" from Hot Springs Police while she and Karpis lived at the Woodcock home; states she has seen Wakelin, Akers and Cecil Brock visit the Hatterie Hotel while Karpis associated with Grace Goldstein; states she learned from Mrs. Earnest Dickey that police officials visited the Woodcock home while it was occupied by Karpis. Sedric Burnett and Elmer Wheatley state they have seen Akers, Brock and other Hot Springs police officers visit the Hatterie Hotel while Karpis was going around with Grace Goldstein. Records of the Majestic Hotel and the Creason Buick Company checked. Jim Poulos informs that Betty Galatas and Flo McLaughlin, respective wives of Dick Galatas and Mayor Leo P. McLaughlin, have information concerning the harboring of Karpis. Serial numbers of outboard motors owned by Former Police Chief Wakelin obtained and are being traced. Karpis identified with Grace Goldstein as occupant at 124 Clubb Street. Former Special Agent N. E. Marshall unable to definitely state that Akers knew Karpis prior to 1935. Man suspected of being Milton Lett does not answer his description.

- P -

APPROVED AND FORWARDED: <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES	
COPIES OF THIS REPORT 3 Bureau 2 Cincinnati 1 Cleveland 1 Chicago 1 Inspector E. J. Connelley Little Rock  COPIES DESTROYED 11 MAR 25 1965	<b>7-1576-3-171</b>  <b>JUL 21 P.M.</b> ONE STAT RH-wwB	<b>JUL 22 1937</b>

REFERENCE:

Report of Special Agent D. P. Sullivan,  
dated at Little Rock, Arkansas, July 7, 1937.

DETAILS:

This report covers the investigative activity of  
Special Agent John L. Madala from July 6, 1937,  
to July 11, 1937, and of Special Agents B. M. Suttler, H. A. Snow and  
the writer for the period covered by this report.

As has been previously reported, Mr. C. Floyd Huff,  
Jr., U. S. Commissioner, advised at the time of Agent's interview with him  
that his aunt, Mrs. Husted, had received certain information from a woman  
client to the effect that she, the woman, had attended parties on "the  
lake" at which Karpis was present.

In an effort to ascertain whether this statement  
was true or just a fanciful rumor, Agents Suttler and Snow interviewed  
Mrs. Lola Catharine Husted at her residence, 1110 Whittington Avenue, on  
July 2, 1937. Mrs. Husted is somewhat of a medium or spiritualist and  
receives clients at her residence for "readings". She stated that a  
woman named Mrs. Gladys Woodlock has been visiting her for about six  
years, usually on Sundays, for readings; that the Woodlock woman also  
formerly maintained a rather large apartment on Bath Street, near the  
Pullman Hotel, where she also gave "readings" and that her apartment  
was used as a meeting place by numerous Hot Springs gamblers, including  
W. S. Jacobs and some of the city officials, including Mayor McLaughlin,  
who would congregate at her place in a back room in the apartment and  
transact their business, pertaining to gambling operations at Hot Springs;  
that this woman used the name "Madame Gladheart" in her operation of a  
place for spiritualist readings; that she is part Indian, very attractive,  
a good entertainer, and has an income of her own, presumably from oil  
lands in Oklahoma; that she has always been very much on the "inside"  
insofar as what is happening at Hot Springs, Arkansas.

Mrs. Husted stated that this woman, Gladys Woodlock,  
associated intimately with "Red" Powers, who is employed at a local  
gambling house, Miller's, and as a consequence thereof, Power's wife  
divorced him and he married the Woodlock woman within the past week. She  
stated that Powers, also, is very close to the gambling interest of the  
city and also to Mayor McLaughlin, and that she understands that Mayor  
McLaughlin had Powers placed in the gambling house where he is now employed.  
Mr. and Mrs. Powers are now residing at the Schick Apartments on  
Whittington Avenue, about one block towards the city from a negro church  
located on that avenue.

Mrs. Husted stated that very soon after the newspapers carried releases to the effect that Karpis had been captured at New Orleans, she received a visit from this woman, who was then Gladys Woodlock, and that Gladys seemed to be quite upset and requested her, Mrs. Husted, to give her a reading and see what the immediate future held for her; that during the conversation with Gladys, Mrs. Husted was able to ascertain from her that the reason for her worried condition was that she had been invited to several parties, presumably given by some of the city officials of Hot Springs, on "the lake", which parties were also attended by Alvin Karpis, and that the officials knew who Karpis was at that time; that she feared that after Karpis had been captured he would tell all he knew about being entertained by herself, her friends and city officials while he was living at Hot Springs, and that this would put them all behind "the bars".

Mrs. Husted stated that she did not say anything about this, at the time Gladys Woodlock told her about Karpis, because of the relationship which existed between them, i.e., that of spiritualist and client; that on subsequent visits to her by the Woodlock woman she had questioned her concerning the Karpis affair and had ascertained that she was still greatly worried over the possibility of Karpis being brought back to Arkansas to testify as to his activities around the City of Hot Springs, in which event she and some of the city officials "would certainly go back to Alcatraz with him". Mrs. Husted stated that Gladys Woodlock did not mention any names of city officials who possibly were involved in the harboring of Karpis at Hot Springs, but that she is firmly convinced in her own mind that Gladys knows what she is talking about, due to her close association with all the gambling operators and city officials. Mrs. Husted requested that should Mrs. Powers (Gladys Woodlock) be interviewed by Bureau Agents, that her name in no way be mentioned, since Mrs. Powers has always had the greatest of confidence in her not disclosing any information given her during conversations and "readings" throughout the past six years.

Information was previously obtained from Mrs. Husted that a woman fortune teller who goes by the name of Madame Gladheart had been on parties at the lake where Karpis was present.

On July 2, 1937, Special Agents H. A. Snow, B. M. Suttler and D. P. Sullivan got in touch with Madame Gladheart and she came to the temporary office in the Thompson Building, where she was interviewed. At that time this woman did not have very much available time for interview and she returned to the temporary office on the morning of July 7, 1937, where she was again interviewed.

Madame Gladheart stated that her correct name is Gladys M. Powers; that she has been married to "Red" Powers, who is one of the partners in Miller's Cigar Store, a gambling place, for the past several months. She stated that her maiden name was Woodlock and she has been in Hot Springs, Arkansas, for the past eight years and has been acquainted with Red Powers for seven years; that she operated as a medium in Hot Springs, Arkansas, for several years until a short while ago. She stated that Grace Goldstein and various of Grace's prostitutes frequently came to her for advice. She stated that she recalled when Grace Goldstein operated a house of prostitution at 1338 S. Central Avenue, about two years ago; that she had information that Bill Miller of Miller's Cigar Store, which is presently operating under the name of the Ozark Sporting Results, sold Grace Goldstein some bootleg liquor and then tipped off Marion Anderson, who was then Deputy Sheriff, and Anderson raided Grace Goldstein and she moved shortly thereafter; that before Grace Goldstein moved, Grace came to her for a reading and told her that she, Grace, intended to take a trip to visit her parents and Gladheart stated that she believed that Grace mentioned at that time that she had met a wealthy man from Canada or Philadelphia. Gladheart stated that the next time she saw Grace Goldstein Grace was operating at the Hatterie Hotel; that she did not know that Grace had operated a house at 123 Palm Street after she left 1338 S. Central Avenue; that this was possible because it would sometimes be as long as two months at times before Grace would call on her. She stated that after Grace Goldstein moved into the Hatterie Hotel she frequently spoke of her boy friend and at times she mentioned that he was from Canada or Philadelphia, and at other times she mentioned her friends "from California"; that in every case Gladheart got the impression the Grace was talking of the same identical person; that sometime after Grace moved into the Hatterie Hotel, probably two summers ago, Grace called her one day and had a mess of fish which she stated that she and her friends from California had caught; that around this time Charlotte Randall, a woman who is part Indian, told her that she was living in a cottage at Burchwood on Lake Hamilton and that Grace Goldstein and a bunch of thugs had rented a nearby cottage, and that she and her "friends" went around the cottage nude and had parties. Later the woman told her that Grace had suddenly left the cottage where she was staying.

Gladheart stated that after it became public knowledge that Grace had been keeping company with Alvin Karpis, that Grace told her that she had met Karpis through some fellows from Texas and Gladheart said, that she had met Karpis through the course of the course.

operating her house of prostitution. Gladheart was unable to provide agents with any kind of chronological account of Grace Goldstein's association with Karpis. This was probably due to the fact that Gladheart was supposed to be a medium and, therefore, she was supposed to be providing information to Grace and she obtained only snatches of information from time to time. Gladheart did state that on one occasion Karpis accompanied Grace Goldstein to Texas, where they visited her mother and remained for about a week; that Grace Goldstein knew at that time the true identity of Alvin Karpis; that sometime after Grace Goldstein moved in from the lake she was speaking of her "boy friend" and Gladheart asked her where she was staying. Grace replied "J---s C---t" don't even know where I live; I've got a fellow that's putting up plenty of money - a retired gambler from Canada and Philadelphia. Grace told her that her friend was "hot" and that he was going from one place to another. Gladheart stated that Grace Goldstein told her that she first found out who Karpis was after Fred Hunter and Connie Morris had a fight and Connie threatened to "squeal" on Hunter as she had found out, either just before their fight or during the course of it, who Hunter was; that Connie and Hunter patched up their differences and then it all "came out" as to who Karpis and Hunter were and that, according to Grace, this was the first time she learned who Karpis was.

Gladheart stated that she is certain that Grace Goldstein made one trip to Corpus Christi with Karpis, as Grace asked her if it would be safe for her to go to Corpus Christi; that from what she gathered from Grace, she understood that Grace and Karpis made one trip by air to Atlantic City, New Jersey, and they also visited the State of Connecticut at the same time. Gladheart believes that it was on this trip that Grace brought back with her the large black Great Dane dog, belonging to Karpis, named "Shine". Gladheart learned that on another occasion Goldstein flew from somewhere in Ohio to Little Rock, Arkansas.

From a group of photographs Gladheart selected photographs of Grace Goldstein, Connie Morris, Herbert Farmer, Alvin Karpis, Fred Hunter and Verne Miller. In connection with the selecting of the photographs of Herbert Farmer and Verne Miller she stated she had seen these men in Hot Springs, Arkansas, some years ago. She stated that she saw Karpis and Hunter at "Bill" Miller's Cigar Store on two or three occasions; that Karpis and Hunter "shot crap" and that Karpis lost \$1,100.00 on one occasion and \$300.00 on another occasion; that Grace and Connie were also there and Bill Miller "staked them" at roulette in order to keep Karpis and Hunter on the crap table. Gladheart heartily dislikes "Bill" Miller and refers to him always as "Diamond Back", meaning that in her eyesight he is a



rattle snake. She stated she saw "Bill" Miller come into Miller's cigar store one day with his arm around Karpis and that Karpis and Miller walked like this from the front of the store to the back; that at that time she asked Miller who this man was, as she had seen him several times at the Southern Grill, and Miller told her that this man sold gambling paraphernalia.

Gladheart further informed that "Bill" Miller had an electric victrola which he placed in the Hatterie Hotel, and Grace Goldstein called him one time and suggested that he come up to the hotel as business was dull. At the time of the call there was a man called "Smilie", also known as "The Judge", a sometime con-man, present at Miller's store and he and "Bill" Miller went to the Hatterie Hotel together. When they got there Connie was in bed with Fred Hunter and Bill Miller put on a braziere and apron and insisted on "cutting up" and served drinks in this costume to Karpis, Hunter and the rest of those present. Gladheart indicated that either "Smilie" or Miller told her about this incident. She recalled that after Karpis was caught that "Smilie" told her Karpis was a "good guy" and that he had "drunk" with him at Goldstein's place. Gladheart stated that since that time "Bill" Miller had had a "falling out" with "Smilie" and that she believes that if agents will contact "Smilie" at this time he might furnish pertinent information; that "Smilie" at the present time resides with a "red headed" woman at the Rawson Apartments, in Hot Springs, Arkansas.

Gladheart further stated that it was generally talked about among the local gamblers that Karpis and Hunter won \$27,000.00 one night gambling at the Belvedere Club in Hot Springs, Arkansas; that shortly after this she talked with W. S. Jacobs, who practically controls gambling in Hot Springs, and he stated that he hoped that they, in referring to Karpis and Hunter, would "crack" another bank so that they (Belvedere) could get their money back; that she did hear that some one or more persons attempted to hijack Hunter and Karpis on the way back to town from the Belvedere Club on the night that they won this \$27,000.00. She stated that she did not think that the local gamblers knew who Hunter and Karpis were or they would not have dared to hijack them. Gladheart stated that Syd Haupt, a former Garland County Sheriff was the "bouncer" at the Belvedere Club during the year 1935; that Haupt had testified in the recent State Legislative Investigation; that Haupt never forgets a face and probably would be able to recall Karpis having been at the Belvedere Club. Regarding Miller's Cigar Store, Gladheart stated that Stanley Parker, an ex-convict, was a "stick-man" at the time Karpis visited this place; that Parker comes from Chicago, Illinois, and is now working in a gambling place in Jackson, Mississippi; that Parker is probably not friendly with

Miller at this time and might be willing to tell what he knows concerning Karpis. This man has only one eye. Another gambler called "King Tut", who also went by the name of Howard, was hanging around Miller's Cigar Store at the time Karpis visited this place; Miller tried to kill this man. Miller did this by taking "King Tut" for a ride on the surf board while he, Miller, was running the motor boat pulling this board, then Miller suddenly stopped his boat, thus throwing "King Tut" under the propellor, cutting off his heel and nearly killing him. This man was taken to the Levi Hospital in Hot Springs, Arkansas, where he recuperated; Mrs. Kaplan at that Hospital probably can advise "King Tut's" correct name and probably his address. After this man left the hospital "Bill" Miller would fill him with whiskey until he was intoxicated, then Miller would call the Police Department and Arch Cooper would come up and "beat 'King Tut' up" and throw him in the jail. He was placed on the chain gang and finally became so weakened and cripple that he could scarcely walk.

Further information was obtained from Gladheart that a Jew named Hebe was a crap dealer and Charlie Lewis was a stick man at Miller's Cigar Store at the time that Hunter and Karpis visited there; that Carl Young was in charge of the "Book" at that time but she could not recall that Karpis or Hunter ever played the horses at Miller's.

This woman also stated that on December 5, 1935, she purchased a new car and for a month or more thereafter she rode along Central Avenue a great deal; that when Miller's Cigar Store would close around eleven P. M. she and someone of the employees at Miller's Cigar Store would take the "Bankroll" up Central Avenue and deposit it at the Southern Club for safekeeping; that she saw Karpis, Grace Goldstein, Hunter and Connie Morris night after night sitting in the Southern Grill; that she must have seen Karpis there about fifty times and he usually sat facing the door and she recalled that he very often would be sitting at the front table and would keep his hat on; that Jimmie Phillips, manager of the Southern Grill, could probably verify this information.

Gladheart stated that she did not know that Grace Goldstein and Karpis were living at the Woodcock home until after newspapers published news of the Bureau raid on that house; that she did see Grace Goldstein and Connie Morris on the Malvern Road several times in the morning as she was returning to town after picking up "Red" Powers each morning and obtaining some creamery products at a farm just off the Malvern Road. She could not recall ever having seen any men with Grace Goldstein in her car. She further recalled that shortly before or after the Woodcock raid that Grace Goldstein once asked her what she would do if she had a lot

of securities or bonds which she wished to unload, and Gladheart told her that she would go to Mike Sevier, who had an unsavory reputation for handling "hot" bonds, and that he had handled bonds for Dick Galatas; that Grace Goldstein then told her that she, Grace, had two hundred and said no more, and Mrs. Gladheart did not know whether Grace was referring to \$200.00 or \$200,000.00 worth of bonds.

Gladheart recalled that Hunter once beat Connie up and Dr. Black treated her; that Connie also had an operation for the removal of her ovaries and Hunter paid the bill.

This woman was thoroughly questioned as to information on tipoffs received by Grace Goldstein from the Police Department and Gladheart stated that she got the idea from what Grace Goldstein told her that she was tipped off twice when she and Karpis and Hunter were living at the Woodcock home; that these tipoffs came about a month or six weeks apart; that on one occasion Karpis was on the Hot Springs Country Club golf course and Chief of Police Joseph Wakelin went out to the golf course, warned Karpis and was supposed to have brought Karpis to town in his car, and on this occasion Karpis had his tires changed at the Market Street Garage; that either on this or the other occasion Karpis stayed for three days at the Best Tourist Camp. On the occasion of the second tipoff Grace Goldstein told Gladheart that Wakelin came out to the Woodcock home on a Sunday morning, the morning before the raid by Bureau Agents, and warned her and she told Gladheart that she and Karpis left town toward Amity, Arkansas, taking side roads and she, Grace, turned over her car and she called Chief Wakelin on the telephone and he arranged for a wrecker to come out to where she had wrecked her car; that Karpis was dressed as a farmer and rode in on the wrecker. (The negro, Lee White, who drove the wrecker, denies this).

Gladheart informed that Grace Goldstein once stated, in speaking of her association with Karpis, that the law was on her side and she continued "Didn't the law tip me off when the 'G Men' landed in Little Rock? Didn't they come out to the golf course and get my sweetie out of town before he was caught?". Grace Goldstein also told her that Cecil Brock once tipped her off; that she understood from what Grace said that Cecil Brock, Dutch Akers and Wakelin tipped Grace off on different occasions but Gladheart was made to understand that Wakelin was Grace's "Sugar".

Gladheart here stated that when Grace Goldstein operated at 1338 S. Central Avenue, she often passed that address as she purchased

bread at a bakery just beyond that address; that at different times she has seen Chief of Detectives "Dutch" Akers go in and out of 1338 S. Central Avenue and she recalled that Akers would park his car along the street (Hagen Street) on the side of Grace's house. Gladheart also recalled that during the time that Karpis was associating with Grace Goldstein when she lived at the Hatterie Hotel, she has seen Chief Wakelin, Chief of Detectives Akers and Cecil Brock go into the Hatterie Hotel at different times.

Gladheart informed that during the time that Grace was associating with Karpis, Grace asked her questions concerning the loss of \$300.00 by some man at the Hatterie Hotel; that Gladheart got the impression that Grace's boy friend, who Gladheart later learned was Karpis, lost this money as Grace told her that he intended buying her a wrist watch with the money and suspicion rested on Lillian, the negro cook at the Hatterie Hotel, as the person who stole the money. Gladheart told Grace at that time that it was probably that the party who complained of the theft never really lost the \$300.00 and she predicted that Grace would nevertheless get a wrist watch from this party, although it probably would not be as expensive a one as was intended; that Grace later told Gladheart that she did, in fact, get a wrist watch from her boy friend. At this point, Gladheart stated that the negro cook named Lillian knew a great deal concerning what went on at the Hatterie Hotel and probably knew a lot concerning Karpis, but that this negro would probably be a difficult person to interview and suggested that if agents desired to talk with Lillian that she be taken to Little Rock for interview for a period of two or three days.

Gladheart also stated that during the time that Grace was away from Hot Springs before Karpis was caught and after she had been arrested by Bureau Agents in front of the Hatterie Hotel, the prostitute named Mary who was acting in charge of the hotel in Grace's absence, came to her for a reading and Mary was greatly worried and desired advice as to whether she should remain at the Hatterie or whether she should leave, and Gladheart suggested that she remain until Grace returned, which Mary did; that she got the impression from Mary that this woman did not know very much as to what was going on at the hotel. Gladheart also stated that the prostitute named Ginger, who is still employed by Grace Goldstein, is hardboiled and probably would be a difficult person to interview. She indicated that Grace Goldstein would probably divulge information concerning her association with Karpis if she were interviewed by Bureau Agents.

Further information was obtained from Gladheart that between Christmas, 1936, and April or May, 1937, and before Grace Goldstein went to Ohio to attend some trial, Grace Goldstein came to her and asked Gladheart if "any of the boys who were in Florida now" were going to kidnap her. Gladheart stated that she did not know who Grace referred to, but she felt that Grace was not referring to the possibility of any Federal Agents arresting her. Gladheart stated that she has advised Grace Goldstein time and again that she sell out her business and go away and get some man to support her and attempt to go straight, but that Grace will not heed her advice and she believes that Grace will never reform as she seems to glory in publicity; that she suggested to Connie Morris that she also try to get out of the "Racket" and separate from Grace Goldstein; that Connie has not been very friendly with Grace since Karpis and Hunter were caught. Gladheart stated that Grace appears to have plenty of money since Karpis was captured and she feels that Grace has some money buried somewhere; that after the trial of someone, who probably was Hunter, in Ohio last spring, Grace visited a Jew named Abe Silverman, who is the largest vice operator in New York, and Connie told Gladheart that Grace took \$8,000.00 with her on that trip; that Connie feels that she got a rotten deal out of it all and complains that Grace used to take her everywhere but how Grace goes away alone and Connie has to borrow a dollar or two from Grace when she does not have money, and Connie told her that Grace has a lot of money hidden somewhere.

Gladheart here stated that in April or May, 1936, before Karpis was captured, Grace brought two young men to her for a reading, one being named Freddie and both appeared to be "Pimps"; that these men were worried about transporting some girls into Arkansas from Texas; that later, about December, 1936, four men appeared in Hot Springs, Arkansas, two of whom were staying at the Pullman Hotel, and Connie went to see them and they attempted to learn from her the location of money that belonged to Karpis and they beat her up because she refused to tell them where the money was located. Gladheart stated that these men were friends of the two pimps who came to her for a reading in April, 1936, and Gladheart recalled that two of these four men who were in Hot Springs in December, 1936, were arrested and returned to Texas on a charge of assaulting a wealthy man and leaving him for dead on a road.

Gladheart stated that Connie took her advice and left Hot Springs three or four months ago and is now keeping company with some man, and when last heard from was in Chicago, Illinois. She stated that Grace feels that Gladheart was responsible for Connie leaving and, therefore, she is not very friendly with Gladheart at the present time.

Gladheart informed that Mrs. Dickey, who formerly lived in a house near the Woodcock home when Karpis and Hunter occupied it, told her that Karpis and Hunter used to have target practice in the woods around the Woodcock home and Mrs. Dickey was afraid to let her children play outside for fear that they would be injured by stray bullets; that "the law" used to visit the Woodcock home when Karpis stayed there. Gladheart further learned that when Grace Goldstein was visiting Karpis at the Woodcock house, the prostitute Mary would telephone Rogers Brothers Landing and the young Dickey boy and the LeCroy boy, who lives near the Woodcock home, would ride their ponies up to the Woodcock home to inform Grace that she was wanted on the telephone at Rogers Brothers Landing. Mrs. Dickey also told Gladheart that during the year previous to the residence of Karpis at the Woodcock house, some men had lived there who engaged in target practice on the lake near that house; that she heard that "Pretty Boy" Floyd once lived at the Woodcock home and she expressed the opinion that A. T. "Sonny" Davies, the Hot Springs City Attorney, rented the Woodcock home to Grace Goldstein, as Davies and Grace were very close to one another. It is known that Davies is the son-in-law of the older Woodcock and is also Grace Goldstein's attorney.

Gladheart also stated that last summer around the trial of Fred Hunter in Ohio, Grace made a trip to Cincinnati and Grace was worried before she left that "some of the boys" might "bump her off". Gladheart stated that Hill Wheatley, the owner of the Hatterie Hotel and the Best Tourist Camp, frequently visited the Hatterie Hotel and Gladheart believes that Wheatley knew the true identity of Karpis and knew he stayed at the Hatterie Hotel and at Best's Tourist Camp.

Grace Goldstein recently told Gladheart that she was going to purchase a home in Atlantic City, New Jersey, and she has been talking of purchasing a club and getting out of the "whore-hopping business" and has talked of getting an inn or tavern where she would run roulette and gambling.

Gladheart also informed that Grace Goldstein told her of the time when Police Officer Joe Scott arrested Karpis and her for a traffic violation and Grace "squared" the ticket with Scott. Gladheart stated that she wants her husband to get out of the gambling racket; that she wants him to leave Hot Springs. She mentioned to agents that because of her indirect connection with the gambling interests through her husband, she does not desire it to become known that she is

providing information in this investigation. This woman was thoroughly questioned as to whether she ever attended parties at a cottage on one of the lakes near Hot Springs, Arkansas, when Karpis was present, as has been previously reported, but she denied this was the truth and stated that she had no information concerning any such parties. She did state that when Grace Goldstein was telling her of her "boy friend" she suggested that Grace bring him to her for a reading and Grace arranged for her to go out to some cottage at some lake, not informing Gladheart of the location, for the purpose of giving her friend a reading, but Grace failed to go through with the appointment and she, Gladheart, never got the opportunity to give Grace's friend a reading.

On July 8, 1937, Special Agents D. P. Sullivan and H. A. Snow interviewed Mrs. R. L. Hatley at the residence of Miss Charlotte Randall on Lake Hamilton, about one mile from Burchwood Bay, in an effort to ascertain the present address of Miss Randall. Mrs. Hatley stated that her sister, Miss Randall, is presently residing at the Castle Argyle Arms Hotel at Hollywood, California, and that she will remain there to her knowledge until about October of this year. She stated that Miss Randall resided in a cottage on Burchwood Bay, Lake Hamilton, which she rented from Mrs. Don George and which was located near the cottages owned by Mrs. Al C. Dyer, from about March, 1935, to December of that year. During that period she, Mrs. Hatley, often visited with her sister, Miss Randall, but she does not recall ever hearing her sister mention any suspicious men living in a cottage of Mrs. Dyer's. Mrs. Hatley was unable to identify photographs of Karpis and associates as being known to her or as ever having been seen by her in the vicinity of the Dyer cottages while she was visiting with her sister at the cottage owned by Don George. An early interview with Miss Charlotte Randall at Hollywood, California, will be requested by letter to the Los Angeles Bureau Office in an effort to ascertain whether Miss Randall was ever suspicious of, or observed, Karpis and Hunter while they were residing at Dyer's from the latter part of August to early in October, 1935. It is possible that Miss Randall may be somewhat eccentric, in that she has spent about \$100,000.00 in building her present home on Lake Hamilton and has never resided therein.

The following investigation was conducted by Special Agents H. A. Snow and D. P. Sullivan on July 9, 1937:

The following neighborhood inquiry was made in the vicinity of the Hatterie Hotel for the purpose of obtaining evidence of the close



association of Alvin Karpis and Fred Hunter with Grace Goldstein and Connie Morris, and also to obtain necessary witnesses to show that "Dutch" Akers and other Hot Springs Police Officers visited the Hatterie Hotel during the time that Karpis either resided at or was a frequent visitor at this place.

Agents located Sedric Cecil Burnett at the Hatterie, a hat shop located on the ground floor of the building occupied by the Hatterie Hotel. He accompanied agents to the temporary office being maintained at #322 Thompson Building, where he was interviewed.

Burnett signed the following typewritten statement, the original of which is being retained in the Little Rock Field Division files:

Hot Springs Ark.  
July 9, 1937.

I, Sedric Cecil Burnett make the following typewritten statement to H. A. Snow and D. P. Sullivan, who I know to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice. No threats or promises have been made to me.

I live with my wife, Maudie at 752 Pleasant St. Hot Springs Ark.. Since October or November 1934 I have been employed as a hat cleaner and delivery boy at the Hatterie, a hat shop operated by Mr. Elmer Wheatley at 235 Central Ave.. The Hatterie Hotel is located on the second and third floors at the same address.

I recall that Grace Goldstein moved into the Hatterie Hotel during the early summer of 1935. I remember that two girls named Connie and Greta moved into the hotel with Grace Goldstein. Later during that summer a girl named Ginger also moved into the hotel. I saw different men going in and out of the hotel and I understood that Grace was operating a house of prostitution at the Hatterie Hotel. From a group of photographs I have selected the photographs of Grace Goldstein and Connie Morris and identify these women as the women I knew as Grace Goldstein and Connie.

A short while after Grace moved into the Hatterie Hotel in the early summer of 1935, I noticed a young man going in and out of the hotel. This man drove a 1935 Ford car which I believe was a Coach and it carried out of state license plates and I believe they were Ohio license plates. After I saw this man a few times, I noticed a 1935 Blue-Green Hudson

Coupe with Ohio license plates parked in front of the Hatterie Hotel at different times when I reported for work around seven thirty in the morning. Around that time I noticed the man who had been driving the Ford use this Hudson Coupe and he would generally be with another young man. From a group of photographs I have selected the photograph of Fred Hunter and identify it as the man I saw driving the Ford and have identified the photograph of Alvin Karpis as the man who I saw on numerous occasions with Hunter in the Hudson Coupe. Karpis and Hunter spent a great deal of time at the Hatterie Hotel as I would see their car parked in front of the Hatterie Hotel all day at times.

I remember that I saw the Hudson Coupe around the Hatterie Hotel for some months. Sometime before Christmas 1935 I noticed Grace Goldstein driving a new Green Buick Coupe. The last time that I saw the Hudson coupe which Karpis and Hunter used was a month or more before I first saw the Buick coupe which Grace Goldstein used. At first I did not see Karpis or Hunter with anyone but later during the early fall of 1935 I saw Karpis and Grace together and at other times Karpis, Hunter, Grace and Connie would be together in the Hudson Coupe with bathing suits as though they had been swimming. Karpis and Hunter were not around the Hatterie Hotel so much after Grace got the Buick Coupe. I would see Grace and Connie but would not see Karpis or Hunter very much. I saw Karpis once or twice after Grace got the Buick Coupe but I cant remember seeing Fred Hunter after she got the Buick Coupe and it seems to me that I did not see Connie for a month or more after Grace got her new Buick. The last time that I saw Karpis was one morning about a month before the Federal men raided the Woodcock home on Melvern Rd.. I was coming toward town on Highway 270 about seven A. M. and Karpis passed me in the green Buick Coupe. This was sometime during the early spring of 1935, and Karpis was alone in the car.

I recall that Karpis and Hunter purchased a number of hats, both straw and felt at The Hatterie Shop. They bought the higher priced merchandise and were considered good customers. Mr. Wheatley would generally wait on them. Grace Goldstein once said that her boy friend, in referring to Karpis, was a millionaire. She kept company with Karpis and Connie kept company with Fred Hunter. A short while before I first saw the green Buick Coupe I noticed Grace with a large black Great Dane dog called "Shine", which she said her boy friend had bought for her. She still has this dog.

From the summer of 1935, when I first saw Karpis and Hunter, until the last time that I saw Karpis in the late winter of 1935 or

the early spring of 1936, I have seen various police officers of the Hot Springs Police Department go in and out of the Hatterie Hotel. I have seen some police officers, whose names I do not know bring drunks out of the Hatterie Hotel. I am acquainted with former Chief of Police Joseph Wakelin, Chief of Detectives Herbert Akers, Cecil Brock and "Curly" Evans by sight. I have seen "Curly" Evans, Cecil Brock and Chief of Detectives Akers go in and out of the Hatterie Hotel at different times during the summer and fall and winter of 1935 and during the early spring of 1936. I can recall seeing Akers and Brock go upstairs to the Hatterie Hotel, alone and it seems to me that I have seen these two men go upstairs together but I am not certain of this. During the time that Karpis and Hunter were going with Grace Goldstein and Connie, I have seen Akers and Brock go into the Hatterie Hotel and they would sometimes stay there for a half hour or more. I cannot remember ever seeing Akers or Brock with Karpis or Hunter.

During the time that Karpis went with Grace Goldstein and when he visited The Hatterie Hotel, I wondered who he was and what he did to get his money as he did not appear to be working and he did not appear to be a wealthy man because I had never heard of a wealthy person hanging around a house of prostitution.

I have read the above typewritten statement and have signed my name on both pages to show that it is the truth.

(Signed) Sedric Cecil Burnett  
Sedric Cecil Burnett.

Witnesses

H. A. Snow - D. P. Sullivan  
H. A. Snow D. P. Sullivan  
Special Agents  
Federal Bureau of Investigation  
U. S. Department of Justice  
Little Rock Ark.

Burnett stated that his mother is now married to Mr. L. A. McClard who operates the West Side Tourist Camp on Highway #270.

Burnett was questioned as to whether he had ever seen Karpis or Hunter frequenting gambling places or any other places of business in Hot Springs, Arkansas, but he could only recall that he had heard it said that these men did spend quite a bit of time around the Southern

Grill. At first Burnett could not recall that he had ever seen Akers bring any persons out of the Hatterie Hotel, but later he recalled that once or twice he remembers Akers bringing out a drunk, but on the other occasions Akers would come out alone. Burnett recalls this for the reason that whenever he saw an officer enter The Hatterie Hotel, he would wait around the front of the store to see if any drunks or disorderly persons would be brought out. Burnett stated that he could not recall any specific instances where he saw Akers, Brock or Evans talking with Grace Goldstein on the street in front of the Hatterie Hotel.

Mr. Elmer W. Wheatley, who operates the Hatterie, a first-class hat shop located at 235 Central Avenue, directly beneath the Hatterie Hotel, was interviewed by Special Agents D. P. Sullivan and H. A. Snow on July 9, 1937.

Mr. Wheatley stated that he recalled that about June, 1935, Grace Goldstein rented the second and third floors of the building where he is located and operated a house of prostitution therein under the name of the "Hatterie Hotel". He stated that he was not acquainted with this woman prior to this time; that about a week or two after she moved into the Hatterie Hotel he noticed a couple of young men who visited Grace Goldstein's place. From a group of photographs Wheatley selected and identified the photographs of Alvin Karpis and Fred Hunter as the two men who visited the Hatterie Hotel, and he recalled that Grace Goldstein referred to Alvin Karpis as "Ed". Wheatley could not recall the name used by Hunter. Karpis and Hunter drove a black Ford Coupe, 1935 Model, bearing Kentucky license plates, which they parked in front of the Hatterie Hotel. Wheatley stated that Karpis and Hunter frequently visited the Hatterie Hotel during the period from June to December, 1935. He recalled that during the latter part of the summer of 1935, Karpis and Hunter had a dark colored Hudson Coupe, which may have carried Ohio license plates and was possibly blue-green in color. Wheatley stated that for a while Karpis and Hunter had both the Hudson Coupe and the Ford Coupe in their possession. He recalled that Grace Goldstein and Connie Morris, whose photographs he identified, frequently went out with Karpis and Hunter, and they often had bathing suits with them during the summer months and early fall of the year 1935. Wheatley noticed their cars parked in front of the hotel at times when he came to work in the morning, and they apparently would remain there all day, and that he would sometimes see them park their car in the early evening before he closed his store.

Wheatley stated that Karpis and Hunter frequently purchased hats at his hat shop; that these men would come into the store and purchase two or three of his best hats, including several of the Knox "Vagabond"; that at times these men would produce a roll of bills so large that they could scarcely get the roll in their pockets; that he recalled that Grace Goldstein stated that her friend, Karpis, was a millionaire and that she was going to New York City with him to attend the championship prize fight, and that they intended to become married while in New York. At that time Grace Goldstein mentioned that she was desirous of selling out her business at the Hatterie Hotel and asked him if he knew of a prospective purchaser. The occasion mentioned by Wheatley probably was around the time of the Baer - Lewis fight, which took place in the latter part of September, 1935, in New York City. Wheatley recalled that Karpis and Hunter were around the Hatterie Hotel after the above mentioned prize fight and he remembered the period around the time of the Garrattsville mail robbery, and he stated that shortly before this robbery Karpis and Hunter purchased about \$200.00 worth of clothing and haberdashery from Carrigan and Stephens Men's Store, which is located almost directly across Central Avenue from the Hatterie Hotel. On the same day these men purchased three hats from him and after they had placed their clothing purchases in their car, they came in and got the three hats. Wheatley stated that he never recalled seeing Karpis or Hunter carry luggage in or out of the Hatterie Hotel, but recalls that Karpis carried a leather "zipper" case similar to that carried by Bureau Agents. Wheatley was not definite as to the last time that he saw Karpis and Hunter before the Garrattsville mail robbery or the exact date he first saw them after the robbery, but he indicated that only a few days elapsed before and after the Garrattsville mail robbery that he did not see them.

Wheatley stated to agents that either shortly before or shortly after the Garrattsville mail robbery, Karpis and Hunter brought into his store a third man, whom Wheatley identified from photographs as being Sam Coker. Coker purchased a hat, and Wheatley recalled that he left a hat to be cleaned, giving the name of King. This hat had been purchased in Tulsa, Oklahoma. Wheatley recalled that Karpis wore a six and seven-eighths size, Coker wore a size seven and Hunter wore a seven and a quarter size; that Hunter appeared to have difficulty in speaking and either stammered or stuttered; that Sam Coker had several gold teeth; and that these men usually came into his store in shirt sleeves and seldom wore coats.

Wheatley recalled that after Karpis and Hunter returned after the Garrattsville mail robbery they had a new Hudson Coupe, which bore Ohio license plates and was black in color. It is probable that this car was the Terraplane Coupe purchased from the Manning- Marino Motor Company at Youngstown, Ohio, after Karpis and Hunter learned that an inquiry had been made at the Manning-Mareno Motor Company concerning the Hudson Coupe which they had previously been using at Hot Springs, Arkansas. Wheatley recalled that he first recalled seeing a black Great Dane dog at the Hatterie Hotel sometime during the Fall of 1935; that he continued to see Karpis and Hunter for a while after they returned to Hot Springs in the Fall of 1935, but that he did not see them as frequently around the Hatterie as he had observed them during the summer months, and he continued to see them on occasions up until the raid on the Woodcock house.

At this point Wheatley was questioned as to whether he ever saw Hot Springs Police Officers visit the Hatterie Hotel during the time that Karpis and Hunter were keeping company with Grace Goldstein and Connie Morris. He stated that he had seen former Captain of Police Archer L. Cooper visit the Hatterie Hotel during that time, and saw Chief of Detectives Herbert Akers visit there two or three times during that period; that Akers would stay at the Hatterie Hotel for just a few minutes and would then leave. Wheatley could not recall having seen former Lieutenant Cecil Brock visit there during that period. Neither did Wheatley recall ever having seen former Chief of Police Joseph Wakelin visit the Hatterie Hotel during the period when Karpis and Hunter were hanging around there.

Wheatley recalled the day upon which Bureau Agents picked up Grace Goldstein in front of the Hatterie Hotel, stating that she had spoken to him a few seconds before as she approached the entrance steps to the hotel. After Grace Goldstein had been away for about three days on that occasion a prostitute named Mary, who was operating the hotel during the absence of Grace Goldstein, called on him and asked his advice as to whether she should leave or whether she should remain at the hotel until Grace returned; that he suggested that she should remain until Grace returned, which Mary did; that Mary was greatly worried and indicated that she did not "know what it was all about" but knew that something was wrong.

During the course of this interview Wheatley appeared to be a rather talkative individual, but was guarded as to his statements concerning police officers visiting the Hatterie Hotel, and he stated

that he had heard that Karpis and Grace Goldstein had rented a former residence of Hill Wheatley, his brother, on one occasion, but that he had never bothered to verify this information. He stated that he knew of no other place in Hot Springs where Grace and Karpis lived. Upon questioning, Wheatley stated that he had never heard of Karpis, Hunter, Grace Goldstein or Connie Morris having stayed at the Best Tourist Court, which is also owned by his brother, Hill Wheatley. He explained that he and his brother are not particularly friendly and that he has not had any conversation of length with his brother, Hill Wheatley, during the past ten years.

Wheatley stated that he naturally wondered who Karpis was during the time that Karpis and Hunter were visiting the Hatterie Hotel and were purchasing numerous high-priced hats from him; that he was somewhat suspicious of Karpis at this time due to the fact that he appeared to always spend money so freely, without any apparent means of livelihood, but that he never reported this man to the local Police Department as being suspicious, since it is against his policy to ever do so unless a man actually harms him.

During this time also, Wheatley stated that he often observed Karpis, Hunter, Grace and Connie proceed across the street to the Southern Grill, where he imagines that they drank beer or gambled. He stated that he does not recall ever having seen any local resident talking to Karpis or Hunter on the street near his place, other than Grace or Connie. He does recall having seen one of the other prostitutes from the Hatterie Hotel, named Greta, leave in company with Grace and Connie during the afternoons on some occasions, and that they appeared to be going to some place to swim, in that they either wore their bathing suits or carried them with them. This was during the approximate time when he recalls seeing the two women, Grace and Connie, leave with Karpis and Hunter, apparently to go swimming.

Wheatley stated that he recalls that names of two of the prostitutes employed by Grace Goldstein prior to May, 1936, as being "Jackie" Nichols, whose parents live in the country in the vicinity of Hot Springs in the direction of Mount Ida, Arkansas, and Pauline Hargraves, whose present address he does not know. He stated that he had heard that "Jackie" Nichols was employed in a house of prostitution operated by Mrs. C. B. Webb, Crystal Street, about a month ago. Both of these prostitutes at times purchased hats from his firm, and also had repair



work done on hats at various times while they were working at the Hatterie Hotel.

Reference is made to the report of Special Agent B. L. Damron, dated at Little Rock, Arkansas, April 19, 1936, wherein it is mentioned that Clayton Hall, confidential informant and a former associate of Alvin Karpis, arrived in Hot Springs, Arkansas, on or about January 19, 1936, and went to live at the Majestic Hotel.

Special Agent John L. Madala contacted Mr. Isenberg, Auditor of the Majestic Hotel, on July 7, 1937, and with his assistance there was found registration card #32349 in the name of Arthur Bell, which was the alias used by informant Hall on this occasion. The registration card revealed that Hall, as Arthur Bell, gave as his address 337 Market Street, Youngstown, Ohio; that he checked into the hotel on January 18, 1936, and checked out sometime during the day of January 28, 1936; that he was assigned Room 774 at the rate of \$3.50 per day. Mr. Isenberg also produced for agent's examination the account card of Arthur Bell and it disclosed that he made two local telephone calls from his room on January 22, 1936, and January 24, 1936; also, that he paid for two nights storage of an automobile on January 27, 1936. A search was made of the telephone records for the above two dates and the same disclosed that informant Hall called number 522 on both dates. This number is assigned to the Creason Pontiac-Buick Company, Hot Springs, Arkansas. It is to be recalled that Clayton Hall purchased for Alvin Karpis a 1936 model Buick Sedan on January 25, 1936, from the Creason Pontiac-Buick Company.

Agent likewise checked the garage records at the Majestic Hotel and it was learned that the occupant of Room 774 stored a Buick car, bearing Arkansas license 7-33, on the nights of January 25, 1936, and January 26, 1937. It was ascertained that 1936 Arkansas license tags #7-33 were issued to Grace Goldstein, Hatterie Hotel, Hot Springs, Arkansas, for a 1936 Buick Coupe, Motor #43037540.

No other data which might be of value to this investigation was noted on the records pertaining to Arthur Bell.

The reference report of Agent Damron further disclosed that Clayton Hall and Alvin Karpis took a four-day trip to Corpus Christi, Texas, around the latter part of January, 1936, and upon their return Hot Springs, Arkansas, Hall checked in at the Mountain View Tourist Car

and lived there with Jean Pritchard, a prostitute from the Hatterie Hotel, until on or about February 18, 1936.

Special Agents John L. Madala and B. M. Suttler called at the Mountain View Tourist Camp, Hot Springs, Arkansas, on July 7, 1937, and interviewed Mrs. J. B. Wheatley, the wife of the manager. It might be stated that Hall advised that he lived at the above tourist camp under the name of C. O. Sullivan. Mrs. Wheatley turned her records over to agents and an examination of the same revealed that a C. O. Sullivan from Cleveland, Ohio checked into the said tourist camp on February 2, 1936, and remained until February 18, 1936; that two persons were in Sullivan's party; there appeared to be no incidental charges or other data reflected on C. O. Sullivan's account. Mrs. Wheatley advised that she and her husband were not connected with the Mountain View Tourist Camp during the above period and, therefore, knows nothing of C. O. Sullivan and his companion.

The file in this case frequently makes mention of Fred Hunter and Connie Morris living at the Mountain View Tourist Camp during the latter part of 1935 and early part of 1936. Agents checked the records against all of the known aliases of Fred Hunter and Connie Morris for the period May 1, 1935, to April 1, 1936, with negative results. Mrs. Wheatley advised that it is not unusual for persons to live at the Tourist Camp without registering and that it would be entirely possible for Fred Hunter and Connie Morris to have stayed at the camp and the camp not have a record of it.

At the Creason Pontiac-Buick Company, Hot Springs, Arkansas, Agents Madala and Suttler interviewed Raymond Clinton, salesman, on July 8, 1937. Mr. Clinton could not be interviewed in detail at this time, as he had to leave for Dallas, Texas; therefore, he will be contacted again at a later date and a signed statement obtained from him. Mr. Clinton briefly advised agents that he sold Buick Coupe, 1936 Model, Motor #43037540, to Grace Goldstein on December 10, 1935; that on or about January 23, 1936, Grace Goldstein brought a Mr. C. O. Sullivan to him, and thereafter he sold to Sullivan a 1936 Model Buick Sedan, maroon color, Motor #3052198, Serial #28959726. The sale was completed on January 25, 1936, and a consideration of \$1275.00 was paid for the car. The description provided by Raymond Clinton of C. O. Sullivan, the purchaser of this car, answers that of Clayton Hall, who already has admitted to Bureau Agents that he purchased instant car for Alvin Karpis. Raymond Clinton advised that when he was first introduced to Sullivan,

he met him as N. O. Bell; that, however, when the sale of the Buick car was consummated and the bill of sale drawn up, he gave the name of C. O. Sullivan, stating that he was from San Antonio, Texas. Mr. Clinton vaguely recalled that he purchased Arkansas license tags for Sullivan under the name of N. O. Bell.

As stated above, Raymond Clinton will be again interviewed and a detailed statement obtained from him.

Reference is made to the report of Special Agent B. L. Damron, dated at Little Rock, Arkansas, April 19, 1936, wherein it is noted that Connie Morris was treated by Dr. T. N. Blacke during the early part of 1936. It was considered advisable to interview Dr. Blacke to determine when he last examined Connie Morris and whether he had any conversation with her at that time as to her intended subsequent movements.

Special Agents John L. Madala and B. M. Suttler called at the office of Dr. T. N. Blacke in the Medical Arts Building on July 10, 1937. His secretary informed that he recently left on an extended vacation and probably will not be back in Hot Springs until September 1, 1937. In his absence agents talked with Dr. Jett Scott, his associate. Dr. Scott advised that he and Dr. Blacke used to examine and treat Connie Morris jointly, this being prior and subsequent to her arrest in New Orleans, Louisiana, on May 1, 1936; that he recalls examining her a few days prior to the raid on the Woodcock home on March 30, 1936, at which time he found that she was suffering from a case of gonorrhea. Dr. Scott could not recall any conversation he might have had with Connie Morris at this time, nor could he recall the exact date of this examination. He referred agents to his secretary for the latter record. He advised that Dr. Blacke is presently traveling in the West with his family, and that as soon as he hears from him and can be located at a definite address, he will notify agents.

Dr. Scott's secretary searched her records and found that Connie Morris called upon Dr. Blacke for an examination on the afternoon of March 25, 1936, and during the morning of March 26, 1936. No record of a visit immediately subsequent to this date was reflected.

Special Agents John L. Madala and B. M. Suttler interviewed Jim Poulous, owner of the Lee Hotel, Hot Springs, Arkansas, on July 9,

1937. Mr. Poulous has previously furnished valuable information to Bureau agents relative to the Kansas City Massacre Case and is entirely trustworthy. He was questioned specifically whether he heard any rumors around town within the past five or six months which might be of value to instant investigation. It should be noted that Poulous formerly worked as a bouncer at the Belvedere Club and is in a good position to pick up information around town. Mr. Poulous stated that he has heard nothing through gossip or otherwise, indicating the reaction of the principles involved in this matter to the Bureau's investigation now in progress. He did state, however, that approximately a year ago he employed a colored girl named Mentora Kelly, who used to work for Grace Goldstein at the Hatterie Hotel; that this colored girl frequently talked with his wife about Karpis and his gang frequenting the Hatterie Hotel, and also about the police arresting drunken people at the hotel during the time Karpis, et. al. were there. Mr. Poulous stated that Mentora also told his wife about the accident Karpis had on Central Avenue in Hot Springs and how Joe Scott, who was then a police officer, fixed the damages for Karpis; that Grace Goldstein and Karpis had quite a laugh out of this when they returned to the hotel that night. Mr. Poulous advised that this colored girl worked nights at the Hatterie Hotel, and that while she was working for him she lived at the Baxter Hotel in town. He indicated that she would be a good source of information. It has since been learned that Mentora Kelly is now in St. Louis, Missouri, and her address can be obtained from Mrs. Baxter, who operates the Baxter Cafe on Malvern Avenue. This will be done in the next few days.

It has been frequently stated during the course of this investigation that Alvin Karpis, Fred Hunter and Grace Goldstein often times ate at the Hot Springs Confectionary, which is owned by two Greeks whose first names are Jim and George. It is also known that "Dutch" Akers spends a great deal of time at the Hot Springs Confectionary and that he eats his breakfasts regularly at this restaurant. The individuals, Jim and George, are closely associated with the local administration of Hot Springs and, therefore, would be unlikely to cooperate with the Bureau in this matter. Mr. Poulous has previously indicated that he is very friendly with George, mentioned above, and that George would tell him anything. Agents arranged with Mr. Poulous to talk with George of the Hot Springs Confectionary in the next few days and get from him whatever information he could which would indicate that "Dutch" Akers frequented the restaurant while Alvin Karpis and Grace Goldstein were eating there. Mr. Poulous promised to do this and will notify agents in the premises.

Jim Poulous further informed agents at this time that Bill Brandenburg, formerly Chief of Police of Hot Springs, has recently told him that Betty Galatas and Florence McLaughlin will "blow the lid" off of Hot Springs within a very short time. Betty Galatas is the wife of Dick Galatas and Florence McLaughlin is the estranged wife of Mayor Leo P. McLaughlin. Mr. Poulous stated that either the Galatas woman or Mrs. McLaughlin knows about a party given by Alvin Karpis at the Woodcock home, which was attended by several of the city officials of Hot Springs. He stated that both Florence McLaughlin and Betty Galatas can be located through Bill Brandenburg. Mr. Poulous further stated that while Frank Nash was living in Hot Springs prior to his arrest in June, 1933, he had all of his money cached in a safety deposit box at either the Arkansas National Bank or at the Arkansas Trust Company in Hot Springs; that after Nash's arrest Mayor McLaughlin and possibly others secured this money from the bank and converted it to their own use.

Jim Poulous further volunteered to agents that the owner of the Deluxe Cafe, which is located across the street from the Hatterie Hotel, is a good friend of his, and that it is possible that he may have some information about Alvin Karpis, et. al. frequenting the Hatterie Hotel, and also about the police visiting there at the time Karpis would be in the hotel. In this connection Mr. Poulous advised that if this man were interviewed away from his place of business and in a vigorous fashion, he would probably tell all he knows about this matter. He further stated that "Jimmy the Greek", who runs the fruit stand next to the Deluxe Cafe, is very close to the owner of the cafe, and that they usually confide in each other; that "Jimmy the Greek" is friendly with the local administration and would probably divulge nothing, although he was in a good position to observe what went on at the Hatterie Hotel in 1935 and 1936, he being in business directly across the street from the said hotel at that time.

Mr. Poulous further advised that he heard that "Dutch" Akers is very much worried and concerned over the present investigation; that he is yellow and when the time comes, he believes that "Dutch" will tell everything he knows in an effort to keep from going to jail.

Reference is made to the report of Special Agent B. L. Dameron, dated at Little Rock, Arkansas, April 16, 1937, wherein it is stated

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that Grace Goldstein brought Alvin Karpis' maroon colored Buick Sedan to the Market Street Garage on March 25, 1936, and took it away from there on the night of March 26, 1937.

Previous investigation disclosed that a colored boy named "Whitey" was seen driving the above described Buick automobile down Quapaw Avenue sometime shortly prior to March 30, 1936; that this individual is now employed with the Basham Motor Company on Central Avenue, Hot Springs, Arkansas. Agents John L. Madala and B. M. Suttler located "Whitey" at the Basham Motor Company, where he is employed as a mechanic. He advised that his correct name is Harold Dean White and that he has worked at the Market Street Garage for fifteen years prior to six months ago when he resigned to go to work for Basham. He stated that he recalls the time when Grace Goldstein brought a maroon colored Buick Sedan to the Market Street Garage for servicing; that he put a set of new spark plugs in the motor and thereafter he and another mechanic named Johnson drove the car around town and possibly down Quapaw Avenue to test the new plugs. White recalled that Grace Goldstein first took the automobile to the Creason Pontiac-Buick Company, who were at that time located across the street from the Market Street Garage, but that they did not have any plugs on stock; that she then brought the car to the Market Street Garage for this repair work. White thought that the Goldstein woman brought the car there around noon of one day and took it away later that same day. He could not recall the exact date of this occasion but stated it was shortly before the raid on the Woodcock home on March 30, 1936. He was insistent that the car did not remain in the Market Street Garage for more than one day, nor did he know who drove the car away, although he is inclined to believe that it was Grace Goldstein, inasmuch as she brought the car to the garage. White could not recall changing any tires on the Buick car, nor did he know whether any other employee at the garage changed the tires on the car while it was there. White also denied that he ever changed the license plates on this automobile, nor that he had knowledge of this having been done some time previous to the above mentioned occasion.

Continuing, White stated that he recalls when Grace Goldstein turned over in her Buick Coupe a day or so after the raid on the Woodcock home; that his brother, Lee White, towed her car in from Kirby, Arkansas, and that thereafter she attempted to borrow a car from the garage, which she never got.

Agents Suttler and Madala interviewed Lee White on July 8, 1937, at the Market Street Garage. Lee White advised that he has been employed with the Market Street Garage for the past twelve years; that he washes cars, greases and is a general handy man about the place. He vaguely recalled a 1936 maroon colored Buick Sedan being in the garage around the time of the raid on March 30, 1936, which date he definitely remembered. He stated that to the best of his recollection this car bore Louisiana license tags, number unknown, and that it was in the garage for only a short time. He could recall washing the car and his brother changing the plugs on it, but this was all he was able to remember about it. He did not know who brought the car to the garage, nor who took it away from there. He denied that he changed the tires or license plates on the same.

With reference to the accident had by Grace Goldstein near Kirby, Arkansas, on the morning of March 31, 1936, Lee White advised that the Goldstein woman called the garage long distance that morning and talked with Kenneth Schweer, the owner; that thereafter Mr. Schweer told him to go to Kirby with the tow truck and bring Grace Goldstein's car to the garage; that he proceeded to Kirby, Arkansas, by himself and enroute he passed the Goldstein woman on the highway. He stated that she was riding in a Model T Ford Sedan, and that two or three men, who appeared to be farmers, were riding with her; that he thought that these men picked her up and were driving her to Hot Springs; that she flagged him down and gave him the keys to her car; that she appeared to have been hurt in the accident but not seriously. White further stated that when he arrived on the scene of the accident he found the green Buick Coupe overturned on the side of the road; that many people were standing around the car and offered him help; that he found numerous broken phonograph records in the car and a .38 automatic pistol, fully loaded, in the glove compartment of the same; that he brought these articles to Hot Springs and turned them over to his employer, Kenneth Schweer.

Lee White was positive in his statement that no one rode with him to or from Kirby, Arkansas, at the time he brought the Goldstein woman's car to Hot Springs. He also was positive that Grace called the garage to have her car towed in and not Chief of Police Joe Wakelin, as some information indicates.

Lee White further stated that he has known Grace Goldstein ever since she purchased her Buick Coupe (December 10, 1935); that she used to buy her gas at the Market Street Garage and that he waited on her on several occasions; that prior to the raid on March 30, 1936, she



used to come there in the company of a young man whom he had never seen before; that Grace always did the driving and that this man seldom did any taking. White selected the photograph of Alvin Karpis as being a like resemblance of the man in question. White stated that Grace always paid for the service on her car in cash.

It might be stated that White informed that Grace Goldstein called from Kirby, Arkansas, on the morning of March 31, 1936, around 9:30 or 10:30 A. M.

Since information previously reported in instant investigation was to the effect that Fred Hunter had certain prescriptions filled at the Southern Drug Store at Hot Springs, Arkansas, it was deemed advisable to check the records of that pharmacy during part of the year 1935 in order to ascertain when Hunter first came to Hot Springs, as based upon prescription records.

Accordingly, on July 7, 1937, Special Agents D. P. Sullivan and H. A. Snow reviewed the prescriptions filed in the Southern Drug Company, 242 Central Avenue, covering the period from April 15, 1935, to November 10, 1935, as same are maintained in the prescription files of the drug store. Agents were assisted in checking the above mentioned records by Paul Moore and James Honeycutt, prescription clerks, neither one of whom, however, was employed at the Southern Drug Store during 1935. It was ascertained that there are no prescription clerks employed at the Southern Drug Company who were employed there during the year 1935. The Southern Drug Company is owned by Mr. Edward Eisele, who would be the legal custodian of records of that company should it be necessary to produce them in court in the future.

The following records of prescriptions filled by Dr. Paul Z. Browne for Hunter were noted during the period searched:

<u>DATE</u>	<u>NAME</u>	<u>PRESCRIPTION NO.</u>	<u>CONTENTS</u>
5/14/35	F. Hunter	592,556	Mallophone
5/14/35	Mr. Hunter	592,557	Protargol Solution
5/14/35	Mr. Hunter	592,558	Arsenoferratoze (Iron) Tonic
5/19/35	Mr. Hunter	592,655	Methenamine
5/25/35	Mr. Hunter	592,788	Methenamine
8/9/35	None	594,182	Protargentum Solution, 1/2 sol.

On the same date, July 7, 1937, Agents Sullivan and Snow interviewed Dr. Paul Z. Browne at his office, located in Room 803 Medical Arts Building, 236 Central Avenue, Hot Springs, Arkansas, relative to possible further information which he might have in his possession concerning his treatment of Fred Hunter during 1935. Dr. Browne produced his complete file concerning Hunter which he allowed agents to inspect. By referring to the file and also from his recollection, Dr. Browne advised that Hunter first came to him for treatment on March 25, 1930, at which time he gave his name as Fred Hunter, residence, Leavittsburg, Ohio, and occupation as that of a welder; that Hunter was suffering at that time from a stricture, possibly caused from gonorrhea; that Hunter received almost daily treatments for this trouble until April 13, 1930; that he (Dr. Browne) was employed as a physician at the Free Clinic of the U. S. Public Health Service at that time, but maintained a private office in the Medical Arts Building for the treatment of his private patients, and that he believes that Hunter possibly heard of his practice at the Free Clinic and came to him for that reason because he had noted in the space provided on Hunter's file dealing with "referred to" the name "Govt. Clinic".

Dr. Browne stated that Hunter again returned to him for treatment of stricture and gonorrhea on May 6, 1935, and continued almost daily visits to his office in the Medical Arts Building until May 27, 1935; that Hunter did not again return until June 6, 1935, when he again began taking treatment for gonorrhea, and made daily visits until July 16, 1935, at which time the gonorrheal infection was cured and only a slight stricture remained. He stated that on some occasions he recalled that Hunter would miss a day or so in making his visits to his, Dr. Browne's, office, and that Hunter would remark that he had been out of town on business. On one of these occasions Hunter told him that he had been to Dallas, Texas, or to some town in Texas.

Dr. Browne was positive in his statements that Hunter was not referred to him by any local person for treatment and is sure that Grace Goldstein did not send Hunter to him on the occasion of his first visit to his office; that he knows Grace Goldstein by reputation only and has never treated her nor any of the girls employed as prostitutes by her for any venereal infection to his knowledge. He stated that Hunter would always come to his office alone, and that he has never seen him in the company of anyone else; that he thought Hunter was a bit

nervous at times, but otherwise he appeared to be a rather likable patient, and that he did not have any suspicion aroused about Hunter; that Hunter did not give him a local address on either of the series of treatments taken, but he recalls that he told him on one occasion that he, Hunter, was living at a camp on one of the lakes near Hot Springs, and that he was doing considerable fishing there. Hunter did not mention to him which lake he was camping near; neither did he ever refer to any local person as being known to him.

Dr. Browne was able to positively identify the photograph of Fred Hunter as being the Hunter whom he had treated for gonorrhea and stricture, as referred to above. He was unable, however, to identify the photograph of Karpis and other members of the mob as being former patients of his, or as ever having been seen by him.

Dr. Browne was questioned generally as to whether any police officers had contacted him at any time relative to his knowledge of Hunter and specifically as to whether former Lieutenant Cecil Brock of the Hot Springs Police Department had done so, it being noted elsewhere in this investigation that Brock stated that he had visited Dr. Browne relative to the occupants of the cottage at Dyer's Landing after he had come into possession of the medicine bottles found there bearing Dr. Browne's name on the label. Browne stated that he is sure that no member of the Hot Springs Police Department, including former Lieutenant Brock, had ever contacted him relative to the medicine bottles or Hunter. He stated that he recalls having been interviewed on two different occasions in the past by a Bureau Agent relative to the Hunter matter, but never by a local police or any other local person.

On July 6, 1937, Special Agents D. P. Sullivan and H. A. Snow interviewed Mr. Rex Broughton at his place of business, Auto Rental Company, Broadway Avenue, Hot Springs, Arkansas, with reference to the report that Karpis had rented cars from him when he (Karpis) resided in Hot Springs.

Mr. Broughton's records of car rentals were checked from September, 1935, to May 15, 1936, and they failed to disclose car rentals to any person under the known aliases of Alvin Karpis. It was noted, however, that on January 22, 1936, that under rental agreement #622, Grace Goldstein rented one of Broughton's cars. Broughton stated that Grace was supposed to have returned the car on January 24, 1936,

but that she failed to do so and did not return it for almost a week. This was a brown Pontiac automobile and the agreement shows that the car was only driven eighty-five miles. Because of the length of time the car was held, the rental charge was \$28.35. Broughton stated that during the time this car was rented to Grace Goldstein he noticed that it was parked on several occasions in front of the Majestic Hotel. He stated that he did not know what use that Grace Goldstein had made of the car during the time that it was rented, but that he thought it possible that she had rented this car for someone else inasmuch as she had purchased a new green Buick Coupe a month or so before which she always used as her own personal car. Broughton stated further that he had no information that his car was used by Alvin Karpis, as he did not ever see any man riding in it, and Grace Goldstein was the only person he dealt with for the rental thereof.

Rental Agreement #764 of the Auto Rental Company indicates that Grace Goldstein rented a Pontiac car at 3:25 P. M. on April 2, 1936. This car was returned at 8:30 P. M. on the same date, the total mileage being 88 miles, for which the charge amounted to \$10.60. Broughton stated that this car was rented by Grace Goldstein and she told him that she had wrecked her own car.

Rental Agreement #783 of the Auto Rental Company reflects that a person who signed the name of "Grace" and who Broughton said was Grace Goldstein rented a Ford V8 Sedan on April 6, 1936. This car was returned on the same date and the agreement shows a total mileage of 66 miles, for which the charge for rental amounted to \$8.04. It will be noted that this car was rented about five days after Grace Goldstein wrecked her green Buick Coupe and was probably during the time that her car was being repaired.

Photographs of all members of the Karpis-Barker gang were shown to Broughton. He selected the photograph of Alvin Karpis and stated that the photograph of Karpis appeared familiar to him as resembling a man whom he had seen somewhere around Hot Springs, but he stated that he could not definitely recall where he had seen Karpis. Broughton was asked whether Karpis had ever called personally at his car rental agency and he stated that this was possible but that he cannot remember Karpis calling at his place of business.

Broughton was questioned as to the various places where Karpis is known to have resided or frequented while at Hot Springs,

Arkansas, but he indicated that he had no information of value to this investigation. He was somewhat evasive in his answers and it is probable that Karpis actually did accompany Grace Goldstein when she rented one or more of the above described automobiles.

While Agents Sullivan and Snow were interviewing Rex Broughton, Manager, Auto Rental Company, Agents were introduced to Mr. Reed Farmer, Manager, Kingsway Garage, (Oldsmobile Dealers) who was suggested as a possible source of information regarding the association of Grace Goldstein with Alvin Karpis during the time that he was living in and around Hot Springs, Arkansas.

Mr. Farmer was accompanied to his place of business by agents, where photographs of Karpis and Hunter, Campbell and Coker were exhibited to him and employees of the Kingsway Garage. The photographs of Karpis and Hunter were picked out of a group of photographs by Mr. Farmer and his cashier, Wallace Pagan, as resembling men whom they believed they had observed in the Kingsway Garage at some time in the past, although the occasion was not recalled.

When questioned as to his knowledge of Grace Goldstein's associates during the past few years, Mr. Farmer related the following, which may have some relation to the reported attempt made by unidentified men to dispose of bonds in Texas, which were stolen in the Garrattsville mail robbery. Farmer stated that on December 2, 1936, a man giving the name David Solomons purchased from his firm an Oldsmobile "8" Touring Sedan for \$1210.96, which was paid in cash by Solomons by a thousand dollar bill together with bills of smaller denominations; that this money was concealed on Solomon's person, with considerable other money, within a "zipper" pocket in the "fly" of his trousers, and also within a hidden "zipper" pocket in his belt; that at the time Solomons came to his garage he was accompanied by three other men and a woman, names unknown, whose descriptions are as follows:

NUMBER ONE

NAME	DAVID SOLOMONS
Address	Houston, Texas
Age	About 30
Height	5' 8"
Weight	140
Hair	Dark brown, worn long
Eyes	Dark brown

Complexion	Medium
Teeth	Some gold and believed to have been extracted by Dr. Braughton while at Hot Springs, Arkansas.
Peculiarities	A "nutcracker" face with protruding chin.

#### NUMBER TWO

NAME	UNKNOWN
Address	Unknown
Age	About 35
Height	5' 11"
Weight	170
Build	Medium
Hair	Blonde, curly
Complexion	Light
Teeth	Believed to have had some removed by Dr. Braughton while at Hot Springs, Arkansas.
Automobile	Was driving Oldsmobile with either California or New York license plates.

#### NUMBER THREE

NAME	UNKNOWN
Address	Unknown
Age	About 40
Height	5' 9"
Weight	150 - 160
Build	Medium
Hair	Dark
Complexion	Medium

#### NUMBER FOUR

NAME	UNKNOWN
Address	Unknown
Age	About 30
Height	5' 9"
Weight	150
Build	Medium
Hair and eyes	Unknown, but believed medium brown

The woman who accompanied the man giving his name as Solomons was described as follows:

NAME	UNKNOWN
Address	Unknown
Age	30 to 35
Height	Rather tall, about 5' 7"
Hair	Flaming red, hennaed
Build	Slender
Peculiarities	Bright red finger-nails.

Agents were further advised that a short while after the sale of the above described Oldsmobile on December 2, 1936, to David Solomons, Grace Goldstein came into the Kingsway Garage accompanied by Connie Morris and attempted to trade in her Green Buick Coupe on a new Oldsmobile; that Grace attempted to "chisel" him, Farmer, out of part of the dealer's commission on the new car, and in response to his question as to why she should be allowed a reduced price informed him that she had sent the party, Solomons, to him who had bought the Oldsmobile referred to above and believed that she deserved some reduction in price on the automobile which she wished to buy. Mr. Farmer stated, incidentally, that he and the Goldstein woman could not reach an agreement on the price of a new Oldsmobile, and that Grace subsequently purchased a new Buick early in the year 1937 from the Creason Buick Company of Hot Springs. Since it is possible that one of the men who accompanied Solomons at the time he purchased the Oldsmobile might have been Grace Goldstein's brother, and that other members of this party may be the men who attempted to dispose of some of the stolen bonds from the Garrattsville mail robbery through a lawyer in the State of Texas, a review of the files in this connection will be made in the near future in the Little Rock Office in an effort to determine whether this might have some connection. Farmer's impression of the men who purchased the Oldsmobile was that they were "crooks" of some kind, and that as a consequence of this he had his cashier, Wallace Pagan, proceed immediately to the Arkansas Trust Company, where the \$1,105.55 received from Solomons was deposited with Mr. Housley, a teller of that bank. Farmer stated that he was afraid that the men might return and hold up his place if he allowed the money to remain at his place of business. He did not report the sale of the automobile or the suspicious nature thereof to anyone.

Should it later become necessary to establish the identities of the men in Solomons' party, Mr. Farmer advised that he had received a telegram recently, which was dated June 16, 1937, from the Knickerbocker



Operating Company, Inc., (presumably an automobile finance company) located at 1700 Broadway, New York City, in which that company requested information be wired to them as to details of sale of the Oldsmobile Sedan to Solomons and whether same was paid for by cash. Farmer wired the Knickerbocker Company on the same day that the automobile was free of encumbrances.

In a previous interview information was obtained from Mrs. Al C. Dyer, owner, and Morris Loftis, caretaker, Dyer's Landing, that Karpis stated that he intended to leave one of his outboard motors with a friend at the time he moved from Dyer's Landing. There being a strong possibility that Former Chief of Police Joseph Wakelin or Chief of Detectives Akers were given the outboard motor for the protection afforded to Karpis, Morris Loftis was asked to obtain the serial numbers on all the outboard motors in the possession of Joseph Wakelin, who is residing in a cottage immediately adjacent to Dyer's Landing.

On July 8, 1937, Special Agents H. A. Snow and D. P. Sullivan interviewed Morris Loftis at Dyer's Landing and he stated that he obtained the following serial numbers of the outboard motors in the possession of Joseph Wakelin:

1. 35 horsepower Quad. Elta Motor - Serial #890 - Generator #3902; manufactured by Owens Corporation, Syracuse, New York.
2. 12 horsepower Johnson - Model K-50 - Serial #148900; manufactured by Outboard Motors Company, Milwaukee, Wisconsin.
3.  $3\frac{1}{2}$  or  $4\frac{1}{2}$  horsepower Johnson Motor - Model 300 - Serial #227-998; manufactured by Outboard Motors Company, Milwaukee, Wisconsin.
4.  $1\frac{1}{2}$  horsepower Evinrude Motor - Serial #4091-5522; manufactured by Outboard Motors Company, Milwaukee, Wisconsin.
5. Electric Motor - Serial #5A1766; manufactured by the Bendix Corporation, South Bend, Indiana.

The above motors will be checked through their factories in an effort to learn whether any of them were purchased by Karpis or Fred Hunter and later turned over to Wakelin. For this purpose leads have been set forth by letters from the Little Rock Office to the various Bureau offices wherein the above mentioned manufacturers of outboard motors are located, requesting that these outboard motors be traced to the purchasers or dealers to whom the motors were first sold.

George Paul Collier, Manager of the Standard Ice Company, 619½ Ouachita Avenue, Hot Springs, Arkansas, was interviewed at his place of employment on July 2, 1937, by Special Agents D. P. Sullivan and B. M. Suttler.

Collier recalls that in the Fall of 1935 he was employing an ice driver by the name of Rowe. Rowe has been previously interviewed. Collier states that he, Collier, was sick in bed at this time with some slight ailment and that Rowe came by to visit him; that while Rowe was there Collier gave him a Liberty magazine to read containing an article about Alvin Karpis; that he had just completed reading this article and told Rowe to read it as he, Collier, had enjoyed it; that with this article there appeared a photograph of Alvin Karpis and also a notice of about a "hundred thousand dollars reward", as well as he could recall now. Collier stated that as soon as Rowe saw this photograph of Karpis he remarked that this man was living out on Lake Hamilton at that very moment because he, Rowe, had been delivering ice to him.

Collier states that he told Rowe if he felt like he had the right man in mind that the best thing they could do would be to go over to Little Rock and inform the Department of Justice there, in order that they could get the reward. Collier also states that he advised Rowe to take a good look at the photograph and another good look at the man he had in mind just to be sure before they left, and they would leave the following day. Collier stated that he feels fairly certain that this took place on a Thursday afternoon; that early the next day before Rowe returned to the ice house, he was called away by one of his superiors and had to make a trip to Little Rock or Pine Bluff, Arkansas; that he did not again see Rowe until the following day, which he feels certain was a Saturday. At that time Rowe told him that when he could not locate Mr. Collier on Friday afternoon, he reported the license plates on the car of the men at Lake Hamilton, who he believed to be Alvin Karpis, to his brother-in-law named Moore, who promised to check up on the license

plates; that Rowe told him that the man he believed to be Karpis had vacated the cottage early Saturday morning before Rowe got there and Rowe suggested that he and Collier wait to learn the results from the check to be made by Moore before doing anything else about the matter. Collier stated that he heard no more about the incident from Rowe and the whole thing slipped his mind; that if he had been thoroughly convinced that Rowe was right in his identification he would have taken more interest in the incident.

Collier further informed that a man by the name of "Red" Elkin delivered ice to Grace Goldstein when she resided at 123 Palm Street during the summer of 1935; that Gray Johnson has delivered ice in the vicinity of the Woodcock home on Lake Catherine for the past few years; that this man is employed by the Home Ice Company.

Ullie Elchard Moore, former Mayor of North Little Rock and former Chief of Police of North Little Rock, Arkansas, was interviewed on July 3, 1937, at his home, 318 West 18th Street, North Little Rock, by Special Agent B. M. Suttler, it having been learned in a previously reported interview with Mrs. Al C. Dyer that Mr. Moore owned a cottage on Lake Hamilton next to Mrs. Al C. Dyer's cottage, where Alvin Karpis stayed in the fall of 1935.

Moore stated that during the fall of 1935 he and a Dr. Summers jointly owned a cottage on Lake Hamilton but he, Moore, only went to this cottage for a one night stay in August, 1935, and did not return there again until February, 1936. Mr. Moore states that Dr. Summers did not get an opportunity at all to go there during the summer and fall of 1935, and for that reason he later on sold his interest in this cottage to Mr. Moore. Mr. Moore states that, due to the infrequency of his visits to this cottage, he could not possibly recall any of the people in the nearby cottages. He does recall that on one occasion Mrs. Al C. Dyer mentioned to him that he had some nice neighbors; that there were two young men with their wives living in the cottage next door, and that they had burned a hole in her mattress and had gone into town and bought her a new mattress to compensate for the damage done. He states that he never did see these people at all and he does not recall whether this was his August, 1935, trip or a later trip.

Agent exhibited to Mr. Moore photographs of the Barker-Karpis gang but he could not identify any of the photographs as people he had ever actually come in contact with.

The following investigation was conducted by Special Agents H. A. Snow and D. P. Sullivan on July 3, 1937.

It having been previously indicated that the driver for the Craighead Laundry who delivered to Dyer's Landing may have been the person who reported the presence of Karpis at Dyer's Landing to the Hot Springs Police Department prior to his and Hunter's departure in October, 1935, investigation was conducted at the Craighead Laundry. William T. Kinnell, residence, 1507 Malvern Avenue, was interviewed and he stated that during the summer of 1935, he picked up and delivered laundry to Dyer's Landing; he was shown a group of photographs from which he selected photographs of Alvin Karpis, Connie Morris and Grace Goldstein. He stated that he recalled that Karpis resided in a cottage at Dyer's Landing during the summer of 1935; that he recalled seeing a coupe bearing Ohio license plates parked in front of his cottage at different times; that Karpis was the only person he ever saw at his cottage. He stated that he is acquainted with Grace Goldstein and Connie Morris but he cannot remember ever having seen either of these women at Dyer's Landing.

When asked when it was that he last obtained laundry from Karpis at Dyer's Landing, Kinnell stated that he feels fairly certain that it was on a Friday because he recalls returning with it on the following afternoon, which he feels was a Saturday; that he left some of the laundry, although none was at the cottage, and also intended to leave some shirts before leaving but forgot to do so; that while on the road returning to town he passed Karpis, who was driving toward Dyer's Landing, and he remembered that he had failed to leave the shirts; that he returned to Karpis' cottage and Karpis answered the door and he, Kinnell, delivered the shirts; that this was the last time that he saw Karpis at Dyer's Landing.

Kinnell was positive in his statements that he never saw any persons at the cottage occupied by Karpis except Karpis himself. He was positive he never saw Grace Goldstein or Connie Morris there.

Kinnell stated that he did not become suspicious of Karpis and he is positive that he did not report the presence of Karpis as a suspicious man at Dyer's Landing to the Hot Springs Police Department.

Cecil Cook, Driver #7 at Craighead's Laundry, was also interviewed. He was shown a group of photographs from which he selected

photographs of Alvin Karpis, Grace Goldstein and Connie Morris. He stated that his route takes in the vicinity of the Hatterie Hotel and he recalls that in the late fall or early winter of 1935 Grace Goldstein called the Craighead Laundry and asked that a driver call at the Hatterie Hotel; that he called at the Hatterie and obtained some man's laundry and suits; that for a period of six or seven weeks he called at the Hatterie Hotel thereafter when Grace Goldstein telephoned the Craighead Laundry; that in every instance she asked for the special one day service. Cook stated that during this time he saw Karpis at the Hatterie Hotel; that it appeared that Karpis was living at the Hatterie because he would be there at times in the morning when Cook called for laundry and also would be there when he delivered the finished laundry late in the afternoon; that the laundry was sent out in the name of Woods. Cook was shown a photograph of Fred Hunter but he could not recall ever having seen this man.

Cook further recalled that later during the fall or winter of 1935, Grace Goldstein stayed at a cottage at 124 Clubb Street; that he received instructions from his office to pick up some laundry at a house at 124 Clubb Street, which he did; that he thereafter called at this address for laundry three or four times when Grace Goldstein or someone at the house requested the Craighead Laundry to send up a driver to pick up laundry. Cook stated that he saw Grace Goldstein at this house and on one occasion, when he delivered laundry in the early evening, Grace Goldstein answered the door but did not have enough money to pay for the laundry and she turned and called to someone in the house who came to the door whom Cook stated was Karpis, and Karpis paid for the laundry.

Cook stated that during the time that Karpis and Grace Goldstein were at 124 Clubb Street, there were some people who lived next door to them who appeared to be friends; that the people in both houses appeared to be in the same crowd as both houses would send laundry out in the name of Shaw; that laundry would also be sent out in the name of Miller. Cook stated that he saw the persons living at 124 Clubb Street and in the house next door talking together in front of 124 Clubb Street and they appeared to be very friendly.

Cook was questioned but he denied that he had ever seen any police officials visiting at 124 Clubb Street or any police cars parked in front of this address.

Charles Clarence Smith, laundry truck driver for Miller's Hand Laundry, 1507 Whittington Avenue, Hot Springs, Arkansas, was interviewed at the temporary office, 322 Thompson Building, on July 2, 1937, by Agents D. P. Sullivan, H. A. Snow and B. M. Suttler.

Smith stated that he has been driving a laundry truck for Miller's Hand Laundry for about ten years; that he first knew Grace Goldstein in 1932 when she was conducting a house of prostitution on Broadway. He states that at that time he was calling on Grace exclusively for her laundry and continued to call for her laundry until 1934, when she and her husband had a "fuss" and "blowed town". He states that she must have stayed gone for three or four months, as he did not see her for that length of time; that the next time he noticed her was after she had moved out on South Central Avenue at the corner of Hagen Street. Smith stated that upon finding that she had moved back in town, he started calling for her laundry again; that as he recalls it this was in the summer of 1934; that soon after this, within two weeks, the "boss" at his place told him that a new driver by the name of Tommie Reed would call for Grace Goldstein's laundry in the future as he was new, did not have much trade as yet and they all worked on commission. Smith states that after this he never again called for Grace Goldstein's laundry, although he has been by her house on two or three occasions with the other driver, Tommie Reed.

Smith recalls that in 1936, after Alvin Karpis had been captured in New Orleans, Louisiana, he went to the Hatterie Hotel with the other driver, Tommie Reed; that while they were there Grace Goldstein made some remark about why they didn't play the victrola, so to keep her good will they put some nickles in the victrola and danced with one of the girls that lived there. Smith could not recall this girl's name but stated she was tall, real skinny and looked "sort of sickly". Smith states that he does not recall hearing Grace Goldstein ever saying anything about Karpis but does recall hearing Tommie Reed tell him things about what Grace had said to him or what he had seen at the Hatterie Hotel in regard to Karpis.

Smith recalls that on one occasion he saw Grace Goldstein's car in the yard across from Dr. Wellman's home when he called there for laundry; that it was parked in the side yard and, as he recalls, this house is number 124 Clubb Street. He states that on several occasions he has seen Grace Goldstein go up Pullman Street in this same general direction, and that he asked Tommie Reed if Grace had moved to Clubb

Street, but that Tommie never did answer his question and he was not interested enough to find out for himself.

He stated that during the time he felt Grace was living on Clubb Street she was still conducting her house at the Hatterie Hotel, as Tommie was still collecting laundry there; that she did, however, start bringing her personal laundry and the laundry of a man down to the plant quite often; that he has gone to the car himself to get it on several occasions.

Agents exhibited photographs of the Barker-Karpis gang to Smith. He identified the photographs of Grace Goldstein and Connie Morris, but was unable to identify any other photographs of the gang.

In a previous interview with one Woodrow Tubbs, caretaker and gardner for Dr. Wellman, corner of Clubb and Fencill Streets, it was learned that a man known as Jimmy "the Greek" was a good friend of Mrs. Toby Fencill; that he was often seen at Mrs. Fencill's house, and that she often stopped in Jimmy's fruit stand and chatted with him. It was Mrs. Fencill who owned the house at 124 Clubb Street that was occupied by Grace Goldstein and Alvin Karpis during December, 1935, and January, 1936.

James Mikes, alias Jimmy the Greek, was located at his fruit stand on Central Avenue, Hot Springs, Arkansas, by Special Agents D. P. Sullivan and B. M. Suttler. Agents made an appointment with him for interview at the temporary office, 322 Thompson Building, on the following day. The following day Mikes called at the office and was thoroughly interviewed by Agents D. P. Sullivan, H. A. Snow and B. M. Suttler.

Mikes stated he had known the Fencills for some three or four years; that Toby Fencill was a masseur at the Superior Bath House in Hot Springs, Arkansas; that Toby Fencill took suddenly ill in February, 1935, and died the following day. Mikes stated that he had no monetary interest in the Fencill property located at 124 Clubb Street, as had been stated to agents by Woodrow Tubbs. Mikes stated that he had at one time loaned Toby Fencill \$75.00 to take a trip to Louisiana and that Fencill had given him a note for same; that this \$75.00 has never been repaid, and that this was the only occasion that he loaned Toby Fencill any money, and it was the only time Fencill ever asked of him any financial favor.



Mikes stated that after Toby Fencill died, Mrs. Fencill moved to Monroe, Louisiana, with her mother, and it was at this time that she left the key to the house at 124 Clubb Street with him; that later on a Mrs. McCafferty came by his place and got this key from him and that he believes the reason she got the key was because she had rented the place for Mrs. Fencill; that Mrs. McCafferty owns a real estate company in Hot Springs, Arkansas. Mrs. McCafferty was later interviewed.

Mikes stated that he did not at any time have anything to do with the renting of Mrs. Fencill's property, and that the only time he was ever in this house was right after it was completed - they had a little celebration there and invited him up. Mikes stated also that he is well acquainted with Herbert "Dutch" Akers, Chief of Hot Springs Detectives, and that he has never seen him go in and out of Mrs. Fencill's property on Clubb Street.

Photographs of the gang were exhibited to Mikes but the only ones he could identify were the photographs of Connie Morris and Grace Goldstein as being women he had seen in and out of the Hatterie Hotel, and that they traded with him at his fruit stand sometimes.

N. E. "Bud" Marshall, former Special Agent, now located at 710 Brown Building, Wichita, Kansas, was interviewed on July 3, 1937, at the office of the Little Rock Field Division by Special Agent B. M. Suttler.

Marshall was asked if he could recall whether Chief of Hot Springs Detectives Herbert "Dutch" Akers had ever intimated to him that he knew Alvin Karpis prior to 1935. Marshall stated that he could not state whether Akers ever made such a statement to him or not without first reviewing the file in order that he might refresh his memory. Marshall did state, however, that Akers told him one time that he knew Harvey Bailey, Charles A. "Pretty Boy" Floyd, Frank Nash and "Dick" Galatas. Marshall states he is willing to swear to this. Marshall also thinks that Akers mentioned knowing Thomas Holden, Alvin Karpis and Keating, but until he reviews the file he is not willing to swear to this.

Marshall further recalls that Special Agent in Charge R. L. Shivers and he made a trip to Hot Springs, Arkansas, at the request of

Herbert "Dutch" Akers sometime in May, 1935, to investigate a report by Akers that he had a tramp in jail who had stated he had seen Karpis around Marion, Arkansas. Marshall was not sure of the exact date of this trip but did recall that it was on the same day that the First National Bank of Fort Smith, Arkansas, was robbed, as Mr. Shivers was called by phone in regards to it while they were sitting in the Chief's office of the Hot Springs Police Department. This incident was checked later through the files of the Little Rock Field Division and it was ascertained that the Citizens Bank of Fort Smith was robbed on May 3, 1935, and that this is probably identical with the bank Marshall had in mind.

Marshall further stated that several months prior to the above named visit to Hot Springs Police Department in May, 1935, he had already discussed the case of Alvin Karpis with Chief of Detectives Herbert "Dutch" Akers, and had left photographs of the Karpis gang with Akers, both for the police files and for Akers' own personal photograph album that he kept of wanted persons. Marshall is positive of this but is uncertain as to the exact date of this previous discussion with Akers about Karpis. Marshall thinks, however, that this took place about November or December of 1934.

As to the present whereabouts of Myron E. Thompson, Marshall could not furnish any information. He stated that this was possibly the man who was in the City Jail at the time he and Special Agent in Charge Shivers were called to Hot Springs by Akers; that this man informed him that he had seen Karpis at Marion, Arkansas, and it was later proven that this man had never even been to Marion, Arkansas, had never seen Karpis and later they found that he was a dope addict and irresponsible.

Marshall further states that he recalls at one time walking down the streets of Hot Springs, Arkansas, with Chief of Detectives Herbert "Dutch" Akers and Akers pointed out to him "Bonnie" Parker and Clyde Barrow sitting in a car on the Main Street of Hot Springs, Central Avenue. Marshall stated that at that time Barrow and Parker were not wanted by the Bureau but were wanted in several states; that he was quite surprised to see them and asked Akers why he did not "pick them up". Akers answered him by saying, "Why should I? - there is no reward out for them."

Marshall recalls another time before the Bureau began looking for Charles A. "Pretty Boy" Floyd that he, Marshall, came into

the Police Department one day and upon seeing "Dutch" Akers decided to ask him how "Pretty Boy's" shoulder was getting along, just to see what Akers would say, as he had heard that gangrene had set in. He stated that Akers immediately answered him by going to the phone and calling some Sheriff, he did not know who, and asking about Floyd's condition. The Sheriff evidently informed Akers that Floyd was well enough to talk over the phone and Akers called Marshall to the phone to listen and he, Marshall, heard a voice answer; that Akers said it was the voice of "Pretty Boy" Floyd.

Marshall stated he would not be willing to make any further statements about this case until he had a chance to review the file and refresh his memory on memorandums submitted by him and Agent Chipman during the time they were working in Hot Springs, Arkansas. He stated he would be passing through Little Rock again about July 16 to 20, and if it is desired that he be further interviewed at that time, he will be available for interview. Arrangements will be made to again interview former Special Agent Marshall and give him an opportunity to refresh his recollection of his conversations with Akers concerning Karpis prior to May, 1935.

With reference to the information furnished agents by Cecil Brock, former Lieutenant in the Hot Springs Police Department, to the effect that Karpis and Grace Goldstein were supposed to have spent a night in a tourist cabin near Arkadelphia, Arkansas, the night after the raid on the Woodcock house, Special Agents D. P. Sullivan and H. A. Snow reinterviewed Mrs. John L. Ritchey, operator of the Arkadelphia Tourist Court, on July 8, 1937. From the description furnished by Brock as to the location of the tourist camp where Karpis is supposed to have spent one night, the tourist court operated by Mrs. Ritchey is the only possible one which would fit the description as given by Brock. Mrs. Ritchey was interviewed in the presence of her two sons, John "Jack" L. Ritchey and Lloyd F. Ritchey, both of whom were working at the filling station and tourist court, which she and her husband own, during the period immediately prior and subsequent to the Woodcock raid. Neither of these persons was able to identify the photographs of Karpis, Grace Goldstein or any of their associates as being persons who had stopped at the Arkadelphia Tourist Court during the period in question or at any other time. Both John and Lloyd Ritchey were of the opinion that the photograph of Karpis was familiar to them, but believed that this was due to numerous published photographs of this man which they had observed. Neither of them was able to recall any automobile stopping at their tourist court about the time of the Woodcock raid which fitted

the description of the green Buick Coupe owned by the Goldstein woman or the maroon Buick Sedan owned by Karpis at that time. Records of the Arkadelphia Tourist Court were again searched but, due to the fact that they are not kept in a systematic manner and very few dates are shown as to guest's registrations, it was impossible to ascertain the names of the people who were occupying cabins on the exact day in question. It was noted, however, as of possible interest, that a Mr. and Mrs. J. Hedley and Ed and Leslie Hedley of New Brunswick, New York, were registered on one night sometime during the week or two preceeding April 7, 1936, which was the only date noted on the records about this period. The Hedley registration appeared to be the only one which a man and woman stayed overnight accompanied by other parties. The Hedleys were not recalled by John and Lloyd Ritchey, and the kind of automobile which they were driving was unknown, although the numbers 17-405 appeared after their names, which is probably the license number of their car and which was followed by the notation "Jer, K".

Pat Pollard, painter, 418 Oak Street, Hot Springs, Arkansas, was contacted while he was at work at the Esso Station, corner of Burchwood and Central Avenues, Hot Springs, Arkansas, on July 8, 1937. He was later interviewed at the temporary office, 322 Thompson Building, by Agent B. M. Suttler.

Agent exhibited photographs of the Barker-Karpis gang to Pollard. He was able to identify the photographs of Grace Goldstein, Connie Morris and Alvin Karpis as persons he had seen before in Hot Springs. He states he has seen Grace Goldstein, Connie Morris and other prostitutes eating, late at night, at Jim and George Cafe. He cannot place where he has seen Karpis but thinks it was in Hot Springs, Arkansas. In a previous interview with Miss Gladys Wilson, it was ascertained that Pollard was very close to the Hot Springs City Administration and that if at any time they wanted some one to contact a criminal without arousing suspicion, they would call on Pollard. Pollard was questioned closely about his affiliation with the City Administration. He denied that he is now or has ever been connected in any way with the administration. He does state, however, that he has worked for W. S. Jacobs for the past six or seven years during the tourist season. His duties at these times were locking up, general watchman and watching the fire. He states that the reason Jacobs employed him is that he had done a lot of painting for Jacobs both at the Belvedere Club and also at the Southern Club.

He states that he has never been employed in any capacity with the City of Hot Springs; that he has never drawn any money from Leo

McLaughlin. He denies that he has ever done any favors for Chief of Detectives Herbert "Dutch" Akers, nor has he ever had any dealings with Joseph Wakelin, former Chief of Hot Springs Police.

Pollard states he has served as election Judge and election Clerk in the Hot Springs City election and also in the Garland County election, but he denies that he has ever seen anyone tamper with the ballot boxes or try to find out how any man votes.

Pollard was very hesitant about every question he answered and stated "I don't know" to most of the questions asked him. He stated that anyone who stated that he was errand boy or contact man for the City Administration was very much mistaken, as they have never asked him to do them any favors nor has he ever done them any.

On July 9, 1937, Special Agents D. P. Sullivan and H. A. Snow interviewed Miss Gladys Wilson at her residence, 1101 Central Avenue. She stated that she hasn't had the opportunity to make any inquiry among her sources of information concerning the harboring of Alvin Karpis. She informed agents, however, that she could obtain any information that former police officer Joe Scott had relative to the harboring of Karpis by police or city officials because she has knowledge of certain things which she can hold over Scott's head, and thus practically compel him to tell her whatever he knows. She so informed agents that she has been friendly with former Night Captain of Police Robert L. Moore for several years, and she indicated that she might be able to get information from Moore concerning Karpis' activities and possible association with City or Police Officials, during the time that he resided at Hot Springs, Arkansas. Miss Wilson stated further that she would speak with the above mentioned Joe Scott and "Bob" Moore on June 11, 1937, and discreetly question them along the above suggested lines, and that she will then advise agents of what she has learned.

On July 6, 1937, Special Agents B. M. Suttler and H. A. Snow interviewed Mrs. U. S. Floyd and obtained from her the following signed statement, the original of which is being retained in the Little Rock files:

Hot Springs, Arkansas.  
July 6, 1937.

I, Mrs. U. S. Floyd make the following voluntary statement to H. A. Snow and B. M. Suttler knowing them to be Special Agents of the Federal Bureau of Investigation, United States Department of Justice.

I was employed at Wilson's Tavern on Lake Hamilton during the year 1935. It was my duty there to wait on customers both inside the Tavern and outside when they drove up in their cars and required service. It was at Wilson's Tavern that I recall seeing Grace Goldstein, Connie Morris and Alvin Karpis. These Agents have shown me photographs of a number of people and from these photographs I have selected the photographs of Alvin Karpis, Grace Goldstein and Connie Morris. I recall that one night Karpis drove up in the car with Grace Goldstein, he was pretty tight, he ordered two bottles of beer and handed me a five dollar bill. I brought him the beer and \$4.60 change and laid the change on the tray. Sometime later I met Grace Goldstein inside the Tavern and she said, "I'm with a guy that's got plenty of money, whenever he gives you a five or a ten dollar bill don't give him any change." I told her that I would not think of such a thing. Later Karpis ordered two more bottles of beer and handed me another \$5.00 bill. I noticed he had not picked up his change of \$4.60 from the last two bottles he ordered. I brought him the beer and also the change from the second five dollar bill which was again \$4.60 cents. I laid the change on the tray as I had done before. When he left he gave all of this change to me as a tip. This total tip amounted to \$9.20.

I recall on another occasion that Grace Goldstein was out at Wilson's Tavern with a man I did not know. While she was there Karpis drove up. When Karpis drove up Grace made the remark, "Oh-there's my boy-friend, I didn't even know he was in town." Grace Goldstein then left the Tavern with her date without even speaking to Alvin Karpis.

I have seen Grace Goldstein and Connie Morris together drinking beer at Wilson's Tavern many times.

I have read this statement consisting of two pages and it is correct to the best of my knowledge and belief. I have signed the preceding page and will sign this one.

SIGNED Mrs. U. S. Floyd  
Mrs. U. S. Floyd

Witnesses:

B. M. Suttler

H. A. Snow

Special Agents.  
Federal Bureau of Investigation  
United States Department of Justice.

In view of the fact that Mr. J. C. Long of Hot Springs, Arkansas, informed Agents H. A. Snow and B. M. Suttler in a previous interview that he was positive he had seen Milton Lett somewhere around the City of Hot Springs, Arkansas, it was found necessary to obtain from the Little Rock Office files a complete physical description and any other available information about Milton Lett. On July 3, 1937, Agent B. M. Suttler, while attending to other matters in the Little Rock Office, located in the Brekid files a letter from the Cleveland Division dated April 13, 1936. It was located in Section 8, Serial 678 of the Brekid File, 7-2.

NAME	MILTON LETT, alias Carl Baker, alias Thomas J. Shaw, alias J. M. Lett, alias J. M. Letz.
Age	21 or 22 years old in 1935 (looks older)
Height	5' 7"
Weight	143
Hair	Dark brown
Eyes	Blue
Color	White (1/8 negro, does not show)
F.P.C.	9 U 00 16 1 U 00 11
Residence	Wann, Oklahoma
Occupation	Makes pretense of being gambler

Wanted by Cleveland for questioning in the Garrattsville mail robbery. At one time was known as Willie and was Shiller at the Harvard Club in Cleveland in May, 1935.

#### CRIMINAL RECORD OF LETT:

WHERE ARRESTED	NAME USED	DATE ARREST	CHARGE
PD, Wichita, Kansas	Milton Lett	11/2/30	Vagrancy
PD, Coffeyville, Kansas	J. M. Lett	2/10/31	Investigation
PD, Coffeyville, Kansas	J. M. Letz	9/3/32	Investigation
PD, Coffeyville, Kansas	J. H. Letz	9/3/32	Investigation
PD, Akron, Ohio	Thos. J. Shaw	10/19/35	Suspicion
PD, Coffeyville, Kansas	Milton Lett	11/6/35	1st degree ro
SO, Yates Center, Kansas	Milt. Lett	11/7/35	Holdup

Additional alias of Carl Baker gave this name when he purchased Plymouth Sedan from Knowles Brown Motor Company, Cleveland, Ohio. This car was used in the Garrattsville mail robbery.



J. C. Long, informant, called at the temporary office, 322 Thompson Building, on July 6, 1936, and was interviewed by Special Agents B. M. Suttler and H. A. Snow. He informed that he and Arthur Jefferson, former policeman of Hot Springs, had gone out to a "gambling joint" on Sunday afternoon, July 4th, and had stayed around there most of the afternoon observing a man whom they had previously thought was Milton Lett. Prior to this time informants Long and Jefferson did not have any physical description of Milton Lett. On Saturday, July 3rd, Agent B. M. Suttler, located a physical description of Milton Lett in the files of the Little Rock Field Division and phoned same to Agent D. P. Sullivan in Hot Springs. This physical description of Milton Lett together with his photograph was turned over to J. C. Long. Equipped with this Long and Jefferson made a close observation of the suspect. It is their opinion that this man is not identical with Milton Lett for the following reasons, to wit: Suspect is 5' 10" tall at least, weight, 160 pounds, scar on cheek, dark brown eyes. Lett is 5' 7" and has light blue eyes. Long also states that the suspect looks to be at least 28 or 30 years old where Lett is supposed to be only 23 to 24 years of age.

Long further informed that the suspect does not work regularly at the "gambling joint" where Long and Jefferson observed him but merely "hangs around" there on Sunday afternoon. Long stated that the best time for agents to observe him would be on Sunday afternoon, as there is always quite a crowd there then and no one would become suspicious of strangers in the place. Long stated that this "joint" was located about ten miles from Hot Springs, Arkansas, somewhere near Lake Catherine; that he would have to direct agents how to get there as it would be impossible to give an accurate direction to agents.

Agents will again contact Long on next Sunday, July 11, 1937, and will at that time proceed to Lake Catherine with Long and have him point out this suspect to agents in an effort to ascertain whether or not the suspect is in reality identical with Milton Lett.

P E N D I N G

Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.

LMC:EAM

July 20, 1937.

M E M O R A N D U M

Interview with Chief of Detectives,  
Herbert K. Akers, Hot Springs, Arkansas,  
by Special Agent L. M. Chipman.

RE: ARTHUR "DOC" BARKER.

The following memorandum is with reference to the letter from the Little Rock office dated June 8, 1937, requesting details of the writer's interview with Chief of Detectives, Herbert Akers, at Hot Springs, Arkansas, in March, 1934, as is recorded in the report of Special Agent H. E. Hollis, Oklahoma City, Oklahoma, dated March 19, 1934.

As the writer recalls, this interview was during the investigation immediately following information to the effect that possibly Harry Campbell was involved with Barker and Karpis in the kidnaping of Mr. Bremer, and the interview was for the purpose of obtaining the connections of this gang and their location at that time. The investigation being made at this particular time was being conducted in an extremely discreet manner so that no one being interviewed concerning same would associate the interview with the Bremer kidnaping case, and for this reason any photographs which were exhibited to Akers were exhibited in an indirect manner in order to obtain any information he might know without causing any suspicion.

It is noted that the names of Volney Davis, Fred Barker, Alvin Karpis, and Harry Campbell are mentioned in the writer's memorandum as well as that of "Doc" Barker, and are mentioned in the order they appear on the composite group photograph of these individuals which was prepared by the Bureau. In this connection a check was made of the Bureau records which indicated that on March 30, 1934, additional copies of this composite picture were forwarded to the various field offices but the records do not indicate when the original composite photographs were furnished the field offices.

RECORDED  
&  
INDEXED

7-576-3-172

COPIES DESTROYED

11 MAR 25 1965

July 20, 1937.

In view of the above, the writer is convinced in his own mind that he had this composite group picture with him during the interview with Akers and undoubtedly Akers viewed the photographs of the five men mentioned therein. However, Agent has no definite recollection of exhibiting this photograph to Akers during this particular interview. This group photograph was in the writer's possession for approximately two years and during the year of 1934 investigation was being made at Hot Springs every few days, and undoubtedly Akers viewed this photograph on several occasions. As Agent recalls, he loaned this particular photograph to Akers who had Cecil Brock prepare copies of same for Akers' personnel records. In this connection, Akers kept a private record bureau of his own which contained the photographs of underworld gangsters and which was separate and apart from the identification records of the Hot Springs Police Department. It is not remembered, however, just when this occurred but probably a discreet inquiry of Cecil Brock might disclose that copies of this composite photograph were obtained by him and Akers for their records. It may further be possible to verify the date the writer obtained this group photograph through examination of the records of the Oklahoma City office as it may have been forwarded to Agent at Little Rock by letter from the Oklahoma City office, to which he was attached at that time.

With regard to Akers' having personally seen Karpis in Hot Springs, the writer does not recall that he ever made such a statement, but his knowledge of him would probably have been through photographs. Akers would not have admitted personally knowing Karpis and his gang in the event he had personally met him.

In the event Akers is later interviewed, it is believed that he would admit having photographs of Karpis and other members of the Barker-Karpis mob in his personal identification records, as he has undoubtedly viewed this photograph on numerous occasions in conversations with various Bureau Agents and also in connection with various rewards which have been published for the apprehension of Karpis and also as the result of the identification order which was prepared by the Bureau.

Respectfully,

*L. M. Chipman*  
L. M. Chipman.

Federal Bureau of Investigation

United States Department of Justice  
Post Office Box 1469,  
Little Rock, Arkansas,  
July 3, 1937.

PERSONAL AND CONFIDENTIAL

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

Re: BREKID.

Dear Sir:

By letter dated June 8, 1937, it was requested that Special Agent L. M. Chipman submit a detailed memorandum of his interview with Chief of Detectives Herbert "Dutch" Akers, as reported in the report of former Special Agent H. E. Hollis, Oklahoma City, Oklahoma, dated March 19, 1934.

It is requested that Agent Chipman submit this suggested memorandum at his earliest opportunity, in order that this information will be available in the present harboring investigation being conducted at Hot Springs, Arkansas.

Very truly yours,

*Chapman Fletcher*  
CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS cpw  
7-2

cc - Cincinnati  
Cleveland

RECORDED  
&  
INDEXED

7-576-3-173

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1  
THIS CASE ORIGINATED AT

CINCINNATI OHIO

FILE NO. 7-2 REP: MEN

REPORT MADE AT <b>MEMPHIS</b>	DATE WHEN MADE <b>7-22-37</b>	PERIOD FOR WHICH MADE <b>6-23, 29-37; 7-6, 13, 20, 21-37</b>	REPORT MADE BY <b>R. E. PETERSON</b>
TITLE <b>ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases, I.O. 1232 - FUGITIVE; ANTHONY J. ALBERSBACH, with aliases - FUGITIVE et al., EDWARD GEORGE BREMER - Victim</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.</b>
SYNOPSIS OF FACTS:  <div style="text-align: center;">Greta Swanson, alias Greta Gilstrap, now resides 277 1/2 Madison Avenue, Mem- phis, Tennessee.</div> <div style="text-align: center;">- P -</div>			
REFERENCE: Letter from Little Rock Division dated June 17, 1937 Letter from Little Rock Division dated July 12, 1937			
<div style="display: flex; justify-content: space-between;"> <div>DETAILS</div> <div>AT MEMPHIS TENNESSEE</div> </div> <p>A check of the City Directory and records at the inquiry section of the Post Office reflect that one Frank and Greta Gilstrap reside at 883 Union Avenue, Apartment 11. Through the inquiry section agent obtained the assistance of the carrier who delivers mail to 883 Union Avenue and he later reported that Greta Gilstrap had left that address several months ago and had left no forwarding address.</p> <p>Agent contacted Mr. H. Ratcliff, city carrier delivering mail to 316 Linden Avenue and he advised that he would make inquiries at that address as to Greta Swanson, alias Greta Gilstrap. He later advised agent he had been informed that this woman had recently moved from 316 Linden and had moved to some address on Madison Avenue, just beyond the viaduct.</p>			
APPROVED AND FORWARDED: <i>[Signature]</i>		SPECIAL AGENT IN CHARGE	
COPIES OF THIS REPORT 3 - Bureau 2 - Little Rock 2 - Cincinnati 11 - Cleveland 2 - Memphis		DO NOT WRITE IN THESE SPACES <b>7 576-3-174 JUL 24 1937</b>  <b>JUL 24 A.M.</b> <i>[Initials]</i> <i>[Initials]</i>	

viaduct.

Agent then contacted the letter carrier delivering mail to that section of Madison Avenue and he advised that he remembered delivering mail for Greta Gilstrap to upstairs at 758 Madison Avenue.

Agent made casual inquiries at 758 Madison Avenue and was advised by the maid that Greta Gilstrap, or Greta Swanson was not living there and had not been living there for some time. From a Mrs. Edmundson, an elderly woman living at this address, agent ascertained that Greta Gilstrap was in Memphis at this time. Mrs. Edmundson stated she did not know where the Gilstrap woman was living, but she had talked with her some time the previous day over the telephone.

Agent contacted Captain Boyles of the Vice Squad, Memphis Police Department, and he advised that Greta Gilstrap is unknown to him, but that should he obtain any information as to her location, he would advise agent.

Agent contacted Miss Irene Hughes, madam of a house of prostitution at 116 Vance Avenue, and she advised that Greta Gilstrap is unknown to her. She also made inquiry among the girls at her house, but none of them knew this woman.

Agent then called at 316 Linden Avenue and talked to Mrs. Gladd who lives in apartment 201. She stated that Greta Gilstrap is not living at that address at the present time, but that she had her telephone number which she furnished to agent, this being No. 5-2291. It is noted that this is a new telephone number in Memphis and has been in use only since the revision of the telephone directory on June 28, 1937.

Through the telephone company agent ascertained that this telephone is located at 227 $\frac{1}{2}$  Madison Avenue and the city directory indicates that this is a place where furnished rooms are rented.

As the above investigation indicates undoubtedly that Greta Gilstrap is now residing at 227 $\frac{1}{2}$  Madison Avenue, no further inquiries were made, as the reference letters requested that she not be interviewed and that she not learn of the fact that investigation is being conducted to learn her present whereabouts.

P E N D I N G

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT CINCINNATI, OHIO

FILE NO. 7-82

REPORT MADE AT Chicago, Ill.	DATE WHEN MADE 7/24/37	PERIOD FOR WHICH MADE 7/20/37	REPORT MADE BY V. E. CRISS VEC:LM
TITLE GEORGE TIMINEY; DR. JOSEPH P. MORAN with aliases-FUG.I.O.1232; ANTHONY J. AMERSBACH with aliases-FUG.; ET AL; EDWARD GEORGE BREMER - VICTIM.			CHARACTER OF CASE KIDNAPING; OBSTRUCTION OF JUSTICE; HARBORING OF FUGITIVES; NATIONAL FIREARMS ACT.
<p>SYNOPSIS OF FACTS: Johnson outboard motor believed sold to Vaughan Hardware Company, Hot Springs, Ark., now registered in name of JOSEPH WAKELIN, Chief of Police, Hot Springs, Ark. No record of ANTHONY AMERSBACH and MARGARET MOCZADLO HANSON having obtained marriage license in Cook County, Ill.</p> <p style="text-align: center;">P.</p> <p>REFERENCES: Report of Special Agent S. K. McKee, Cleveland, Ohio, dated 6/3/37; Report of Special Agent H. I. Bobbitt, Milwaukee, Wisconsin, dated 7/15/37.</p> <p>DETAILS: <u>AT WAUKEGAN, ILLINOIS:</u></p> <p>MISS CATHERINE DYER, Information Clerk, Johnson Motor Division, the Outboard Marine and Manufacturing Company, advised after a check of the records that outboard motor, model 300, serial #227-998, was sold to the Vaughan Hardware Company, Hot Springs, Arkansas; that the motor now stands registered in the name of JOSEPH WAKELIN, Chief of Police, City Hall, Hot Springs, Arkansas; that motor model K 50, serial #148900, is registered in the name of JOSEPH WAKELIN, Chief of Police, City Hall; that no record of the sale of this particular motor exists as it is a 1930 model and at that time the records were not kept up to date, although it is believed that the motor was sold to the same hardware</p>			
APPROVED AND FORWARDED: <i>[Signature]</i>		SPECIAL AGENT IN CHARGE	
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Bureau - 3 Little Rock - 2 Cleveland - 2 Cincinnati - 2 Chicago - 2		7 1576-3 175 JUL 26 1937	
COPIES DESTROYED 11 MAR 25 1965		JUL 26 A.M. <i>[Initials]</i>	



company as referred to above, as they are the agents of that particular territory.

AT CHICAGO, ILLINOIS:

A check was made at the Clerk's office of the Probate Court, Cook County, Illinois, and no record could be found of any marriage license having been obtained during the month of May, 1937, for ANTHONY J. AMERSBACH and MARGARET MOCZADLO or MARGARET HANSON.

UNDEVELOPED LEAD:

The LITTLE ROCK DIVISION:

At Hot Springs, Arkansas, will through the Vaughan Hardware Company trace disposition of the Johnson outboard motors set out above.

P E N D I N G.

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1  
THIS CASE ORIGINATED AT

Cincinnati, Ohio

FILE NO. 7-6

REPORT MADE AT <b>El Paso, Texas</b>	DATE WHEN MADE <b>7-22-37</b>	PERIOD FOR WHICH MADE <b>7-17-37</b>	REPORT MADE BY <b>G. H. Franklin</b> <span style="float: right;">nb</span>
TITLE <b>ALVIN KARPIS, with aliases; Dr. Joseph P. Moran with aliases-Fugitive, I.O.1232; et al; EDWARD GEORGE BREMER-Victim</b>			CHARACTER OF CASE <b>KIDNAPING-HARBORING OF FUGITIVES OBSTRUCTION OF JUSTICE-NATIONAL FIREARMS ACT.</b>
<p><b>SYNOPSIS OF FACTS:</b> Mrs. William Clark alias "Dorothy" is now located at San Jose, California and is receiving mail at this place care General Delivery. 30 Day mail cover placed on mail received by Mr. and Mrs. W. L. Ferguson Hobbs, N. M. who are apparently in constant communication with her.</p> <p style="text-align: center;">P.</p> <p><b>Reference:</b> Letter from the Little Rock, Ark. Division Office, dated July 3, 1937.</p> <p><b>Details:</b> Inquires at the Post Office, Hobbs, N. M. revealed that Mrs. William Clark was not receiving any mail at this office, and was unknown to the Post Master and Clerks.</p> <p>Sheriff W. Kerley, Hobbs, N.M. advised that Olin D. Pierce who has operated a furniture store at Hobbs, N. M. for sometime is considered a reliable person and a good citizen of the community, and that he is personally acquainted with him. After Sheriff Kerley and Agent made several discrete inquires among various persons acquainted with the Ferguson and Pierce family and determined that a Mrs. William Clark, alias "Dorothy" was not at the time located in Hobbs, N.M. and was unknown in this vicinity, it was deemed advisable to contact Olin Pierce discretely and endeavor to secure the information desired.</p> <p>Accompanied by Sheriff Kerley, Agent interviewed Mr. Olin Pierce, at his furniture store, Hobbs, N.M. He advised that his wife is a sister to W. L. Ferguson and that Ferguson's wife is a sister to Mrs. William Clark, he stated that for the past several months Ferguson and his wife have been living with he and his wife and that Ferguson has been helping him at the store, driving a truck hauling furniture. Mr. Pierce advised that Mrs. Ferguson has been in constant</p>			
APPROVED AND FORWARDED:  <i>R.H. Collins</i> COPIES OF THIS REPORT		SPECIAL AGENT IN CHARGE	
✓ 3 - Bureau 2 - Little Rock 2 - Cincinnati 2 - Cleveland 2 - El Paso <b>COPIES DESTROYED</b> <b>11 MAR 25 1965</b>		DO NOT WRITE IN THESE SPACES	
		<div style="display: flex; justify-content: space-between;"> <span>7 576-3 176</span> <span>JUL 23 1937</span> </div> <div style="text-align: center; margin-top: 20px;"> <b>JUL 26 P.M.</b>  <b>ONE STAT. SECT.</b>  <b>RH-4WUB</b> </div>	

communication with her sister Mrs. Clark and that she is at present somewhere in California or the Pacific Northwest. Mr. Pierce advised that he could secure some of the letters addressed to Mrs. Ferguson and advise Agent later on that day. Accordingly Pierce was again contacted at which time he advised that Mrs. Ferguson received a letter from Mrs. Clark three weeks ago at which time Mrs. Clark advised that she is living in San Jose, California and receives her mail care of General Delivery.

Mr. Pierce was not aware of the nature of the inquires and was left under the impression that the inquires pertained to an insurance matter.

In view of the fact that Mrs. William Clark is constantly writing to Mrs. Ferguson, and that Mrs. Clark present address is presumably only temporary a 30 day mail cover on all first class mail received by Mr. and Mrs. W. L. Ferguson was placed with Mr. A. L. Langsford, Post Master of Hobbs, N. M. with instructions that all tracings be immediately forwarded to the El Paso Division Office.

UNDEVELOPED LEADS: El Paso Division Office will report all information from mail tracing obtained from mail received by Mr. and Mrs. W. L. Ferguson, Hobbs, N.M. during the 30 day mail cover.

Cincinnati Office, will use its discretion in requesting the San Francisco office to locate, "Dorothy" at San Jose, California on the information contained herein.

PENDING

P. O. Box 306  
Butte, Montana,  
July 21, 1937

7-12.

Special Agent in Charge,  
Little Rock, Arkansas.

RE: BREKID.

Dear Sir:

Reference is made to your letter of July 12, 1937, addressed to the Oklahoma City Division, concerning an investigation of a harboring case in Hot Springs, Arkansas, which has disclosed that Chief of Detectives Herbert "Dutch" Akers, Hot Springs, visited houses where Alvin Karpis resided in Hot Springs during the years 1935 and 1936.

In answer to your inquiry, please be advised that although I often conversed with Akers, former Chief of Police Joseph Wakelin and Lieutenant Cecil Brock at Hot Springs prior to 1935, I have no recollection that any of them ever stated they were personally acquainted with Alvin Karpis. Likewise, I am in no position to definitely state that I ever observed a reward circular on Alvin Karpis and Fred Barker at the Hot Springs City Jail.

Over a period of years I frequently met Akers, and recollect that he often bragged of his acquaintanceship with "big shot" criminals in the United States. Unhappily though, after giving this matter consideration, I am unable to recall that he ever mentioned Alvin Karpis.

Very truly yours,

H. E. ANDERSEN  
Special Agent in Charge

HEA/MRA

cc Bureau  
Cincinnati

RECORDED  
&  
INDEXED

7-576-3-177

AIR MAIL

JUL 24 1937  
U.S. DEPARTMENT OF JUSTICE

Federal Bureau of Investigation

U. S. Department of Justice

1300 Biscayne Building  
Miami, Florida

SKM:rd  
7-24

July 26, 1937

Director  
Federal Bureau of Investigation  
Washington, D. C.

Re: BREKID

Dear Sir:

Reference is made to the report of Special Agent S. K. McKee, Miami, Florida, under date of July 12, 1937, in which the reference is indicated as being a letter from the Salt Lake City Office, dated July 3, 1937.

Please be advised that the correct reference should be a letter from the Little Rock Office, under date of July 3, 1937.

The records of the Bureau and the several offices receiving copies of this letter should be corrected accordingly.

Very truly yours,

*R. L. Shivers*

R. L. SHIVERS  
Special Agent in Charge

CC: Cincinnati  
Cleveland  
Little Rock

RECORDED

7-575-3-178

b

Post Office Box 1469  
Little Rock, Arkansas  
July 24, 1937

18939

Special Agent in Charge  
New Orleans, Louisiana

RE: BREKID

Dear Sir:

In the investigation being conducted at Hot Springs, Arkansas, it has been learned that Grace Goldstein, the former paramour of Alvin Karpis, operated a house of prostitution at 123 Palm Street from May 15, 1935, to about June 28, 1935. It is probable that Grace Goldstein met Alvin Karpis for the first time while she was located at the above address. It is known that Karpis and Fred Hunter lived at 123 Palm Street with Grace Goldstein. It is probable that Hunter was at that time keeping company with Connie Morris. These men were then driving a black 1935 Ford Coupe which carried Kentucky license plates, and they parked this car in the driveway in the rear of the house. Grace Goldstein then owned a green 1935 Chevrolet Coupe. Various Hot Springs Police Officers, including Chief of Police Joseph Makelin, Chief of Detectives Herbert "Dutch" Akers, Captain of Police Archer L. "Arch" Cooper, and Lieutenant Cecil Brock, frequently visited Grace Goldstein's house of prostitution. Akers, Brock and Cooper were the most frequent visitors and they generally used an old Buick Touring car, which was the only car owned at that time by the Hot Springs Police Department. Information has been obtained from Mrs. Harmonia, who operated a rooming house adjoining 123 Palm Street, at 125 Palm Street, that Chief of Detectives Akers made frequent visits to Grace Goldstein's house, particularly on Monday afternoons, and that she saw Grace Goldstein go into the house and get her pocketbook and after Akers left Grace would be heard to complain about paying off \$25.00 per week for protection; that Akers and other police officers would visit at this house during the time that Karpis and Hunter were there, and Akers was seen talking with Karpis in front of the house and there is little doubt but that Akers knew at that time of the true identity of the man he was talking with.

RECORDED  
&  
INDEXED.

7-576-3-179
JUL 24 1937
UNIT OF JUSTICE
ONE

18910

Special Agent in Charge  
New Orleans, Louisiana

July 24, 1937

It has been learned that Mr. and Mrs. W. J. or J. W. Mullins were then occupying a rear apartment at 125 Palm Street, which overlooked the side of Grace Goldstein's house. Mrs. Mullins was particularly interested in the various activities of the persons who lived at 123 Palm Street and she and Mrs. Armenia frequently talked of the negligence or corruption of the Hot Springs Police Department in failing to take adequate steps to abate the nuisance existing next door. Mrs. Mullins had two young sons and was very disturbed at the sights she and her young sons were forced to put up with in the house operated by Grace Goldstein.

Mrs. Mullins is presently residing at 205 Edwards Street, Shreveport, Louisiana. Both Mr. and Mrs. Mullins should be thoroughly interviewed along the lines suggested in this letter and detailed signed statements should be obtained from them.

The investigation requested herein should be given the earliest possible attention, in order that the results will be available to the Agents presently engaged in the harboring investigation at Hot Springs, Arkansas.

Attached are photographs of Alvin Karpis, Fred Hunter, Grace Goldstein and Connie Morris for use in your investigation. These photographs should be returned to the Little Rock Field Division upon the completion of the investigation requested.

Very truly yours,

CHAPMAN FLETCHER  
Special Agent in Charge

DPS:ADM  
7-2

cc Bureau  
Cincinnati  
Cleveland



18941

1448 Standard Building  
Cleveland, Ohio

July 27, 1937

Special Agent in Charge  
Little Rock, Arkansas

Re: BREKID

Dear Sir:

As requested in your letter dated July 16, 1937 there are transmitted copies of reports containing information relative to the sale and purchase of automobiles by members of the Barker-Karpis gang from the Manning-Marino Motor Company, Youngstown, Ohio, and interviews with Clayton Hall:

Report of Special Agent S. E. McKee,  
Cleveland, Ohio, 10/13/36.

Report of Special Agent C. E. Smith,  
Cleveland, Ohio, 6/23/36.

Report of Special Agent R. C. Suran,  
Cleveland, Ohio, 8/29/36.

Report of Special Agent S. E. McKee,  
Cleveland, Ohio, 10/6/36.

Very truly yours,

J. P. MacFARLAND  
Special Agent in Charge

EJD:rh  
Encs.-4  
cc Bureau  
cc Cincinnati

RECORDED

7-576-3-180
FEDERAL BUREAU OF INVESTIGATION
JUL 29 1937
ONE

**FREEDOM OF INFORMATION  
AND  
PRIVACY ACTS**

**SUBJECT: BARKER/KARPIS GANG  
BREMER KIDNAPPING**

**FILE NUMBER: 7-576**

**SECTION : SUB 3 Section 10**



**FEDERAL BUREAU OF INVESTIGATION**

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SUBJECT Barker/Karpis Gang (Bremer Kidnapping)

FILE NUMBER 7-576 Sub 3

SECTION NUMBER 10

SERIALS 181-200

TOTAL PAGES 174

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EXEMPTION(S) USED -

501 Healey Building,  
Atlanta, Georgia,  
July 26, 1937.

REC:G  
7-3

Special Agent in Charge,  
Little Rock, Arkansas.

RE: BREKID

Dear Sir:

Receipt is acknowledged of copy of your letter dated July 12, 1937, addressed to the Oklahoma City Division.

I am unable to definitely recall any specific instance where Chief of Detectives Herbert Akers, Police Department, Hot Springs, Arkansas, former Chief of Police Joseph Wakelin, Lieutenant Cecil Brock or other Hot Springs officers discussed Alvin Karpis and the fact that he was a fugitive from justice. I feel certain in my own mind that Karpis was discussed with Akers at some time at least informally. Although I have given the matter much thought, I can not recall any specific time or place or the circumstances surrounding same. Such a conversation may have taken place in Hot Springs, Arkansas, in the Bureau Office at Little Rock, or in the Federal Building at Kansas City, Missouri, where Akers appeared as a witness in the Kansas City Massacre case.

I personally do not recall having seen the large \$1,200.00 reward circular bearing the photographs of Alvin Karpis and Fred Barker hanging on a door in the Hot Springs City Jail for about a year after the murder of Sheriff Kelly at West Plains, Missouri, in the year 1932. As Phoenix Donald, alias William Weaver came from a point near Mammoth Springs, Arkansas, just South of West Plains, Missouri, and was under investigation by the Little Rock Office to a considerable extent in that vicinity, I am somewhat familiar with the circumstances surrounding that murder but cannot recall the reward circular mentioned.

For your information, Special Agent L. N. Chipman was Resident Agent at Little Rock, Arkansas, for approximately three years prior to the opening of the Little Rock Office in June, 1934. Agent Chipman is

RECORDED  
&  
INDEXED

7-576-3-181	
FEDERAL BUREAU OF INVESTIGATION	U. S. DEPARTMENT OF JUSTICE
JUL 29 1937	
ONE	

well acquainted with Herbert Akers and conferred with him on numerous occasions on official business, both before and after the opening of the Little Rock Office. Agent Chipman, who is now a Supervisor in the Bureau at Washington, D. C., would probably without question be in the best position of any employee of the Bureau to furnish you the information that you desire.

Former Special Agent Nealy E. Marshall, who I understand is now engaged in the practice of law or in the oil business in Wichita, Kansas, also worked in Little Rock, Arkansas, to quite an extent. He had several contacts with Herbert Akers. He may possibly be able to furnish you the desired information.

Former Special Agent Robert Lawrence, who prior to his entrance in the service was a member of the Police Department of Palo Alto, California, and who may have returned to that employment, was assigned exclusively to the Kansas City Massacre case in the Little Rock division for a period of time. His investigations, however, had principally to do with the development of information regarding the whereabouts of Charles "Pretty Boy" Floyd. It is my recollection, however, that he conducted some investigation in Hot Springs, Arkansas. He may possibly be able to furnish you the information you desire.

It is suggested that you carefully review the Kansas City Massacre file and the Bremer kidnaping file at the Little Rock Office. Possibly some memorandum or report may contain information which will bring about a recollection to interested Agents of incidents which would be of value to you in this matter.

Very truly yours,

E. E. CONROY,  
Special Agent in Charge.

cc-Bureau ✓  
Oklahoma City  
Cincinnati  
Cleveland  
Butte

Post Office Box #1469  
Little Rock, Arkansas  
July 27, 1937

Special Agent in Charge  
Cleveland, Ohio

RE: <sup>0</sup> BREKID

Dear Sir:

I am transmitting  
herewith memoranda submitted by Special  
Agents John L. Madala and D. P. Sullivan  
as requested in your letter to the Bureau  
under date of July 16, 1937.

Very truly yours,

CHAPRON FLETCHER,  
Special Agent in Charge.

IN  
7-2

cc Bureau

RECORDED

7-576-3-182	
FEDERAL BUREAU OF INVESTIGATION	
JUL 30 1937	
ONE	FILE





**Federal Bureau of Investigation  
United States Department of Justice**

P. O. Box 1276  
Oklahoma City, Oklahoma  
July 28, 1937

7-36  
CGC

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

Dear Sir:

RE: BREKID

Reference is made to Bureau letter dated July 21, 1937, addressed to the Little Rock Division, and to a memorandum prepared by Special Agent L. M. Chipman, dated July 20, 1937 concerning the details of his interview with Chief of Detectives Herbert Akers, as is recorded in the report of former Special Agent H. E. Hollis, Oklahoma City, Oklahoma, dated March 19, 1934.

With reference to the statement of Special Agent L. M. Chipman in his memorandum to the effect that the group photograph of Volney Davis, Fred Barker, Alvin Karpis and Harry Campbell may have been forwarded to him at Little Rock by letter from this office, please be advised that a search of the files of this office prior to the date of the above-mentioned report does not disclose such a letter or memorandum.

Very truly yours,

*C. W. Stein*  
C. W. STEIN,  
Special Agent in Charge.

cc Little Rock

RECORDED  
&  
INDEXED.

Sub: 7-576-3-184

FEDERAL BUREAU OF INVESTIGATION	
JUL 31 1937 A.M.	
U. S. DEPT. OF JUSTICE	FILE

1300 Biscayne Building  
Miami, Florida  
July 27, 1937

Special Agent in Charge  
Little Rock, Arkansas.

RE: BREKID.

Dear Sir:

Reference is made to your letter of July 16, 1937, in connection with this case, in which request was made that copies of all reports containing results of investigations in the State of Florida as to the various places of residence, and with respect to activities, of Fred Hunter be forwarded to your office for the use of the Agents now engaged in the harboring investigation at Hot Springs, Arkansas.

You are advised that a review of the files in this case covering the period of the first six months of 1936 reflects that the Little Rock Office was furnished with copies of all reports covering investigation concerning Fred Hunter.

Very truly yours,

R. L. Shivers  
Special Agent in Charge.

SKM:C

Cc: Bureau  
Cincinnati.

7-576-3-

RECEIVED  
DIVISION ONE

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

CINCINNATI, OHIO

FILE NO.

7-2

REPORT MADE AT <b>LITTLE ROCK, ARKANSAS</b>	DATE WHEN MADE <b>7-27-37</b>	PERIOD FOR WHICH MADE <b>7/12-18/37</b>	REPORT MADE BY <b>D. P. SULLIVAN</b> <span style="float: right;"><b>ADM</b></span>
TITLE <b>ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases - FUGITIVE, I.O. #1232; ANTHONY J. AMERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - VICTIM.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE;</b>

**SYNOPSIS OF FACTS:**

In signed statement Maudie Clark Brown tells of her association with Karpis, Hunter and Hall while employed at the Hatterie Hotel from January 13, 1936, to March 29, 1936; admits that she and other prostitutes knew Karpis' true identity about a month after she went to work for Grace Goldstein; recalls Connie Morris left the hotel on the morning she got telephone call from her mother. This woman is unable to identify Akers or other Hot Springs Police Officers as visitors to the Hatterie Hotel. Mrs. Ernest B. Dickey and son deny knowing of local police officers visiting the Woodcock home. In signed statement John Stover relates various trips where he flew Karpis, Hunter, Connie Morris, Grace Goldstein and Hall; states Grace Goldstein asked him in latter part of March, 1936, not to disclose her association with Karpis. State Trooper Ed Clarke states he had information of Karpis' presence in Hot Springs early in March, 1936, and states Cecil Brock showed him black dog hair in car of "Dutch" Akers and told Clarke this hair came from dog belonging to Karpis. James Tankersley cannot identify photograph of Karpis or Hunter as young man who chartered his plane for trip from Little Rock, Arkansas, to Corpus Christi, Texas, on January 10, 1936. Neighborhood investigation in vicinity of Hatterie Hotel unproductive. Mrs. Richard T. Galatas denies having any information regarding the harboring of Karpis at Hot Springs, Arkansas.

APPROVED AND FORWARDED: *[Signature]* SPECIAL AGENT IN CHARGE

DO NOT WRITE IN THESE SPACES

**7-576-3-185** **AUG 2 1937**

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 1 Inspector E. J. Connelley  
 3 Little Rock

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REFERENCE:

Report of Special Agent D. P. Sullivan,  
Little Rock, Arkansas, dated July 19, 1937.

DETAILS:

This report covers the investigative activity  
of Special Agents John L. Madala, H. A. Snow,  
B. M. Suttler and the writer in the investigation of the harboring case at  
Hot Springs, Arkansas, from July 12 to July 18, 1937, inclusive.

AT TEXARKANA, ARKANSAS

From the files of the Brekid case it was learned  
that Eva Owens, alias June Davis, and Maudie Clark, alias Jean Pritchard,  
had been contacted during April, 1936, by Special Agent Buchanan through  
a cab driver in Texarkana by the name of Billy Hatch. On July 14, 1937,  
Special Agents J. L. Madala and B. M. Suttler again contacted Billy Hatch  
at the Union Station Taxi Stand in Texarkana, Arkansas. Agents inquired  
of Hatch if the above named girls were still staying in Texarkana. Hatch  
stated he did not think they were at the present time and informed that he  
could find out positively from Fannie Ritter of 724 Fourth Street, a Madam  
of a house of prostitution. Agents proceeded to this address with Hatch  
in his taxi and found Fannie Ritter sitting on her porch. Agents did not  
get out, allowing Hatch to do the talking in order that Madam Ritter  
might not become suspicious and refuse to furnish the desired information.  
Madam Ritter informed Hatch that the last time she heard from June Davis  
she was in Rodessa, Louisiana, at the Rodessa Bar, Phone number 80, and  
that Jean Pritchard was now married and living in Camden, Arkansas, but  
she did not know her correct address or married name. Madam Ritter  
advised Hatch to call back later in the afternoon after one of her girls  
by the name of Jackie returned from Stamps, Arkansas, and that she could  
probably furnish the correct address.

Agents contacted Hatch several times by phone during  
the course of the afternoon and he finally advised Agents to go out and talk  
to Madam Ritter in person, stating that she was all right and would give  
us what information she had. Agents proceeded to Madam Ritter's house  
and talked to her there at length about these two above named girls and  
all other girls who had ever worked for Grace Goldstein. She stated  
that she did not ever know Grace Goldstein personally nor could she recall  
the various prostitutes that worked for Grace. She recalled hearing the  
name of Greta but she was sure she had never seen Greta, nor did she know  
where she could be found at the present time. She stated the last time  
she heard of her she was living in the Tulsa Rooms in Texarkana, Texas.  
(Agents were later informed at the Tulsa Rooms that Greta was living in  
Memphis, Tennessee).

Madam Ritter stated that the girl by the name of Jackie, who is working for her at the present time, is in reality named Grace Walker, and that she lives at Stamps, Arkansas. She stated that she felt sure that this was not the same Jackie that worked for Grace Goldstein as this girl had only been in the "racket" about a year, and that she came to her place direct from Stamps.

Agents waited at Madam Ritter's house until Jackie arrived from Stamps, Arkansas. Jackie stated she had never been to Hot Springs, Arkansas, and had never worked for Grace Goldstein; that she did, however, know both Jean and June, as they were all from the same town; that the last time she heard from June Davis she was working at the Rodessa Bar, Rodessa, Louisiana; that the address of Maudie Clark, alias Jean Pritchard, could be obtained from her mother in Stamps, Arkansas, as her mother, Mrs. Walker, has recently received a letter from Maudie Clark. Jackie was unable to furnish any information about the other prostitutes who worked for Grace Goldstein.

#### AT STAMPS, ARKANSAS

On July 16, 1937, Agents Madala and Suttler proceeded to Stamps, Arkansas, to interview Mrs. Walker, Grace Walker, alias Jackie's, mother. Agent Madala talked to Mrs. Walker and without revealing his identity obtained the correct address and married name of Maudie Clark. Mrs. Walker informed that Maudie Clark was now a Mrs. Omar Brown and resided at number 302 Maple Street in Camden, Arkansas. Agents proceeded from Stamps to Camden, Arkansas.

#### AT CAMDEN, ARKANSAS

MRS. MAUDIE CLARK BROWN, formerly Maudie Clark, alias Jean Pritchard, who was employed in Grace Goldstein's house of prostitution as a prostitute during February and March, 1936, was located at #302 Maple Street, Camden, Arkansas, July 16, 1936. She was taken to the U. S. Post Office Building in Camden, Arkansas, and interviewed at length by Agents J. L. Madala and B. M. Suttler.

Maudie Clark Brown states that she first met Grace Goldstein through a friend of hers by the name of Pat Morris; that Pat Morris called Grace Goldstein long distance from Little Rock, Arkansas, on January 12, 1936, and made arrangements for the two of them to go to the Goldstein woman's house for the purpose of prostitution in Hot Springs, Arkansas. She states that it was at the house of Grace

Goldstein that she first came into contact with a man by the name of Bell (Clayton Hall) and that the second time she saw Clayton Hall he was at the Hatterie Hotel with Alvin Karpis. In a signed statement Maudie states that she saw Alvin Karpis at various times at the Hatterie Hotel, and that within a month after she arrived at the Hatterie Hotel she and most of the other girls there at that time knew who Karpis was from his photograph appearing in a Red Book magazine. The statement is as follows:

I, Maudia Clark Brown, make the following voluntary statement to John L. Madala and Bernard M. Suttler whom I know to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice.

The first time I met Grace Goldstein was on January 13th, 1936. This was in Hot Springs, Arkansas. The way it came about was a friend of mine by the name of Pat Morris who knew Grace; Pat and I were in Little Rock, Arkansas on January 12, 1936; Pat called Grace from Little Rock and told her that we were coming over there the next day, Grace met us at the Bus Station the next morning in her car, she took us to the Hatterie Hotel where we took a room and stayed.

The first time I saw Mr. Bell was about ten days or two weeks after I got to Grace's House, Hatterie Hotel. It might have been not more than five days or a week after my birth day. My birthday was on January 14th, this would have made it about the 19th day of January that I met Mr. Bell. This was at dinner at Grace Goldstein's house that I first met Mr. Bell. The next time I saw Mr. Bell was about three or four nights later when he came up to the Hatterie Hotel. That same night Alvin Karpis came up to the hotel, I was not ever introduced to him, I just knew him as Eddie. Later that night I filled a date with Mr. Bell at the Majestic Hotel. We walked up to the Majestic Hotel and sat around and drank. I spent the night with him, we had breakfast together the next morning, he gave me twenty dollars for filling the date with him. We left the Majestic Hotel after breakfast, went down to the Hatterie Hotel and borrowed Grace Goldstein's car to take a ride in. We brought the car back to the hotel then Mr. Bell disappeared for a few days. The next time I saw him was when he and Karpis came back to the Hatterie Hotel in a new Maroon Buick. Mr. Bell told me that the car belonged to "Eddie". I know now that "Eddie" is Alvin Karpis. I did not know it then. Karpis did not want me to go with Mr. Bell for some reason or other but Mr.



Bell would call me anyway and I would go out and meet him and go to ride with him in Karpis' car. I was living at the Hatterie Hotel at the time Karpis bought this Maroon colored Buick.

I recall that one time Karpis came up to see Grace and Grace was not there so Karpis talked to me for a long time. He told me that I was too young and too good looking to be in this racket and that he would give me enough money to get out, go back to my family or get an education. I did not take him up as I was satisfied then. I feel now that he did this just to keep Mr. Bell from going with me, he wanted me to get away from Grace's place.

I do not recall seeing Karpis and Bell together but one time and that was at the Hatterie Hotel the night that I had a date with Bell and went to the Majestic Hotel. I recall another time Mr. Bell called me from the Barber Shop or a nearby phone and told me to start walking down the Street and he would come by and pick me up. He picked me up in the Maroon colored Buick a little later on and we went to ride. Another time Bell came by the Hatterie Hotel and told me that he would be at the Mountain View Tourist Court. On several occasions I went out to the Mountain View Tourist to see Bell or else I would go to ride with him when I could slip out without any body knowing it.

After Karpis bought this Maroon colored Buick I saw him around the Hatterie very little, sometimes he would come up there once a week, sometimes he would not come up there for more than a week.

I recall that one time me, Opal, Greta, Betty and Pat were in Dr. Coffey's office looking at a magazine. Greta and Pat saw a picture of Karpis in this book. They did not say anything about it to me until we got back to the Hotel then Pat told me to go get a Red Book magazine and she would show me who this fellow Eddie was. I went and got the book and then Pat showed me a picture of Alvin Karpis and I saw that it was the same man that I knew as Eddie.

This was about a month after I had come to live with Grace at the Hatterie Hotel that I saw this picture of Karpis, all of the girls probably knew that Eddie was Karpis but I will not say for sure about this. I know that Greta, Connie, Grace, Pat and I knew it but Pat did not want me to tell anyone as it might get beack to Grace that we knew who he was.

I recall the first time that I saw either Connie or Hunter. They came in together one night. Grace was not in at the time they came



in. They waited for Grace to come in. When Grace came in she was sick and went right to bed. Alvin Karpis came up about an hour later. I knew Hunter as Harold. Thereafter Connie did not live at the hotel for about three days, I thought they were married, she and Harold, they told me they were. I have identified the photograph of Fred Hunter as the man I knew as Harold. I understood when Connie came back to the Hotel to live I figured that Connie and Harold had quit as she started back hustling at the hotel. I recall that this same night I left for Texarkana to manage a house there for Fannie Ritter after she told me over the phone that she wanted me to come down there as Pat was sick and she was afraid to leave the house in charge of one of the other girls. I stayed down in Texarkana for a week and then returned to the Hatterie Hotel.

When I returned from Texarkana Eva Ownes came back with me, Mary had wired us some money to Stamps, Arkansas for us to come to Hot Springs on. Eva got homesick after about ten days or two weeks so she returned to Texarkana. We must have gotten back to the Hatterie Hotel about March 17th. Eva left for Texarkana several days before I did.

When I came back to the Hatterie Hotel Connie and Grace were living at the hotel. Connie was hustling at the time. Connie told me after I got back that she had been to the Doctor and that he told her that she had gonorrhea. I recall one night that we sat up all night and early the next morning Connie asked me to take a hike over the mountain with her. We were gone about an hour. When we got back to the Hotel we found that Connie's Mother had been trying to call her long distance collect. Connie did not have any money so I loande her the money to accept this call from her Mother. After she talked to her Mother she seemed to be worried. She did not tell me what it was all about but she talked to Mary then she went out and came back with Grace. Late that afternoon she and Grace left the Hotel again. I did not see them leave but I knew they were gone. I did not see Connie any more after this. The next time I saw Grace as well as I can recall it seems to me that it was on Saturday morning, March 23. That same night I talked to Pat Morris in Texarkana and the following morning I left for Texarkana. I must have left Hot Springs, Arkansas about eight o'clock on Sunday morning and just as I left Hot Springs on the Highway for Texarkana I saw Grace driving in toward Hot Springs. I recognized her just as we passed, I think she was alone. The last time I saw the dog as I recall it was the day when Connie got the call from her Mother \_ Connie was playing with the dog around the steps.

One time I recall the law tried all day to get hold of Grace. I think this was about ten days or two weeks before I left there. Another time shortly after I came to live with Grace the police called there and arrested a boy friend of mine by the name of Marion Migrothy for drunkenness.

I have read the above statement consisting of six pages and it is correct to the best of my knowledge and belief.

SIGNED Maudie Clark Brown  
Maudie Clark Brown

WITNESSES Bernard M. Suttler

John L. Madala

Special Agents  
Federal Bureau of Investigation  
U. S. Department of Justice.

Maudie Clark Brown further states that she started the practice of prostitution at the age of 14 in a town called Smackover, Arkansas; that she was working there as a waitress selling beer in a place; that she was working with another girl who was much older than she was, and that a man came through there from Port Arthur, Texas; that this man was known as "Frenchy"; that he talked the other girl into going to Port Arthur with him in his car; that after the other girl went to Port Arthur she sent for her to come down there; that she immediately went to Port Arthur and after she arrived there she did not have any money so she started the practice of prostitution. She states that the police finally made her leave Port Arthur and return to her home in Stamps, Arkansas. She states that she did not stay in Stamps, Arkansas, but a very short time when she went to Texarkana, Arkansas. She states she was only 14 years old at this time; that when she got to Texarkana she started "hustling" and stayed at a woman's house by the name of Jessie, who conducted a house of prostitution at 807 Fourth Street, Texarkana, Texas. She states that she practiced prostitution here until she was 17 years old, when she and Pat Morris, another prostitute, went to Little Rock, Arkansas. It was at this time that she and Pat Morris called Grace Goldstein in Hot Springs, Arkansas, and made arrangements to stay at Goldstein's house of prostitution. Maudie states that it was only one day after she arrived at Grace Goldstein's house of prostitution that she turned her 18th birthday, January 14, 1936, and that this is the reason she remembers the exact date that she started hustling

at Goldstein's house.

Maudie Clark Brown was questioned thoroughly about the activities of Chief of Detectives Herbert ~~Akers~~ of the ~~Hot Springs~~ <sup>Ark</sup> Police Department and former Chief of Police Joseph Wakelin during the time she was living at Grace Goldstein's Hatterie Hotel. She denied emphatically on several occasions that she had ever seen either of these men at Grace Goldstein's house as far as she knew. She stated that she did not know Herbert "Dutch" Akers either by reputation or name, nor could she recall the name of former Chief of Police Joe Wakelin.

Maudie further stated that she recalled only two instances when the "law" of Hot Springs, Arkansas, came to Grace Goldstein's Hatterie Hotel; one instance was when a young lawyer of Hot Springs, Arkansas, was at the Hatterie Hotel drunk and knocking out lights, and the other time when a friend of hers by the name of Marion Migrothy got drunk and they had to call the police.

It should be noted here that from Maudie Clark Brown's attitude toward the interviewing Agents, it could be readily determined that she much prefers the company of gangsters, hoodlums and prostitutes than she does law abiding citizens. In this connection she stated that as far as she personally was concerned gangsters were all right; that they were big hearted and would do anything in the world for you; that Karpis had offered her plenty of money to get along on if she would quit the "racket", but that she preferred not to quit. She also stated that Grace Goldstein was the "sweetest woman in the world". She indicated that she was very partial to the underworld type. It was extremely difficult to get any admissions out of her at all relative to Alvin Karpis, Fred Hunter or Grace Goldstein.

Maudie Clark Brown stated that she had been married to Omar D. Brown for about six months; that he was only 22 years of age, and that he was a combination junk dealer and oil well worker. Maudie's husband came by the Post Office to see Maudie while Agents were interviewing her and he used his influence with her to get her to tell the truth. Up until this time she had consistently lied to Agents about her knowledge of what went on at the Hatterie Hotel during her stay there. After her husband talked to her she began a little at a time to tell the truth about her knowledge of Karpis, Hunter, Connie and Grace.

Omar D. Brown was present at the time Agents obtained the signed statement from his wife and he verified things that she stated as being the same as things she had told him about her activities at Grace Goldstein's house at the time she lived there. Her husband stated that he knew all about her before he married her but he did not know about the Karpis angle until after he married her. Omar Brown stated that any time in the future that the Bureau desired to get in touch with him, they could get his address from his employer, C. Soloman, Manager, St. Louis Hide and Fur Company, Camden, Arkansas.

As to her relatives, Maudie Clark Brown stated that her father's name is Artie W. Clark and that he lives at Stamps, Arkansas; that she has a sister by the name of Mrs. Connell Owens at Stamps, Arkansas; that she has another sister by the name of Joe Mae McBeth at Plain Dealer, Louisiana.

Maudie further stated that it would not be worth while for Agents to interview her friend Eva Owens, alias June Davis, as she did not ever come in contact with Karpis and Hunter and only stayed at the Hatterie Hotel for about ten days or two weeks in March, 1936, then got homesick and returned to Texarkana, Texas. She stated that the last time she heard of June Davis she was working at the Rodessa Bar, Rodessa, Louisiana. This was the same information that Agents had previously gotten about June Davis from Madam Ritter in Texarkana. It was also determined that Madam Ritter had called June Davis at number 80, which is the phone number of the Rodessa Bar in Rodessa, and had talked to her, and that at that time she was employed at the Rodessa Bar.

Maudie further states that she does not know where Pat Morris is "exactly" at the present time but that she is living with a gambler and running a night club somewhere below Shreveport, Louisiana, and she thinks that the name of the town is Colfax, Louisiana. There is a town in lower Louisiana by this name.

#### AT KILGORE, TEXAS

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler at Kilgore, Texas, on July 15, 1937:

It will be recalled that Mrs. "Red" Powers informed that Mrs. Ernest Dickey, who formerly lived in the vicinity of the Woodcock residence around the time that Alvin Karpis resided there, told her on

one occasion that she frequently saw "the law" visit the Woodcock home and apparently visit with Karpis and Fred Hunter; that she also heard Karpis and others engage in target practice on many occasions while they were residing there. It has also been reported that Mrs. Dickey's son frequently delivered messages from Roger's Landing to the Woodcock home for Grace Goldstein around this time.

Agents interviewed Ernest B. Dickey, Jr. at the home of his parents in Kilgore, Texas, on July 15, 1937. He advised that his father is presently employed as Head Engineer and Gauger for the Shell Pipe Line Company at Kilgore; that he has held this position for the past eight years. He further stated that his mother moved to Hot Springs, Arkansas, sometime during the latter part of February, 1936, and lived in the vicinity of the Woodcock home until October of 1936; that while his mother was in Hot Springs, he and his father visited her every two weeks on which occasions they would only stay over the week-end. The Dickey boy denied that he ever saw the people who were allegedly living in the Woodcock home during the period in question and also denied that he ever saw an automobile or automobiles drive to or away from this place; that he never delivered any messages to Grace Goldstein or to any other person who might have been living at the Woodcock home; that he very seldom hung around Rogers Brothers Landing, and that he never delivered any messages from there. Young Dickey further advised that on one or two occasions, as he passed the Woodcock home on the highway, he observed a large black dog at the entrance of the driveway, which leads to the place, and that for this reason he always was afraid to go near there; that he frequently went horseback riding with J. V. Ross, Bill Wilson and Cecil Lecroy, and that at no time while on these rides did they wander up to the Woodcock home. He stated that Bill Wilson is the son of Clarence Wilson, who owns and operates the Potash Sulphur Springs outside of Hot Springs, and that the Ross boy lives around Bud Lowe's place in that neighborhood.

Continuing, young Dickey stated that he does not know any of the Hot Springs Police Officers by sight and, therefore, would not know whether any of them visited the Woodcock home while Karpis, et. al., were living there; that he also never saw any police cars drive up the road to the place; that he never heard anybody target practicing, nor does he know whether this was done during the period in question.

It has heretofore been stated that a bird dog was frequently seen in the vicinity of the Woodcock home while Karpis was living there, and when questioned as to this Dickey informed Agents that Clarence Wilson owns three bird dogs, and that in all probability it was one of

his dogs that was seen.

It might be stated that the Dickey boy is 15 years of age and attends high school in Kilgore, Texas. He was frank in his answers and appeared to be telling the truth.

Agents thereafter interviewed Mrs. Ernest B. Dickey, Sr. She advised that she moved to Hot Springs, Arkansas, from Kilgore, Texas, during the last part of February, 1936, and that she lived in the vicinity of the Woodcock home until the latter part of October, 1936; that she did not know that Karpis and his friends lived in her neighborhood until after the raid by the Government on March 30, 1936; that up until that time she was of the impression that the Woodcocks were living in their home and that no one ever indicated to her otherwise. She advised that she never saw anybody go to or from the place while Karpis was supposed to be living there, and also that she never saw any of the cars that they might have been driving; that she did see on one or two occasions a large black dog around the house which frightened her, and for this reason she never went near there. She advised that the view from her home to the Woodcock residence was obstructed by thick trees and, therefore, never saw what went on at the latter place.

Continuing Mrs. Dickey advised that she does not know any of the Hot Springs Police Officers and also does not know whether any of them ever visited the Woodcock home during the time Karpis, et. al. were residing there; that she never saw any police cars or other cars drive to or from there. She emphatically denied that she ever told anyone that she saw police visit the Woodcock home while Karpis was supposed to be living there, and also denied that she possessed any information in this regard; that whoever informed the Bureau of this was lying without a doubt.

Mrs. Dickey further stated that she frequently visited with Grandma Rogers, who is the mother of the Rogers Brothers who operate Rogers Landing on Lake Catherine, and that old lady Rogers told her on one occasion that Karpis used to visit her sons' place on the lake; that Mrs. Rogers lived across the road from her and probably is still there.

She further stated that she never heard anybody do any shooting in the vicinity of the Woodcock home while Karpis was supposed to be living there, nor did she know of any party which might have taken place there during that time; that she lived alone in Hot Springs and very seldom went out; that her son and husband visited her almost every

two weeks while she was in Hot Springs, and she is positive that her son never delivered any messages to the people at the Woodcock home; that if he had he certainly would have told her about it subsequent to the raid on March 30, 1936.

AT CAMDEN, ARKANSAS

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler at Camden, Arkansas, on July 16, 1937:

It will be recalled that information was received that Floyd Bird, a mechanic, formerly employed by Charles Reese at the Market Street Garage and 505 Filling Station, drove the prostitute named Ruth from Grace Goldstein's house on the day that Sheriff Anderson raided 1338 S. Central Avenue. It was learned that he presently resides at 314 N. Adams Street, Camden, Arkansas.

Agents located Floyd Bird at his home, 314 N. Adams Street, where he was interviewed. He advised that he knew that Grace Goldstein was operating a house of prostitution at 1338 Central Avenue during the early part of 1935, but denied that he ever frequented the same. He stated that he was acquainted with Connie Morris and Grace Goldstein from seeing them at the 505 Filling Station, where Grace occasionally had her green Chevrolet Coupe serviced; that he also knew the prostitute named Greta who worked for Grace. He denied that he ever kept company with any of Grace's girls, and also denied knowing the prostitute named Ruth. He likewise denied that he drove anyone away from 1338 S. Central Avenue the morning after it was raided by Sheriff Anderson, which raid he distinctly recalls.

Continuing Mr. Bird advised that he left Reese's employ in Hot Springs upon the advice of the Sheriff at Camden, who told him that he would eventually become involved in trouble if he continued to go along with the bunch at Hot Springs. When Agents asked him what he meant by this statement, Bird advised that the Reese brothers were the "crookedest" pair in Hot Springs; that they formerly operated the Central Garage and that both were especially close to "Dutch" Akers and Joe Wakelin; that they handled most of the tow work for the City of Hot Springs, and that on many occasions when comparatively new stolen automobiles would be recovered by either Akers or Wakelin, they would be brought to the Central Garage, remain there for several days and then mysteriously disappear. Although Bird would not definitely say so, he indicated that Akers or Wakelin would sell these stolen cars.

As a point of interest, Mr. Bird advised that approximately an hour or two after Frank Nash was arrested in Hot Springs, "Dutch" Akers brought Nash's Plymouth Coupe to the Central Garage and let it remain in storage there for many weeks. Bird did not know what ultimately became of the car, but indicated that Akers got rid of it in some way; that he probably sold it for his own gain.

Mr. Bird advised that he knows all of the local police officers and can truthfully say that he never saw any one of them ever visit the address, 1338 S. Central Avenue, while Grace Goldstein lived there. He advised that he never expects to return to Hot Springs, is thoroughly fed up with the Administration there and would gladly cooperate with the Bureau in this investigation if he could be of any assistance.

During previous interviews had with JOHN STOVER, aviator, Hot Springs, Arkansas, by Bureau Agents, Stover has consistently withheld the information that Grace Goldstein took a plane trip from Hot Springs, Arkansas, to Canton, Ohio, and returned from Canton to Hot Springs with Alvin Karpis. John Stover was again interviewed on July 12, 1937, by Special Agents J. L. Madala and B. M. Suttler at the temporary office, 322 Thompson Building.

Stover admitted in a signed statement that he flew Grace Goldstein to Canton, Ohio; that they stayed at Canton that night, January 20, 1936; that Karpis contacted him at the airport upon arrival and made arrangements to fly back with him the following morning; that Karpis and Goldstein met him the next morning and flew back to Hot Springs, Arkansas, on the day of January 21, 1936. His signed statement is as follows:

Hot Springs, Arkansas  
July 11, 1937.

I, John Stover, do hereby make the following signed statement to John L. Madala and B. M. Suttler, whom I know to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice. No threats or promises have been made to me.

I was born at England, Arkansas, on July 31, 1902. I learned to fly at Stuttgart, Arkansas shortly after the World War, and in 1931 I obtained a transport license. I am married and have one child who is eleven years of age. I came to Hot Springs, Arkansas in April, 1931 and have been living here ever since. I also have been manager of the local airport since that time.



I have been shown a photograph of Fred Hunter, and positively identify it as a man I have transported in my plane. I have been shown a photograph of Alvin Karpis, and identify the same as a man I have flown to Youngstown, Ohio and return in January of 1936, the details of which flight I will describe in more detail hereinafter.

I have been shown a photograph of Grace Goldstein, and I can identify her as a girl whom I know as Grace. I can't identify a photograph of Connie Morris alias Ruth Hamm.

The first time I met Fred Hunter was on June 28, 1935. I recall that on this occasion he came to the airport in a taxi-cab and I flew him to Tulsa, Oklahoma. He had called me by telephone the previous night and inquired about the cost of the trip and as to how long it would take me to fly there. My terms apparently were satisfactory to him, as he said he wanted to make a round trip; that he would probably be in Tulsa about an hour and a half.

Fred Hunter and I arrived in Tulsa, Oklahoma around noon of June 28, 1935. No one met him at the airport, and I recall that one of the employees at the hangar called a cab for him. Hunter returned to the airport approximately an hour and a half later. He was by himself and I don't know who brought him to the airport. When we arrived in Hot Springs, Arkansas, he went back to town, and I don't recall whether some one came out there to get him, or whether he took a cab back.

The next time I saw Fred Hunter was on November 10, 1935, when he landed at the airport in a Stinson Plane #NC 12180. There were two other passengers and a pilot with him. On this occasion Hunter asked me if there had been some people at the airport to meet him. I told him that I didn't know, as I had just gotten in from town. I referred him to one of the other boys who at that time were working for me. Their names are Luther Nall and Fred Pegle. Luther Nall is now employed with the C. W. Blackwell Flying Service at Palestine, Texas. I believe that Luther Nall told Hunter that two women had been at the airport the day previous (November 9, 1935) waiting for some one to come in. I don't believe anyone was at the airport on the particular morning that Hunter and his friends arrived.

After Fred Hunter talked with Luther Nall, he came to me and asked that I call a cab. I told him that I had my car at the airport, and that I would drive him into town, if that was agreeable with him. He said that it would be all right.

Shortly thereafter a second man emerged from the plane and got into my car. I recall that Hunter and his friend carried some baggage. On the way into town, Fred Hunter sat on the front seat beside me, and his friend sat in the back. During this trip into town, Hunter said that they had a hard time getting to Hot Springs, and that it took them two days to come down from Ohio. The other fellow did not utter one word on this trip.

When we arrived in town, I let them off at the Como Hotel. Hunter previously told me that he wanted to get off there. Hunter gave me a \$1.00 for taking them into town. I did not see where they went after I let them off. I drove back to the airport by myself. I am unable to identify the man who rode into town with Fred Hunter on this occasion.

Approximately a week afterward, or possibly ten days later, Fred Hunter called me by telephone at the airport and inquired about the rate to San Antonio, Texas. I quoted him the fare, and I recall that he asked, or it might have been that I told him, that two persons could travel for the same fare. He said that he would be ready to leave at 9:00 A.M. the following morning.

The next morning Fred Hunter and a young looking girl came to the airport. They had some baggage with them, and I do not know who drove them out there. We left Hot Springs around 9:00 A.M. and flew to San Antonio, Texas in about five hours. I landed at the Army Auxiliary Field. I recall that Hunter and his girl drove into town in a taxi-cab which either was called or was stationed there. This was the last time I ever saw Fred Hunter or the girl who was with him on this occasion.

On January 13, 1936 either a man or woman called me at the airport and inquired about the cost of a round trip to Youngstown, Ohio. I recall that I told the party that it would be around \$200.00. This party then asked how long it would take me to fly to Youngstown, and I told him I could make it in a day if we left very early. He said he would be ready to leave early the next morning.

I recall that the man whom I have identified as Alvin Karpis was at the airport the next morning before I got out of bed. I do not know who brought him to the airport, but know that he was by himself when I saw him that morning. We left Hot Springs, Arkansas around 7:00 A.M. and arrived in Youngstown, Ohio shortly after dark that same day. I had a

forced landing somewhere in Kentucky, and I recall that I asked Karpis whether I had scared him by making this forced landing. I recall that he said that it didn't, as he had experienced three or four of them before. It seems to me that he said while he was on his way to Arkansas some time previously.

When we arrived in Youngstown, Ohio, the airport manager had some one drive Karpis and my wife and me into town. I forgot to mention above, that my wife accompanied me on this trip to Ohio. When we got into town, the cab driver let my wife and I off at the Todd House. I recall that Karpis said he had other business to attend, or that he had to see some one on business, and that he would get in touch with me at the hotel later to let me know when he would be ready to return to Hot Springs. He indicated to me that he wanted to layover all day of January 15, 1936.

My wife and I registered at the Todd House in Youngstown as Mr. and Mrs. John Stover. On the next day I went to the airport and worked on my plane, and on the following day I recall that I again went to the airport and merely sat around and talked with the employees there. That night, which would be January 17, 1936, I received a call from a man who said his name was Hall. I'm not positive of this name. I recall that he called me from the lobby, and I went down to talk with him. He told me that the gentleman that I brought up from Hot Springs wasn't going back the next morning, and that he would go back in his stead. That was agreeable with me, and we thereupon arranged to leave Youngstown at 7:00 A.M. the next morning. I do not know whether Hall stayed at the Todd House overnight on this occasion, nor do I know how Hall got to the airport the following morning.

My wife and I and Hall left Youngstown, Ohio at about 7:00 A.M. on January 17, 1936, and arrived in Hot Springs the following day at around 11:00 or 12:00 A.M. I recall that either my wife or I drove Hall to the Majestic Hotel. This trip was paid by Alvin Karpis either before we left Hot Springs or after our arrival at Youngstown, Ohio. I recall that he paid \$200.00 for this trip, and that Hall paid me \$20.00 for the day layover at Youngstown, Ohio which was on January 16, 1936.

I recall that on the night of January 19, 1936, I received a telephone call from Hall at the airport. He asked me if I could go to Youngstown, Ohio the next day and pick up the man I had flown there a few days previous. I told him that I could, and that I would leave early the next morning. On the following morning, January 20, 1936, Hall telephoned me again and asked if it would be all right if a lady friend of his went along on the trip to Youngstown. I told him that it would be all right,

and I then decided to take my wife along on this trip. After I told Hall that it would be O.K. for this woman to go along, he then said that I should pick up the man in question at Canton, Ohio instead of Youngstown, Ohio.

Shortly after the above telephone call, Hall drove the girl I have identified as Grace Goldstein to the airport. I recall that they were in a late model Buick Coupe, green in color. I swear that this is the first time I ever saw Grace Goldstein, and I desire to state that when she arrived at the airport on this occasion she endeavored to make me remember her, she stating that she used to come to my airport in 1932 with "Red" and his wife. "Red" was employed at the Como Garage in 1932, and she mentioned this fact to me at this time. After the above statement, I let on to Grace that I remembered her. I also recall that she told me that she used to be a Mrs. \_\_\_\_\_ at the time I was supposed to have first met her. I can't remember now the name mentioned by her.

Grace Goldstein, my wife and I left Hot Springs, Arkansas around 7:00 A.M. on January 20, 1936, and arrived at Canton, Ohio shortly before dark of the same day. I recall that when we arrived at the airport, there were four or five automobiles parked near the office building. Grace went to one of these cars which appeared to be a fairly expensive looking coupe automobile, and which might have been a Cadillac, LaSalle or Packard. I now believe that it might have been a convertible coupe. It seems to me that a man and woman were in the car when Grace walked to it. I caught a glimpse of this man who was sitting in driver's seat, and I am positive that he was not the same man I have identified as Alvin Karpis. It appeared that Grace Goldstein knew these people, as she went direct to their automobile when she got out of the plane.

As I was putting my plane in the hangar, the man I have identified as Alvin Karpis and whom I recognized as being the same man I flew to Youngstown, Ohio on January 14, 1936, came to me and told me that he would be ready to fly back to Hot Springs, Arkansas the following day. I recall that he also asked me about the weather conditions, and we arranged to leave for Hot Springs the next morning at around 6:00 A.M. The manager of the airport drove my wife and me to one of the hotels in town.

The next morning my wife and I took a cab to the airport and arrived there sometime before daylight. No one was at the airport as yet, and I recall that we went to a restaurant around the corner and had some coffee. Shortly afterwards the manager of the airport told me that my passengers had been to the airport, but returned to town to get something

to eat and would be back in a few minutes. While I was warming up my motor in the old hangar, Karpis and Grace Goldstein came to the plane, he carrying a small bag. I do not know how they arrived at the airport.

The four of us, meaning Alvin Karpis, Grace Goldstein, my wife and I, left Canton, Ohio at about 7:00 A.M. and had a forced landing near Benton, Ark. around 6:30 or 7:00 P.M. Thereafter some man drove us to Hot Springs, Arkansas in his car, arriving there around 11:00 P.M. on January 21, 1936. I recall that Alvin Karpis paid me \$200.00 for this trip. This man from Benton, Arkansas drove us to the airport, and I then drove Alvin Karpis and Grace Goldstein into town. I recall that I let Grace off at the Hatterie Hotel, and Alvin Karpis off at the Majestic Hotel. I remember seeing Karpis talk with the colored porter at the hotel just as I was driving away from there. This was the last time that I saw Alvin Karpis.

On or about March 17, 1936, two men who identified themselves at Post Office Inspectors came to the airport and advised that they were checking on a Stinson plane that was supposed to have landed in Hot Springs the previous November. I told them that I recalled of such a plane landing at the airport around the first of November. They showed me numerous photographs, and I identified the one of Fred Hunter. I recall that the inspectors then told me that Alvin Karpis was the man whom I drove to town with Fred Hunter on the occasion in question. I asked to be shown a photograph of Karpis, and I recall that they told me that they didn't have one of him; also that they weren't looking for him, but that the Department of Justice was; that he was supposed to be Public Enemy No. 1.

A few days later an agent from the Department of Justice talked with me regarding the same as what the Post Office Inspectors talked to me about. I recall that this agent showed me a picture of Alvin Karpis which I couldn't identify at the time. I wish to state that at that time I did not associate the man I flew to Youngstown, Ohio on January 14, 1936 with Fred Hunter, or with the man I drove from the airport to the Como Hotel on November 10, 1935, as stated in the first part of this statement.

A few days after the Department of Justice agent talked with me, which I was told was on March 22, 1936, my wife met Grace Goldstein in the Sears Roebuck store in Hot Springs, Arkansas. She asked my wife not to tell anybody about the trip she made to Canton, Ohio in January,

1936. My wife told her to see me about it. Either that same night or the following night, I recall that Grace Goldstein came to my house at the airport in her Buick Coupe. She was alone, and I recall that my brother-in-law, "Skeet" Posey, and his wife were at the house playing "Rook" with my wife and me. I talked with her for a few minutes on this visit, and she said that she didn't want me to mention to anybody about the trip she made to Ohio; that she wouldn't have gone hadn't this friend of hers insisted that she make the trip. She also stated at this time that she was running a rooming house in Hot Springs, and couldn't afford to become involved in this matter; that there was some mix-up over this trip, and she didn't want it to become known. I told her that I wouldn't say anything about it, and with that she left my house. I did not tell her that some government men had talked to me prior to her visit there, nor did she ask me if anybody had talked with me about her or about Karpis. I am positive that she did not mention Karpis' name to me.

A few days after this visit by Grace Goldstein a couple more government men came to the airport and talked with me about Hunter and Karpis, and all about the various trips I made out-of-town. I recall that they questioned me about the trip I made to Youngstown, Ohio on January 14, 1936, and further recall that I partially identified the photograph of Karpis that was shown to me as the man I flew in my plane on this trip. I did not tell these men of Grace Goldstein's visit to my house, nor did I mention this to the two agents who questioned me in Little Rock, Arkansas shortly after the raid on March 30, 1936.

To the best of my recollection Grace Goldstein came to my house sometime between Agent Damron's interview with me on March 22, 1936 and the interview with me by the two government men, who probably were Post Office Inspectors, which took place shortly before the raid on March 30, 1936.

I have read the foregoing statement which consists of five typewritten pages, and I swear that the same is true to the best of my knowledge and recollection.

(Signed) John Stover

Witnesses:

John L. Madala  
B. M. Suttler

Special Agents,  
Federal Bureau of Investigation,  
500 Rector Building,  
Little Rock, Arkansas.

Stover was closely questioned as to why he has consistently refused to inform Agents of this Bureau about flying Grace Goldstein to Canton, Ohio. Stover stated that the reason he did not was because Grace Goldstein called on him sometime in March, 1936, after Post Office Inspectors had talked with him about Karpis and Hunter, and asked him not to ever tell anyone about her taking that trip to Canton; that she was afraid she might become involved and if she did it would hurt her business; that she had a rooming house in town and she did not want to get into anything that might hurt her business; that she did not realize when she made the trip that any such thing would happen; that she now realized that she had been mixed up with gangsters much to her surprise; that the only reason she took the trip was at the insistence of a friend of hers in Hot Springs (Clayton Hall); that the trip was purely a pleasure trip as far as she was concerned. Goldstein further informed Stover, according to Stover, that the Post Office Inspectors had been to her house hounding her and that she was afraid of the consequences if it became known she made this trip to Ohio. Stover further stated that he recalls the night that Grace Goldstein came to his house very well, inasmuch as his wife's sister and her husband were at his house playing "rook" when Grace called. Grace asked him to come out on the porch and there she related the above set out information. Stover also stated that either that same day or the next day Grace Goldstein met his wife downtown in the Sears-Roebuck Department Store and told her the same thing she told Stover, and his wife told Grace to tell Stover, not her. Stover informed that Mrs. Stover told him about this but he could not recall whether this was before Grace called on him personally or after her visit to his house.

Agents continually asked Stover why he chose to cover up Grace Goldstein's trip to Ohio even after he realized that it was Alvin Karpis she had flown back with and that he was so badly wanted at that time. Stover informed that he believed Grace Goldstein's story about running a rooming house and that he thought she was a "very nice lady", and after he had lied about it once to Agents he was afraid later to tell the truth, as he was afraid of the consequences at the hands of the Bureau. Stover stuck to this statement throughout the interview that he was afraid to tell the truth after he had lied. Agents questioned him time after time as to whether or not he had been warned against telling the truth by any Hot Springs official, by Alvin Karpis, Fred Hunter, Grace Goldstein or anyone else. Stover denied that he had ever discussed this case with any Hot Springs Police Officer, including Herbert "Dutch" Akers, Chief of Detectives, and Joseph Wakelin, former Police Chief. Stover denied ever having sought the advice of anyone as to whether or not he should tell the truth about the whole affair. He stated that this was his own personal



decision and that the only reason he did it was to protect Grace Goldstein after he had promised her he would, thinking that she was a "nice lady".

Stover was very uncertain as to the dates of any of his trips. He stated his log books were not always accurate as he sometime waited several months before making entries in them and then these entries were made from pocket memorandums. He recalled that on the night he brought Clayton Hall from Youngstown, Ohio, to Hot Springs, Arkansas, he made a forced landing in Paducah, Kentucky, and due to the weather was forced to stay overnight there; that after he, his wife and Hall had checked into the hotel, Hall brought a small portable radio to their room and they all listened to a heavyweight fight; that he is positive that one of the heavyweight contenders was the negro, Joe Louis; that Agents can check this and ascertain the exact date of this trip. Stover thinks that this date was January 17 or 18, 1936.

Stover mentioned the fact that he was never in San Antonio, Texas, but twice in his life, the first time was when he flew Fred Hunter there and the second time was on March 17, 1936, when he flew a Dr. Wright and Marshall Purvis, Attorney, both of Hot Springs, Arkansas. This is worthy of mention inasmuch as it was Marshall Purvis who first informed Special Agent Damron that Alvin Karpis was living in and around Hot Springs, Arkansas. Stover was asked whether or not he discussed with Purvis on this trip the visit he had received from the Post Office Inspectors. Stover was very uncertain about this, but finally stated that the more he thought about it the more convinced he was that he had discussed the case with Purvis on this trip. Marshall Purvis is not available for interview at this time as he is on a vacation in New York; he will be contacted and interviewed upon his return to Hot Springs, Arkansas. Doctor Wright will be interviewed at a later date.

"Skeet" Posey, brother-in-law by marriage to John Stover, will be interviewed at a later date, as he was present at the home of John Stover on the night of the supposed trip there by Grace Goldstein. He is at present employed at Wheatley Garage.

Stover further stated that a pilot by the name of James Tankersly, who is at present employed at the Little Rock Municipal Airport, related to one Joe Young that he, Tankersly, had flown a suspicious person to Corpus Christi, Texas, sometime in March, 1936. Stover states that he connected this incident up with either Karpis or Hunter, as it happened at about the same time he was hauling these gangsters around. Stover stated that Joe Young informed him of this incident and



that the last he heard of Young was that he was employed by Bradford Airlines in St. Louis, Missouri. Joe Young was former Field Manager for the Little Rock Airport.

Agents exhibited to Stover a photograph of Joe Rich in an effort to have him identify same as the man who drove Karpis away from the airport at Canton, Ohio, on January 20, 1936. Stover could not make positive identification but stated that the man he saw behind the wheel had a full face similar to the face of Joe Rich, and that he would judge this man to be about five feet, six inches tall and weighs 170 pounds. It might be stated that it is known that Joe Rich owns a convertible LaSalle Coupe similar to the one described by John Stover in his signed statement. It is also known that Joe Rich was a contact for Karpis at Canton, Ohio; this information previously has been furnished to the Bureau by Clayton Hall. Information has been received that Joe Rich assisted Alvin Karpis, Fred Hunter and Harry Campbell in the Warren Ohio mail truck robbery on April 25, 1935. It is also known that Edna Haney is the paramour of Joe Rich and it is probable that she was at the airport with Rich at the time they drove Karpis and Grace Goldstein into town from the airport on January 20, 1936. Edna Haney operates a house of prostitution at Canton, Ohio.

The following investigation was made by Special Agents Sullivan and Snow at Little Rock, Arkansas, on July 15, 1937.

Superintendent Gray Albright, in charge of the Arkansas State Police with headquarters located in the old State Penitentiary Building, was interviewed relative to any information he might have concerning reports that Karpis was in Hot Springs prior to the time when Bureau Agents raided the Woodcock home there. Superintendent Albright stated that he did not receive any direct information to the effect that Karpis was in Hot Springs, Arkansas, during 1935 and part of 1936, but that he recalls that one of his officers who was stationed at that city, Sergeant Edward Clark, had received some reports to that effect while he was there, and that Sergeant Clark had attempted to locate more definite information concerning Karpis, but that he had never been able to actually locate the whereabouts of Karpis at Hot Springs. It was Superintendent Albright's recollection that a man named Tillery, who was employed as a horse trainer for the Blackwell Stables during the racing meet held at Hot Springs, Arkansas, during the year 1936 (February - March) had acted as Sergeant Clark's informant in that connection. Superintendent Albright

advised that Clark would presently be located through the Chief of Police, North Little Rock, Arkansas, Police Department, where he is stationed. Contact was had telephonically with Sergeant Clark and an interview arranged.

Upon being interviewed by the above named Agents at the North Little Rock Police Department, Sergeant Edward Clark stated that for a period of several years he was assigned to duty in and out of Hot Springs, Arkansas, with the Arkansas State Rangers, as his organization was then known, and that he had developed a number of informants in that city; that during the time he was stationed at Hot Springs he was well acquainted with Chief of Detectives Herbert (Dutch) Akers, and considered Akers as much of a "crook" as any criminal; that he had practically the same opinion of former Chief of Police Joseph Wakelin of the Hot Springs Police Department, although he considered Akers to be the "smarter" of the two; that either of these men would do anything for money, including taking money from wanted criminals to allow them to remain there without molestation.

Clark stated that he received information from an informant, whom he preferred not to name at present, but stated that he was employed as a horse trainer during the racing season at Hot Springs held in 1936, from the latter part of February through March of that year, to the effect that he had seen Karpis at Hot Springs about that time; that he, Clark, had then made arrangements with his informant to cover the races in the event Karpis attended any of the races, in order that he might pick him up should he do so; that, however, Karpis did not appear at any of the races as far as he or his informant was able to ascertain. Clark stated that he is positive in his own mind that both Chief of Detectives Herbert Akers and former Chief of Police Joseph Wakelin were aware of the fact that Karpis was in and about Hot Springs during this time and knew where he was staying. He stated as an example thereof the fact that on one occasion about this time, which was some weeks prior to the raid on the Woodcock house by Bureau Agents that he had been shown numerous dog hairs, black in color, adhering to the upholstery of Chief of Detectives Akers' automobile, and that former Lieutenant Cecil Brock, in showing him the black dog hair, had stated that it came from a dog owned by Karpis, which dog Akers had been transporting in his own automobile. It was Clark's recollection that the automobile operated by Akers at this time was a Chevrolet Coach.

Clark stated further that the original information which came into possession of his informant came from a well known crook and confidence man named Ralph, or Roy Pomeroy, with whom he is personally

acquainted and whom he believes now resides at Jackson, Mississippi, with his wife, if he is not serving time at some other place. Pomeroy came through North Little Rock, Arkansas, a few months ago, at which time he came by to see Clark. The following description of Pomeroy was given by Clark:

NAME	RALPH (or Roy) POMEROY
Height	6' 2"
Weight	200
Hair	Brown
Complexion	Ruddy
Build	Tall, well built
Residence	Believed Jackson, Mississippi
Criminal record	Served time in Oklahoma State Penitentiary for murder. Arrested by Hot Springs, Arkansas, Police Department for investigation in March, 1936.

A letter will be directed from the Little Rock Office to the Jackson, Mississippi, Office requesting that an effort be made to locate Pomeroy for the purpose of interviewing him relative to his information concerning Karpis being at Hot Springs, Arkansas, during February and March of 1936. Should it be ascertained that Pomeroy is unknown at Jackson, Mississippi, the Bureau will then be requested to furnish the Little Rock Office with the complete criminal record of this man in order that leads may be set forth for the purpose of locating him.

On the date of Agents' interview with Clark, he stated that he was leaving on the following day for Chicago, Illinois, on a "good-will" tour for the Arkansas State Police. While in Chicago, Clark stated that he would endeavor to contact his informant previously referred to, and who may possibly be in Chicago at present if the racing season there is still in progress, because his informant no doubt will be present at any racing meet there. If Clark is successful in locating his informant at Chicago, he will notify the Chicago Office, in order that an Agent of the Bureau may interview him. He stated that he may have some difficulty in securing the permission of his informant to be interviewed, due to his natural reticence in giving information to law enforcement officers, but that he will endeavor to arrange the interview. Clark stated that upon his return from Chicago he will notify the Little Rock Bureau Office, and that he may be able to secure permission from the Superintendent of the Arkansas State Police to spend a few days at Hot Springs, in which event he will

contact Agents there and supply any additional information which he might be able to secure from informants at Hot Springs relative to instant investigation. Clark further indicated that he has information which would implicate Chief of Detectives Akers in a case involving a violation of the National Automobile Theft Act. A letter was directed by the Little Rock Office to the Chicago Office advising that office of the contemplated visit of Clark to Chicago and the possibility that Clark's informant may be located in that city.

As a general source of information at Hot Springs, Arkansas, Clark suggested that Agents contact Mr. "Dick" Davis, whom Clark stated was formerly employed as an officer of the State Revenue Department and who now is located in some Federal Farm Bureau at the Garland County Court House in Hot Springs.

On July 15, 1937, Special Agents Sullivan and Snow interviewed Mr. James Tankersley, Municipal Airport, Little Rock, Arkansas, with reference to his having flown a suspicious person from Little Rock, Arkansas, to Corpus Christi, Texas, in about March of 1936. Mr. Tankersley maintains his personally owned airplane at the Municipal Airport, Little Rock, and operates it for hire on cross-country flights and also local sightseeing flights. He is not connected officially with the American Airlines, which has a terminal and office at the Municipal Airport, but he stated that he often receives customers from this company who are referred to him when a private plane is needed for charter.

Tankersley stated that after the newspaper publicity appeared concerning the arrest of Alvin Karpis and his companion at New Orleans in May, 1936, and the reported fact that Karpis had lived at Hot Springs, Arkansas, and was also reported to have been in Corpus Christi, Texas, he recalled that on one occasion early in the year of 1936 he had contracted to fly a party from Little Rock, Arkansas, to Corpus Christi, Texas, who might have been Karpis or one of his associates. He stated that on that date he received a telephone call at his home during the morning from an employee of the American Airline office, "Buddy" Culpepper, at the Little Rock Municipal Airport, and that he was advised by Culpepper that a man was at the airport who wished to be flown to Corpus Christi, Texas. By referring to his log book, Tankersley stated that this man gave his name as L. R. Cole, and that the date of the flight was January 10, 1936. When he arrived at the Airport Tankersley advised that the man was waiting there alone and he did not see any automobile or other parties who might have been with Cole; that Cole told him he wished to be flown to Corpus Christi, Texas, as fast as possible, and that Cole expressed considerable dissatisfaction over the fact that his (Tankersley's) plane only had a cruising speed of about 100 miles per hour; that, however, he entered into an agreement to fly Cole to Corpus Christi, Texas, on that day for the price of \$160.00,

which Tankersley stated was the usual charge made by him for flying a passenger that distance, and that his charge was made by figuring the distance at his rate of twenty-five cents per mile. Tankersley stated that he left the Little Rock Airport with Cole at about 10:00 A. M. on that date, January 10, 1936, and that his plane was known as a J - 5 Stinson, which bore Department of Commerce license numbers NC 8467. They arrived at Shreveport, Louisiana, airport about noon, where a short stop was made for gasoline, and they reached Houston, Texas, at about 3:35 or 4:00 P. M. While at Houston, Texas, Tankersley stated that he again purchased gasoline for his plane, and that he used his Texas Oil Company courtesy card in so doing; that they remained at Houston for approximately thirty minutes, during which time he and Cole had something to eat at a restaurant to which they were directed by the manager of the airport, who also loaned them his model "A" Ford Coupe to drive to the restaurant; that this airport at Houston was not the leading airport there, as he learned after landing, but was known as the "Main Street Airport" and seemed to be little used. After leaving the Main Street Airport at Houston, Tankersley stated that it was growing dark and that he wished to stop and spend the night somewhere, but that Cole insisted upon keeping on and requested him to fly at night if necessary, in order to reach Corpus Christi as he was in a hurry to reach that place; that, however, a fog bank caused them to come down just after dark at a little town named Greta, Texas, which is located about ten miles from the town of Refugio, Texas, and that he landed at Greta because he noticed a light there from the burning gas wells; that after landing a cowboy came to meet them in a Model "A" Ford and took them to the ranch house nearby where several men were sitting and drinking after having been bird hunting; that he and Cole remained at the ranch house for a while, but that Cole did not say much to any of the men there and appeared nervous and anxious to get to Corpus Christi that night. Cole and Tankersley were then taken to the nearest town of any size, Refugio, Texas, by the same cowboy in his Model "A" Ford, where he, Tankersley, left Cole, who was to proceed to Corpus Christi as best as he could. While at Refugio, Texas, Tankersley stated that he and Cole had some beer and sandwiches, and that Cole purchased the cowboy who had brought them there a box of cigars. Due to the fact that Cole had not been flown directly into Corpus Christi, Tankersley stated that he reduced the price of the trip from \$160.00 to \$150.00, which was the amount paid him by Cole. This was the only and last time that Tankersley saw Cole.

From a group of photographs of the Karpis-Barker mob exhibited to him by Agents, Tankersley selected the photographs of Alvin Karpis and John Brock as most nearly fitting the description of Cole as he recalled him. He stated that the side view of Karpis seemed to resemble the profile of Cole, but that the direct view of John Brock also resembled that man. Tankersley stated that Cole had on an overcoat when he first met him at the Little Rock Airport. This man did not take off the coat to his suit while

flying in the plane, although Tankersley stated that it became very warm in the cabin due to the heaters, and that he, Tankersley, soon took off his coat. He also noticed a large bulge under one arm of Cole and thought at the time that it must have been a pistol concealed there. He stated also that during the entire time of the trip Cole did not say much and did not give him any reason for his apparent haste in reaching Corpus Christi. He did not recall any occasion during stops made on the trip when Cole was out of his sight and stated that Cole did not send or receive any telegrams, nor did he make any telephone calls to his knowledge.

Tankersley stated that "Buddy" Culpepper, American Airline employee, who called him at his home and advised him of the passenger, Cole, who wished to be flown to Corpus Christi, is now employed as Dispatcher at the Municipal Airport at Memphis, Tennessee, and that Culpepper may have some information as to how Cole arrived at the Little Rock Airport on the morning of January 10, 1936, and may also be able to make a positive identification of Cole from photographs. This lead and others appearing in the body of this report concerning the various places where Cole and Tankersley stopped during the trip will be covered by letters from the Little Rock Office in an effort to have Cole positively identified as being Karpis or one of his associates.

Tankersley supplied the following description of the man flown by him on the above described trip from Little Rock, Arkansas, until they were forced down at Greta, Texas, on January 10, 1936.

NAME	L. R. COLE
Age	About 32 - 36.
Build	Medium
Height	Medium
Hair	Believed brown
Eyeglasses	None
Wearing apparel	Dark blue overcoat with blue pine stripe suit.
Peculiarities	Believed to be left-handed.
Speech	Soft-spoken, pleasant.
Luggage	One suitcase, good quality, airplane type.

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler at Hot Springs, Arkansas, on July 13, 1937:

On March 10, 1936, Richard T. Galatas, who received a two year sentence in connection with the Kansas City Massacre Case, contacted Special Agent in Charge Harold E. Anderson at Phoenix, Arizona, and advised that he was in a position to "finger" William Elmer Mead for the Bureau, and that he thought that Mead and Alvin Karpis were in contact with each other. He advised that he was not personally acquainted with Karpis but had every reason to believe that Karpis and Mead were together. Inasmuch as Galatas had numerous local connections and since it has since been definitely determined that Karpis was in Hot Springs, Arkansas, around this period, it was thought that Galatas actually knew that Karpis was in town. Also, in view of the close association between Galatas and "Dutch" Akers, it was thought probable that if Galatas had information concerning Karpis, he would have provided this information or would have received it from "Dutch" Akers.

Investigation around Hot Springs developed that Mrs. Richard T. Galatas is presently residing at 19 Dell Street, Hot Springs, and that she is violently opposed to the local administration; also, that she was of considerable assistance to the Legislative Committee when they investigated the general lawless conditions in Hot Springs during the early part of this year.

On July 13, 1937, Agents located and interviewed Mrs. Richard T. Galatas at her home, 19 Dell Street. She advised that her husband left Hot Springs for the Leavenworth Penitentiary on March 28, 1936, and that he expects to be discharged from prison around October of this year. She stated she has been living in Hot Springs ever since the trial in Kansas City, Missouri, in January of 1935; that her husband also lived in Hot Springs during this period, that is up until he went to Leavenworth, Kansas.

Mrs. Galatas definitely advised that she is not acquainted with Alvin Karpis; that she never met him and did not know that he was in Hot Springs until she read about the Bureau raid on the Woodcock home on March 30, 1936. She further indicated that she does not believe that her husband knew that Karpis was in Hot Springs around this time, advising that if he had known, he certainly would have told her of this fact; that after her husband was sentenced to two years at Kansas City, Missouri, he and she came to Hot Springs and he did not engage in any kind of work, nor did he associate very much with his previous associates; that for this reason he would have had no way of knowing that Karpis was actually in town. She stated that both she and her husband are very much opposed to the present administration of Hot Springs, as her husband feels that he had been double-crossed by them. In this connection she advised that Galatas went to Mayor Leo P. McLaughlin shortly after her husband's trial in Kansas City and attempted to obtain a concession from the Mayor to operate a handbook in Hot Springs while



he was awaiting word on the appeal of his case; that the Mayor refused her husband to operate a handbook, stating that he was too "hot" to operate illegally in Hot Springs. Mrs. Galatas indicated that since that time neither she nor her husband would have anything more to do with McLaughlin.

Mrs. Galatas was interviewed at great length concerning Alvin Karpis, but she persistently denied knowing anything about him or about his stay in Hot Springs. She advised that she would be more than glad to cooperate with the Bureau if she knew anything, as she has no use for "Dutch" Akers or any of that crowd. She stated that she talked with Akers on several occasions since her husband went to Leavenworth and that he never indicated to her anything about Karpis. Mrs. Galatas was asked point blank whether she thought that Akers positively knew that Karpis was in Hot Springs from May, 1935, to March, 1936, and she advised, knowing Akers as she does, that there isn't any doubt in her mind but that he did know. In this connection she advised that Akers is one of the shrewdest police officers in the country, and that very few people, especially gangsters, come to Hot Springs without him knowing or hearing about it; that he very carefully scans strange faces, and that if they appear the least suspicious he checks up on them. She advised that Akers and Mayor McLaughlin are extremely close friends and that what one knows the other knows too.

Mrs. Galatas was furnished with the address of the Bureau's temporary office in Hot Springs, and she promised to contact Agents should she come into possession of any information relative to this investigation.

The following investigation was conducted by Special Agents D. P. Sullivan and H. A. Snow at Little Rock, Arkansas, on July 16, 1937:

The report of Special Agent B. L. Damron, Little Rock, Arkansas, dated April 19, 1936, contains on page 20 an interview with J. F. Cherry, a salesman for the Little Rock Buick Motor Company, bearing on his purchase of a set of license plates presumably for the maroon Buick Sedan of Alvin Karpis at the request of Raymond Clinton, salesman for the Creason Buick Motor Company at Hot Springs, Arkansas. Mr. Cherry was interviewed by Agents and he reiterated the information contained in the report above referred to and could add little to it. He stated that Clinton called him on the telephone and stated that he was going to pick up a Buick Sedan at Memphis, Tennessee, and gave Cherry the motor and other identifying data of the car and asked Cherry to purchase a set of Arkansas license plates



for the car as he, Clinton, might not return to Little Rock in time to obtain license plates that day. Cherry recalls that Clinton told him to get the plates in the name of Bell, who Clinton made him believe was from Texarkana. Cherry cannot recall what address he gave for Bell when he purchased the license plates; that it is possible that he gave the Marion Hotel or some other local Little Rock, Arkansas, address, in order that his local Buick Agency would get credit for a sale in the R. L. Polk Agency which obtains the information of car sales not from the actual sellers but from the town where the car is first registered.

Cherry stated that it is not unusual for Clinton to request him to purchase license plates for prospective purchasers of cars, and Clinton frequently does this when he has to obtain the car from Memphis, Tennessee, and on such occasions he calls Cherry and asks that Cherry obtain the plates when he passes through Little Rock, in order that the plates will be available and he can pick them up on his return trip from Memphis. Cherry stated that he frequently gives the Marion Hotel or some local hotel as an address, in order that his agency will get credit for the sale in the Polk records; that this practice is generally known to the local and state police and nothing is thought about it; that the police will go direct to the car agency in case they want information concerning a particular purchaser.

Cherry stated that Grace Goldstein left her car at the Buick Service Agency at different times in the past year or more. He was shown photographs of members of the Karpis-Barker gang but he was only able to recognize the photograph of Grace Goldstein and he could not remember ever seeing a man with Grace Goldstein. The records of the Service Department of this agency were searched but no record could be found of a visit of Grace Goldstein to this place with her car prior to October 13, 1936. The records failed to show any services rendered to her Buick Coupe from December 1, 1935, to May 1, 1936, during the time that she was associating with Karpis.

The following investigation was conducted by Special Agents D. P. Sullivan and H. A. Snow on July 14, 1937.

The file in instant case and in the Kammo case reflects that "Dutch" Akers was acquainted with Alvin Karpis prior to the year of 1935. These cases also indicated that Verne Miller, Herbert Farmer, Francis Keating, Thomas Holden and Frank Nash associated with Richard T. Galatas and probably with Chief of Detectives Akers in Hot Springs, Arkansas, during the year 1932. The file shows that some or all of these persons resided at or frequented the Cameron Apartments during the Spring of 1932. If Karpis visited Hot Springs prior to 1935, it is probable that he was in the company of the above individuals and probably met Chief of Detectives

Akers through someone or more of them. For this purpose of showing that Akers was, in fact, personally acquainted with Karpis prior to 1935, Agents interviewed Mrs. M. E. Leary, who has been Manager of the Cameron Apartments for the past eleven years. Available photographs of Herbert Farmer, Verne Miller, Tommie Holden, Fred and Doc Barker were shown to Mrs. Leary, but she was unable to recognize them as any persons who had ever resided at the Cameron Apartments. She was unable to identify the photograph of Alvin Karpis. She stated that she was acquainted by sight with Chief of Detectives Herbert Akers and Richard T. Galatas but could not associate them with any of the above persons. She did state that there have been various persons who have lived at the Cameron Apartments who were visited by Galatas before he was incarcerated, but she cannot identify such persons with the photographs shown to her. Mrs. Leary stated that Mr. Cameron, the Manager of the Park Hotel, owns the Cameron Hotel and is acquainted with some of the former tenants at the Cameron Apartments; that some of the original records of this apartment are kept at the Park Hotel.

On July 14, 1937, Special Agents Sullivan and Snow interviewed Mrs. "Billie" Maurice at her present residence, the Como Hotel, Hot Springs, Arkansas, with reference to any information which she might have concerning members of the Barker-Karpis mob having stayed at the Maurice Apartments, which she owns, or having associated with Herbert Farmer and "Dick" Galatas, confidence men operating in Hot Springs during the period 1931 - 1933, which years were believed to have been the time when Karpis first became connected in Hot Springs.

Mrs. Maurice stated that she has never actually operated the Maurice Apartments personally, except for a short period, and that for a long number of years this apartment house was operated for her by a Mrs. Mabel Brady. She stated that Mrs. Brady became entangled with underworld characters visiting Hot Springs, and that these people stayed at the Maurice Apartments, but that she never became acquainted with any of them; that Mrs. Brady also became addicted to the use of dope and as a consequence thereof, she, Mrs. Maurice, attempted to operate her apartment building personally for a period of about two months during the year 1932 or 1933; that she did not remain long at the apartments after she let Mrs. Brady go as Manager thereof, and she secured the services of a Mrs. Dougherty as Manager. Mrs. Dougherty remained as Manager from the year 1932 or 1933 until the time she abandoned the operation of the Maurice Apartments and closed the building within the past year or so. The present address of Mrs. Dougherty is believed to be at Charleston, Missouri. Mrs. Maurice stated that she is sure that Mrs. Brady has full

knowledge of the identities of all criminals who stopped at the Maurice Apartments during the early years of the present decade, and that she should be able to give valuable information regarding their local connections if she can be prevailed upon to talk. She stated that the first impression gained upon seeing Mrs. Brady is that she is an honest and upright woman, but that she is not and was no doubt closely associated with many gang members stopping at the apartment building which she operated. Mrs. Maurice was of the opinion that the present address of Mrs. Brady is Little Rock, Arkansas, where she is believed to have relatives by the same name. Since information appears in the Kammo file that Mrs. Brady was considered unreliable and closely associated with the criminal element operating within and visiting the City of Hot Springs at that time, it is deemed advisable that she be interviewed in connection with the instant harboring investigation at Hot Springs, Arkansas, in an effort to ascertain, if possible, the fact that Karpis was frequenting that city during the years 1931, 1932 and 1933, and possibly associating with such criminals as Frank Nash, Harvey Baily, Thomas Holden, Francis Keating, Herbert Farmer, of Joplin, Missouri, Arthur (Doc) Barker and "Dick" Galatas, all of whom are known to have frequented Hot Springs, Arkansas, and were believed to have stopped at times at the Maurice Apartments there, in which event it seems reasonable to presume that Karpis was at that time personally known to Chief of Detectives Akers.

As a further source of information regarding tenants at the Maurice Apartments during the above mentioned period, Mrs. Maurice stated that a Mrs. Alexander was housekeeper there for a number of years under the direct supervision of Mrs. Brady, and, although Mrs. Alexander was fired by her during the two months period when she, Mrs. Maurice, was personally operating the place, she was re-hired by Mrs. Dougherty, the next house manager. Mrs. Maurice did not know the present address of Mrs. Alexander but believes that she still resides at Hot Springs and stated that her present address can possibly be secured from two of her friends, Tony and Mike Bobinick (phonetic) who are employed as cook and waiter, respectively, at the Southern Club and Grill at Hot Springs, Arkansas.

Incidentally, Mrs. Maurice stated that she has given up practically all activity in the City of Hot Springs, and that she is strongly against the administration and Mayor (McLaughlin) of the city; that she has at times feared for her life because of this, and that it has only been due to her age and influence, she believes, which has prevented her from being "bumped off" by the city powers. She also related an incident of Frank Clark and "Dick" Galatas, local notorious confidence men and friends of the Mayor, having at one time "taken" a victim for

\$10,000.00 in a "con" game, which took place at the Hatterie Hotel some time before Grace Goldstein moved there.

In an effort to locate the present address of Mrs. Mabel Brady at Little Rock, Arkansas, Agents contacted numerous "Bradys" in that city and ascertained from Mr. C. L. Brady, 2300 Louisiana Street, Little Rock, Arkansas, that Mrs. Mabel Brady is his aunt, and that she is presently residing at Rathbone, New York, where she might be reached, due to the fact that the town is a very small one. It was noted that the Postal Directory lists Rathbone as being in Steuben County, New York State. A letter is being directed to the New York City Office by the Little Rock Office in which a request is being made that Mrs. Brady be thoroughly interviewed regarding her knowledge of criminals who have stopped at the Maurice Apartments, Hot Springs, Arkansas, including those mentioned in the above paragraphs, and that it be ascertained whether she recalls Karpis staying or visiting at that apartment building.

The following investigation was conducted by Special Agents D. P. Sullivan and H. A. Snow on July 13, 1937, for the purpose of obtaining witnesses who either lived or operated businesses in the vicinity of the Hatterie Hotel during the time that Karpis kept company with Grace Goldstein and who may have seen Hot Springs Police Officers in the company of Karpis or Hunter at the Hatterie Hotel.

Dr. Charles E. Ellis, Manager of the Borland Drug Company, which is located immediately adjacent to the entrance of the Hatterie Hotel, was interviewed. He was shown photographs of all members of the Barker-Karpis gang but he was unable to identify any except those of Connie Morris and Grace Goldstein. He stated that he feels certain that Karpis must have visited his drug store at some time or other during the time that he was going with Grace Goldstein but that he is unable to recall that he ever saw Karpis. He stated that he has a recollection of having seen a Hudson Coupe parked in front of the Hatterie Hotel over some period of time, but he cannot place when it was that he saw this car and he cannot recall the person or persons who drove same. He was thoroughly questioned concerning the movements of Grace Goldstein and Karpis in moving into and out of the Hatterie Hotel during the times that they had residences elsewhere in Hot Springs, Arkansas, but this man was unable to provide any information of value to this investigation and he explained that he and a boy named Jack Davenport, who is employed on the soda fountain and also as delivery boy, were the only employees at the drug store; that he spends practically all of his time either in making up prescriptions or in other work in the rear of the store and, therefore, he has little opportunity to see what goes on out in front of the store or to see persons who enter or leave the Hatterie Hotel.

Paul Davenport, who is the present delivery boy and soda fountain employee at the Borland Drug Store, was interviewed and he stated that he took his brother Jack's place at the Drug Store during the last week of March, 1936, and has been continuously employed at the drug store since that time. This boy was thoroughly questioned as to the known events which transpired at the Hatterie Hotel around the time of the Woodcock raid, which was on March 30, 1936, but he was unable to recall any occasions when he saw Grace Goldstein move into or out of the Hatterie Hotel. He stated that he knew Grace Goldstein and Connie Morris because he had seen them at the drug store, but he was unable to identify any photographs of other members of the Karpis-Barker gang. Neither he nor Dr. Ellis were able to recall ever having seen any Hot Springs Police Officers visiting the Hatterie Hotel. It may be mentioned that Paul Davenport is not very intelligent and it is probable that very little information can be expected out of his brother, Jack Davenport, as Dr. Ellis stated that Jack Davenport is a very stupid boy who is not nearly as intelligent as Paul Davenport.

George Gabriel, who operates the DeLuxe Cafe, which is located almost directly across the street from the Hatterie Hotel, was interviewed. He stated that he is the husband of the Mrs. Gabriel who resides at 118 Palm Street; that he and his wife were living on Palm Street almost directly across the street from Grace Goldstein when she lived at 123 Palm Street, and they complained to Owen Poe that Grace Goldstein was operating a disorderly house and Poe made her move. He stated that he spends practically the entire day except two or three hours in the afternoon and every evening at his cafe, and therefore knows little of what transpired at 123 Palm Street when Grace Goldstein lived there. He did state that he has seen different men go in and out of Grace Goldstein's house and it was evident that she was operating a disorderly house. Gabriel was unable to recall exactly when it was that the Goldstein woman occupied 123 Palm Street and Agents were unsuccessful in refreshing his recollection of it being in May and June, 1935, he stating that he believed it was sometime in September, but he could not definitely recall the year. He did state that he did see the then Captain of Police Archer L. "Arch" Cooper coming out of Grace Goldstein's house at 123 Palm Street one morning about 6:00 A. M.; that Cooper looked weary, as though he had been out all night. Gabriel stated that this was the only time that he ever saw a police officer at 123 Palm Street. Gabriel was shown photographs of all members of the Karpis-Barker gang, which he was unable to identify as persons he had ever seen, except the photograph of Grace Goldstein which he did identify. Gabriel was unable to remember the identities of any automobiles or individuals he had seen at 123 Palm Street, other than as mentioned above.

Agents also thoroughly questioned Gabriel concerning the activities of Grace Goldstein from the time she moved into the Hatterie Hotel in June, 1935, but he was unable to recall ever having seen Karpis or Hunter or any police officers enter or leave that hotel, and he was unable to state that he had ever seen Karpis or Hunter at his restaurant. This man is probably ignorant and he also is probably unwilling to divulge any information he may have concerning the association of "Dutch" Akers and other police officers with Grace Goldstein and Alvin Karpis.

Gabriel stated that Steve Andrews works as counter man at his cafe in the evenings and Tony Nagle is counter man in the morning. He stated that he has heard some of his employees speak of Alvin Karpis but none in particular and he stated that they probably had talked with some of the taxi drivers of the Red Top Taxi Company, which has an office directly across from the Hatterie Hotel. He stated that Bill Humphreys, who formerly was a driver for the Red Top Cabs, and Mike Martin, who also was a former Red Top Cab driver and who now operates a service station just beyond the Municipal Airport, might have information concerning the activities of Karpis at the Hatterie Hotel; that a former Red Top driver named Jimmie also might have information, and this man married a daughter of Mrs. Pate, who operates a rooming house near the Sanitary Bakery; that Jimmie adopted a small baby who was born at the Hatterie Hotel a few months ago, some reports being that it was Grace's baby, and the baby later died and Grace paid all the doctor's and funeral bills.

The following investigation was conducted by Special Agents D. P. Sullivan and H. A. Snow on July 13, 1937:

On July 12, 1937, Mrs. E. S. Thompson, owner of the Thompson Building, where the temporary office is being maintained at Hot Springs, Arkansas, advised that a few nights before the above date she attended a bridge party where Dr. Charles Moss of the Wade Clinic stated that he had located a record within the past few days which showed that Alvin Karpis had been treated with his "gunman" at the Wade Clinic. Previous investigation had been conducted at the Wade Clinic but no record had been found of the treatment of Karpis, although it was learned that he had been treated at this place. With a view of locating a record of the treatment of Karpis, Dr. Charles Moss was interviewed at the Wade Clinic and he stated that he did not know of any record showing the treatment of Karpis, but in speaking with Dr. Wade he learned that Karpis had been treated at the Wade Clinic during the time that he resided at Hot Springs, Arkansas.

Dr. J. O. Boydstone of the Wade Clinic was interviewed after it was learned that he treated most of the female patients who come to this clinic.

He was questioned as to the identities of the various prostitutes employed by Grace Goldstein during the years of 1935 and 1936, but he was unable to recall the names of these women. The names used by the various prostitutes who had worked for Grace Goldstein were provided Dr. Boydstone and he stated that he would personally check the records of the Wade Clinic to determine whether any of these women received treatment and would obtain all available personal histories on these women, in order that they might be located for interview. He stated that he still treats Grace Goldstein almost daily and that she talks freely and he will obtain from her in the next few days the present whereabouts of the various girls she employed during the years 1935 and 1936. He stated that Connie Morris had left Hot Springs, Arkansas some months ago and was now married to some wealthy man and was now residing somewhere in Kansas City, Missouri; that he would learn her present address and will give this information to Agents in the next few days. Various photographs of members of the Barker-Karpis gang were shown to Dr. Boydstone but he was only able to identify the photographs of Grace Goldstein and Connie Morris.

Emory Wood, who is employed at the Murray Transfer Company, was interviewed by Special Agents H. A. Snow and D. P. Sullivan on July 17, 1937. He stated that he had frequented Jim and George's Restaurant, which is also known as the Hot Springs Confectionery, on several occasions since last interviewed by Bureau Agents, but he has not seen the man who worked there and who may be willing to provide information concerning Karpis, Grace Goldstein and Akers frequenting this restaurant. Wood stated that he was acquainted with a waitress who formerly worked at the Hot Springs Confectionery, who was very friendly with the young man he has in mind; that he will attempt to learn the name and address of this man from the waitress and will advise Agents.

Wood was also questioned concerning the exact date that he moved certain belongings of Grace Goldstein from Dyer's Landing to the Hatterie Hotel in the fall of 1935. He stated that he had searched the records of the Murray Transfer Company, but he had been unable to locate the records covering the period in question. He stated that he will make further search to locate the missing records.

The following investigation was conducted by Special Agents D. P. Sullivan and H. A. Snow on July 14, 1937:

Previous investigation has disclosed certain witnesses who can testify to the residence of Alvin Karpis and Fred Hunter at Grace Goldstein's house of prostitution at 123 Palm Street. Roy Armenia, who lives at 125 Palm Street, was interviewed at the Burch Motor Company, where he is employed, and he went with Agents to his residence, where he obtained such records as his mother maintains as to the identities of the persons who roomed at his mother's house when Grace Goldstein lived next door. Earl



Earl Spencer, who has lived at 125 Palm Street for some years, was also interviewed with Roy Armenia. Agents were unable to obtain the records of roomers for May and June, 1935, but Spencer and Armenia stated that Mr. and Mrs. William J. Mullins, who received their mail in the name of J. W. Mullins, lived in Apartment 1, which is located in the rear of the first floor at 125 Palm Street, while Grace Goldstein lived next door. Mullins was receiving aid from the Federal Transient Bureau and it is probable that he was taking treatments at the Public Health Clinic.

Agents were also informed that Pete Morrison resided in Apartment 6 at 123 Palm Street from about April 18, 1935, to about June 10, 1935. This apartment is located in the rear of the second floor. Morrison was also receiving relief from the Federal Transient Bureau and was taking treatments at the Public Health Clinic. A man named Jack Hawkins roomed with Morrison for a week or two during the above period.

Earl Spencer and Roy Armenia also stated that Lou E. Spencer and his wife lived in Apartment 2 while Grace Goldstein lived next door; that Spencer is presently employed at an armature re-winding shop located on the ground floor of the Broadway Hotel. Mr. and Mrs. Spencer were very friendly with the Mullins family.

It was learned that Carl Rasp and his wife were possibly residing at Mrs. Armenia during the time that Grace Goldstein lived next door, and occupied Apartment 5. Rasp was taking treatments at the Public Health Clinic.

Earl Spender stated that the records of the Federal Transient Bureau had been transferred to Camp Garrity at Hot Springs, Arkansas, and that a Mr. Wright is in charge of that camp. Roy Armenia also stated that his brother, Sirfean Armenia, who recently married, lived at 123 Palm Street when Grace Goldstein lived next door; that Sirfean is presently residing at 9 Snyder Street, which is located about a half block off of the far end of Park Avenue, and is presently employed as a linotype operator at the New Era Newspaper.

On July 17, 1937, Special Agents H. A. Snow and D. P. Sullivan talked with Lou E. Spencer at the Dutch Mill on Lake Hamilton, Route 7, after Agents learned that this man is no longer employed at the armature re-winding company in the Broadway Hotel. Spencer is now the engineer on the boat Queen Mary, which is moored at the Dutch Mill. Arrangements were made to interview Spencer on July 19, 1937, at his residence at 139 Franklin Avenue.



The following investigation was conducted by Special Agents H. A. Snow and D. P. Sullivan on July 13, 1937:

Miss Gladys Wilson was interviewed at her residence, 1101 Central Avenue. She stated that she interviewed Joe L. Scott, former Hot Springs Police Officer, for two hours and a half on the evening of July 12, 1937, and thoroughly questioned him concerning the information he obtained in the year of 1935 relative to Alvin Karpis residing at Milam's Landing; that Scott stated that he was unable to recall who told him this information, but he told Miss Wilson that he was under the impression that she was the person who gave him the "tip". Miss Wilson stated that this was, of course, ridiculous as she never had any information that Karpis was residing in Hot Springs and she was unable to get Scott to disclose the source of his information, and she stated that she believed that Scott knew who told him but was unwilling to disclose the identity of his informant. Miss Wilson stated that Binnie Rawson, who lives on Central Avenue on the southwest corner of the intersection of the street located at the second traffic light beyond Grand Avenue, lived with Roy Milam during the summer of 1935 when his wife was away. It is known that at about the time that Karpis and Hunter lived at Milam's Landing in August, 1935, Mrs. Milam was absent and it would appear that Binnie Rawson may have information concerning the residence of Karpis and Hunter at Milam's Landing and may know whether the local police tipped off Karpis and Hunter after Officer Joe Scott reported to Chief of Police Wakelin that Karpis was living at this place.

The following investigation was conducted by Special Agents D. P. Sullivan and H. A. Snow at Little Rock, Arkansas, on July 15, 1937.

It having been previously indicated that the estranged wife of Leo P. McLaughlin, who is now suing for divorce, possibly had information relative to the harboring of Alvin Karpis and was willing to disclose same to Bureau Agents, Attorney P. A. Lasley was interviewed at his offices in the Southern Building. He stated that he is representing Mrs. Flo McLaughlin in her divorce action against Leo P. McLaughlin; that Mrs. McLaughlin had told him a great deal of the lawlessness existing in Hot Springs, Arkansas, and had talked of the case of "Lucky" Luciano and had mentioned the names of Frank Nash and Alvin Karpis among other notorious criminals who had frequented Hot Springs, but he cannot now recall the details of what she said. Lasley stated that Mrs. McLaughlin undoubtedly had information concerning the harboring of Alvin Karpis; that Mrs. McLaughlin is presently away from Little Rock but is expected back about June 19th and he will approach her and attempt to arrange for her to interview Agents and tell what she knows concerning the harboring of Alvin Karpis. Mr. Lasley was very cooperative and stated that he would call the Little Rock Field Division as soon as Mrs. McLaughlin has returned and he has had a chance to speak with her.

Lasley also informed Agents that the Internal Revenue Bureau was presently investigating Mayor Leo P. McLaughlin for violating the income tax laws and he indicated that there was evidence that McLaughlin received a large income from the operation of various lawless enterprises at Hot Springs, Arkansas, such as gambling, etc. Close touch will be maintained with Attorney Lasley and Mrs. McLaughlin will be interviewed shortly after her return to Little Rock, Arkansas.

On July 17, 1937, Mr. C. Floyd Huff, United States Commissioner, appeared at the temporary office maintained by Agents in the Thompson Building and advised that he had ascertained the present address of former Officer Charles Sellers to be 200 Dameron Street, Knoxville, Tennessee. It was Mr. Huff's opinion that Sellers would have valuable information in his possession regarding conditions at Hot Springs, Arkansas, during the time he resided there and was a member of the Police Department, if he could be persuaded to impart such information. Huff stated that he was well acquainted with Sellers and would direct a letter to him requesting him to give the Bureau Agents who interviewed him all the information in his possession.

Huff also stated that Mr. Guinn R. Massey, who operates the department store bearing his name at 110 Ouachita Avenue, had spoken to him relative to instant investigation being conducted and requested that an Agent contact him at some future time. Huff stated that he does not believe that Massey has any direct information regarding the harboring of Karpis, but would probably be able to give reliable general information regarding existing conditions at Hot Springs. Huff also stated that Mr. Ed Walsh, representative for the Etna Insurance Company, had told him on occasions in the past that Judge Ledgerwood has bought several large annuities from his company. It was also Huff's opinion that Ledgerwood has never filed an income tax return with the Federal Government, although he is a large property holder. Huff stated that he believes that McLaughlin and Ledgerwood have relied upon the influence of United States Senator Joe Robinson to forestall any investigation of their incomes by the Internal Revenue Department.

- P E N D I N G -

Post Office Box 1469,  
Little Rock, Arkansas,  
July 30, 1937.

PERSONAL AND CONFIDENTIAL

Mr. E. J. Connelley, Inspector,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
807 U. S. Court House, Foley Square,  
New York, New York.

RE: BREKID

RECORDED & INDEXED

7-576-3-18

Dear Sir:

You are advised that the investigation of the harboring case at Hot Springs, Arkansas, is substantially completed with the exception of the completion of a few outstanding leads which may produce material results, and routine work, such as the searching of the newspaper files of the local Hot Springs newspapers from January, 1934, up until the arrest of Alvin Karpis, May, 1936, for articles bearing on the activities of the Barker-Karpis gang. At the present time prostitutes who were employed by Grace Goldstein during the years 1935 and 1936, when she associated with Alvin Karpis, are being interviewed. These women have provided information concerning the activities of Alvin Karpis, Fred Hunter, et. al., Hot Springs, Arkansas, and have informed of the close association of Chief of Police Joseph Wakelin and Chief of Detectives Herbert Akers with Grace Goldstein while she was keeping company with Karpis.

As you suggested, the present employees at the Batterie Hotel who worked for Grace Goldstein when she went with Alvin Karpis were interviewed simultaneously. These employees consisted of Lillian Thomas, a negro maid, and Della Mae Jefferies, a prostitute who goes by the name of Ginger. You will recall that Ginger was one of Chief of Detectives Akers' supposed informants around the time of the Woodcock raid. She has advised that beginning around December 1, 1935, she told Akers of the definite association of Grace Goldstein with Alvin Karpis, and advised Akers from day to day of various bits of information concerning travels of Karpis and Grace Goldstein.

Mr. E. J. Connelley, Inspector,  
New York, New York.

July 30, 1937.

former places of residence, the automobiles used by them and various other leads by which Akers could locate Karpis. She states that Akers received this information and made a pretense of being interested in locating Karpis, but apparently took no action in attempting to locate this man. Of course, Akers never advised this Bureau in December, 1935, of the information that prostitute Ginger was giving him concerning the association of Karpis with Grace Goldstein.

Recently Mrs. Fincell, the owner of the house at 124 Clubb Street, where Karpis and Grace Goldstein lived from about December 17, 1935, until February 11, 1936, when they moved into the Woodcock home, was interviewed by an Agent of the New Orleans Field Division. At that time Mrs. Fincell indicated that she intended visiting Hot Springs in two or three days and the interviewing agent, therefore, did not question her thoroughly. She did indicate that Chief of Detectives Herbert Akers, Chief of Police Joseph Wakelin and City Attorney A. T. "Sonny" Davies were frequent visitors at 124 Clubb Street when it was occupied by Grace Goldstein and Alvin Karpis. Mrs. Fincell had failed to visit Hot Springs to date, but she will be interviewed in the next few days. Her testimony establishes that Akers was a visitor of Karpis after the time that he was being contacted by the prostitute Ginger.

It now appears that the investigation at Hot Springs, Arkansas, will be completed in about ten or twelve days, with the exception of the interviewing of the principle subjects, including former Chief of Police Joseph Wakelin and Chief of Detectives Herbert Akers. It is my understanding that you desire to be present in Little Rock and personally conduct interviews with Grace Goldstein and those who may be considered as subjects in this case and, in such event, you will be contacted several days before the completion of this investigation, in order that you may make necessary arrangements if you care to do so. In order that contact may be made with you, it is desired that you communicate with this office advising of where you may be located.

Mr. E. J. Connelley, Inspector,  
New York, New York

July 30, 1937.

In the event you find it impossible to be in Little Rock for the purpose of conducting these interviews personally and desire that such interviews as mentioned above be conducted by the Agents presently on special assignment at Hot Springs, it is requested that you so advise me.

Very truly yours,

CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS:ADM  
7-2

cc Bureau ✓  
Cincinnati  
Cleveland

JOHN EDGAR HOOVER  
DIRECTOR

Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.

EAT:MC

July 30, 1937.

Time: 11:10 A.M.

MEMORANDUM FOR THE DIRECTOR

RE: BREMER CASE

SAC Fletcher at Little Rock called me advising that Lillian, who worked at Grace's place and the prostitute "Ginger" were brought to the temporary headquarters at Hot Springs for interview. He stated that inasmuch as the interview was to be quite lengthy, they expressed preference to be taken into Little Rock for interview, which he had permitted. He stated they were interviewed without restraint, but Ginger had been unable to recall certain occurrences and desired that Agents accompany her to Pine Bluff where she has a sister, not engaged in the racket, who might be able to refresh her memory. Mr. Fletcher stated he wanted to get the Bureau's reaction to this.

I told him it would be all right for them to go to Pine Bluff, if accompanied by a matron. Mr. Fletcher then asked if it would be permissible to send a stenographer with them if he is unable to secure a matron, stating they would be back before nightfall, which I authorized.

Respectfully,

E. A. TAMM.

7-576-3-187  
FEDERAL BUREAU OF INVESTIGATION  
AUG 3 1937  
U. S. DEPARTMENT OF JUSTICE  
TOLSON ONE FILE

Post Office Box #1469  
Little Rock, Arkansas  
July 31, 1937

Special Agent in Charge  
New Orleans, Louisiana

RE: BREKID

Dear Sir:

Reference is made to the report of Special Agent P. A. Fletcher, New Orleans, dated July 5, 1937, containing information that Mrs. Phillip David intended to visit Hot Springs, Arkansas, a few days after July 4, 1937. The agents who have been engaged on the harboring case at Hot Springs, Arkansas, have kept in close touch with Mrs. McCaffery who handles the real estate of Mrs. David at Hot Springs, but Mrs. McCaffery had received no word from Mrs. David, and it is not known when Mrs. David will visit Hot Springs. In view of the importance of the information which Mrs. David has regarding visits of Chief of Detectives Akers, former Chief of Police Makelin and City Attorney Davies to 124 Club Street during December, 1935, and January, 1936, it is essential that this woman be thoroughly interviewed by an agent familiar with the facts in the harboring investigation at Hot Springs, Arkansas.

In view of the above it is requested that inquiry be made at Monroe, Louisiana, to ascertain whether Mrs. David intends visiting Hot Springs, Arkansas, in the next few days. In the event that Mrs. David cannot visit Hot Springs in the immediate future, arrangements will be made to have her interviewed by an agent thoroughly familiar with the harboring investigation at Hot Springs, Arkansas, at Monroe, Louisiana.

It is requested that the requested information be forwarded to the Little Rock Field Division at the earliest possible time.

Very truly yours,

RECORDED  
&  
INDEXED

7-576-3-188

CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS:IM  
7-2

cc Bureau  
Cincinnati  
Cleveland

1216 Smith Young Tower  
San Antonio, Texas.  
July 29, 1937.

GTJ/ML

Special Agent in Charge,  
Little Rock, Ark.

Re: BREKID

Dear Sir:

Referring to your letter of July 16, 1937.

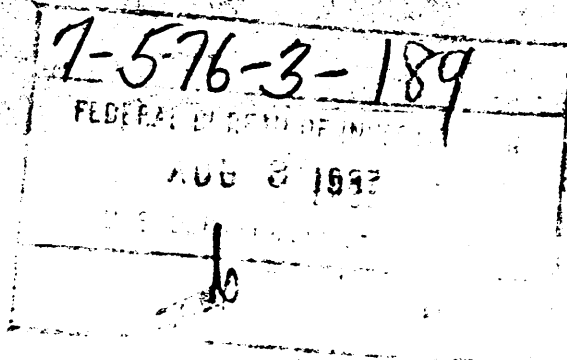
The records of the Automobile Registration Division,  
State Highway Department, Austin, Texas, reflect that 1935 Texas  
license 670-696, was issued to C. H. Askew, 435 Cleveland Street,  
Paris, Texas, for 1935 Willis Knight sedan motor #39966, on Nov.  
25, 1935.

There is no record of the registration of this car  
for 1936 or 1937.

Very truly yours,

Gus T. Jones,  
Special Agent in Charge.

cc Bureau ✓  
Dallas  
Cincinnati  
Cleveland





# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

CINCINNATI, OHIO

L.R. FILE NO. 7-2

REPORT MADE AT <b>LITTLE ROCK, ARKANSAS</b>	DATE WHEN MADE <b>8/3/37</b>	PERIOD FOR WHICH MADE <b>7/18-26/37</b>	REPORT MADE BY <b>D. P. SULLIVAN ADM</b>
TITLE <b>ALVIN KARPIS, with aliases; DR. JOSEPH P. MORAN, with aliases - FUGITIVE, I.O. #1232; ANTHONY J. AMERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - VICTIM.</b>			CHARACTER OF CASE <b>KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE;</b>
<p><b>SYNOPSIS OF FACTS:</b></p> <p>Ercell Brock, former Hot Springs taxi cab driver and brother of Cecil Brock, advises that Kansas State Trooper Joe Anderson and Post Office Inspectors contacted his brother relative to the location of Karpis and Hunter, a day or two prior to March 25, 1936; admits that he divulged to Connie Morris, on the night of March 25, 1936, the fact that the Post Office Inspectors were in Hot Springs seeking Fred Hunter. Additional witnesses place Karpis and Hunter at 123 Palm Street and state that Chief of Detectives Akers was frequent visitor at that address. Other witnesses state that Karpis and Hunter were frequent visitors at the Hatterie Hotel. Records of the Marquette Hotel disclose that Fred Hunter registered there on October 25, 1935, and remained one day. Further inquiry fails to verify information that Karpis and Hunter lived at Milam's Landing on Lake Hamilton in the summer of 1935.</p> <p style="text-align: center;">- P -</p> <p><b>REFERENCE:</b> Report of Special Agent D. P. Sullivan, Little Rock, Arkansas, dated July 27, 1937.</p> <p><b>DETAILS:</b></p> <p>This report covers the investigative activity of Special Agents B. M. Suttler, H. A. Snow, John L. Madala and the writer, in the harboring case at Hot Springs, Arkansas, for the period covered by this report.</p>			
APPROVED AND FORWARDED <i>[Signature]</i> SPECIAL AGENT IN CHARGE		DO NOT WRITE IN THESE SPACES	
<p>11 MAR 25 1965 COPIES OF THIS REPORT</p> <p>3 Bureau - 2 copies each file as each 2 Cincinnati 2 copies destroyed 1 Cleveland 1 Chicago 1/24/55 - J 1 Dallas 1 Inspector E. J. Connelley 3 Little Rock</p>		<p>7 1576-3-190 AUG 9 1937</p> <p><i>[Handwritten notes and signatures]</i></p>	

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler at Graysonia, Arkansas, on July 21, 1937:

Reference is made to the report of Inspector E. J. Connelley, dated at Little Rock, Arkansas, April 11, 1936, wherein it is indicated that Joe Anderson, Kansas State Patrolman, an informant for the Post Office Inspectors, contacted one John Brock, a taxi cab driver, in an effort to have him obtain from Connie Morris, with whom Brock was infatuated, the then whereabouts of Fred Hunter. It was stated that Brock became drunk on the night of March 25, 1936, talked with Connie Morris at the Hatterie Hotel and unwittingly divulged to her that the Government men were seeking the apprehension of Fred Hunter and Alvin Karpis in Hot Springs, as a result of which Connie "tipped off" Karpis and Hunter at the Woodcock home where they were residing, and caused them to hurriedly leave Hot Springs some time during the late afternoon of March 26, 1936.

During the past several weeks frequent contact was had with Cecil Brock, former Hot Springs police officer and brother to the above mentioned taxi-cab driver. He advised that his brother's correct name is Ercell Brock, and that he is now living with his mother at Graysonia, Arkansas, where she is Postmaster.

On July 21, 1937, Agents proceeded to Graysonia, Arkansas, and interviewed Ercell Brock at his home. He advised that he is thirty years of age, and that he was a taxi-cab driver in Hot Springs for many years; that he drove for the Yellow Cab Company, and that he left Hot Springs on or about April 27, 1936; that since that time he has done considerable traveling and has worked at odd jobs.

Brock advised that he has known Grace Goldstein ever since she operated a cheap house of prostitution near the Broadway Hotel; that at that time she was married to a Frenchman whom everybody called Trigety, or some such name; that she later divorced herself from this husband, and that when the building burned where she was operating, she started up a place in the 1300 block on Central Avenue in Hot Springs. He advised that it was around this time when he first became acquainted with Connie Morris, who had come to Hot Springs from Oklahoma and established herself in Grace's house. He advised that Greta and Ginger were the other girls who worked for Grace Goldstein around this time.

Continuing, Brock informed that after the Sheriff's office raided and closed Grace's place on Central Avenue, she moved to 123 Palm Street, Hot Springs, and took Connie, Greta and Ginger with her. He recalled that this was around May of 1935. Brock admitted that he visited Grace Goldstein's house of prostitution on Palm Street on many occasions during the short time she was operating there; that most of

these visits were occasioned by taking customers to her place, and that on at least three occasions he filled dates with the prostitutes there.

Agents questioned Brock whether he heard from any source around this time that Grace Goldstein and Connie Morris had a couple of rich boy friends "on the string", and he advised that he had, stating that he probably got this from either Greta or Ginger. He recalled that on one occasion he and two other cab drivers visited Grace's place on Palm Street; that they sat around the front part of the house drinking beer and that Connie and Greta were with them; that while they were there some one came in the rear door, and that Connie immediately walked to that part of the house; that Connie remained away for almost an hour when one of the boys asked where she was, and Greta replied that she was probably with her new boy friend. At this juncture, Agents exhibited to Erzell Brock photographs of Alvin Karpis and Fred Hunter, and he positively identified Fred Hunter as being Connie's boy friend. He could not identify the photograph of Karpis, stating that he is positive he never saw him in the company of Grace Goldstein or at any one of her places. He could not from his own personal knowledge place them in the house on Palm Street.

Continuing Brock advised that the first time he recalls seeing Fred Hunter was shortly after Grace Goldstein moved to the Hatterie Hotel; that on this occasion and on other occasions thereafter he would see Connie and Hunter walk together away from the Hatterie Hotel along bath-house row and up the mountain in the rear of the bath houses; that he once asked Connie who her boy friend was and she replied that he was a night-club owner from Ohio, and indicated that he was living at the Arlington Hotel. He advised that he also heard around this time that Grace was running around with some rich Canadian and that she was expecting to marry him. Although he was not positive, he believed that he got this information from Connie at the same time that she told him about her boy friend. Brock was positive that he never saw Hunter at the Hatterie Hotel.

Continuing Erzell Brock advised that he recalls that Connie Morris left Hot Springs on Armistice Day (November 11, 1935) and supposedly went to her sister's home in San Antonio, Texas, with her boy friend; that he didn't see Connie again until sometime around the first of the year, 1936; that on this occasion he saw her buy a paper at the Southern Club and then walk into the Waukesha Hotel. Brock was of the opinion that she was registered there at this time, probably with Fred Hunter. It will be recalled that Connie Morris advised in her signed

statement, dated at New Orleans, May 3, 1936, that she and Fred Hunter returned to Hot Springs in December, 1935, and stayed for two nights at the Mountain View Tourist Camp, after which she and Hunter drove to her mother's home in Frederick, Oklahoma. The records at this tourist camp failed to show that she and Hunter ever resided there.

Ercell Brock further related that approximately a week or ten days prior to the raid on the Woodcock home on March 30, 1936, a Post Office Inspector by the name of Haynes contacted him and showed him photographs of Fred Hunter and Alvin Karpis in an effort to have him identify the same; that Haynes told him at this time that Hunter was wanted for a Mail Robbery in Ohio, and that he was supposed to be running around with a prostitute in Hot Springs. Brock advised that from the description of this prostitute as furnished by Inspector Haynes, and after viewing the photograph of Fred Hunter, he immediately knew that Haynes was checking up on Connie Morris. He stated that he did not tell Inspector Haynes on the occasion of this contact that the girl for whom he was looking was Connie Morris, as he did not want to be a stool pigeon; that, however, later that day after giving the matter further thought he came to the conclusion that he would be doing Connie a favor if he could get her boy friend out of the way; that after he decided upon this he immediately got in touch with Inspector Haynes at the Howe Hotel and told him everything he knew about Connie Morris and Grace Goldstein; that thereafter Haynes asked him if he could descreetly obtain a photograph of Connie; that he told him he would try, and that night he was successful in getting one out of her album which she had at the Hatterie Hotel.

At this point Agents questioned Ercell Brock as to the circumstances under which Inspector Haynes contacted him in the first instance. He advised that it is his understanding that Joe Anderson, a Kansas State Patrolman, and who worked in cooperation with the Post Office Inspectors at that time, was previously acquainted with E. C. Jefferies, another taxi-cab driver and who is now employed at a Fishing Camp outside of Hot Springs; that Anderson sent Inspector Haynes to contact Jefferies for cooperation and assistance in Hot Springs, and that Jefferies in turn referred Haynes to Brock as a possible source of information, he, Jefferies, knowing that Brock was better acquainted around the various houses of prostitution in Hot Springs.

It might be stated that during the early contacts Ercell Brock had with the Post Office Inspectors and Joe Anderson, they were particularly interested in learning of the whereabouts of Fred Hunter rather than Alvin Karpis; that they asked him very few questions about Karpis and recalls that they showed him his photograph on the occasion of the first meeting

only.

Agents questioned Brock whether he knew Connie Morris was in Hot Springs at the time Inspector Haynes first contacted him around March 24, 1936, and he advised that one of the local cab drivers told him a week previously that Connie had returned to Hot Springs, but that he did not see her until a day or so after Haynes first contacted him. At this point Brock was positive in his statement that the Post Office Inspectors did not know about Connie Morris being a consort of Fred Hunter until he informed Haynes of this fact.

Continuing Brock advised that on the morning following his first meeting with Inspector Haynes, the latter introduced him to Joe Anderson; that on this occasion he was told to come to the Howe Hotel where he met Anderson and Colonel Wendt Smith of the Kansas State Patrol; that Inspector Haynes and another Post Office Inspector were likewise there. Brock was of the opinion that Anderson and Colonel Smith had arrived in Hot Springs either that morning or late the previous evening; that he understood that Anderson was staying at the home of Bill Cline, an old friend of his, and that the room at the Howe Hotel was merely being used as a meeting place.

Brock further indicated that after his first meeting with Joe Anderson and Inspector Haynes they contacted him quite frequently, and it was his understanding that they had a "tail" on Connie; that Jefferies would watch for her to leave the Hatterie Hotel, after which he would call either Joe Anderson or one of the Post Office Inspectors, who would take up the "tail". Brock advised that on one occasion shortly after he met Joe Anderson, this being possibly a day or two later, Anderson asked him and Jefferies whether they thought that "Dutch" Akers could be trusted to the extent of cooperating with them in their investigation at Hot Springs; that both he and Jefferies advised Anderson against it, stating that Akers would do anything for a dollar. In this connection Brock related to Agents that approximately a year or so previously a man from Florida, who owns a couple of laundries there, came to Hot Springs and registered at the Como Hotel; that this man appeared to be wealthy and while in Hot Springs associated with some prostitute; that he was a married man and one night Akers came to his room in the Como Hotel and threatened to blackmail him by demanding that if he did not turn \$300.00 over to him, he, Akers, would inform his wife that he was running around with a prostitute in Hot Springs and thereby break up his marriage. Brock advised that this man told Akers to go to hell, and Brock did not know what the final outcome of that situation was. He advised that a taxi driver named Merchant, who drove the intended victim around Hot Springs, told him all about the above incident.

Continuing Erzell Brock advised that after he and Jefferies advised Anderson against contacting "Dutch" Akers, they decided to talk with his brother, Cecil Brock, and attempt to enlist his cooperation in their efforts to locate Fred Hunter and Alvin Karpis. In this connection, Anderson called him one day and had him drive to his brother's home on Dell Street, where he was living at that time. Brock advised that Jefferies was with him and Joe Anderson on this occasion; that they drove to Cecil's house by coming down West Mountain rather than by proceeding to it by way of Park Avenue and down Dell Street; that Anderson talked with Cecil privately for about thirty minutes, none of which conversation he overheard, nor was advised about later on. Brock believed that this contact with his brother took place either a day or two prior to March 25, 1936.

Continuing Erzell Brock related that on March 25, 1936, Inspector Haynes contacted him and gave him three or four dollars to go to the Hatterie Hotel and fill a date with Connie Morris and thereafter get whatever information he could from her. He advised that he went to the Hatterie Hotel around 9:00 P. M. that night and found Connie there; that they had a few beers and during the course of the evening she told him that she could not fill a date with him, as Dr. Blacke had examined her that day and found that she was afflicted with gonorrhea. Brock advised that Connie did not seem very upset over this disclosure and acted natural and her self all evening; that she informed him that she had to see Dr. Blacke again the following morning for a treatment. It might be stated here that the records in the office of Dr. Blacke disclose that Connie Morris visited there on March 25 and 26, 1936. Brock advised that he drank considerable beer this particular evening and became quite intoxicated; that he probably told Connie all about his contacts with the Post Office Inspectors and probably persuaded her to turn Fred Hunter in to the authorities for the reward that was offered for his arrest by the Postal Inspectors. Brock advised that in view of his drunken condition, he cannot recall now just what he told Connie on this particular evening. He stated that he left Connie and the Hatterie Hotel around midnight of March 25, 1936, and that as far as he knows he did not excite Connie to any great extent with what he told her.

Brock further related that on the following morning, March 26, 1936, when he proceeded to work around 7:30 A. M. he observed Connie walking with a small brown dog which belonged to Pauline, who was one of the inmates in Grace's house at that time; that Connie was walking towards the Hatterie Hotel and that he did not stop to talk with her. Brock indicated that this was the last time he ever saw Connie Morris.

Continuing Brock advised that he did not immediately see either Joe Anderson or Inspector Haynes after his contact with Connie Morris on the night of March 25, 1936; that sometime after 9:00 A. M. on March 26, 1936, Jefferies got in touch with him and told him that he had just seen Connie Morris leave the Hatterie Hotel, walk to the White Front Cigar Store and step into a Black and White cab; that he reported this observation to Joe Anderson at the Goddard Hotel, and that Anderson suggested that he, Brock, contact the cab driver who drove Connie and ascertain where he drove her. Brock advised that he learned that Clarence George was the driver in question, and that he drove her to the Marquette Hotel. In this connection Brock informed that some time later Grace Goldstein learned that this information was given out by the Black and White Cab Company, and that she literally raised hell about it; that thereafter Clarence George "jumped" him about it.

Brock further stated that later that day, possibly around two or three o'clock in the afternoon, he got a call at the Country Club from "Dutch" Akers, who told him to come to the Police Station immediately. Brock stated that he had to pay seventy-five cents out of his own pocket for the trip from the Club to the City Jail, and that this trip should be on record in the office of the Yellow Cab Company. He continued that when he arrived at the City Jail "Dutch" Akers "jumped" all over him for disclosing to Connie Morris the previous evening the fact that Government men were in town looking for Fred Hunter and Alvin Karpis. He told Brock that the town was swarming with G-men and that "hell would be popping from then on". Brock stated that while "Dutch" Akers was talking with him he observed Inspector Haynes standing behind the partition in Akers' office attempting to conceal himself; that this worried him considerably and he could not understand its meaning. He advised that he likewise was unable to understand where Akers got his information about his contact with Connie Morris the previous evening and about his conversation with her, but later learned that Grace Goldstein probably told him about it, as he understood that she was interviewed by Akers and Joe Anderson a short time prior to his arrival at the City Jail that day.

Continuing Brock advised Agents that that night when he checked off from work at around 8:00 P. M. he received a telephone call from Grace Goldstein to come to the Hatterie Hotel as soon as he could; that he immediately went up there and Grace talked with him about an hour; that she was considerably angry with him for having had anything to do with the Government authorities and also for having frightened Connie the previous evening by telling her that she would end up in prison if she did not reveal the whereabouts of Fred Hunter; that Grace further informed him that after he talked with Connie, she was too frightened to stay in



town, and that that morning she picked up Connie in the rear of the Marquette Hotel and drove her to the intersection of Routes 67 and 7, near Arkadelphia, where she left her off; that thereafter she saw Connie catch a ride from a bakery truck who took her into Arkadelphia. Brock advised that Grace indicated to him that she had been interviewed by Akers and Joe Anderson earlier that afternoon, March 26, 1936, and that she had told them the same story about Connie as related above. He further stated that Grace endeavored to find out from him what Government men had previously contacted him, what they looked like and where they were from; that the only one she appeared to know was Joe Anderson.

Ercell Brock advised that subsequent to the raid on the Woodcock home on March 30, 1936, he continued to be an informant for Joe Anderson and the Post Office Inspectors, but that he couldn't secure very much information as Grace Goldstein and the other girls in her house were very apprehensive of him. Brock advised that Pete Ratliff, who operated the Gulf Filling Station on Ouachita Avenue, Hot Springs, knew Grace Goldstein when she ran a house at 1338 S. Central Avenue, and that on one occasion Ratliff took a trip with Joe Anderson in the hope of locating Grace Goldstein and Alvin Karpis. Brock indicated that this was after the raid on March 30, 1936.

Ercell Brock was questioned at great length as to whether he ever saw "Dutch" Akers or any other police officers at 123 Palm Street or at the Hatterie Hotel during the time Grace Goldstein operated there, and he advised that he had not.

Brock advised that one day during the latter part of April, 1936, his brother, Cecil, called him over the telephone and told him that a woman had called him and said that Karpis was in Hot Springs and that he had better leave town immediately. Brock advised that this frightened him very much and he immediately left for Graysonia, Arkansas, and remained there for approximately one week. Brock stated that he does not know who called his brother on the above occasion, nor does he know whether Karpis was in fact in Hot Springs at that time.

Continuing Brock advised that he was in Hot Springs sometime after the raid, and Gene Walls, a former taxi driver, told him that he went to the Hot Springs Confectionery one night and saw Grace and a young fellow with her sitting at a table; that Grace called him over to the table and introduced the man to him as her husband. Brock advised that Walls later believed that the man he had met on this occasion was Alvin Karpis. Gene Walls is now in St. Louis or Kansas City, Missouri.



He has a brother working for some Insurance Broker in Hot Springs.

Brock advised that he could be reached at any time by contacting his mother at Graysonia, Arkansas, where she is the Postmaster.

The following investigation was conducted by Special Agents D. P. Sullivan and H. A. Snow on July 21, 1937.

It has been previously reported that Mrs. Will ~~Lowe~~, a sister of Mrs. Armenia at 125 Palm Street, frequently visited 125 Palm Street during the time that Grace Goldstein lived next door at 123 Palm Street. Mrs. Lowe was interviewed and she stated that she was married to Garland County Deputy Sheriff Will Lowe until about two weeks ago, when she received a divorce decree; that she visited her sister, Mrs. Sirfean ~~Armenia~~, at 125 Palm Street three or four times a week during the summer of 1935.

Mrs. Lowe signed the following written statement, the original of which is being made a part of the Little Rock Field Division files.

Hot Springs Ark.  
July 21, 1937.

I, Mrs Jennie ~~Lowe~~, make the following written statement to Special Agents D. P. Sullivan and H. A. Snow of the Federal Bureau of Investigation, U. S. Department of Justice.

My sister Mrs. Sirfean Armenia has lived at 125 Palm St. for many years. I remember that I would visit my sister two or three times a week about two years ago. About May or June 1935, while visiting my sister, she told me that some women had moved next door at about 123 Palm St. and that these women were running a disorderly house and people were coming and going there at all hours of the day and were causing a lot of disturbance at night and my sister did not like this because of her young children.

From a group of photographs I have selected the photograph of Grace Goldstein and identify it as a woman who was called Grace and who was one of the women who lived next door to my sister's house on Palm St. We could some-times hear the names of the girls called next door and I remember the names of Connie and Ginger.

My sister told me there wasn't any use of reporting the disorderly house next to hers, to the police because police officers were frequently calling at the place, which I later learned was operated by Grace Goldstein. I remember my sister pointed out to me a man at different times. He was a large man who visited Grace Goldstein's place and she told me it was Captain "Arch" Cooper. I would recognize him if I saw him again. Cecil Brock, who was then on the Hot Springs Police Department, visited Grace's place several times. I have seen Chief of Detectives "Dutch" Akers visit Grace's place several times. Sometimes the above officers would stay at Grace's house for only a few minutes, that is, for ten or fifteen minutes and at other times they would be in there for a half hour or more. I am not certain but I believe I have seen Cecil Brock arrest and bring a man out of Grace's house on one occasion, but I cannot remember ever seeing Akers or Cooper arrest or bring anyone out of Grace's place for causing a disturbance. I never heard any of these officers' conversation but from the way that Grace greeted them and the general friendly manner of Akers and the other officers I understood that these officers were making friendly visits to Grace. They certainly did not act the way in which my former husband, a deputy sheriff, would act when he got a call and answered it about some violation of law.

I remember seeing a couple of fellows who would go in and out of Grace's house sometimes by themselves and at other times they would have girls with them. These men would stay at Grace's place for some days and at other times they would be gone and my sister told me these men were gangsters and they would leave and be gone for two or three days at a time. They drove a black coupe, which I believe had out of state license plates and they generally parked this car in the rear of the house. From a group of photographs, I have selected the photograph of Alvin Karpis and state that the profile view of Karpis looks a great deal like one of the men who stayed at Grace's house. I remember that the two men would go and come in the car with Grace Goldstein and one of the other girls and they would be dressed in their bathing suits. At times they would carry their bathing suits with them.

I have read the above statement and I vouch that it is true.

(Signed) Mrs Jennie Lowe.

Witnesses

H. A. Snow  
D. P. Sullivan  
Special Agents, Federal Bureau of Investigation,  
U. S. Department of Justice  
Little Rock, Ark.

Photographs of all members of the Karpis-Barker gang were shown to Mrs. Lowe but she was able to identify only those mentioned in her signed statement. She stated that when local police officers would visit Grace Goldstein's house and remain only for a few minutes, she believed they might be on official business and calling in response to some complaint, but when they remained at the house for a half hour or longer she naturally felt that their call was a social visit or a call made for the purpose of collecting protection money. Mrs. Lowe stated that she never saw any money passed from Grace Goldstein to any police officers and never heard any conversation pertaining to payoffs at Grace Goldstein's house; that she came to this conclusion from what she had heard during the time that she was married to her husband.

Mrs. Lowe stated that Mrs. Armenia felt very bad about Grace Goldstein operating a disorderly house next to her residence and she often mentioned that there would be little use to report the matter to the police in view of the fact that the police were frequent visitors at Grace's place and apparently visited there for purely social reasons; that Mrs. Armenia once told her that it appeared that Chief of Detectives Akers was keeping company with some one of the girl prostitutes employed by Grace Goldstein; that there was general disorder and disturbances caused by the inmates at 123 Palm Street almost nightly and it was obvious that a house of prostitution was being operated as men visitors called at 123 Palm Street day and night.

In a previous interview with Mrs. Roy Armenia of 125 Palm Street, who lived next door to Grace Goldstein when Grace lived at 123 Palm Street in 1935, it was learned that a man by the name of Earl Spencer lived in the house with Mrs. Armenia at that time; that he acted as caretaker for Mrs. Armenia in her absence, and that he could probably furnish valuable information to Agents pertinent to the present harboring investigation.

On July 23, 1937, Earl Spencer was called to the temporary office at 322 Thompson Building, Hot Springs, Arkansas, and was thoroughly interviewed by Agents H. A. Snow and B. M. Suttler. He furnished Agents with the following signed statement:

I, Frank Earl Spencer, do hereby make the following voluntary statement to H. A. Snow and B. M. Suttler knowing them to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice.

I have been living at #125 Palm Street for about eight years. I moved there in November, 1929. I recall that in the summer of 1935,

it seems to me that it was the month of June, 1935, a woman by the name of Grace Goldstein moved into the house next door to where I live, this was 123 Palm Street. The Goldstein woman as I recall it now had several other women with her at the time she moved there but I cannot say exactly how many were there. The way it attracted my attention there was the fact that usually there was a regular family there but this time there was four or five young women. I thought this was unusual. I will not say that I positively knew that the Goldstein woman was running a house of prostitution as I did not have any personal dealings in this house but I surmised that it was a house of prostitution from the things I saw and the things I heard talked about in the neighborhood in regards to this house. I recall that one of these girls was named "Ginger"; that another was named Jackie; one was called Connie; I think I heard them call one Ruth but I don't recall exactly what Ruth looked like. I recall that one of the girls was a favorite with the Goldstein woman but I do not recall which one it was.

These Agents have shown me a group of photographs and from these photographs I have selected the photographs of Grace Goldstein, Alvin Karpis and Fred Hunter. I of course did not know these men by name at that time nor do I know them by name now. Agents have informed me of their names. I have also selected the photograph of a girl who resided there at that time and Agents have informed me that this girl is named Connie Morris. The man who is known as Alvin Karpis use to spend quite a bit of time around the house and he seemed to be very well satisfied with this place as a home, at least he acted like he was satisfied with it. The man called Fred Hunter did not seem to stay around the house as much as Karpis but I do recall seeing him over there a number of times.

I recall seeing a black Ford Coupe with out of State license plates on it parked out in front of 123 Palm Street, the man you say is Karpis was the man that I associate this car with as he is the one who drove it at that time. It had either Kentucky or Tennessee license plates on it at that time, I do not recall which. I sometimes noticed that this car was parked in the back yard but most of the time it was parked in front of the house on the Street. I have seen Grace Goldstein and this fellow Karpis go out together in this car several times but I do not recall now who would be driving the car. I also recall that Karpis and Grace drove out together sometimes in her green Chevrolet Coupe.

During the time that Grace Goldstein lived next door to me in the summer of 1935 I was working as caretaker for Mrs. Sirfean Armenia at the place I lived, 125 Palm Street. This gave me a good

opportunity to see most of the things that went on at 123 Palm Street in the daytime. Mrs. Armenia has some apartments at the rear of her house and during her absence I took care of these apartments for her. I do not know as much about what went on at night as I did in the daytime as I usually went to bed along about ten o'clock and my bed room was on the opposite side of the house from Grace Goldstein's house. I do recall seeing a lot of cars and taxis coming up to 123 Palm Street at night on different occasions. I also recall seeing a lot of cars and taxis coming up to 123 Palm Street at night on different occasions. I also recall that there was quite a bit of noise and disturbance at 123 Palm Street at various times and this worried Mrs. Armenia as she had roomers and it, the noise, disturbed their sleep.

I recall seeing Herbert "Dutch" Akers Chief of the Hot Springs Detectives, coming over to Grace Goldstein's house on an average of more than once each week during the entire time that Grace Goldstein lived next door. As I recall it now it seems to me that Akers would come on the first part of the week usually Monday and then besides this regular visit at the first of each week he usually came by there during the latter part of the week. Akers did not attempt to sneak into Grace Goldstein's house. He seemed to be very frank and bold about it. Most of the time "Dutch" would drive up and Grace would go out to his car and talk to him. As it was in the summer time and still daylight usually when he called, he did not have to blow his horn to attract the attention of the inmates of the house. They could see "Dutch" when he drove up as they usually kept the doors open at that time of the evening, about 7 o'clock. On some occasions I recall that very shortly after he had called at Grace Goldstein's house, Grace would get in her car and drive off. I do not know that she was following him but this happened several times. We all thought it was rather peculiar that Akers should be such close friends with Goldstein as he must have known what kind of house she ran. We felt that if he did not care to do anything about her running a house like that it was certainly not up to us to do anything. I recall on other occasions that immediately after "Dutch" had left Grace's house that she and Karpis would get into her car and drive off together. On these occasions the interval of time lapsing between the time "Dutch" Akers was at Grace's house and the time that she and Karpis would drive off together would be so close as to make one realize that Karpis was in the house at the time Akers would stop there.

I further recall that at sometimes this black Chevrolet belonging to Karpis would be gone for several days at a time.

On one particular occasion I recall that just as I came out of Mrs. Armenia's house "Dutch" Akers was just starting to move away from

in front of Grace's house and just as I got to the edge of the sidewalk he passed and waved his hand at me.

I recall on several occasions seeing Grace Goldstein and the girl known as Connie Morris washing Grace Goldstein's car in the back yard. They would usually wear their bathing suits when they were washing Grace's car.

Agent Suttler has read this statement to me consisting of five pages. It is given voluntarily on my part and it is correct to the best of my knowledge and belief and I am willing to sign it as such.

SIGNED Frank Earl Spencer

WITNESSES

Henry A. Snow

B. M. Suttler

Special Agents,  
Federal Bureau of Investigation,  
U. S. Department of Justice.

Spencer further stated that he recalled the Cooper's beer truck driving up to Grace Goldstein's house two or three times each week to deliver beer and get empty cases. He recalls further that the Standard Ice Company and the Jones Ice Company are the two companies who maintain regular daily deliveries on this Street. He could not recall which of these companies called at Grace Goldstein's house at that time.

The following employees of the local Hot Springs Post Office were interviewed by Special Agents D. P. Sullivan and H. A. Snow on July 20, 1937, in an effort to secure any information in their possession concerning Karpis and associates during the time that they resided at Hot Springs, Arkansas.

Mr. C. C. Bandy, who is employed at present in the Hot Springs, Arkansas, Post Office as a clerk at the Parcel Post window, upon being interviewed stated that during 1936 he was employed as Rural Mail Carrier on Route #2; that this route extends out Malvern Highway for a distance of about ten miles to the County line; that the Woodcock home, which was raided by Bureau Agents and Post Office Inspectors, is located on the

route which he served, and that he recalls the time when the Woodcock family moved out of the house and other parties moved into it about February, 1936. Bandy stated that he made one delivery of mail each day, except Sundays and holidays, on the route, and that he usually reached the Woodcock house about 9:30 o'clock each morning; that after the Woodcock family moved out of the house he recalls that he often observed a dark colored Buick Coupe on the hill by the house, and that this automobile would sometimes come down the drive-way of the house after he had left mail in the mail box located on Malvern Highway; that this car often appeared to have been occupied by a man and a woman, and he sometimes noticed the car proceed towards Hot Springs after the occupants thereof had picked up any mail which he might have left in the rural mail box. He stated that he did not become acquainted with these people and at no time did he have any conversation with them or have occasion to observe them closely; that from their actions he is of the opinion that these parties would wait almost daily by the Woodcock house on the hill until he passed or stopped at their mail box, and then would come down in the Buick car and pick up any mail; that he is unable to recall any names appearing on mail deposited there during the period approximating one and one-half months immediately preceding the raid, but that the name "Connie" sounds familiar and may have been on some of the letters addressed to the place. Bandy stated further that all the mail deposited in the Woodcock mail box during the period in question bore the address "Camp Fairchild", which is the name by which the Woodcock house is known locally. When questioned as to the last day upon which he observed any activity about the house or automobiles parked in the driveway, Bandy stated that he is positive that he left a letter in the mail box on the last working day before the raid, which would have been Saturday, March 29, 1936, and that the same Buick Coupe drove down the hill on that day and picked up the letter, as if the occupants of the house had been awaiting his arrival. He stated that he definitely recalls this fact because on the day of the raid (Monday, March 31, 1936) he heard about the trouble at the house before he left town on his route, and that he recalled at that time that he had left a letter there on the last trip he had made. Bandy also stated that on the regular trip which he made on the day of the raid he also deposited a letter in the mail box, and that he noticed that this letter had been removed therefrom upon his returning towards Hot Springs. He said that he paid particular attention to the letter on that day, due to the raid, and wondered at the time as to whether he should not have returned it to the local Postmaster.

Bandy also advised Agents that he recalls a large Buick Sedan, maroon in color, which was sometimes parked by the Woodcock house. He did not recall ever having seen a large black dog at the place. When exhibited photographs of the Barker-Karpis gang, Bandy was unable to positively identify any members thereof, stating that due to the elapsed

time and the fact that he did not closely observe the occupants of the Buick Coupe he cannot recall their facial characteristics. He stated, however, that the photograph of Karpis is familiar to him and believes that he has seen that man somewhere, but that he cannot definitely state that it was in the vicinity of the Woodcock house. He was not sure whether the same man and woman would always drive the Buick down the hill for the mail, or whether at times this car would be occupied by another couple. At times a woman would be driving and on other occasions a man would be behind the wheel. He did not see any colored employees about the place.

When questioned concerning his knowledge of Chief of Detectives "Dutch" Akers, Bandy stated that he is acquainted with Akers and that he passed Akers almost daily during the period February - March, 1936, on the Malvern while he, Bandy, would be proceeding out this road on his route and Akers would be coming towards Hot Springs. He did not see Akers ever come from the drive of the Woodcock house during this period, and presumed that Akers was coming in from his place on Lake Catherine, located approximately two miles past the Woodcock house. Bandy's opinion of Akers was the same as he stated is generally talked of locally - "that he will do anything for money". He stated that neither Akers nor anyone else has ever questioned him concerning the occupants of the Woodcock house.

Alva M. Campbell, City Carrier, Route #1 (formerly Route #9) upon being interviewed stated that he delivered mail on the route upon which the house occupied by Grace Goldstein during part of 1934 and 1935 was located, which was at 1338 South Central Avenue, and that he was well aware of the fact that Grace was operating a house of prostitution there during that period and up until the Sheriff raided the place for liquor sometime during the Spring or Summer of 1935. Campbell stated that there were numerous girls employed at the house operated by Grace during this period and recalled the names of a few of them as being "Connie" Morris, Greta Swanson and a girl whom he knew as Ruth. He was unable to state the names of any local residents whom he might have observed visiting the house, and stated that most of the visitors there appeared to be delivered via taxicabs. Campbell was unable to recall seeing a 1935 Model Ford Coupe parked in the driveway or near that house at anytime shortly prior to the time when Grace was forced to move therefrom. Campbell stated that he made two deliveries daily on his route and that he usually passed Grace Goldstein's house on South Central about 9:30 A. M. and 3:30 P. M. He stated that for a period of about two weeks prior to the time when Grace moved from her South Central Avenue address, he noticed two young men within the house when he had occasion to go to the door, and that these men appeared to him to be living there at that time, or at least having spent the night there, on occasions during



the two weeks period. Campbell was unable to identify the photographs of Karpis or Fred Hunter as being these two young men, stating that he did not observe them closely. He was unable to identify photographs of any members of the Karpis-Barker mob as ever having been observed by him. Campbell referred to Grace Goldstein as "Goldie".

Robert M. Powell, City Carrier #11, Residence 103 Cass Street, Hot Springs, Arkansas, was interviewed. He stated that he delivered mail to 123 Palm Street during the summer of 1935. He recalled that for about a month or more Grace Goldstein apparently operated a house of prostitution at 123 Palm Street; that he recalled that one of the girls was named Connie and another was named Greta Swanson; that Grace Goldstein had a new Chevrolet Coupe and she and some of the girls at the house would go outside in their bathing suits and wash the car. Powell selected the photograph of Alvin Karpis from a group of photographs as the likeness of a young man he saw on several occasions at 123 Palm Street when it was occupied by Grace Goldstein. He stated that he never got a good look at Karpis close at hand as Karpis would be somewhere inside the house. Powell stated that he did not pay any particular attention to Karpis as there would frequently be men visitors at the house. Powell was unable to identify the photograph of Fred Hunter.

Powell stated that he was acquainted with most of the Hot Springs Police Officers but he could not recall seeing any of them at 123 Palm Street, nor could he recall ever having seen any police cars parked in front of 123 Palm Street when Grace Goldstein lived there. He stated that Mrs. Armenia, who lives next door at 125 Palm Street, frequently complained of the disturbances which Grace Goldstein and her girls caused at night. On one occasion Mrs. Armenia told him that shots were fired at night by some person or persons at 123 Palm Street. He stated that Mrs. Armenia's sister was then married to Deputy Sheriff William Lowe; that Lowe mistreated his wife and she often came to Mrs. Armenia's house to stay; that Mrs. Lowe is presently separated from her husband and is living at a house at about 311 Archer Street, Hot Springs, Arkansas. Powell was thoroughly questioned but he had no further information of value to instant investigation, except that he believed that Lieutenant Cecil Brock and his wife lived almost directly across from 123 Palm Street at 124 Palm Street at the time that Grace Goldstein lived at 123 Palm Street. He stated that it is possible that Brock had moved just before the time that Grace Goldstein moved into the Palm Street address but the exact date that Brock lived at 124 Palm Street could probably be obtained from Mr. Owen Poe, the owner. Powell also stated that he believed that the iceman for the Jones Ice Company delivered ice to 123 Palm Street when Grace Goldstein lived there.

William T. ~~X~~Smith, City Carrier, who delivered mail to the Hatterie Hotel during the years of 1935 and 1936, was interviewed and he stated that he was acquainted with Grace Goldstein, who he met on different occasions at the Hatterie Hotel in the delivery of the mail; that the mail addressed to persons at the Hatterie Hotel was placed in a box near the front door and at the bottom of the steps which lead up to the hotel; that when he had registered mail or when there was some question as to whether a certain person to whom mail was addressed was actually residing there, he would go up and inquire from someone in the hotel. From a group of photographs he selected the photograph of Alvin Karpis and stated that he had seen this man at the Hatterie Hotel; that he recalls that Grace Goldstein moved into the Hatterie Hotel about two years ago and he remembers that Federal Agents raided a house on Lake Catherine last Spring; that he cannot recall exactly when he saw Karpis at the Hatterie Hotel, but it was sometime between the above dates and he believes it was some months before the raid. Smith stated that he may have seen Karpis on two occasions at the Hatterie Hotel, but he distinctly recalls one occasion when he had either a registered letter or some inquiry to make and he went upstairs and rang the doorbell for quite some time but got no answer, but finally Karpis came out of Grace Goldstein's room to answer the bell and took care of Smith's inquiry; that Karpis was dressed in pajamas and gave every evidence of a person who had just awakened; that Grace Goldstein was not in her room that morning that he could see. Smith stated that around that time he saw Grace Goldstein riding in a Hudson Coupe along Central Avenue on more than one occasion, and a young man who looked like Karpis was driving the car, but he cannot positively state that it was Karpis as he did not get a good look at the man with Grace; that on one occasion he saw Grace Goldstein riding with a man who looked like the man he had seen at the Hatterie Hotel, in the Hudson Coupe at the intersection of Grand Avenue and Ouachita Avenue. Smith could not positively state that this man with Grace Goldstein was Alvin Karpis.

Smith could not recall ever having seen Karpis riding with Grace Goldstein in her green Buick Coupe, nor could he remember delivering mail to an Ed Parker, Harold King or Ed Woods, aliases of Karpis and Hunter, at the Hatterie Hotel. Smith could not recall any happenings at the Hatterie Hotel around the Woodcock raid, nor could he remember seeing any police officers at this place during or after the time that Karpis is known to have kept company with Grace Goldstein. Smith was unable to identify the photograph of Fred Hunter as the likeness of any person he had ever seen.

Walter S. ~~X~~Huddleston, Rural Carrier, who delivers mail along Rural Route #1 on Highway #7, was interviewed for information concerning

the residence of Karpis with Hunter and Grace Goldstein at Milan's Landing and Dyer's Landing in the Summer of 1935. Huddleston was shown photographs of all members of the Karpis-Barker gang, which he was unable to identify. He stated that the mailbox for Dyer's Landing was located on the highway and he had no occasion to ever go down to Dyer's Landing and, therefore, had no information about the persons who may have lived at that place. He could not recall seeing Karpis or Hunter at Milan's Landing or at Wilson's tavern, and had no information concerning the residence of Karpis and Hunter at Lake Hamilton.

The following investigation was conducted by Special Agents H. A. Snow and D. P. Sullivan on July 19, 1937:

Agents interviewed Mr. and Mrs. Lou Spencer, 139 Franklin Avenue. This couple was thoroughly questioned but they denied having any information of particular interest to this investigation. They stated that they lived at 125 Palm Street from the early Spring of 1935 to about August of the same year. They recalled that Grace Goldstein and several girls moved into 123 Palm Street a couple of months after they moved next door and they remembered that Grace Goldstein did not live at 123 Palm Street for more than a short while and finally moved because neighbors, particularly Mrs. George Gabriel, complained of the Goldstein woman operating a house of prostitution in the neighborhood. Mr. and Mrs. Spencer were shown photographs of Alvin Karpis and of other members of the same gang, but this couple was only able to identify the photograph of Grace Goldstein as having been seen by them before and they indicated that the photographs of Connie Morris looked somewhat familiar as being one of the girls who worked for Grace Goldstein at 123 Palm Street.

Mr. and Mrs. Spencer stated that they could not recall seeing any Police Officers at 123 Palm Street while Grace Goldstein lived there. Mr. Spencer informed Agents that he has a recollection of having seen an open Buick touring car, which was used by the Hot Springs Police Department, parked in front of 123 Palm Street, but he is not certain of this and could not swear to same for a certainty, and he could not recall any Police Officers entering or leaving the house at 123 Palm Street. Both Mr. and Mrs. Spencer are acquainted with Chief of Detectives Akers by sight, but they could not remember ever having seen him at 123 Palm Street. They stated that they lived in a rear apartment on the opposite side of the house which adjoined 123 Palm Street and, therefore, did not have a view of 123 Palm Street or of such persons who visited Grace Goldstein's place and could not notice such cars as were parked in front of it, unless they went around in front of their house.

Mrs. Spencer stated that Mr. and Mrs. W. J. Mullins lived in the rear apartment at 125 Palm Street when Grace Goldstein lived next door. The Mullins apartment was directly opposite the side of Grace Goldstein's place and a view could be had from the Mullins' apartment into Grace's place; that Mrs. Mullins had two sons, one about five years of age and one about fourteen years of age, and she often complained to Mrs. Spencer that Grace Goldstein would not pull down the blinds in her house and she and her husband and sons were forced to see the various prostitutes employed by Grace Goldstein walking around nude; that Mrs. Mullins also said something about it was useless to report this matter to the local police, as various police officers would visit Grace's place and therefore they knew what was going on. Mrs. Spencer stated that Mrs. Mullins and Mrs. Armenia frequently talked together about the various happenings next door at 123 Palm Street and would sit on their front porch and watch the various persons who came and went at 123 Palm Street. For the above reasons, Mrs. Spencer expressed the opinion that Mrs. Mullins undoubtedly had a great deal of information as to what went on at 123 Palm Street. Mrs. Spencer stated that she recently received a letter from Mrs. Mullins, who was then living at 205 Edwards Street, Shreveport, Louisiana.

Mrs. Spencer further stated that Walter Welch frequently visited Mrs. Mullins and her family at 125 Palm Street and would spend all day with the Mullins family on Sunday; that Mrs. Mullins and Welch often talked about what went on at Grace Goldstein's place, next door. Mrs. Spencer stated that further information concerning Welch could probably be obtained from the records of the now defunct Federal Transient Bureau, the records of which are now located at Camp Garrity.

Mrs. Spencer further advised that Mrs. Mullins once told her that Dr. A. C. Prichard, who has offices at 362½ Central Avenue, visited Grace Goldstein's house ostensibly for social reasons rather than on business. She stated that Carl Rasp and his wife, Opal, lived at Mrs. Armenia's house when Grace Goldstein operated at 123 Palm Street; that Mrs. Rasp frequently visited Mrs. Mullins and she undoubtedly had information concerning the various happenings at Grace's place. Mrs. Spencer stated that Mr. and Mrs. Rasp come from somewhere in Oklahoma.

Through the cooperation of Dr. E. W. Norris of the Public Health Clinic, the records were checked and it was learned that the following individuals who resided at 125 Palm Street had been treated at this clinic and the following information pertaining to these persons was obtained from the clinic records:

Carl Rasp was treated from December 21, 1934, to June 6, 1935. Residence given on date of entrance, 510 Tyron Street, Kingfisher, Oklahoma. Father - Albert Rasp, 510 Tyron Street, Kingfisher, Oklahoma. Last employed at Bob White Milling Company, Kingfisher, Oklahoma.

Jack Hawkins was treated from April 30, 1934, to just a few days later. Residence - R.F.D. #1, Kilgore, Texas. Case possibly referred to Levi Hospital Clinic.

Alfred "Pete" Morrison was treated from May 1, 1935, to April 21, 1936. Residence given on date of entrance, 813 $\frac{1}{2}$  Reno Street, Oklahoma City, Oklahoma. Father - Tigue Morrison, Oklahoma City, Oklahoma; brother - Shirley Morrison, Stockyards Station, Oklahoma City, Oklahoma. Last employed at Armour Packing Company, Oklahoma City, Oklahoma, as a laborer.

Walter Welch was treated from July 9, 1934, to December 5, 1934. Residence given on date of entrance as 209 Northeast 12th Street, Oklahoma City, Oklahoma. Father - Walter K. Welch, who lives on a farm three miles south of Granite, Oklahoma. References - J. H. York, 315 West 2nd Street, Oklahoma City, Oklahoma; John Seick, 209 Northeast 12th Street, Oklahoma City, Oklahoma. Dr. Norris stated that Welch was employed by Giles Gibbs on a PWA project after he completed his treatments at the clinic; that Gibbs was presently operating a watch repair business in the Arkansas National Bank Building.

Opal Rasp, wife of Carl Rasp, was treated at the Public Health Clinic during the same period as her husband. Father - I. A. Lockenbell or Luckinbill, 624 N. Pitcher Street, Pitcher, Oklahoma. Mrs. Rasp's address on date of registration as Kingfisher, Oklahoma, 12 blocks south of the Post Office, which is the address of her husband at 510 S. Tyron Street.

Investigation was shown that Fred Hunter was treated at the Public Health Clinic in 1930, before he first visited Dr. Paul Z. Browne, who was also retained as a physician at the clinic while maintaining a private practice in a local office building. The following record of Fred Hunter was located by Dr. Norris. It disclosed that Fred John Hunter, P. O. Box 395, Leavittsburg, Ohio, registered at the clinic for treatment on March 5, 1930, at which time he gave his local Hot Springs address as 118 $\frac{1}{2}$  Central Avenue. The medical examination disclosed that

Hunter was suffering from chronic gonorrhea. He was treated at the clinic until May 7, 1930. There was also a notation that Hunter was referred to the Levi Memorial Hospital at which time he was suffering from quinsy. The following personal history also appeared on Hunter's card: Born April 18, 1899. Father - George Hunter, Post Office Box 395, Leavittsburg, Ohio. Mother - Helen Hunter, deceased. Previous employment - Youngstown Press Steel Company, Warren, Ohio, as a welder with wages indicated as \$25.00 per week.

Agents interviewed Mr. Giles Gibbs, Arkansas National Bank Building, and he stated that he last heard from Walter Aubrey Welch on November 6, 1936, at which time Welch was residing at 515 North 2nd Street, Phoenix, Arizona, and was employed as a bookkeeper for a man who operated two or three liquor stores in Phoenix. Gibbs just recently received a letter from the Hartford Accident and Indemnity Company at San Francisco, California, inquiring of Walter Welch of Phoenix, Arizona.

In an effort to develop any possible source of information concerning the occupants and visitors of the house of prostitution operated by Grace Goldstein at 123 Palm Street during the latter half of May and all of the month of June, 1935, it was deemed advisable to contact the ice delivery men for the various ice companies who served the Palm Street address of the Goldstein woman during the above mentioned period.

Through inquiry at the Home Ice Company, 200 Albert Pike, it was ascertained that the truck driver who handled the route which included Palm Street during the Summer of 1935 is named Gary Johnson, and that he still handles the ice route upon which Palm Street is located.

Upon being interviewed by Special Agents Suttler and Snow, Gary Johnson stated that he has delivered ice on the route which includes Palm Street for several years; that he had a few customers on this street during the Summer of 1935, but that Grace Goldstein was not one of his customers, and that he did not know her during that period. Johnson stated that he was aware of the fact that a house of prostitution was being operated on Palm Street sometime during the Summer of that year, but that he never went into that house for ice delivery purposes or otherwise. He did not know of Grace Goldstein until after Karpis had been apprehended and the resulting newspaper publicity which linked his name with that of the Goldstein woman.

MATT DAVIS, ice driver for Jones Ice Company, who delivered ice to Grace Goldstein at the time she lived at 123 Palm Street, was interviewed on July 26 by Agents H. A. Snow and B. M. Suttler at his home, 515 Grand Avenue, Hot Springs, Arkansas. He recalled Grace Goldstein and her house of prostitution very vividly. He talked at random to Agents Snow and Suttler and admitted that he had seen Chief of Detectives Herbert "Dutch" Akers around 123 Palm Street many times during the time Grace lived there. He recalled seeing Karpis, Hunter and Connie Morris there. He identified them by photograph. After he finished talking, Agents asked him if he would sign a statement of what he had just informed Agents and he stated that he would. Agents composed a statement on the night of July 26, 1937, and presented it to Davis on the following day, July 27, 1937. He refused to sign it. He stated that he had thought it over since the day before and had decided that it would be better for him not to sign anything; that he had been working in Hot Springs for twenty-four years; that he was now fifty-two years old and was afraid that if he signed anything and it got back to the City Administration he would be "run out of town" and "if they run me out of town and I lose my ice route I don't know what would become of me at my age."

Davis stated he had heard a lot of things went on in this town and he was just afraid to put his name on anything that might later cause him trouble. Agent read the statement to him and he said it was all right but he did not feel like signing it. He only made one correction to the statement at the time Agent read it to him and that was the name of his helper. He told Agent to change the name from Jimmy Duggan to Ralph Dodd. This error was corrected by Agent. The statement obtained from Matt Davis is as follows:

I, Matt Davis, make the following voluntary statement to H. A. Snow and B. M. Suttler knowing them to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice.

For the past twenty-four years I have delivered ice on Palm Street in the City of Hot Springs, Arkansas. I recall very well the time that a woman by the name of Grace Goldstein conducted an illegal house at 123 Palm Street. It was the summer of 1935 as I recall it now. She must have lived there for about six weeks. I delivered ice to her house most every morning during this period between the hour of 10:00 A. M. to 10:15 A. M. At the time I was delivering ice to the Goldstein woman I recall that many times I would see two men in the kitchen having breakfast at the time I called to put ice in the box. From a group of photographs shown to me by these Agents I have selected the photographs of the two men that I saw

at 123 Palm Street during the summer of 1935. Agents have informed me that these two men are Alvin Karpis and Fred Hunter. As I recall it now Karpis went with Grace Goldstein and the one they called Connie, whose photograph I have identified, went with Hunter. I saw these four together many mornings in the kitchen having breakfast at the time I put the ice in. On some occasions Karpis would be in the kitchen by himself and when I would come in he would go toward the front of the house. Neither Karpis nor Hunter ever spoke to me that I can remember.

I recall further that I saw Chief of Hot Springs Detectives, Herbert "Dutch" Akers around 123 Palm Street oftentimes during the time Grace Goldstein lived there. I recall several times seeing him park his car or sitting in his car either in front of the Goldstein house or just up the street from it a few feet. On other occasions I have seen him turning into Palm Street from Benton Street just as I made the turn and he has waved at me on several occasions in that neighborhood. I will not state positively that I have seen "Dutch" Akers in Grace Goldstein's house but I have seen him very close by on many occasions and presumed that he was going there as there was no other place in that neighborhood that he could have been going, that I know of. Another reason that I made this presumption was that it was only during the time that Grace Goldstein lived at 123 Palm Street that I saw "Dutch" Akers in that neighborhood so often, naturally I thought he must have been going there for one reason or another.

Agents have shown me numerous photographs and from them I have selected three photographs of other men whom I believe were either in and out of 123 Palm Street during this period or were in the immediate vicinity. Agents inform me that the names of the men I have selected are, Milton Lett, and Harry Campbell. The reason I recall so clearly seeing this fellow Campbell is that there is a man in Hot Springs, Arkansas by the name of "Eddie" who looks "exactly like" Campbell and the first time I recall seeing Campbell coming out of 123 Palm Street I thought then that it was the fellow I know here as Eddie.

I recall further that this man known as Karpis was very quiet and had a very sour sort of disposition. In all the time I saw him and Hunter I can truthfully say that neither of them ever spoke one word to me. I recall that he drove a black Chevrolet Coupe but I cannot recall the kind of license plates it carried. I have seen Karpis get into this car and drive off on many occasions, he always gave it the gun when he drove off and gave it the gun when he came in. My helper, named Ralph Dodd, and I often discussed the way this man Karpis drove away in such a hurry in his Ford.



I recall that the man you call Hunter had something wrong with his speech, when he talked he seemed to hesitate or stutter. He never did talk to me but I have heard him talking to others in the kitchen at the time I was putting ice in the box. I also recall that I saw a big black dog on several occasions when I went there and several times I had them call the dog inside to keep it from biting me. It was a very large black dog.

As to the girls that stayed there at that time I can only recall the names of Connie, Ruth, Ginger, Grace and Greta. There might have been one there by the name of Patsy but I am not positive of this.

This statement consisting of three pages has been read back to me by Agent Suttler and has been read by me. It is correct to the best of my knowledge and belief and I will sign it as being the truth.

SIGNED \_\_\_\_\_

(Refused to sign)

WITNESSES B. M. Suttler

\_\_\_\_\_  
Special Agents,  
Federal Bureau of Investigation  
U. S. Department of Justice.

PETE RATLIFF (Christened James Edward Ratliff), former taxi driver for the Yellow Cab Company during 1935 - 36, was interviewed on January 23, 1937, by Special Agents H. A. Snow and B. M. Suttler. It was learned in a previous interview with Ercell Brock that Ratliff worked for the Yellow Cab Company during March, 1936, and that Kansas State Trooper Joe Anderson had talked to Ratliff about Hunter and Grace immediately after the Woodcock raid on March 30, 1936.

Ratliff stated that he recalls talking to both Post Office Inspector Haynes and Joe Anderson last year; that as he recalls it now he talked to Anderson on the night of the day that Karpis was captured, or it might have been the night of the day that the Woodcock place was raided. He could not recall which it was.

From a group of photographs Ratliff selected the following as being persons he had known or seen in Hot Springs, Arkansas; Verne Miller, Connie Morris, Fred Hunter, Herbert Farmer and Grace Goldstein.

Ratliff states that the first time he saw Hunter was when Hunter and Connie Morris were walking one day down by Bath House Row; that after that he saw them together frequently walking on the same sidewalk, and that he asked Connie one day who her boy friend was; that she told him he was a night club operator from Ohio.

Ratliff states that while Joe Anderson was in Hot Springs he stayed at the Goddard and Pullman Hotels and that he talked to him at both of these places, but was unable to identify Karpis at that time and is still unable to state that he has ever seen Karpis with Grace Goldstein. He recalls that on the night Karpis was captured in New Orleans he picked up "Ginger" on a call from Jim and George's Cafe and that she informed him that they had captured Karpis, Hunter and Connie Morris in New Orleans.

Ratliff further stated that at the time Hunter was going with Connie Morris he thinks Ercell Brock was "crazy about her" and was jealous of Connie going with Hunter; that as he understood it, Brock saw a photograph of Hunter in a detective story magazine and told another Yellow Cab driver by the name of Jefferies; that Jefferies was a good friend of Joe Anderson and when Anderson came down to Hot Springs to investigate with the Post Office Inspectors, Jefferies informed Anderson of what Brock had told him in regards to Hunter.

Ratliff stated that as far as he knows now Connie is up East, either in Philadelphia or New York; that the last time he talked to her during the 1937 racing season, she told him she was going with some rich manufacturer who stayed at the Arlington Hotel, and that she intended going back East with him.

Ratliff stated further that he recalls when Grace Goldstein was living on Broadway several years ago that she and Joe Wakelin, then Chief of Police in Hot Springs, were going together, or at least he presumed they were, as he saw them together frequently in those days.

The following investigation was conducted by Special Agents D. P. Sullivan and H. A. Snow at Hot Springs, Arkansas, on July 21, 1937:

Agents interviewed Mrs. William A. Anderson, who operates a clothing repair shop and cleaning establishment with her husband at 212 Central Avenue. The firm is known as the American Cleaners and Dyers and is located in the immediate vicinity of the Hatterie Hotel on the opposite side of the street. Mrs. Anderson stated that soon after Grace moved into

the Hatterie Hotel in the Summer of 1935, she began doing sewing work for the Goldstein woman and has continued to work for her and the girls employed by her as prostitutes, since that time. She was able to recall the names of the following prostitutes who have been employed by Grace Goldstein at the Hatterie Hotel since 1935, and stated that she has done dress repairing and other sewing work for most of them: - Connie, Ginger, Greta, Mary, Ann, Jerry, Pauline, Jackie, Dorothy, Pat and Jean. Mrs. Anderson very seldom was acquainted with the last names of the girls and any dresses upon which she had done work were usually marked with the girl's first name only and delivered by herself personally to the Hatterie Hotel.

From a group of photographs exhibited to her, Mrs. Anderson selected the photograph of Alvin Karpis as resembling a man whom she had seen at the Hatterie Hotel on approximately two different occasions when she called there to pick up or deliver dresses. She stated that she recalls passing this man one time on the steps leading up to the Hatterie Hotel, and on another occasion Karpis was sitting in the living room of the hotel reading a newspaper.

Mrs. Anderson stated also that it is possible that she has seen Karpis on several other occasions, as she recalls that Grace Goldstein often drove by her place in an automobile in which a man would be riding, but that his face would usually be turned towards Grace and away from the street. She was able to identify the photograph of Fred Hunter as being the likeness of a man whom she observed in the hallway of the Hatterie Hotel on one occasion when she took a dress there, and stated that Hunter was just walking into the room occupied by Connie Morris; that Connie had called Hunter to come into her room on that occasion and Hunter looked back at her as she was walking towards one of the other rooms. She did not recall ever having seen either Karpis or Hunter in Grace's room, and stated that the room occupied by Grace was always in very good order at the times when she (Grace) would call for her to fit a dress. It was Mrs. Anderson's recollection that it was sometime during the winter of 1935 -36 when she saw Karpis and Hunter at the Hatterie Hotel, but that she never saw them together to her knowledge on her visits there, although frequently she could hear men's voices in various rooms at the hotel who might have been them and she not have known it.

When questioned as to whether she had ever done any tailoring work or cleaning and pressing for the men whom she identified from photographs as being Alvin Karpis and Fred Hunter, Mrs. Anderson stated that they personally never visited her shop but that on one occasion she recalls that the negro maid at the Hatterie Hotel brought over a brown suit

to be cleaned and pressed. No name was given as to the owner of the suit at that time and she merely listed the ticket as "Hatterie Hotel", and that same was destroyed when she returned the suit to Grace Goldstein and received her money.

Mrs. Anderson stated that during conversations with Grace Goldstein during the latter part of the Summer of 1935, or early Fall of that year, Grace often mentioned to her that she had a rich "boy friend" from the East who was living in Hot Springs and who had set her up in business at the Hatterie Hotel by purchasing the furniture, etc. for her and enabled her to secure possession of that place; that she did not see the man referred to by Grace as being her "boy friend" (Karpis) until a few months later, which would have been in the Winter of 1935-36, as mentioned in preceding paragraphs; that she doesn't recall seeing Karpis wearing glasses at any time, and that he was without them on the two occasions which she recalls seeing him; that during the Winter of 1935-36 Grace often talked about how much money her "boy friend" had, and she recalls that shortly after Christmas of 1935, or about that time, Grace showed her a new Gruen Wrist Watch and a new diamond ring which she said had been given to her by her "boy friend" for a Christmas present. Mrs. Anderson recalled that Grace mentioned the name of her "boy friend" as being "Ed". She does not recall the name Harold King, used by Hunter about this time. On one occasion during 1935-36 Grace showed Mrs. Anderson a photograph of a large black dog, which she said had been taken at her place on "the lake" where she was living part of the time. Grace did not mention the name of the lake. During this period also Grace often left dresses for altering, etc., and requested that Mrs. Anderson perform the work on them as quickly as possible, stating that she was going out of town. Mrs. Anderson recalls that Grace was continually packing and unpacking her suitcase on different occasions, as though she had been somewhere or was just leaving. On one occasion during the Fall of 1935 Grace informed Mrs. Anderson that she had just returned from the prizefight held in New York City.

Mrs. Anderson stated that during this time she knew also that the prostitute Connie had a "boy friend" with a lot of money, but that Connie did not mention his name to her as far as she can remember. She stated that Connie was always reticent about talking to her and never talked about her "boy friend" as Grace did; that Connie ran up a rather large bill with her for dress-making which she refused to pay, and that on one occasion during the latter part of November, or early in December, 1935, she went to the Hatterie Hotel in an effort to locate Connie in order to get her money and was told by the other girls there that Connie had left the preceding night with her "boy friend" (Hunter) for San Antonio, Texas, and that she does not recall seeing Connie again for a period of about two months; that during this time she made numerous complaints to the local

Hot Springs Police Department in an effort to have Connie located, or at least to ascertain whether she was in town, but that nothing was ever done for her in this respect by the police. She talked to Herbert (Dutch) Akers, Chief of Detectives, Cecil Brock, Lieutenant, and "Bob" Moore, Night Captain, in an effort to have Connie located. She also ascertained that none of these officers ever called or came by the Hatterie Hotel in an effort to locate Connie for her.

Regarding the large, black, Great Dane dog, Mrs. Anderson stated that she first noticed it at the Hatterie Hotel sometime in the latter part of the Summer of 1935, at which time Grace told her that it was an imported dog and that it had been sent to her by her "boy friend" from Maine. Grace stated at that time that the dog was born in May or June of that year and it was still a puppy when she, Mrs. Anderson, first observed it.

When questioned as to her knowledge of Grace Goldstein's association with former Chief of Police Joseph Wakelin in a social way, Mrs. Anderson stated that she had known nothing about this until only about one week previous to Agents' present interview with her. She stated that while she was visiting Grace recently and fitting a dress, the telephone at the Hatterie Hotel rang and Grace answered. During the conversation she noticed that a considerable pause took place in the conversation. She questioned Grace about this and Grace replied that she had been talking to her "boy friend", and that his wife had picked up an extension telephone at his house, which caused him to cease talking until his wife hung up the extension; that she asked Grace who her "boy friend" was and Grace replied that he was Joe Wakelin. Mrs. Anderson also stated that Grace had previously shown her a nice electric toaster which she had received as a Christmas gift at Christmas of 1936, and at that time Grace had told her that she received this gift from her "boy friend". At the time of the telephone incident Mrs. Anderson then asked Grace if Joe Wakelin was the "boy friend" who had given her the electric toaster, and Grace replied that he was the one.

Mrs. Anderson was questioned as to whether she had ever seen Wakelin, Akers or any of the local Police Department members at the Hatterie Hotel on the occasion of her visits there, but she denied that she had ever seen any of them there, stating that everything always appeared to be in good order at the times when she was summoned to come over for dress-making and fittings.

Concerning the prostitute Dorothy, whom Mrs. Anderson stated was an inmate of the house of prostitution operated by Grace Goldstein

at the Hatterie Hotel, Agents were advised by Mrs. Anderson that Grace had recently (two weeks ago) told her that Dorothy is now in a hospital at Dallas, Texas, where she is suffering from something similar to cancer. She does not know the last name of Dorothy, nor did Grace tell her the name of the hospital where that girl is receiving treatment.

In a previous interview with Erzell Brock, former taxi driver in Hot Springs, Arkansas, he informed Agents that the first time he saw Joe Anderson was about two weeks before the Woodcock raid; that Post Office Inspector Haynes told him to get a picture of Connie Morris and bring it up to the Howe Hotel on the following day; that he did this and it was at this time that he met Anderson. It was Brock's impression that Anderson and Haynes were at that time staying at the Howe Hotel on the second floor.

On July 23, 1937, Agent B. M. Suttler contacted T. F. Houston, Manager of the Howe Hotel, and together they checked the register of guests for the month of March, 1936. The register reflects that J. W. Anderson stayed at the Howe Hotel only one day during that period under his own name and that was the night of March 30 and the day of March 31, 1936. Anderson occupied room #218 at that time. Post Office Inspector W. W. Haynes checked into the Howe Hotel on March 17, 1936, and checked out on March 22, 1936. He occupied room #611 at that time. Mr. Haynes again checked into the Hotel on March 24, 1936, and checked out again on March 29, 1936; this time he occupied room #402. There is no indication on the Hotel records to show that either of these men occupied a room on the second floor around March 15, 1936, as Brock had stated.

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler on July 19, 1937:

It will be recalled that Clayton ~~Hall~~ purchased a 1936 Model Buick Sedan for Alvin Karpis from the Creason Buick-Pontiac Company, Hot Springs, Arkansas, on January 25, 1936; that the car was purchased in the name of C. C. ~~X~~ Sullivan but was registered by this automobile company at Little Rock, Arkansas, in the name of N. O. ~~X~~ Bell. On July 19, 1937, Agents called at the Creason Buick-Pontiac Company, 325 Market Street, Hot Springs, and interviewed Mr. G. W. Creason, owner of the company. He distinctly recalled the sale of instant Buick car to a man named Bell. In this connection he advised that Bell was brought to the salesroom by Grace Goldstein, who a few months previous had purchased a Buick Coupe from him; that Grace introduced Bell as a good friend of hers and advised that he was in the market for a 1936 Model Buick Sedan. Mr. Creason advised that he believed that this contact was had on January 22, 1936, three days

before the actual sale of the car. He advised that after Grace Goldstein introduced Bell to him, the latter thereafter made all of the negotiations for the automobile; that it was his understanding that Bell resided at the Majestic Hotel during the period of these negotiations. He advised that on one occasion when he and Bell were discussing the price of the car, Bell told him that he would have to talk the same over with his brother. Mr. Creason added that since it has been developed that this car was purchased for Alvin Karpis, he is now of the opinion that Bell was referring to Alvin Karpis on the above occasion.

Continuing Mr. Creason advised that Bell at first wanted to purchase a black Buick Sedan, but that he did not have one in stock; that he thereupon called his distributor at Memphis, Tennessee, and inquired whether they had such a car on hand; that they did not, whereupon Bell agreed to purchase a dark maroon colored sedan. Mr. Creason advised that he went to Memphis, Tennessee, on the morning of January 25, 1936, took delivery on the car and on his return trip he stopped at Little Rock, Arkansas, and purchased a set of license tags for the car in the name of N. O. Bell. When asked to explain this, Mr. Creason advised that Bell wanted the car and license tags immediately, and that inasmuch as the tags would have had to be mailed if the car had been registered in Hot Springs, he did Bell the favor by purchasing and obtaining the tags immediately at the Capitol in Little Rock, Arkansas. He advised that the reason he registered the car in the name of N. O. Bell was because he thought all along that the man with whom he was negotiating was named Bell. Mr. Creason was of the opinion that he gave the address of his company on the application for registration of Bell's car.

Continuing Mr. Creason advised that when he executed the bill of sale, Bell told him to make it out in the name of C. O. Sullivan, San Antonio, Texas. Mr. Creason admitted that this was somewhat irregular but advised that he did not question Bell in regard to this discrepancy in names, stating that that was none of his business; that Bell paid for the car in cash, and that was all that concerned him.

Mr. Creason further stated that after Bell took delivery on the car, he returned with the same approximately two weeks later for a 1,500 mile inspection; that at that time the car had been driven around 3000 or 4000 miles, which he thought was unusually high mileage for that short length of time; that he did not question Bell about this, nor did Bell volunteer that the car had been on a long trip. Mr. Creason continued that Bell again brought the Buick to the garage approximately a month later, and that at this time the mileage on the car was around 7000 or 8000 miles. This date apparently is in error, as it has been definitely

determined that Bell or C. O. Sullivan is identical with Clayton Hall, and that Hall left Hot Springs for Ohio on February 18, 1936. Agents asked Mr. Creason whether he possessed any records reflecting the time and the service performed on the car on the above two occasions, and he advised that he does not; that at that time the company did not retain duplicate receipts of the work done, and that the original copy was turned over to the customer when he paid for the service.

Mr. Creason emphatically stated that he did not know that this Buick Sedan was purchased for Alvin Karpis until after the raid on the Woodcock home and when he was questioned by "Dutch" Akers and some Government men concerning the car. He denied that Akers ever questioned him about Karpis or this car prior to the raid, and also denied that anybody approached him either before or subsequent to the raid relative to buying the car back. He advised that if Raymond Clinton was approached in this regard, he did not know anything about it. Mr. Creason also denied that Grace Goldstein attempted to borrow a car from him after she wrecked her Buick on the morning of March 31, 1936, and also denied that she brought the aforementioned maroon colored Buick Sedan to his garage shortly prior to the time she left it at the Market Street Garage for service on March 25, 1936.

Mr. Creason did not appear to be very cooperative in this matter and frequently made the expression that he would not hesitate to sell gangsters automobiles if they "threw the money on the line". He indicated that gangsters heretofore have been his best and most satisfied customers.

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler on July 19, 1937:

Since the beginning of this investigation it has been frequently stated that Alvin Karpis and Fred Hunter stayed at the Marquette Hotel when they first came to Hot Springs in May of 1935. It has also been stated, this information being provided by Grace Goldstein, that when Fred Hunter visited Hot Springs in October of 1935, he likewise stopped at the Marquette Hotel.

Agents interviewed Ernest Smith, Day Clerk at the Marquette Hotel, on July 19, 1937, and he advised that he does not know from his own personal knowledge that Alvin Karpis ever stayed at the Marquette Hotel. He was shown photographs of Karpis and Fred Hunter, which he failed to identify. Smith produced for Agents' examination the hotel's arrival and departure book, and the same was checked against all of the known aliases of Karpis and Fred Hunter for the years 1935 and 1936, with negative results.



Smith related that shortly after Alvin Karpis was apprehended in New Orleans and when his photograph appeared in the local newspapers, Leroy Hayes, who was then a bell-hop in the hotel, advised him that he recognized the photograph of Karpis as a man who lived in Room 202 in the hotel a year or two previously. In this connection Hayes stated that the man whom he identified as Karpis was very liberal with his tips, did quite a bit of drinking and was in contact with Grace Goldstein; that in fact, he saw Grace Goldstein in his room on one or two occasions. Mr. Smith informed Agents that Hayes appeared to be very positive in his identification of Karpis; that Hayes is no longer employed at the Marquette Hotel, and that he recently heard that Hayes is now living in Monroe, Louisiana. He advised that he does not know how Hayes could be located in Monroe, Louisiana, but stated that he believed that he could get this information from one of the other bell-hops in the hotel, which he promised to do. Mr. Smith should be contacted again in the near future and this information obtained from him.

On July 19, 1937, Agents interviewed Mr. George W. Thomas, Manager of the Marquette Hotel, but he had no information of value to this investigation. He denied any knowledge to the effect that Karpis and Fred Hunter ever resided at the Marquette Hotel. Mr. Thomas produced for Agents' examination the registration cards of the hotel for the years 1935 and 1936, and a search of these cards resulted in the finding of a registration in the name of Harold King of Cleveland, Ohio, which is the known alias used by Fred Hunter in Hot Springs. The card disclosed that Hunter, as Harold King, checked into the Marquette Hotel on October 25, 1935, and checked out on October 26, 1935; that he was assigned room 202 at a rate of \$2.00 for the night. The card showed that he made one local telephone call; that he sent no telegrams nor made any long distance calls. Mr. Thomas permitted Agents to retain the registration card of Harold King and the same is being placed in the files of the Little Rock Field Division for future evidential value.

Mr. Thomas advised that the records of telephone calls from the hotel for the year 1935 have been destroyed by him recently and, therefore, are not available.

It was noted that all of the registration cards for the months of March, April, May and June, 1935, were missing from the storeroom, and since Agents desired to check the registrations for the months of April and May, 1935, Mr. Thomas promised to make a further search for these records and make them available when Agents next come to the hotel, which will be in a few days. Both Mr. Thomas and Ernest Smith promised to cooperate fully to this extent.

As a point of interest, Ernest Smith advised Agents that several months ago Grace Goldstein came to him and had him check the hotel's registration book for the month of October and November, 1935, for the name of Harold King. In this connection she advised that Harold King was in fact Fred Hunter; that he was on trial in Ohio for mail robbery, and that she endeavored to establish an alibi for him by showing that he was in Hot Springs at the time the robbery occurred in Ohio. According to Smith, he merely checked the hotel's arrival and departure book for the month of November, 1935, but could find no record of a Harold King. After Agents located the registration card of Harold King for October 25, 1935, it was discovered that the clerk on duty at that time failed to record this registration in the arrival and departure book, which was the book that Grace Goldstein and Ernest Smith examined as above stated.

Ernest Smith admitted that Grace Goldstein's girls fill frequent dates at the Marquette Hotel; that both Grace Goldstein and Connie Morris are well known to him, and that he did not know that they were consorting with Alvin Karpis and Fred Hunter until after the raid on the Woodcock home, when Bureau Agents interviewed him in that regard and checked the hotel records.

John Stover called at the temporary office, 322 Thompson Building, on July 22, 1937, and stated that since he had last talked to Agents about Karpis, he and his wife had talked it over and he is now quite positive that on the night Grace Goldstein flew to Canton, Ohio, with him that the car that was waiting for her when she arrived was a large, nice looking roadster with yellowish side curtains instead of a convertible coupe as he first thought.

Stover further states that his wife can inform Agents more explicitly of the events that took place on the night that he arrived in Hot Springs with Grace Goldstein and Karpis. He states now that his wife has informed him that after they took Karpis to the Majestic Hotel that Karpis told them to wait a minute; that he wanted them to drive them to his house. He recalls now that Karpis talked to a negro porter in front of the Hotel and that soon thereafter the big fellow (Clayton Hall) came out of the Hotel, got into the car with Karpis and Stover drove them to their residence.

He further recalls that on one of the trips that Karpis or Hunter made, that either Karpis or Hunter came out to the hangar on the previous day before the trip and paid him \$100.00 in advance for the trip. He thinks this was the time he took Hunter to San Antonio, but is not sure about this.

Stover also recalls now that he was in Austin, Texas, the day of the raid on March 30, 1936, as he was there on a trip with Marshall Purvis. He states that he can substantiate this with an invoice he has that he rendered to Purvis in connection with this trip and he will be glad to produce this invoice if it becomes necessary.

During an interview had with Clay Watt, he indicated that E. Marion Riggs, who is presently engaged in the real estate business in the Arkansas National Bank Building, might provide information of value to this investigation in that Riggs was the Managing Editor of the two local newspapers up until about a year ago; that Riggs had not been treated particularly well by the present city administration and would probably cooperate. On July 20, 1937, Agents H. A. Snow and D. P. Sullivan interviewed E. Marion Riggs in his office. He stated that he managed the Hot Springs New Era and Sentinel-Record Newspapers until a year ago. He indicated that he and C. E. Palmer organized the Southern Newspaper Corporation in 1926 and combined the New Era, which was formerly an Associated Arkansas Newspaper, with the Sentinel-Record. He indicated that he and C. E. Palmer did not agree in the operation of the local newspapers. He stated that he has a high regard for the Bureau and indicated that if he was a young man he would like to train for a position as Special Agent.

Mr. Riggs stated that he did not know the source of the information from which his newspapers learned of the investigation conducted by Bureau Agents at Dyer's Landing in October, 1935, but he stated that he believed that Kent Rush, who is presently night editor, received the information from some source. He stated that he would make discreet inquiry of Rush and other employees at the local newspaper office and ascertain where the Hot Springs Police Department received the information which they later reported to the Bureau of Karpis living at Dyer's Landing. He stated that he would also attempt to learn whether the Hot Springs Police Department received any more complaints of Karpis residing at Hot Springs, Arkansas, either before the Bureau investigation at Dyer's Landing or after that occasion until the Bureau raid on the Woodcock home in the latter part of March, 1936. Mr. Riggs assured Agents that he would keep this matter confidential.

On July 26, 1937, Agent B. M. Suttler, while having lunch in the Eastman Hotel in Hot Springs, learned from Cecil Brock, former police officer, that one Walter Ebel, Little Rock Gazette reporter, and he had been discussing the present harboring investigation being conducted in Hot Springs, Arkansas. Brock informed that one night during the past week Ebel came into the Eastman Hotel where Brock works and while there asked

Brock if the "G" had talked to him yet. Brock informed him that they had. Ebel stated that they had talked to most every one he knew but him, and he was wondering why they did not come to him, as he recalled where the information came from that they had been seeking, in regard to the supposed tip-off of supposed suspicious persons at Burch's Landing on Lake Hamilton. Ebel informed Brock that this came about in the following manner; that one night two men came into Wilton Battle's Drug Store on South Central Avenue; that these men ordered some bandages and iodine; that they acted rather suspicious and Wilton Battle, becoming suspicious of them, wrote down their license number; that Battle in the course of conversation with these men stated they were either going to stay or were staying at Burch's Landing on Lake Hamilton; that Battle passed this information to Walter Ebel and Ebel in turn passed it on to Herbert "Dutch" Akers, Chief of Hot Springs Detectives; that the following day Akers and Brock went to Burch's Landing and checked on the license plates of this car.

In a previous interview with Cecil Brock, former Lieutenant of Detectives under "Dutch" Akers, he informed Agents of this supposed visit by him and Akers to Dyer's Landing, which is next to Burch's Landing on Lake Hamilton. It is true that Akers, a few days before Bureau Agents investigated at Lake Hamilton, called the Little Rock Division and passed on certain information that caused Bureau Agents to investigate and miss Karpis by only a matter of few days as it later turned out. There have been various stories before this as to just how Akers got this auto license number that he checked up on and found that it belonged to Eddie Parker, who in reality was Alvin Karpis. Brock has previously stated that he did not know where Akers got this "tip-off" from about the license number, and stated that the only one who knew would possibly be Akers himself, as he did not volunteer such information to his subordinates.

Miss Bennie Marie Rawson, 1606 S. Central Avenue, called at the temporary office, 223 Thompson Building, on the morning of July 22, 1937, and was interviewed by Agent B. M. Suttler. She states that she is acquainted with Roy Milam, owner of Milam's Cottages on Lake Hamilton, and that she at one time went with Roy Milam; that the time she went with him was about five years ago. She states that she met Roy Milam by the fact that he owned and operated a garage near the apartment where she was living on Broadway about the year 1932.

Miss Rawson states that she never did particularly like Roy Milam but he called her for dates quite often and she went with him some;

that due to the fact that she did not especially like Roy Milam she introduced him to a friend of hers by the name of Louise Manning and that Roy and Louise Manning started going together at that time and eventually got married; that she was in Memphis at the time Roy Milam married this girl Louise Manning; she cannot recall the exact date but recalls she was in Memphis at the time taking a manicuring course.

She states that she is willing to make a signed statement or take an oath that she never did have a date with Roy Milam after he was married, and that she did not at any time ever stay at a cottage at Milam's Landing.

Upon further questioning by Agent, Miss Rawson stated she had not been telling the truth. She stated that she was afraid to tell the truth at first as she feared becoming involved. After this she related the following, declaring it to be the truth.

Miss Rawson states that she recalls that during the month of August, 1935, her father owned a filling station on West Grande Avenue; that she was working for her father in this filling station as Cashier; that some time during this month she was standing in front of the filling station when Roy Milam came by. She states that Roy Milam informed her that his wife had left him and that she had been keeping books for him; that he needed a bookkeeper at the time to keep his records of boats stored at his docks; that she agreed to work for him as she had formerly kept books and all she had to keep for him was a journal and ledger; that her work consisted of posting the records of his storage charges on the journal and transferring them to the ledger; that she also collected these accounts for him around town. She recalls that she collected one account from a Mr. Will Lake and also an account from the Jackson News Agency. She states that his books will reflect her handwriting at that time and this will substantiate her contentions.

Miss Rawson further states that she worked for Milam for only two weeks during the month of August, 1935, as she went to Texas in September. To substantiate this she called a Mrs. Ralph Walters and asked her the exact date that they left for Texas in 1935; Mrs. Walters informed her that it was September 5, 1935. Miss Rawson states that she and Mrs. Walters drove down to Dallas, Texas, together; that when she got there her sister, Mrs. Floyd Shelton of Houston, Texas, met her in Dallas on the bus and she and Mrs. Shelton returned to Houston, Texas, via bus, where she stayed with her sister for about a month. Miss Rawson states that she returned to Hot Springs, Arkansas, on a bus and after she arrived here she found that her father had sold his filling station and that her father and mother were living on Park Avenue; that she stayed on

Park Avenue with her parents after this and did not work for Roy Milam anymore, nor did she see him after she returned to Hot Springs from Houston, and she stated that in December of 1935 she went to New Orleans, Louisiana, to visit a friend of hers there.

Agent exhibited to Miss Rawson all photographs of the Barker-Karpis gang, but she was unable to identify any members of the gang.

Miss Rawson further states that during the time she kept books for Roy Milam the only entries she made in his books were entries dealing with the storage of boats; that she at no time made any entries in his books regarding the renting of cottages. She states that if he kept any books on the cottages or the rental of them, he must have kept them himself as she does not recall ever having seen them at all.

Miss Rawson could not recall any time during the time she worked for Milam seeing any of the law enforcement officials of Hot Springs, Arkansas, call at Milam's Landing. She states that she knows Chief of Detectives Herbert "Dutch" Akers and former Chief of Police Joe Wakelin by sight, but she could not recall ever having seen them at Milam's Landing during the time she worked there.

Miss Rawson states that during the time she worked for Roy Milam she was living with her parents on West Grand Avenue and that Roy Milam called for her every morning and brought her home before 9:00 o'clock every night she worked for him, with the exception of two nights. On these two occasions she states that Milam was not feeling well and a white boy by the name of Johnny (whose last name is unknown to her) carried her into town on one of these occasions, and a negro employee by the name of Willie brought her in town on the other occasion. Miss Rawson thinks that the former employee of Milam by the name of Johnny is still in Hot Springs and states that Johnny's sister married Rufus Manning, and Rufus Manning is at present employed as a fireman for the City of Hot Springs; that by contacting him, Johnny's address at present might be ascertained. Miss Rawson states that the last time she heard from Johnny he was living in the 600 block of Park Avenue. The negro Willie, she thinks, is still employed by Roy Milam. Milam also employed a negro maid at that time by the name of Tanzay; that Tanzay did the cooking and cleaning for Roy. She could not furnish any further information about Tanzay.

On July 22, 1937, Arthur ~~Jefferson~~ called at the temporary office at 8:45 A. M. and stated that he had not yet been able to learn the name of the three men and the woman that he arrested several years ago in the front of the Marquette Hotel. He states that he knows one of these men was a fellow by the name of John Ward ~~Davis~~, who was a local boy and hangs around the Manhattan Bar on Ouachita Avenue. The girl he recalls

was named Blakely and states that she too was a local girl. Jefferson informed Agents during his last interview that he would go to the Police Station and attempt to locate the records on these people in order to get the exact date of the arrest and the correct names of those arrested.

Jefferson states that in regard to this incident he recalls that he got orders from Chief of Detectives Herbert "Dutch" Akers, in the presence of Joe Wakelin, to arrest two men in a dark red sedan with Ohio license plates on it. This was about nine o'clock in the evening. He states "Dutch" warned him at the time to be careful as these men were dangerous. Jefferson recalls that about 2:00 A. M. the following morning he saw this red car parked in front of the Marquette Hotel. He states he saw the license number was the same as the one he was looking for so he went over to the car and noted that there were four persons in the car, three men and a woman. He recognized the men and the woman as being local people. He arrested the whole party and took them to jail. One of the men was drunk. When they got to the jail one of the men informed the police officers that they had picked up John Ward Davis and the Blakely girl at Wilson's Tavern and brought them in town. Jefferson states that they turned the Blakely girl and John Ward Davis loose that night, as they were sober and were local people and they had nothing on them.

The other two men were kept in jail that night. Before they were put into the jail, however, they were in the alley next to the jail when the boy who had been drunk woke up and wanted to fight; they soon quieted him down and after this, he and the other boy informed them they could not afford to be put in jail and were willing to pay any amount to stay out. As he recalls it, they had about \$367.00 on them at the time; they offered this to Jefferson and Monroe Young, another officer. Jefferson states they told him that if this was not enough they would get all they wanted in just a few minutes if they would not put them in jail. They stayed in jail that night. The following morning Dutch and Joe Wakelin came to the station early, long before Court time, took one of them out of jail and took one of the men back in the little office. Monroe Young started in the office and Joe Wakelin told him to stay out and let "Dutch" handle the case alone. Monroe "rared and snorted" about this, as it was his and Jefferson's case, but it did not do any good. "Dutch" talked to the first one awhile, then brought him back and put him in jail. He then took the other one back into his office and talked to him awhile and brought him out in the jail office and got the other one out of jail and told the jailor to give them their envelopes with the money in them. Akers then went back in the office with both the men and talked to them for a few minutes and came back out with them. Jefferson thinks that "Dutch" put them both on the docket for disturbing the peace. They put up \$10.00 collateral and then he turned them loose.



The way "Dutch" heard about this case was these boys had a fight in a rooming house on Benton Street and someone there took their license number and a description of the car, and that was the way they picked them up.

Arthur Jefferson further stated that he recalls one day speaking to Grace Goldstein as she sat in her car; that he noticed there were two men in the car and Herbert "Dutch" Akers was leaning on the side of the car talking to Grace; that sometime later, he thinks after Karpis was captured, Grace informed him that on the above mentioned day when he spoke to her that Karpis and Hunter were in the car with her at the time "Dutch" Akers was leaning on the car talking to her.

Jefferson further states that on one occasion former police officer Joe Scott told him that he had a "tip" that Karpis and Hunter were staying either at Dyer's Landing or Milam's Landing. Jefferson states that he advised him the best thing to do was to tell the Chief (Wakelin) about it, and that Scott informed him that he already had done so. He states this was before the article came out in the paper by Chief of Police Joe Wakelin denying that it was Karpis at Dyer's Landing. Jefferson could not, however, recall exactly how long it was before the newspapers carried stories of Federal Agents raiding on Lake Hamilton after he had this conversation with Joe Scott.

On July 19, 1937, Agent D. P. Sullivan interviewed Dr. J. O. Boydstone by telephone and he stated that he had questioned Grace Goldstein since Agents last questioned him, and he learned that Ruth Patterson, who formerly was employed as a prostitute by Grace Goldstein at 1358 S. Central Avenue, and at 123 Palm Street, was presently engaged in the practice of prostitution at San Diego, California; that Connie Morris was living with some wealthy man, but not married to him, at St. Louis, Missouri; that her address in St. Louis could be obtained from the Barnes Hospital, where she has obtained treatment since she moved to that town. Dr. Boydstone also learned from Grace Goldstein that Jackie Nichols, who was formerly employed as a prostitute by Grace Goldstein, was in New Orleans practicing prostitution when Grace last heard from her.

On July 23, 1937, Agent B. M. Suttler called at the office of the Yellow Cab Company, 248 Central Avenue, Hot Springs, Arkansas, and interviewed Bryan Bismukes, Manager, in an effort to ascertain the exact date that a former cab driver by the name of Erzell Brock had made a trip from the golf club to the city hall in Hot Springs, it having been previously determined in an interview with Brock that he made this trip about a week or ten days prior to the Bureau raid on the Woodcock residence here on March 30, 1936.



Dismukes informed that the call sheet records of the Yellow Cab Company are never kept for more than a period of six months, due to the fact that the office space is very limited and also they have found no reason for maintaining records more than six months old on cab calls. Dismukes recalled the time that Brock called into the office and advised him that he was going to the City Jail at the request of Chief of Detectives Herbert "Dutch" Akers. Dismukes states that the reason he recalls it so vividly is that it made him mad for Brock to leave the Golf Club with no passengers just to come in and talk to "Dutch" Akers and that he, therefore, informed Brock that if he left the Club and came in at that time he would have to pay the regular taxi rate of seventy-five cents, which he did.

Dismukes further recalled that for about two weeks prior to the Bureau raid on the Woodcock residence, one of his drivers by the name of Jefferies was in constant touch with a Kansas State Trooper by the name of Joe Anderson; that this man Anderson worked "mighty hard" on this Karpis case and if Brock had not made a fool of himself and "spilled his guts" to Connie Morris he might have gotten part of the reward, as he believes that Brock could have "put Karpis on the spot for Anderson" if Brock had not gotten drunk.

Continuing Dismukes stated that he thought a lot of the F.B.I. and thought they had done a lot to bring about law and order in the United States, but he stated that he thought the Bureau had handed Joe Anderson a "raw deal" on the Karpis case; that Anderson worked "his heart out" on that case and then the "Bureau would not even let him in on the capture." Agent informed Dismukes that whatever the Bureau did at that time was done for the best interests of law and order, and that in emergency cases, such as that was, a lot of people jumped at conclusions too fast and such conclusions caused a lot of people to become mislead as to the truth. Dismukes agreed with Agent here and stated that "you are liable to hear anything in Hot Springs but I don't believe half I hear." The subject was then abruptly changed to the present existing conditions of Hot Springs.

Dismukes stated that the present administration, from the Mayor on down, are the "dirtiest bunch that one city ever had." He stated that "Dutch" Akers, Chief of Detectives here, was the smartest and "crookedest" detective that Hot Springs ever had; that if "Dutch" would divert his mind into the proper channels of law and order that he could be one of the best detectives in the United States. Dismukes also stated that Leo McLaughlin, the Mayor, was the brains of the corrupt element in Hot Springs, and that he should have been indicted with the seven officers for the murder of

\* John Dickson; that he knows everything that goes on in the Police Department; that his office is on the same floor with the cell in which John Dickson was beaten to death and he could not help but hear the cries of Dickson, and was fully aware of what was going on.

\* Dismukes further stated that McLaughlin had it in for Porter Austeel, now deceased, owner of the Yellow Cab Company, and it is his opinion that a Dr. Wright here was paid off by the Mayor to recommend that Porter Austeel's accident and \$10,000.00 double indemnity insurance policy be cancelled; that Dr. Wright examined Mr. Austeel, made his report and recommendation to the insurance company and shortly thereafter the policy was cancelled; then a few weeks later Porter Austeel was killed and he thinks that the present administration were responsible for his death.

Dismukes stated that if the Federal Bureau of Investigation hoped to get any indictments against any person in Hot Springs they would be "sadly disappointed" when the time came to present it to the Grand Jury in this district. He states that Federal Grand Juries are picked in this district just like the jury was picked in the John Dickson case; that Charlie Rockafellow, a notorious crook and con man, was usually on the Grand Jury, and another man by the name of Leon Dinkensfield serves on the Grand Jury quite often; that both of these men have a lot of influence and they are very close to Leo McLaughlin, "Dutch" Akers, Verne Ledgerwood and others of "the gang". He also states that Charlie Rockafellow had a lot of influence with the late Federal Judge Martineau; that it was common knowledge in the City of Hot Springs in prohibition days that any man caught for the violation of the prohibition law could give Charlie Rockafellow \$25.00, get Rockafellow to go with him to Judge Martineau and get the case "fixed". He states that when Judge Martineau visited Hot Springs he would go fishing with Charlie Rockafellow and they were "very close friends".

Continuing Dismukes stated that Leo McLaughlin had power not only in the City of Hot Springs, Arkansas, but also in the State of Arkansas and in Washington, D. C. through his close friendship with the late Senator Joseph Robinson. He states that when McLaughlin went to Little Rock he oftentimes stayed at Senator Robinson's house, and when Senator Robinson visited Hot Springs he would be entertained by Leo McLaughlin and stay at McLaughlin's house. Dismukes states that he heard that on one occasion the Federal Government, Income Tax Division, had started an investigation on Leo McLaughlin's personal income and that before they had gotten started good McLaughlin phoned Senator Robinson in Washington and had the investigation stopped. He stated that most of his information in

regard to the above matters was hearsay, but it was general gossip in Hot Springs.

Dismukes stated that Leo McLaughlin and his crowd were very much opposed to the present owner of the Yellow Cab Company, Mrs. Porter Austeel, and they were doing all in their power to smash the Yellow Cab Company; that at the present time there is a \$40,000.00 damage case pending against the Cab Company as a result of an accident that happened several months ago. He stated that one of the cab drivers was turning around at the end of the Malvern carline and a party of six drunk boys, coming from Belvedere, hit the cab and knocked it forty feet. Dismukes states that with a picked jury the plaintiffs have a very good chance of getting a \$40,000.00 judgement, and if they do, it will be the end of the Yellow Cab Company. He states that the administration got it in for the Missouri Pacific Railroad for some reason and through their influence one man collected \$37,000.00 for "merely bumping his head on the train as he got off; they held the company liable notwithstanding the fact that the man walked three miles to his home after he was injured and never suffered at all from the injury." Dismukes stated that on another occasion a plaintiff collected \$25,000.00 from this company for injuries sustained when he fell off of his own tractor while crossing the railroad tracks with it; that the jury held that the railroad company should have had up protection gates.

Dismukes urged Agent to inform the Bureau of McLaughlin's influence with all kinds and classes of courts in this district, in order that the harboring charge might be prosecuted in another district to assure conviction. Dismukes stressed the relationship of the late Senator Robinson with Leo McLaughlin and also the fact that the present Federal Judge Trimble was practically appointed by Senator Robinson and is very probably in favor of the present Hot Springs City Administration.

It will be noted here that the information Dismukes furnished to Agent in regard to the close friendship of the late Senator Joseph T. Robinson and Mayor Leo P. McLaughlin is not entirely news. During the course of the present investigation Agents have heard it rumored that Leo McLaughlin and Senator Robinson were close friends. In a previous interview with one Clay Watt, he informed Agents that as long as "Joe Robinson was in Washington, the Bureau will never convict Leo McLaughlin of anything, nor will any other Government Agency." Watt, during that same interview, stated that Internal Revenue Agents worked for a long time in Hot Springs on the income tax evasion angle of Leo McLaughlin's and Verne Ledgerwood's income, and that just as they completed their investigation and it looked like they had the right evidence, Leo McLaughlin called Senator Robinson in Washington and had the investigation stopped and the Agents sent out of town.

Mr. D. G. Saad of the Saad Auction Company in Hot Springs met Agent Suttler on the street yesterday and during the course of conversation said, "You fellows have a better chance now with Joe Robinson out of Washington; you know Leo and Joe were very close; one time when President Roosevelt was here Senator Robinson was with him. I heard that when Robinson introduced the Mayor to the President he said, 'Franklin I want you to meet my good friend Leo'". Saad stated he had heard from various sources that Leo bragged at different times about his friendship for Senator Robinson.

On Sunday, July 18, 1937, William Seiz, owner of the Seiz Advertising Company, a loyal supporter of the Bureau and a staunch enemy of the present City Administration, stopped Agent Suttler on the street and remarked that though it was a hard thing to say about a dead man he felt that the Bureau had a much better chance at getting convictions in Hot Springs now that Joe Robinson was gone. Agent asked Seiz just what he meant and he informed Agent that Robinson and McLaughlin were very good friends and that Leo and the rest of the gang in Hot Springs had a lot of influence with Joe Robinson. Seiz stated that Senator Robinson often came to Hot Springs on vacations and fished on Lake Hamilton and Lake Catherine with McLaughlin and Municipal Judge Verne Ledgerwood and other City Officials. Seiz said, "Naturally Leo and Joe were good friends; Leo controlled a lot of votes in this district and Joe knew it and when Leo wanted a favor he got it."

- P E N D I N G -

607 U.S. Court House  
Foley Square  
New York, New York.

125:521  
7-125

August 9, 1937.

PERSONAL AND CONFIDENTIAL

Special Agent in Charge,  
Little Rock, Arkansas.

Re: BREKID

Dear Sir:

Reference is made to your letter of July 30, 1937.

I believe it would be desirable for me to be at Hot Springs when such parties as Herbert W. Kers, Joseph Wakelin and Grace Goldstein are interviewed. I am now engaged on a special matter here at New York City, the duration of which is problematical.

Please advise me at as early a date as possible when the inquiry at Hot Springs will be completed so that I can make my plans accordingly.

As to the party Mrs. V. Incell mentioned in your letter, it is believed she should be interviewed at the earliest possible date and, if necessary, an agent from Little Rock who is thoroughly familiar with the case should interview her at New Orleans, after suitable authority for the travel is obtained from the Bureau.

As you will recall, we intended paying certain additional money to Grace Goldstein for her assistance in the Karpis matter. However, we, of course, have not specifically obligated ourselves to her in any way and it would not be necessary to pay her any additional funds unless we believed some useful purpose would be served by paying her some additional money other than the three hundred dollars which we already paid to her for her expenses and inconvenience in connection with the services rendered as to Karpis.

I am a little skeptical as to the advisability of paying her any money due to the peculiar circumstances which arose in connection with the approximate amount of twelve thousand dollars in

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Aug 10 1937

7-120

Letter to SAC Little Rock

August 9, 1937.

bonds which were stolen from the ~~Gerrittsville~~ train robbery on November 7, 1935, that is, the possible connection of her brother with the disposal of these bonds which had been left with her by Alvin Karpis. I will hold this matter in abeyance, however, until after we have talked with her as to the harboring situation. It might be possible to include Grace Goldstein as a co-conspirator in the indictments in these cases but not as a defendant, keeping in mind our obligations to her for the services rendered in connection with the apprehension of Alvin Karpis.

Provided some time elapses before I am able to proceed to Hot Springs for the interview with the persons above indicated and the investigation being otherwise completed, some time could be spent in the preparation of a comprehensive summary report for the use of the United States Attorney and for the purpose of submitting this case to him. This would allow for the elimination of any confidential informants referred to and other miscellaneous information which will not be of any value to the United States Attorney in the prosecution and which might disclose our cooperators in the investigation.

Very truly yours,

E. J. CONNELLEY  
Inspector.

cc Bureau  
Cincinnati  
Cleveland

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TELEGRAM	FULL RATE CABLE
DAY LETTER	DEFERRED CABLE
NIGHT MESSAGE	NIGHT CABLE
NIGHT LETTER	LETTER
SHIP RADIOGRAM	RADIOGRAM

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

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NEW ORLEANS LA AUGUST 10 1937 5 10 PM

CHAPMON FLETCHER  
FEDERAL BUREAU OF INVESTIGATION  
U S DEPARTMENT OF JUSTICE  
407 HAMILTON NATIONAL BANK BLDG  
LITTLE ROCK ARK

URGENT MRS DAVID WILL BE MONROE THROUGH FOURTEENTH STOP THEREAFTER PROCEEDING  
WASHINGTON DC TO ESTABLISH PERMANENT HOME STOP SHE IS BEING REQUESTED REMAIN  
MONROE 207 ADAMS STREET UNTIL CONTACTED WITHIN DAY OR SO

cc-Bureau

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&  
INDEXED

7-576-3-192  
SMITH  
AUG 12 1937  
U.S.  
RNE

JOHN EDGAR HOOVER  
DIRECTOR

EAT:GG

**Federal Bureau of Investigation**  
**United States Department of Justice**  
**Washington, D. C.**  
August 9, 1937.

MEMORANDUM FOR THE DIRECTOR

Re: Hot Springs Case

Time: 4:45 PM.

Mr. Connelley called and, in response to my inquiry, advised that after the Long Island case has quieted down a little, he will proceed to Hot Springs, Arkansas to interrogate Joe Wakelin and Herbert Akers, a good case having been developed against the latter.

Respectfully,

*EAT*

E. A. Tamm.

RECORDED

7-576-3-193

FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPT. OF JUSTICE  
AUG 10 1937 P.M.  
H. C. [unclear]  
[unclear] [unclear]  
[unclear] FILE

UNRECORDED COPY FILED IN 66-301



## FEDERAL BUREAU OF INVESTIGATION

Form No. 1

This case originated at Cincinnati, Ohio.

L.R. File 7-2

Report made at	Date when made	Period for which made	Report made by
Little Rock, Arkansas	8/10/37	7/22-31, 8/1/37	D. P. SULLIVAN cpw
Title ALVIN KARPIS, with aliases; Dr. JOSEPH P. MORAN, with aliases - FUGITIVE, I.O. #1232; ANTHONY J. AMERSBACH, with aliases - FUGITIVE; ET AL; EDWARD GEORGE BREMER - Victim.			Character of Case KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.

Synopsis of Facts: Signed statements obtained from prostitutes Della May Jeffries, alias "Ginger"; Jewel Greta Gilstrap, alias "Greta"; Gertrude Theresa Nichols, alias "Jackie"; and Lillian Louise Thomas, negro maid, all employed by Grace Goldstein in the years 1935 and 1936. "Ginger" states that Karpis and Hunter first came to Grace Goldstein's house of prostitution about 3 weeks after she moved into 123 Palm St., in the summer of 1935 and thereafter these men spent most of their time with Goldstein woman and Connie Morris at 123 Palm St., and the Hatterie Hotel; names numerous Hot Springs police officers, excepting "Dutch" Akers, who visited 123 Palm Street; states Grace Goldstein at that time and later, kept company with Police Chief Wakelin; identifies photographs of Sam Coker and Harry Campbell as visitors to Hatterie Hotel in September 1935; states she and other women at the Hatterie Hotel recognized a photograph of Karpis in a newspaper early in December 1935, and a few days later she reported to Chief of Detectives Akers, Lieutenant Cecil Brock and Officer Garnett Moore that Karpis was keeping company with Grace Goldstein, and she thereafter kept Akers advised from day to day of movements and activities of Goldstein woman and Karpis, but Akers showed no interest until about time of Woodcock raid. "Ginger" states Akers lent her about \$45.00 to open rooming house which she operated as house of prostitution early in 1936, where Akers visited her. Velda Burford, sister of "Ginger", corroborates by telling of visits by Akers, where "Ginger" informed him of movements of Grace Goldstein in January and February, 1936, until Woodcock raid. Prostitute "Greta" relates details of association of Grace Goldstein and Connie Morris with Karpis and Hunter in 1935 and 1936 at various places in Hot Springs, Arkansas; states Goldstein woman would ride with Akers in his car after he called for her at 123 Palm Street;

Approved and forwarded: <i>[Signature]</i>	Sp. Agt. in chg.	Do not write in these spaces	
7		5763-194	AUG 1 1937
Copies of this report		AUG 13 A.M.	
3- Bureau	2- Oklahoma City		
2- Cincinnati	2- St. Louis		
2- Cleveland	8- Little Rock		
2- Chicago			
2- Memphis			
1- Insp. Connelley			
2- Kansas City			
2- San Francisco			

advises that cab driver, Brock, told Connie Morris of activities of P. O. Inspectors in Hot Springs a few days before Woodcock raid. "Jackie" also details association of Grace Goldstein and other prostitutes with Karpis, Hunter, Coker and Campbell during 1935; tells of friendly visits made by Akers to 123 Palm Street. Negro maid, Lillian, identifies Karpis and Hunter as "boy friends" of Goldstein and Morris women; states former Police Chief Wakelin has telephoned Grace Goldstein almost nightly since fall of 1935. Charles Preston, former special Hot Springs police officer, states Akers showed him \$500.00 a few days after Woodcock raid, which money Akers stated Karpis gave him as option on his country home. Horace Whyte states that when fishing with Karpis and Hunter in the summer of 1935, he engaged Police Chief Wakelin in conversation, while his and Wakelin's boats were pulled alongside each other on Lake Hamilton. Mr. and Mrs. John Stover identify house at 124 Clubb St., as place where they delivered Karpis after airplane trip from Ohio in January, 1936.

-P-

Reference: Report of Special Agent D. P. Sullivan, dated at Little Rock, Arkansas, August 3, 1937.

DETAILS: This report covers the investigative activities of Special Agents H. A. Snow, B. M. Suttler, John L. Madala and the writer in the harboring case at Hot Springs, Arkansas, from July 22 to August 1, 1937.

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler:

On July 28, 1937, Special Agents D. P. Sullivan and B. M. Suttler proceeded to the Hatterie Hotel and brought Ginger Morgan, a prostitute, to the temporary office of the Bureau in the Thompson Building. She was interviewed in great detail by Agents Madala and Suttler, and since it appeared that she possessed considerable information of value in regard to "Dutch" Akers knowing that Alvin Karpis was in Hot Springs as early as December of 1935, and apparently did nothing about apprehending him, it was deemed advisable to bring Ginger Morgan to the Little Rock Field Division and spend a great deal of time with her in refreshing her recollection, and obtaining a statement from her.

Ginger Morgan was interviewed on July 28 and 29, 1937, and the following signed statement was obtained from her. She advised that her correct name is Della May Jeffries. The statement reads as follows:

Little Rock, Arkansas  
July 29, 1937.

"I, Della May Jeffries, nee Della May, and better known as Ginger Morgan, do hereby make the following signed statement to John L. Madala and B. M. Suttler, whom I know to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice. No threats or promises have been made to me, and I am making this statement of my own free will, and with the intentions of cooperating with the Government in this matter.

"I was born at Gillett, Arkansas on February 24, 1913. I married Harley T. Griffith at Stuttgart, Arkansas on March 12, 1929, and he died in El-mara, Ark. in February of 1930. I later married Charles E. Jeffries at Pine Bluff, Arkansas, this being on August 16, 1936. We are at present separated, and he is now in San Jose, California, working at the Crystal Bar & Lunch Cafe. My parents are both deceased, and my step-father, F. H. Leslie, lives at Gillett, Arkansas.

"I began hustling for Grace Goldstein in April of 1935, when she was operating a house of prostitution at 1338 S. Central Avenue, Hot Springs, Arkansas. I recall that I was introduced to Grace Goldstein by a boy named Bill Sims, who encouraged me to hustle, stating that Grace was well protected by the Police Department. Shortly after I moved to 1338 S. Central Avenue, and began working for Grace, her place was raided for liquor by Marion Anderson and some other Deputy Sheriffs, and padlocked. At that time the following girls were working for Grace as prostitutes: Alice Smith, Connie Morris, Ruth Patterson and myself. After the Sheriff's Office padlocked Grace's house at 1338 S. Central Avenue, we moved to 123 Palm Street, Hot Springs, Arkansas, this being around the middle of May, 1935.

"I have been shown photographs of Alvin Karpis and Fred Hunter, and I positively identify them as two men who were known to me as Ed and Harold King, and who were supposed to be brothers. I don't know who referred them to Grace's place, but recall that they first came there about three weeks before we moved from the Palm Street address. I had several dates with Fred Hunter and Alvin Karpis when they would come there. I did not particularly pay attention to them until approximately one week before we moved from 123 Palm Street. On this occasion Karpis and Hunter had been on the lake fishing, and brought to the house a large fish, which we all ate. I recall that Karpis and Hunter were driving a dark-colored coupe, but do not know the make of it.

"When we were living at 123 Palm Street, and while Karpis and Hunter were visiting there almost daily, I recall that Grace Goldstein would receive telephone calls at the house almost daily around 7:00 P.M. and from her conversation it appeared that she would make appointments with the caller to meet some place. She would never say much upon leaving, but when she came back she would remark that she had been with the "old man". I knew that she was referring to the Chief of Police of Hot Springs, Arkansas. I recall that shortly after I began working for Grace, she told all of us girls, that if we ever got into any trouble, we should get in touch with the "old man's" lawyer,

Sonny Davies. I recall that shortly after I began working for Grace Goldstein, she introduced me to Mr. Davies as one of her girls. She told me that he was her attorney, and that he was one of the best criminal attorneys in Hot Springs.

"I recall that at those times when Grace would go to meet the Chief of Police, and stay out with him for two to three hours, Karpis and Hunter would sit around the house on Palm Street, and entertain themselves with us girls. Sometimes Karpis would fill dates with me when Grace would be out with the Chief of Police. Other officers who would visit 123 Palm Street while Grace operated a house there, were Jerry "Swede" Watkins, Arch Cooper, Cecil Brock, Garnett Moore and Bob Moore. I do not recall whether Chief of Detectives "Dutch" Akers ever visited the Palm Street address, but he could have been there without me knowing it. I do know, however, that she frequently saw and talked with him at the Hot Springs Confectionary during this period.

"Around the last week or so at 123 Palm Street, Grace received frequent calls from someone at the Police Department, and tell her about the neighbors complaining about the noise and disturbances we were making. Grace would thereafter caution us to be more quiet, stating that if we didn't quit making noise, she would be forced to move from that neighborhood. We moved from 123 Palm Street to the Hatterie Hotel on or about July 1, 1935.

"After we moved to the Hatterie Hotel, Karpis and Hunter would continue to visit Grace Goldstein and Connie Morris almost daily, and many times stay overnight. They would usually park their car in front of the Hotel. While we were living at the Hatterie Hotel, Grace continued to go out with the Chief of Police at night, but I do not know where they went on these dates.

"I have been shown a photograph of Sam Coker, and I positively identify the same as a man known to me as Tommie. I recall that he first came to the Hatterie Hotel with Karpis and Hunter. He did not live at the hotel, and I presumed he lived with Karpis and Hunter in a cottage on Lake Hamilton. Prior to the time I first met Coker, Grace Goldstein, Karpis, Hunter and myself drove to the boys' cottage on the lake where I had dinner with them, and then they drove me back into town. From the description of a cottage at Dyer's Landing that Agents Madala and Suttler gave me, I believe that that was the cottage I had visited on the above occasion. After Grace drove me to their cottage, she returned to town, and I remained with Karpis and Hunter and had dinner with them. That night they drove me back to the Hatterie Hotel. I do not know where Connie was at this time, and it is possible that she was at the hospital.

"Shortly after Sam Coker arrived at Hot Springs, the boys talked about attending the Joe Louis-Max Baer fight in New York City. I recall they said that Johnny was going to fly them there. From what I heard, it appeared that this aviator named Johnny had taken them on airplane trips before. I do not know just who attended this fight, but I know that Hunter went.

"I recall that around this time, and after the boys had been away for a couple of days, they returned and brought a man by the name of George with them. I believe that he came to Hot Springs by automobile, which was similiar in make and model to that owned by Karpis and Hunter. I have been shown a photograph of Harry Campbell, and positively identify it as the man known to me as George. Harry Campbell did not live at the Hatterie Hotel while he remained in Hot Springs, and I presume he stayed with Karpis and the others at their cottage on Lake Hamilton. While Campbell was in Hot Springs, he had dates with Greta Swanson, Jackie Nichols and myself. It appeared that he liked Greta pretty much.

"After the boys came back from the fight they stayed around Hot Springs for about a week. During this week I would say that Karpis and Hunter came up to the Hatterie Hotel at least five or six times. The other two boys, whom I knew as Tommie and George, came up to the hotel about three or four times. The last night they were in town all four of the boys stayed all night, or until right around daylight. The one I know as Tommie, who in reality is Sam Coker, spent the night with me. He stayed with me until three o'clock. At that time I was tired and got up and went to my own room. I remember that when Karpis, Hunter, Campbell, and Coker left on this occasion, Jackie Nichols gave Coker a toilet kit which she had bought for him. I recall that Coker told me two or three days before he and the others actually left, that they planned on leaving when they did, and that they were going to work in their night club in Cleveland, Ohio. I recall that Sam Coker and Fred Hunter came to the hotel around six P.M. the night before they left, and that Coker had his bags with him. All four of the boys sat around all evening and drank, and I remember that Karpis told Campbell not to drink too much, as he had a long drive ahead of him.

"Either the day that Karpis and the others left, or the day after, I know that Grace Goldstein and Connie Morris went out to the cottage where the boys had lived, and cleaned up the place. This was sometime in the morning before I had gotten out of bed. I recall Grace saying the night before, that she and Connie had to go out to their place on the lake and clean it up, and also move some of the things that were out there to the hotel. After this time, I saw a large outboard motor setting on the back porch of the hotel, and I knew from what Grace told me that this motor belonged to Karpis. It seems to me that I heard someone say that Karpis purchased this motor from Sears Roebuck in Hot Springs.

"While Karpis and Hunter would visit the Hatterie Hotel, I occasionally saw them carry guns inside of their shirt by their belt. I also saw Coker carry a gun on at least two occasions when he came to the Hatterie. I don't recall seeing any of the boys again after they left on the above occasion described by me, but know that they came back to Hot Springs sometime later and lived with Grace and Connie at various places in town.

"Shortly after Karpis and Hunter left in October, 1935, a girl named Mary came to work for Grace Goldstein. After her arrival there, she would frequently take charge of the Hotel while Grace would be away on trips or be living elsewhere with Karpis. I also recall that around this time Grace Goldstein went to her home in Texas, and when she returned she had her neice, Margaret, with her. Grace said that Margaret had been "chippyng" down in Texas, her home, and that she might as well make some money at her place. I recall that Mar-

garet was ill a few days after she got to the Hatterie Hotel, but when she got well, she started to practice prostitution in the hotel.

"Sometime after Karpis and the others left together, Grace Goldstein received a letter from Karpis in which he stated that Tommie had a case of gonorrhea. That same day I went to Dr. O. A. Smith and had a smear test. He said that I was not afflicted with this disease.

"I moved from the Hatterie Hotel a few days before Thanksgiving of 1935, and obtained a house at 103 - 2nd Street, Hot Springs, Arkansas. My sister, Velda Burford and her little girl, Geraldine, came to live with me. At that time I was keeping company with Chick Strock who is employed at the Southern Club in Hot Springs, and he occasionally came to my apartment and had dinner with us.

"About fifteen days after I moved to 103 - 2nd Street, I purchased an out-of-town newspaper at the Southern Club. I recall that this was a Sunday paper, as I bought it for the reason that it had twenty or more comic strips. I took this paper home with me, and while I was reading the comic section, my little neice, Geraldine, found a photograph of Alvin Karpis in the news section. She showed this photograph to me, and remarked that the same looked like Grace's boy friend. Geraldine had previously seen Karpis at the Hatterie Hotel when she came there to visit with me. He gave her some money occasionally, and that is probably the reason why she remembered him so well. When Geraldine showed me this photograph of Alvin Karpis, I recognized the resemblance between it and Grace's boy friend, whom I knew as Ed King. I became very excited, and immediately went to the Hatterie Hotel with the paper containing Karpis' photograph. I recall that Grace was in Connie's room, and that Greta Swanson was with her. I showed Grace the photograph I had seen, and when she saw it, she became white in the face, and immediately said that the photograph was not that of her boy friend, Ed King. She remarked that the eyes, hair, and eyebrows of the man represented in the photograph did not look like Eddie, her boy friend. She also said that the paper might be wrong. Although Grace told me that the photograph in the paper was not that of her boy friend, I nevertheless felt that it was from the expression on her face when I showed it to her. I gave the newspaper to Grace, and she kept it. As I recall, Greta Swanson, and possibly Mary and Dorothy were also there when I brought this paper over to the Hatterie Hotel.

"Naturally I was very much upset and excited when I recognized Alvin Karpis' photograph in the newspaper, and that night I didn't even go on a hotel date, because I was so afraid. Either the next evening or the evening after, I met Cecil Brock, who was then an officer on the Hot Springs Police Force, on the street in front of Sidney's Shoe Store. I asked him if he knew Grace Goldstein's boy friend, and I recall that he said he didn't. I then told him that I thought that he was Alvin Karpis, and asked whether he had seen the paper. He said that he hadn't. I told him that I had recognized his photograph in a paper that I bought. I believe that he said he could check up on it, and that in the meantime I shouldn't say anything to anybody about it. I recall that I talked with Cecil Brock again about this quite a while later, when he asked whether I had found out anything more, but I don't think I told him anything, as at that time I was already working with "Dutch" Akers on it.

"About two or three nights after I first talked with Cecil Brock about Alvin Karpis, I met "Dutch" Akers in the Hot Springs Confectionary where I would go to drink coffee almost every night. "Dutch" Akers also hung around there almost every night. He would usually come in the Confectionary around nine p.m. when he would get through work. I recall that on this occasion, I asked him if he heard about Alvin Karpis being in town. He said that he hadn't, and I told him that I saw a photograph of Alvin Karpis in the newspaper, and that it looked very much like Grace Goldstein's boy friend, who had been spending so much money in her place. I also told him that he used to spend a lot of time around the Hatteric Hotel, and that I saw him carry a gun in his belt at one time. I also told him about taking Karpis' photograph to the Hatteric Hotel when I recognized it, and showing it to Grace, and all about Grace's reaction when she saw it. I remember that I told Akers at this time, that I thought Karpis was out of town then, and he asked whether I knew where he was, and I told him that I didn't know. He then told me to try to find out where he was at, and to let him know. Akers further told me not to talk too much about this, nor to talk to too many people; that Karpis and his gang were desperate gangsters, and that they might bump me off, if I wasn't careful; also, that he would find out if there was a reward outstanding for him, and that if there was, he would try to pick him up himself, without the aid of the Federal Agents, and split the reward with me. I promised "Dutch" Akers that I would try to find out where Karpis was, and what I could and then let him know.

"After my first contact with "Dutch" Akers, I would see him every night for about a week, and report to him things that I knew and had found out about Karpis' whereabouts. I recall that I told him that Karpis bought the new Buick Coupe that Grace was then driving, and also told him that he had bought her a new wrist watch. Akers knew at that time, that Grace's boy friend had given her the large black Dane dog called "Shine", and therefore I did not tell him about this fact. I remember that Akers asked me what kind of cars Karpis and his friends were driving, and I told him. I do not recall now what type of cars I told him that they were driving. I also remember telling "Dutch" during this week, that Karpis and his friends had been living in some cottage on Lake Hamilton the previous summer. He did not ask me to describe this place to him.

"I further recall that shortly after I first contacted "Dutch" Akers in regards to Alvin Karpis, he had me come to the Police Station where he showed me a lot of photographs that he took from an envelope. I remember that he had a photograph of Alvin Karpis, similar to one that I have affixed my signature to, and which Agent Madala displayed to me. I identified this photograph for "Dutch" Akers, as the man I knew to be Grace's boy friend. I recall that Akers also had a photograph of Harry Campbell which I identified for him, as the man I knew as George. I recall telling Akers everything I knew about him. I have signed my name to the photograph of Harry Campbell which Agent Madala showed me, and which I am sure is similar to the one that "Dutch" Akers displayed to me the time that he talked with me at the City Jail. I definitely recall that none of the photographs that "Dutch" Akers showed me looked anything like the man I knew as Harold King, the boy friend of Connie Morris. I am sure that Akers did not show me a photograph of Sam Coker on the above occasion, as if he had, I would have identified it, and I don't recall now identifying such a photograph for him.



"I recall now that during the time I was contacting "Dutch" Akers every night at the Hot Springs Confectionary, both Grace and Karpis were apparently out of town, as I did not see Grace for a week or so. When she got back, I met her at the Hot Springs Confectionary. I believe that this was sometime shortly before Christmas of 1935. I asked her in a casual way where her boy friend was, and she told me that he was out of town, but that she expected him back in a few days. She also told me at this time that she borrowed a set of license plates from "the old man", referring to the Chief of Police, so she could drive her car to her mother's place; that when she got her new car, she did not want to buy any license plates for it, as it was only a short time before the first of the new year, and she didn't want to put out the money for a new set of tags for that short of time. She indicated that the license plates which the Chief of Police gave her came off of his wife's automobile, and that she returned the tags to him after she got back to Hot Springs that day.

"While I was living at 103-2nd Street, Hot Springs, I would occasionally see Grace Goldstein drive on Ouachita Avenue towards South Hot Springs. I recall that I asked her around this time where she went when I would see her drive towards South Hot Springs, and she said that she had been living on Third Street right in back of me. I knew that she must have been living out there with Karpis, or else she wouldn't have been living away from the Hatterie Hotel. As I recall, Grace told me at this time, that "They" recently moved away from this house on South Third Street, but did not indicate where "they" moved to. When she said "they", I knew that she was referring to Karpis and herself, and possibly Connie and Fred Hunter.

"I am certain that after the above conversation with Grace Goldstein at the Hot Springs Confectionary, I saw "Dutch" Akers either that same night or the next night, and reported everything I had gotten from Grace to him. I recall that he didn't have much to say about what I told him, except that I should continue to find out everything I could, and report the same to him.

"I am acquainted with Garnett Moore, who was on the Hot Springs Police Force in 1935. I recall that sometime after I first talked with Cecil Brock about Karpis being in Hot Springs, I met Garnett Moore on the street and told him about Karpis being the boy friend of Grace Goldstein, and about him hanging around Hot Springs. Garnett did not appear very much interested, and indicated that he had nothing to do with that, and that I should tell "Dutch" Akers about it. I do not recall now whether I told him that I had already talked with Akers about it, or whether I had told Cecil Brock about Karpis. I definitely recall, though, that I told Garnett Moore all about it.

"After Christmas of 1935, I frequently ran into "Dutch" Akers in the Hot Springs Confectionary, and whenever I had found out something new about Karpis' whereabouts, I would tell "Dutch" about it. I recall that sometimes "Dutch" would come into the Confectionary with his wife, and when he saw me, he would leave her sitting at a table, and come and talk with me for about two or three minutes about the Karpis case. He would not do this, if Grace Goldstein happened to be in the restaurant at the same time. I noticed that when I first talked with "Dutch" Akers about Karpis, this being in the early part of December, 1935, he would appear somewhat interested in what I had to say to him. However,



he later did not appear to care very much about what I told him. He merely would say that I should continue to keep my eyes open, and report everything that I could obtain to him.

"I definitely recall that sometime after Christmas of 1935, I ran into Grace Goldstein and as usual asked her where her boy friend was. She said that he had gone to Ohio to look after his night-club, and that he would be back in a few days; that she hoped he would get back soon. I remember that I told "Dutch" Akers about this within the next few days, and further recall telling him some time or other that Karpis and his friend (Fred Hunter) would usually charter a plane out of Hot Springs when they would go on long trips. I do not know whether Akers ever checked at the airport about what I had told him.

"During the time that I contacted "Dutch" Akers about Alvin Karpis from around the first of December, 1935 to the time that Karpis was caught in New Orleans, Louisiana, I would always talk with him at the Hot Springs Confectionary. He never came to my residence to seek information regarding the whereabouts of Karpis, nor did he ever call me over the telephone about him. The only thing that he asked me to do over this period, was to talk with Grace Goldstein, and get whatever information I could from her. I do not know whether Akers ever checked up or investigated anything that I had told him.

"Around the middle of February, 1936, I told "Dutch" Akers that I would like to open up a rooming house somewhere in Hot Springs, Arkansas. He told me that he thought it could be done, and that I would be required to pay a \$1.00 a year for each room that I would rent out. I told him that I had the house at 123 Palm Street in mind, and asked him what he thought about it. He said that he thought it would be all right. I then told him that I needed \$35.00 for rent, and also some money to pay a deposit on the utilities. Akers stated that he would stand good for the deposit on the utilities, and in my presence he called the Utility Company from his office in the City Jail, and spoke with the head man regarding it. This man said that it would be all right for me not to pay the necessary deposit. "Dutch" also gave me \$45.00 at this time to help get me started at 123 Palm Street. I gave him two or three rings as security, which he later gave back to me.

"After I moved to 123 Palm Street, my sister, Valda, moved in with me. This was around the middle of February, 1936, a few weeks before the racing season. I operated a house of prostitution at this address from that time until after the racing meet, which would be around April, 1936. During this time I engaged two girls from the Piggy Rooms, who would fill dates with men at the house, and also answer calls at the hotels. I do not remember these girls' names. On one occasion "Dutch" Akers sent a girl named Lucille Anderson to my house to hustle. I recall that Lucille's husband, Gene, was arrested by the police in Hot Springs, and put in jail. It was when Gene Anderson went to jail, that Akers sent his wife over to my house to hustle. After Gene got out of jail, he came to room at my place on 123 Palm Street, but he and his wife stayed only a short time.

"While I was operating at 123 Palm Street, I occasionally called "Dutch" Akers to come over to the house, and when he would get there, I would report certain things to him, like someone stealing a wrist watch, manicuring kit, and

money. I never paid a cent for police protection or for a permit to operate a house of prostitution at 123 Palm Street. I do not know why I didn't have to pay.

"I have read the foregoing statement which consists of eight typewritten pages, and I swear that the same is true to the best of my knowledge and recollection, I have signed my name to each page of this statement, certifying that I have read the same."

(Signed) Della May Jeffries

Witnesses: /s/ B. M. Suttler

/s/ John L. Madala

Special Agents,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
500 Rector Building,  
Little Rock, Arkansas.

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The original of the above signed statement is being retained in the files of the Little Rock Field Division.

In addition to the above signed statement, Della May Jeffries advised that she returned to Hot Springs, Arkansas from California about a month ago, and that she is now employed as a prostitute for Grace Goldstein at the Hatterie Hotel; that she has a six year old son named Harley T. Griffith, Jr., who is being kept by a Mrs. Parker on a farm somewhere out of Hot Springs. She indicated that she thinks very much of this boy of hers, and would do anything in the world for him.

Della May Jeffries was questioned at great length concerning the number of times "Dutch" Akers visited 123 Palm Street during the time Grace Goldstein operated a house of prostitution at that address, it being recalled that numerous witnesses living in the neighborhood of 123 Palm Street, told of Akers calling at that place at various times. Della Jeffries advised that she is certain in her own mind that Akers frequently called at the Palm Street address, but cannot state so definitely, as she has no independent recollection of him being there at any one time. She stated that she would not like to state that Akers did call at 123 Palm Street, and not be sure about it.

Miss Jeffries advised that Chief of Police Joe Wakelin began dating Grace Goldstein on an average of two or three times a week, as early as the spring of 1935, and during the time that Karpis and Fred Hunter were keeping company with Grace and Connie Morris. She advised that to her recollection she never saw Joe Wakelin at either the Palm Street address or at the Hatterie Hotel, and as far as she knows she never met Wakelin.

Miss Jeffries advised that she first met "Dutch" Akers when she was working for Grace Goldstein at 1338 S. Central Avenue, and that Grace Goldstein introduced her to him; that thereafter she frequently saw Akers at the Hot Springs Confectionary where he would usually go at night after he quit work, and that after a time, she became very friendly with him.

Considerable time was spent with Della May Jeffries, as to the exact date that Alvin Karpis, Fred Hunter, Sam Coker and Harry Campbell left the Hatterie Hotel in October of 1935. She was certain that it was sometime around 3:00 A.M. or 4:00 A.M., but could not recall the date. She at first believed that Greta Swanson, who worked for Grace Goldstein at the Hatterie Hotel at that time, was not away from Hot Springs during the time that Coker and Campbell were there, but after continued questioning, she recalled that Greta Swanson was in Fort Riley, Kansas, around that time, and came back to the Hatterie Hotel either a day before or on the day that the four boys left early in the morning. Miss Jeffries could not recall of Karpis or Hunter returning to the Hotel the day after the four of them were supposed to have left. She stated that Sam Coker told her either a day or two days before he left, that he and the other men intended to leave.

Della May Jeffries was questioned at great length relative to the first time she observed a photograph of Alvin Karpis in the newspaper, and also the name of the paper in which she saw this picture. She could not recall the exact date, nor could she recall the paper in question, but was positive that it was a Sunday paper, and that it was not an Arkansas paper. She thought that the paper she bought on the above occasion was some kind of a "Herald", and that she bought it at the news stand at the Southern Club. Miss Jeffries was positive that "Dutch" Akers, Cecil Brock and Garnett Moore were the only officers to whom she reported her identification of Karpis, as being the boy friend of Grace Goldstein. She believed, however, that other officers likewise knew about this, as everybody in Hot Springs seemed to know about Karpis being in town at that time. She stated that Karpis and Grace Goldstein were frequently discussed by various cab drivers who would call at her house at 123 Palm Street during the time she operated a house of prostitution there from February to April, 1936.

Continuing, Miss Jeffries advised that Alvin Karpis and Fred Hunter frequently ate at the Southern Grill during the summer of 1935; that they usually would sit in the back part of the Grill, and on one or two occasions she ate there with them. She did not know whether anyone employed in the Southern Grill at that time appeared to be friendly with either Karpis or Hunter. Della could not state whether Grace ever took Karpis or Hunter to the Hot Springs Confectionary for something to eat.

Miss Jeffries further stated that sometime after the raid conducted by Federal Agents on the Woodcock home, Grace Goldstein told her that "Dutch" Akers knew all the time that she and Karpis were living at the Woodcock home, and that it wasn't necessary for the "law" to shoot up the place the way they did at the time of the raid. Della advised that Grace Goldstein did not

elaborate on this information. She went on to state that on another occasion, this being on the day that Grace Goldstein returned to Hot Springs after having been away for two weeks in April, 1936, that Alvin Karpis and Fred Hunter brought her into town at night, and that the three of them stayed all night at the Best Tourist Camp on this occasion; that Karpis and Hunter left Hot Springs early the following morning. Della stated that Grace Goldstein must have told her about this the following day, and that she immediately reported the same to "Dutch" Akers, and she does not know what Akers did about it.

It might be stated that Della might be referring to the time that Grace Goldstein returned to Hot Springs on April 24, 1936. It is known that on this occasion Karpis and Hunter were supposed to have driven her to Hot Springs from New Orleans, Louisiana, and that she stayed at the Best Tourist Camp overnight. This is the same night that Bureau Agents established informant Clayton Hall in the Best Tourist Camp, in order that he could contact Grace Goldstein at the Hatterie Hotel the following day, and learn from her the then whereabouts of Karpis. It is also known that "Dutch" Akers knew of this incident, and thereafter "planted" the Best Tourist Camp, in the hope of apprehending Alvin Karpis. It, however, developed that the man whom Akers believed was Karpis, was in fact Clayton Hall, and Hall later was successful in making his getaway from there.

There was no question in the mind of Della May Jeffries that "Dutch" Akers could have apprehended Alvin Karpis in Hot Springs at any time after she reported her identification of him in December of 1935. She stated that it was generally known that Karpis would be in and out of Hot Springs, and that Karpis was hiding out somewhere in or near town; that all the cab drivers who were stationed across the street from the Hatterie Hotel apparently knew of Karpis coming into Hot Springs from time to time, and that any one of them would have told Akers about it had he contacted them in that regard. Needless to say, Della feels that Akers made a "chump" out of her, and now believes that the only reason he kept her interested in the case is that he figured she would not go to another law enforcement agency with the information in her possession at that time.

Agents questioned Della May Jeffries whether anyone else knew that she was furnishing information to "Dutch" Akers relative to Alvin Karpis from December, 1935, to March, 1936, and she advised that her sister, Velda Burford, was fully aware of her contacts with Akers at that time. In this connection she stated that she usually tells her sister everything, and that it is possible that she may recall other incidents and information that she, Della, can't remember now. Della stated that her sister has a very good memory, and suggested that she be interviewed.

On July 30, 1937, Agents Madala and Sullivan proceeded to Pine Bluff, Arkansas, and interviewed Velda Burford at her home, 312 East 5th Street, and thereafter in the Post Office Building. These interviews were conducted in the presence of her sister, Della May Jeffries, who proceeded to Pine Bluff, Arkansas with agents, and also in the presence of Miss Irma Neese, Clerk in the Little Rock Field Division. The following unsigned statement was obtained from Mrs. Velda Burford:

Pine Bluff, Arkansas  
July 30, 1937.

"I, Velda May Burford, do hereby make the following signed statement to John L. Madala and D. P. Sullivan, whom I know to be Special Agents of the Federal Bureau of Investigation, United States Department of Justice; no threats or promises have been made to me and I am making this statement voluntarily and of my own free will and with the intention of cooperating with the Government in this matter.

"I reside at 312 East 5th Street, Pine Bluff, Arkansas, and first came to Hot Springs in August, 1935, and lived at the Mattara Hotel for two weeks, after which my little girl and I moved to 109 Franklin Street, this being on September 6, 1935; at this time my sister, Della, was working for Grace Goldstein at the Hatterie Hotel. While my sister was working for Grace, my little daughter, Geraldine, often visited her and on different occasions the man whom I now know to be Alvin Karpis gave her some money. While I lived on Franklin Street I went to the Hatterie Hotel on a few occasions, but I do not recall ever having seen Alvin Karpis. Shortly before Thanksgiving, 1935, my sister Della moved from the Hatterie Hotel and thereafter lived with me at 109 Franklin; we lived at the Franklin Street address until the first part of December, 1935. About a week or so after we moved to 103 2nd street, my little daughter, Geraldine, saw a photograph of Alvin Karpis in a newspaper that Della had brought home; she immediately recognized it as being Grace Goldstein's boy friend whom she had seen at various times at the Hatterie Hotel. She showed this paper to Della and I recall that Della immediately left the house and went to the Hatterie Hotel with it. I do not know to whom she showed this photograph of Alvin Karpis at the Hatterie Hotel but vaguely recall that Grace Goldstein was at the Hatterie Hotel at that time.

"Prior to the time that she saw this photograph of Alvin Karpis in the paper, I recall that Della and I frequently talked about Grace's boy friend, wondering who he was and what he did for a living. We knew at that time that he had been around Hot Springs for some time and apparently was spending a great deal of money; we also knew at that time that he had taken one or two long distant trips by airplane. After Della apparently recognized the photograph of

Alvin Karpis as being Grace Goldstein's boy friend, I questioned her whether she knew all the time that he was Alvin Karpis and as I recall, Della told me that she did not; I then told her that the best thing she could do would be to report the matter to someone. I recall that a few days later Della told me that she had told Cecil Brock about Karpis being Grace's boy friend, and it seems to me that around this time she also told me that she had told "Dutch" Akers about it; I do not know now whether she told Cecil about Karpis before she talked to "Dutch" Akers about it. I further recall that shortly after she apparently told "Dutch" Akers about Karpis he had her come to the City Jail where he showed her some photographs, and I do not recall whether she said that she had identified any of the photographs that were shown to her.

"I know that after she first contacted Akers about this she would see him almost every day at the Hot Springs Confectionery and reported to him everything that she could find out from Grace Goldstein and other people. I definitely remember that around this time Connie Morris was not in Hot Springs and I heard that she had gone home to visit with her people.

"It seems to me that shortly before this photograph of Karpis appeared in the paper we had heard that Grace's boy friend had bought her a new green coupe automobile. I vaguely recall that shortly after we learned about Karpis, Grace took a trip down to her mother's place in Texas and was gone for several days; I remember that when she came back from this trip she stayed around the Hatterie Hotel for a few days and then left again for a few days.

"I further recall that shortly after New Year's Grace took another trip out of town and we heard that she had gone to New Orleans on a fishing trip, and do not remember whether Karpis went with her.

"From the time we first knew about Alvin Karpis to the time that we moved from 103 2nd Street I knew that Della had been seeing "Dutch" Akers frequently and was reporting to him everything that she had found out about Grace and Karpis; the reason that I know this to be so is because Della would tell me about her contacts with "Dutch" when she would come home.

"We moved from 103 2nd Street around the middle of January, 1936, to 123 Palm Street, Hot Springs, Arkansas. I know that "Dutch" Akers loaned Della \$45.00 with which to pay the first months rent and also know that he made it possible for Della not to pay any deposit on the utilities for that house. Della gave "Dutch" Akers several of her rings as security for the \$45.00 that "Dutch" had given her. She later gave him \$5.00 on his loan and he returned her rings and told her that she would not have to pay the remainder of the loan. I do not know why he told Della to forget about the \$40.00 which she still owed him unless it was because she was furnishing him information about Karpis and Grace Goldstein.

"Shortly after I moved to 123 Palm Street I recall that Akers would call Della occasionally and he would sit around with us and gossip about things going on around town. Generally during these visits the subject would turn to Karpis and Grace Goldstein and Della would tell him anything new that she had learned. It did not appear that Akers was visiting us at that time for the particular purpose of obtaining information concerning Karpis and Grace Goldstein. He did not appear to be very much interested in locating Karpis and after Della told him whatever she had learned since she last saw him, he would suggest that she get a little bit more information, and he would always say something about he was hot on Karpis' trail and that he would probably have Karpis before long. He told Della not to say anything to anybody about knowing that Karpis was Grace Goldstein's boy friend, and he indicated to her that there was a reward out for Karpis and that the less people there were who knew about it the more money he and she would get. He said that he would well make it worth her time.

"While Akers was visiting us at 123 Palm Street, Garnett Moore, who was also a Hot Springs Police Officer, frequently visited our house. I am certain that Della also told him that Alvin Karpis was Grace Goldstein's boy friend and I remember that Della and I would talk to Garnett about Karpis and Grace Goldstein. He knew that she had also told "Dutch" Akers about it and he told us that he would leave the whole thing up to Akers.

"During the time that "Dutch" Akers was visiting 123 Palm Street and Della was giving him information concerning the movements of Karpis and Grace Goldstein, the following Red Top Cab drivers frequently visited the house: "Curly" Dennis, Bill Humphrey, Pete Ratliff, Johnny Haines, a fellow they called Steve and another called Saratoga. A Black and White Cab Drive named Roe also frequently visited the house. All of the above cab drivers when they called at the house appeared to know that Grace Goldstein was keeping company with Alvin Karpis, as they would speak of Grace's boy friend Ed and they would often wonder why Grace would keep him up at the Hatterie Hotel rather than to turn him over to the law. I also recall that a Yellow Cab driver named Elmer, who generally parked his cab in front of the Hot Springs Confectionery or nearby, appeared to know a great deal about the movements of Grace Goldstein and her boy friend Karpis.

"I remember reading in the newspapers of the Federal Agent raiding a house on Malvern Road, about six miles from Hot Springs, and the papers said that Karpis had already left the house by the time the Agents got there. A few days before this raid "Dutch" Akers called at 123 Palm Street late one afternoon with a short, slender young man, who had a mustache, and the name of Damron sounds familiar to me. Akers and the other man talked with Della in another room. Before they left

Della came back and asked me whether I could identify Alvin Karpis if I saw him and I told her that I could not as I had never seen him. Della left the room and talked with Akers and the other man for a short while before they left. After they left Della told me that Akers had introduced the man with him as a friend of some young man who had had a date with Connie Morris and that this young man had gotten a dose of gonorrhea from Connie; that Akers had asked her if she had a photograph of Connie Morris and after she had given Akers Connie's photograph, Akers then told her that the man with him was a Government Agent, and that he and the Government man were anxious to locate Connie Morris who was then out of town. I believe that "Dutch" Akers returned alone on the night after he came to 123 Palm Street with the Government Agent, and he appeared to be interested in catching Karpis after the Government man came to the house with him.

"I cannot remember how often Akers visited us from the time that he introduced Della to the Government Agent until we moved early in the month of April, 1936, to the Princess Hotel. I do remember that Akers did not visit us after we moved into the Princess Hotel and I feel certain that I did not speak with Akers from that time until I left Hot Springs in July, 1936.

"I have read the foregoing statement which consists of four typewritten pages and I swear that the same is true to the best of my knowledge and recollection. I have signed each page of this statement to certify that I have read the same."

SIGNED: \_\_\_\_\_ (unsigned)

WITNESSES:

\_\_\_\_\_  
Special Agents  
Federal Bureau of Investigation, U. S. Department of Justice,  
500 Rector Building, Little Rock, Arkansas.

-O-O-O-O-

The foregoing statement was typed in the Little Rock Field Division on July 30, 1937, and when an agent is next at Pine Bluff, Arkansas, Velda Burford will be contacted and asked to sign this statement.



Velda Burford could not remember the name of the paper in which she saw the photograph of Alvin Karpis at the time in question, nor did she know to what persons her sister, Della, showed the photograph at the Hatterie Hotel. She was certain that Grace Goldstein was around Hot Springs at that time. Velda stated that there is no question in her mind that "Dutch" Akers could have apprehended Alvin Karpis in Hot Springs at any time during the period that her sister was contacting him regarding Karpis and Grace Goldstein. She stated that it was generally known around Hot Springs that Karpis was in and out of town, and that anyone would have told Akers about it, had he contacted them in that regard. Velda stated that Akers certainly made a "chump" out of her sister, and that there is no doubt in her mind about Akers having known all the time that Karpis was hiding in Hot Springs.

Both Velda Burford and Della May Jeffries promised to give this matter considerable thought, and advised that should they recall any further information which might be of value to this investigation, they will immediately get in touch with the agents at Hot Springs.

On July 31, 1937, after Della May Jeffries returned to the Hatterie Hotel, contact was had with her and she was again questioned by Agents Madala and Suttler in the lobby of the Majestic Hotel. She advised that Grace Goldstein is very much worried about the investigation now in progress at Hot Springs, Arkansas, and that she is of the belief that she will be prosecuted along with the other prospective defendants. She stated that Grace believes that Connie Morris was picked up by agents and thoroughly questioned, and that Connie has told the entire truth in the matter, involving several people in Hot Springs, including herself, Grace.

Della May Jeffries advised that she asked Grace Goldstein upon her return to the Hatterie Hotel on the night of July 30, 1937, whether Karpis and Hunter ever stayed in a cottage at Milan's Landing, and Grace replied that they had for a period of two weeks, not specifying the time. She stated that Grace further told her that Karpis and Hunter lived in another cottage on Lake Hamilton around this time, and that the delivery boy from the Craighead Laundry suspected that they were gangsters, and reported this information to Joe Scott, who was then on the Hot Springs Police Force, and that Joe Scott was supposed to have given the same to "Dutch" Akers.

Della May Jeffries stated that Grace Goldstein also told her that Fred Hunter stayed at the Marquette Hotel on one occasion, but that Grace would not volunteer just when that was. She further stated that Grace told her that the paper in which she, Della, saw and recognized the photograph of Alvin Karpis, as related in her signed statement, was a Sunday Chicago Herald Examiner paper. It will be recalled that this picture, allegedly appeared in the paper around the first part of December, 1935, according to various persons interviewed thus far. Della stated that she is positive that she gave the paper containing Karpis' photograph to Grace Goldstein on the occasion that she brought it to the Hatterie Hotel, shortly after she observed it at her home on Second Street. She advised that Grace probably still has the paper with the photograph, and that it would be in her trunk, where she has considerable other clippings and photographs of Karpis.

Della May Jeffries advised that she saw Cecil Brock on the street the day after agents interviewed her, and that Cecil questioned her relative to what the Bureau attempted to elicit from her. She stated that she told him that she was questioned particularly as to the amount and the manner of the payoff to the City Administration from the various vice resorts in Hot Springs.

Agents will keep in contact with Della May Jeffries, and she will report from time to time any information that she is able to pick up through conversations with Grace Goldstein and others.

The following investigation was conducted by Special Agents John L. Madala and D. P. Sullivan at Memphis, Tennessee, on July 23 and 25, 1937:

Investigation by the Memphis Field Division disclosed that Greta Gilstrap, alias Greta Swanson, is presently residing at 277 $\frac{1}{2}$  Madison Avenue, Memphis, Tennessee. On July 23, 1937, agents located Greta Gilstrap at the above address and brought her to the Memphis Field Office, where she was interviewed in great detail on July 23, 1937 and July 25, 1937, and the following signed statement obtained:

Memphis, Tennessee  
July 25, 1937.

"I, Jewel Greta Gilstrap, do hereby make the following signed statement to John L. Madala and D. P. Sullivan, whom I know to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice. I am making this statement voluntarily and of my own free will, no threats or promises having been made to me.

"I was born at Texarkana, Texas on September 1, 1912. I married Henry Curtis at New Boston, Texas on or about 1923, and divorced him two or three years later. Thereafter, during the summer of 1933, I married Charles Livingston, a cab driver, at Hot Springs, Arkansas, and we were divorced at Texarkana in February or March of 1934. I married my present husband, N. F. Gilstrap at Hot Springs, Arkansas on February 26, 1935. He is a private at the Headquarter Troop, Second Cavalry, U. S. Army, and is now stationed at Fort Riley, Kansas.

"I first became acquainted with Grace Goldstein at Texarkana, Texas in 1932, while I was hustling in the Tulsa Rooms at 210 $\frac{1}{2}$  Texas Avenue for Irene Mulch. I recall that Grace Goldstein told me at that time that if I came to Hot Springs, she would give me employment at her house, which was then located at the Broadway Hotel. I worked for Grace at this address up until November 1933 when the building burned. Grace left, and I believe she went to New Orleans, Louisiana, where she stayed for about six months. Upon her return she

opened a house of prostitution at 1338 S. Central Avenue, Hot Springs, Ark., and I went to work for her for two or three months, and at that time was the only girl employed by her at first. I then quit my job, and lived with my husband, Charlie Livingston, at Hot Springs for six or eight months. This was during the summer and fall of 1934. After I left Livingston, I went to Texarkana, Texas and was employed at the Tulsa Rooms at 210 1/2 Texas Avenue, where I remained until the late spring of 1935, when I returned to Hot Springs, Ark.

"Upon my return to Hot Springs, Grace Goldstein and some of her girls were living at the Virginia Apartments, and I learned from her that the Sheriff's Office had raided her house at 1338 S. Central Avenue, and padlocked it. I recall that we stayed at the Virginia Apartments for about a week, and we then moved to a house at 123 Palm Street. At that time Connie Morris, Ginger Morgan, Jackie Nichols and myself were employed by Grace Goldstein. A colored woman named Lillian was employed by Grace as a cook. I recall that Grace then owned and was driving a new green Chevrolet Coupe. I believe that we stayed at this house for about six weeks.

"After we had been there for around three weeks, Darrel Tisdale who operates the Manhattan Bar on Ouachita Avenue with his brother, Earl, called me on night and said he was sending up a couple of fellows who had been drinking at his place. A short while later two young men called at the house, and said they were the men that Tisdale had sent down. I remember that both of these men were wearing old clothes, and looked as though they might have been fishing. They said that they were brothers. I understood from what they said, that they had just gotten in town. They stayed around for about an hour, and then left without having a date with any of the girls. I recall they were driving a new black Ford Coupe. They did not introduce themselves, but I later learned that they went by the names of Ed and Harold King. From a group of photographs I have selected the photograph of Alvin Karpis, and state that this is the photograph of Ed King, and I identify the photograph of Fred Hunter, as the man who was known to me as Harold King. Hereafter I will call these men by their right names.

"The following night Karpis and Hunter returned, and were dressed in nice clothes. I was out on a call when they came to the house, but when I returned they were drinking beer with Grace Goldstein and Connie Morris in the dining room. I believe it was that night that Hunter had a date with Connie, and Ginger got drunk and was upset because Hunter had picked Connie rather than her. I recall that Karpis kept company with Grace that night.

"The next morning Karpis and Hunter left the house, and thereafter when I got up around seven or eight o'clock, Grace asked me whether I wanted to drive out to the lake with her to return some money which Karpis had

lost in her car the previous night. We drove out to a cottage near Carpenter's Dam where Karpis and Hunter were staying, and Grace returned to them the money that they lost, which was about \$10.00 or \$12.00. We left a short while later and returned to town. After that Karpis and Hunter would visit 123 Palm Street every day at some time or other. Karpis always kept company with Grace Goldstein, and Hunter was always with Connie Morris, and they frequently stayed overnight at the house with these girls. They said that they had a night club in Chicago, and were in Hot Springs on a vacation. About a week after I first saw Karpis and Hunter, I received a telegram advising me that Norris Gilstrap, whom I later married, was sick at Fort Riley, Kansas. When I was speaking of leaving, Karpis told me that Hunter was going to take a plane to Tulsa, Oklahoma the following morning, and he suggested that I go along with Hunter as far as Tulsa, and that he would pay my plane fare from Tulsa to Fort Riley. I declined his offer, because I did not know him very well at that time, and I went to Fort Riley, Kansas by bus, where I remained for about a week, before I returned to Hot Springs, Arkansas. On my return, Karpis and Hunter continued to spend practically all of their time at 123 Palm Street, in the company of Grace and Connie.

"I remember one night about seven or eight o'clock, Chief of Detectives "Dutch" Akers called at 123 Palm Street, and he talked with Connie Morris about her making a payment on a diamond ring which he had sold her. I believe she said that she paid Akers \$75.00 for this ring. I do not believe that Connie made a payment on the ring that night, as she was low on funds. Akers sat around the living room, talking with Grace Goldstein and the rest of us girls for about an hour, and I left to answer a call just as he was leaving. I remember that "Dutch" was telling Grace that night, that the neighbors were complaining about the noise and disturbance at 123 Palm Street at night, and he suggested that she move. He said that she had been padlocked at 1338 S. Central Avenue, because of complaints from neighbors, and that "they" would not let her run a place in a neighborhood district any longer, and that she would have to get a place somewhere downtown in the business district. Akers mentioned that she might be able to rent a hotel or rooming house, located on the second floor in a building near the Hatterie Hotel. He said that this place had 14 rooms and was unfurnished.

"The next day Grace went out looking around the downtown district for a place where we could move. I remember that she said that she could not understand why she could not run a place in the residential neighborhood, and she said that she was going down to see someone higher than "Dutch" Akers to see what could be down about this. I recall that she later said that "they" had told her that she would have to get a place in the business district. I do not know who she saw on this occasion. She looked around for a place where we could move, and I remember she said that the man who owned

the place which "Dutch" Akers had suggested, would not rent his rooms except for a legitimate rooming house. I recall that she later went to Hill Wheatley and rented the Hatterie Hotel on Central Avenue from him. She said that she was paying him \$75.00 a month for this place.

"At different times while we resided at 123 Palm Street, I have seen "Dutch" Akers park his car in front of the house, shortly after Grace Goldstein would receive a telephone call. On these occasions, "Dutch" would not leave his car, but Grace would get her purse and leave the house, and drive away in "Dutch's" car. She would return in a few minutes with Akers, and leave his car and would come in the house, and "Dutch" would drive away. During the entire time we stayed at Palm Street, and thereafter during the time that I was employed at the Hatterie Hotel, we were never raided by the police, nor were we ever brought down to the Police Department to pay a fine.

"A few days before July 4, 1935, we all moved to the Hatterie Hotel. I recall that Karpis and Hunter continued to visit Grace and Connie after we moved to the Hatterie, and that a couple of days before July 4th they left together, and Hunter said they were going to Muskogee, Oklahoma to visit a friend. I remember they were away on 4th of July, but they returned a day or two later, and I remember that there car was damaged. Karpis said that Hunter went to sleep at the wheel, and turned the car over on a dirt road, near a swimming pool just outside of Hot Springs, Arkansas. I saw the car, and remember that there was a large dent on the side of the top of the car.

"Around this time I went out swimming one afternoon with Karpis, Hunter and Connie Morris at the Ozark Lithia Pool on the outskirts of Hot Springs. This is the only time I went swimming with Karpis and Hunter.

"Karpis and Hunter spent practically all of their time at the Hatterie Hotel, and would frequently stay overnight. They would park their Ford Coupe in front of the Hotel.

"I recall that about a week or so after we moved to the Hatterie Hotel, Dorothy Cathey obtained a room at the Hatterie. She was sick at that time, and was not working. However, when she felt better she began to hustle out of there. I believe she left Grace's place in July of 1936.

"About a week or ten days after the fourth of July, Karpis and Hunter left Hot Springs, and I remember that they were gone about two or three weeks. While they were gone, Connie became ill and went to the hospital where she stayed for about two weeks. After she returned to the Hatterie Hotel, she received a letter from Hunter from Canada which contained some sort of souvenir. Connie apparently did not expect them to return to Hot Springs again. I recall that about a week or so after Connie left the hospital, Karpis and Hunter returned to Hot Springs and the Hatterie Hotel. I did not see their

Ford Coupe anymore, and I do not know whether they had a car. At this time, I did not see Karpis and Hunter at the Hatterie Hotel very much, and I remember that Grace said that Karpis had bought a new motor for a boat, and that he was spending nearly all of his time out on the lake fooling around with the boat, and I remember that she frequently went out in the afternoon, and would return about 7:00 or 8:00 P.M., and she would say that she had dinner with Ed (Karpis) at his cottage on the lake.

"Shortly after Karpis was supposed to have bought his out-board motor, Grace invited Dorothy Cathey, myself and another girl, who only worked at the Hatterie Hotel for a few days, to go out for a boat ride in Karpis' boat. She drove us to Gilliam's Landing, and while we were swimming, Karpis came up the lake to Gilliam's Landing in a very fast boat, and we all rode around with him and Grace on the lake all afternoon. They did not say where he and Hunter were living at this time, but I figured that they were living somewhere in the vicinity.

"Sometime during the latter part of August of 1935, Connie was operated on at St. Joseph's Hospital by Dr. Blacke. I recall that she got out of the Hospital shortly prior to September 7, 1935, and that Grace and Hunter had considerable discussion about him paying her hospital bill. I remember that Hunter frequently visited Connie while she was confined in the hospital, and I don't believe that Karpis went with him on these visits.

"On or about September 7, 1935, I went to Fort Riley, Kansas to visit Norris Gilstrap. I recall that I was at Fort Riley when he received his pay check on September 30, 1935. I remember this date particularly because it was on a Monday, and because he was supposed to receive his pay check on the last day of the month. That evening Norris gave me \$30.00 for train fare and expenses to return to Hot Springs, Arkansas. On the following afternoon, which I recall was Tuesday (October 1, 1935), I caught a train at about 1:30 P.M. at Junction City, Kansas, and Norris came to the depot to say goodbye to me. I recall that he took leave to see me off.

"I recall that I rode on the train all night, and arrived in Hot Springs, Arkansas the following afternoon which was Wednesday, October 2, 1935. I believe that I took a Yellow Cab from the Depot to the Hatterie Hotel. When I arrived at the Hatterie Hotel, which was around 2:00 P.M., Karpis, Hunter, Ginger, Connie, Grace, Dorothy, and a third man who was introduced to me as George, were there. They all had been drinking, and I understood from what they said that Karpis, Hunter, and George were leaving the following morning at 4:00 A.M. I have selected and identified the photograph of Harry Campbell, as the man who was at the Hatterie Hotel that day, and who was called George. He told me that his right name was Cecil. Lillian, the maid, and Grace prepared a very nice dinner for all of us. I believe it was a duck dinner.

"I remember that we all had quite a bit to drink, and Harry Campbell told me that he had been there for two weeks; that he had noticed my photograph in Grace's room, and that he had asked her to send me a telegram to come back to Hot Springs, but that they did not do so, and decided to wait until I returned; that this was to be his last night in Hot Springs. I recall that Ginger told me that she had an all night date with him, the previous night. I remember Karpis telling Campbell not to drink too much, as he had a lot of driving to do the next day. I had quite a bit to drink, and was tired from my trip, and I went to bed about 9:00 P.M. The rest of them were still going strong when I went to bed. Early the next morning when it was still dark, Campbell stuck his head through the door in my room, and said goodbye. Karpis and Hunter also said goodbye to me at this time. I remember that Grace, Connie and Ginger were still up and were out in the hallway at that time. I heard the three men say goodbye to the other girls, but I did not get out of bed. From the way that these men talked, and from what Grace and Connie said, I do not believe that Karpis, Hunter and Campbell were expected to return. I did not get up until about noon that day, and I do not know whether Grace and-or Connie left the hotel that morning before I got up.

"I recall that shortly after Karpis and Hunter left on this occasion, Mary came to work for Grace Goldstein, and thereafter frequently took charge of the house while Grace would be away.

"About a week or ten days after Mary started working for Grace, Grace took a trip to her mother's farm near Paris, Texas. She was gone about a week on this trip, and when she returned she brought with her her niece, Margaret. She told us that Margaret's folks were quite poor, and that she had been running around with men down home; that she was going to help her out. Margaret stayed at the Hatterie Hotel. A day or two after she arrived, Grace asked me to suggest to Margaret that she entertain some of the men who visited the Hatterie. I refused to do this, telling her that she should do it herself. Grace thereafter got Mary to make the suggestion to Margaret, and Margaret then began to fill dates with men at the house. I believe Margaret was around 24 years of age.

"About a month or five weeks after Karpis, Hunter, and Campbell left Hot Springs on the morning of October 3, 1935, Connie said that she was going to visit her sister at San Antonio, Texas, which she did a few days later. I did not hear until sometime afterward that Hunter had gone with Connie on this trip. After Connie left, Grace did not spend very much time at the Hatterie Hotel, and sometimes she would be away for as long as a week, and I did not know where she was living. At those times when she returned to the hotel, she would only remain a few minutes and then leave, and that made me believe she was living somewhere with Karpis, although she did not mention that Karpis was in town at that time.



"I recall that about three weeks before Christmas of 1935, Ginger brought a newspaper to the hotel one day. I remember that this was an out-of-state newspaper, and it seems to me it may have been a Cleveland newspaper. This paper had large headlines concerning Alvin Karpis. I cannot remember what the newspaper article stated, but I do recall that there was a photograph of Alvin Karpis beside the article which appeared on the front page of the paper. Dorothy, Ginger, Margaret, the negro maid Lillian, and myself were in the kitchen when Ginger showed us the newspaper, and she said that her sister's little girl had seen the picture of Alvin Karpis, and had recognized it as being the photograph of the man we knew as Ed King. I remember that we all looked at the photograph, and I and Lillian remarked that it didn't look very much like Ed, but Ginger thought it was a good likeness of him. I cannot remember seeing Margaret in the company of Karpis before this time, but she apparently had met him somewhere, as she expressed her opinion that the photograph of Karpis did not look very much like Ed King. I recall that Grace was not present on this occasion, and Ginger gave the newspaper to Margaret, so she could give it to Grace when she came in. Late that evening when Grace came to the hotel, Margaret showed her the newspaper which Grace read. She appeared to be surprised upon seeing the article and photograph in the paper, and I remember that she remarked that the photograph of Karpis did not look very much like Ed. She scolded Margaret for not destroying the newspaper, after she thought that the photograph was that of her boy friend, Ed. She told all of us not to mention to anyone what we had seen in the newspaper, and particularly not to mention it to Ed. While we were discussing whether it actually was the photograph of Ed King, Grace said that she would see Ed's boy friend to find out whether it was in fact him. I do not know who she was referring to when she spoke of Ed's friend.

"A couple of nights later Karpis came to the Hatterie Hotel. This is the first time I had seen him since he left with Hunter and Campbell on the morning of October 3, 1935. Grace came in with him, and they sat in the living room for a few minutes. Dorothy and I said hello to Karpis, and he then took Margaret into her room where he talked privately with her for about fifteen minutes. I remember Grace was upset and worried as to what Karpis and Margaret were talking about, and she said that she hoped that Margaret would not mention to him that we had seen his photograph in the newspaper a few days before. Grace also said that she would be glad when Margaret left. Karpis and Grace left a few minutes after he and Margaret returned to the living room. Margaret told me that night that Karpis had given her \$20.00 and had told her to return to her home; that she had no business to be in a place like the Hatterie Hotel. The next day, Margaret left the hotel, and returned to her home in Texas on a bus. After she left, Grace told me that she and Karpis had a devil of an argument the night before after they left the Hatterie Hotel over some things that Margaret had told him; that apparently Margaret had told him everything she knew.



"I recall that a few days after Margaret left Hot Springs, Karpis bought Grace a green Buick Coupe. Shortly after she got this car, she said that she was going to visit her mother in Texas. At that time she said that she didn't have any license plates for her new car, and that she was going to get a set of license plates from Joe Wakelin, as he had offered to lend her the plates off of his car. Before she left on this trip, she indicated that she probably would spend Christmas with her mother; that she did not know what the boys were going to do, nor what Connie intended to do over Christmas. I recall that Grace returned alone on or about December 19, 1935, and she mentioned that she had visited her mother and helped to straighten up her mother's house for Christmas. She asked me whether I had seen Connie or Hunter, and I told her that I had not. Grace did not live at the hotel for the next two or three days, but was in and out of there inquiring whether Connie and Hunter had yet arrived. About two days before December 23, 1935, Connie and Hunter came to the hotel and asked for Grace. Grace was not there, and Connie then asked me whether I knew where Grace was, and I told her that I did not know. They said they would return that night, which they did. A few minutes after they arrived, Grace came to the hotel and talked with them. They did not remain very long when all three left together.

"I recall that Norris Gilstrap who I married on December 26, 1935, arrived for a Christmas visit on December 22, 1935. On the following night, December 23, 1935, Karpis and Grace came to the hotel at about 9:00 P.M. They stayed around until about 1:00 A.M. We did considerable drinking that night, and I remember that Mary and a girl named Florence who had worked there for about three weeks, and who left shortly afterwards, and my husband were also there. I remember that Grace told Norris and myself about Karpis fishing when they went down to her mother's place the week before, and I remember her saying that she had taken the outboard motor of Karpis down with her, and that he spent some time fishing with it, and she laughed while telling about Karpis wearing a large ten-gallon hat while they were in Texas. I believe he wore this large hat that night.

"I recall that Karpis talked with Norris most of the night about Kansas, and he seemed to know a great deal about Fort Riley, Kansas, and also mentioned that he had a sister in Topeka, Kansas, and that he was practically raised around there. On the following day Norris asked me who Ed really was, and I told him that all I knew that he was Ed King. He said that he looked a lot like Alvin Karpis; that there was a photograph of Karpis at his Troop Headquarters, and he asked me whether I knew who Alvin Karpis was. The name was not familiar to me, and he thereupon told me that Karpis was a notorious criminal who was badly wanted. I then recalled that Karpis was the name I had seen on the newspaper photograph sometime before at the Hatterie Hotel. We talked this over for sometime and were fairly certain

that Ed King was in fact Alvin Karpis. Norris told me that I was in a tight place, and that the best thing the both of us could do, was to keep quiet about it, because if we informed on him there was a possibility that we might get "bumped off" by some of his friends. We said nothing to anyone about what we had discussed, and before leaving to return to Fort Riley, Kansas, Norris suggested that I keep away from Karpis as much as possible.

"A few days before Grace Goldstein purchased her Buick Coupe, as I have already mentioned, she spoke with me one day and mentioned that she would like to rent "Dutch" Akers' cottage on the lake. She stated that it was a very pretty place, and that it would be a nice place to live. From what she said about the cottage, I got the impression that she had seen both the inside and outside of it. She gave as the reason for wanting that house, that Karpis had some friends coming down from the north to visit him, and she did not want them to stay at the Hatterie Hotel, or for them to know what business she was in. I do not know whether she later rented Akers' cottage, but I do know that a man and his wife did come to Hot Springs to visit Karpis around Christmas time, and she told me that these people were from Ohio, and that the woman was in society up there. I also recall Grace telling me that this woman from Ohio did not like the idea of Connie appearing at the place where she and her husband were staying, dressed in either slacks or beach pajamas.

"I recall that shortly after Christmas of 1935, I did not see Connie and Hunter anymore, and I presumed that they went away on another trip. I likewise did not see Karpis anymore after that, and I didn't know whether he was living in town or was away from Hot Springs. I remember that Grace stayed around the Hatterie Hotel quite a bit from New Years to about February 1, 1936. I distinctly recall that on New Years Eve, she and I and another girl went to the Southern Grill where they had some kind of entertainment.

"During the month of January, 1936, Grace Goldstein frequently went out nights with Chief of Police Joe Wakelin. On two or three occasions, I heard her talk with him over the telephone, and arrange a meeting place with him. On one occasion I heard her say that she would meet him near the Park Hotel. As I recall she would usually leave the Hatterie Hotel around 8:00 or 9:00 P.M. when she would go out to meet Wakelin. At one time I heard Grace ask Wakelin over the telephone as to what car he would be in.

"On one occasion during the month of January 1936, Dorothy Cathey and I were in Dorothy's room, and Grace came in and started talking to us. She said that she had bumped into "Dutch" Akers on the street while she was driving with Karpis; that she introduced Karpis to "Dutch", and that Karpis was half drunk at the time, and had his head pulled down over his eyes. Sometime later in Grace's room, Grace told me that "Dutch" Akers had asked her whether she got her new car from her boy friend, and he remarked to her

that she must have run into a couple of live wires. She told me that Akers then asked her if that was her boy friend who was with her in her car when she introduced him to Akers, and she told him that it was, and she told me that Akers said he seemed to be a pretty nice fellow. Dorothy and I talked about these different statements that Graco made about Akers and Karpis, and neither of us believed what she said. We figured that Grace was trying to throw us off the track by making it appear, that "Dutch" Akers considered Karpis all right and a nice fellow. Up to this time Grace had never admitted to us that she knew that Ed King was really Alvin Karpis, and we never let her know that we positively that Ed was Karpis.

"I have been shown a photograph of Sam Coker, and I identify it as a man known to me as Tommy who called at the Hatterie Hotel a couple of times within a few days after December 23, 1935. I remember that he asked whether Connie, Grace, Karpis or Hunter were around, and Mary told him that they were not at the time. I had heard Grace and some of the other girls speak of Tommy before this, as a friend of Karpis and Hunter, and I understood that he had been in Hot Springs during the time I was visiting Norris in Fort Riley, Kansas in September, 1935, and that Jackie Nichols filled dates with him. I never did see Tommy with Karpis or Hunter, and I never saw him around the hotel after he visited there on the above two occasions.

"After Connie and Hunter left Hot Springs after Christmas of 1935, I did not see her again until about a week or ten days before Federal Agents raided the Woodcock home on Malvern Road. I remember that on this occasion she came to the Hatterie Hotel alone. She had been drinking, and she said that she intended to get "tight". Mary, Dorothy and myself were at the hotel, and she came to my room and talked with Dorothy and me. She said that Hunter would probably give her the devil when she got back to the lake, because she had left, but she did not mention where they were living, except that it was out in the sticks. She left after about thirty minutes. I believe it was the next day that she returned to the hotel, and had all her baggage and clothes with her. Her lip was bruised and her knees were skinned. I asked her what had happened to her, and she told me that she had fallen down the steps. However, I later learned from Grace Goldstein that Hunter had beaten Connie up for leaving the house where they had been staying, and had driven into town. Grace also told me that what had really happened was - that Karpis and Hunter came into town when they found that Connie had left their place; that they had located her downtown, and followed her car to the Woodcock home; that they had told her and Grace to watch to see if a car was behind them upon reaching the road which led to their house, and to go straight ahead if they did notice a car behind them. Grace said that Connie did not do as she had been directed, but turned off the highway without looking back, and she and Hunter got into an argument about it.

"After Connie moved into the Hatterie Hotel on the above occasion, she hustled for about two or three days when she learned that she had a case of gonorrhea. She was very much upset over this fact. Either that night or the following night, a cab driver named Brock who is a brother of Officer Cecil Brock, called at the Hatterie Hotel and talked with Connie Morris in the living room. He appeared to be drunk. He left about twelve or one o'clock in the morning, and I remember that after he left, Connie talked with Grace in Grace's room. The next day when I got up at about 1:00 P.M., I noticed that Grace and Connie were not in the hotel, and Lillian, the maid, told me that Connie had gotten word that her mother was sick, and she had gone home. I did not see Connie anymore after that. That night, I recall that Grace returned to the hotel around seven o'clock, and she called Brock and told him to come over to the hotel, which he did. She talked to him in her room in a loud voice, and cursed him out, and accused him of coming to the hotel and getting a picture of Connie which he was going to turn over to the G-men. She said that she knew that he had double-crossed Connie; that he had told Connie how much he had been paid to come up to the hotel for the purpose of questioning Connie concerning Karpis and Hunter, and that he would of gone ahead with it, had he not gotten drunk and told her everything about it. She told him that he had better watch his step, or he would be taken for a ride. I also recall Grace telling him that he need not think he was so smart, that she already knew that the G-men were in town before he told Connie. Brock admitted everything that Grace had charged him with, and he had very little to say. I do not remember that Grace left the hotel that night, and I believe she was still there when I went to bed around 2:00 A.M. I do not believe she knew that I overheard what she said to Brock.

"I got up around noon the next day, and I don't believe that Grace was in the hotel at that time. I also recall that the dog, "Shine", disappeared around this time.

"I do not remember what took place around the Hatterie Hotel until the day when the G-men raided the Woodcock home for Alvin Karpis. I recall that on this day I got out of bed in the afternoon, and read in the paper all about the raid. I believe that Grace was there that afternoon. That night we missed her and we were worried because we did not know where she had gone. She did not return to the hotel until about three o'clock the following afternoon. She had a cut on her forehead, and some bruises on her body, and she said that she had turned her car over on the highway. After Karpis was arrested Grace told me that she had made one trip to her home in Texas shortly before the raid, and had told her brother to get rid of some shirts and other clothes which belonged to Karpis and had his laundry mark on them. She told me that she later began to worry as to whether her brother had destroyed the shirts and other articles that belonged to Karpis, and she said that she made another trip down to Texas after the raid to find out whether her brother had done what she had told him to do. She told me that she destroyed Karpis' shirts when she got home after she found that her brother had not already done so; that she hadn't had any sleep the night before, and was dead tired, and she laid down for only a couple of hours before she left to return to Hot Springs. She said

that she brought back with her a gun which belonged to Karpis and which had been kept at her home. She told me that she was so sleepy on the way back, that she did not know what happened, but that she must have fallen asleep and turned over; that she called a wrecker at Hot Springs, and some people drove her into Hot Springs in an old model Ford car.

"I recall that on the night that Connie moved into the Hatterie Hotel before the raid on the Woodcock home, she told me that she was tired of staying up all night and losing sleep, waiting for the place to be shot up, and for Hunter to start shooting his machine gun.

"After Karpis was arrested I heard Grace Goldstein speaking with Connie one day about her experiences while she was keeping company with Karpis. She told Connie she figured she had enough load to carry in watching a large amount of money which was kept in their house on or near Fincel Street, but that when some scare came up, Karpis left her at the house with the money and she had to stay there alone with it for two days.

"Grace also told me after Karpis was caught that she felt that "Dutch" Akers had double-crossed her around the time of the Woodcock raid, because he was coming up to the hotel, and getting information from her and then giving it to the G-men.

"After Karpis was arrested, Grace Goldstein told me in speaking of the period around the Woodcock raid when she was being questioned by various officers, that she went down to Palm Street to see Ginger. Grace said that sometime before that Akers had loaned Ginger the money to rent this house on Palm Street where she was answering calls, and that Akers had been keeping company with her. I knew that what Grace said about Ginger answering calls on Palm Street was true, as Ginger had called me down there one night to fill a date. Grace said that when she saw Ginger, she asked whether she had been questioned by Akers or any other officer, and Ginger told her that Akers was the only officer that had questioned her about Karpis. Grace told me that she believed that Ginger had not only been questioned by Akers, but had also been questioned by other officers outside of Hot Springs, and that Ginger had given them a lot of information about Karpis.

"I have read the foregoing statement which consists of eleven typewritten pages, and I swear that the same is true to the best of my knowledge and recollection."

(Signed) Jewel Gretta Gilstrap

Witnesses:

/s/ D. P. Sullivan

/s/ John L. Madala

Special Agents,

Federal Bureau of Investigation

U. S. Department of Justice,

500 Rector Building,

Little Rock, Arkansas.

The original and copy of the above signed statement is being retained in the files of the Little Rock Field Division.

In addition to her statement, Greta Gilstrap advised that her maiden name is Jewel Greta White; that she has known Herbert "Dutch" Akers ever since she came to Hot Springs in 1932; that sometime during April of 1933, she was in the market for a used car, and that Akers in some manner found out about it; that he approached her relative to selling her a 1931 Model A Ford Coupe, which he stated belonged to his wife. Greta advised that she thereafter purchased this automobile from Akers for a consideration of \$250.00; that Akers gave her a bill of sale for this car, and that she registered the same in the State of Arkansas, and also purchased a Hot Springs Vehicle Tag for it. She went on to state that she drove this automobile around Hot Springs for about five months, and that in the fall of 1933 she and her former husband, Charlie Livingston, drove to Tampa, Florida in it. She stated that upon their arrival in Tampa, she sold the instant car to a used car dealer for \$150.00; that she does not recall the name of this dealer, but is sure that Livingston would know it, as he was raised around Tampa, Florida, and in fact suggested that she go to the particular dealer to whom she sold the car. Greta stated that at the time she negotiated for the sale of the car, the used car dealer asked her where she had purchased the same, and when Greta informed him that she got it from the Chief of Detectives at Hot Springs, Arkansas, he took it at its face value. Greta was not certain as to whether she registered the said car under the name of Greta Swanson or Jewell White.

The foregoing corroborates the information secured from Grace Goldstein by Special Agent in Charge Chapmon Fletcher, and considering the same, it appears that Akers sold Greta Swanson a stolen car on the above occasion, knowing the same to have been stolen. The Statute of Limitations has apparently run on this crime.

From a perusal of the signed statement submitted by Greta Gilstrap, particularly as to the time Karpis and Hunter first appeared at the house of prostitution of Grace Goldstein at 123 Palm Street, it would appear that this date was on or about June 5, 1935, as it has been definitely established that Karpis and Hunter registered into Cottage #13 at Carpenter's Dam on that date. As to the information indicating that Darrel and Earl Tisdale of the Manhattan Bar, referred them to Grace Goldstein's place at the above time, it is believed that Fred Hunter made the acquaintance of the Tisdale brothers during the time he was being treated for a venereal disease by Dr. Paul Z. Browne in Hot Springs from May 6, 1935 to May 27, 1935.

Greta Swanson was questioned at great length concerning what police officers visited 123 Palm Street during the time Grace Goldstein operated a house of prostitution at that address. She was positive in stating that "Dutch" Akers and Arch Cooper were the only officers she saw call on the girls there

during that period. She would not place Alvin Karpis and Fred Hunter in the house at 123 Palm Street at those times when Akers and Captain Cooper called there, nor would she state that they were in the house on those occasions when Akers called for Grace, and thereafter rode around the block with her, as is mentioned in Mrs. Gilstrap's signed statement.

With reference to the time that Karpis, Hunter, and Harry Campbell were supposed to have left Hot Springs, after living on Lake Hamilton for a while, Greta Gilstrap was somewhat positive that this time was in the early morning of October 3, 1935. She stated that she did not see Fred Hunter nor Sam Coker at the Hatterie Hotel, nor at any other place, during the next two or three days, and for this reason, and from conversations overheard by her on the night of October 2, 1935, she is positive that all of the boys left at the above indicated time. This date of departure substantiates the first information received from Morris Loftis and Grace Goldstein, indicating that Karpis, Hunter, Campbell and Coker, moved from Dyer's Landing on Lake Hamilton on October 2, 1935.

As to the information provided by Greta Gilstrap to the effect that Grace Goldstein drove her niece, Margaret, from Paris, Texas, to Hot Springs, Arkansas, in October, 1935, and thereafter caused her to be influenced to practice prostitution in the Hatterie Hotel, it would appear that these facts indicate a violation of the White Slave Traffic Act.

Greta Gilstrap was questioned at great length as to the time she first became aware of the identity of Alvin Karpis, and she was insistent in stating that it was when Ginger showed her a newspaper photograph of him during the early part of December, 1935. She advised that at this time all of the girls who were employed in Grace's house then learned, and were aware, of the identity of Karpis.

With reference to the information indicating that Grace Goldstein intended to borrow a set of license plates from Chief of Police Joe Wakelin for her new Buick Coupe, in order that she could make a trip to her mother's farm at Paris, Texas, it might be stated that Chief Wakelin admitted to Inspector E. J. Connolly that he loaned Grace Goldstein the license plates of his Auburn automobile, in order that she could make the above indicated trip. It might also be mentioned that Cecil Brock, former police officer at Hot Springs, admitted to agents that on one occasion shortly after Grace Goldstein purchased her Buick Coupe, Chief Wakelin requested him to go to the Hatterie Hotel and take his license plates off of Grace Goldstein's car. Brock stated that he contacted Grace in this regard, and she permitted him to remove the plates from her car and return them to Chief Wakelin.

The above information is of some significance, as it appears from the statement of Greta Gilstrap, that Grace Goldstein drove Alvin Karpis to her mother's farm at Paris, Texas, in the car that carried Chief Wakelin's license plates.



It should be noted that Greta Gilstrap does not admit that she again saw Alvin Karpis, after she definitely assured herself of his identity. This information probably is false, as other witnesses have already stated that Karpis frequently visited the Hatterie Hotel subsequent to the time that Mrs. Gilstrap asserts she definitely became aware of his true identity, and the fact that he was a Government fugitive from justice.

With reference to the conversation between Greta Gilstrap and Grace Goldstein relative to the renting of "Dutch" Akers' summer home on Lake Catherine, it should be noted that the man and wife from Ohio referred to by Grace Goldstein, no doubt is Clayton Hall and his wife, who are known to have visited Grace Goldstein and Alvin Karpis from December 8 to 22, 1935, at Hot Springs, Arkansas. It is not known whether Grace Goldstein subsequently rented Akers' summer home, as was indicated by her. Previous investigation disclosed that Karpis and Goldstein were living at 602 South Third Street, and 124 Fintel Street during this period.

With reference to Grace Goldstein's intimacy with Chief of Police Joe Wakelin, Greta Gilstrap advised that to her knowledge this association had existed ever since she first came to Hot Springs in 1932. She emphatically stated that she never saw Wakelin at any of Grace Goldstein's houses of prostitution, nor did she ever see the two together riding in a car or on the street; She admitted that she very often heard Grace talk with Chief Wakelin over the telephone, and make dates with him; that she has also heard other girls in the house talk about Grace's friendship with Wakelin. It might be well to mention at this point, that Alvin Karpis admitted to Bureau agents that the reason he consorted with Grace Goldstein at Hot Springs, was because he knew that she was friendly with Chief of Police Joe Wakelin, and that he was supplying her with the movements of Government agents when they would come to Hot Springs.

Relative to that portion of Greta Gilstrap's statement where she related conversations she had with Grace Goldstein regarding Akers meeting Alvin Karpis on the street in Hot Springs, and that Akers remarked that he thought Alvin Karpis was a fine fellow, Greta was of the opinion that Grace Goldstein told her of the above, ostensibly to lead her to believe that neither she nor "Dutch" Akers thought that Karpis was "hot", and to create the impression that he was all right. Further, that she probably desired to remove from her, Greta's, mind any doubt or suspicion that Greta might have entertained about Karpis at that time.

Greta Gilstrap advised that there is no question in her mind that "Dutch" Akers had knowledge that Alvin Karpis was in Hot Springs, and was consorting with Grace Goldstein. She was also positive that Chief of Police Joe Wakelin knew that Karpis was in town. She, however, could not or would not provide any additional information indicating that Akers and Wakelin permitted Karpis to remain in Hot Springs without apprehension.



With reference to the other prostitutes who lived and were employed by Grace Goldstein at the Hatterie Hotel and 123 Palm Street, Greta advised Jackie Nichols worked for Grace at both the Palm Street address and the Hatterie Hotel; that Jackie is presently engaged in prostitution at 321 Monroe Street, Memphis, Tennessee. She further advised that Dorothy Cathey worked for Grace for a short time at the Hatterie Hotel, and that Dorothy is probably in possession of considerable information that might be of value to this investigation. Greta advised that when she last heard from Dorothy Cathey, she was at her home in Texas, near the Mexican border; that Dorothy has a sister whose husband owns a furniture store at Hobbs, New Mexico; that she probably could be located through this source. Greta further stated that Pauline Hargrove also was employed by Grace Goldstein for a short while at the Hatterie Hotel during the time Karpis was supposed to have visited there, and that Pauline is at present travelling in Mississippi, exact whereabouts unknown; that Pauline's mother is Mrs. Flor Edmonston, and she lives at 758 Madison Avenue, Memphis, Tennessee. Greta advised that Pauline could probably be located through her mother, if agents desired to interview her. This will be done at a later date.

On July 24, 1937 Special Agent John L. Madala and D. P. Sullivan located Jackie Nichols at 321 Monroe Street, Memphis, Tennessee, and brought her to the Memphis Field Division, where she was interviewed in detail by the above agents. She advised that her correct name is Gertrude Theresa Nichols, and she submitted the following signed statement, the original of which is being retained in the files of the Little Rock Field Division.

Memphis, Tennessee  
July 24, 1937.

"I, Gertrude Theresa Nichols, do hereby make the following signed statement to John L. Madala and D. P. Sullivan, whom I know to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice. I am making this statement voluntarily and of my own free will.

"I was born in New Orleans, Louisiana, on January 15, 1914. In 1929 I married Lee Galer at Henrietta, Texas, and divorced him in Henrietta sometime during 1934. Later on I married Thomas J. Wright at Texarkana, Texas. This was on February 6, 1936. I believe I am still married to him.

"I first met Grace Goldstein while I was attending school in New Orleans, Louisiana. At that time she was operating a house of prostitution at 321 Broadway, Hot Springs, Arkansas, and I met her through a girl named Rachel Thrillkill who at that time was working for my mother in Hot Springs. I believe this was either in 1931 or 1932. I have been engaged in the practice of prostitution since 1933.

"I recall that during the late spring or early summer of 1935, I obtained employment with Grace Goldstein, who was then operating a house of prostitution at 1338 S. Central Avenue, Hot Springs, Arkansas. On the first night I went to work for her, Marion Anderson and some other Deputy Sheriffs

raided Grace's place for liquor, and padlocked it. We moved the telephone to a vacant house across the street from 1338 S. Central Avenue, from where we could answer calls. Grace and the rest of the girls, including myself, moved to an apartment in the Virginia Apartments where we stayed for a week or ten days. Grace then rented a house at 123 Palm Street. At that time the following girls were employed by Grace Goldstein: Ginger Morgan, Greta Swanson, Connie Morris and myself. A colored girl named Lillian was employed by Grace as a cook and maid.

"About two or three weeks after we moved to 123 Palm Street, this being on or about June 5, 1935, I returned to the house one night, and the other girls told me about a couple of young men who were dressed in old fishing clothes who had been at the house earlier that same evening. The next night these same two men returned in their good clothes. They sat around and drank with Grace Goldstein and the rest of the girls. This night they were accompanied by a tall young man who I understood had originally brought these two fellows to Grace's house. I do not know this young man's name, but recall that he went around with a guitar player, and both of them used to hang around the Manhattan Bar on Ouachita Street in Hot Springs, this place being owned by Earl and Darrell Tisdale. I understood that this young fellow had met the two men I have spoken of at the Manhattan Bar.

"From a group of photographs I have selected the photographs of Alvin Karpis and Fred Hunter, and identify them as being the photographs of the two young men who visited Grace Goldstein's house, as above described. They introduced themselves as Ed and Harold King, Ed being Karpis and Harold being Hunter. They stated that they were brothers and that they were night club owners where they also operated gambling games somewhere up North. I filled a date with the young man who was with Karpis and Hunter, and recall that Hunter paid me \$5.00 for this date. This was the only time I saw this young man with Karpis and Hunter.

"Thereafter during the three weeks we remained at 123 Palm Street, Karpis and Hunter visited the house at sometime practically every day, and at times would remain overnight. After two or three days, Fred Hunter began keeping steady company with Connie Morris. I do not remember that Karpis had dates with anyone at the house during the first few days after he and Hunter first came there. About two or three days after I first met Karpis, he and I arranged to go fishing, and he called for me early the following morning. We drove out near Carpenter's Dam, and fished in his boat which had a small outboard motor. After we came in from the lake, he took me to a cottage where he and Hunter were staying, and I prepared breakfast for Karpis. Hunter was there but he did not have breakfast with us. After we ate, Hunter drove me back to town. A few days after this Karpis began keeping steady company with Grace Goldstein. Thereafter she and Connie were generally with Karpis and Hunter, and would go out to their place on the lake.

"I recall that Karpis and Hunter had a new black Ford Coupe which had out-of-state license plates. They frequently stayed overnight at 123 Palm Street, and would park their car either in front of the house, or in the driveway at the rear of the house. Karpis and Hunter spent most of their time at our house, on Palm Street, and I understood that they stopped frequenting the Manhattan Bar after this. I do not know of any other place in Hot Springs that they might have visited.

"I first became acquainted with Chief of Detectives Herbert "Dutch" Akers a short time after I first began practicing prostitution in Hot Springs during 1933. He knew that I was hustling in town. I first met Captain of Police Arch Cooper before I even met "Dutch" Akers. While we were located at 123 Palm Street, "Dutch" Akers visited Grace Goldstein's place on at least two or three times to my knowledge. He and Grace Goldstein were friendly from what I could see. I remember one particular visit when Akers came to Grace's house late in the afternoon, and sat in the living room talking with Grace and the rest of the girls. I know that these visits were not in response to any complaints or calls, and they appeared to be just friendly visits on Grace Goldstein. I cannot remember that he was ever accompanied by any other police officer. I cannot recall that Karpis and Hunter were ever at 123 Palm Street when "Dutch" Akers call there. It is possible that Akers saw Karpis and Hunter there when I was not present, as I frequently was away from there on calls. Akers was then driving a coupe, and I have seen him with his wife in this same car at other times, which led me to believe that it was his own personal car rather than a police car. I recall that about a week before Grace Goldstein moved her place from 123 Palm Street, Akers called at the house one afternoon and in my presence he told Grace that the neighbors had been complaining about taxi-cabs calling at the house late at night, and about disturbances and noise, and he suggested to Grace that she move to another location.

"While we were living at 123 Palm Street, Captain of Police Arch Cooper was working at night at the Club Belvedere, a gambling place outside of Hot Springs, Arkansas, where he was employed as a bouncer. Two or three times after he got off from work around three or four o'clock in the morning, Cooper came to Grace's place and had dates with Connie Morris. One night he had a date with me, but he did not pay me for my services, and from what I have heard I understood that he never paid any prostitute for their services.

"Around the first part of July, 1935, we moved to the Hatterie Hotel on Central Avenue. I remember that Jimmy, who is Lillian's husband, helped us move and that Karpis and Hunter were present part of the time. Karpis and Hunter continued keeping company with Grace Goldstein and Connie Morris, and very often spent the entire night at the Hatterie Hotel. While there they would park their Ford Coupe either in front of the hotel or across the street. I remember that Grace and I drove out to Lake Hamilton to see the boat races on July 4, 1935. Karpis and Hunter were not around the hotel for two or three

days at that time, and they may have been away. Around this time, I recall that Karpis and Grace Goldstein took Hunter to the airport where he was to take a plane. Before leaving the Hatterie Hotel, Karpis put \$50.00 in an envelope which he sealed. He placed three "X" on the back of the envelope, and he explained that he did this in order that he might know if anyone opened the envelope. He told Hunter to give this money to his, Karpis's, mother. I recall that Hunter was gone only a few days on this trip.

"I recall that when Karpis and Hunter returned from one of their trips, which I believe was the one they made over the 4th of July, they returned to Hot Springs with their Ford Coupe damaged.

"Shortly after this time I recall that Karpis and Hunter made a trip away from Hot Springs. While they were gone, Connie Morris received a letter from there. I recall that Karpis and Hunter were away for some time on this particular trip, and then when they returned to Hot Springs they had a new and different car which had Ohio license plates. This car was a coupe and much larger than a Ford. When they returned, Karpis and Hunter continued to frequent the Hatterie Hotel almost every day, and very often spent the night there.

"Sometime during the summer of 1935, Karpis and Hunter moved from the cottage where they had been staying to some other cottage on the lake. I never visited this cottage, and do not know exactly where it is located. There was a negro woman named Rosie who worked at the Hatterie Hotel, and Karpis and Hunter liked her cooking, and I understood that she went to work for them at their cottage. Grace Goldstein and Connie Morris talked of visiting Karpis and Hunter at their cottage, and I understood at times they would have dinner with these boys at the cottage.

"About the 10th of September of 1935, Karpis brought a man to the Hatterie Hotel called Tommie. From a group of photographs I have selected and identified the photograph of Sam Coker, as the man who was known as Tommy. He came to the Hatterie Hotel a few times after that, either with Karpis or with Hunter. I had dates with him on two or three occasions, and Ginger also filled dates with him two or three times. I remember that Ginger liked Tommy, and she went out to the lake with Grace Goldstein and Connie Morris and I presume from what they said, that Karpis, Hunter and Tommy were out there with them.

"During the last part of September, 1935, I remember that Hunter and Tommy talked of attending the Max Baer-Joe Louis fight in New York City. Grace also talked of attending this fight, but I remember that she did not go, as she mentioned that she and Karpis had listened to the radio broadcast of the fight at Karpis' cottage on the lake. I recall that Hunter and Tommy went to the fight by airplane from Little Rock, Arkansas. I believe that Grace drove them there. Karpis and Hunter had bet a new car on the result of the fight, and I understood that Karpis won the bet.

After they returned, Hunter and Tommy talked about the fight not lasting long, because Joe Louis knocked out Max Baer in one of the early rounds.

"Either the first night that Hunter and Tommy visited the Hatterie Hotel after they had attended the fight, or the next day, I recall that they brought a man named George to the hotel. George had a coupe which carried Ohio license plates, and this car looked exactly like the car that Hunter and Karpis used, and both of these cars were parked in front of the Hatterie Hotel the first time that I saw Geoge. I have selected and identified the photograph of Harry Campbell, as the man who was known to me as George. This was in the afternoon, and he stayed around until that evening when he had a date with Ginger. I had an all night date with Tommy that night. I was keeping company with Eddie Wright at that time, and he called at the hotel that night, and he started an argument with me, because I was filling dates at the hotel. The next night I left Hot Springs and went to Texarkana. Before leaving Tommy said goodbye to me at the hotel. Harry Campbell was also there with Ginger, and Karpis and Hunter were with Grace and Connie. This was the last time that I saw any of these men.

"During the time I was working for Grace Goldstein, she told me that "Dutch" Akers had a beautiful home located somewhere outside of Hot Springs, and that it was a very private place. She described this house as being very beautiful on the inside, and she said that she would like to have it. She said that she would take me out to see it sometime, but she never did.

"I recall that one afternoon while I was working at the Hatterie Hotel, Grace, Connie and myself drove out to Wilson's Tavern. As we passed Milan's Landing, either Grace or Connie pointed to the cottage on the hill nearest to the road, and said that either Karpis or Hunter must be up there. A day or two later, some mention was made by Grace or Connie that Karpis and Hunter had moved to another cottage.

"I recall that on one occasion while I was working at the Hatterie Hotel, Grace Goldstein, Connie Morris, myself and possibly others were sitting around and talking, wondering who Karpis and Hunter were and what they did for a living. During this conversation Grace Goldstein gave us the impression that "Dutch" Akers had met Karpis and Hunter, as she mentioned that "Dutch" said that they were nice boys.

"I have read the foregoing statement which consists of five typewritten pages, and swear that the same is true to best of my knowledge and recollection. I have signed my name to each page of this statement, certifying that I have read it."

(Signed) Gertrude Theresa Nichols

Witnesses:

/s/ John L. Madala

/s/ D. P. Sullivan

Special Agents,

Federal Bureau of Investigation,

U. S. Department of Justice,

500 Rector Building,

Little Rock, Arkansas.

In addition to the above statement, Miss Nichols advised that she has a half-brother, Tony Gariboy, Jr., who resides on Route #1, Hot Springs, Arkansas, with her step-father; that this place is located just beyond the Oaklawn Race Track and adjoins Files' Dairy. She stated that she has an uncle, Claude Gates, who works as a yardman for some railroad at Texarkana, Texas.

From a perusal of Jackie Nichols signed statement, it is to be noted that she corroborates the information provided by Greta Gilstrap, as to the circumstances surrounding the first visit of Karpis and Fred Hunter to 123 Palm Street, Hot Springs. The identity of the young man who apparently brought Karpis and Hunter to the Palm Street address, is not known as yet, and every effort will be made to learn of same.

Jackie Nichols was questioned at great length concerning the number of visits made by "Dutch" Akers and Arch Cooper to 123 Palm Street, during the time that Grace Goldstein lived and operated a house of prostitution there. She recalled that Akers called on Grace Goldstein on only three occasions during that period, but could not recall whether Karpis and Fred Hunter were in the house at the time that Akers would visit there. She also did not know, or would not tell the purpose of Akers' visits at these times. She denied any knowledge of a payoff to the Police Department or City Administration for the right for Grace Goldstein to operate a bawdy house. She admitted, however, that during the time Grace operated at Palm Street and later at the Hatterie Hotel, the police at no time raided her, nor did they fine any of the girls who were working for her from time to time.

It is to be noted that Grace Goldstein indicated to Jackie Nichols in one of the conversations with her, that she was well acquainted with the interior and exterior of "Dutch" Akers' summer home, indicating that perhaps she had been there one time.

It is also noted that Grace Goldstein at one time pointed out a cottage at Milam's Landing to Jackie Nichols, and remarked that Karpis and Hunter were living at that place. This is important, as Officer Joe Scott previously informed agents that he received a tip to the effect that Karpis and Hunter were living there, and that he gave this information to Chief of Police Joe Wakelin; that Wakelin and "Dutch" Akers were supposed to have checked the same, and found them gone when they arrived there, and nothing more was said or done about it.

Agents exhibited to Jackie Nichols a photograph of George "Burrhead" Keady, and she positively identified it as a man with whom she filled a date at the Howe Hotel around Christmas of 1935. She advised that at that time she had her own telephone in Hot Springs, and that a porter at the hotel called her to go to Keady's room; that when she got there, she found Keady partially intoxicated; that he wouldn't give her more than \$10.00 for an all night date, which she refused; that while she was in his room, she observed a large amount of

money in one of the dresser drawers, and she immediately made up her mind to take this money; that she remained with Keady until he fell asleep, after which she ransacked the drawer, which contained the money, and hurriedly left; that she later found that she had taken \$900.00, and that night she took a cab to Texarkana, Texas; that she spent a week in Texarkana, and gave the money to a friend of hers, who disappeared with it on New Years Eve Day, 1935. Jackie advised that she later learned that Sam Coker, whom she knew as Tommy, was in the adjoining room at the Howe Hotel when she called at Keady's room, and that Coker appeared to have a date too; that after she found out that Keady was probably acquainted with Alvin Karpis, through Sam Coker, she became very frightened, and stayed away from Hot Springs for a while. She stated that she also heard some time later that both Karpis and Hunter were very incensed over the theft of their friend's money, and that Hunter on one occasion attempted to locate her while she was working on Malvern Avenue in Hot Springs, with the intentions of "taking her for a ride".

Jackie Nichols advised that on one occasion while she was living at 123 Palm Street, and while Karpis and Hunter were there, Eddie Wright, with whom she formerly kept company, visited her at the above address; that Wright became intoxicated, and during the course of the evening he was introduced to Karpis and Hunter. Jackie stated that Eddie Wright is very much against "Dutch" Akers at the present time, and that it is probable that he might be of some assistance to this investigation. She stated that she has not heard from Wright for some time, and that the last word she had of him, was that he is in Houston, Texas, managing the Lone Star Rooms; that her husband, Thomas Wright, is a brother to Ed Wright, and he is supposed to be working in some hotel in Dallas, Texas.

Jackie Nichols advised that she can be located by contacting the address, 321 Monroe Street, Memphis, Tennessee.

On July 28, 1937, Special Agents D. P. Sullivan and B. M. Suttler proceeded to the Hatterie Hotel, where they located the prostitute named Ginger and the colored maid, Lillian Louise Thomas. These two women accompanied agents to the temporary office being maintained at Room 322, in the Thompson Building, Hot Springs, Arkansas. Thereafter, Lillian Thomas was interviewed by Special Agents H. A. Snow and D. P. Sullivan on the afternoon of July 28, 1937. It being apparent that this interview would be quite lengthy, Lillian Thomas, as well as the prostitute "Ginger", were asked whether they were willing to be interviewed at the Little Rock Field Division. Both of these women expressed their willingness to voluntarily accompany agents to Little Rock, Arkansas, for further interview. On the evening of July 28, 1937, Lillian Thomas and "Ginger" were brought to Little Rock, Arkansas, by Special Agents John L. Madala and D. P. Sullivan, and Lillian Thomas was questioned on the evening of July 28, 1937 and again on July 29, 1937, by Special Agents H. A. Snow and D. P. Sullivan. Lillian Thomas spent the night of July 28, 1937 at a hotel and on the following evening she was taken back to Hot Springs, Arkansas, by Special Agents H. A. Snow and B. M. Suttler.



The following typewritten statement was obtained from Lillian Louise Thomas, which she signed. The original of this statement is being retained in the files of the Little Rock Field Division.

Little Rock, Ark.  
July 29, 1937.

"I, Lillian Louise Thomas make the following typewritten statement to D. P. Sullivan and H. A. Snow, whom I know to be Special Agents of the Federal Bureau of Investigation, U. S. Department of Justice. I know that I do not have to make this statement, and nobody has threatened me.

"I was born on June 30, 1910 on a farm near San Marcoss, Texas. My father, Elbert Washington, runs a farm about a mile north of San Marcoss, Texas. My sisters, Mrs. Ethel Nichols and Mrs. Irene Wright, live on a farm near Taylor, Texas. My brother, Toby Washington works in a garage at Taylor, Texas. I married James T. Thomas at San Antonio, Texas about July 9, 1928, and I still live with him.

"I have been working for Grace Goldstein for about four years. When I first went to work for her she was running a sporting house at 1338 S. Central Avenue. Two summers ago she was raided by Marion Anderson and some county officers for whiskey and they padlocked the house. We then moved across the street but only stayed there for about a week and we then moved to 123 Palm St. At that time, Miss Greta, Miss Ginger, Miss Jackie and Miss Connie were hustling for Grace. We stayed on Palm St. for over a month and then moved into the Hatterie Hotel. After we had been at Palm St. for some time I heard the girls talking about Mr. Ed. and Mr. Harold. I remember the first time I ever saw these men. They came in between eleven and twelve o'clock one day. When I went into the living room to call the girls for breakfast, I saw Mr. Ed and Mr. Harold, who were sitting in the living room, talking with Connie, Grace and Jackie. When the girls came into the kitchen for breakfast, the men left. I have picked out the photograph of Alvin Karpis. That is a picture of Mr. Ed. I have also picked out the picture of Fred Hunter and that is the picture of Mr. Harold. I saw Karpis and Hunter at 123 Palm St. after that, several times. I remember they ate dinner there one night with Grace, Connie and the rest of the girls and they were there the morning that we moved to the Hatterie Hotel. Connie kept company with Hunter, and Grace kept company with Karpis. I remember Grace was late for dinner one night and she said that she had been down to the Police Department. I cannot remember what kind of car Karpis and Hunter had when we were on Palm St. and I can't remember ever seeing their car.

"After we moved to the Hatterie Hotel in the summer of 1935, Karpis and Hunter came to the hotel more often, and they would sometimes spend the night there. Karpis was always with Grace, and Hunter was always with Connie. Grace and Connie would go out in the afternoon after they got up and dressed, and they



would not come back for dinner and would tell me not to wait dinner for them as they were eating out. I did not know where Karpis and Hunter were living that summer but I often heard these men talking with Grace and Connie about fishing, swimming and boating on the lake. Karpis and Hunter were good spenders and they would buy drinks for other visitors at the hotel and they always tipped me when I waited on them. The most they ever tipped me at one time was a dollar. Karpis and Hunter had dinner at the hotel several times.

"One morning in the early fall of 1935, when I reported for work about eleven o'clock in the morning, Karpis, Hunter and two men who they called George and Tommie were already at the hotel. I have been shown pictures of Harry Campbell and Sam Coker, but I cannot identify them as being the two men who were with Karpis and Hunter that day. That was the only time I ever saw George and Tommie and I cannot remember very well what they looked like. All these men were drinking with Grace, Connie and the rest of the girls and they did not eat breakfast because they were drinking. During the afternoon that day, Miss Greta came in. She had been away for nearly a month before that on a visit to her husband in Kansas. Grace and I fixed a duck dinner for the men and I remember Grace said that Karpis, Hunter, Tommie and George were going away. They all had dinner at the hotel and they were still there when I left about six thirty that evening. They were all feeling pretty good and I remember Mr. George was walking around with Miss Greta's green silk bathrobe on. I am pretty certain that this day was in the middle of the week as Miss Grace had been expecting Miss Greta to return on a Sunday and she did not return until two or three days later, which was the day I am speaking of. The next day when I came to work none of the men were there, but that afternoon or the next afternoon Karpis and Hunter came to the hotel. They did not stay long and talked to Grace and Connie in Grace's room. I would like to say that I work from about eleven in the morning until about six thirty at night and I don't know what happens at Grace's place after six thirty P.M. unless I hear some of the girls talking about something that happens at night when I am not working.

"After Karpis and Hunter left the Hotel I did not see them again until some time after Thanksgiving. I never saw George and Tommie again that I can remember. A few days before Thanksgiving Grace came to the hotel and got a roasting pan which she took away with her. She had been away from the hotel for several days before that. I remember that Grace and Connie or Karpis and Hunter were not at the Hatterie Hotel for Thanksgiving. A week or two before Thanksgiving, Grace and Connie began to stay away from the hotel and I would not see them for several days at that time. About that time, Connie bought a new trunk and she was packing her clothes one evening when I left. The next day when I came to work, she had gone and I did not see her again until a few days before Christmas. I now recall that a short while before Connie got her trunk, Karpis and Hunter came to the Hatterie Hotel together one afternoon. Grace and Connie were there. Karpis and Hunter were still there when I left for home but they did not have dinner there.

"As I have said, Grace was away from the hotel a great deal just before Thanksgiving, and I recall that after Thanksgiving she brought some pieces of turkey to the hotel and said that this was what was left of a turkey which she had for Thanksgiving dinner. After that, Grace would stay away from the hotel several days at a time, and when she came back she would only stay for a short while. I cannot remember seeing Karpis again until a few days before Christmas.

"I can't remember whether it was in November or December, 1935, that Grace brought an electric waffle iron back to the hotel. A couple of days later Grace gave me a key, and a card with the address 602 Third Street on it, and told me to go to that address and clean up the house on my way to work next morning, which I did on the next morning. It seems to me that Grace stayed around the hotel for a few days about this time. About a week before Christmas, Grace returned to the Hatterie Hotel, and I remember her doing her Christmas shopping. A day or two later, Karpis came to the hotel, but he did not stay very long on this visit. It seems to me that Grace was in and out of the hotel, and it appeared that she was living somewhere else, as she never bought her Christmas presents which she bought to the hotel until Christmas morning. She must have kept these presents where she was living somewhere else. A couple of days after I saw Karpis with Grace, Connie and Hunter came to the hotel one afternoon. Connie said she was hungry and they remained for dinner. I remember that Greta's husband, Norris Gilstrap, visited Greta over the Christmas holidays. He came there two or three days before Christmas, and stayed there until a day or two before New Years Day of 1936. I only saw Karpis and Hunter once just before Christmas, as I have mentioned above.

"I remember that Grace brought our Christmas presents to the hotel on Christmas morning. Karpis was not there then. She left about noon on that day and said she was going to visit her mother in Texas. She left in her new green Buick Coupe, which she bought a week or so before Christmas. She had said that Karpis had given it to her for a Christmas present. Connie and Hunter were not there on Christmas Day either. They had left a day or so before Christmas, and I did not see them again for about a month.

"I do not recall seeing Garce and Karpis again until just after New Year's day, I believe, when I remember seeing Karpis talking to Grace, and Grace was telling about how much her mother in Texas enjoyed her being there at Christmas time and also that she liked Karpis very much.

"On the day that I saw "Tommy" and "George" at the hotel with Karpis and Hunter in the early Fall of 1935, Grace told me when I came to work that morning to look out in the backyard and see what she had. I did so, and saw a big black Great Dane puppy. This was the first time that I saw this dog, and Grace told me that Karpis had brought it to her and that it was born in Germany. This dog is named "Shine", and I still take care of it for Grace. It was just around this time

that Grace told me to bring an outboard boat motor from the back porch downstairs to her back porch upstairs. Another maid helped me to take the motor up. The motor stayed there until after New Year's Day.

"Sometime during January, 1936, Grace again left, but did not say where she was going. Several days later I noticed that the outboard motor was gone. I can't remember how long Grace was gone on this trip, but after she came back I remember hearing Grace and Karpis talking together about what a good time they had had on the trip, and how much they enjoyed the fishing.

"A short while after Grace and Karpis returned from the fishing trip, Grace took my husband, Jimmy, and me out to the Woodcock home near Lake Catherine, and we cleaned up the house. We stayed there from about 9:30 AM. until 4:30 P.M. cleaning up. I noticed that the small trunk which Karpis used was out there, which was in one room. From the dust on the floors, and from what Grace said, I understood that they had just moved in and hadn't had a chance to clean the place up. I did not see anyone at the house during the day, however, except Grace when she took us out and brought us back to Hot Springs in the afternoon. That was the only time I ever visited the Woodcock home. It seems to me that I did not see Connie and Hunter for quite a while about this time, but I would see Karpis and Grace from time to time.

"I believe it was sometime between Thanksgiving and Christmas 1935, that Ginger came to the Hatterie Hotel, one afternoon just before dinner. This was a short while after Ginger had quit working for Grace Goldstein. She had a newspaper with her and she showed it to me and to the other girls who were there. I remember she pointed out a photograph of Karpis and said that she thought it was a photograph of Mr. Ed who kept company with Grace Goldstein. I remember that we talked about this photograph and some of the girls thought it looked like Mr. Ed and other did not think it look very much like him. Later when Grace came in, somebody must have shown her the photograph because when I came to work the next morning, I asked Mary if the picture in the newspaper which Ginger had was a picture of Mr. Ed, and she said that it was not, as Grace said it wasn't Mr. Ed. I never asked Grace about this picture, as she was in and out of the hotel and never did say where she was going or where she was living. I am certain that Grace's niece, Margaret was working at the hotel as a prostitute at that time. I cannot remember that any of the girls talked of Mr. Ed being Alvin Karpis after that day when Ginger had the newspaper photograph of Karpis.

"About a week before the Federal Agents raided the Woodcock home, Connie returned to the Hatterie Hotel late one afternoon with Grace. Connie had a skinned lip and she said that she had been drunk and fell down. Grace did not stay at the hotel, and she left, but Connie stayed and hustled at the hotel for several days. Four or five days before the Federal Agents raided the Woodcock

home Connie came in one day and she was "cussing" about the doctor telling her that she had the "clap", and she said that she did'nt believe him. The next morning when I came to work about eleven o'clock I met Connie as she was leaving the hotel. She did'nt have any baggage with her. This was the last time that I saw her until a month or so after Karpis was arrested at New Orleans, La. When I got to the hotel that morning the girls told me that Brock, a cab driver, had been to the hotel the night before and he got sore because Connie would not date him and he told her a lot of stuff about she was going to be arrested because she was travelling around with Karpis and Hunter and they said that probably was the reason she left. The same night that Connie left, or the following night, Grace moved back into the hotel. A day or two after Grace moved back into the hotel, Government men came in and questioned Grace, off and on, but I cant remember that "Dutch" Akers was with them.

"On the afternoon that Connie moved back into the Hatterie Hotel, about a week before the Woodcock home was raided, Grace Goldstein also brought her clothing in with her, but she would not spend the night at the hotel, for the next few days, but would go out each night and take with her a nightgown and she kept her clothing at the Hatterie Hotel after that until the raid. I think that Grace stopped staying at the Woodcock home at night, after she moved back into the hotel, either on the night that Connie left, or the night after that. Two or three nights before the morning that the Federal Agents raided the Woodcock home, Grace drove me home after I finished work at about seven or eight oclock. While we were riding Grace said that she wanted to get a radio and a garden hose she had left there at the Woodcock home. We were in her Green Buick Coupe and she drove out to the house and went in and got the radio. It was dark and I remember that she turned on the lights. The garden hose was outside and I put it in the car. Grace was in the house only for a few minutes and she brought out her square radio and put it in the car. She then drove me home. It seems to me that "Shine" the dog was not around at that time and I believe that before Connie moved back into the hotel Grace talked to taking him to her mother's farm in Texas where he would have plenty of room to exercise. I dont know exactly when she took him away but I did not see the dog until after Karpis was arrested.

"On the day of the Woodcock raid, I got to work at about 11 A. M. Grace was awake and reading the newspaper in her room. I believe that it was a short while later that a short, slender, young man who was a Government man, came in and questioned Grace in her room. After I woke the girls up just before noon, they came into lunch and Grace told them about the Federal men who had raided the Woodcock home early that morning. I believe it was two nights after the raid that Grace left and she was gone when I came to work the following morning. The same afternoon she called me and asked me to have a bath and towels ready for her, as she had been in a wreck and had turned her car over three times. She came in a short while later and said that she had come into town on a wrecker which she called.

"While Grace had a sporting house at 1338 S. Central Ave., Arch Cooper Captain of Police, visited Grace's place one afternoon and he sat around talking with Grace and the rest of the girls. He did not arrest anybody that day and I do not know why he was out there. I always figured that she was pretty friendly with Arch Cooper and I remember that last fall Grace and Connie gave a big party at the Hatterie Hotel to celebrate Connie's birthday. Arch Cooper and Jack McJunkins, a city fireman who kept company with Jerry, one of Grace's hustlers, were there with a bunch of other men. I had to stay to help the other two maids to serve drinks. Connie got a pair of panties and she pulled her dress off and put on her panties and walked across the table. Everybody got pretty drunk and Arch Cooper did a hula dance with Connie.

"During the fall of 1935 Chief of Police Wakelin began to telephone Grace Goldstein almost every night around six thirty or seven oclock. For a long while I did not know who this was who called Grace, and she only spoke of him as her "Sweetie" and as the "Old man". A short while after Karpis was caught I found out that Grace's "Sweetie" was Chief Wakelin. He still calls Grace almost every night and they never talk very much over the telephone but generally only make a date to meet each other. I have often heard Grace say, after receiving a call from Chief Wakelin, that she was going out to meet him, and she would leave the hotel a few minutes later.

"During the time that Karpis and Hunter were visiting and hanging around 123 Palm St., and at the Hatterie Hotel, they never acted suspicious and never seemed to worry about being arrested. They generally went around in their shirtsleeves and I never saw either of them wear a gun. I never remember the Hot Springs Police making any investigation at the Hatterie Hotel, or at 123 Palm St., about Karpis and Hunter until after the Federal Men came to Hot Springs around the time of the Woodcock raid. After the raid, Federal Agents arrested Grace Goldstein and she was gone about 12 days. All during this time "Dutch" Akers would call the hotel every day on the telephone and ask me whether I had heard from Grace and he told me to let him know as soon as I heard from her. He came up to the hotel two or three times while Grace was away, and I remember that one day while he was talking to Greta, Mary and me, he sat down on the bed in Mary's room and he said that if Grace had let him know, he would have arrested Karpis a long time before that, and I believe that he said that there was large reward out for Karpis. I remember he wanted to get a key to Grace's trunk so that he could get a picture of her and I believe he did take a picture of Grace off the dresser in her room.

"I would like to state that I frequently have answered the telephone when Chief Wakelin telephoned the Hatterie Hotel for Grace Goldstein and I recognize his voice over the telephone.

"I have read this statement which is typewritten on ten pages and I have signed my name on each page to show that it is true and here sign my name below. No threats or promises have been made to me.

(Signed) Lillian Lousie Thomas  
Lillian Louise Thomas

Witnesses

/s/ H. A. Snow      /s/ D. P. Sullivan  
H. A. Snow              D. P. Sullivan  
Special Agents,  
Federal Bureau of Investigation,  
U.S. Department of Justice,  
500 Rector Bldg.  
Little Rock, Ark.

-O-O-O-

Lillian was thoroughly questioned concerning the association of Grace Goldstein with Chief of Detectives Herbert "Dutch" Akers, but she stated that she could not recall ever seeing Akers at the houses of prostitution operated by Grace Goldstein at 1338 S. Central Avenue, 123 Palm Street, or at the Hatterie Hotel. She did state that one evening Grace was late for dinner and on her return she stated that she had been down to police headquarters, but she did not state who she had seen at the police department. Lillian stated that she understood from conversation she overheard between Grace Goldstein and other women at 123 Palm Street and at the Hatterie Hotel, that Grace Goldstein would visit the Hot Springs Police Department at night, but that she, Lillian, had no definite knowledge of same, as she went off duty about six thirty each night.

Lillian stated that it was entirely possible for Akers or any other person to have visited 123 Palm Street and the Hatterie Hotel without her knowing it, as she was frequently busy about the house and would not get an opportunity to see every person who entered these places. She denied knowing that Karpis and Hunter lived at Dyer's Landing and Milan's Landing on Lake Hamilton in the summer of 1935. She could not or would not recall that any local police officers visited 123 Palm Street during the summer of 1935.

Lillian Thomas was definite in stating that she visited 602 Third Street only once, and that was the occasion that she went there to clean up after the house had been vacated. She denied knowing where Grace Goldstein moved after leaving 602 Third Street, and stated that she never heard that Karpis and Grace lived on Fincell or Clubb Street around Christmas time of 1935. This woman, at first, stated that she only visited the Woodcock home one time, when she and her husband, Jimmie went there to clean up, shortly after it was rented and occupied by Karpis and Grace Goldstein, but she later told of the time when she and Grace Goldstein visited the Woodcock home a few days before the Woodcock raid to obtain a radio and garden hose, as she mentioned in her signed statement.

Lillian Thomas could not recall Grace Goldstein talking of attending the Baer-Louis Fight at New York City in the early fall of 1935. She could not recall anything concerning Grace Goldstein and the negro, Rosalie, cleaning up a cottage on Lake Hamilton and had no information concerning the circumstances surrounding the vacating of the cottage at Dyer's Landing by Karpis and Hunter in October, 1935, other than what is contained in her signed statement.

Lillian was thoroughly questioned, but she could not recall that Grace Goldstein borrowed the license plates of Joseph Wakelin and used them on her car during December, 1935. She stated that she did not know where Grace Goldstein met Wakelin at night, and had never seen Joseph Wakelin in the company of Grace Goldstein and was definite in stating that she had never seen Wakelin at the Hatterie Hotel. This woman undoubtedly has a great deal of information concerning the association of Grace Goldstein with Hot Springs Police officials, particularly Chief of Detectives Akers, but she is an unwilling witness, and little cooperation can be expected from her in this investigation.

James Thomas, #10 John Street, Hot Springs, Arkansas, husband of Lillian Thomas, colored maid and cook for Grace Goldstein at the Hatterie Hotel, was interviewed at the Temporary office in the Thompson Building on July 30, 1937, by Agents H. A. Snow and B. M. Suttler.

Thomas stated that he worked for Grace Goldstein only one day during the time she was living at 123 Palm Street; that on this occasion he made some flower boxes for her, but he could not recall seeing any men around the house on that day, nor could he recall seeing the black Ford belonging to Karpis, sitting out in front of the house that day. Thomas stated that after Grace Goldstein moved to the Hatterie Hotel he worked for her on several occasions; twice he washed all the windows in the hotel; on other occasions he painted floors and woodwork. He stated that on most of these occasions he went into the room where he was painting or cleaning and shut the door in an effort to keep everyone out so that he could get his work done properly, and for this reason he did not have a very good opportunity to observe people coming in and out of the hotel. He did not deny that he has seen men around the Hatterie Hotel, but he stated he cannot positively identify any of them by photograph. All photographs of the Barker-Karpis gang were shown to Thomas but he was unable to identify anyone but Grace Goldstein.

Thomas further stated that he does not recall ever having seen Chief of Detectives Herbert "Dutch" Akers call at the Hatterie Hotel; that "Dutch" Akers is known to the negro population in Hot Springs as "Creeping Jesus", inasmuch as they state he "slips up on them without them knowing it". He did recall, that one time while he was employed by Grace Goldstein on S. Central Avenue and Hagen Street, that she and her husband had some sort of fuss and she called "Dutch" Akers to come out; that he recalls seeing Akers on this occasion come up to the front door and talk to Grace Goldstein.

Thomas further recalled that on one occasion his wife told him that "those two men were back" and she was glad they come "'cause she could make more than her regular salary of \$3.00 a week on tips from them". He thinks his wife was referring to Karpis and Hunter on this occasion.



Thomas informed that on one occasion, a Sunday morning, he and his wife went with Grace Goldstein out to the Woodcock residence to clean the place up and scrub some floors; that on this occasion he had "Miss Grace's hose" at his house; that he had borrowed it to do some watering with and that he took it with him out to the Woodcock home to do some watering there; that the hose remained out there until just before the raid when it was returned to his home by his wife, Lillian. Thomas was very uncertain as to any dates, but he recalled that he was living at 431 Gaines Street at the time of the raid, and was living on Jasper Street at the time he took the hose from his house to the Woodcock residence. He stated that he lived in the Jasper Street place for about a month; that he never did find out who owned it and did not pay any rent for that month, so there would be no way to check up on when he moved there. He stated that just prior to his moving on Jasper Street he was living on South Border Street, and that he rented his house from a woman by the name of Mattie Clifford; that she lives in the fourth house from the Jones Ice Company, and that she might have some record of when he moved out of there, and in that way find out about when he took the hose out to the Woodcock residence on the Sunday morning that he cleaned up, and the only thing he recalled seeing there in the form of wearing apparel was an old hat.

He recalled that soon after he and his wife had made the trip out to clean up the Woodcock home he went out to a Mr. Mac's house nearby the Woodcock residence to kill a hog; that while he was out there Mr. Mac told him about the woman living on the hill with a big dog, and he told Mr. Mac who she was, and his wife, Lillian, cooked for Miss Grace. He does not know this Mr. Mac's last name, but stated he can be located through the George Nickels Construction Company in Hot Springs, Arkansas, and that he is working for them at present on a Park Avenue ditching job.

Thomas further stated that in the summer of 1936 he and his wife started keeping Grace Goldstein's big black dog named "Shine", every night, and sometimes every other night; that his wife told him the reason Grace wanted them to keep it was that she wanted to go out and have a good time with "her old man" and didn't want to be bothered with the dog. The "old man" referred to is former Chief of Police Joseph Wakelin.

In a previous interview with Della May Griffith, alias "Ginger" Morgan, it was learned that she at one time resided at 103 Second Street in Hot Springs, Arkansas; that she moved there after leaving the Hatterie Hotel, where she had been employed as a prostitute by Grace Goldstein; that the approximate date that she moved to 103 Second Street was between November 15th and December 15th, 1935. In this same interview agents were informed that a Mrs. Gray, who lived near 103 Second Street, owned this piece of property during November and December, 1935.



On July 30, 1937, Agents H. A. Snow and B. M. Suttler located the residence of Mrs. Fred Gray, 615 West Grand Avenue, Hot Springs, Arkansas, and attempted to interview Mrs. Gray in an effort to ascertain the exact date that Della May Griffith moved into 103 Second Street in 1935. Mrs. Gray was found to be very ill and unable to talk to agents at the time they called. Her sister, Mrs. C. E. Caldwell, who was at the home of Mrs. Gray when agents called, informed agents that she would talk to Mrs. Gray and attempt to get the desired information from her. After Mrs. Caldwell had talked to Mrs. Gray she informed agents that her sister recalled that a girl by the name of "Ginger" did live in her property at 103 Second Street sometime prior to January 1936, but as she kept no books, receipts or records of any kind, was unable to advise the exact date. Mrs. Caldwell informed agents that her sister was too ill to question further, and advised agents to talk to Mrs. Gray's son, J. O. Campbell, employee at the Great Northern Liquor Store.

Upon leaving Mrs. Gray's home agents stopped at a filling station which is located between Mrs. Gray's home on West Grand Avenue and her house at 103 Second Street. R. L. Tucker, owner and manager of this station, informed agents that he recalled a girl by the name of "Ginger" living at 103 Second Street; that she bought gasoline from him on several occasions; that he recalls it was winter time, as he saw her one day playing in the snow with her small son, but he could not recall the month it was in 1935 that she lived there. Tucker stated that he felt sure in his own mind that it was during the months of November and December, 1935, but he had no way of checking up on this as his business was a cash business, and he had no available records.

J. O. Campbell, son of Mrs. Gray, was interviewed at his place of business the Great Northern Liquor Store, Hot Springs, Arkansas, on July 31, 1937 by Agents Snow and Suttler. He stated that he recalled the girl "Ginger" living at his mother's house on Second Street; that he had seen her many times since she moved from there, but he could not recall when she lived there exactly. He thought it was during the Christmas Season of 1935, as he was home from school for the holidays at the time he saw her. He informed agents that as soon as his mother got well enough to talk business he would attempt to find out the exact date from her and advise agents of same.

As it was known to agents that "Ginger" Morgan moved from 103 Second Street to either the Princess Hotel or 123 Palm Street, an effort was made to ascertain which place it was and the correct date that she moved from 103 Second Street.

Robert Poe, part owner of Poe Furniture Company, was contacted on July 30, 1937, as it was known to agents that his brother, Owen Poe, owned the property at 123 Palm Street. Agents checked the records produced by Poe on this

piece of property, but the record did not reflect the date that "Ginger" Morgan moved in. The record was complete only through the year 1932. Robert Poe explained that at that time his father died and the property was willed to Owen Poe; that Owen never did keep any record after that, as to who moved in and out of the property; that he merely took the rent as it came in and "stuck" it in his pocket. Robert Poe stated that he knew of no way to check this, except to go to the Electric Company and find what date they turned on the electricity at 123 Palm Street, as all electric bills are made in the name of the tenant in all of their properties. This will be checked through the Electric Company in the near future.

As it had been learned from various sources that "Ginger" lived at the Great Northern Hotel for a while around January, 1936, Agents Snow and Suttler contacted the manager of this hotel on July 31, 1937 and obtained from him the hotel records for that date as to registration of guests. Agents checked the months of December 1935 and January 1936, but no record of registration could be found for "Ginger" Morgan nor Della May Griffith.

In the interview with Greta Swanson, prostitute for Grace Goldstein during the time Grace consorted with Alvin Karpis at Hot Springs, Arkansas, she stated that Karpis and Hunter were sent to Grace Goldstein's house of prostitution originally by Darrell Tisdale, who was at that time the owner of the Manhattan Bar on Ouachita Avenue, Hot Springs, Arkansas, with his brother, Earl Tisdale.

On July 30, 1937, Earl Tisdale was interviewed at the temporary office in Hot Springs, Arkansas, by Special Agents H. A. Snow and B. M. Suttler.

Tisdale stated that he did not recall ever sending Karpis and Hunter over to Grace Goldstein's house of prostitution. He examined the photographs of all members of the Barker-Karpis gang, and stated that the only ones he could positively identify were Grace Goldstein and Connie Morris; that he knew both of these women well, and admitted that he had visited Grace Goldstein's house of prostitution on S. Central Avenue, on Palm Street, and twice after she moved to the Hatterie Hotel. Tisdale further stated that the photograph of Hunter looked very familiar, but he could not place it in any particular place in town. He could not make up his mind whether the photograph of Karpis looked familiar to him or not.

Tisdale further stated that many times during the time he has owned the Manhattan Bar, strangers have come in and asked for information as to the various houses of prostitution in the city; that he has always given these strangers the names and locations of the various notorious houses, but he cannot recall the instance above referred to about Karpis and Hunter.

Earl Tisdale further stated that his brother, Darrel, is now living in Tulsa, Oklahoma, and that his correct address can be obtained from the Murray Transfer Company in Hot Springs, Arkansas, as they shipped some "stuff" to him not very long ago.

Upon being shown the photograph of Milton Lett, Tisdale stated that his face looked very familiar, and he seemed to connect him up with some gambling place in town, but he could not definitely place him in any one place. He stated he would keep his eyes open for this fellow, and agents will keep in touch with him to learn if he has been able to place where he has seen Milton Lett before.

As Greta Swanson had informed Agents that a tall young man who ran around with a banjo player, came to the Palm Street address with Karpis and Hunter the night that they came over there for the first time, Tisdale was asked if he knew this banjo player she referred to, as he was supposed to have "hung out" at Tisdale's bar room. Tisdale stated he did not know but one banjo player in town and he had not seen him in many months; that he at one time went with Johnny Childs' daughter; that Childs is owner of Childs' Filling Station on Park Avenue, and that he heard Childs ran the banjo player named Johnny out of town on account of him getting in trouble with Childs' daughter. This boy Johnny was the only banjo player that Tisdale knew who ever hung around his place.

The Manhattan Bar is located at 302 Ouachita Avenue, and Earl Tisdale can be reached at this address at any time. He does not have any employees working for him that were there in 1935 and 1936.

The following investigation was conducted by Special Agents J. L. Madala and D. P. Sullivan at Memphis, Tennessee, on July 23, 1937.

At the request of the Little Rock Field Division the Memphis Office interviewed Mr. Charles N. Preston, who formerly worked as a special officer on the Hot Springs Police Department, at which time he furnished some information indicating that Herbert "Dutch" Akers might have been acquainted with Alvin Karpis during the time that Karpis resided in Hot Springs in 1935 and 1936. Since the Memphis Office is not acquainted with the background and details of the investigation presently being conducted in Hot Springs, Arkansas, it was deemed advisable to re-interview Mr. Preston and get from him more details regarding his knowledge of the alleged association between Karpis and "Dutch" Akers.

Agents brought Mr. Charles N. Preston to the Memphis Field Division on July 23, 1937, where he was interviewed. He advised that he resides at 605 Van Street, Memphis, Tennessee, and that he is presently separated from his wife, who is living in Hot Springs. He stated that he came to Hot Springs, Arkansas, in

July, 1933, and from that time up until January, 1934, he worked at various places in and around Hot Springs. He stated that shortly after his arrival in that city he became very friendly with Robert L. Moore, who was then night captain of police of the Hot Springs Police Department; that Moore thereafter was instrumental in getting him a job as special officer on the Hot Springs Police Department; his employment beginning around the middle of January, 1934. He stated that during the time that he was employed as a special officer he worked on an average of three days a week within the police department, but that he was not on a payroll. He stated he merely filled in as an extra and would work for those officers who would want a day or so off at times. He stated that he was engaged as a special officer until October of 1936, and that during this time he frequently answered complaints and calls with former officers Cecil Brock, Bob Moore, Arch Cooper, Joe Scott and Preston Griffin, also with Chief of Detectives Herbert "Dutch" Akers, Chief of Police Joe Wakelin, and the present Night Captain of Police, Ben Rogers. He went on to state that on these calls they frequently visited houses of prostitution in Hot Springs, but that at no time did he participate in a raid on one of these houses. He indicated that it was generally understood that they were not to molest any houses of prostitution or the inmates working in them unless they were specifically ordered to do so.

Agents questioned Charles Preston as to whether he observed a reward circular for the arrest of Alvin Karpis and Fred Barker hanging on one of the doors at the City Jail at the time he was employed there. Mr. Preston recalled such a circular, and advised that to the best of his recollection the same was approximately ten by twelve inches in size, had a photograph of Karpis and another individual thereon, and that it hung on one of the locker doors; he was of the opinion that this circular was still in the City Jail at the time he left the employ of the Hot Springs Police Department in October, 1936.

Charles Preston advised that he knew Herbert "Dutch" Akers since 1922, and that he has been acquainted with Grace Goldstein since 1934 and 1935 when she was operating a house of prostitution on Central Avenue. He stated that at that time he lived in Oaklawn and that he would frequently see Grace Goldstein and the girls who were working for her at that time sitting on the porch in front of their house. Mr. Preston recalled that Marion Anderson and some other Deputy Sheriffs padlocked Grace's place on Central Avenue sometime during the Spring of 1935, and that she thereafter moved to a house across the street; that she remained there for only a short time and then rented a house at 123 Palm Street, Hot Springs, Arkansas, where she continued to operate a house of prostitution; that she remained at 123 Palm Street for only a short time when she moved to the Hatterie Hotel. He indicated that Grace Goldstein was still at the Hatterie Hotel at the time he left Hot Springs, in October, 1936.

Mr. Preston further stated that sometime during July of 1935, he purchased from Arch Cooper, who was then Day Captain of Police, a 1934 Chevrolet Tudor Coach, which was similar in make and description to the automobile that was owned and driven by "Dutch" Akers at that time. He stated that he frequently used

this automobile on official business around Hot Springs, and that he definitely recalls that while Grace Goldstein was operating a house of prostitution at 123 Palm Street, he and Cecil Brock went out there on one occasion to serve a subpoena on Eddie Wright, who, at that time, was keeping company with a girl named Jackie who was employed as a prostitute in Grace's house. Mr. Preston stated that Eddie Wright had previously caused some disturbance in the Pigly Rooms, another house of prostitution in Hot Springs, and that Lillian Bahre swore out a warrant for him. Mr. Preston recalled that while he and Cecil Brock were at 123 Palm Street on this occasion, Cecil Brock went to the rear part of the house and talked with some of the girls, and that he remained in the living room and talked with the prostitute Jackie and Eddie Wright. He indicated that at that time the Hot Springs Police Department were driving an old model open Buick automobile which was called the "Blue Heaven", and also an old model Chevrolet car and a 1929 model Ford coach. He stated that he believed that the Chevrolet and Ford coach were "hot", but he has no definite information along this line.

Continuing, Mr. Preston stated that while Grace Goldstein was operating at 123 Palm Street, she occasionally came to the Hot Springs City Jail and talked with Herbert "Dutch" Akers and Chief of Police Joe Wakelin privately in Wakelin's office; that sometimes she would come there by herself and other times she would have a small blonde girl with her; that she would generally park her car in front of the Chamber of Commerce Building, and sometimes would park it by the Rock Island Railway Depot across the street. He recalled that at that time the Goldstein woman drove a green Chevrolet Coupe which he first saw while she was living on Central Avenue.

Mr. Preston further stated that on November 18, 1935, he traded in his Chevrolet Tudor Sedan and purchased a 1936 model Pontiac Coach from the Creason Pontiac-Buick Company in Hot Springs; that about two or three weeks prior to November 18, 1935, he recalled that "Dutch" Akers approached him relative to renting out his Chevrolet Coach for some friends of his whom he stated were coming in town within the next few days; that they desired this automobile for a period of thirty to ninety days; that they would take good care of it and put new tires on the car if needed. Mr. Preston stated that he did not give Akers any definite answer about renting his car at this time, and that he later talked the same over with his wife and she left the matter to his own judgment. He stated that he later saw Akers and told him that he would be willing to rent his automobile to his, Akers', friends for \$3.00 a day; that Akers thereupon told him that his friends would probably give him \$5.00 a day for the rental of it. Preston stated that sometime after the above conversation with Akers he observed that the 1934 model Buick Coupe that Akers owned and drove at that time did not appear around the City Jail and that he also observed around this time that Akers' wife, who generally drove this automobile was riding the street cars. Mr. Preston recalled that around this time he asked Akers on one occasion whether his friends still wanted to rent his automobile, and Akers told him that they did not, as they decided that they would need a heavier car.

Continuing, Mr. Preston stated that about a week or ten days after Akers had approached him about renting out his automobile, Akers came to him and asked if he could use his car, not stating how long he wanted it. Mr. Preston stated that he gave Akers the keys to the car, and he observed Akers drive away in it and come back a few minutes afterwards without the car; that Akers did not say anything to him as to whom he gave the car, or what disposition he made of it, but that later that day Cecil Brock came to him and gave him the keys to the car; that Brock told him that he would find something in the car. Preston stated that he later found a \$10.00 bill, which was wrapped around the gear shift of his automobile at this time. Mr. Preston advised that he had theretofore permitted "Dutch" Akers to use his car on several occasions, but that the above occasion was the only time when he ever received any money for this favor. He advised that after he found the \$10.00 bill in his automobile he asked Cecil Brock if he had lost any money in the car, and that Brock stated that he had not and that the \$10.00 was left there for him.

Continuing, Mr. Preston advised that he definitely recalls that during the months of October and November, 1935, he frequently saw Grace Goldstein visit the Police Department and talk privately with "Dutch" Akers; that on one occasion he saw Akers sitting in Grace's automobile, which was parked in front of the Chamber of Commerce Building. He stated that he was never permitted to hang around Akers' office while Grace Goldstein was in there, and that he oftentimes observed that while Grace Goldstein would be talking with Akers, Cecil Brock would go in the lavatory adjoining Akers' office and occupied it so that no one else in the police department could enter the same while Grace would be talking with Akers.

Continuing, Mr. Preston stated that he definitely recalls the day that the Federal Agents raided the Woodcock home on Malvern Road; that early that morning he and Bob Moore or Press Griffin had a hunting date; that at four A.M., he and one of these officers happened to be driving along Malvern Avenue toward the police department; that they noticed the police car which contained possibly two officers drive at a rapid rate of speed out Malvern Avenue in the opposite direction from the police department; that they immediately turned the car around and started to follow the police car to see what was going on; that they followed the police car to the end of the car line and when it was noted that they were going someplace outside the city limits on the Malvern road, they decided to go back to the police station and find out what it was all about. He stated that no one at the police department knew anything about a call which would take the police car out on Malvern Road; that thereafter he went to the Hot Springs Confectionery, where he had something to eat, and with Bob Moore or Press Griffin, left Hot Springs to go hunting at around 5:00 A.M.; that when they returned later that day they were told about the raid on the Woodcock home that morning.

Mr. Preston stated that a few days after the raid on March 30, 1936, he happened to be in the City Jail talking with "Dutch" Akers about the latter's summer home on Lake Catherine; that prior to that time "Dutch" Akers frequently contacted him in regard to having the American Legion raffle off his summer home, which offer the American Legion turned down; that on the above occasion at the City Jail, "Dutch" Akers showed him five \$100.00 bills which he took from his pocket and said that he had gotten this amount as an option on the sale of his summer home, and that if the raid for Karpis on the Woodcock home had been delayed a few days he would have sold his summer home to Alvin Karpis for \$15,000.00, and that after Karpis was arrested he would have gotten his home back and would have been that much ahead.

Mr. Preston further stated that he is positive that "Pretty Boy" Floyd was confined in the Alamo Sanitorium in South Hot Springs during the latter part of 1933, or early part of 1934; that he understood that Floyd was in this sanitorium recuperating from a gun shot wound, and that he had come there from Fort Smith, Arkansas.

He further stated that Arch Cooper, former day captain of police, did the collecting from the various gambling houses and bootlegging joints, the latter being prior to the repeal of prohibition; that all bootleggers in Hot Springs were compelled to pay the City Administration \$25.00 a week for operating illegally. He stated that he knows this to be a fact as Harold McMath, for whom he formerly worked, told him of this pay-off. He indicated that Arch Cooper would usually collect around the first and fifteenth of every month, and that all gambling houses were compelled to pay a fine of \$90.00 a month; that representatives from each gambling house would usually appear in court at these times and thereafter Judge Verne Ledgerwood would send Arch Cooper to these gambling houses and collect the fine from them. Mr. Preston stated that he did not know who collected from the various houses of prostitution in Hot Springs, but that it is his understanding that they were compelled to pay \$10.00 a week to operate, and that each madam was specifically instructed to keep her prostitutes off the streets, that is, they were not permitted to hustle on the street.

On July 27, 1937, Special Agents D. P. Sullivan and H. A. Snow re-interviewed Mr. Horace Whyte, formerly employed at Carpenter's Dam, Lake Catherine, at his present residence on Lake Hamilton near the bridge where U. S. Highway #7 crosses that lake, in an effort to secure further information concerning the small "Sportsman" outboard motor which Karpis and Hunter had in their possession while they resided in a cottage at Carpenter's Dam during the summer of 1935. (Report of Special Agent D. P. Sullivan, Little Rock, Ark., dated May 14, 1937, page 29.)



Mr. Whyte reiterated his previous statements that he had telephoned the Stearns Hardware Company at Hot Springs and talked personally with Mr. Stearns at the firm relative to the sale of a "Sportsman" Evinrude outboard motor; that this call was made at the insistence of the "boys" later identified as Karpis and Hunter, who wished to purchase the motor; that he attempted to secure a commission on this sale from Mr. Stearns, but that he was unable to collect the commission on his next visit to the hardware company, because Mr. Stearns explained to him that he had had to cut the price on the motor which was sold to the boys, as Sears-Roebuck Company was offering a light motor at that time for \$44.00.

Whyte stated that he does not recall that this motor gave any trouble to Karpis and Hunter during the time that they resided at Carpenter's Dam, with the exception of one occasion when they had run the motor across the lake and had difficulty in starting it. At that time a farmer who was fishing on the bank of the lake had shown Karpis and Hunter their trouble.

Throughout the time that Karpis and Hunter resided at Carpenter's Dam, Mr. Whyte stated, they kept this outboard motor on a large in-board motor boat which he kept at his landing there. He also stated that they paid a boy who was working around the dam, and who slept on his motorboat, named James (Red) VanNoy, \$1.00 per week to lift their motor from the boat which they used for fishing during the day on to his large motorboat each night, and to return it to the small fishing boat each morning. VanNoy is at present employed as a laborer in the construction of a building on the campus of Ouachita College at Arkadelphia, Arkansas. He will be interviewed in the near future for any possible information in his possession, and also in an effort to ascertain whether the "Sportsman" motor which was in the possession of Karpis and Hunter at Carpenter's Dam is identical with the motor of the same description which was shipped to Stearns Hardware Company on June 5, 1935, by the Outboard Motors Corporation. It may be possible that VanNoy recalls some difficulty experienced by Karpis and Hunter in starting or operating this motor, which might have caused them to take the motor back to Stearns Hardware Company for repairs.

Whyte was again questioned as to whether he had at any time observed any visitors which Karpis and Hunter might have had. He stated emphatically that he had never seen any people in their company during the time that they resided at Carpenter's Dam. He and his wife heard on one or two occasions, indirectly through the negro girl employed as a cook by Karpis and Hunter, that two women were entertained by them for dinner on several occasions, but they did not see these women at that time. He also stated that on some occasions Hunter would call on the telephone and tell either him or his wife to give a message to their negro cook that there would be two visitors for dinner. Whyte stated that as far as either he or his wife knew, Karpis and Hunter were never away from their cottage



for any great number of days, and he believes that either he or his wife would have known if they had been absent for as much as three or four days. He also stated that at the time these men left their cottage they told him that they were going to take a cottage at a McFadden Springs, near Hot Springs, as one of them had kidney trouble and thought that the water there would be of benefit to him; that, however, he, Whyte, and his wife had driven to McFadden Springs shortly after Karpis and Hunter left their cottage, and in speaking to the manager of that mineral resort had ascertained that Karpis and Hunter had not in fact taken a cottage there.

Whyte further stated that on one occasion about three weeks after Karpis and Hunter came to live in the cottage at Carpenter's Dam he was fishing with them in a boat on Lake Catherine near Hot Springs Creek; that while they were fishing he noticed the then Chief of Police, Joseph Wakelin, and another police officer of the Hot Springs Police Department approaching in another boat; that he does not recall the name of this other officer who was with Wakelin, but both of them were fishing also. Whyte stated that he remarked to Karpis and Hunter that that was the Chief of Police, and that he wished to speak to him, and that neither Karpis or Hunter objected in the least to his proceeding in the direction of the boat occupied by Wakelin and the other officer, or in any manner exhibited nervousness; that he had come alongside of the boat occupied by Wakelin and had put one of his feet over into Wakelin's boat in order that the two boats might run slowly alongside of each other while he talked to Wakelin. Whyte could not recall whether Karpis and Hunter had talked to Wakelin at that time or not, but stated that he imagines that they spoke to him, or greeted one another, as he recalls nothing unusual about their actions at that time. He stated that his conversation with Wakelin lasted for several minutes, during which time both boats were proceeding forward slowly, and he recalls that there were fishing lines out of both boats trolling in the water behind. When questioned as to what he and Wakelin had discussed together, Whyte stated that he reported to Wakelin the location of an escaped Arkansas convict named "Peg-leg" Anderson, whom he had noticed camped on Lake Catherine, and knew that the officers were looking for Anderson, because he had previously discussed with Wakelin the possibility of locating Anderson for him in the vicinity of Lake Catherine. Whyte stated incidentally that Anderson was located by a group of officers a day or so later on the information which he had furnished, and that he had been returned to the Arkansas Penitentiary, but that it is his information that the man had later been returned to the Texas Penitentiary.

Whyte also advised Agents that upon one occasion shortly before Karpis and Hunter left Carpenter's Dam, the negro cook employed by them, named Zettie, had reported to him that she had found a large sum of money in the bed where Karpis or Hunter had slept the night before; that Zettie had brought the roll of money for him to see it, and that he had counted it out and ascertained twenty-seven \$100.00 bills, totalling \$2,700.00. Whyte stated that he advised the negro to hide the money in the cottage until the return of Karpis and Hunter for dinner that night. He also stated that he knows that Zettie did not inform agents of the fact that she had found that sum of money when she was previously

interviewed (Report of Special Agent D. P. Sullivan, Little Rock, Ark., dated May 14, 1937), as she told him that she was afraid to say anything about it. He stated that he, also, had neglected to inform agents of this fact. Whyte stated that this incident concerning the finding of the \$2700.00 by the cook, Zettie, had further strengthened his belief at that time that Karpis and Hunter were in fact gamblers, as they had told him, because a few days after this incident he had been in Hot Springs and had heard it said that two gamblers from Kentucky had won \$2700.00 at the Belvedere gambling casino, and that he had associated the two men at the cottage with this report.

On July 26, 1937, Mr. and Mrs. John Stover, Municipal Airport, appeared at the temporary office maintained by agents at Room 322 Thompson Building, Hot Springs, Arkansas, and stated that they wished to impart information concerning various trips which they had made with Karpis and Grace Goldstein by airplane, which information they had neglected to report to agents in the past for the reason that they had failed to recall same. Both of the Stovers indicated that they knew the location of a house where Karpis was living in January, 1936, which had not been previously reported by them.

Upon being interviewed by Special Agent H. A. Snow, the Stover couple indicated that they could point out the location of that house, although they did not know the correct street address of same. Mr. and Mrs. Stover accompanied agent to point out the above mentioned house where Karpis resided at one time, and with Mrs. Stover driving the automobile, she drove unhesitatingly and directly to the house located at 124 Clubb Street, near Fincell Street, which recent investigation by agents at Hot Springs has developed was the house occupied by Karpis and Clayton Hall during the latter part of December, 1935, all of January and the first part of February, 1936.

Mrs. Stover stated that she recalled the location of that house only recently, as she had forgotten all about ever having been in the vicinity of same with Karpis, but that recently she was driving in that section of town with a friend and had noticed the house, which had brought it to her attention and she was able to recall the following facts which were substantiated by her husband, John Stover.

Mr. and Mrs. Stover stated that on the occasion of their return trip by airplane from Ohio with Karpis and Grace Goldstein, which was the trip made in January, 1936, at which time the Stover plane was forced down near Benton, Arkansas, they were picked up by a motorist and delivered to the Municipal Airport at Hot Springs, Arkansas. At the airport, Mr. and Mrs. Stover secured their 1934 Model Plymouth Sedan and returned to the city of Hot Springs with Grace Goldstein and Karpis, as has been previously reported by them. They stated that Grace was delivered by them in their car to the Hatterie Hotel, and that Karpis remained in the car and asked them to drive him by the Majestic Hotel. They parked their car

across the street from the Majestic Hotel, directly opposite the main entrance, and Karpis got out of the car there, requesting them to wait a few minutes while he picked up his friend, Hall. As far as they were able to observe, Karpis walked across the street to the entrance of the Majestic Hotel, where they believe he talked to a bellboy, or he may have gone into the hotel. On that point they were not certain. At any rate, Karpis came back to their automobile within a few minutes, at which time he was accompanied by the large fellow, who probably was Clayton Hall. Hall did not have any luggage with him, and it did not appear to them that he was checking out of the hotel at that time. Karpis had only a small bag or brief case as luggage, which he had used on the trip returning from Ohio, and which was left in their car when he went over to the hotel entrance. Upon getting into their automobile with Hall, Karpis requested them, Mr. and Mrs. Stover, to drive him to "his" house, which they agreed to do. At the direction of Karpis they drove him and Hall to the house located at 124 Clubb Street, just off Fincell Street, which house they pointed out to agent at the time of this interview. They stated that Karpis did not appear to be very familiar with the streets leading to the house, and often had them stop the car at intersections while he decided upon the correct route to follow. Both Karpis and Hall got out of their automobile upon their arrival at the house. No lights or other signs of occupancy were noticed by the Stovers at the time within the house, nor were there any automobiles parked nearby. The Stovers repeatedly stated that this occasion was the only time that they ever visited or went to the house occupied by Karpis.

Since it appears that this information has been purposely withheld from agents by Stover during the time when the apprehension of Karpis and Hunter was being sought, together with the past experience of this same nature by Bureau Agents with Stover in connection with the investigation of the Kansas City Massacre, it is possible that this man may be prosecuted under the Harboring Statutes upon the completion of the investigation presently being conducted in the vicinity of Hot Springs, Arkansas. Note should be also made that Karpis apparently had no apprehension of Stover and his wife knowing the location of his hide-out at 124 Clubb Street, which of itself would indicate that the Stovers knew of the identity of Karpis, or at least knew that he was "wanted", and that he, Karpis, relied upon the Stovers from identifying his photograph or otherwise furnishing information to Bureau Agents.

Other information furnished by Mr. and Mrs. John Stover during instant interview was that they recall that it was on the trip referred to above, when they drove Karpis and Clayton Hall from the Majestic Hotel to the house at 124 Clubb Street, that the conversation between Karpis and Hall took place relative to Karpis having "fixed" the politicians at Youngstown, Ohio, so that he, Karpis, could operate slot machines in the vicinity of that city without molestation from the local authorities.

Mrs. Stover emphatically denied that she had overheard any conversation of a material nature carried on by Karpis and Grace Goldstein during the airplane flight from Ohio to Hot Springs, Arkansas, and that most of their conversation was of the nature of a couple in love. She denied having heard Karpis and the Goldstein woman speak of any mutual acquaintance among the police or city officials at Hot Springs during the trip.

At this time Stover stated that he wished to add certain information concerning the time when he first flew the man whom he now knows to have been Karpis, from Hot Springs, Arkansas, to Ohio. In previous interviews Stover has maintained that he did not know how Karpis arrived at the local airport, prior to taking off. He stated that he now recalls that a woman brought Karpis to the airport and parked her automobile on the hill near the hangar; that Karpis evidently sent this woman to some store along the highway, as she left in her automobile alone, while he, Stover, was warming up the motor of his plane, and Karpis was waiting for him to take off, and that this woman returned within a few minutes, at which time Karpis went over to her automobile and secured a couple of packs of cigarettes from her, stating that he was just about out of cigarettes. Stover "imagines" that this woman must have been Grace Goldstein.

Mr. Ishael F. Elkins, who is employed as an ice delivery man for the Standard Ice Company, Ouachita Avenue, Hot Springs, Arkansas, and who is known locally as "Red" Elkins, was interviewed by Special Agent Snow in an effort to obtain any information in his possession concerning the occupants of the house of prostitution operated by Grace Goldstein at 123 Palm Street, which house is located on the ice route served by Mr. Elkins for his company.

Mr. Elkins stated that during the summer of 1935, he recalls that Grace Goldstein operated a house of prostitution at the address 123 Palm Street, but that she was not one of his customers, and he can give no information relative to the girls who worked there or men frequenting the place. He stated that Grace's house was served regularly by the truck of the Jones Ice Company, and that he recalls that Matt Davis, who is still employed as a truck driver for that company, was the driver of the truck which frequently stopped there.

During the period referred to above, while Grace Goldstein was operating at 123 Palm Street, Elkins stated that he was residing in the immediate neighborhood to her place, and that he lived at 439 Benton Street, which is just around the corner from the block on Palm Street in which Grace resided. He stated that he recalls the green Chevrolet Coupe with yellow wire wheels which Grace drove during that period, and that he often noticed her pass his home in this car; that on numerous occasions Grace would be accompanied by another girl, and sometimes there would be a couple of young men in her car.

From a group of photographs Elkins selected a photo of Alvin Karpis, and stated that he is sure that he saw this man somewhere in the neighborhood of his former home about the time that Grace Goldstein was living at 123 Palm Street. He was unable to place the occasion or exact location where he had seen Karpis, but thought that it must have either been in the automobile with Grace Goldstein or near the house which she occupied on Palm Street. Elkins was unable to make a positive identification of the photograph of Hunter as being familiar with any person recalled as associating with Grace Goldstein in his neighborhood.

As a possible source of information Elkins suggested that Agent interview Mr. Matt Davis, who was the ice delivery driver on the truck for the Jones Ice Company during the summer of 1935 on the route serving the house of Grace Goldstein on Palm Street. Davis is still employed as the route man serving Palm Street, and has most of the customers on that street. He also suggested that a former ice delivery man named Crane may have delivered ice to Grace Goldstein on some occasions. Crane is now in the oil fields near Rodessa or Vivian, Louisiana, and his correct address, if desired, may be obtained from a Mrs. Bates, who operates the Golden Rule Tourist Camp out Grand Avenue near the U. S. Tourist Park. Elkins' present address is 312 Benton Street. Matt Davis has since been interviewed and this interview has been reported.

On July 27, 1937, U. S. Commissioner C. Floyd Huff called at the temporary offices in the Thompson Building, and advised that G. B. Winter, an attorney in the Arkansas Trust Building, advised him that he had received information to the effect that "Dutch" Akers received his tip about Karpis living at Dyer's Landing in 1935 from Walter Ebel, a newspaper reporter in Hot Springs; that Ebel was supposed to have been in Battles' Drug Store on one occasion while Karpis was buying bandages and iodine, and that Ebel suspected Karpis and thereafter obtained the license number of his car, and reported the same to Akers; that Akers immediately wired to ascertain the name of the licensee, and was informed that the address given on the application for registration was that of a vacant lot in Cleveland, Ohio. Mr. Huff stated that Winter further informed him that he likewise received information to the effect that on one occasion Chief of Police Joe Wakelin loaned his license plates to Grace Goldstein in order that she could make an out-of-town trip in her new Buick Coupe at that time, and after she returned from this trip, Wakelin sent Cecil Brock to the Hatterie Hotel to remove the said plates from Grace's car and put them back on his own automobile. Mr. Huff stated that he did not know the source of Winter's information, and that he was furnishing the same to agents for what it was worth.

On August 2, 1937, Agents Madala and Suttler contacted Mr. G. B. Winter at his office, and he advised that he received the above information through conversation with Cecil Brock on July 26, 1937. It might be stated that Brock recently furnished Agent Suttler with this same information.

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler:

It will be recalled that Clayton Hall, informant for the Bureau, advised in previous interviews had with him, that Alvin Karpis sent him a telegram from Hot Springs, Arkansas on December 5, 1935, asking him and his wife to come to Hot Springs and register at the Arlington Hotel upon their arrival here.

On July 27, 1937, agents contacted Mr. A. C. Cravery, Associate Manager, Arlington Hotel, and he advised from his records that a C. Hall and wife, from Youngstown, Ohio, registered into the Arlington Hotel on December 8, 1935, and checked out on December 11, 1935, leaving no forwarding address; that they were assigned Room 745, and that their hotel portfolio number is 12281-F. Mr. Cravery advised that C. Hall's ledger account is packed away in the store-room, and that it would entail considerable work to locate it; that if, however, the same were absolutely essential to the Bureau's investigation, he would make arrangements to make the account available for agent's examination at an early date. This matter will be held in abeyance, and no further investigation will be conducted at the Arlington Hotel, unless it develops that additional information as to Hall's stay in Hot Springs at this time is absolutely essential.

Dr. Floyd Clardy, who maintains offices in the Thompson Building, voluntarily furnished Agent Snow with the following information, which he stated was of a general nature, and mostly hearsay. Dr. Clardy stated that Dr. E. L. Thompson told him on one occasion that Leo McLaughlin, Mayor of Hot Springs, has a much larger income than he receives from his salary as Mayor, and that most of the income which McLaughlin receives from gambling "payoffs", etc., is sent by him to a Catholic Priest in Chicago, who invests or otherwise keeps it for him. Dr. Clardy indicated that the current rumor in Hot Springs is that McLaughlin has accumulated an estate of about \$500,000.00, and only pays income tax on a very small portion.

Regarding the reputation that Herbert "Dutch" Akers has locally as having been implicated in the "hot car racket", Dr. Clardy suggested that agents interview Mrs. Ernest Patton, 204 Barker Street. Mrs. Patton resides near the former residence of Akers, and has told him on occasions that she used to see Akers and a car this f named Johnson practically every night change license plates and otherwise change identification of numerous automobiles which she believed were stolen.

Dr. Clardy suggested also that agents interview Henry Brown, a cashier employed in the gambling establishment at the Ohio Club, who told him at one time that he recalls Karpis gambling in that place. Brown was indicated as being a reliable person.

Dr. Clardy also stated that he knew that agents were not primarily interested in income tax violations of the Hot Springs City Officials, but that he knows that Municipal Judge Verne Ledgerwood has an income comparable to the reported illicit income of McLaughlin, and that Mr. Ed Walsh, Insurance Agent for the Aetna Life Insurance Company, had recently told him that Ledgerwood purchases annuities from his company in the amounts of \$50,000.00 at one time.

Jake Friend, 1426 S. Central Avenue, when interviewed, stated that Norman Jett originally owned Highland Park Inn, a beer joint on Central Avenue; that he sold half interest to Casper Rosana, and later Rosana bought full interest and then remodeled the place and spent about \$3,000 on the place. Rosana is an interior decorator by trade and is originally from Chicago, and owns property in Chicago. Rosana built a ship and it won first prize at the World's Fair in Chicago. The model of the ship was "Old Ironsides". This information might be of use in the future in the event it is found necessary to locate Rosana. Friend stated that Rosana drank quite a bit and had a girl working for him who he played around with some; that one night he and this girl were drinking, and Rosana, in a playful way stuck this girl with an ice pick; that the "law" came and took Rosana down to the jail. He made a hundred dollar bond. Then the story got around that this woman's husband was going to "get" Rosana unless he left town, and as the story grew, a friend of his by the name of Leo Gartenburg, next door to Highland Park Inn, advised Rosana to go back home until the thing blew over; that the next thing he, Friend, heard was that "Dutch" Akers, Chief of Detectives, had given Rosana the money to leave town on, and had taken his place over, and still has the place. He does not know what "Dutch" did to get this place, but he got it in a hurry.

Previous to "Dutch" taking over the place, Rosana gave half interest to a Greek by the name of Chris, and Chris managed the place for him.

The following investigation was conducted by Special Agents John L. Madala and B. M. Suttler:

On July 27, 1937, Mrs. Alice Haynes, sister of the deceased John Dickson, who was killed at the hands of several of the Hot Springs Police officers, called at the temporary offices of the Bureau, and advised that she recently had a conversation with Frank Tucker, Day Jailor, at the City Jail, and that he told her that Chief of Police Joe Wakelin was at the home of his sister in Tulsa, Oklahoma, during the time of the trial of the seven officers who were indicted for the John Dickson killing; that while in Tulsa, he called the City Jail collect and either talked with Captain "Swede" Watkins or asked to speak with him. At any rate, Tucker did not indicate to Mrs. Haynes with whom he talked on the above occasion. She stated that Tucker informed her that Wakelin called to find out whether the Dickson trial was still in progress at that time.

The records of the Telephone Company will be checked at an early date, to verify the above information.

Mrs. Haynes also advised agents at this time that the wife of Cecil Brock recently left him, and that she is supposed to feel very unfriendly toward him.



This information is being set out, to consider the advisability of interviewing Mrs. Cecil Brock at this time, as it is possible that she may possess some information of value to this investigation.

Mrs. Haynes further stated that the reason Charles Sellers, former Hot Springs Police Officer, was fired off the force, was because he arrested Charles "Luckie" Luciano on one occasion while the latter was in Hot Springs; that immediately after Mayor McLaughlin found out about the arrest, he called Sellers and said, "Now, you sure did play Hell."; that it was only a short time later that McLaughlin compelled him to resign.

The investigative leads suggested by a reading of this report are not being set out in this report, but will be covered by letters to the various Field Divisions where investigation is required.

- P E N D I N G -



# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT Cincinnati, Ohio

Milwaukee

FILE NO. 7-2

REPORT MADE AT Milwaukee, Wisconsin	DATE WHEN MADE 8/13/37	PERIOD FOR WHICH MADE 8/6/37	REPORT MADE BY A. M. KOHN AMK/EJB
TITLE GEORGE TIMINEY; DR. JOSEPH P. MORAN, with aliases, FUGITIVE, I. O. #1232; et al; EDWARD GEORGE BREMER - Victim.			CHARACTER OF CASE KIDNAPING; OBSTRUCTION OF JUSTICE HARBORING OF FUGITIVES; NATIONAL FIREARMS ACT.

**SYNOPSIS OF FACTS:**

Outboard Motor Corporation, Milwaukee, Wis., 4/2/37 traced Elta outboard motor #390, indicating that numbers given are not serial numbers.

- RUC -

**REFERENCE:**

Report of Special Agent Jerome Doyle, Buffalo, New York, dated 8/2/37.

**DETAILS:**

AT MILWAUKEE, WISCONSIN

W. J. Webb, assistant sales manager of the Outboard Motor Corporation, 4143 North 27th Street, advised Agent that the Elta motors were not manufactured until 1921 and began with the first serial number 1001. In view of the generator number given in reference report, it appears that the motor in question bears an electric starter, which type of motor, it was stated, has been made only since 1930. Mr. Webb advised that the serial #390 and generator #3902, by which the instant motor is described in reference report, are probably merely part numbers and neither one being the serial number. He explained that the Outboard Motor Corporation does not maintain a record of part numbers and that they cannot be used as a means of tracing the sale of a motor.

APPROVED AND FORWARDED:

*A. G. Malin*

SPECIAL AGENT IN CHARGE

DO NOT WRITE IN THESE SPACES

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11. MAR 25 1965

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- 2 - Little Rock 2 - Buffalo
- 2 - Milwaukee

7	1576-31-195	AUG 16 AM
<i>W W B</i>		

7-576-3-157  
 7-576-14576  
 PREVIOUS RECORD OF

For the assistance of the Little Rock office in locating the necessary serial number, it is noted that on various motors this number appears at different places, some times on a metal plate, or it may be stamped at the base of the crank case, on a plug sunk into the crank case or cylinder. As of further assistance in determining and locating this serial number, there is attached to the copies of this report being submitted to the Little Rock office, a service bulletin which was secured from Mr. Webb. It will be noted that the serial numbers for motors which are manufactured with electric starters have been checked in ink.

Considering the possibility that the generator number 3902 may in fact be the serial number of the motor, a search was conducted of the files of the Outboard Motor Corporation, and it was determined that number 3902 was shipped by the company on July 18, 1922 to R. B. Chute of Huntington, Long Island, New York. The records do not reflect whether the purchaser was a dealer or a private individual, and subsequent to the shipment, the motor was not registered with the corporation. However, until such time as the Little Rock office makes a further check of the motor in question to determine the correct serial number, no lead is being set out for the New York office to trace the last mentioned sale.

UNDEVELOPED LEAD

THE LITTLE ROCK OFFICE at Hot Springs, Arkansas, will further examine the Elta outboard motor, now in possession of former Chief of Police Joseph Wakelin, in an effort to determine the correct motor number, which can then be checked with the files of the Outboard Motor Corporation in Milwaukee.

- REFERRED UPON COMPLETION TO OFFICE OF ORIGIN -

Federal Bureau of Investigation

United States Department of Justice  
Post Office Box 1469,  
Little Rock, Arkansas,  
August 13, 1937.

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

Re: BREKID.

Dear Sir:

In connection with the harboring investigation presently being conducted at Hot Springs, Arkansas, it is requested that the Bureau forward to the Little Rock Division the latest available photograph of J. C. "Slivers" McBride, nationally known confidence man, who has operated out of Kansas City, Missouri, for some years. This man was mentioned at different times as a possible contact man for Alvin Karpis prior to his capture at New Orleans, Louisiana, on May 1, 1936, and information has been obtained in the investigation of the harboring case at Hot Springs relative to the automobile operated by McBride during the fall of 1935.

In case this man is wanted by the Bureau or any other law enforcement agency, the Bureau is requested to immediately notify the Little Rock Division, as it is believed that through the various contacts developed at Hot Springs, this man can be readily located.

A copy of this letter is being designated for the Kansas City Field Division, where the criminal record and photograph of McBride may be readily available. If the Kansas City Field Division has an available photograph of McBride, it is requested that the same be forwarded to the Little Rock Field Division.

Very truly yours,

*Chapman Fletcher*  
CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS cpw  
7-2

cc - Kansas City  
Cincinnati  
Cleveland

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8/19/37 J.C.  
ack cc Cleveland  
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7-576 - 5 - 196

August 19, 1937

Special Agent in Charge,  
Little Rock, Arkansas.

Re: BREKID

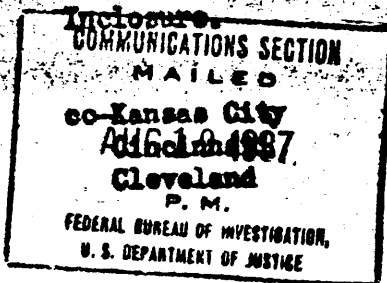
Dear Sir:

Reference is made to your letter dated August 13, 1937, in which you request that the most recent photograph of J. C. "Slivers" McBride, nationally known confidence man, be forwarded to you and also that the Bureau advise your division if McBride is presently wanted by the Bureau or some police department.

There are inclosed herewith two copies of the most recent photograph of McBride and two copies of his criminal record, as reflected by the files of this Bureau. It will be noted that McBride is presently wanted as Elmore Garnett, with aliases, for bunco game at Sacramento, California. It is noted, however, that apparently the date of this particular offense was August 21, 1933 and there is some doubt that he is presently wanted due to the fact the Statute may have run against the offense at Sacramento.

Very truly yours,

John Edgar Hoover,  
Director.



Federal Bureau of Investigation  
United States Department of Justice  
Post Office Box 1469,  
Little Rock, Arkansas,  
August 13, 1937.

PERSONAL AND CONFIDENTIAL

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

Re: BREKID.

Dear Sir:

Confirming my telephone conversation with you on August 12, 1937, you are advised that I communicated by telephone with Inspector E. J. Connelley and advised him that the harboring investigation at Hot Springs is substantially completed. Unless there are some unforeseen developments, Special Agents H. A. Snow of the Kansas City Field Division and B. M. Suttler of the Richmond Field Division, will be relieved from their present assignments at Hot Springs, Arkansas, on or about August 18, 1937, and will immediately thereafter report to their official headquarters.

It has been learned that Mrs. Phillip David, who rented her house at 124 Clubb Street to Alvin Karpis and Grace Goldstein during December, 1935 and January and February, 1936, will be at Monroe, Louisiana until August 14, 1937. She then intends to proceed to Washington, D. C., where she intends to establish a permanent home. This woman has previously indicated that former Chief of Police Joseph Wakelin, Chief of Detectives Herbert "Dutch" Akers and City Attorney A. T. "Sonny" Davies were frequent visitors to 124 Clubb Street during the time it was occupied by Alvin Karpis and Grace Goldstein. Inspector E. J. Connelley has indicated that he desired that this woman be thoroughly interviewed by one of the agents presently assigned to the investigation of the harboring case at Hot Springs, Arkansas. Special Agent John L. Madala will immediately proceed to Monroe, Louisiana, and a thorough interview with Mrs. David will be had.

There are some outstanding leads in the harboring case at Hot Springs, Arkansas, which have not yet been fully developed, but it is expected that they will be covered in full by Special Agents John L. Madala and D. P. Sullivan by the week ending August 21, 1937. Thereafter, in line with the suggestion of Inspector E. J. Connelley, these two agents will return to the Little Rock Field Division and prepare a comprehensive summary of the evidence obtained to date bearing on the harboring of Alvin Karpis at Hot Springs, Arkansas.

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AUG 16 1937  
TAMM

As I mentioned to you in our telephone conversation, Inspector Connelley indicated that he possibly might be able to be at the Little Rock Field Division for a day or two for the purpose of interviewing Grace Goldstein. Meanwhile, no action will be taken by the Little Rock Field Division to interview Grace Goldstein or any other subject in this case.

Very truly yours,

  
CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS cpm  
7-2

cc - Cincinnati  
Cleveland  
Inspector Connelley

Via AIR MAIL

Federal Bureau of Investigation

United States Department of Justice  
Post Office Box 1469,  
Little Rock, Arkansas,  
August 13, 1937.

PERSONAL AND CONFIDENTIAL

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

Re: BREKID.

Dear Sir:

During the course of the harboring investigation presently being conducted at Hot Springs, Arkansas, Special Agents John L. Madala and B. M. Suttler had occasion to interview Marshall Purvis, attorney, of Hot Springs on August 6, 1937. The Bureau will recall that Mr. Purvis has been a valuable confidential informant of this office for several years, and whatever information he has provided in the past has been proven to be true and reliable. It might be stated that Mr. Purvis was the informant who originally advised this office in March, 1936, that Alvin Karpis and some members of his gang came to Hot Springs in an airplane from Ohio shortly after the Garrettsville Train Robbery, he having obtained this information from John Stover, Manager of the Hot Springs Municipal Airport.

Recently Mr. Purvis advised that he will probably represent Chief of Detectives Herbert "Dutch" Akers in the event the Bureau makes a harboring case against Akers and indicts him. He stated that this representation would be occasioned by the fact that he and Akers have been intimate friends for the past five or six years.

Mr. Purvis informed that he has been politically inclined ever since he came to Hot Springs in 1931 to practice law; that he is a good friend and staunch supporter of Mrs. Hattie W. Caraway, U. S. Senator from Arkansas, and through his political affiliations he has come into possession of considerable information which definitely reveals the corrupt political set-up in this State.

COPIES DESTROYED

RECORDED & INDEXED

7-576-3-198

11 MAR 25 1961

Mr. Purvis confidentially advised agents that Mr. Fred A. Isgrig, the present United States Attorney at Little Rock, Arkansas, is a close and personal friend of Leo P. McLaughlin, the Mayor of Hot Springs, Arkansas. As the Bureau knows, McLaughlin is a prospective defendant in this case. Mr. Purvis went on to state that Mr. Isgrig is politically ambitious, and knowing that McLaughlin can control 4,000 to 5,000 votes in Garland County, Arkansas, he, Mr. Isgrig, has always favored McLaughlin and displayed friendly inclinations toward him.

*Of course copies of rpt in this case should not be sent to Wda at Little Rock Ed*

ad-ale 8-25-37

TOLSON

WATSON


ONE

W

Mr. Purvis stated that he knows nothing which would indicate that Mr. Isgrig is dishonest in any way, and that he is submitting the above information for what it is worth.

Mr. Purvis stated that he felt that the Bureau ought to know about the close friendship between Leo P. McLaughlin and Mr. Isgrig, since it appears that there might be indictments in this case at Hot Springs, Arkansas, and that these would have to be returned in Mr. Isgrig's district.

Very truly yours,

  
CHASMON FLETCHER,  
Special Agent in Charge.

JLM cpw  
7-2

cc - Cincinnati  
Cleveland  
Inspector Connelley



ABL:MK

RECORDED 7-5763-198

August 25, 1937

PERSONAL AND CONFIDENTIAL

Mr. Chapman Fletcher,  
Federal Bureau of Investigation,  
United States Department of Justice,  
800 Rector Building,  
Little Rock, Arkansas.

Dear Sir:

Re: BREKID

This will acknowledge receipt of your personal and confidential communication dated August 13, 1937, which had reference to confidential information furnished you by Marshall Purvis, an attorney, at Hot Springs, Arkansas.

You are advised that reports concerning this matter should not be sent to the United States Attorney at Little Rock, Arkansas.

Very truly yours,

John Edgar Hoover,  
Director.

Mr. Nathan .....  
Mr. Tolson .....  
Mr. Baughman .....  
Mr. Clegg .....  
Mr. Coffey .....  
Mr. Dawsey .....  
Mr. Egan .....  
Mr. Foxworth .....  
Mr. Glavin .....  
Mr. Harbo .....  
Mr. Hottel .....  
Mr. McIntire .....  
Mr. Lester .....  
Mr. Nichols .....  
Mr. Pennington .....  
Mr. Quinn .....  
Mr. Schilder .....  
Mr. Tamm .....  
Mr. Tracy .....  
Miss Gandy .....

COMMUNICATIONS SECTION  
MAILED  
AUG 26 1937  
P. M.  
FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE

*[Handwritten signature]*

*[Handwritten initials]*

Post Office Box 1469,  
Little Rock, Arkansas,  
August 13, 1937.

Special Agent in Charge,  
Cleveland, Ohio.

Re: BREKID.

97535

Dear Sir:

Within the next few days a review of the file of the Little Rock Field Division in this case will be made, and thereafter a summary report on the harboring case at Hot Springs, Arkansas, will be made. For use of the Special Agents assigned to the preparation of this report it is requested that you forward copies of the summary report of Special Agent E. J. Wynn on the harboring case at Toledo, Ohio, and the summary report of Special Agent S. E. McKee on the harboring case at Cleveland, Ohio.

A copy of this letter is being designated for the St. Paul Division, and it is requested that they forward a copy of the summary report of Special Agent E. R. McIntyre, prepared on the prosecution of Arthur R. "Doc" Barker.

Special Agent D. P. Sullivan recalls there was some question recently when the harboring case at Toledo, Ohio, was being discussed with United States Attorney Freed as to the particular indictments to which the various members of the Barker-Karpis gang entered pleas at St. Paul. It is requested that definite information relative to the particular indictments to which members of the gang entered pleas be forwarded to the Little Rock Division.

Very truly yours,

CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS cys  
7-2

cc - Bureau  
Cincinnati  
St. Paul

RECORDED

7-576-2-197

AUG 14 1937

Cal

Post Office Box 1459,  
Little Rock, Arkansas,  
August 13, 1937.

Special Agent in Charge,  
Chicago, Illinois.

Re: BREKID.

Dear Sir:

You will note in the signed statement of Della May Jeffries, alias Ginger Morgan, as contained on page 6 of the report of Special Agent D. P. Sullivan, dated at Little Rock, Arkansas, August 10, 1937, that she states that she saw a photograph of Alvin Karpis in a newspaper around the first part of December, 1935. This woman states that this photograph had an accompanying article about six inches long describing Alvin Karpis as "Public Enemy No. 1", and as an individual who was badly wanted by the Federal Government.

Information has recently been obtained that this photograph and article probably appeared in one of the Chicago newspapers. It is therefore suggested that a search of the old files of the Chicago Tribune, the Chicago Herald and Examiner and the Chicago Times, for the months of November and December, 1935, be made for the purpose of locating this photograph and accompanying article. It is probable that this news item appeared in a Sunday edition, and it is entirely probable that this information can be obtained by first searching only the Sunday editions. In the event that the photograph and article are located, it is requested that a copy of the same be forwarded to the Little Rock Division.

It is requested that the investigation requested herein be given your attention at the earliest possible date, as a summary report in the Harboring case at Hot Springs is presently being prepared, and it is desired that the results of your investigation be available in the preparation of this report.

Very truly yours,

RECORDED

7-576-3-200  
CHAPMAN FLETCHER,  
Special Agent in Charge. 17 1937

DPS cpy  
7-2

cc - Bureau  
Cincinnati  
Cleveland

ONE Cal

**FREEDOM OF INFORMATION  
AND  
PRIVACY ACTS**

**SUBJECT: BARKER/KARPIS GANG  
BREMER KIDNAPPING**

**FILE NUMBER: 7-576**

**SECTION : SUB 3 Section 13**



**FEDERAL BUREAU OF INVESTIGATION**

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SUBJECT Barker/Karpis Gang (Bremer Kidnapping)

FILE NUMBER 7-576 Sub 3

SECTION NUMBER 13

SERIALS 247-290

TOTAL PAGES 185

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10  
Federal Bureau of Investigation

U. S. Department of Justice

Post Office Box #1469,  
Little Rock, Arkansas,  
December 14th, 1937.

ag  
Director,  
Federal Bureau of Investigation,  
Washington, D. C.

RE: B R E K I D

Dear Sir:-

Reference is made to Bureau communication of September 28th, 1937, (7-576), in connection with the above entitled matter, wherein the Bureau instructs that an immediate review be made in this case concerning MILTON LETT, with the view to instituting an investigation to effect LETT'S apprehension. Reference is also made to my communication of October 6th, 1937, which informed the Bureau that the personnel of this office was inadequate to handle the matter as outlined by the Bureau.

Since my letter of October 6th, 1937, Special Agent A. P. Barber has been transferred to Little Rock and this matter has been assigned to him for preferred attention. However, it was necessary, immediately after the arrival of Agent Barber in Little Rock, for him to proceed under subpoena to Huntington, West Virginia, and he is not expected to return to Little Rock until the latter part of this week. Immediately upon the return of Agent Barber, his entire time will be devoted to this matter until it is completed and the report submitted.

RECORDED & INDEXED

Very truly yours,

*Chapman Fletcher*  
CHAPMON FLETCHER,  
Special Agent in Charge.

7-576-3-247  
DEC 16 1937

CF:DAN

Post Office Box #1469,  
Little Rock, Arkansas,  
December 14th, 1937.

Mr. E. J. Connelley, Inspector,  
Federal Bureau of Investigation,  
U. S. Department of Justice,  
Post Office Box #812,  
Chicago, Illinois.

RE: BREKID

Dear Sir:-

With reference to the  
Summary Report of Special Agent D. P. Sullivan,  
dated at Little Rock, Arkansas, December 10th,  
1937, bearing on the harboring case at Hot  
Springs, Arkansas, you are advised that an  
index for this report is being prepared by  
Special Agent Sullivan at this office.

A copy of the above Summary  
Report was designated for the Chicago and Cleveland  
Offices and two copies were designated for the  
Cincinnati Office. In the event that you desire  
a copy for your personal use, same will be forwarded  
to you in care of the Chicago Field Office.

Very truly yours,

CHAPMAN FLETCHER,  
Special Agent in Charge.

DPS:LAN  
7-2  
cc: Bureau  
Cleveland  
Cincinnati  
AIR MAIL

RECORDED

7-576-3-248  
FEDERAL BUREAU OF INVESTIGATION

DEC 17 1937 A. M.

U. S. DEPARTMENT OF JUSTICE

ONE

FILE



Federal Bureau of Investigation

U. S. Department of Justice

Post Office Box #1469,  
Little Rock, Arkansas,  
December 17th, 1937.

Director,  
Federal Bureau of Investigation,  
Washington, D. C.

RE: B R E K I D

HERBERT AKERS, with alias;  
ET AL.,  
NATIONAL MOTOR VEHICLE THEFT ACT;  
HARBORING OF FUGITIVES.

Dear Sir:-

An index is now being prepared by Special Agent D. P. Sullivan, in connection with the Summary Report submitted by him in the harboring case at Hot Springs, Arkansas, in the BREKID file, same being dated December 10th, 1937. This index will be completed in the next day or two.

The attention of the Bureau is directed to the interview had with Sam Stegal Haynes in the case entitled: HERBERT AKERS, with alias; ET AL., NATIONAL MOTOR VEHICLE THEFT ACT; HARBORING OF FUGITIVES. This interview is set out in the report of Special Agent D. P. Sullivan, dated at Little Rock, Arkansas, November 1st, 1937, and it will be noted that Haynes provided definite information concerning the harboring of members of the Norris Gang during the time the gang resided at Hot Springs, Arkansas, in the early months of 1937.

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DIRECTOR

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In order that the information provided by Haynes may be corroborated it appears that various persons who were employed by Dexter Sheffield, who was used by the Norris Gang in contacting Akers, should be located and interviewed. Particularly William "Fat" Meux, whose previous interview is set out on page twenty of the report of Special Agent John L. Madala, dated at Little Rock, Arkansas, September 20th, 1937, should be re-interviewed for the purpose of obtaining a statement in consonance with the statement obtained from Dexter Sheffield, concerning Sheffield's association with the Norris Gang and with Herbert Akers.

Inquiry should necessarily be made at the Waukesha Hotel and at Vance's Barbeque stand in an effort to identify Thomas Nathan Norris and Sam Stegal Haynes, inasmuch as Norris constantly telephoned Herbert Akers at the Hot Springs Police Department from these addresses.

The blond-haired young man, mentioned by Haynes in the above mentioned interview and who Haynes stated was an informant of Herbert Akers, who on one occasion reported to Akers that Haynes was a suspicious character, should be located and interviewed.

The details of the theft of 1937 Chrysler Coach, Motor #C16-4272, which was reported stolen in Hot Springs, Arkansas, on July 29th, 1937, should be learned, inasmuch as Haynes stated that this

DIRECTOR

12/17/37

car was stolen by Alfred "Sonny" Lamb, one of the Norris Gang and according to Haynes, was later transported to Colorado and then abandoned near Texarkana, Arkansas.

Police Officers John Murray, "Red" Terry and William Abbott of the Hot Springs Police Department, who hung about the Black Cat Liquor Store, where the Norris Gang frequented should be interviewed. Officer Murray aided Mrs. Norris and Mrs. Lamb in locating a house at 159 Ravine Street, Hot Springs, Arkansas, where the Norris Gang later resided. Officer Abbott is reported to have information concerning "pay-offs" made by the Norris Gang to Herbert Akers.

In addition to the above leads, a number of leads have been set out for the Dallas, Atlanta, New Orleans and San Antonio Offices, and there are a few other minor leads which should be checked at Hot Springs, Arkansas.

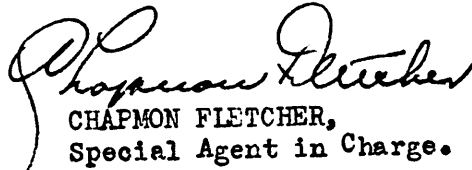
It is my understanding that Inspector Connelley desires that all pertinent information relative to the harboring of Thomas Nathan Norris be available at the time that Herbert Akers and other police officers are interviewed in connection with the harboring case in the BREKID case. It is believed that the above suggested leads will take approximately ten days to complete and unless I am instructed by the Bureau or by Inspector Connelley to the contrary, Special Agent

DIRECTOR

12/17/37

D. P. Sullivan will carry out these leads at Hot Springs, Arkansas. Of course, any interviews had with the above named police officers or any investigation at Hot Springs, Arkansas, in this matter, which may possibly result in embarrassment to the Bureau, will be conducted by two Special Agents.

Very truly yours,

  
CHAPMON FLETCHER,  
Special Agent in Charge.

DPS:DAN  
7-2

26-868

cc: Inspector Connelley, Chicago  
Cleveland  
Cincinnati

A I R M A I L

- Page #4 -

JOHN EDGAR HOOVER  
DIRECTOR

Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.

December 29, 1937

JEL:RD  
7-576

MEMORANDUM FOR THE DIRECTOR

Re: Bremer Case

In connection with the harboring investigation at Hot Springs, Arkansas in the Bremer kidnaping case, the following facts have been developed to date:

From about the first part of June, 1935, up until the latter part of that year, Karpis and Hunter, who were later joined by Harry Campbell, Sam Coker, Milton Lett and George "Burrhead" Keady, moved about openly and with no apparent fear of arrest in Hot Springs, Arkansas.

On or about June 6, 1935, Karpis and Hunter visited Grace Goldstein's house of prostitution at 123 Palm Street, where they met Grace Goldstein, Connie Morris, Della May Jeffries alias "Ginger" Morgan, Jewel Greta Gilstrap alias Greta Swanson, and Gertrude Theresa Nichols alias "Jackie" Nichols. Karpis and Hunter became daily visitors to 123 Palm Street. Karpis began to keep steady company with Grace Goldstein and Hunter began keeping company with Connie Morris.

During June, 1935, Police Lieutenant Cecil Brock, who was in charge of the Identification Bureau of the Hot Springs Police Department, Chief of Police Joseph Wakelin, Chief of Detectives Herbert Akers, and the other officers of the Hot Springs Police Department knew the true identity of Alvin Karpis as being a notorious criminal who was wanted because of a wanted notice displayed, an Identification Order issued, and newspapers carrying the photograph of Alvin Karpis, indicating that he was wanted for the Bremer kidnaping case by the Government.

From the middle of May, 1935, to June 28, 1935, when Grace Goldstein operated a house of prostitution at 123 Palm Street in Hot Springs, Arkansas, Herbert Akers was almost a daily visitor to that address, where he saw and conversed with Alvin Karpis. During that time Grace Goldstein was at intervals giving Akers, who was then Chief of Detectives, the sum of \$25.00.

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8 MAR 25 1965 Archer L. Cooper visited 123 Palm Street during that time for purely social reasons, Cooper having intercourse at different times with the inmates.

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FBI - HOT SPRINGS

What action are we  
now planning to take?  
v.