

**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

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EXEMPTION(S) USED -

Mr. Nathan
Mr. Tolson
Mr. Baughman
Mr. Clegg
Mr. Coffey
Mr. Dewsey
Mr. Egan
Mr. Foxworth
Mr. Glavin
Mr. Harbo
Mr. Joseph
Mr. Lester
Mr. Nichols
Mr. Quinn
Mr. Schilder
Mr. Tamm
Mr. Tracy
Miss Gandy

Eu
Chapman

POSTAL
JUL 15 1937

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DIRECTOR

FBI JUSTICE WASHN DC

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HANDLING LEADS THIS CASE

FLETCHER..

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7-576-3-161
JUL 17 1937
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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 Ekelin, 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
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DPS cpy
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cc - Bureau
Cincinnati
Cleveland

Via AIR MAIL

Post Office Box 1469
Little Rock, Arkansas
July 16, 1937

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DIVISION ONE
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DEPT. OF JUSTICE
INVESTIGATION
FEDERAL BUREAU OF

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,

CHAMON 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	
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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: BREKID

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. *Sut.*

CF:DAN
cc: Dallas

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7-576-3-164

JUL 19 1937	
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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 Little Rock, Arkansas.	DATE WHEN MADE 7/15/37	PERIOD FOR WHICH MADE 7/15/37	REPORT MADE BY 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.
<p>SYNOPSIS OF FACTS: 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>Reference: Report of Special Agent D. P. Sullivan, Little Rock, Arkansas, dated May 12, 1937.</p> <p>Details: 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		<div style="text-align: right;">DO NOT WRITE IN THESE SPACES</div> <div style="text-align: center; font-size: 1.2em;">7-1576-34-165</div> <div style="text-align: right; font-weight: bold;">JUL 21 1937</div> <div style="text-align: center; font-weight: bold; margin-top: 10px;">JUL 18 PM</div> <div style="text-align: center; font-weight: bold; margin-top: 10px;">34-WW3</div>	

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 thats 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 on 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 Evans 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 Damarr 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**

-0-0-0-0-

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.

Y
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 Becker 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 Krummen Has interest in White Front Gambling place.
John Hobbs Tango Gambling Club employee.
Red Adair and
Bud Smith Gamblers.
George Mansford 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 Gafnet 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, 1935, 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 gentlemen 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. Fatherree 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 changed⁹⁰ 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 Wetherford, 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 Bouie, 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 Erney 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 Gyppie 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 Gyppie 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, Fatherree, 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 8, 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; 1338 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 Makela 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.

RECORDED

17-156-3-116

9.11.37

MEMO TO INSPECTOR CONNELLEY:

7-14-37

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 LeDroy 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. Buttlar 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 Maudie 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 Buttlar 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 Stover he has suggested the names of certain other persons who may have been in association with Alvin Karpis at Hot Springs, Arkansas. Stover'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 Grace 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 Requirer Building
Cincinnati, Ohio

NDH:MGR
7-43

July 19, 1937.

W
Special Agent in Charge,
Little Rock, Arkansas.

Re: BREKID. *Edward & Bernice*

Dear Sir:

IN COMPLIANCE WITH YOUR LETTER OF JULY 16, 1937,
there is transmitted herewith one copy of the report of Special
Agent J. B. 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.

7-576-3-167	
FEDERAL BUREAU OF INVESTIGATION	
JUL 21 1937 P. M.	
U. S. DEPT. OF JUSTICE	
ONE	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,

CHARMON 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:AIM
7-2

cc Bureau
Cleveland

RECORDED
&
INDEXED

7-576-3-169	
FEDERAL BUREAU OF INVESTIGATION	
JUL 20 1937	
1	102

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT Cincinnati, Ohio

FILE NO. 7-9

REPORT MADE AT Indianapolis, Indiana	DATE WHEN MADE 7-18-37	PERIOD FOR WHICH MADE 7-15,16-37	REPORT MADE BY HEROLD H. REINECKE elb
TITLE 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.			CHARACTER OF CASE KIDNAPING; HARBORING OF FUGITIVES OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT
<p>SYNOPSIS OF FACTS: 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.</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		7 1576-3-170 JUL 21 1937 JUL 21 A.M. ONE STAT. SEC. 174-WWB	
COPIES DESTROYED 11 MAR 25 1965			

F33:MM
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 Makelin, 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 LITTLE ROCK, ARKANSAS	DATE WHEN MADE 7-19-37	PERIOD FOR WHICH MADE 7/2-11/37	REPORT MADE BY D. P. SULLIVAN ADM
TITLE 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.			CHARACTER OF CASE KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.

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	7-1576-3+171 JUL 21 P.M. <i>[Handwritten initials]</i>	JUL 22 1937

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 that 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 Malvern 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. Demron, dated at Little Rock, Arkansas, April 16, 1937, wherein it is stated

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 talking. 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. J. 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. 3½ or 4½ horsepower Johnson Motor - Model 300 - Serial #227-998; manufactured by Outboard Motors Company, Milwaukee, Wisconsin.
4. 1½ 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, 1935. 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
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7-576-3-172

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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 MEMPHIS	DATE WHEN MADE 7-22-37	PERIOD FOR WHICH MADE 6-23, 29-37; 7-6, 13, 20, 21-37	REPORT MADE BY R. E. PETERSON
TITLE 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		CHARACTER OF CASE KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.	
SYNOPSIS OF FACTS: <div style="text-align: center;">Greta Swanson, alias Greta Gilstrap, now resides 277½ 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			
DETAILS AT MEMPHIS TENNESSEE			
<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 1 - Cleveland 2 - Memphis 11 MAR 25 1938		DO NOT WRITE IN THESE SPACES 7 576-3-174 JUL 24 1937 JUL 24 A.M. WWB	

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 227½ 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 227½ 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	
COPIES OF THIS REPORT Bureau - 3 Little Rock - 2 Cleveland - 2 Cincinnati - 2 Chicago - 2 COPIES DESTROYED 11 MAR 25 1965		<p>DO NOT WRITE IN THESE SPACES</p> <p>7 576-3 175 JUL 26 1937</p> <p>JUL 26 A.M.</p> <p><i>[Handwritten initials and stamps]</i></p>	

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 El Paso, Texas	DATE WHEN MADE 7-22-37	PERIOD FOR WHICH MADE 7-17-37	REPORT MADE BY G. H. Franklin nb
TITLE ALVIN KARPIS, with aliases; Dr. Joseph P. Moran with aliases-Fugitive, I.O.1232; et al; EDWARD GEORGE BREMER-Victim			CHARACTER OF CASE KIDNAPING-HARBORING OF FUGITIVES OBSTRUCTION OF JUSTICE-NATIONAL FIREARMS ACT.
<p>SYNOPSIS OF FACTS: 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>Reference: Letter from the Little Rock, Ark. Division Office, dated July 3, 1937.</p> <p>Details: 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 COPIES DESTROYED 11 MAR 25 1965		DO NOT WRITE IN THESE SPACES	
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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

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&
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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

7-573-3-178

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. Armonia, 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.

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7-576-3-179
JUL 24 1937
UNIT OF SECTION
ONE

1894

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 125 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

LTS: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

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7-576-3-180
FEDERAL BUREAU OF INVESTIGATION
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