

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1245799-000

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X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
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SAC, New York (62-8768)

Director, FBI

CHARLES "LUCKY" LUCIANO
CRIMINAL SECTION
INVESTIGATIVE DIVISION
INFORMATION CONCERNING

Reurmemo 6/18/57.

Efforts should be made to secure any further information PCI [redacted] may receive concerning the alleged payment to Luciano of money collected from various racketeering activities in the U. S., and the reported bringing of individuals to the U. S. from Italy on assignments suggested by Luciano.

b7D

You should also try to obtain further information from [redacted] concerning the report that a number of big-time hoodlums were supposed to make a trip to Italy in May, 1957, for the purpose a meeting with Joe Adonis and Luciano. [redacted]

[redacted] Frank Costello was supposedly one of this group. In view of Costello's recent incarcerations and that fact that he is at liberty on bond, this report is not clear and it is desired that efforts be made to obtain any further information concerning this the informant may have.

b6
b7C
b7D

Advise the Bureau of the results of your efforts in this regard.

JGL:stw;sjc
(4)

RECORDED-46

EX 102

JUL 2 1957

Tolson _____
Nichols _____
Boardman _____
Belmont _____
Mohr _____
Parsons _____
Rosen _____
Tamm _____
Trotter _____
Nease _____
Tele. Room _____
Holloman _____
Gandy _____

MAILED 9
JUN 27 1957
COMM-FBI

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/1/82 BY SP8 BTJ/dld

MAIL ROOM

Office Memorandum • UNITED STATES GOVERNMENT

GIR 9
ERNMENT

TO : DIRECTOR, FBI

FROM : SAC, NEW YORK (62-3768)

SUBJECT: CHARLES "LUCKY" LUCIANO
GIIF

DATE: 6/26/57

ReNYlet to Bureau, 6/18/57.

b7D

[REDACTED]

[REDACTED]

[REDACTED] FRANK SCALISE,
New York hoodlum, who was murdered in the Bronx, New York,
on 6/17/57. [REDACTED]

[REDACTED]

b7D

[REDACTED] ALBERT
ANASTASIA, who allegedly controls the construction industry
and related unions, [REDACTED]

b7D

[REDACTED] ANASTASIA formerly controlled the building
industry only in the Brooklyn, New York, area but now
his control encompasses the whole city. [REDACTED]

[REDACTED]

[REDACTED]

b7D

Informant could furnish no other information regarding
this matter

- 2 - Bureau
- 1 - New York [REDACTED]
- 1 - New York (62-8768)

INDEXED-5

RECORDED-5

27-2111-180
3
3 JUL 1 1957

b7D

PJM:ajk
(4)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/2/82 BY SP3BDD



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
The American Embassy
Rome, Italy

Date: November 13, 1957

To: Director, FBI

From: Legat, Rome [redacted]

Subject: CHARLES LUCKY LUCIANO
FOREIGN MISCELLANEOUS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8 BTJ/ld

Luciano

[redacted] advised on 11/8/57 that he had received information that one ANGELO PROVENZANO, a U. S. citizen touring Italy, had an appointment with LUCIANO on October 28, 1957.

PROVENZANO, who was born in Italy on 2/5/98, had U. S. passport No. 618504, issued at Washington, D. C., on 7/22/57. While in Naples, Italy, PROVENZANO and his wife were guests at the Hotel Londress.

[redacted] ANGELO PROVENZANO and his wife, ANNA, had arrived in Rome, Italy, on 9/29/57. From 9/29 thru 10/3/57 they were guests at the Hotel Esperia. On checking out of their hotel they indicated their destination as Naples, Italy.

No further information concerning ANGELO and ANNA PROVENZANO [redacted] and since their departure from Italy is not recorded, it is assumed that they are still in Italy.

An extra copy of this letter is attached in the event the Bureau desires to forward same to the New York Office for its GIIF file.

AAC:mpd (5)

RECORDED - 22
INDEXED - 22

NOV 20 1957

1 CC TO NY BY 0-25 12/2/57

FOR INFO 12/12/57
ICC 2 3 12/12/57

DEC 13 1957

LIASON

b6
b7C

b6
b7C
b7D

b6
b7C

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

DEC 12 1957

TELETYPE

Mr. Tolson	
Mr. Boardman	
Mr. Nichols	
Mr. Belmont	
Mr. Ladd	
Mr. Clegg	
Mr. Glavin	
Mr. Harbo	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Hendon	
Mr. Pennington	
Mr. Quinn	
Mr. Nease	
Miss Gandy	

URGENT 12-12-57 7-02 PM AGE
TO DIRECTOR 10 AND SAC MIAMI
FROM SAC NEW YORK 1 P

LUCKY LUCIANO. INFO CONCERNING. FORMER ASSISTANT TO THE DIRECTOR
LOUIS B. NICHOLS ADVISED HE RECEIVED INFO FROM [REDACTED]
[REDACTED] ON CONFIDENTIAL BASIS, THAT LUCKY LUCIANO WAS
HEADED FOR HAVANA, CUBA AND THAT GEORGE RAFT IS IN HAVANA TO MEET HIM
AND MAKE ARRANGEMENTS FOR HIS STAY. FRANK CARBO ALSO ALLEGEDLY
WILL BE WITH THEM. INFO FROM ^{Legal Attache} LEGAT HAVANA INDICATES RAFT NOW IN HAVANA.
BUREAU ADVISED TELEPHONICALLY AND REQUESTED NYO DETERMINE CARBO-S
WHEREABOUTS. NY FILES REFLECT CARBO-S LAST ADDRESS TWO SIX THREE SEVEN
TAFT STREET, HOLLYWOOD, FLORIDA. MIAMI DETERMINE CARBO-S PRESENT
WHEREABOUTS. BUREAU REQUESTED TO ALERT LEGAT, HAVANA.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8 BOLD

RECORDED-46

EX-135

Mr. Belmont

DEC 18 1957

CC: MR. BELMONT
AND SUPERVISOR
DOM. INTEL. DIVISION

HOLD PLS 2 DEC 20 1957

b7D

b6
b7C

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

FROM : SAC, SEATTLE (92-new)

SUBJECT: "LUCKY" LUCIANO
ANTI-RACKETEERINGDATE: December 12, 1957
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8 BTJ/d

On December 11, 1957, [redacted] TIMES JOURNAL Publishing Company, Parkland, Washington (which publishes the PARKLAND TIMES JOURNAL, a weekly publication), advised he received the following anonymous phone call at 7:00 P.M., December 10, 1957:

A man with a low voice, Italian accent, called the TIMES JOURNAL office and [redacted] answered. The voice asked, "Is this the TIMES JOURNAL newspaper?" He then went on to say, "I've got a tip for you. You know 'LUCKY' LUCIANO, the guy that was deported?" [redacted] affirmed. The caller then went on to state without interruption that LUCIANO and his, LUCIANO's, brother are in Tacoma. [redacted] received the impression that he was living in Tacoma.) He continued that LUCIANO came ashore from a "boat" somewhere on the West Coast. He further stated that he hated LUCIANO's guts. He had done time "for" LUCIANO in the pen and wanted to see the "s.o.b." get what was coming to him. He then gave a description of the clothes he was wearing but [redacted] did not get this as he was interrupted by a girl in his office.

[redacted] stated he has had jokers call him but believed this man was in earnest. Further, there was no noise in the background and the caller did not sound incoherent or drunk.

After the above conversation the caller hung up with no further identification.

The Bureau, through liaison with the Narcotics Bureau or the State Department, may have information that LUCIANO is still in Sicily or Naples or may desire to verify this.

The Seattle Division is contacting their informants to obtain any information to verify the contents of the call.

No dissemination of this information is being made to local agencies in the Seattle Division at this time, UACB.

b6
b7Cb6
b7Cb6
b7C

37

RECORDED - 83

39-2141-183

CENTRAL RESEARCH

b6
b7C1-FIELD 2 - Bureau AM
1-Seattle
JAG:eon
(3)

64 DEC 23 1957

EX-137

~~CONFIDENTIAL~~

[CODE] *7u*

[12-16-57] *7u*

CABLEGRAM

URGENT - *Noted 12/16/57, 6-1*

TO LEGAL ATTACHE ROSE

FROM DIRECTOR FBI

CHARLES LUCIANO, WAS. QUOTE LUCKY END QUOTE, ANTI-RACKETEERING.

ON DECEMBER ELEVEN LAST AN ANONYMOUS CALLER TELEPHONED A
NEWSPAPERMAN IN PARKLAND, WASHINGTON, ADVISING THAT QUOTE
LUCKY END QUOTE LUCIANO HAD ENTERED THE UNITED STATES

SURREPTITIOUSLY AND IS CURRENTLY LIVING IN TACOMA, WASHINGTON,

[YOU SHOULD MAKE IMMEDIATE INQUIRIES OF APPROPRIATE SOURCES
TO ESTABLISH LUCIANO'S CURRENT WHEREABOUTS. ADVISE BUREAU
BY CABLEGRAM DECEMBER TWENTY NEXT] *7u* (U)

VIA STATE DEPARTMENT CHANNELS AT NO COST TO BUREAU.

ENC:OCL

1 - Foreign Liaison (Route through for review)

NR. *135*

ENC. *2024-6127* BY *805*

CK *112-135* BY *79*

APPROVED BY *79*

TYPED BY

FILED BY

Tolson _____
Nichols _____
Boardman _____
Belmont _____
Mohr _____
Parsons _____
Rosen _____
Tamm _____
Trotter _____
Nease _____
Tele. Room _____
Holloman _____
Gandy _____

DEC 21 1957 *7u*

TELE. ROOM []

Not via Cable 12/16/57 9:21 PM per Jc

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

FILED BY *SP8 BTJ/d*
DATE OF INDEX *11/9/82*

EX-135 DEC 19 57 *7u*

[DECODED COPY]

Tolson _____
 Nichols _____
 Boardman _____
 Belmont _____
 Mohr _____
 Parsons _____
 Rosen _____
 Tamm _____
 Trotter _____
 Nease _____
 Tele. Room _____
 Holloman _____
 Gandy _____

☐ Airgram☒ Cablegram

DECODE OF CODED CABLE NUMBER 153 DATED DECEMBER 18, 1957 AT
 ROME, ITALY. RECEIVED VIA THE STATE DEPARTMENT

URGENT

CHARLES LUCIANO, WITH ALIAS LUCKY, ANTI-RACKETEERING. RE-
 BUCABLE DECEMBER 16. SUBJECT IS AND HAS BEEN CONTINUOUSLY
 IN ITALY.

ARMAND A. CAMMAROT

RECEIVED: [12-18-57] 6:30 AM HL

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 11/9/82 BY SP8 BTJ/del

Dist-SF
 [12/20/57]
 FRG/rwb

RECORDED - 37

39-2141-185

[DEC 27 1957]

cc: Mr. [unclear]
 cc: Mr. [unclear]

GIR 19

12/20/57

AIRTEL

To: SAC, Seattle

From: Director, FBI

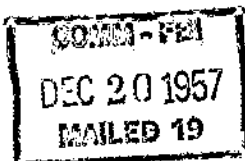
CHARLES LUCIANO, wa.
"Lucky" Luciano
ANTI-RACKETEERING

RECORDED - 37
Reurairtel 12/12/57.

This is to advise you that information has been received from the Bureau's Legal Attache in Rome, Italy, that Luciano is and has been continuously in Italy.

FVG:awb
(5)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8 BTJ/dcl



Tolson _____
Nichols _____
Boardman _____
Belmont _____
Mohr _____
Parsons _____
Rosen _____
Tamm _____
Trotter _____
Nease _____
Tele. Room _____
Holloman _____
Gandy _____

MAIL ROOM 100



~~CONFIDENTIAL~~
THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

Date: January 7, 1958

To: Director, FBI

From: Legat, Rome [redacted]

Subject: CHARLES LUCIANO, wa. Lucky
ANTI-RACKETEERING
PC-FM

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8BDD/ld

b3
b7E

CLASS. BY SP8BDD/ld

DATE OF REVIEW 11/9/82

ReBucable [12/16/57] reflecting that an anonymous caller telephoned a newspaperman in Parkland, Washington, to advise that LUCKY LUCIANO had entered the U. S. clandestinely and was living in Tacoma, Washington.

[redacted] LUCKY LUCIANO is residing in Naples, Italy, and is under police surveillance. He stated LUCIANO is allowed to travel in Italy but that LUCIANO is required to post his itinerary with the police and his travels are always followed. [redacted] advised that LUCIANO's activities have been followed [redacted] LUCIANO has not left Italy since the date of his deportation from the U. S.

[redacted] the spot surveillance on LUCIANO during the month of December, 1957, indicated that LUCIANO had left Naples, Italy, by private auto on 12/2/57 en route to Santa Marinella, Italy. He remained there until 12/7/57, at which time he departed for Pescara, Italy. He remained at Pescara until 12/9, at which time he departed for Aquila, Italy. He returned to Naples on 12/10/57. He took no other trips during December and was physically seen at his Naples residence periodically for the remainder of the month.

EX-131

RECORDED - 67

39-2141-186

[redacted] LUCIANO was frequently interviewed by police officials at Naples and, furthermore, that LUCIANO has neither a passport nor an Italian Identity Card which he could use to travel outside of Italy. LUCIANO does not have a driver's license [redacted]

[redacted] he would keep this office advised of any unusual activities which may come to his attention concerning LUCIANO. An extra copy of this letter is attached for forwarding by the Bureau to the Legat, Havana, for information. P.

100 JAN 22 1958
AAG:mpd (5)

SE notified
by airtel 12/24/57

~~CONFIDENTIAL~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

Legat, Rome

March 19, 1958

b3
b7E

Director, FBI (39-2141)

REC-48
EX-117

167
CHARLES LUCIANO
ANTI-RACKETEERING

Reference is made to your letter of March 10, 1958. Newspapers in the United States on March 18, 1958, carried stories indicating that Luciano has been questioned in Italy along the lines set forth in your letter.

Advise Bureau immediately of results.

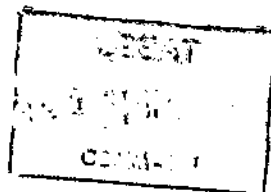
cc: 1 - Foreign Liaison Unit (Route through for review)

CLG:eab
(5)

0-17

11/9/82 SP8BJT/dd

Tolson _____
Nichols _____
Boardman _____
Belmont _____
Mohr _____
Parsons _____
Rosen _____
Tamm _____
Trotter _____
Nease _____
Tele. Room _____
Holloman _____
Gandy _____



MAIL ROOM ☒



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

Date: March 10, 1958

To: Director, FBI

From: Legat, Rome

Subject: CHARLES LUCIANO, wa. Lucky
ANTI-RACKETEERING
PC-FM

11-1

(11)

39-2141-186

b3
b7E

ReRomelet 1/7/58.

Rome,

b6
b7C

Italy, advised on 3/9/58 that subject was being called before the Magistrate of the Naples Tribunal for the purpose of being questioned concerning his possible connection with narcotics traffic in Italy.

Judicial interest in subject's activities reportedly has been aroused because of LUCIANO's unexplained sources of income.

This matter will be followed through sources of this office and Bureau will be kept advised.

AAC:mpd (4)

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/2/82 BY SP8 BTJ/dld

REC-48

39-2141-187

8 MAR 21 1958

10
Let to Legat Rome
ack 3/19/58

6017

1044
11/2/82



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

Date: April 30, 1958
To: Director, FBI (39-2141)
From: Legat, Rome
Subject: CHARLES LUCIANO
ANTI RACKETEERING

b3
b7E

Rebulet dated 3-19-58 instructing that results of police questioning of LUCIANO at Naples, Italy, be forwarded to the Bureau.

Information available to this office in this connection was forwarded to the Bureau by letter dated 3-21-58 captioned Mafia Central Intelligence Matter (Bufile 100-42303).

AAC:OC
(4)

*1. Not to be used for...
2. ...*

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/9/82 BY SP830/ded

REC- 26

39-2141-188
13 MAY 6 1958

50 MAY 12 1958

33569

May 14, 1958

EX-102

37-2141-189



Dear [Redacted]

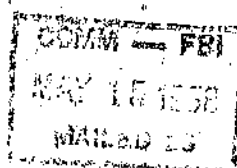
Your letter of May 4, 1958, has been received, and I sincerely appreciate the interest which prompted you to write me. I am indeed grateful for your kind comments regarding this Bureau.

I thought you might like to know that I am referring a copy of your letter to the Commissioner, Bureau of Narcotics, United States Treasury Department, 1300 E Street, Northwest, Washington, D. C., as the information you related may be of interest to that Bureau.

Sincerely yours,

J. Edgar Hoover

John Edgar Hoover
Director



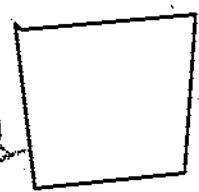
REC'D-READING ROOM
FBI
MAY 14 6 07 PM '58

NOTE: Other than as general intelligence information, correspondent's letter is of no particular interest to the FBI. There have been newspaper reports to the effect that Luciano has conducted his alleged activities in the narcotic trade from Italy. Bufiles contain no unfavorable information regarding [Redacted]

[Redacted] (62-60527-25646) Copy of correspondent's letter sent to Commissioner of Bureau of Narcotics by form letter.

- Tolson _____
- Boardman _____
- Belmont _____
- Mohr _____
- Nease _____
- Parsons _____
- Rosen _____
- Tamm _____
- Trotter _____
- Tele. Room _____
- Holloman _____
- Gandy _____

JK:wgl
(3)



JUN 13 1958

b6
b7c

b6
b7c

b6
b7C

Palermo, May 4, 1958

My Dear Mr. Hoover,

I doubt whether you get many letters from abroad and from places from Sicily, but although I am far away from the States, I am just as civic-minded as I have been back home, and that's why the following letter.

As you will probably gather from the above stationary [redacted]

b6
b7C

While here in the hotel to my great surprise I noticed my next door in room 205 is Lucky LUCIANO. Not being a crime-buster but [redacted] I recognized the man immediately. Since I was not sure whether it is the man himself I enquired at the desk and when I asked "who the man is in 205" I got a big smile from the porter and an answer "Lucky Luciano". The porter here, [redacted] gave me few hints indicating that Lucky is still busily occupied in big-time operations here in Italy. He travels regularly between Naples and Palermo, which according to the porter is his HQ. He is a good spender and his mail from and to the USA is heavy. I forgot to add that the hotel in question is the GRAND HOTEL SOLE on Via Cavour, listed as a second class hotel but with prices and accommodations equal to a first class hotel in this town. *Lucky goes under his own name.*

b6
b7C

Knowing how much effort you have taken personally to crack down on big time crime, I have taken this liberty to address the letter to you, for I realize that it will be channelled to the right department and my small tip may serve to establish some link between the man in question and old hands (his pals) back in the States. I know that there are some Treasury agents travelling from time to time and this tip may help them somehow, for I am personally convinced that a link between the States and Italy still exists. Since I have no way of knowing what operation Lucky is active in (dope, tobacco, or what have you) I thought that your Bureau would be the best to write to.

As to myself (for reference reasons) you can enquire at Rep. John Kluczynski's Office (House of Representatives) or Charlie Berkman, Head of the Polish American Congress Bureau in Washington D.C. I wish to keep [redacted] out of it.

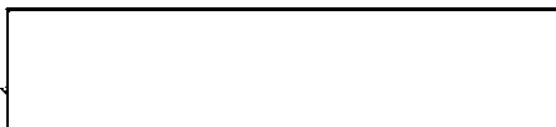
b6
b7C

and I probably won't be back in the States for the next two years.

With kind regards and much admiration for your wonderful work, I remain

CRIME RESEARCH

advised
SK 5/14/58
indicated
EP 5/12/58



ess

Aug. 4th, 1958

J. Edgar Hoover,
Washington, D.C.

6-1

My dear Mr. Hoover,

As a Tax-payer (and thanks)
I do not believe Lucky Luciano
controls Mafia (Black Hand). It
would be far better if he did.

Why did Al Capone come
to Philadelphia to get picked up
on such a minor charge?

Lucky Luciano

REC-58

39-2141-190

Sincerely,

12 AUG 7 1958

EX-100



P.S.

The test clock would
be a real good clock.

W. J. R. C.

CRIMINAL REC.
JUL 11 1958

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 11/19/82 BY SP8BTD/DO

F-53
87 AUG 13 1958



WH 950

Mr. Tolson	✓
Mr. Ladd	✓
Mr. Nichols	✓
Mr. Belmont	✓
Mr. Clegg	✓
Mr. Glavin	✓
Mr. Harbo	✓
Mr. Rosen	✓
Mr. Tracy	✓
Mr. Egan	✓
Mr. Gurnea	✓
Mr. Hendon	✓
Mr. Pennington	✓
Mr. Quinn	✓
Mr. Nease	✓
Tele. Room	✓
Mr. Holloman	✓
Miss Gandy	✓

23rd July, 1958

Mr. J. Edgar Hoover,
Federal Bureau of Investigation,
United States Department of
Justice,
Washington, D.C.

Dear 

I thought the enclosed would interest you.

This is the second time Luciano, CHARLES
has expressed admiration for the way
your department operates.

 joins me in sending you
our best.

Sincerely,



LL/as

39-2141-✓
NOT RECORDED
102 AUG 1 1958

ack me
JK 7/28/58
ON SPECIAL
CORRES. LIST

JUL 30 1958

ENCLOSURE

ORIGINAL FILED IN 94-4-1516-55 designated
b6
b7C

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/2/82 BY SP800122

July 28, 1958

PERSONAL

39-2141-V

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8 BCD/ld

Dear ☐

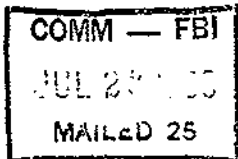
Many thanks for your note of July 23,
and the copies of your column for July 20 and 21.

It certainly was interesting to read your
remarks regarding Luciano. Would I be accused of
self-praise in observing that distance appears to add
perspective even to the underworld?

With every good wish to ☐ and to you,

Sincerely,

☐



JUL 28 11 47 AM '58
REC'D READING ROOM
FBI
REC'D READING ROOM
JUL 28 1958

- Re-
Tolson _____
Boardman _____
Belmont _____
Mohr _____
Nease _____
Parsons _____
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Tamm _____
Trotter _____
Clayton _____
Tele. Room _____
Holloman _____
Gandy _____
CL. A. Sullivan

JK:cfmfmly
(3)

RECEIVED JUL 28 1958
FBI
MAIL ROOM

30 AUG 5 1958

MAIL ROOM ☐

ORIGINAL FILED IN 100-4-1516-53 destroyed

b6
b7C

ess



Aug 4th, 1958

J. Edgar Hoover

Bl 6-1

I recently wrote you relative
to Lucky Luciano.

Here is what I suggest be
done.

Publish and let Lucky
Luciano return to the United States.

However, no one must
watch or spy on Lucky. Let him
alone to do what he wants.

And no deals - let him handle
things his own way.

Lucky Luciano

Sincerely,

39-2141-1171



P.S. Like a gambler dealing -
let the cards fall where they may.
No one get hurt unless they deserve it.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/6/88 BY SP8/BJD

77 AUG 13 1958

~~CONFIDENTIAL~~

b3
b7E

Logat, Rome [redacted]

February 3, 1959

Director, FBI (39-2141) 192

CHARLES LUCIANO
ANTI-RACKETEERING

Reurlet dated January 22, 1959, transmitting magazine article reproduction of the first page of Luciano's identification record, under FBI #62-920.

An examination of the FBI identification record discloses that the type of copy paper on which the record was prepared did indicate that the identification record used to reproduce the magazine article was disseminated by the Bureau in 1949 or prior thereto. The upper right-hand corner indicates the Bureau's form number as "T-2." This form number was changed to "1-4." at the first printing after November 29, 1949.

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X (U)

[redacted] that they did not receive a copy of the record since a record of all dissemination was not maintained in the fingerprint jacket prior to 1949.

You should continue to follow this matter closely and advise Bureau, attention Identification Division, results of your inquiry.

1 - Foreign Liaison (route through for review)

RCA:mhm
(6)

CLASS BY SP8 BTJ/dd

11/9/82

Cover memorandum R. C. Anderson to Mr. Trotter dated 2-2-59, captioned Charles "Lucky" Luciano, FBI #62-920. Publication of Identification Record. RCA:mhm

NOTE: Change in numbering system was made as result of memorandum to all Officials and Supervisors dated 11-29-49

Tolson
Belmont
Mohr
Nease
Parsons
Rosen
Tamm
Trotter
W.C. Sullivan
Tele. Room
Holloman
Gandy

COMM 1-1

MAIL ROOM ☐ TELETYPE UNIT ☐



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
The American Embassy
Rome, Italy

Date: January 22, 1959
To: Director, FBI (39-2141)
From: Legat, Rome [redacted]
Subject: CHARLES LUCIANO
ANTI-RACKETEERING

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8 BTJ/dad

b3
b7E

During December, 1958, the Appellate Court of Naples reviewed the case of LUCKY LUCIANO at the request of the Prosecuting Attorney of Naples, who was requesting authority to conduct surveillances and police investigations concerning LUCIANO and his activities. The Appellate Court confirmed an earlier decision by the Naples Court to the effect that the police had no authority to conduct surveillances on LUCIANO or control his movements, inasmuch as insufficient evidence had been produced to indicate that LUCIANO is engaged in illegal activities or activities inimicable to the best interests of the Republic of Italy.

The case set off a wave of publicity in the Italian newspapers concerning LUCIANO and many stories concerning his years in the U. S. were rehashed and republished.

Attached hereto is a series of three articles published in "L'EUROPEO," an Italian weekly magazine. The articles were written by RENZO TRIONFERA, a Rome journalist who covers police news. The articles tend in a certain manner to glorify LUCIANO. They make mention of LUCIANO's past history in the U.S.A. and also make mention of LUCIANO's activities and associates since 1946, since which time he has resided in Italy.

The articles make numerous references to CHARLES SIRAGUSA, former chief of the U. S. Narcotics Bureau in Rome, and do not portray him in a very favorable light.

The last article, which appeared in the 1/25/59 issue of "L'EUROPEO," published a photographic copy of LUCIANO's FBI Identification Record. The photograph of the Identification Record is clearly legible and the fact that the record is furnished for official use only is clearly discernible.

[redacted]
[redacted] was immediately contacted on 1/21/59,

b7D

Enclosures (3)
AAC:mpd (4)

ENCLOSURE

CRIMINAL

[REDACTED]

[REDACTED] A review of the file in the
Rome Office concerning LUCKY LUCIANO fails to reflect that
this office [REDACTED]

[REDACTED].

[REDACTED]

It is recommended that the attached articles be
forwarded to the Translation Unit so that a brief summary of
the contents of the articles can be prepared. A full trans-
lation is not recommended.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY sp6/cld

ENCLOSURE

ENCLOSURE

39-2171-172

L'EUROPEO

691 - Anno XV - N. 2 - Sped. in abb. post. - Gr. 2° - L. 80 SETTIMANALE POLITICO DI ATTUALITÀ

11 Gennaio 1959

La vita segreta di Lucky Luciano



PERCHÉ FA ANCORA PAURA ALL'AMERICA

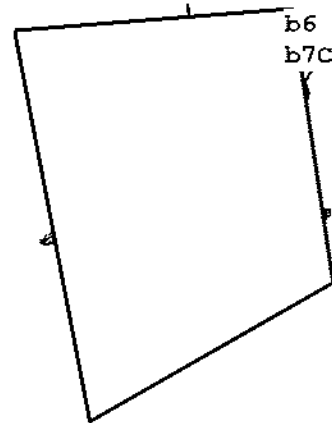
UN SERVIZIO
ESCLUSIVO

Due italiani sull'Himalaya

39-2141-192



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
The American Embassy
Rome, Italy



Date: February 9, 1959
To: Director, FBI (39-2141)
From: Legat, Rome [redacted]
Subject: CHARLES LUCIANO was
ANTI RACKETEERING

Re Rome letters January 22 and 28, 1959,
and Bulet, February 3, 1959.

As is set forth in referenced Rome letter
of January 28, 1959, the Bureau's FBI Identification
Record published in "L'Europeo" was made available to
the author of the article by [redacted]

In connection with the release of Bureau
material for publication, Bureau's attention is called
to the fact that [redacted]

It is
not believed that information relating to criminal
matters under investigation by the Bureau is jeopardized
[redacted]

On February 6, 1959, [redacted] advised
as follows concerning RENZO TRIONFERA, journalist and
author of the article on LUCKY LUCIANO referred to in
previous Rome letters:

AAC:oc
(4)

79 FEB 11 1959

EX-136

REC-46

39-2141-193
FEB 13 1959

FEB 18 1959

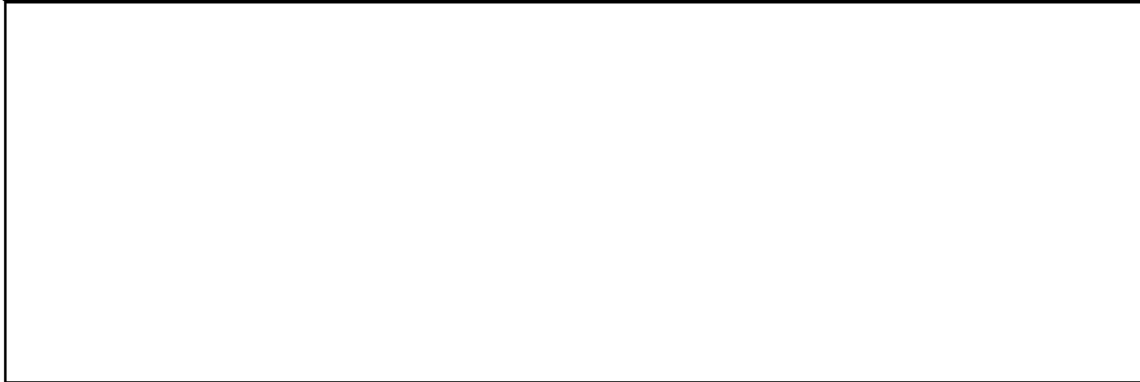
CRM INTEL

ONE ORB

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b7D

~~CONFIDENTIAL~~

a group of papers concerning LUCIANO for use in the articles. Among these papers was the FBI's Identification Record.



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b7D

~~CONFIDENTIAL~~

"RENZO TRIONFERA, 46 years of age, a native of Rome, Italy, married with two children, a journalist by profession, resides at Via Pro-ceno #11, Rome.

"TRIONFERA shortly after the Second World War (about 1946), became affiliated with the weekly magazine 'L'Europeo' published in Milan. In 1956 he was made Manager of the Rome branch of 'L'Europeo', a position which he still holds.

"All of his journalistic work, which is varied and voluminous, has always been furnished exclusively to 'L'Europeo'. The Editor of that magazine, one Dr. RIZZOLI, holds TRIONFERA in high esteem.

"TRIONFERA is known to have travelled frequently outside of Italy, particularly in the Far East and in Africa.

"Politically TRIONFERA is oriented toward the Italian Liberal Party but is not registered. TRIONFERA met LUCKY LUCIANO shortly after LUCIANO's deportation to Italy and wrote a series of articles about him. He became friendly with LUCIANO through a number of subsequent contacts. It is believed that TRIONFERA is sincerely convinced that LUCIANO is still today the victim of unfounded accusations."

No further action is being taken in this matter pending receipt of additional information concerning activities of LUCKY LUCIANO which might be of interest to the Bureau. RUC



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
The American Embassy
Rome, Italy

Mr. Tolson
Mr. Belmont
Mr. Ladd
Mr. Nichols
Mr. Clegg
Mr. Glavin
Mr. Harbo
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Hendon
Mr. Jones
Mr. Mumford
Mr. Quinn
Mr. Nease
Tele. Room
Mr. Holloman
Miss Gandy

Date: January 28, 1959
To: Director, FBI (39-2141)
From: Legat, Rome [redacted]
Subject: CHARLES LUCIANO was
ANTI RACKETEERING

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b7E

Re Rome letter dated 1-22-59.

[redacted] Rome, Italy, on January 24, 1959, advised that RENZO TRIONFERA, Rome journalist who wrote a series of articles on LUCKY LUCIANO, had obtained a copy of LUCIANO's FBI Identification Record

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b7C
b7D

[redacted] stated that examination of the police files indicated that LUCIANO's FBI Identification Record had been [redacted]

in 1954.

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b7C
b7D

When TRIONFERA was preparing the series of articles on LUCIANO, he contacted [redacted] who gave him

AAC:oc
(4)

cc: [redacted]

66 FEB 25 1959

REC-17

39-2141-194
FEB 18 1959

b6
b7C

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. TROTTER

DATE: 2-2-59

FROM : R. C. Anderson

~~CONFIDENTIAL~~

SUBJECT: CHARLES "LUCKY" LUCIANO
FBI #62-920
PUBLICATION OF IDENTIFICATION RECORD

Tolson _____ b6
Boardman _____ b7C
Belmont _____
Mohr _____
Nease _____
Parsons _____
Rosen _____
Tamm _____
Trotter _____
W.C. Sullivan _____
Tele. Room _____
Holloman _____
Gandy _____

By letter dated 1-22-59, Legat, Rome, transmitted copy of "L'Europeo," weekly Italian magazine dated 1-25-59, which contains the third of a series of articles on Luciano, written by Renzo Trionfera, a Rome journalist who covers police news.

This article contains a reproduction of the first page of Luciano's FBI identification record. The letterhead, together with the legend that the record is for official use only, clearly appears on the magazine reproduction; however, the date when the record was prepared which normally would appear in the upper right-hand corner is not visible.

The magazine reproduction of the record identifies the Bureau's form as "T-2." This form number was changed to 1-4 at the first printing after 11-29-49, when forms were given a prefix number corresponding to the number of the Division, for example, all Identification Division forms receive a one number. Examination of a number of old fingerprint jackets reflects that the style of type used in the Bureau letterhead and the official use notice at the bottom of the record would indicate that the original record from which the magazine reproduction was made could have been furnished any time prior to 1949.

[Examination of the identification record discloses that a copy was furnished by letter dated 6-4-48, to the Secretary of the International Police Commission, Paris, France] however, it could not be conclusively stated that this record is the one from which the magazine reproduction was prepared since the fingerprint jacket does not contain a complete history of dissemination. (We now maintain such a record, but did not prior to 1949.)

Legat, Rome, has contacted [redacted]

b7D

Enclosure *ent 2-3-59*

RCA:mhm
(3)

REG 91

20 MAR 3 1959

66 MAR 6

~~CONFIDENTIAL~~

Memorandum to MR. TROTTER
CHARLES "LUCKY" LUCIANO

~~(U)~~

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In addition to the foregoing, it is recommended that the attached letter be furnished Legat, Rome, with the observation set forth above.

RECOMMENDATION:

1. Approval of attached letter.
2. Legat recommends summary translation of magazine article. After approval of attached letter, magazine should be referred to Laboratory Translation Unit.

✓

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OK

~~(U)~~

~~SECRET~~ Legal Attache, Rome

February 18, 1959

Director, FBI (39-2141)

CHARLES DECIANO
ANTI-REPERCUSSION

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 11/9/82 BY SP8BJD/d
REGISTERED MAIL

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b7E

Attached is the translation which you requested by letter dated 1/22/59.

The contents thereof, where pertinent, must be reported under appropriate captions and afforded whatever investigative attention is necessary.

Disposition of the foreign language material submitted in this connection is set forth below:

Foreign language material is being retained in Bureau.

1 - Mr. Frohbose (sent direct)

Tolson _____
Belmont _____
Mohr _____
Nease _____
Parsons _____
Rosen _____
Tamm _____
Trotter _____
W.C. Sullivan _____
Tele. Room _____
Holloman _____
Gandy _____

ENCLOSURE

Enclosures - 2

1 - Foreign Liaison Unit ~~without~~ enclosure (route through for review)

MAIL ROOM ☒ TELETYPE UNIT ☐

52 MAR 5 1959

39-2141-
NOT RECORDED

20 MAR 3 1959

SUMMARY FROM ITALIAN

Summary of a serial article appearing in 3 issues of L'EUROPEO magazine (January 11, January 18 and January 25, 1959), entitled "The Secret Life of LUCKY LUCIANO."

SALVATORE CHARLES LUCANIA, alias LUCKY LUCIANO, landed in Italy on February 9, 1946. Soon, he will celebrate the 13th anniversary of his arrival. But LUCKY has no taste for celebrations. His life is a quiet one and his greatest desire is to forget and be forgotten. He is a tight-lipped individual who is in the habit of answering the most searching questions with a stony-faced silence. This inscrutable silence and the bitter arch of the drooping corners of his mouth seem to confirm the picture we have of him from America; that of a real "tough", who ruled over the world of vice with an iron hand.

Yet, who could blame him for feeling bitter? Since 1946 his life has been one of continuous harassment, persecution and provocation.

LUCKY LUCIANO admits to having been no saint. Countless articles, booklets and other stories have been written on his American past. Yet, he confirms or denies none. His true story is kept behind the stony look on his face and, if he will ever decide to tell it, the only thing we can be sure of is that it will cause an uproar on both sides of the Atlantic, but especially on the other side. Why was he convicted of encouraging prostitution and given a 30 to 50 year sentence when he claims that he never did anything of the kind and ~~adds that he always paid his women?~~ On this subject, he breaks his silence only long enough to hiss: "Stinkers" in the direction of some unknown persecutors.

The fact remains, though, that he never served his full sentence in jail. After 9¹/₂ years he was pardoned by the very same Governor DEWEY who had been instrumental in securing his conviction. This brings up the question of the validity of a conviction based for the most part on

SUMMARIZED BY:

February 16, 1959

:bh4

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/1/82 BY SP/ROD/DEL

31-2141
ENCLOSURE

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the testimony of a girl who claimed to have spent the night with LUCKY for the purpose of being initiated in the profession and who, when asked to describe the apartment in the Waldorf-Astoria Hotel of New York where the fact allegedly took place, gave the description of an apartment which had no resemblance to any of those in the hotel. But, be it as it may, why was LUCKY pardoned long before his time was up? Did it happen because DEWEY was promised, and delivered, the vote of LUCKY's faithful in his tottering campaign for the governorship of the state of New York? Or was LUCKY pardoned with a view to departing him to Italy so as to cut off all ties he could still have with the underworld from his American penitentiary cell?

"The True Truth" LUCKY says in his colorful mixture of Italian, Sicilian and New Yorkese "has never been told." Perhaps that is why so many tales of fancy are woven around his name.

On February 27, 1946, LUCKY landed in Naples. The police, after interrogating him, sent him to Palermo. Although Palermo is the capital of his native island, LUCKY was unhappy there and in July of the same year he asked and obtained a passport to emigrate to Argentina.

In October 1946 he climbed aboard a plane that took him to Havana, Cuba. His presence on an island less than a hundred miles away from the Florida coast, caused the U.S. authorities no end of worry. As a matter of fact their concern translated itself into an ultimatum to the Cuban police: "either you get rid of LUCKY or we shall halt all medical supplies of narcotics to the Cuban Republic." This kind of pressure did the trick. LUCKY, in spite of his desire to proceed for Venezuela, was escorted aboard the Turkish freighter "Bakir" and sent back to Genoa, Italy.

He landed there on April 12, 1947. The police put him in jail for 9 days, then sent him, under the escort of two fully armed Carabinieri, to Palermo, Sicily. He spent 9 more days in jail and, upon his release, moved on to Rome where he established himself in a fancy apartment. His friends included one RALPH LIQUORI, who was also a U.S. deported jailbird.

Although LUCKY had shown a definite preference for the company of young and good-looking women, his life began to be influenced by a former La Scala ballerina, IGKA LISSONI, who turned out to be one of the few people whom he ever trusted in his life. She died in October 1956. Upon her aduton, he toned down his gay life and sought refuge in anonymity and inconspicuousness.

However, LUCKY's worst enemy, the Federal Bureau of Narcotics, under the direction of HARRY J. ANSLINGER, was not satisfied that his days as the king of vice were over. From Italy, they believed, LUCKY was still manipulating the strings of international dope traffic. It was at this time that an anonymous letter was sent to the President of the Italian Republic accusing LUCKY of white slavery, forging of passports, opium and cocaine traffic, homicide, moonshining and burglary. Coincidentally enough, the American press started a big anti-LUCKY campaign and the Narcotics Bureau brought pressure to bear on the Italian authorities "to do something about him."

LUCKY was investigated, kept under constant surveillance but nothing was ever uncovered. The reports failed to satisfy Washington. However, before long an event occurred which set the cables between Rome and Washington throbbing with the excitement of anticipation.

* * * *

On June 25, 1949, an Italo-American by the name of VINCENT TRUPIA was stopped at the Ciampino Airport while enplaning for New York. He was coming from Germany and, after a thorough search, one of the pieces of baggage he was carrying was found to be provided with a false bottom containing 6.8 kilograms of cocaine. The stuff, worth about 15 million lire in Europe, would have brought 30 million lire on the American market. Who was waiting for TRUPIA in New York? The FBI was immediately advised, but word had already reached New York of TRUPIA's mishap and no "pinch" was possible.

In the eyes of the American Bureau of Narcotics only one man was able to mastermind such an important

operation and cover his tracks so thoroughly: LUCKY LUCIANO. Warrants were secured from the Courts and LUCKY was tossed in jail while his apartment was undergoing the kind of search which only a single-minded, American-pressurized, fed-up-with-the-whole-business Roman police can perform. The search, as well as LUCKY's and his friends' interrogations, yielded no results. LUCKY spent nine days in jail and when a small fire, started by an electric short circuit, broke out in the jailhouse, the Americans gleated at such a demonstration of underworld solidarity which should have proved to the Italians LUCKY's control of the hoodlums who were believed to have planned this sort of jail break. The courts did not think so and LUCKY was released. He later complained that those nine days in the Roman jail were worse than the nine years in Sing-Sing.

The Rome police decided to get rid of the headaches which LUCKY's presence on the one hand and the American pressures on the other caused them. They put LUCKY out of town and ordered him to stay out. He was again taken to Palermo, a city which did not like. Finally, he obtained permission to settle in Naples.

With the exception of the constant and nightmarish precautions which had become his lot since the first would-be hoodlum had approached him with a proposition, LUCKY's life was uneventful till 1961. This was the year CHARLES SIRAGUSA landed in Naples. He was the Federal Bureau of Narcotics special envoy with powers to investigate the whole of Europe to bring a halt to the increasing flow of narcotics illegally entering the United States via European centers. Mr. SIRAGUSA focused his attention on LUCKY. His reports reveal that he firmly believed, and, perhaps, still does, LUCKY to be the mastermind behind every single shipment of narcotics and that one JOE PICI was his lieutenant. This belief was confirmed by an informer's story who allegedly was working for both LUCKY and PICI.

Through this informer SIRAGUSA learned that PICI had managed to make several deliveries in America and had been the supplier in the famous FRANK CALLACE case (uncle and nephew arrested with 3 kilograms of cocaine).

However no direct connection was ever proved with LUCKY LUCIANO, who continued to lead a quiet life highlighted by his friendship with a countess who turned out to be a cigarette smuggler with narcotic ambitions and a rich Englishman provided with a yacht and a taste for international intrigue who volunteered his yacht's services for the same purpose. LUCKY dropped both like hot potatoes upon learning the real purpose behind their overtures. However another bombshell was soon to be dropped on LUCKY LUCIANO's lap. This was the now famous disappearance of Mayor LORENZO RAGO.

* * * *

LORENZO RAGO, Mayor of Battipaglia, disappeared on the evening of January 20, 1958. He was a rich and ambitious man. He owned a cannery, huge tracts of land, three automobiles, etc. His income was estimated at 20 million lire per annum. He was proud of his mayoralty and to hold on to his office he had swung from right to left and from left to right. However, Mayor RAGO was leading a double life. Officially he was a mayor, an industrial tycoon and a sportsman; secretly, he was the man who financed cigarette smuggling and, perhaps, something else. He spent January 20, 1958 in a quiet manner. After being seen with a girl whom he "protected" in the neighboring town of Salerno, he was known to have driven off in his station wagon headed for his country villa.

At 11:30 p.m. of the same day, his car was seen in the vicinity of his cannery factory, the door open and the lights ablaze. No one touched it until the morrow and when they went to see what was wrong, the only thing they found was Mayor RAGO's overcoat. Nothing else. No blood, no signs of struggle.

That was the end of the mayor.

The disappearance became a national affair. Rome sent ETTORE MESSANA, a high-ranking police officer, to Battipaglia, who, in the hope of finding the corpse of the missing person, ordered the dredging of the beds of the Sele River and Tusciano River as well as of two hundred irrigation canals.

The investigation dragged on for months and months. For all their efforts, the story the experienced policemen under Chief Inspector MESSANA were able to piece together did not amount to much. Mayor RAGO was in the habit of financing smugglers' operations. In other words, he would advance the money to buy the cigarettes in return for a good share in the "profits." One night, a delivery "went sour." The smugglers had been surprised by the Coast Guard and forced, in order to avoid being caught red-handed, to jettison the cargo. That meant 20 million lire of Mayor RAGO's money going overboard. Apparently, the mayor had asked for his money back, threatening that he would report the smugglers. Unable to pay him back, the smugglers had sent him down, to the bottom of the sea to join the cigarettes ~~float~~ with his money.

The sullen silence of the population of the region certainly did not help the police in their investigation. Neither did the inquiries conducted on the other side of the Mediterranean, in the port of Tangiers, notoriously the smugglers' supply center.

Naturally, since the case involved smuggling, many were those who began to associate the name of Mayor RAGO with the name of LUCKY LUCIANO. The latter's movements for the last few months were checked and rechecked, however, at least where the RAGO case was concerned, LUCKY was clean. The Italian investigators were satisfied. Not so the men of the Federal Bureau of Narcotics who held on to their traditional position: "smuggling? LUCKY LUCIANO!"

* * * *

At this time, in Naples, at the head of the Italian regional police, we find Dr. FLORITA, whose advent marked a rather unpleasant period for LUCKY LUCIANO. Upon assuming his office in early 1954, one of the first steps Dr. FLORITA took was to ask Rome for permission to expel LUCKY LUCIANO from Naples and confine him in his native village of Lercaro Friddi, Province of Palermo, Sicily. However, Rome turned down his request and the chief of the Naples police decided to throw his weight in favor of another measure to harass the celebrated victim of U. S. deportation. He engineered the legal procedure which

ended with an admonition to LUCKY LUCIANO. An admonition is an injunction by a Provincial Commission with special powers in the field of public order and safety. It is meant to restrict the civil liberties of a questionable individual. In this case, LUCKY LUCIANO was deprived of his driver's license and passport. He also was enjoined to observe an 8:00 p.m. curfew every night and his home became fair grounds for police raids any time of the day or night. LUCIANO and his lawyers tried to appeal this admonition with the Ministry of Interior, but the appeal was denied on the grounds that he, upon his return to Italy, had started to frequent fancy establishments, race tracks, loud parties, etc., with a view to resuming his contacts with underworld characters and asserting his leadership in criminal activities especially connected with the illegal traffic of narcotics.

The reason why the Italian authorities cracked down on LUCKY LUCIANO bore the name of CHARLES SIRAGUSA. In his capacity as the special investigator of the American Bureau of Narcotics in Europe, CHARLES SIRAGUSA brought pressure to bear on the Italian Ministry to have his appeal denied. As a matter of fact CHARLES SIRAGUSA, in his desperate attempts at feathering his cap by "plucking" LUCKY LUCIANO's hide, tried his best to involve him in the disappearance of Mayor RAGO.

This is the way it went. In 1952, the FBI in America arrested FRANCESCO SCIBILIA, a native of Spilinga, Catanzaro, Italy, who had emigrated to the U.S.A. He had been caught peddling dope and forging the signature on a money order. After serving his term, SCIBILIA was deported. As soon as he set foot on Italian soil, he wasted no time and went straight to CHARLES SIRAGUSA to offer his services. He was "accepted" and put on the payroll as an agent-informer charged with keeping an eye on the traffic of narcotics. Whether he proved his worth or not we don't know, but the fact remains that a few months later he presented himself to the Italian Internal Revenue Bureau with a letter of introduction by CHARLES SIRAGUSA to the effect that he could make himself very useful in proving that LUCKY LUCIANO was responsible for the disappearance of Mayor RAGO. To back up this claim, FRANCESCO SCIBILIA exhibited what purported to be an important piece of evidence: a business card reading "ANTONIO RAGO - Salerno, Via Indipendenza 58 - Battipaglia, Via IV Novembre".

On the back of the card was the signature of one VINCENZO POTOLICCHIO and under the signature a notation could be seen reading: "48,000 lire." Along with this flimsy bit of evidence went a story which the Italian authorities had either to prove or satisfy themselves that there was nothing to it. This was the story:

LORENZO RAGO, the Mayor of Battipaglia, had been kidnapped and "put away" under LUCKY LUCIANO's orders. This had come about because LUCKY LUCIANO had given the mayor 150 million lire to finance his smuggling operations. The mayor had pocketed 100 million lire and LUCKY was sore. To make him come through with the money he had ordered that the mayor be "detained" in Tangiers where he had been taken to in the hull of a sail and motor boat, the Sant' Anna, operating out of the port of Trapani. SCIBILIA had got wind of the story through VINCENZO POTOLICCHIO, who had been a party to the mayor's kidnapping and was acting as go-between to keep the mayor in touch with his family. Hence the business card with Mr. ANTONIO RAGO's name (the mayor's brother) and Mr. POTOLICCHIO's signature.

In a manner of speaking the Italian authorities "bought" the story. Special investigators were sent to Tangiers and Trapani. Others were sent to Battipaglia to "intercept" any messages the mayor might send to his family.

Months and months of painstaking work went by, with CHARLES SIRAGUSA constantly breathing down the neck of the Italian authorities and fretting over the outcome. The results were absolutely negative. Not only did they fail to come up with a single shred of evidence, but the investigation blew the SCIBILIA story to smithereens. In the first place, the Sant' Anna boat was found to be too small and too rickety to have the seaworthiness necessary for a trip across the Mediterranean. In the second place, the business card which allegedly proved the story had a much more precise explanation. ANTONIO RAGO had given it to SCIBILIA one day when he had casually met him on a train headed for Calabria. SCIBILIA had boasted that he was in the export-import business and knew how to place Italian canned goods on the American market. Why not try to pave the way for future business dealings by exchanging business cards? So Mr. RAGO had given him his card. Similarly, the written notations had their logical unromantic explanation. VINCENZO POTOLICCHIO was a man who had given

SCIBILIA certain watches to sell. The watches were worth exactly 48,000 lire. When asked, POTOLICCHIO recalled that SCIBILIA had jotted down his name and the amount on the first piece of paper he had produced from his pockets.

A few months later SCIBILIA was indicted for libel. The trial is in the works and will be held shortly. Plaintiffs will be VINCENZO POTOLICCHIO and SALVATORE CHARLES LUCANIA alias LUCKY LUCIANO. The latter will be only too glad to be a party to bringing about the conviction of one of CHARLES SIRAGUSA's men.

* * * *

LUCKY LUCIANO has certainly had a lot of tough luck since he was repatriated. Several business ventures he tried his luck with turned out to be heavy money-losers. One of the latest was the electric appliance store he opened in Naples "to make his life more open and easy to check." His office was a glass cage and he would personally wait on the customers. This exposed him to a constant flow of propositions, threats and acts of provocations. Questionable characters, some of them with heavy Italo-American accents, would drop in with all kinds of schemes and would not leave the premises unless thrown out bodily.

When that business folded up, LUCKY devoted his attention to a hospital furniture and equipment factory in which he still has an interest, apparently with a certain measure of success.

The "admonition" status under which he had been placed has been repealed as of June 14, 1958. This is not due to any special consideration for him, but it is simply the result of a Constitutional Court ruling which called police measures of this nature unconstitutional. He still is deprived of his driver's license and cannot visit Rome without obtaining a special permission by the police of the capital.

On January 29, 1957, a new "get-tough-on-LUCKY" policy was adopted. Again he was "cautioned" because of his notoriety in the press of all countries ranking him among the top figures of the international criminal world.

More specifically he was accused of "no visible means of support," "obscure contacts with US-deported criminals suspected of narcotic and other illicit traffic" and "a relationship between ANASTASIA's murder in America and his unjustified trips in Italy, to Pescara, Santa Marinella and Montecatini.

The last item is the most fantastic one. How could LUCKY have anything to do with ANASTASIA's murder when he was thousands of miles and several years away from his American past? Yet the accusation was made claiming that he had left his home in Naples to avoid being questioned by the police and newspapermen when the murder would be committed. In addition, when he was in Montecatini had he not made 15 mysterious long-distance telephone calls?

So, the police once again went to the Court (the Naples Tribunal) to request special authority to place LUCKY under strict surveillance. The judge, a stiff but impartial magistrate, listened to the charges and ordered a thorough investigation. Again, the police failed to come up with evidence that would stand in court. The judge found that the money he had brought from America, as wisely invested in perfectly legal land deals and in the hospital equipment business, fully explained his standard of living.

As to his contacts with underworld figures, LUCKY denied them and the Court found no link between them and his northern trip which was taken for legitimate business and health reasons. Finally, as regards the mysterious telephone calls a check of the records with the telephone company proved that he had called his partner in Naples, his lawyer in Naples and IGEA LISSONI his lady companion who was very much of a guardian angel to him.

With this court decision, LUCKY's luck seemed to take a turn for the better. After eight years of sleek and dagger activities CHARLES SIRAGUSA left Italy. He may have had some success in his fight against the traffic of narcotics, but we are sure that many is the time that he bought carefully wrapped packages of sugar or bicarbonate of soda hoping that this was the trail that led to LUCKY's downfall.

In the eyes of the Italian law LUCKY is an honest citizen. His FBI record is long and thick with notations, but after each one of them we read "fine paid" and "discharged" or "released."

THOMAS DENEY succeeded in obtaining that he be sentenced to "thirty to fifty years in jail." Should LUCKY have been tried in Italy for the same crimes he would not have drawn more than 3 to 6 years.

He wants to live like any other Italian; with the same duties and, also, with the same privileges.

Why don't the Italian authorities just let him do so? Should they continue in their harassment and "let's-get-LUCKY" campaign, they might succeed in surrounding his head with a halo of martyrdom which would certainly provide a strident contrast with his dark and stormy past.

s/ RENZO TRIONFERA



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

Mr. T. W. Sullivan
Tele. Room
Mr. Holloman
Miss Gandy

Date: March 4, 1959
To: Director, FBI (39-2141)
From: Legat, Rome
Subject: CHARLES LUCIANO was
ANTI RACKETEERING

b3
b7E

Re Rome letter dated February 9, 1959, and
Bulet dated February 18, 1959, forwarding translations of
articles which appeared in Rome weekly magazine "l'Europeo"
concerning LUCKY LUCIANO.

A review of the translations does not indi-
cate that any further action is warranted. The material set
forth is accurate in part but does not constitute any further
leads for development concerning the subject or concerning
criminal activities in the USA. For the most part the indi-
viduals referred to in the articles are subjects of investi-
gations by the U. S. Bureau of Narcotics.

b7D
b7E

AAC:oc
(4)



REC-30

EX-135

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8 BTJ/dd

60 MAR 23 1959

They reason that if LUCIANO were risking his liberty by engaging in illegal activities, evidence of it would be reflected in his style and mode of living and by the identity and nature of his contacts and activities.

b7D

DIRECTOR, FBI (Attn: Crime Records
Section)

5/13/59

SAC, NEW YORK (94-1227)

"PROFILES IN CRIME"
NEW RADIO SERIES
WMCA, NEW YORK, N.Y.
RESEARCH (CRIME RECORDS)

Enclosed are two copies of a brief summary
of information contained in the above captioned radio
program, presented on March 23 and March 30, 1959, which
were considered Parts II and III on LUCKY LUCIANO.

- 2 - Bureau (Encls 2)
1 - New York (62-8703) (Attachments 2)
1 - New York (94-1227) (Attachments 2)

TIB:feb
(4)

MCT - 3

REC-27

39-2141-196X

NOT RECORDED
183 MAY 21 1959

ORIGINAL COPY FILED IN 62-8703-111

PROFILES IN CRIME

WMCA Radio Series

The following is a summary of Part II and III of the broadcast entitled LUCKY LUCIANO presented on March 23 and March 30, 1959:

The broadcast of March 23, 1959, commenced with a review of the criminal record of LUCIANO. It was stated that the Federal Bureau of Narcotics believed that he was the guiding genius behind the expansion of the international dope traffic. The narrator again set forth the facts concerning the sentencing of LUCIANO in 1936 to 30 to 50 years in the State Penitentiary. The narrator went into more detail concerning the alliance between LUCIANO and the Naval Intelligence in 1942.

BARD LINDEMAN, a reporter for the New York World Telegram, gave his version concerning the help LUCIANO furnished in mobilizing his underworld friends for counter-espionage and security work in the Port of New York.

Naval Intelligence and the New York District Attorney through appropriate influence managed to have LUCIANO moved from Dannemora Prison to Great Meadows where he was visited by MEYER LANSKY and other top echelon figures in the underworld. It was believed that a Lieutenant Commander named CHARLES HAPHIDEN (ph) was the instigating force behind this arrangement. Later, on the basis of a letter written by Commander HAPHIDEN, LUCIANO's lawyers petitioned Judge MC COOK to commute LUCIANO's sentence in February, 1943. The judge refused but pointed out that LUCIANO might request executive clemency at some future date. They waited until V-E Day and executive clemency was requested of Governor DEWEY at which time the Parole Board investigated and recommended that his sentence be commuted on condition of immediate deportation.

b7D

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HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8 BMD/d

39-2141-196X

~~92-4094-1~~

ENCLOSURE

Later it was claimed by magazine writer MIKE STERN that the underworld had raised a big sum of money to influence the efforts to release LUCIANO. STERN was of the opinion that Commander HAPHIDEN was in no position to evaluate the contribution of LUCIANO to the war effort since a few months after hoodlums started meeting with LUCIANO at Great Meadows the Commander was transferred away from New York. STERN stated that HAPHIDEN was a political nobody who later ended up as the Commissioner of Marine and Aviation in the BILL O'DWYER administration. LUCIANO was released early in 1946 at which time he paid the Federal Government four thousand dollars in back taxes. He was escorted to Ellis Island where he was met by FRANK COSTELLO. On February 9, 1946, he was moved to the Liberty ship "Laura Keane", moored at Pier 7 in Brooklyn.

LUCIANO was escorted aboard this ship, however, a solid picket line of about a hundred stevedores were lined up as an honor guard for him which prevented the press and cameramen from obtaining any close information concerning his departure. Among the internationally notorious mobsters who saw LUCIANO off were FRANK COSTELLO, MEYER LANSKY and MIKE LASCARRI, who later joined New Jersey's powerful LONGIE ZWILLMAN in a vending machine operation. There was also a half a dozen politicians including an ex-judge. One person was of the opinion that LUCIANO carried a bundle in cash which estimated between 100 and 300 thousand dollars. LUCIANO returned to the town of his birthplace but later took up at a suite in a fashionable hotel in Rome. Approximately one year later it was reported that LUCIANO was no longer in Rome but had been travelling in Havana, Cuba on a legal Italian passport. United States authorities looked into the case immediately and United States Narcotics Commission HARRY ANSLINGER put the pressure on Cuba to have them deport LUCIANO from that country.

Treasury Agents found LUCIANO in Cuba and the Cuban Government reluctantly yielded to pressure from Washington and LUCIANO was shipped back to Italy at which time he was placed in jail as soon as he got off the boat in Genoa. He was charged with illegal exit from Italy, but he was again released and ordered to return to Sicily, however, he shortly returned to Rome where he obtained a fashionable twenty-one thousand dollar apartment.

He was then later kicked out of Rome by the Italian Police and he moved to Naples where he bought a ten family apartment house for \$150,000. He lived in the six room penthouse with his blond paramour. Certain restrictions were placed on his activities by the local authorities which curtailed his night life to a great extent.

It is believed that he is currently in the rackets and he receives approximately \$25,000 a year from Italian operations alone. It was stated that United States Narcotics Commissioner ANSLINGER has repeatedly informed Congress and the public that LUCIANO is one of the top men in the Italian-American syndicate that buys opium in Turkey and refines it in Italy and sells it in the United States. It was claimed that the notorious East 107th Street gang in New York played a key part in this illegal distribution of narcotics.

It was believed that associates of LUCIANO diverted five hundred kilos of heroin from the supposedly reputable Italian drug manufacturer in Milan. They described LUCIANO as setting up the deals and financing the operation and backing key personnel, but he never comes close to dope himself since he is constantly being watched by United States and Italian authorities.

Part III of the broadcast went into more detail concerning the commutation of LUCIANO's sentence and his subsequent deportation. Efforts were made to evaluate what assistance, if any, he furnished military authorities which aided the war effort. However, it was of the general opinion that little or no contribution was actually made by LUCIANO.

Interviews were conducted with JAMES O'MALLEY who was a Lieutenant in the Naval Intelligence in 1942 and MURRAY GURFINE who was an Assistant District Attorney during this pertinent period.

GURFINE supplied some first hand information concerning the arrangements made for meetings between [] and COSTELLO, also MOSES POLYCOFF (ph) who had been one of LUCIANO's lawyers was interviewed, however, he was of the opinion that LUCIANO's aid did result in some benefit.

b7D

An unnamed official did state that as a result of the activities of LUCIANO and his intermediaries a network of contacts and informants were made available to Naval Intelligence. They performed such services as obtaining information about reporting suspicious activities on the waterfront, acting as lookouts for espionage and sabotage, and obtaining union books and union cards so that Naval Intelligence agents might utilize them in undercover operations. It was also claimed that considerable information was furnished on Sicily and Sicilian natives who could be trusted, which were claimed to have materially benefited the later invasions of Sicily.

The Navy Department in Washington furnished an official answer in a statement released by Lieutenant Commander HUNT to the effect that in the Spring of 1942, Naval Intelligence was utilizing all available sources of information and LUCIANO was contacted to exploit his influence on possible criminal sources of information. Through such means a limited amount of useful information was obtained. The record indicated that this was the extent of the Navy's involvement with LUCIANO.

The program was concluded with the following comments by the narrator:

He believed that Commander HAPHIDEN exaggerated LUCIANO's help for human, not for dishonest reasons and that the Navy tried to protect its own by dropping a curtain of secrecy. He believed the New York State Parole Board recommended commutation because of the long standing state policy in regard to alien criminals and because it was informed by the Navy that ONI had sought LUCIANO's cooperation and he had cooperated. He believed nothing was irregular in the action which Governor DEWEY took in following the unanimous recommendations of the Parole Board to commute the sentence of LUCIANO enabling him to be deported from the United States.



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
The American Embassy
Rome, Italy

Date: May 21, 1959
To: Director, FBI (39-2141)
From: Legat, Rome [redacted] b3
Subject: CHARLES LUCIANO, was. b7E
ANTI-RACKETEERING

Information set forth below was furnished
by [redacted]
[redacted], Rome, Italy, on 5/14/59:

"SALVATORE LUCANIA, aka LUCKY LUCIANO, deported U. S. hoodlum who presently resides in Naples, Italy, traveled to Palermo, Sicily, on 3/11/59. He proceeded to Palermo from Palmi, Reggio Calabria, Italy, where he had appeared as a witness in a court trial held on 3/11/59 by the Municipal Court of Palmi, against [redacted] LUCIANO departed Palermo on 3/15/59 via air for Naples, Italy. He returned to Palermo on 4/30/59 and departed Palermo again for Naples by air on 5/2/59.

"On the occasion of both visits to Palermo, LUCIANO contacted distant relatives and friends in Palermo and on several occasions made trips to the community of Lercara Friddi, Sicily, where he was born."

With reference to the court trial mentioned above, the 3/14/59 issue of "LA GAZZETTA DEL MEZZOGIORNO", published daily in Bari, Italy, carried a story on LUCKY LUCIANO's testimony in court at Palmi, which is set forth below:

"LUCKY LUCIANO TESTIFIES IN COURT AT PALMI -
An Italo-American Sentenced in Contempt of Court
had Accused him of Engaging in Narcotics Traffic."

"Lucky Luciano, aka Salvatore Lucania, appeared before the penal court of Palmi as a complainant and witness in the trial against [redacted]

[redacted] who not being present was held in contempt of court and sentenced to two years, six months' imprisonment.

AAC:mpd (4)

62 JUN 3 1959 6148

REC-27 197
MAY 26 1959
CHIEF OF BUREAU

[redacted]
[redacted] LUCKY LUCIANO was engaged in
smuggling narcotics between Austria and Italy. The
contraband operations, [redacted]
[redacted] were financed by [redacted]
[redacted]

[redacted] Investigations conducted by the police,
however, ascertained the falsity of the accusation
and for this reason [redacted] was denounced by the
Attorney General of [redacted].

The above is furnished as of possible
interest to the Bureau. RUC.

b6
b7C
b7D

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: 1-7-60

FROM : SAC, WFO

SUBJECT:

CHARLES (LUCKY) LUCIANO
TOP HOODLUM - ARALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/9/82 BY SP8 BTJ/ld[REDACTED]
POSSIBLE VIOLATION - NARCOTICS ACT

Enclosed herewith for the Bureau are five copies of a letterhead memo captioned [REDACTED] and five copies of a letterhead memo captioned CHARLES (LUCKY) LUCIANO.

Enclosed for the BA, CG, NK, PH, and NY Offices are one copy each of the above letterhead memoranda.

[REDACTED] was interviewed by SAs [REDACTED] and F. B. GRIFFITH, JR. concerning his possible assistance to this office in a security matter investigation.

During this interview, [REDACTED] who is the source reflected in the enclosed letterhead memo, advised that he had learned of information of possible interest to the FBI. He stated that although the contents of this information may sound "fantastic" it was told to him in a serious manner as the truth under the conditions set out as follows:

[REDACTED] was at the home of [REDACTED]

ENCLOSURE
④-Bureau (Encls. 10)
2-Baltimore (Encls. 2)
2-Chicago (Encls. 2)
2-Newark (Encls. 2)
2-Philadelphia (Encls. 2)
2-New York (Encls. 2)
2-WFO (92-78) (TOP HOODLUM PROGRAM)
(1-12-0) (NARCOTICS)

FBG:AJC
(16)

210
JAN 25 1960

39-2141-197X
MCT-5
REC-33

JAN 8 1960

rec each sent to
Newark & WFO
1/20/60

SEE [REDACTED]
C. [REDACTED]



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Washington 25, D.C.

January 7, 1960

CHARLES (LUCKY) LUCIANO

On January 6, 1960, a source, [redacted] in a position to furnish reliable information, advised that the following information concerning Luciano had come to source's attention through a third party.

b6
b7C
b7D

According to source, [redacted] this night-club was alleged to have been "taken over" for one night by Charles (Lucky) Luciano, who was allegedly smuggled into the United States. Source was told that Luciano allegedly held a meeting of "hoodlums", the purpose of which was not known. Source was told that [redacted]

Source was unable to furnish any additional information concerning the alleged smuggling of Luciano into the United States.

This document contains neither
recommendations nor conclusions of
the FBI. It is the property of
the FBI and is loaned to your agency;
it and its contents are not to be
distributed outside your agency.

RECEIVED
DATE 11/9/82 BY SP8 BJB/d

39-2141-197X

92
ENCLOSURE



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
The American Embassy
Rome, Italy

Date: June 21, 1960
To: Director, FBI (39-2141)
From: Legat, Rome
Subject: CHARLES LUCIANO, was
ANTI-RACKETEERING

b3

b7E

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/19/82 BY SP-6/BJD

Information set forth below was furnished by

b7D

Rome,

Italy, on May 31, 1960:

"Salvatore Lucania, also known as Lucky Luciano, deported U. S. hoodlum who presently resides in Naples, Italy, has been frequently visited by one Patoj C. Pasquale Eboli. Eboli is a U. S. citizen born April 10, 1924 (place of birth not known). He generally resides in the State of Massachusetts or New Jersey.

"Eboli arrived in Naples, Italy, during the latter part of March, 1960, or early April, 1960. He returned to the United States by air from Ciampino Airport, Rome, Italy, on April 25, 1960.

"During Eboli's stay in Naples he visited a number of relatives in the community of Scisciano and also frequently visited the home of Lucky Luciano at Parco Comolo Ricci #6 in Naples, Italy.

"Eboli possessed international license number 77580 during his stay in the Naples area and he was using a FIAT 1100 series automobile, Italian license number NA 147965, which he rented from an auto garage located at Via Partenope No. 25 known as Artianese.

"During the course of investigation, a legally authorized search was made of Luciano's premises and no evidence was located that Luciano and Eboli were engaged in any criminal activity."

Rome indices negative on Patoj C. Pasquale Eboli.

The above is furnished as of possible interest to the

Bureau.

RUC

64MCI:RAA
11.1960

REC-21 39-2141-198

10 JUN 24 1960

CRIM INTEL

7/10/62
DECODED COPY

☐ **Airgram**

☒ **Cablegram**

b6
b7C

Vit
 Tolson _____
 Belmont _____
 Mohr _____
 Callahan _____
 Conrad _____
 DeLoach _____
 Evans _____
 Malone _____
 Rosen _____
 Sullivan _____
 Tavel _____
 Trotter _____
 Tele. Room _____
 Ingram _____

URGENT 1-26-62

TO DIRECTOR

FROM LEGAT, ROME NO. 513

CHARLES "LUCKY" LUCIANO, FOREIGN MISCELLANEOUS. LUCIANO DIED OF HEART ATTACK 7 PM AT NAPLES AIRPORT. WAS MEETING MARTIN GOSCH, HOLLYWOOD PRODUCER WHO IS DOING STORY ON LIFE OF LUCIANO.

ARMAND A. CAMMAROTA

RECEIVED:

5:27 PM

MJC

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 11/10/88 BY SP8 BTJ/DO

REC-33

39-2141-202

16 JAN 31 1962

EX 110

MR. BELMONT FOR THE DIRECTOR

68 FEB 5 1962

7551 3 TO LINES

LPI
 RECD - TELETYPE

2-Orig. & 1

1-Yellow

1-Liaison

1

(Div. 9)

b6
b7c

Legal Attache, Rome

1-31-62

Director, FBI

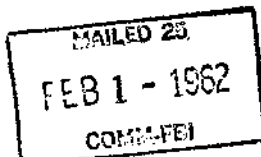
CHARLES "LUCKY" LUCIANO
INFORMATION CONCERNING
(LIAISON)

The 1-30-62 edition of the New York "Daily News" contained an article datelined Naples, Italy, 1-29-62, captioned "Luciano's Violent Life Spills Over Into Rites." The article describes the riotous scene at Luciano's funeral services in Naples and how several photographers were beaten as they attempted to obtain photographs of Luciano's fiancée, Adriana Risso, and his brother, Bartolo.

The article also contained the following statement, which is quoted verbatim: "America's FBI, Italy's secret police and Interpol, the international police organization, had men taking pictures of everybody at the funeral—for future police reference."

Furnish the Bureau promptly with your comments and any facts upon which this allegation is based.

1-Foreign Liaison Unit (detached)



Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Ingram _____
Gandy _____

TJB:oft
(6)

ENCLOSURE

MAIL ROOM ☒ TELETYPE UNIT ☐

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTW/ld

FBI - INDICE
REC'D - OFFICE
FEB 30 1 20 PM '62
FEB 21 4 39 PM '62
FEB 21 4 39 PM '62
REC-96

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele Room _____
Ingram _____
Gandy _____

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8 BTJ/dcl

2

DAILY NEWS, TUESDAY, JANUARY 30, 1962

Luciano's Violent Life Spills Over Into Rites



By REYNOLDS PACKARD

Naples, Jan. 29 (Special).—Lucky Luciano was given a riotous, irreverent sendoff today. His sobbing last sweetheart kissed his coffin farewell during funeral services at the parish church here while deported Italian-American hoodlums snarled threats at photographers.

One cameraman was beaten up outside.

Police said later that notorious gambler and racketeer Joe Adonis and three Fischetti brothers—Armando, Salvatores and Vincenzo—were at the Requiem Mass.

Adonis, booted from the U. S. in 1954 and now a resident of Rome, arrived just before the funeral ended. He had a tire blowout en route, the cops said.

Would Bring Body Here

The body of Luciano, 65, former rackets and vice czar in New York, was placed temporarily in the chapel of the English Cemetery on the outskirts of Naples pending final permission to take the body to America for burial in the family vault in St. John's Cemetery, Middle Village, Queens.

Luciano dropped dead Friday evening at Naples airport. He had been living in exile here since 1946, following his deportation after a 10-year stretch on white slavery charges.

U. S. America's FBI, Italy's secret police and Interpol, the international police organization, had men taking

pictures of everybody at the funeral for future police reference.

But it was the news and movie photographers who were in the middle of the brawling.

May Have Been Fiancee

A lensman was punched, knocked down and kicked outside the church and his camera was smashed by Luciano henchmen. He had been trying to take pictures of buxom, black-haired Adriana Rizzo, 24, who was identified yesterday as the racketeer's last love and possible fiancée.

Two of Adriana's girl friends kicked and slapped the photographer as he lay on the ground.

Other cameramen swarmed irreverently over the altar in the small, gray-green parish church of Santissima Trinita (Most Holy Trinity), snapping face-on shots of the mourning hoods.

Taking turns, movie photographers even climbed up a statue to photograph the mourners, especially Adriana, who sobbed dramatically into a white silk handkerchief beneath her long black veil throughout the one-hour service.

Another a Target for Photos

Luciano's older brother, white-haired Bartolo Lucania, 70, was the second favorite target. (Luciano's real name was Salvatore Lucania).

At one point, before the service began, Bartolo clutched his hat before his face and shouted "No!"

(Continued on page 32, col. 2)

Luciano Rites Are Violent

(Continued from page 2)

when a friend of his dead brother wound up to slug a photographer.

The hoods shook their fists and snarled back in protest as the photographers snapped their pictures.

Bartolo was staying at the same apartment while here. He lives in New York.

Violets From Adriana

Floral offerings around Luciano's coffin here such as

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
JAN 26 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Mr. Ingram
Miss Gandy

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTJ/ed

URGENT 1-26-62 3-48 PM JLW

TO DIRECTOR 13 AND SACS BUFFALO CHICAGO DETROIT LOS ANGELES MIAMI
NEWARK PHILADELPHIA AND PHOENIX
FROM SAC NEW YORK 62-8726 1P
CHARLES LUCIANA AKA LUCKY LUCIANO, INFO CONCERNING. NY SOURCES
ADVISED JANUARY TWENTYSIX INSTANT CAPTIONED SUBJECT DIED HEART
ATTACK IN ITALY. NEWSREPORT DATED NOON THIS DATE AT NAPLES,
ITALY, INDICATES STORY CONFIRMED. OFFICES RECEIVING COMMUNICATION
REMAIN ALERT FOR INFO FROM HIGHLY CONFIDENTIAL SOURCES RE INFLUENCE
OR RAMIFICATIONS THIS DEATH WILL HAVE IN CRIMINAL ELEMENT.

END
NY R 13 WA MSL

101-X3

REC-33

39-2141-204
FEB 1 1962

b6
b7c

Free
DECODED COPY

☐ **Airgram**

☒ **Cablegram**

Tolson ✓
Belmont ✓
Mohr ✓
Callahan ✓
Conrad ✓
DeLoach ✓
Evans ✓
Malone ✓
Rosen ✓
Sullivan ✓
Tavel ✓
Trotter ✓
Tele. Room ✓
Ingram ✓
Gandy ✓

C URGENT 1-31-62

TO DIRECTOR

FROM LEGAT ROME NO. 514

CHARLES "LUCKY" LUCIANO. FOREIGN MISCELLANEOUS. RE ROME
CABLE JANUARY 26 LAST. NUMEROUS PRESS RELEASES IN ITALY
CONCERNING LUCIANO'S DEATH AND FUNERAL CONTAIN STATEMENTS
INDICATING LUCIANO INVOLVED IN NARCOTICS OPERATIONS.

[REDACTED] U.S. NARCOTICS BUREAU
CONDUCTED SURVEILLANCES AT LUCIANO'S FUNERAL TO OBSERVE AND
IDENTIFY THOSE ATTENDING. SAMPLING OF PRESS RELEASES AND
REPORT TO BUREAU FOLLOWS BY LETTER.

ARMAND A. CAMMAROTA

RECEIVED: 11:57 AM MEL

B
**ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 4/10/82 BY sp8 btd**

REC-46

MR. BELMONT FOR THE DIRECTOR

EX-107

17 FEB 6 1962

cc 266
63 FEB 14 1962

Clipping from "IL PAESE" - Rome - 1/27/62

IN EARLY ADULTHOOD LUCKY LUCIANO WAS ALREADY A
LEGENDARY PERSON

He Saved the Life of a Magistrate Who later Caused
His Arrest and Sentence to 60 Years Imprisonment.

The article deals with a life history of
Lucky Luciano and relates in detail to the incident
where DUTCH Schulz is alleged to have plotted the
assassination of Thomas E. Dewey, then District
Attorney of New York and how Dewey's life was saved
because Luciano forbade the execution. Story
describes in some detail his life in Italy. It
also has subtitles captioned "The Navy Intelligence
Request Help from Lucky"; "The Five Men of Iron",
which identifies underworld associates of Lucky
Luciano. The article also shows several photographs
of Lucky Luciano shortly after his deportation to
Italy.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTJ/ed

39-2141-206
ENCLOSURE

Clipping from "LO SPECCHIO" - Weekly Magazine
published in Rome, Italy - Issue of 2/4/62

THE SECRET OF LUCKY

The Life of Lucky Luciano in Italy Related by Him
a Few Days Before his Death.

The article relates the story of Luciano's
life in Italy and deportation to the U.S. The
article, has in numerous other Italian releases,
refers to "The Narcotics Bureau of the FBI."

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ENCLOSURE

DI LUCIANO



« Lucky » Luciano a terra subito dopo essere stato colpito da infarto, all'ingresso dell'aeroporto di Capodichino. L'ex gangster si era recato all'aeroporto per incontrarsi con un produttore americano deciso a realizzare un film sulla sua vita.

Forse stava per cadere finalmente nella rete

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rinchiuso per nove giorni nel carcere di Marassi, di lì fu trasferito, con la scorta di due carabinieri, a Palermo; dove restò per qualche tempo ospite del carcere dell'Ucciardone.

Ancora una volta Luciano andò innanzi alla Commissione per il confino, ma le conclusioni non furono diverse dalle precedenti. Restituito alla libertà, andò a vivere a Roma, in un albergo di via Nazionale che fu meta d'interessanti pellegrinaggi di molti ex deportati, come Ralph Liguori, che aveva solo bisogno di qualche dollaro per vivere.

Una denuncia anonima

La Polizia americana fu di nuovo in allarme: i giornali scrissero che in Italia Lucky Luciano aveva ottenuto il permesso di girare armato, con due guardie del corpo, e cose del genere. Nel giugno del '47 giunse al Presidente della Repubblica italiana una lettera anonima in cui, fra l'altro, si diceva: « Luciano è un tenutario di case di appuntamenti, commercia in dollari falsi, cocaina ed oppio. È un falsificatore di passaporti, disprezza l'Italia, omicida tecnico, distillatore di alcool, scassinatore di casseforti ». La Questura romana fece tutte le indagini del caso, ma non si riuscì a trovare un solo episodio che tenesse in piedi le accuse dell'anonimo. Qualche giorno dopo il « Daily News » annunciò che Luciano riceveva 75.000 dollari all'anno dagli Stati Uniti e che, in collaborazione con Ralph Liguori aveva organizzato una catena di night clubs equivoci nella capitale: il che provocò nuove indagini infruttuose.

Nel novembre del 1948 Lucky Luciano conobbe l'ex ballerina della Scala Igea Lissoni e ne fece la protagonista di un suo lungo, quasi commovente romanzo d'amore. Igea e Lucky si stabilirono in un appartamento ai Parioli, nel quale rissero per qualche anno, fino al giorno in cui decisero di trasferire il ménage a Napoli, in una casa di via Tasso. Fu lo stesso Luciano a scegliere, al numero 464, un appartamento di sei camere all'ultimo piano. Lo riempì di mobili moderni e di cuccioli neri, destinati a far compagnia all'ex ballerina durante le sue assenze. La Lissoni si preoccupava di evitargli « cattivi incontri », di ricordargli il dovere di non disertare le convocazioni, non infrequenti, della Questura di Napoli. Il 25 giugno 1949 le Autorità di Polizia italiana lo sottoposero a misure di sorveglianza straordinaria: gli ritirarono sia il passaporto che la patente automobilistica (Luciano aveva una 1100 Fiat grigio-perla) e gli ordinarono di non muoversi da Napoli senza autorizzazione della Questura. Gli fu inoltre vietato di frequentare l'ippodromo di Agnone, dove Lucky si recava ogni domenica.

L'ultima vittoria sulla polizia

La Lissoni morì nell'ottobre del 1958, qualche anno dopo la celebrazione del matrimonio con Lucky, in una clinica di Milano. Qualche tempo dopo dall'America, giunse alla Questura di Napoli una richiesta di spedire Lucky al « confino » assegnandogli un domicilio forzato in un'isola come Ponza, Ustica, o nelle Isole Tremiti. Il 13 settembre del 1958 Luciano comparve di nuovo dinanzi alla Commissione per il confino, presieduta dal giudice Attilio Zammotti, presso la Terza Sezione della Corte d'Appello di Napoli; ma gli scarci indiziatori dei funzionari di polizia non giustificavano l'adozione delle misure invocate e i giudici decisero di soprassedere. Il Procuratore Generale, De Francis, impugnò tuttavia la decisione e il 24 febbraio dello stesso anno Lucky affrontò l'ultimo, definitivo giudizio. Il suo avvocato difensore, Giovanni Pas-

seggi, pronunciò un'arringa fra le più appassionante in difesa dell'ex gangster. L'unico spettatore del processo, celebrato a porte chiuse, fu un giornalista, corrispondente napoletano dell'« E.N.S. ». Alle quattro del pomeriggio, la voce grave del Presidente Luigi Pedullò (lo stesso che tempo dopo diresse il processo contro Pupetta Marcasè ed il racket napoletano) lesse la decisione della Corte, che ritenendo « insufficienti le accuse portate contro il Luciano dalle autorità di Polizia » ordinava che l'ex gangster venisse reintegrato in tutto il complesso dei suoi diritti « compreso quello del voto ». Nel match tra Lucky e l'Interpol, Luciano aveva vinto l'ultimo round. L'ex fiduciario di Al Capone ascoltò la sentenza con gli occhi lucidi.

Gli ultimi anni Luciano li ha vissuti più che mai solo, prigioniero del suo passato tempestoso, e della pesante eredità legata al suo nome, nella casa di via Tasso, badando a conservare intatti i ricordi del suo amore con la Lissoni e visitando a chiunque d'aprire un piano forte fedesco, sul quale l'ex ballerina suonava per lui alcune canzoni napoletane che gli piacevano molto. Negli ultimi tempi Luciano evitava di trattenersi a casa e scorreva gran parte del suo tempo in giro per la città, con gli amici, o in fabbrica alle prese con i suoi affari.

La sua vita a Napoli

In via Tasso giungevano con una certa frequenza amici americani, che chiedevano, appena sbarcati a Napoli, di rivedere l'eroe di imprese non dimenticate, ma il portiere non sapeva mai quando l'ex gangster sarebbe ritornato a casa. « Se volete lasciare un biglietto per lui... ». Don Salvatore Luciano conduceva una vita regolata fino allo scrupolo, come quella di un impiegato qualunque. La sua « vita segreta », ormai la conoscevano tutti i napoletani, non esclusi i funzionari di Polizia. Molti giornalisti erano partiti dall'America per intervistarlo, ma nella maggior parte dei casi Luciano si era rifiutato di riceverli. Lucky si difendeva col silenzio, con la sua grinta, col suo sorriso amaro. Voleva vivere in pace con la Polizia e col Fisco.

Nato il 24 novembre del 1897 a Lecora Friddi, vicino a Palermo, Luciano aveva, al momento della morte, 65 anni, ma ne dimostrava di meno. La sua ambizione era quella d'essere considerato un piccolo industriale. Appena giunto dagli Stati Uniti, Lucky era stato invitato dalla Polizia a svolgere una attività onesta, che gli desse da vivere sufficientemente. Accettando, mettendo a frutto i propri risparmi e il credito che godeva presso i commercianti all'ingrosso di Napoli — di aprire un negozio di elettrodomestici ed apparecchiature sanitarie. Trovò un locale in via Chiatamone 62 ed iniziò il lavoro dopo essersi iscritto regolarmente nei registri prescritti.

Nel 1955 nacque la SITMEA, una società tra Lucky ed altri commercianti; ma gli affari andarono male, la società si sciolse ed il negozio venne chiuso. Luciano riuscì a salvare una parte dei capitali e si dispose a cercarsi un altro socio, che trovò nella persona del commendatore Vincenzo De Falco, titolare di una piccola fabbrica per attrezzature ospedaliere. Lucky ottenne il piccolo capitale di De Falco e nacque la FARM, con negozio in via Domenico Soriano a Napoli ed una fabbrica, in cui erano occupate 42 persone, in via Antonio Cardarelli. Per questa attività industriale, Lucky Luciano era iscritto tra i contribuenti napoletani. La sua pratica personale, al Ministero delle Finanze, porta il numero 2534407; non all'anno scorso egli pagava oltre due milioni di lire all'anno a soddisfazione dei suoi debiti col Fisco, oltre a una tassa di diecimila lire per i cari di lusso che teneva in casa. La sua dichiarazione dei redditi (iscritta con il numero 43954) attribuita alla società un attivo di cinque mi-



Salvatore Lucania, più noto alle cronache dell'America degli anni trenta come « Lucky Luciano », fotografato nella sua casa napoletana con l'ex ballerina Igea Lissoni che l'ex gangster sposò nel 1952. La Lissoni morì nell'ottobre del 1958 in una clinica milanese. Henry Giordano, vicecapo della « brigata stupefacenti » della polizia statunitense, ha dichiarato che « Lucky » stava per essere arrestato in seguito alle indagini provocate dalla cattura, avvenuta in Spagna giorni fa, di tre italo-americani responsabili di traffico di droga fra gli Stati Uniti e l'Europa.

lioni l'anno. L'attività commerciale di Lucky Luciano era ridotta, dato che gli affari erano quasi tutti trattati dal socio De Falco. Molti gente preferiva non essere legata da rapporti d'affari a Lucky Luciano.

Usciva di casa nelle prime ore del mattino, dopo aver fatto alcuni esercizi ginnici sul balcone. Alle otto Filomena, la vecchia e fedele cameriera, gli preparava la prima colazione: un toast con qualche fetta di prosciutto, cotto e frutta. Poi l'ex gangster saliva su una « Giulietta » grigio-alluminio, targata NA 36846, guidata da un giovane autista, noto solo come Fernando, per andare dal barbiere. Depositario delle confidenze dell'ex re di Manhattan, costui si chiama Antonio Policani ed è titolare di un negozietto nei pressi dell'albergo Royal sul lungomare di via Caracciolo. Una volta sbarcato, Lucky acquistava un certo numero di giornali sportivi, in maggioranza ippici; quindi raggiungeva il ristorante « California », in via Santa Lucia. È un locale molto elegante, frequentato da molti stranieri e pochi italiani, dove Lucky restava per ore, discorrendo con

amici e bevendo acqua minerale. Al « California » molti marinai americani gli chiedevano autografi. L'ex gangster li guardava con curiosità: « Sure! Why not? » e firmava. Tempo fa una vecchia signora americana stava facendo colazione quando, alzando gli occhi, si trovò di fronte il volto dell'uomo che per diversi anni aveva terrorizzato l'intera America. La donna impallidì e fuggì a gambe levate, con divertimento dei poliziotti dell'ex gangster.

Parlava solo di corse e cavalli

Nel pomeriggio Lucky passava in fabbrica (per vedere « gli affari come vanno ») e concludeva sempre il giro presso il ristorante « Giacomino » in piazza Municipio, dove badava a evitare i cibi « ingrassanti ». Con gli amici parlava solo di cavalli e di corse. Qualche volta scommetteva, ma la puntata non superava mai le cinquemila lire. La domenica era sempre ad Agnone. Adorava le corse al trotto ed odiava invece il galoppo, sostenendo che vi si fanno « molti trucchi ».

Vinceva raramente. A volte leniva la propria solitudine con la compagnia di occasionali fanciulle, senza trascurare di sostenere che nessuno avrebbe potuto mai riempire il vuoto lasciato da Igea.

Aveva dedicato tempo e attenzione a un libro biografico scritto da un noto specialista americano, di cui non ha voluto rivelare mai il nome. Il film di cui Martin Gonsch si occupava avrebbe dovuto essere tratto appunto da quella biografia. Lucky Luciano era un uomo stanco, ormai non più disponibile per i traffici di droga o per le partite politiche. « Se ve ne dessero la possibilità, tornereste in America? », gli avevamo chiesto. « È passato molto tempo », e gli Stati Uniti sono cambiati. Una volta c'era la legge che stabiliva i confini tra il bene ed il male, il giusto e il vile. Oggi, invece, non si capisce più nulla. Io non sono mai stato un santo, però se volete vivere onestamente mi troverete a disagio, perché la Legge non è più la Legge. No, credetemi, non tornerò più ». Furono le ultime amare dichiarazioni pubbliche di un gangster che stava per morire.

Franco Bucarelli

IL SEGRETO

Come viveva in Italia il "Re del Vizio"? Prima di morire Lucky Luciano ci aveva concesso la sua prima ed ultima intervista.

NAPOLI. — Lucky sorreggeva un'aranciata al bar dell'aeroporto, e con lo sguardo cercava qualcuno tra la folla dei passeggeri appena scesi dall'aereo proveniente da Roma. Aveva appuntamento con Martin Goesch, un produttore di Hollywood, che voleva realizzare un film sulla vita del celebre gangster. Improvvisamente, notò dietro di sé tre volti noti. Un maresciallo e due agenti della Tribuna lo pedinavano, ritenendo che Lucky potesse incontrare uno spacciatore di droga. L'allarme era stato dato da un «cable» proveniente da Madrid, che informava l'Italo-americano dell'arrivo imminente a Napoli

di Martin Goesch. Il messaggio era caduto nelle mani della Tribuna facendone scattare il «dispositivo di sicurezza». Lucky apparve sconvolto dalla presenza dei poliziotti sotto l'aspetto dell'aeroporto. La sera precedente, la casa di Salvatore Luciano, in via Tasso 464, era stata perquisita dagli uomini della «Anti-stupefacenti» senza risultati apprezzabili. L'ex gangster non aveva presomibilmente gradito la visita dei finanzieri, che gli avevano messo a soqquadro la casa.

Visti gli agenti alle sue spalle, Lucky cercò di darsi un contegno indifferente. Dopo aver salutato il gestore, si avviò verso il varco passeggeri. Sul secondo gradino della scala si abbatté un uomo, fulminato da un infarto che i medici napoletani gli avevano predetto e che egli aveva inutilmente tentato, con meticolose e costose cure, di allontanare. Non fu difficile stabilire l'identità del morto, pietosamente coperto con un telo da camion. Sotto la sua testa fu collocato un cuscino di aereo. Nelle sue tasche furono trovate 66.000 lire, la carta d'identità ed una medaglietta di Santa Rita. Martin Goesch non credeva ai suoi occhi: gli funzionari di polizia che lo interrogavano, il produttore balbettò solo d'essere del tutto estraneo ai traffici di certi personaggi arrestati a Madrid con un carico di droga; il suo mestiere era diverso e la sua unica colpa era quella di essere salito in aereo, per raggiungere Napoli. Il corpo di Luciano fu rimosso e sistemato su uno di quei carri spangherati che servono ai trasporti funebri dei poveri, incassato in una rozza bara fatta di semplici tavole.

Gli americani, che avevano creato il mito del «Re di Manhattan», anche quelli che avrebbero visto con piacere Lucky sulla sedia elettrica, si sarebbero certamente rammaricati nel vedere come l'uomo che per quarant'anni aveva fatto disperare tutte le Polizie del mondo moriva, portando con sé, a sessantacinque anni, l'ultimo segreto della sua vita. Nessuno saprà mai se Salvatore Luciano era diventato un rispettabilissimo «don Salvatore», come lo chiamavano tutti a Napoli, data la sua apparenza di onesto industriale, o continuava in realtà ad essere il re della malavita internazionale.

Lucky Luciano ci aveva concesso la sua prima ed ultima intervista pochi giorni prima di morire. L'ex braccio destro di Al Capone era ormai un piccolo industriale piuttosto avanti negli anni, ossequiato

dal popolino di Santa Lucia, cui distribuiva in certe ricorrenze, dolari e saluti. Non beveva che acqua minerale, non fumava, non bestemmiava. In quel colloquio, l'ultimo che avesse concesso a un giornalista, «don» Salvatore ci aveva narrato con ricchezza di particolari e pittoresche interiezioni tutti i «fastidi» avuti negli ultimi anni dalla polizia e fornito una sua interessante spiegazione della «persecuzione» di cui si riteneva vittima, all'origine della quale sarebbe una esigua schiera di politicanti che dopo essersi serviti di lui lo avrebbero «giocato». L'ostinazione che Lucky Luciano metteva nel rifiutare allettanti offerte di milioni di dollari per memoriali ed articoli, costituiva una minaccia pesante per coloro che avevano raggiunto una «sistemazione», politica col suo aiuto, e che dall'America si preoccupavano di fargli giungere attraverso mille canali sotterranei il denaro sufficiente perché l'ex gangster mantenesse il silenzio.

La deportazione in Italia

Sul conto di Lucky Luciano sono state scritte molte cose, inesatte, perché tra lui e quelli che avevano provocato la sua «deportazione» nella natia Lercara Friddi, la partita era ancora aperta. Non c'è stato traffico di droga, da quindici anni a questa parte, in cui il suo nome non sia stato coinvolto. Per parte sua, Lucky Luciano non ha mai querelato nessuno. Le sole persone al mondo che odiasse erano Thomas Dewey, l'ex governatore di New York e Charles Siragusa, uno dei capi della «Narcotica» dell'F.B.I. Di Dewey diceva: «E' stato un volpe. E' timida persona a cui farei volentieri la barba...». Di Siragusa, narrava — compiacendosene — un episodio avvenuto a Milano, dove tre persone rifilarono il classico «hands up» al nemico degli spacciatori di droga, come nella Chicago 1925. Siragusa fu rapinato di diverse migliaia di dollari; in cambio i tre malfattori gli lasciarono un pacchetto di bicarbonato in luogo della promessa e contrattata droga. Lucky ne approfittò per definirlo «Soda-politician», cioè «poliziotto al bicarbonato».

E' certo che il mito di Lucky Luciano ha provocato un numero inverosimile di grane alla polizia italiana, continuamente sollecitata a vigilare sulle attività del

l'ex racketeer. Da tre processi, subiti dopo la sua deportazione in Italia, l'ex braccio destro di Al Capone, era uscito con altrettante assoluzioni.

Quando nel febbraio del 1946 uscì dal penitenziario di Dannebora, si disse che lo avevano graziato per certe sue benemerenze «politiche»; «si affermò per certo che Lucky avesse contribuito al successo dello sbarco americano in Sicilia, organizzando una rete spionistica tra agenti americani e mafiosi locali, via immemori della sua potenza triscorsa». «Don» Salvatore ha sempre tenuto a smentire nella maniera più categorica notizie del genere. Quando le truppe della Quinta ed Ottava armata sbarcarono sulle spiagge italiane, egli era in una cella di segregazione a Sing Sing, con cinquecento anni di galera concessi da scontare. Ciò nonostante appena eletto Governatore di New York, Thomas Dewey volle «graziare» Lucky Luciano. Lo liberarono e lo spedirono in Italia, come deportato, discoprendogli la cittadinanza americana e raccomandando alla Polizia italiana di tenerlo d'occhio. Con l'arrivo in Italia a bordo del «Laura Keon» cominciò il capitolo, forse difficile più dei precedenti, della sua vita italiana, che vogliamo qui ricostruire sulla base di notizie attinte alla fonte diretta.

Il 27 febbraio del 1946 Lucky Luciano sbarcò a Napoli, assediato da fotografi e giornalisti. La Questura lo fece proseguire, con «foglio di via obbligatorio», alla volta di Palermo, dove l'ex gangster prese alloggio in un grande albergo e incontrò numerosi altri deportati. Qualche tempo dopo fu accompagnato dalla Polizia al cospetto della Commissione provinciale, per il confino e le misure di Polizia. Era solo accusato di essere persona socialmente pericolosa; fu invitato a mantenere buona condotta e congedato. Ma Lucky non aveva voglia di restare in Italia; parlava male l'italiano ed aveva dimenticato quasi il dialetto siciliano di origine. Chiese perciò il passaporto per l'Argentina. La Questura di Palermo domandò istruzioni al Ministero degli Interni e al Ministero degli Esteri. Il parere fu favorevole e Luciano il 19 ottobre del 1946 partì dall'aeroporto di Ciampino alla volta di Buenos Aires. Dopo pochi giorni era invece all'Avana. A cento miglia di distanza dalla Florida, Luciano era alle porte di casa ed il capo del Federal Bureau of Narcotics, Harry Anslinger, scatenò una campagna di stampa contro l'ex deportato, le autorità americane fecero pressione su quelle cubane e il ministro degli Interni dell'Avana, señor Pequeno, decise di espellere Lucky da Cuba. Nel febbraio Lucky fu imbarcato su di un cargo-turco, il «Bakir», e tornò in Italia. Il 12 aprile del 1947 Luciano sbarcò a Genova e venne

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arte varia» in Piemonte. Per avere ferito con una coltellata un giovane corteggiatore della Pessera, il Monachesi fu condannato a otto mesi di reclusione, che furono debitamente iscritti sul certificato penale del vero Trasi.

Natalina Tiranti in una foto scattata qualche mese prima della morte. La ragazza, che aveva avuto due figli prima di entrare in domestichezza con Amerigo Scarabotti, fu uccisa dal barbiere-fachiro Vittorio Monachesi nella cantina della casa parrocchiale. L'assassino le mozzò la testa e la nascose nel sotterraneo di una chiesa. Un magistrato dotato di poteri medianici aveva indicato il luogo in cui la testa era stata nascosta,

L'avvocato Massimo Fiore, Procuratore del Re presso il Tribunale di Macerata durante il processo contro Vittorio Monachesi e Amerigo Scarabotti. Il magistrato, che aveva diretto le indagini sui due delitti commessi dall'ex barbiere, sostenne l'accusa davanti alla Corte d'Assise di Macerata. Il processo si concluse con la condanna all'ergastolo di entrambi gli imputati. Ora il barbiere afferma di essere stato un perseguitato politico.

cadavere si trovava nella cantina di don Scarabotti. Il Procuratore del Re, a cui un suo segretario nato a Cingoli aveva già confidato che in paese si attribuiva alla Tiranti il ruolo di intima del parroco, decise di controllare rapidamente che valore avessero i sospetti del prete.

La cantina della casa parrocchiale di Cingoli fu minuziosamente perquisita senza alcun frutto. Alcuni muratori scavarono nel sottosuolo e aprirono varchi nei muri, con la collaborazione di un geometra; ma i resti della Tiranti non sarebbero stati probabilmente mai scoperti se il Procuratore del Re non avesse notato, sulla parete di una legnaia attigua alla cantina, una rozza croce dipinta con il gesso. Ciò che gli scavi successivi portarono alla luce servì a confermare che quella croce era l'estremo omaggio che don Scarabotti aveva reso alla sua vittima. Nel sottosuolo della legnaia furono trovati i resti di un cadavere che era per chiari segni quello di Natalina Tiranti; non si trovò la testa, ma il luogo e le circostanze del rinvenimento non lasciavano molti dubbi sull'identità e l'origine di quella ossa.

Sebbene la scoperta fosse avvenuta a un'ora della notte poco propizia ai trasferimenti di detenuti, il Procuratore non esitò a ordinare l'immediata traduzione a Cingoli di don Scarabotti, allora curatore delle carceri di Macerata, e del cadavere, il prete sfuggì alle proprie responsabilità affermando di aver tro-

vato i resti nel giardino delle suore e di aver provveduto a seppellirli in casa temendo di essere coinvolto in quella sinistra vicenda. La spiegazione trovò il credito che era prevedibile. Messo alle strette, don Scarabotti confessò di essere stato in rapporti intimi con la Tiranti, aggiunse d'essere stato vittima di continue richieste di danaro da parte della donna e di averla attirata in casa solo per « darle una lezione ». Il compito di intimidire la ragazza era stato affidato a Vittorio Monachesi che lo aveva assolto evidentemente con troppo impegno e, dopo aver ucciso la Tiranti, l'aveva sepolta frettolosamente in casa. Il prete dichiarò inoltre di non sapere dove si trovasse la testa della vittima.

La seduta del magistrato-medium

Le indagini proseguirono senza che il Monachesi, già detenuto per il mancato furto, si indegnesse ad ammettere la propria partecipazione al delitto. Di quel che accadde nelle settimane successive sono state fornite ricostruzioni suggestive e romanzesche ma quasi tutte inesatte per la parte che vi ebbe l'intervento di un magistrato dotato di poteri medianici. Era, questo insigne cultore di scienze spiritiche, il dottor De Fraia Francipani, Sostituto Procuratore del Re presso il Tribunale di Macerata; il quale più volte chiese al suo superiore diretto, il dottor Fiore,

di poter esercitare il proprio singolarissimo hobby nel tentativo di scoprire l'ubicazione della testa di Natalina Tiranti. La riluttanza del Procuratore ad affidare a un medium un'indagine di polizia giudiziaria fu superata da una personale iniziativa del magistrato medium che, organizzato senza altri indugi la seduta spiritica. La risposta delle potenze evocate fu delle più esplicite: « La testa è bruciata a Belvedere ».

A conclusione del faticoso lavoro di interpretazione a cui i magistrati si sottoposero, le indicazioni del medium furono del tutto trascurate. La sola Belvedere che esistesse nelle Marche era Belvedere Ostrense, nei pressi di Fiesse, e parve poco credibile che il Monachesi o il suo mandante si fossero decisi ad affrontare un viaggio di molte decine di chilometri per nascondere qualcosa che poteva essere con minor rischio e minor fatica nascosta più vicino. A mettere gli inquirenti sulla strada della verità fu, più che il medium, il cancelliere della locale Pretura che ricordò l'esistenza di un cimitero per bambini, ormai abbandonato, nel sotterraneo della Chiesa di San Francesco; e appunto sotto una pietra tombale vicina all'altare di quella chiesa fu trovata la testa di Natalina Tiranti. Si seppe più tardi che quella località era indicata a Cingoli, per la sua posizione elevata, come il Belvedere; e si dovette pertanto ammettere che la indicazione del magistrato-medium era tutt'altro che infonda-

ta. L'esame della testa di Natalina Tiranti indusse il Procuratore del Re ad attribuire al Monachesi anche l'omicidio dell'ufficiale giudiziario Luigi Mattucci; il cui cadavere presentava i segni di due colpi alla testa e uno alla tempia, gli stessi segni che i periti avevano trovato sul cadavere della ragazza.

Due condanne all'ergastolo

Ad aggravare ancora la posizione del sedicente fachiro concorsero in seguito le testimonianze di alcuni cittadini di Macerata che avevano scrupolosamente taciuto finché il barbiere fu libero e perciò capace di vendicarsi, ma che avvertirono immediatamente il dovere di collaborare alla punizione del colpevole quando seppero che il Monachesi era in carcere sotto l'imputazione di omicidio e perciò apparentemente destinato a rimanervi per parecchio tempo. Si apprese così che Vittorio Monachesi era stato visto circolare nei corridoi del Tribunale mentre l'ufficiale giudiziario contava il danaro raccolto da certi protesti cambianti; che, in seguito, il molto vino ingarito aveva indotto il barbiere a borbottare, in presenza di un'ostessa, qualcosa sulla propria amarezza per aver ricevuto solo pochi spiccioli da un colpo da cui si riprometteva somme ingenti.

Al processo, che fu celebrato davanti alla Corte d'Assise di Macerata,

don Amerigo Scarabotti fu chiamato a rispondere dell'omicidio della Tiranti e di aver tentato di avvelenare, qualche anno prima, un ecclesiastico di cui voleva prendere il posto. Il Monachesi fu invece imputato dei due omicidi, uno dei quali aggravato dallo scopo di rapina. L'uccisione dell'ufficiale giudiziario era avvenuta prima che il codice Rocco introducesse per questo tipo di reati la pena di morte; il che salvò il fachiro dal plotone d'esecuzione e indusse i giudici a punire l'uno e l'altro imputato con la pena dell'ergastolo.

La sentenza non concluse la vicenda di Cingoli. Don Amerigo Scarabotti affidò le proprie speranze di recuperare la libertà a una serie di domande di grazia che non hanno dato fino ad oggi gli esiti sperati. Vittorio Monachesi, uomo di molte risorse oltre che di pochi scrupoli, approfittò nel '45 della liberazione dei prigionieri politici per attribuirsi una qualifica di partigiano che fu, a quanto pare, convalidata da attestati e riconoscimenti ufficiali e gli permise di riprendere senza danni i contatti con il mondo esterno. Il resto della storia è noto e noto è l'epilogo; sebbene l'ex barbiere abbia già dichiarato di voler offrire ai suoi nuovi giudici le prove di un'innocenza che imprecisate persecuzioni delle autorità fasciste gli impedirono di produrre nel 1933. Vuole rifarsi, presumibilmente, una terza vita.

Piero Palumbo

Clipping from "TELESERA" - Special Edition - 2-5-62
Rome, Italy

THE DEATH OF LUCKY A HARD BLOW TO NARCOTICS TRAFFICKERS.

The Gang of drug runners snared in a trap.

The Chief of the Narcotics Bureau of the F.B.I.
entertains doubt over the "natural causes" of
the death of ex-gangster at Capodichino Airport.

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39-2141 - 206
ENCLOSURE

La morte di Lucky: duro colpo ai trafficanti

La gang della droga in trappola

Il capo del Narcotic Bureau dell'F.B.I. nutre dubbi sulle "cause naturali" del decesso dell'ex-gangster avvenuto a Capodichino

In trappola la gang

CONTINUAZIONE

to arrestato il 25 gennaio, Lucky Luciano è morto il 28 gennaio. A quella data si era già accertato che tra Luciano e Rubino esistevano frequenti contatti e il «deportato» era già stato interrogato dalla polizia italiana: in merito, probabilmente, gli erano state rivolte anche domande a proposito di Mauro, l'uomo più legato a Rubino. Gli interrogatori di Lucky avrebbero dovuto continuare ancora per qualche giorno, quindi avrebbe dovuto scattare il dispositivo del suo arresto.

Riferendo del lavoro degli uomini della Sezione narcotici del Federal Bureau of Investigation, Henry Giordano ha affermato di non poter rilevare ancora diverse circostanze. «L'inchiesta è a un punto tale — ha detto — che potremmo compromettere la conclusione. Sono mesi che lavoriamo in questa direzione e speriamo di riuscire ad andare fino in fondo. Noi Capabbi, sulla riviera francese, a Londra, in

Francia e negli Stati Uniti naturalmente i nostri uomini sono riusciti ad infrangere la catena di omertà che proteggeva gli spacciatori di droga. Ci mancano solo pochi elementi per completare il mosaico, quando li avremo trovati potremo bloccare per un pezzo gli speculatori della droga».

La prima parte dell'operazione si concluse col processo (27 dicembre) a undici persone ora in attesa di giudizio. In realtà gli imputati avrebbero dovuto essere tredici, ma prima di essere arrestati Albert Agnelli e William «Shorty» Holmes furono assassinati. L'inchiesta si svolge ora con la collaborazione di varie polizie europee proprio ieri James A. Reed, Sottosegretario al Tesoro, ha fatto appello alle autorità spagnole e italiane affinché prestino tutto il loro aiuto nella lotta contro gli spacciatori di stupefacenti.

WASHINGTON, 5.

“S E riusciremo a seguire fino in fondo il filo dell'indagine in corso avremo inferto un colpo decisivo alla organizzazione degli spacciatori di stupefacenti. Dagli Stati Uniti la ricerca si sono estese nel Venezuela, in Francia, in Inghilterra, in Spagna e in Italia dove esistono ramificazioni della più pericolosa branca del «mandato del crimine» e questa circostanza ci ha dato la conferma che siamo sulla pista giusta».

Questa dichiarazione è stata fatta da Henry Giordano che dirige la sezione narcotici del Federal Bureau of Investigation il quale deve ora interrogare i tre uomini recentemente arrestati in Spagna dietro una sua diretta segnalazione, e giunti ora in America, dove dovranno essere processati. Henry Giordano è inoltre ansioso di avere la definitiva conferma che Lucky Luciano è morto per cause naturali, del che egli ancora dubita.

Luciano era stato interrogato dalla Polizia Italiana e avrebbe dovuto essere arrestato in questi giorni, è naturale quindi che si nutrano dei sospetti sulla morte. Se le autorità fossero riuscite a far parlare il grande capo del «racca» della droga e delle schiave bianche, sarebbe stata realmente la fine dell'organizzazione. Al capo della Sezione narcotici appare soprattutto strana la coincidenza della morte di Luciano con l'arresto di Vincent Mauro, Frank Caruso e Salvatore Maneri, avvenuto in Spagna. I tre uomini erano riusciti a fuggire dagli Stati Uniti alla vigilia di dover comparire dinanzi ad una Corte, ma gli uomini del F.B.I. sono riusciti ugualmente a raggiungerli, Vincent Mauro e Frank Caruso il 22 gennaio a Barcellona e Salvatore Maneri il 23 gennaio a Majorca.

I tre arrestati, che sono giunti sabato a Washington con un aereo proveniente da Madrid, erano in contatto a New York con un'altra nota conoscenza della polizia, Henry Rubino. Questi è sta-

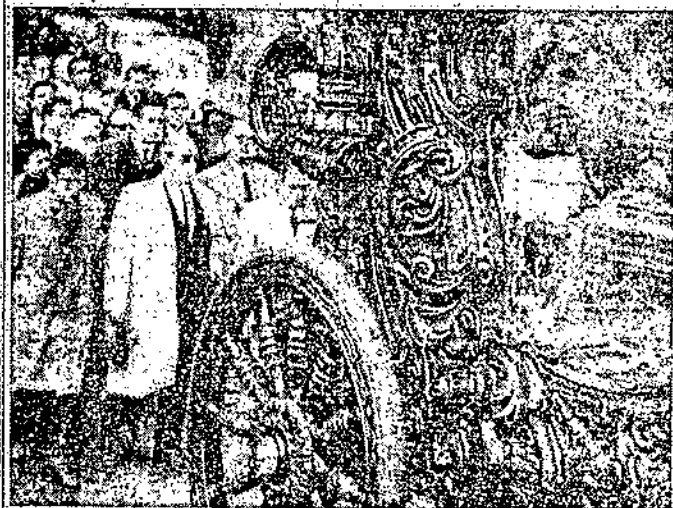
James Hinton.

CONTINUA
A PAGINA 2

LE ESEQUIE A NAPOLI ALLA SALMA DELL'EX-GANGSTER

Più agenti che amici ai funerali di Luciano

Tra i presenti il fratello, due nipoti e la promessa sposa dello scomparso. Forse mercoledì la salma in America. Continuano le indagini della Finanza



Il fratello di Lucky Luciano, Bartolo, segue i funerali

(Telefoto)

(Nostra servizio particolare)

Napoli, 29 gennaio. Lucky Luciano è andato alla estrema dimora sul carro «241-jump», un carro funebre, trasformato da otto meccanici cavalli, riservato ai ricchi ed ai potenti. Ma le sue esequie non sono state

te, come si riteneva, particolarmente sontuose; anzi può dirsi che un'astuta semplicità le abbia caratterizzate: esequie private, in certo modo, alla vita riservata, almeno in apparenza, condotta da Salvatore Lucania, durante la sua permanenza in Italia. Cominciata da Mons. Sammartino alle 10.30, nella chiesa della Santissima Trinità, già parrocchia di S. Giuseppino in via Tasso. La funzione è durata poco meno di 30 minuti. Nel tempo del tumulo, era la bara di noce intarsiata, su cui era stata deposta una croce di violetta. Sulla bara, inoltre, sulla turchetta di ottone, le parole: «Salvatore Lucania 27 gennaio 1902». Sette le corone di fiori, alcune delle quali inviate dal fratello dello scomparso Bartolo, dai nipoti Salvatore e Cino (figlio di una sorella di Lucky, residente in America) e dai condomini dello stabile nel quale dimorava al Parco Comolli. Sul nastro di seta che chiudeva una delle corone era la lettera dorata, la scritta, in americano, a 80 long. Rals. (Arrivederci, Rai).

La prima fila presso l'altare era Bartolo Lucania con i nipoti Salvatore e Cino e vari ex deportati: Nick, Di Marco, un uomo piccolo, magro, dall'aspetto sofferente; Adriano Rizzo, la giovane promessa napoletana, figlia di un gaudente di taxi, che Luciano tra qualche mese avrebbe dovuto sposare e accanto a questa la madre e la sorella. Il volto della Rizzo era coperto da una velina. La madre di lei, entrando in chiesa, aveva detto piangendo: «A marzo dovevano celebrarsi le loro nozze». Non abbiamo visto Joe Adonis, un buon fisicomista, nostro amico, assicura di averlo scorto in un angolo del tempio, vestito di un soprabito color zainnetto. In complesso, nella chiesa, durante la cerimonia funebre, erano presenti poco meno di cento persone e tra queste una cinquantina di agenti in borghese: una schieramento dettato da motivi di ordine pubblico.

Da qualche parte è stato asserito che molti personaggi, i quali sarebbero andati volentieri a porgergli l'ultimo saluto a Lucky, avevano preferito per motivi di prudenza, non farsi vivi. Un episodio piuttosto burrascoso si è verificato in chiesa dove i fotografi, che precedentemente erano stati avvertiti di non entrare fotografare nel tempio, hanno fatto lampeggiare, con ritmo crescente i loro flash. Alcuni amici di Luciano hanno affrontato allora i fotoreporter ed i cineoperatori, poi è intervenuto il nipote, Salvatore Lucania, che con il suo atteggiamento deciso (voleva fraccassare una macchina fotografica; ma era stato trattenuto in tempo da alcuni parenti) è riuscito ad ottenere soltanto una breve tregua, di lì a poco infatti, incuranti di ogni avvertimento, i fotografi riprendevano ad invadere la chiesa. Pare che tra la schiera dei fotografi e dei cineoperatori non vi fossero soltanto gli inviati delle agenzie di stampa e dei giornali, ma anche agenti specializzati dell'Fbi che avrebbero abilmente ripreso le foto di tutti gli intervenuti ai funerali e delle persone che hanno fatto alla loro, la strada al passaggio del feretro, fotografando queste che, naturalmente, negli uffici del Narcotic Bureau per l'identificazione dei personaggi.

Dopo la benedizione la bara è stata trasportata a spalla fino al carro. Spirava un vento gelido; si è formata la corteo degli amici e parenti, che si è snodata lungo la via Tasso, per sciogliersi, poi, dopo un centinaio di metri. Il traffico nell'angusta strada è rimasto interrotto per oltre mezz'ora, poi il grande carro nero è scomparso dietro l'ultima curva che sbocca al Corso Vittorio Emanuele, seguito da una decina di macchine di grossa cilindrata.

Al Cimitero degli Inglesi, a Poggioreale, era ad attendere il feretro don Francesco Scarpati, il sacerdote al quale Lucky Luciano chiese il suo aiuto per la costruzione di un ospizio e per il restauro della chiesa di S. Sebastiano al Vesuvio. Don Scarpati appariva commosso, la sua voce tremava quando ha recitato la preghiera dei defunti; ha poi asperso la salma di acqua benedetta. Forse mercoledì, in aereo, le spoglie mortali di Lucky Luciano verranno trasportate in America, se se ne avrà l'autorizzazione.

Intanto continuano a rifinire le indagini. Mr. Goetz, il cui nome non figura nell'elenco dei produttori di Hollywood, è inteso a stretto contatto con i componenti del nucleo investigativo della Guardia di Finanza. Pare che affermi sempre di essere un uomo di cinema. Mentre si continua ad interrogare il Goetz, si tenta di rintracciare l'italiano americano Joe Scorzari, anch'egli importatore degli Stati Uniti, rifiuto il braccio destro di Lucky Joe che, secondo gli inquirenti, dovrebbe sapere molte cose (che le suppie è probabile, che le dica è difficile) e sparito dalla circolazione.

Franco Avati

Clipping from "TELESERA" - Rome - 2/5/62

EXCLUSIVE INTERVIEW BY TELESERA WITH BODYGUARD OF
"THE KING".

"Lucky Luciano was Working for the F.B.I."

The article carried photograph which identifies
Martin Gosch as an official of the FBI who arrived
at Naples during the latter part of January, 1962,
in the guise of a "producer."

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- END -



LUCKY LUCIANO

Intervista esclusiva di TELESRA
con la "guardia del corpo" del King



MARTIN GOSCH

LUCKY LUCIANO lavorava per l'F.B.I.

«L'HANNO UCCISO I MERCANTI
DI DROGA PER VENDICARSI»,
ci ha dichiarato Bill Mancuso

«MARTIN, MARTIN», HA GRIDATO
LUCIANO PRIMA DI MORIRE
Cio dimostra che conosceva Gosch



Da sinistra: Martin Gosch, il funzionario dell'Fbi giunto nei giorni scorsi a Napoli nelle vesti di "un produttore"; Bill Mancuso, la "guardia del corpo" di Lucky Luciano. La foto risale al 1949 e venne scattata durante una riunione all'ippodromo delle Causse.

NAPOLI. È
PROVENIENTE da
Roma, ove ab-
tualmente risiede,
è giunto a Napoli Bill
Mancuso, l'ex «guardia
del corpo» di Lucky
Luciano. Da oltre 15 an-
ni, prima in America
poi durante il soggiorno for-
zato di Lucky in Italia, Bill
è stato, giorno e notte, vicin-
o al «capo». La sua «mis-
sione» cessò quando il
«King» si trasferì definiti-
vamente a Napoli. Ormai
era vecchio e la villa «mo-
vimentata» del «capo» non
era più salutare.
Abbiamo avvertito que-
sto «personaggio» che, tra
i molti che hanno ruotato
intorno all'ex gangster mor-
to, il giorno 26 gennaio le
circostanze poco chiare,
una che «sa molto».
«La morte di Lucky»,
egli ci ha subito detto,
non è assolutamente chiara.
Escludo nel modo più asso-
luto che fosse uomo da sui-
cidarsi. Ne ho passate tante
che non gli faceva più pau-
ra nulla. Figuratevi se Lu-
cky poteva suicidarsi perché
lo volevano arrestare».
«Allora — abbiamo chie-
sto a Bill — è morto vera-
mente per un infarto o lo
hanno ucciso». Escluso il
suicidio è logico aver chie-
sto ciò.
«Per me l'hanno ucciso —
ha risposto francamente
Bill — e l'hanno ucciso
quelli del «sire» per ven-
dicarsi. Lucky, e il Narcotic
Federal Bureau lo sa bene, se-
rissimo, lavorava da tempo per
l'Fbi, con mansioni infor-
mative, atte a stroncare il
traffico di droga che partiva
dall'Oriente e faceva scalo
in Usa».
Sempre secondo le dichia-
razioni che Bill Mancuso

CONTINUA
A PAGINA 2

Clipping from "IL TEMPO", Rome, 2/8/62

TRAFFICKERS OF DRUGS CONNECTED WITH LUCKY LUCIANO
ARRESTED THROUGH AN ITALIAN-AMERICAN OPERATION

The case relates to six "Italo-Americans" who have U.S. or Canadian citizenship. The operation of the Italian Guardia di Finanza praised by the Attorney General, Washington - Robert Kennedy. The article relates to efforts by the Guardia di Finanza to tie in Lucky Luciano with narcotics traffic between Italy and the U.S. and identifies three of the principal subjects as VINCENT MAURO and FRANK CARUSO, residents of the U.S.

The article further states that through close collaboration between U.S. and Canadian Police with the Guardia di Finanza, it was possible during November, 1961, to establish that elements associated with Lucky Luciano maintain contacts in Spain with three Canadian citizens, ANTONIO LO SCHIAVO, GABRIEL MATTIACI and JOHN PALLANTE. These latter three individuals were arrested in Spain through the cooperation of the Spanish Police, officials of the U.S. Narcotics Bureau and officials of the Italian Guardia di Finanza.

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Trafficienti di droga collegati con Lucky Luciano arrestati grazie ad un'operazione italo-americana

Si tratta di sei «oriundi» che ora hanno la cittadinanza statunitense o canadese - L'operato della nostra Guardia di Finanza elogiato dal Ministro della Giustizia di Washington, Robert Kennedy

Il pubblico è abituato a sentir parlare dei grandi malviventi internazionali con una specie di rispetto, a vederli avvolti in un alone romantico al quale contribuiscono non poco i pittoreschi soprannomi con i quali la malavita ama chiamare i suoi «capi». Per una volta, vediamo questa gente chiamata con il proprio nome e cognome (anzi prima il cognome e poi il nome) e con il distacco che merita attraverso lo scarso linguaggio di un comunicato della polizia.

In questo caso si tratta del Nucleo centrale di Polizia Tributaria della Guardia di Finanza. Ecco. Gli avvenimenti che hanno richiamato l'attenzione degli organi d'informazione e che sono stati connessi con l'improvviso decesso del noto Luciano Salvatore, meglio conosciuto come Charles Lucky Luciano, vanno in-

quadrati in una vasta e complessa operazione che ha trovato svolgimento in Italia, negli Stati Uniti, nel Canada e in Francia, e che ha avuto inizio nell'ottobre 1960 allorché nel porto di New York venivano sequestrati dieci chili di eroina nascosti nel doppio-fondo di un baule di un emigrante siciliano.

Il Nucleo Centrale di Polizia Tributaria della Guardia di Finanza - nel cui ambito è organicamente costituita una Sezione Stupefacenti con competenza su tutto il territorio nazionale - nel giugno 1961, inoltrava all'Autorità Giudiziaria di Roma un rapporto penale di denuncia nei confronti di 43 trafficanti di varie nazionalità, dei quali 5 detenuti in stato d'arresto nelle carceri di Regina Coeli.

L'operazione di polizia fu considerata tra le maggiori condotte nel mondo negli ultimi anni e lo stesso Ministro della Giustizia statunitense, Robert Kennedy, ebbe a dichiarare che la collaborazione fornita dalle autorità italiane doveva ritenersi «assolutamente non usuale e di portata eccezionale».

Tra i denunciati per i gravi reati accertati erano i cittadini statunitensi Mauro Vincent e Caruso Frank, residenti negli USA, che, arrestati a New York nel maggio '61, e posti successivamente in libertà sotto forte cauzione, si rendevano irreperibili. Attraverso la stretta collaborazione tra le polizie statunitense e canadese con la Guardia di Finanza, si poteva nel novembre scorso stabilire che elementi collegati con Lucky Luciano mantenevano contatti, in Spagna, con tre cittadini canadesi: Lo Schiavo Antonio, Mattiacci Gabriel e Palante John.

Su questa traccia veniva avviata un'indagine che ha trovato conclusione pochi giorni sono allorché, a Barcellona ed a Palma de Maiorca, la polizia spagnola, con la collaborazione di funzionari del Bureau Narcotics USA e di ufficiali della Guardia di Finanza italiana, ha arrestato i tre cittadini canadesi.

Avvenuto l'arresto dei tre trafficanti anzidetti e di una quarta persona di origine napoletana residente a Barcellona, la Guardia di Finanza

d'osservazione e di indagine, mantenute nei confronti delle persone di cui si erano accertati i collegamenti con i tre trafficanti statunitensi arrestati in Spagna, collegamenti che portavano a ritenere fondatamente Lucky Luciano compreso nel giro di sospette relazioni. Venivano, pertanto, disposte operazioni concordate a Roma, a Napoli e in Sicilia.

Le operazioni a Napoli avevano riguardo alla persona di Lucky Luciano, nella cui casa napoletana veniva operata una perquisizione nel pomeriggio del giorno 25 gennaio e nei cui confronti il mattino del successivo giorno 26 veniva condotto, a piede libero, un breve interrogatorio. Nel pomeriggio dello stesso giorno, attendendo Lucky Luciano l'arrivo da Madrid di una persona sul cui conto dovevano essere svolte indagini, veniva disposto un servizio di costante osservazione che ha motivato la presenza di un sottufficiale della Guardia di Finanza all'aeroporto di Capodichino al momento in cui è avvenuto il decesso di Lucky Luciano.

Sono, tuttora in corso indagini, coordinate, come sempre, su piano internazionale, a norma delle Convenzioni sulla repressione del traffico di droghe, che impegnano la Guardia di Finanza italiana, la Polizia statunitense, la Polizia spagnola e la Polizia canadese.

Il Nucleo Centrale di Polizia Tributaria della Guardia di Finanza rappresenterà all'Autorità Giudiziaria di Roma i risultati di queste indagini sulle quali, essendo in corso formale istruttoria del rapporto di denuncia avanzato nel giugno 1961 ed a cui si collegano gli ultimi avvenimenti, deve necessariamente mantenersi il più assoluto riserbo.

Della grande importanza delle operazioni di polizia che hanno permesso il rintraccio,

l'individuazione e l'arresto dei trafficanti arrestati in Spagna - i quali, come noto, sono stati già tradotti negli Stati Uniti, ove hanno rinunciato alla libertà sotto cauzione ed attendono il processo - dà testimonianza un messaggio ricevuto dal Comandante Generale della Guardia di Finanza, Gen. di C. d'A. Pietro Molano, dal Commissioner del Bureau of Narcotics U.S.A., in cui viene espressa la rinnovata ammirazione delle autorità statunitensi per la Guardia di Finanza italiana.

Clipping from "IL MESSAGGERO" dated 1/29/62 at Rome.

YOUNG GIRL FRIEND OF LUCKY AND A BROTHER AMONG THE
VISITORS AT THE FUNERAL PARLOR

Rumors Circulating to Effect That the Girl was to Wed
Lucky Luciano. The Son of the Brother who Arrived
Via Air from the U.S. Funeral Services Will be Held
Today. Not Certain Whether the Corpse Will be Trans-
ported to New York or Interned in Sicily. Investiga-
tion by the Guardia di Finanza Continues.

Article relates to arrival in Italy of Luciano's
brother, Bartolo Lucania. Also sets forth request by
Luciano's brother to transport remains to the U.S.

Investigation concerning Luciano's most recent
activities continues on part of Guardia di Finanza
and search of Gosch's personal effects made with
negative results. Interviews based on suspicion that
Gosch engaged in narcotics traffic with Luciano but
no information developed to this effect.

The article contains a statement to the effect
that the police of two continents had tightened the
circle around Lucky Luciano and that it was expected
from one moment to another that an order for his
arrest would be issued. It was assumed that Luciano
had finally after many years made a mistake and that
it was one of the few mistakes of his life and would
result in his arrest. The article further states,
however, that Luciano's death prevents them from
finally solving the riddle.

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ENCLOSURE

Widdell

Mercoledì 31 gennaio, a

ORLEANS

[illegible]

Herbert Albert
all Auditorio

1. **La prima** è la **teoria della relatività**, che ha rivoluzionato la nostra concezione dello spazio e del tempo, dimostrando che sono relativi e dipendono dallo stato di movimento dell'osservatore.

TEATRI
Prima del «Pipistrello»
al Teatro dell'Opera

CC - RELVET

Occupanti di un'auto
feriti da un aereo

L. B.

La scorsa notte, verso le 22, un aereo di guerra, di tipo biplano, si è abbassato a un'altezza di circa 100 metri sopra la città di Milano, e ha lanciato due bombe incendiarie che hanno colpito la casa di un signor L. B., abitante in via ... Le bombe hanno causato un incendio che si è esteso a tutta la casa, e il signor L. B. è stato ferito alle gambe. Un altro aereo si è visto in volo sopra la città, ma non ha lanciato bombe. Le autorità competenti stanno indagando sulla causa dell'attacco.

il fratello x gangster

Gosh non abbia nulla a che vedere con i trafficanti di eroina, e che i suoi rapporti con Lucky erano soltanto di natura cinematografica.

Nella cerchia dei familiari e degli amici dello scomparso si parla con accenti di profonda amarezza della morte di Lucky. «Era un uomo forte — dicono — ma a poco a poco la sua fibra è stata schiantata dalle molte accuse e dalla lotta senza quartiere che la polizia gli faceva. Aveva proprio perduto la pace. La perquisizione domiciliare, per cui che era gelosissimo della sua casa, doveva essere un duro

[illegible]

b6
b7C

Clipping from Rome daily newspaper "Il MESSAGGERO"
dated 2/7/62

Title: BODY OF LUCKY LUCIANO DEPARTS FOR
NEW YORK

Body of Lucky Luciano departed yesterday from Rome Airport enroute to New York. Body is to be interned at St. John's Cemetery in New York. Departure of the casket from Italy was witnessed only by a few persons, a number of journalists and photographers and officials of the Guardia di Finanza. No members of the family or friends were present.

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39-2141-206

Partita per New York la salma di Lucky Luciano

E' partito ieri sera dall'aeroporto di Fiumicino, diretto a New York, un quadrimotore americano da carico, che reca a bordo la salma di Lucky Luciano. Le spoglie dell'ex gangster sono in una bara, che a sua volta è contenuta in una cassa, sulla quale vi è una piccola targa con sopra scritto: «Salvatore Lucania - Brooklyn - New York». La salma verrà tumulata nella tomba di famiglia del Saint John Cemetery di New York. All'ultimo atto della vicenda di Lucky Luciano in terra italiana, hanno assistito pochissime persone: un paio di giornalisti, tre fotografi, un cineoperatore e qualche guardia di finanza. Non era presente alcun familiare o amico dello scomparso. L'aereo è partito con circa quattro ore di ritardo.

2-7-62

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Cops, Mourners Mingle At Lucky Luciano Rites

(From Combined Dispatches)

NAPLES, Jan. 29 — Elegantly attired friends, local businessmen, plainclothes police and pretty Neapolitan girls packed the Church today for the funeral of Charles (Lucky) Luciano, the Italian emigrant who made bad in America as New York vice lord.

Joe (Cock-Eyed John) Raimondi, Nick di Marzio and Joe di Giorgio were there. U.S. Narcotics Bureau agents spotted them among friends who, like Luciano, had been deported back to their homeland.

"So long, pal" said the inscription on a floral piece from Joe Adonis, former New Jersey gambling king who chose to return to Italy in 1956 rather than face years in

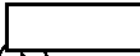
Luciano's mahogany casket lay in the Roman Catholic Church with six wreaths as the local pastor sang a solemn high requiem mass for him.



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

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b7C

Date: February 12, 1962
To: Director, FBI (Attn: Identification Division)
From: Legat, Rome 
Subject: CHARLES "LUCKY" LUCIANO
aka Charles Lucania, "Lucky" Lucania
FBI #62 920
IDENTIFICATION MATTER

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ReBulet dated 1/31/62/captioned CHARLES LUCANIA,
aka., requesting Legat, Rome, to obtain positive assurance
of the death of captioned subject.

This is to advise that subject was not finger-
printed after his death and Italian Police files fail to
reflect that he was fingerprinted at any time during his
residence in Italy. The only copy of subject's finger-
prints on file was forwarded to Italy from the U.S.

Legat, Rome, with Bureau authority, had inter-
viewed LUCIANO on three occasions. From conversations
with him it appears certain that he is the individual who
is the subject of Bureau's Identification Record #62 920.
It is also certain that this individual died of a heart
attack at the Naples Airport, Naples, Italy, on 1/26/62.

Attached hereto is a photograph taken from "Lo
Specchio" issue of 2/4/62 which shows subject after his
collapse at the Naples Airport.

ENCLOSURE

- 3 - Bureau (Enclosure-1)
(1 - Liaison Section)
1 - Rome
AAC:vw
(4)

1cc removed & filed in Ident jacket FBI 62920
REC-42 FEB 14 1962
ED 125 FEB 15 1962
207

EL-113

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39-2141-203

51 FEB 28 1962

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP2 BT/ld

"LO SPECCHIO"
Rome, Italy
2/4/62

39-2141-201

SECURITY

Così è morto Lucky Luciano, l'ex luogotenente di Al Capone, stroncato da un infarto



Lucky Luciano, uno dei più prestigiosi esponenti della malavita americana, è morto venerdì 26 gennaio all'aeroporto di Capodichino, a Napoli, stroncato da infarto. L'ex luogotenente di Al Capone soffriva da tempo di disfunzioni cardiache e aveva superato l'ultima crisi il 2 gennaio scorso. All'aeroporto, dove si era recato per incontrarsi con il produttore Martin Goech, è stato trovato morto. Luciano, che dovrebbe essere interpretato da Cameron Mitchell, è stato portato via da agenti del nucleo speciale investigativo della Tribunale.

vità di una banda di spacciatori di droga avevano provocato l'intensificarsi della vigilanza disposta dalle autorità italiane di Pubblica Sicurezza sulla vita privata dell'ex gangster; vigilanza che non era mai cessata dal giorno in cui Lucky rientrò in Italia, sebbene la Magistratura avesse per tre volte rifiutato di adottare nei suoi confronti il provvedimento del confino per l'inconsistenza degli indizi a suo carico. (Nella foto: «don» Salvatore, come lo chiamavano i suoi estimatori nel rione di Santa Lucia, provvisoriamente sistemato all'interno dell'aeroporto di Capodichino. Nell'interno un ampio servizio).

• Il volo orbitale del cosmonauta americano John Glenn è stato rinviato, a causa delle avverse condizioni atmosferiche, ai primi di febbraio. Il colonnello Glenn era già entrato nella capsula spaziale, sulla piattaforma 14 di Cape Canaveral, ed è rimasto quattro ore in attesa del segnale di partenza. Il razzo Atlas-Agena, che avrebbe dovuto sganciare sulla superficie lunare una capsula contenente strumenti scientifici, dopo una partenza regolare ha modificato la rotta prestabilita; la rotta del Ranger 3 è stata successivamente modificata con i radiocomandi, e la capsula è entrata in orbita a trentamila chilometri dalla superficie lunare.

• Dieci viaggiatori sono rimasti feriti, e trenta contusi, nell'urto tra un diretto ed un treno merci sulla linea Brindisi-Vibo Valentia, in Calabria, nei pressi della stazione di Trani. Un locomotore e quattro vagoni sono andati distrutti. Il capostazione Paganini è stato ferito per accertamenti. Una commissione d'inchiesta è stata nominata dall'ingegner Sestini Rissone, direttore generale delle Ferrovie dello Stato, per accertare le cause dell'incidente e le eventuali responsabilità.

• Il principe Ranieri di Monaco avrebbe intenzione di chiedere per il suo piccolo Stato un seggio alle Nazioni Unite, e di attuare una riforma della diplomazia monegasca elevando al rango di ambasciatori tutti i suoi ministri plenipotenziari. Il Principato di Monaco ha già un seggio all'Unesco.

• L'attrice Ivy Nicholson ha tentato il suicidio, a Parigi, durante un ricevimento organizzato negli studi St. Maurice in onore di Sophie Loren e Anthony Perkins. Rimasta in un camerino, l'attrice si è tagliata le vene del polso. Trasportata all'ospedale di Cretet, la Nicholson è stata dichiarata fuori pericolo.

• Alle acciaierie di Volta Redonda, in Brasile, un crollio si è capovolto rovesciando su un gruppo di operai settanta tonnellate di acciaio fuso. Dodici sono stati letteralmente inghiottiti, dieci sono morti poco dopo per le gravissime ustioni, e altri trenta sono stati ricoverati in ospedale gravemente ustionati.

• Il giornalista cubano in esilio Eddy Fleiz, inviato di un giornale colombiano alla conferenza interamericana di Punta del Este, è stato aggredito da due « pistoleros » cubani che avevano ricevuto l'ordine di rapirlo. I due aggressori erano muniti di passaporto diplomatico e facevano parte della missione ufficiale cubana.

• La Guardia di Finanza ha denunciato cinquantotto persone, tra importatori, spedizionieri, autotrasportatori, depositari, industriali oleari, per un vasto traffico di acidi grassi destinati alla saponificazione ed avviati invece ai consumi alimentari. Si calcola che dal 1959 al 1960 siano stati trasportati in olio commestibile 140 mila quintali di sapone.

• Sono state accertate evasioni all'imposta generale sull'entrata per 250 milioni di lire, ed occultamento di ricavi per evasione delle imposte dirette per oltre sei miliardi di lire.

• L'Ente Premi Roma ha ordinato a Palazzo Barberini una mostra delle opere partecipanti al « IV Premio di pittura Easo » sul tema « Cento anni di industria in Italia ». Prima dell'inaugurazione ufficiale, la mostra è visitata da numerosi partecipanti della stampa, autorità e dirigenti della Easo Standard Italiana. Dopo l'esposizione romana, le opere verranno mostrate in varie città italiane. Le migliori tele, selezionate dalla giuria, parteciperanno successivamente ad una mostra che raccoglie le più importanti città degli Stati Uniti d'America.

• Un treno-operaio, con oltre mille passeggeri a bordo, si è spezzato in due, per la rottura di un gancio di trazione, alla stazione di Greco, nei pressi di Milano. Quasi contemporaneamente un altro treno-operaio si è spezzato in due, anch'esso per la rottura di un gancio di trazione, alla stazione di Milano-Lambrate. I due incidenti non hanno causato vittime né danni alla persona, data la scarsa velocità dei convogli al momento della rottura dei ganci. Pochi giorni prima un altro treno-operaio, sulla linea Lecco-Milano, aveva perduto una portiera durante la corsa.

• E' morto a Roma, a settantadue anni, l'attore Luigi Ci-marra, uno dei migliori della scena di prosa italiana. In cinquant'anni di vita teatrale, era stato in compagnia con tutti i « grandi » dell'ultimo mezzo secolo: Falconi, Nicodemì, Tina Di Lorenzo, tra gli altri. La sua ultima interpretazione è stata nel « Rinnocente » di Jonaco.

• E' stato arrestato ad Orleans, in Francia, il dottor Franz Wilhelm Kopp, proprietario del castello di Augerville, per fabbricazione clandestina di stupefacenti. Il dottor Kopp aveva installato in un'altra del castello un modernissimo laboratorio chimico in grado di produrre diversi chili di eroina al giorno.

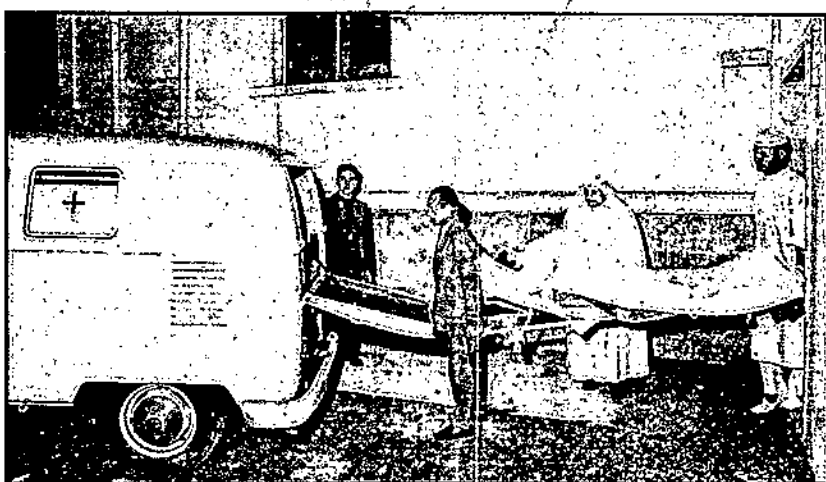
• Giovanni Magliozzi, marito della mondana Maria Guzi, nota con il nome di « Amneris », uccisa a Roma nel suo appartamento da uno sconosciuto frequentatore, è stato scarcerato e denunciato a piede libero per agevolazione della prostituzione. Appena scarcerato, Giovanni Magliozzi ha seguito i funerali della moglie, che è stata tumulata nel cimitero romano del Verano.

• La Corte d'Appello di Torino ha ridotto le pene comminate dal Tribunale di Vercelli ad Amalia Rosati Parvini e Rosetta Prelli per la falsificazione dei diari di Mussolini. Le due donne sono state condannate a due anni e ad un anno e quattro mesi. Le pene sono state interamente condonate.

• I Carabinieri del Nucleo di Polizia Giudiziaria di Roma hanno denunciato alla Magistratura per usura continuata ed aggravata il signor Bruno Castelnovo, amministratore unico dell'Istituto finanziario « Castelfidati ».

• Il marchese Philippe d'Albert, duca di Luynes, è stato nominato presidente del Jockey Club di Parigi. Il circolo più « chiuso » di Francia. Egli succede nella carica al novantatreenne Armand de la Roche-Aymon, duca di Douville. I membri del « Jockey Club » sono millecontrenta e per farne parte bisogna portare un nome conosciuto da almeno tre generazioni. Tra i più grandi « esclusi » dal circolo figurano l'industriale automobilistico André Citroën, l'ex re Faruk d'Egitto e l'industriale tessile Pierre Boussac, considerato l'uomo più ricco di Francia.

• Un farmacista di Roma, il dottor Costantino Peretti, è stato arrestato a New York dalla polizia federale del distretto di Brooklyn per aver tentato di introdurre clandestinamente negli Stati Uniti due chilogrammi di vitamina B-12. La polizia ha arrestato anche l'industriale farmaceutico italo-americano Caesar Botone, proprietario di un'azienda nel New Jersey, che aveva pagato la cauzione di 25.000 dollari per far ottenere al Peretti la libertà provvisoria. Sui



Il pilota bulgaro Milos Solakov, precipitato ad Acquafredda delle Fonti, in Puglia, con l'aereo « Mig-17 » a bordo del quale stava effettuando dei rilevamenti fotografici delle installazioni militari della zona, è stato trasferito al carcere di Bari, a disposizione della Magistratura. I resti dell'aereo sono stati trasportati alla base aerea di Pratica di Mare, per essere esaminati dagli esperti della NATO; si tratta infatti del primo esemplare di « Mig-17 », aereo di fabbricazione sovietica, che cade nelle mani degli occidentali. Tra i rottami dell'aereo-spia sono state rinvenute apparecchiature fotografiche, per la ripresa da alta quota, con le pellicole « sbiancate » mediante un dispositivo d'emergenza. Questo, ed altri particolari che non sono stati rivelati, fanno propendere gli inquirenti per gli scopi spionistici della missione del tenente Solakov. Il trasferimento del pilota dall'ospedale di Acquafredda al carcere di Bari è avvenuto di notte. Durante il tragitto, l'autoambulanza che trasportava Solakov è stata preceduta e seguita da due automobili con a bordo agenti del Controspionaggio Italiano. I fotografi ed i giornalisti erano stati diffidati dal seguire le automobili. (Nelle foto: sopra, il tenente Milos Solakov, coperto da un telo, sulla barella, esce dal padiglione. Sotto: l'uscita della colonna dal cancello secondario dell'ospedale).



due chilogrammi di vitamina, il cui valore negli Stati Uniti è di novantamila dollari, pari ad oltre 55 milioni di lire, doveva essere pagata una tassa doganale di quattordici milioni di lire. Gli arresti sono stati eseguiti dal commissario Salvatore Abruzzo e l'inchiesta viene condotta dal giudice Joseph Marchese, entrambi italo-americani.

• E' stata smentita la notizia che l'Ente Nazionale Idrocarruri abbia acquistato il pacchetto azionario di maggioranza della « Banca Manuovari ». Le voci che davano per certo il fatto che l'Istituto bancario milanese fosse entrato a far parte del gruppo ENI sono state definite « prive di fondamento ».

• Giulia Occhini, la « dama bianca » di Fausto Coppi, è stata ricoverata in una clinica di Alessandria, dove è stata sottoposta alla terapia del sonno, perché affetta da una grave forma di esaurimento nervoso. La crisi depressiva della signora Occhini è stata posta da alcuni in relazione ad un presunto idillio con l'avvocato Michele Tabor, di Novi Ligure, di cui era stata nota l'assiduità delle visite a Villa Carla. I due interessati hanno smentito l'esistenza di qualsiasi legame sentimentale tra loro, ed hanno annunciato l'intenzione di querelare i propagatori di tali notizie.

• Il filo-peronista Andres Franklin, candidato alla carica di governatore della provincia di Buenos Ayres, in Argentina, ha annunciato che l'ex presidente Juan Peron ha presentato la sua candidatura come vice-governatore. Le elezioni avranno luogo il 18 marzo prossimo.

• Il professor Lorenzo Sarti, aiuto chirurgo alla divisione « Passera » dell'Ospedale Maggiore di Milano, ha rivolto alla Magistratura un grave esposto con il quale chiede che venga svolta un'indagine su alcuni oscuri episodi, invitando il procuratore della Repubblica ad accertare le responsabilità

dolose e colpose ed a procedere secondo la legge. L'esposto del professor Sarti cita e documenta fra l'altro i casi clinici di Walter Zorzi, Luciana Michelon, Stefano Gerosa, Rita Dalmelli, Anita Masi e Gilberte Assal. Il chirurgo è stato sospeso dall'incarico. Il ministro della Sanità ha disposto un'inchiesta, affidandola all'ispettore generale medico dottor Paolo Fracasso.

• Un provvedimento del ministero della Difesa ha stabilito che, dal 15 maggio prossimo, venga ripristinato l'uso della sciabola per gli ufficiali, gli aiutanti di battaglia ed i marescialli dell'Esercito quando indossano la grande uniforme. Le sciabole verranno acquistate dai singoli interessati; si calcola che occorreranno quarantacinquemila sciabole. L'uso della sciabola era già in vigore per la Marina, l'Aeronautica e per l'Arma dei Carabinieri.

• Veniotto abitanti della Germania Orientale sono passati nella zona Ovest di Berlino scavando una galleria lunga trenta metri sotto il muro di cemento armato che divide la città. Sei persone, lavorando a turno, hanno impiegato una settimana a compiere lo scavo.

• L'erigastolano Vincenzo Villi, di 55 anni, rinchiuso da vent'anni nella casa di Saluzzo, è morto per paralisi cardiaca provocata dal disprezzo provato per il trasferimento del capoguardia, maresciallo Domenico Zagaroli, con il quale si era legato di affettuosa amicizia.

• Natalia Sedova, vedova di Leone Trotsky, è morta a Parigi all'età di 79 anni per un collasso cardiaco. Essa era giunta da poco in Francia, dal Messico, e stava operando attivamente per ottenere che i sovietici procedessero alla riabilitazione del marito. Natalia Sedova aveva conosciuto Trotsky a Parigi, nel 1902, e lo aveva sempre seguito, nelle interminabili peripezie che caratterizzarono la vita del capo militare della rivoluzione, russa.

Appena maggiorenne Lucky Luciano era già un personaggio leggendario degli «anni ruggenti»

Salvò la vita al magistrato

che in seguito lo fece arrestare e condannare a 60 anni di carcere

Servizio esclusivo per «Il Paese» di LUIGI RICCI

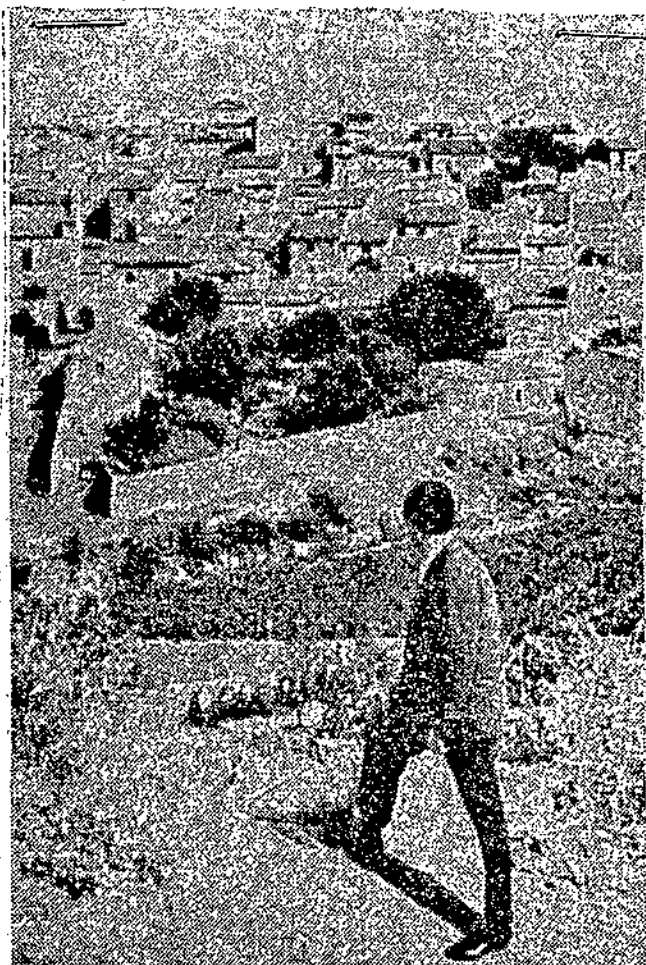
NAPOLI, 27. — Nel 1935, cioè un anno prima che Charles Luciano, detto «Lucky», venisse arrestato per ordine del procuratore Thomas E. Dewey, di New York, sotto l'accusa di aver favorito la prostituzione ed esercitato la «tratta delle bianche», e successivamente condannato ad una pena fino a sessanta anni di carcere, il celebre gangster italo-americano salvò la vita allo stesso Dewey. Dewey, allora conduceva una lotta accanita contro la delinquenza organizzata negli Stati Uniti ed in realtà il giovane procuratore conseguiva dei successi, tanto è vero che la sua azione agitò considerevolmente le acque negli ambienti dei gangsters. Si pensò, allora, di togliere dalla circolazione Dewey, cioè assassinarlo ed il piano — in verità perfetto, come in seguito fu giudicato dallo stesso Dewey — fu preparato da uno dei più spietati gangsters che la malavita americana abbia prodotto: l'olandese Dutch Schultz, detto «il barone della birra», un individuo duro che non conosceva mezze misure. Dutch espose il suo piano a Lucky Luciano ed agli altri. Ma Lucky

si oppose decisamente alla sua realizzazione e in quella seduta disse che: «...tutte le inchieste giudiziarie vanno in fumo quando la giustizia non dispone di testimonianze valide e finché Dewey non troverà persone disposte a cantare, noi siamo a posto. E' più conveniente far sparire un testimone che un giudice...». Ma Dutch insisté nella realizzazione del suo piano e dichiarò, nell'atto di abbandonare la seduta, che avrebbe agito da solo. Lucky, allora, non esitò: ordinò alla «Murder Inc.» di liquidare Dutch e l'olandese fu assassinato con tre pallottole calibro 45 nella schiena mentre era chino su un lavandino a rinfrescarsi il viso. Contemporaneamente furono «fatti fuori» i due uomini che costituivano la sua guardia del corpo.



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Due foto di Lucky Luciano in Sicilia, pochi giorni dopo il rimpatrio. Dewey l'aveva fatto «graziare» per «meriti di guerra» derivati da informazioni che il «gangster» aveva fornito agevolando lo sbarco alleato in Sicilia. Nella foto in alto: Luciano, al paese natio, Lercara Friddi; sopra: Lucky a pranzo con un amico in un ristorante di Palermo

Dewey, così, ebbe salva la vita ma non per questo allentò la tenaglia in cui stava stringendo l'«élite» del gangsterismo; anzi rese più serrata la sua azione fino a conseguire le prove di reità a carico proprio di colui che aveva voluto che egli vivesse, cioè di Lucky, e lo fece arrestare. Dewey, dunque, è l'uomo che nella vita di Lucky Luciano ha recitato la parte più importante avendo lo messo in carcere una volta per sempre ed avendolo, in seguito, liberato in circostanze sensazionali e sorprendenti di forze considerevoli. Ed è per volere di Dewey che, in seguito, Lucky ha dovuto adattarsi a vivere in Italia, in esilio, facendo in modo che l'ex gangster non potesse più nuocere. In questi tredici anni di vita italiana Lucky ha cercato sempre di evitare, conversando coi giornalisti, di riferire molti particolari sulla sua vita, scherzandosi abilmente e fornendo quasi sempre delle risposte che non davano affatto la sensazione d'essere evasive. Ci si accorgeva dopo che, in fondo, la domanda non aveva ottenuto la risposta che ci si attendeva. E conversava calmo, spesso sorridendo un po' compiaciuto dell'importanza che gli si dava; scrupoloso e attento attraverso i suoi occhiali da «professore» il suo interlocutore quasi volesse vagliarne le capacità o intuire il fine recondito della domanda. E quando veniva messo alle strette, come sull'episodio Dutch su cui, un giorno, gli domandammo dei particolari, soleva alzare le spalle e guardare a terra, un po' imbarazzato non avendo il coraggio, in realtà, di dire che si trattava di fandonie.

Da lui, insomma, non si sono mai potuti avere molti particolari sulla sua vita. Forse Lucky avrà fatto una eccezione con lo scrittore e sceneggiatore cinematografico Martin Gosch (con cui venerdì sera s'era incontrato all'aeroporto pochi minuti prima di morire) per il film sulla sua vita; ma forse il Gosch non avrà che la versione di Luciano e cioè che, in linea di massima, l'ex gangster non è stato proprio uno stinco di santo, questo sì, ma che gran parte di ciò che si è detto è scritto su di lui non ha un fondamento serio. Nella sua vita, dunque, ci sono larghe zone d'ombra. Si sa che nacque nel 1897 a Lercara Friddi, in provincia di Palermo, e che a dodici anni, emigrò

con la sua famiglia negli Stati Uniti divenendo, in seguito, cittadino americano. Come e in quali circostanze sia entrato a far parte della malavita americana resta un mistero. La commissione Kefauver, che si occupò del gangsterismo, nel 1951, afferma che Charles Luciano, il quale in realtà si chiamava Salvatore Lucania, era «una figura leggendaria e sinistra del gangsterismo nel periodo 1920-1930 e dopo. Viveva principescamente in uno dei più lussuosi alberghi di New York e viaggiava di continuo nei centri mondani del paese in compagnia di donne assai decorative. Le sue attività illegali comprendevano notoriamente la prostituzione, il contrabbando di alcool e degli stupefacenti».

Un diplomatico

Se, dunque, nel 1920 Lucky era già una figura leggendaria e sinistra, cioè quando aveva ventitré anni, bisogna dedurre che egli si mise in luce alcuni anni prima.

Non era un duro, all'apparenza, ma lo era nei fatti. Sapeva agire con intelligenza in ogni circostanza ma sapeva, soprattutto, tenere ben saldi nelle sue mani i legami con gli altri, i rapporti «sociali», come egli li chiamava. Fu l'animatore dell'organizzazione delinquenziale e il pioniere di quello che doveva diventare, più tardi, il sindacato nazionale della malavita statunitense. Agendo come un vero diplomatico rese possibili i legami più stretti tra la delinquenza e la politica, attirando nella sua orbita uomini che sono stati molto in auge nella politica statunitense negli anni fino al 1936, e promosse la suddivisione del territorio nazionale in sfere di influenza. Divenne, insomma, un vero e proprio «hoodlums», cioè un capo moderno di bande organizzate, dalla grandissima influenza; e in seguito, estese l'infiltrazione anche nel campo degli affari legittimi, introducendovi noti criminali, che agivano in suo nome, nell'industria e nel commercio. Era sullo stesso piano del ses Polakoff, ottenne la Francesco Castiglia, considerato il «primo ministro» della malavita americana, e con lui erano Albert Anastasia, il «re del porto» di New York, Joe Adonis, il «re del bisciazzidri», i quali insieme, costituivano il temibile «stato maggiore» della delinquenza organizzata.

I «cinque uomini di ferro»

Molti dei suoi luogotenenti non vivono più. Erano i più fedelissimi, hoodlums di rango minore, tutti. Gli unici colpi di pistola o sgarbi di mitra, Charles, il maglietta, gangster e poliziotto di Kansas City, ad esempio, era considerato uno dei «cinque uomini di ferro» che teneva in pugno la grande città americana Philip Mangano, specialista portuale che fu trovato morto in uno sgangio di Brooklyn con tre pallottole in testa e il collo impuntato. Perché morirono, cosa? Tradimento? Non sapremo mai.

Un nemico spietato

Harry Aslinger, capo dell'ufficio federale stupefacenti dell'esecutivo contro il traffico delle droghe del Dipartimento del tesoro degli Stati Uniti, ha avuto in Lucky Luciano l'uomo che, in effetti, gli ha reso la vita molto dura. Luciano, a parer suo, è l'armatore di stupore degli Stati Uniti, il traffico degli stupefacenti che dilagava sempre più penetrando anche negli ambienti del ministero. Aslinger mise al bando, cioè a Lucky Luciano, di cui conosceva (e credeva di conoscere) meglio di tutti l'organizzazione che si occupava del traffico della droga. E cominciò una lotta terribile che, in realtà, non si finì mai. Nel 1934, infatti, Aslinger fu lui, prima

di stroncare la temibile organizzazione e di mettere le mani su Lucky Luciano.

A New York, infatti, furono arrestate 88 persone — tra cui il noto gangster Nick Gentile, amico intimo e braccio destro di Lucky Luciano — per traffico di stupefacenti tra gli Stati Uniti e l'Europa. Ma Nick non parlò e inoltre fece in modo che nessuno, parlasse. Luciano, dal canto suo, fece il resto, ovvero mise Aslinger in condizioni di non poter avere testimoni contro di lui e contro lo stesso Gentile, il quale, alla fine fu scarcerato insieme a moltissimi altri. Era intervenuta l'organizzazione col suo terribile peso ad il lungo e minuzioso lavoro degli agenti venne totalmente frustrato. Fu tardi, cioè nel 1935, Nick Gentile venne a far visita, a Napoli, a Lucky Luciano e, insieme, pranzarono in un noto ristorante esattamente sotto gli sguardi discreti di agenti che in realtà, in tutti gli anni, in cui Lucky ha vissuto a Napoli, gli hanno costantemente tenuto gli occhi addosso. Ma altri e ben più importanti gangster sono venuti a Napoli a visitare il celebre gangster. Mike Lanzetta, braccio destro di Costello, e Mike Lanzetta, intimo di Anastasia. A quest'ultimo Luciano, lasciandosi andare a delle le confidenze, disse: «Mi stanno mettendo in croce... alludendo alla continua attenzione che la polizia di Napoli e non solo quella partenopea — aveva per lui.

Siragusa era convinto che davvero Lucky esercitasse ancora il contrabbando (e noi spesso, Luciano ci ha dichiarato o giurato che si era ritirato dagli affari e che desiderava stare tranquillo...) e perciò gli mise alle calcagna i più abili agenti. Charles Luciano temeva una trappola. Prevedeva, tutto, lui. Perciò si fece conferenziare un vestito da un cappotto senza tasche esterne. Notammo un giorno, questa singolarità nel suo abbigliamento e gliene domandammo la ragione. Lucky ci sorrideva, ci disse che non poteva escludere che qualche agente gli infilasse nascostamente in qualche tasca una bustina di cocaina per prenderlo, poi, con le mani nel sacco. Per lo stesso motivo lasciava sempre una fidelissima guardia del corpo, presa la sua, ma a chi non era che qualcuno vi gettasse dentro della droga. Viveva, insomma, con un gran patema all'anima, sempre un po' sospettoso e guardingo. Poi pensò di giocare un brutto tiro all'ispettore Siragusa che continuava a non dargli tregua. Finì di organizzare una spedizione di droga da Napoli a Marsiglia facendo confezionare dei pacchi di bicarbonato. Siragusa, al principio, personalmente nella città francese e, trionfante, sequestrò la merce... proibito. Si scoprì che invece della droga, si trattava di bicarbonato. Siragusa, in seguito, venne trasferito.

In effetti, Lucky Luciano, spesso insieme alla sua amica, Lina, un'attrice milanese assai bella ed avvenente, che morì nel 1958, faceva vita tranquilla tra il suo domicilio in via Tasso 493, i ristoranti e il circolo. Qualche volta andava al cinema, preferendo il «Santa Lucia». Sopvente si recava a Santa Mariaella, dove possedeva una casa, per trascorrervi la villeggiatura. Aveva cercato, nella nostra città, di svolgere una attività, aveva aperto un negozio di vendita di articoli tecnici per signori, nel pressi di piazza Dante ma in seguito, poiché gli affari non andavano bene, si ritirò dal commercio. Non lasciava un aiuto finanziario a chi tra i tanti desertori d'Italia, andava a chiederglielo, né ci mostrava indifferenza di fronte a qualche caso pietoso. All'inizio degli anni trenta, quando pervenivano dagli Stati Uniti, abbastanza copiose, da amici e congiunti. A tal proposito ebbe anche delle noie con la D.C. che gli anni dopo una ingenua organizzazione per traffico di valuta. E se ne lamentava spesso, come pure ribadiva l'ingenuità del provvedimento di polizia che nel 1934 lo costrinse per due anni di sorveglianza speciale.

Da qualche anno Lucky Luciano frequentava il locale locale aperto dall'ispettore S. Martino a Napoli, dopo che egli era interessato al locale insieme a qualcuno molto in vista negli ambienti politici della D.C., non più, evidentemente, aveva rinunciato rapporti di affari molto stretti.

Le sue memorie

Infine, si era deciso a consegnare le sue memorie in mani fidatissime (lo sceriffo e scrittore americano Martin Gochi) per fare un film. Il copione era ormai pronta, ed il Gochi era venuto a Napoli per sottoporlo a Lucky Luciano. Ma Lucky non ha potuto darvi neanche uno sguardo, perché l'attacco polmonare l'ha colto mentre si trovava con la scrittrice al suo arrivo all'aeroporto di Capodichino. E oggi è mancata, nonché il «giallo» finale che ha creato in degli ambienti, dalla sua morte si era sospeso, infatti, che l'unico che doveva arrivare con lo sceriffo, cioè lo scrittore, non fosse che un trafficante colto, forse nome e se lo Luciano, era il ormai quasi vecchio e cognomevole in salute, a scrivere ancora nelle mani lo sceriffo di hoodlums per impartire gli ordini delle operazioni.

Luigi Ricci

La «Naval Intelligence» chiede l'aiuto di Lucky

Nel 1938 Lucky Luciano fu arrestato e pareva davvero che per lui fosse finita. Ma non doveva essere così. Durante la guerra si verificò nel porto di New York degli atti di contrabbando e ciò, indubbiamente, metteva in evidenza la presenza di agenti segreti italiani e tedeschi che pareva impossibili identificare. Fu a questo punto che intervenne la «Naval Intelligence» che chiese l'aiuto di Lucky Luciano. Fu dunque, provato che la malavita continuava in collusione col contrabbando USA, e ovviamente ciò non si verificò senza contrappartita, indubbiamente dalle promesse di libertà che furono fatte al celebre gangster. In quel modo, grazie a Lucky Luciano — che emise gli ordini della sua città nel pentimento di Sing Sing — la «Naval Intelligence» identificò tutti i sabotatori e li arrestò.

Giacché c'era, perché non sfruttare Lucky anche nella immunità dello sbarco alleato in Sicilia? L'intelligence, l'avvocato di Lucky, Meles Polakoff, si ottenne l'adesione del gangster. Si trattava di concordare con capi mafia dell'isola un aiuto concreto alla truppa che doveva sbarcare a Gela e ad Augusta, nonché in seguito, durante l'avanzata, in vista, testimonianze precise su questo sensazionale avvenimento, non c'è né sono: ma a garanzia da certi eventi, pare che proprio Lucky si sia messo a lavoro, della «Naval Intelligence». Lo stesso Lucky, allorché gli domandarono un giorno se egli stesso non fosse stato liberato, se, giustamente, nel 1943, ci invitò in Sicilia per preparare lo sbarco alleato, sembrò assai imbarazzato e forse una risposta che non si qualificava una risposta né una conferma. In ogni caso Lucky fu liberato dal carcere nel 1943, e la liberazione, concessa dallo stesso Dewey, fu indubbiamente il premio degli «alti servizi» agli Stati Uniti.

Ma anche diversi anni dopo, che Luciano abbandonò il territorio statunitense lo autorità USA, continuando, forse più che mai, ad occuparsi di lui. Fu sempre in commissione Kefauver che credette di stabilire senza fallo che Lucky, benché esiliato in Italia, dirigeva sempre il traffico delle droghe verso gli Stati Uniti. E parlando

di Lucky, uno dei membri della commissione, il senatore Robert Taft disse: «Sono uomini la cui condotta offende le nazioni del cittadino americano onesti e, a mio parere, Lucky Luciano è il primo della lista».

Gangsters a bordo

Fu, d'altra parte, dalla stessa commissione, trattata il caso della partenza di Lucky da New York che un Ammiraglio della nave che doveva condurlo all'Avana, non ostante la presenza di un forte nerbo di poliziotti che avevano ordine ben preciso di tenere un gran grando di addio al quale, partecipò lo stesso Frank Costello, insieme a tutto lo stato maggiore della malavita americana. Tutti passarono i vestiti e i coperti portuali falsificati recando in mano bottiglie di whiskey e champagne e facendo tirare indietro i poliziotti di guardia alla scorta della nave. Un poliziotto c'era, continuava di normali che stavano a guardare. Sarebbe, stoppato, una battuta, se un solo poliziotto avesse osato trattenere qualche gangster quando impedivano di salire sulla nave.

Anche dall'Avana, Lucky, dovette sfuggire. La sua vicinanza era considerata pericolosa. Ma, in realtà, le autorità americane, a giudicare dalla loro condotta, non ritenevano che esistesse un luogo sicuro, per non fermare più il celebre gangster. Forse ora che è morto non c'è stato di tempo. Convinco, sempre e più che mai, che Lucky, da Napoli, dirigesse il traffico degli stupefacenti e fosse sempre considerato il capo indiscusso della mafia, il FBI in via Italia espressamente per lui fu funzionario che era considerata tra i più abili in materia di traffico di droghe. Charles Siragusa, che ebbe il suo ufficio nella ambasciata americana a Roma, Ricca, dunque, in bene (per Lucky) le tette fra lui e Aslinger, ebbe inizio quella tra Siragusa e Luciano, a giudicare dai risultati, non si può dire che lo ispettore USA abbia avuto, in meglio. Dopo molti anni di permanenza in Italia, gli agenti tornano negli Stati Uniti, non lo perverrà, e col contrabbando di «ispettore del bicarbonato».

L'americano atteso da «Lucky» è solo un produttore di films

NAPOLI, 27. — Martin Gosh, il cittadino americano che Lucky Luciano ha accolto ieri sera all'aeroporto di Capodichino poco prima di stramazzone privo di vita al suolo, ha tenuto oggi pomeriggio una «press conference» nella hall dell'Hotel Turistico, poco dopo avere abbandonato la vicina caserma delle guardie di finanza.

«Questa notte sono stato trattenuto nella caserma delle guardie di finanza per cinque ore — ha detto calmissimo Mr Gosh — però il mio interrogatorio è durato solo mezz'ora. Mi hanno chiesto chi ero, chi conoscevo e cosa ero venuto a fare in Italia. Non ho avuto difficoltà a rispondere che ero giunto a Napoli per prendere accordi sul film sulla vita di Lucky, che ho intenzione di produrre, che risiedo ormai da qualche anno a Madrid e che sono completamente estraneo al "mondo" che Luciano ha frequentato per tanti anni in America».

Nel pomeriggio sono ritor-

nato volontariamente all'Italian police (così egli ha sempre chiamato le guardie di finanza) che mi ha formulato altre domande alle quali non ho avuto difficoltà a rispondere».

Martin Gosh, quindi, non avrebbe alcun legame con il mondo della droga.

«Non si tratterà di un film di gangsters, ma Lucky verrà raffigurato quale egli fu negli "States" — un gangster — ma sarà un "movie" umano, anche se spietato», ha concluso Martin Gosh.

E' forse destino che il dubbio e il mistero che hanno sempre aleggiato intorno alla figura di Lucky Luciano debbano permanere anche dopo la sua morte. Finora, infatti, non si sa con precisione quale male lo abbia stroncato. Egli era sicuramente sofferente di cuore, ma la presenza al suo fianco di un sottufficiale delle guardie di finanza non contribuisce a far considerare con «tranquillità» il suo decesso.



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

Mr. Tolson	
Mr. Belmont	
Mr. Mohr	
Mr. Callahan	
Mr. Conrad	
Mr. DeLoach	
Mr. Evans	
Mr. Malone	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Mr. Ingram	
Miss Gandy	

Date: February 19, 1962

To: Director, FBI

From: Legat, Rome

Subject: CHARLES "LUCKY" LUCIANO
INFORMATION CONCERNING
(LIAISON)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTJ/dld

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ReRomelet 2/12/62. Reference also Madrid letters
2/2/62 and 2/7/62 captioned "MARTIN ARNOLD GOSCH."

Information set forth below concerning the death
of LUCKY LUCIANO and statements to the effect that he was
involved in an international narcotics smuggling case were
obtained from () the U.S.
Narcotics Bureau in Rome, on 2/16/62 and from sources indi-
cated on 2/14/62 in Naples, Italy.

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3 - Bureau (1 - Liaison Section)

1 - Madrid (sent direct)

1 - Rome

AAC:vw

MAR 14 1962

FEB 28 1962

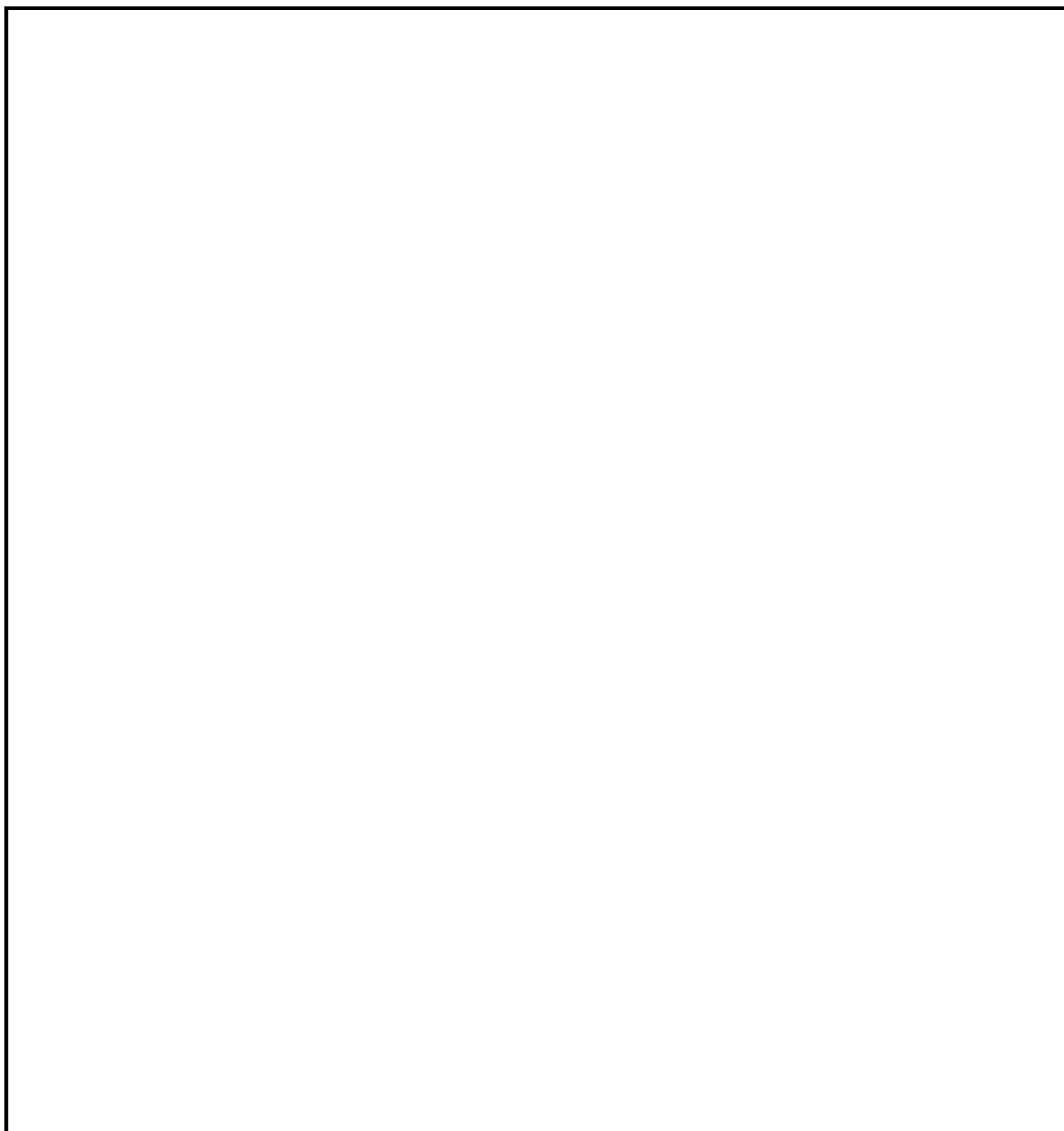
LIAISON

EX 101

copy sent
by
3-6-62

Rome [redacted]

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MARTIN GOSCH was described as a Hollywood producer who has had many successful pictures but who has also had many "flops" and whose fortunes rose and fell. He is reportedly associated with [redacted]
[redacted] GOSCH had contacted LUCKY LUCIANO sometime ago with

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Rome []

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reference to doing a story of his life and LUCIANO agreed. He had received several other offers from film companies but had declined since they reportedly would not meet his price for the rights to the story. LUCIANO is also reported to have stated that he finally agreed to GOSCH's offer inasmuch as he was certain that someone in the movie industry, whether he agreed or not, would film his life story and that therefore he was taking advantage of a monetary payment being offered.

Rome letter to the Bureau dated 8/4/60 captioned "TENUCA" sets forth information to the effect that LUCIANO had been offered a contract by a film company to do the story of his life. This same report set forth information to the effect that LUCIANO was suffering from a bad heart.

A few minutes after meeting GOSCH in the Naples Airport, LUCIANO collapsed and GOSCH, who knew that LUCIANO suffered from a bad heart, frantically searched LUCIANO's pockets for pills that he knew LUCIANO took. He did find the pill box, removed one of the pills and placed it in LUCIANO's mouth. This activity was observed by a number of the people who had witnessed LUCIANO's collapse and is believed to be the source of the story to the effect that LUCIANO was poisoned. []

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[] was present during the entire time and after LUCIANO's decease he searched LUCIANO's pockets and removed LUCIANO's wallet, notebook and other written material. *Lu*

A number of people attended LUCIANO's funeral but, as indicated in many of the press releases, there were more police than mourners at the funeral. Two agents of the U.S. Immigration & Naturalization Service stationed in Naples, Italy, three agents of the Office of Naval Intelligence, U.S. Naval Headquarters, Naples, Italy, and agents of the U.S. Narcotics Bureau all attended LUCIANO's funeral and took pictures of other participants. Accompanying the above-mentioned U.S. agents were []

b7D

The two principal U.S. hoodlums who were very much in evidence at the funeral were PAT EBOLI, concerning whom information is set out in Rome letter dated 10/10/61 in instant case, and [] concerning whom information is set out in Rome letter of 12/7/61 in instant case.

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As a matter of Bureau interest, []

Rome

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Rome

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There is no information available in the files of the Rome Office concerning the who issued the press releases to the effect that LUCKY LUCIANO was working for the FBI in connection with international narcotics smuggling and that he was killed by the mobs to silence him.

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This matter is being followed and developments of pertinent interest will be reported to the Bureau.



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

ALL INFORMATION CONTAINED
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DATE 11/10/82 BY SP8 BTJ/AD

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Date: March 21, 1962

To: Director, FBI (39-2141)

From: Legat, Rome [redacted] (RUC)

Subject: CHARLES "LUCKY" LUCIANO
INFORMATION CONCERNING
(LIAISON)

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Rebulet dated January 31, 1962. Re
also Rome letters dated February 12 and February 19, 1962.

Attached hereto is a clipping taken
from the weekly magazine "ABC", captioned "An agent of the
FBI. Among those attending, in addition to relatives and
a few second-rate gangsters, it is estimated that there
were some 20 police following the funeral procession".
(The individual in the attached photo is [redacted])
U. S. Immigration and Naturalization Service, Naples, Italy.)

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News stories and press releases con-
cerning LUCKY LUCIANO have disappeared from the Italian
press. The U. S. Narcotics Bureau is still following leads
in an attempt to prove LUCIANO's involvement in international
narcotics but all indications are that the case will be
closed with no startling developments.

3 - Bureau (1 - Foreign Liaison Section)
(1 Enc.)
1 - Rome [redacted]

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REG-1 39-2141-209

16 MAR 26 1962

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63 APR 2 1962

[REDACTED]
[REDACTED] LUCIANO was not involved in any way with narcotics traffic. He was in contact with elements of the U. S. underworld but the contacts were openly and publicly made. Numerous stories have been published to the effect that LUCIANO was receiving regular monthly payments from the underworld figures in the United States, but these stories also remain unproven.

U.I. [REDACTED] LUCIANO's brother, BARTOLO LUCANIA, had returned to Naples, Italy, from the U. S. on February 21, 1962, and liquidated LUCIANO's assets in Italy. LUCIANO reportedly owned the furnishings in the apartment which he occupied in Naples, an Alfa Romeo automobile, and a small home in Santa Marinella, Italy. LUCIANO also had a bank account in a Naples bank and on presentation of proper affidavits LUCIANO's brother liquidated the account which amounted to approximately \$6,000 (U.S.).

Any further developments of interest will be forwarded the Bureau. No further action is being taken.

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DATE 11/10/82 BY SP8 BTJ/dd



173

39-2141-209
ENCLOSURE

lo SPECCHIO

Settimanale di politica e di costume • Anno V • N. 5 • Domenica 4 Febbraio 1962 • Lire 100

IL SEGRETO DI LUCKY

**La vita
di Luciano
in Italia
raccontata
da lui stesso
pochi giorni
prima di
morire**

**ESCLUSIVO
DA PAG. 30**



Lucky Luciano ritra. una
vinta alle corse. La fo-
to è di qualche anno fa.
Il gangster è morto a Na-
poli il 26 gennaio scorso.

IL RE DEL VIZIO SI ERA CONFESSATO CON NOI

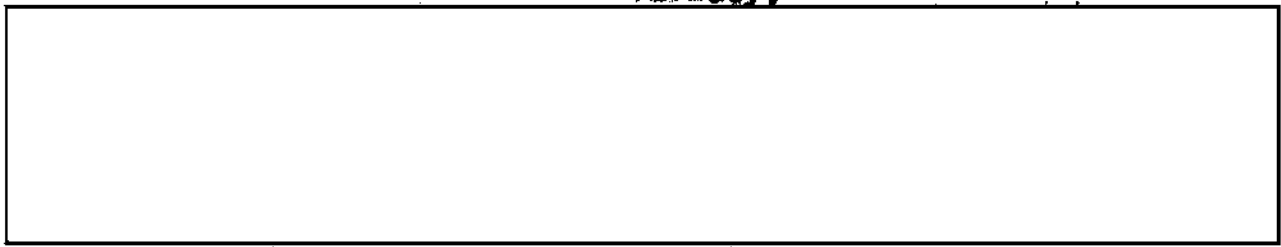
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ALL INFORMATION CONTAINED
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DATE 11/10/82 BY SP8 BSA/AD

Date: March 16, 1962
To: Office of Special Investigations
Air Force
Attention: Assistant Chief, Counterintelligence Division
From: John Edgar Hoover, Director
Subject: Charles "Lucky" Luciano

Receipt is acknowledged of your memorandum of March 12, 1962, your file [redacted] together with the enclosed clipping from the publication "Variety."

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A copy of the clipping from "Variety" and a copy of your memorandum of March 12, 1962, are being furnished to the Federal Bureau of Narcotics, U. S. Treasury Department, in view of the interest of many years standing that agency has had in the affairs of Luciano.

REC-70

39-2141 - 210

BY COURIER SVC.
COMM - FBI

1 - 62-107704

1 - Foreign Liaison (Encs. 2) (Route through for action.)

NOTE: Copy of incoming and enclosure are being furnished to the Federal Bureau of Narcotics via liaison.

CLG:rap
E-78.15

- Tolson
- Belmont
- Mohr
- Callahan
- Conrad
- DeLoach
- Evans
- Malone
- Rosen
- Sullivan
- Tavel
- Trotter
- Tele. Room
- Holmes
- Gandy

APR 2 1962

MAIL ROOM ☐ TELETYPE UNIT ☐

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62-107704-40169
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~~CONFIDENTIAL~~

SAC, New York

April 23, 1962

Director, FBI

SALVATORE LUCANIA, AKA.
Charles Luciano, "Lucky"

APPROPRIATE AGENCIES
AND FIELD OFFICES
ADVISED BY ROUTING SLIP(S)
DATE 5/1/62

There are enclosed herewith for your office and each office receiving a copy of this communication two copies each of two lists of addresses. [REDACTED]

b7D

[REDACTED] These lists were received by the Bureau from the Criminal Division of the Department which had received them from American representatives in Italy. ~~C~~

Each office receiving copies of these lists should peruse them and take any action necessary. ~~C~~

Enclosures (2)

- 1 - Newark (Enclosures 2)
- 1 - Albany (Enclosures 2)
- 1 - Boston (Enclosures 2)
- 1 - Los Angeles (Enclosures 2)
- 1 - Miami (Enclosures 2)
- 1 - Jacksonville (Enclosures 2)
- 1 - Philadelphia (Enclosures 2)
- 1 - Legat, Rome (Enclosures 2)
- 1 - Legat, Paris (Enclosures 2)

CLASS. BY SP8 BTJ/ed

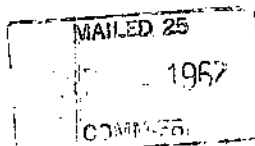
DATE OF REVIEW

11/10/82

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WHERE SHOWN OTHERWISE.

1 - Foreign Liaison (Route Through for Review)

CLG:rap
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REC-11

39-214-211

10 APR 25 1962

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Evans _____
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Tavel _____
Trotter _____
Tele. Room _____
Holloman _____
Gandy _____

MAIL ROOM ☐

TELETYPE UNIT ☐

~~CONFIDENTIAL~~

~~CLASSIFIED INFORMATION ENCLOSED~~



April 13, 1962

Attached please find two lists of addresses.

Please keep this office informed of any action taken in connection with these lists.

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI

DATE: 3-8-62

FROM : Legal Attaché, Madrid (RUC)

SUBJECT: MARTIN ARNOLD GOSCH
FOREIGN MISCELLANEOUS

Re Madrid letters 2-2-62 and 2-7-62 and Rome letter 2-19-62 captioned CHARLES "LUCKY" LUCIANO, INFORMATION CONCERNING (LIAISON).

Since the submission of reference Madrid letter of 2-7-62 nothing further has been heard from subject GOSCH. The 2-23-62 issue of the Madrid daily newspaper "A.B.C." carried a news item datelined New York, which quoted GOSCH as expressing the opinion that LUCIANO was poisoned. One statement attributed to GOSCH was "He appeared as though he were drugged." GOSCH was also reported as having declared upon his arrival in New York that some elements of the underworld had requested him not to make the film on the life of LUCIANO, but that he planned to go ahead with the film.

It would appear from this that GOSCH might be obtaining a good deal of free publicity for his proposed film, and UACB, no further contact will be had with GOSCH unless he appears voluntarily at the office to supply information.

A copy of this letter is being sent direct to the Rome Office for information.

3 - Bureau (1 - Liaison Section)
1 - Rome (sent direct)
1 - Madrid
CDA:HD
(5)

MCT-4A

39-2141
NOT RECORDED
102 MAR 22 1962

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DATE 11/10/82 BY SP8 BJS/RLQ

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ORIGINAL FILED IN 49-117-3

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI

DATE: 4/26/62

FROM : SAC, Jacksonville [redacted]

b7E

SUBJECT: SALVATORE LUCANIA, aka
Charles Luciano, "Lucky"

ReBulet to New York 4/23/62.

Review of enclosure fails to reflect any persons listed who reside in territory covered by Jacksonville; however, enclosure does list a [redacted]

[redacted] is covered by Tampa, Bulet and enclosure being transmitted to Tampa.

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ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTJ/ld

- ② - Bureau
 - 1 - Tampa (Enc. 2)
 - 1 - Jacksonville
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39-2141-212

REC-65

4 APR 30 1962

60 MAY 9 1962

EBI

Tolson ☒
 Belmont ☒
 Mohr ☒
 Callahan ☒
 Conrad ☒
 DeLoach ☒
 Evans ☒
 Malone ☒
 Rosen ☒
 Sullivan ☒
 Tavel ☒
 Trotter ☒
 Tele Room ☒
 Holmes ☒
 Gandy ☒

the last days of

LUCKY LUCIANO

by JACK ANDERSON

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b7c

NAPLES, ITALY.
 ON THE BRISK AFTERNOON of January 26, 1962, Charles "Lucky" Luciano, last of the flamboyant old ganglords, sagged to the pavement outside the Capodichino air terminal here. Only seconds earlier the tough, 65-year-old gangster had seemed in the pink of health. Now he was dead of a heart attack.

This is the story of his last days.

Lucky Luciano belonged to the reckless decade of Prohibition, when mobsters thumbed their noses at the law and basked in the garish limelight of the Roaring Twenties. He climbed from the gutters of Brooklyn to become the unchallenged ruler of the underworld. Ugly and cruel-looking, he was yet strangely attractive to women, had many mistresses over the years. The heart attack that killed him ended an era—but left a riddle behind. What were the curious and sinister goings-on that had come to a sudden halt with Lucky's death?

From Italian police, who trailed him and tapped his phone in the last months of his life, from U.S. narcotics agents who studied his every move, PARADE has pieced together the bizarre tale of Luciano's end. It is a mysterious story, filled with questions that may never be answered—and with contradictions.

What was on Luciano's mind as his life, unknown to him, was nearing its end? Two things were paramount: a movie and a dope ring.

The movie was to have been the story of Luciano's life, and the old mobster, who had a touch of

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 11/10/82 BY sp8

file 1/8/64

PARADE
 The Washington Post and Times Herald 6
 The Washington Daily News _____
 The Evening Star _____
 New York Herald Tribune _____
 New York Journal-American _____
 New York Mirror _____
 New York Daily News _____
 New York Post _____
 The New York Times _____
 The Worker _____
 The New Leader _____
 The Wall Street Journal _____
 The National Observer _____
 Date _____

39-2141-A
 172-14094
 NOT RECORDED
 199 JUN 26 1962

JUN 14 8 10 AM '62

RECEIVED DIRECTOR

JUN 17 1962

259
 JUN 28 1962

A lurch, a gasp and—"Martin, Martin, Martin"



At Lucky's funeral are (circle, l.) his brother Bartolo and (r.) Dr. Giuseppe Dosi, head of Italian Interpol.

At Christmas time, with Lucky's death now a scant month away, the four went to Taormina, the famous Sicilian beach resort. They behaved like innocent tourists, sightseeing around Mount Etna by day, night-clubbing in hot spots at night—mostly at a club called La Giarra, owned by Francesco Scimone.

After a long holiday, the four returned to Naples. The Rubinos, however, took off almost immediately for Spain. And it now became apparent that their Sicilian trip had had a secret purpose, for accompanying them was their genial host of Taormina, Francesco Scimone. The three immediately went into a huddle with the three fugitives, Mauro, Caruso and Maneri, in Madrid's Palace Hotel.

On this furtive trip to Madrid, Theresa Rubino also bought a wedding anniversary card for her husband. She scribbled on it endearing words about "all the wonderful things we have shared and the secrets we have. My sweetheart, I worship you. Your Big Nose." Secrets, indeed!

Watching and listening police in both Italy and Spain were now convinced something big was afoot. They decided it was time to move in, picked up Lucky for questioning. By a strange chance, it was the same day Lucky had arranged to meet Gosch at the airport to discuss the movie deal: January 26. Neatly, inexorably, like a master dramatist, fate was drawing the two threads of Lucky's life together.

At his questioning, Luciano explained to the police that all the mysterious comings and goings between Naples and Madrid were perfectly innocent. They concerned the movie, not narcotics at all. To prove his point Luciano invited police to accompany him to the airport to meet Gosch. An English-speaking officer, Cesare Resta, was sent.

The Luck Runs Out

Resta and Luciano were in the airport waiting room when Gosch's plane taxied in, just after 4 p.m. Luciano, immaculate as ever, wore sharply creased gray flannel slacks and a blue sports coat.

Lucky introduced Gosch to Resta, started to lead them to his car. Then it happened. Just outside the terminal, a few steps from the car, Lucky suddenly staggered. He clutched Gosch, "Martin, Martin, Martin," he gasped. He sagged limply into Gosch's arms.

The airport doctor was quickly summoned. He put a stethoscope to Lucky's chest, looked up and said simply: "This man is dead." A green canvas sheet

was pulled over the body until the hearse arrived. It was just after 5 p.m.

The news spread fast. Headlines flashed all over the world. Police moved quickly to pick up those who had spent time in the dead mobster's company before they could disappear.

Mauro, Maneri and Caruso were nabbed in Madrid. In Mauro's pockets was \$11,730 and the key to a safe deposit box which contained \$43,759 more. The three fugitives were shipped back to the U.S., and recently were given five-year sentences for bail jumping.

A Mysterious Disappearance

The Rubinos were also picked up and questioned, but they were finally released. Ryan stayed in Italy for Lucky's funeral, then slipped silently away. Tony Bender, as of this writing, has mysteriously vanished. As for the lady in the case, mistress Adriana had shown an interest in the handsome Pat Ryan even before Lucky's death.

From all the evidence they could muster, investigators were convinced that a worldwide narcotics ring had been in the making. Lucky was to direct it, and the three phony Canadians were to play important roles. All the comings and going between Italy and Spain, the furtive messages and coded phone calls, had been for the purpose of passing money and "business" secrets.

Lucky's death, coming so unexpectedly, stymied the whole fantastic operation, for the time being at least. As for "The Lucky Luciano Story," Gosch still has his script, may try to go ahead with the movie. It will be interesting to see if any further pressures are exercised to stop it.

As for Lucky, the last time I talked to him before his death, he spoke longingly of returning to New York, the Big City, the scene of his underworld triumphs. He got his wish in February 1962. Luciano's body was shipped to New York and placed in a \$30,000 family vault in St. John's Cemetery. His brothers, Bartolo and Joseph, removed their hats in the gathering dusk as the coffin was placed in the tomb. But no words were spoken.

A stained glass window in the crypt depicted a saint. To make conversation after the ceremony, a visitor asked Bartolo in a hushed voice what saint it was.

"I don't know," replied Bartolo. "I don't have much to do with saints."

were Vincent Mauro, Frank Caruso, and Salvatore Maneri. Keeping one step ahead of police, the trio went to Nassau, where they soaked up sunshine and scattered dollars like green confetti.

Three Canadian girls on vacation noticed their lavish behavior. When the girls got back to Toronto they saw photos of the fugitives in a newspaper, tipped off the Canadian Mounted Police. But Mauro, Maneri and Caruso, traveling on phony Canadian passports, stayed ahead of the law. In rapid succession they visited the Bahamas, Jamaica, Caracas, London, Nice, and finally Spain. There investigators lost their trail.

The trio stayed successfully out of sight until November 1961, when a chance uncovered them—and shed new light on their roles. It began when the Rubinos left Miami, turned up in Luciano's company in Naples. They stayed a week—until, police say, they got a phone call from Barcelona, Spain. The next day they hurried there, met three men. Police of Spain, Italy and the U.S., who had been trailing the Rubinos, discovered they had been led to Mauro, Caruso and Maneri.

Parties and Sightseeing

Not knowing yet what was up, however, investigators sat tight. The Rubinos stayed in Barcelona a few days, then flew back to Italy and Luciano. There they embarked on a gay whirl of parties with Lucky and Adriana. Rubino and Lucky carried on oblique telephone conversations, which puzzled police were sure contained coded messages.



Adriana took this shot of Lucky, U.S. visitor Pat Ryan.



Beach scene: Adriana, Lucky and unknown companion.

new one. Then he did a selling job on Luciano. The old mobster approved the script as revised.

But no amount of revision would satisfy the New Yorkers. Pat Ryan, Tommy's brother, hurried to Naples a week before Luciano's death to state the message in more emphatic terms: Tony Bender wanted the movie killed. Ryan was to bring back the original copy of the new script, with Lucky's initials on each page, to show Luciano agreed.

Phone Call from Madrid

Ryan and Lucky had a long talk at the Trans-Atlantico Restaurant here on January 17, after which Lucky wrote Gosch and told him the movie was off. The producer phoned from Madrid, demanded a hearing. Luciano told him to come and bring the script with him. Ryan, he intimated, would be waiting for it. Luciano promised to meet Gosch's plane. The place: Capodichino Airport. 4 p.m., January 26, 1962.

While all this was going on, Luciano had been giving an increasing amount of attention to the second of his main concerns, narcotics—and so had the police of three countries. This part of the final chapter of Lucky's life opened in May, 1961, eight months before he was to die. It began with the arrival at Luciano's Naples apartment of Henry and Theresa Rubino, a strange and brassy couple from Miami. They were go-betweens for Luciano, but had no direct connection with the narcotics racket. Henry, a fleshy, flashy showoff, and Theresa, a fading brunette who liked outsize diamonds and

purple suede shoes, were in Italy ostensibly to buy a restaurant. Luciano, who was believed to own pieces of other restaurants, would be their adviser and silent partner.

The Rubinos visited the Naples night spots and restaurants with Luciano and his new, young, pigeon-plump mistress, Adriana Rizzo. They stayed a month, then went back to Miami—supposedly to sell their restaurant there. They remained all summer and through part of the fall. On August 30, Lucky wrote Rubino a letter.

"Dear Henry," it began. "I have received the letters and photographs, and want to tell you how happy I was to have news of you, and I thank you for what you did at the cemetery. Henry, there is really nothing that I want. Only when you are ready to come here again, give my regards to Tony B., Pat R. and Tommy. Best regards to Theresa and you."

Luciano signed the letter, "Your friend, Charlie," as he was called by his intimates. Police suspected the letter was a code message to Rubino but couldn't crack it. Rubino later was to admit to police that the names in the letter referred to gang boss Tony Bender and his couriers, Pat and Tommy Ryan. But Rubino would say no more, except that he had placed a wreath on the grave of Luciano's mother.

Meanwhile, in America, a seemingly unrelated sequence of events was unrolling. Three men who had been arrested in a narcotics conspiracy jumped bail in New York and skipped the country. They

In Naples five months ago the world's best-known mobster died, leaving behind a web of intrigue that is still being unraveled.

Here, with Luciano's own snapshots (right), PARADE tells this story for the first time.



Luciano poses with last mistress, Adriana Rizzo.

the ~~man~~ ^{him} wanted very much to see it made. The dope ring, according to U.S. Treasury agents, was a new world-wide conspiracy which Lucky was trying to establish. In the last months of his life Luciano shuttled between these two concerns, surrounded wherever he went by strange, shadowy, mysterious figures.

Putting the Luciano story on film had been the idea of a man named Charles Duke, an acquaintance of Lucky's who had Hollywood connections. He sold the idea to Luciano, then brought in a producer, Martin Gosch, to write the script and produce the film.

The deal fell through in the end, but not for lack of material. Luciano's life was rich and colorful enough for half a dozen movies. He started in the underworld at the age of 9, rose to be kingpin of New York rackets until a rising young prosecutor named Thomas E. Dewey convicted him of organizing compulsory prostitution.

Ten Years in Jail

Luciano went to Dannemora prison for a 30-to-50 year stretch and Dewey went on to be governor. Only ten years later, the doors that had clanged shut behind the mobster were dramatically opened by none other than Dewey. The condition: that Lucky return to his native Italy and never set foot on U.S. soil again.

He came to Naples, took an apartment overlooking the soft blue bay, resumed his fast, luxurious living. He kept his hands in the American rackets

and took his share of the profits through couriers. Federal agents regarded him as the mastermind of the international dope traffic. From his table in the California cafe here, Lucky Luciano could still fix almost anything.

He had begun to show his age when I talked to him here two years ago. His features had blurred, his black hair was turning a distinguished gray. Even his brown eyes, once hard as agate, were disarmingly gentle behind rimless glasses. He spent much of his time betting on the ponies, liked to sign autographs for tourists.

In this life of smug semi-retirement the idea of a film biography appealed strongly to Luciano, and at first he and Gosch got along well. The deal was fitting as smoothly as one of Luciano's silk shirts. Then in December 1960—13 months before Lucky was to die—the New York underworld got word of what the exiled mobster was up to. One day a man named Thomas Eboli, known in gangland circles as Tommy Ryan, arrived with a message from New York's latest gang boss, Anthony Strallo, known as Tony Bender.

Luciano's old associates argued that they had built up a multi-million-dollar, worldwide business, which had to be protected from the glare of publicity. An authorized film of Luciano's life, rattling old skeletons and stirring up new notoriety, might give new impetus to the drive against organized crime. The gang wanted the movie stopped.

Lucky reluctantly assented, but Gosch was less easily put off. He tore up the old script and wrote a



Miami friends the Rubinos sit at Lucky's right in Taormina club. All photos are private snapshots.

from



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

American Embassy
Paris, 8, France

W
Int
Date: May 7, 1962
To: Director, FBI
From: Legat, Paris (163-85)(RUC)
Subject: SALVATORE LUCANIA, aka.,
Charles Luciano, "Lucky"
AR

ReBulet to New York captioned as above, 4/23/62.

With regard to the list of names found in LUCANIA's address book, this is to advise that [redacted] mentioned on this list, giving an address in [redacted] appears to be identical with the subject of Bufile 46-12445.

b6
b7C

4 - Bureau (cc: 46-12445)(cc: Liaison)
1 - Paris
NWP:md
(5)

UNRECORDED COPY FILED IN

11/10/82
39-2141-212X1
REC-27
JUN 13 5 00 PM '62
JUN 13 1962
FBI
U.S. DEPT. OF JUSTICE
sp825td
John

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 5/8/62

FROM : SAC, TAMPA (92-225) (RUC).

SUBJECT: SALVATORE LUCANIA, aka;
CHARLES LUCIANO, "Lucky"
AR

Re Jacksonville letter to Bureau 4/26/62.

b6
b7C

One copy of Bureau letter to New York dated 4/23/62
and one copy of the enclosure to that letter are enclosed
for Washington Field.

2-Bureau
2-WFO (Encl. 2)
1-Tampa
JPP:jw
(5)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTJ/ld

EX-114

MCT-41

39-2141-212X2

92-4294-3

REC-52

16 MAY 10 1962

53 JUL 16 1962

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 5/23/62

FROM : SAC, WFO (92-78) (RUC)

SUBJECT: SALVATORE LUCANIA, aka
AR

ReBulet to New York dated 4/23/62, and Tampa
let to Bureau dated 5/8/62, cc WFO.

The name appearing on list furnished as
enclosure to Tampa as [redacted]

b6
b7C

On 5/17/62, IC [redacted] determined the
records of the D. C. Credit Bureau, Inc., contain no
reference to [redacted]

On 5/17/62, SE [redacted] determined the
records of the Identification Division, Metropolitan Police
Department, contain no reference to [redacted]
at all times an indefinite number of unidentified records
are out of file and unavailable for review.

b6
b7C

In absence of evaluating information regarding the
above, WFO will not prepare letterhead memorandum suitable
for dissemination, UACB.

It is suggested the Bureau consider making
available to OSI, USAF, through Bureau Liaison, the presence
of [redacted] name on this list.

b6
b7C

WFO indices contain no pertinent info regarding
[redacted]

2 - Bureau
1 - WFO
RLS:SKF

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8 BTJ/STL

REC-19

SF-104

39-2141-212X3

92-4074-5

17 MAY 24 1962

33 JUN 13 1962
F26

[Redacted]

b6
b7C

June 25, 1962

Dear Mr. Hoover,

Although unable to render me the data of "Lucky Luciano" criminal record, you have been extremely helpful in my analysis of crime and criminal background which is part of my paper. For the materials that you have sent me, I am very appreciative and wish to thank you for them.

Thank you so very much for your time, cooperation, and aid in my plight.

Sincerely,

[Redacted]

b6
b7C

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8 BTJ/dd

REC-2

39-2141-213 File

11 JUN 28 1962

no ack mess.
See 6/22/62 outgoing
to correspondent
CORRESPONDENCE

57 JUL 6 1962

~~11/10/82~~ 1962

Legat, Rome ☐

July 19, 1962

b3
b7E

Director, FBREC(89-2141) —

214

SALVATORE LUCANIA, aka
Charles Luciano, "Lucky"
FOREIGN MISCELLANEOUS

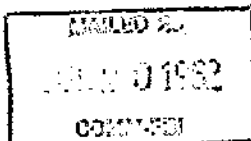
Reurlet 6/28/62.

The Bureau does not have the name of the individual who furnished to the Criminal Division of the Department the list of names in subject's possession at the time of his death.

1 - Foreign Liaison (route through for review)

CLG:mac
(5)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTJ/dcl



Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

Date: June 28, 1962
To: Director, FBI (39-2141)
From: Legat, Rome [redacted] (P)
Subject: SALVATORE LUCANIA, aka.
Charles Luciano, "Lucky"
FOREIGN MISCELLANEOUS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY sp9 bpl/dd

b3
b7E

ReBulet to New York dated 4/23/62 which sets forth a list of addresses taken from an address book found in subject's apartment in Naples, Italy, following his demise.

Except as noted below, a review of the individuals on the list failed to reflect any information indicating that they are of Bureau interest. This list was also checked through the office of the U. S. Narcotic Bureau in Rome, which office could furnish no pertinent information concerning the individuals listed with addresses in Italy. The Narcotics Office indicated, however, that a number of the names listed with addresses in the U. S. were recognized as hoodlums who had been investigated by the Narcotics Bureau in the U. S.

b7D

32

[redacted] the U. S. Bureau of Narcotics, the [redacted] and the Office of Naval Intelligence, U. S. Navy, in Italy, no concrete or substantive information has been developed indicating LUCANIA was engaged in smuggling, narcotics, or controlling international crime operations.

b7E

REC-9

39-2141-214
23
5 JUL 8 1962

1- Bureau
(1 - Foreign Liaison)
(1 - New York)
1- Rome [redacted]
(87-7)
(92-67)

b3
b7E

AAC:hcs
(7)

b6
b7C

Letter to the Director
Rome

b3
b7E

If the information is available to the Bureau, it would be of interest to know the source in Italy that furnished the above-referred to list to the Criminal Division of the Department.

b7D

The following information concerning names on the list appears to relate to files of the Rome Office:

b7D

✓ 9

No investigation is being conducted at Rome concerning the remaining names on the list who have Italian addresses unless specifically requested to do so by the Bureau.

Bureau should also advise as to whether contact is desired with the individual who furnished the list of names to the Criminal Division of the Department.

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI

DATE: 7/31/62

FROM : SAC, Philadelphia (92-1036)(P)

SUBJECT: SALVATORE LUCANIA, aka
Charles Luciana, Lucy
AR LUCANIA

Rebulet 4/23/62 to New York, cc Phila, enclosing copy of address book of captioned subject.

In Philadelphia, the only name listed was [redacted] Philadelphia 24, Pa.

The current Philadelphia telephone directory lists the above name with phone number [redacted]

Philadelphia indices contain no identifiable references to [redacted] Philadelphia Credit Bureau, checked 5/9/62 by IC [redacted] produced record verifying address and charge account at William Wanamakers Store, Philadelphia.

Efforts to contact negative to date. SAs J. ROBERT PEARCE and EDWARD D. HEGARTY on 7/31/62, without disclosing identify, learned from a neighbor that [redacted] was out of Philadelphia for the summer and would return "late in August."

[redacted] will be interviewed and if any info of value obtained, the Bureau will be so advised.

2 - Bureau
1 - PH (92-1036)

JRP:cpc

(3)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTJ/dd

MCT-19

18 AUG 1 1962

REC-7

56 AUG 10 1962

NINE

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (92-4094)

DATE: 9/10/62

FROM : SAC, PHILADELPHIA (92-1036) - RUC -

SUBJECT: SALVATORE LUCANIA, Aka
AR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP180/dcl

Re Philadelphia letter to Bureau dated 7/31/62

On 9/5/62

[redacted] Philadelphia, Pa., furnished the following explanation as to why her husband's name appeared in an address book of captioned subject to SA's J. ROBERT PEARCE and DAVID W. BREEN:

[redacted] advised that her husband was [redacted]

[redacted] On one occasion [redacted] was asked if she would like to meet LUCKY LUCANIA. LUCANIA was introduced to her and her husband in a restaurant and thereafter they became friendly. [redacted] noted that her father was originally from Naples, Italy, and she could speak Italian, but that their conversations with LUCANIA were primarily in English.

LUCANIA visited [redacted]

[redacted] It was after this meeting that she found out who LUCANIA actually was and what his reputation was. She said that representatives of ONI contacted her and her husband in Italy and told them to sever their relationship with LUCANIA. She stated that the relationship was never close, and after leaving Italy she had received two or three letters from LUCANIA, the last of which was a letter congratulating her on the birth of her last child. She maintained that LUCANIA had never asked her or her husband to receive any correspondence for him or to mail any for him, to deliver or receive any message for him, nor to do any favor whatsoever for him.

2 - Bureau (92-4094)
1 - Philadelphia (92-1036)
JRP:lmw
(3)

REC-16

SEP 14 1962

54 SEP 18 1962 F12

PH 92-1036

According to [redacted] her husband is employed
at [redacted]
[redacted]

b6
b7c

On 9/6/62 [redacted] telephonically
contacted the Philadelphia Office but could furnish no
additional information other than had been provided by his
wife.

UACB, no additional inquiry will be made in
regard to the relationship of [redacted] with the late
LUCANIA.

~~CONFIDENTIAL~~

SAC, New York

9/17/65

Director, FBI

1 -
1 -

b6
b7C

CHARLES "LUCKY" LUCIANO
aka Salvatore Lucania (TN)
AR

1-10-95 SP8 MAC/KSR
(JFK)

~~92-4094~~

92-3267-688

There are enclosed two copies of Legat, Rome,
letter of 8/31/65 addressed to the Bureau in the case
captioned "John Roselli, aka, AR." reflecting information
obtained in an interview with [redacted]

b7D

[redacted] has indicated
a willingness to furnish all information in his possession
with reference to Luciano, his activities, associates,
et cetera, during the period that Luciano was in exile in
Naples. (S)(u)

As you are aware, over the years there have been
many allegations that Luciano continued to be the "Mafia
boss" of the United States, directing criminal activities
from his place of exile. Information developed during the
past several years indicates that these allegations generally
have been overstatements but there is some indication that an
association continued between Luciano and some of this
country's top hoodlums who, from time to time, visited Luciano
in Italy. It is recalled that Pasquale Eboli was present at
the airport in Italy with Luciano at the time the latter had
his fatal heart attack and there is indication that Eboli
and perhaps others were in regular liaison contact with
Luciano.

Enc. (2)

1 - Los Angeles (92-113)

~~1 - 92-3267~~

CLG:cae
(7)

~~CONFIDENTIAL~~

DUPLICATE YELLOW

39-2141

~~92-4094~~

NOT RECORDED
176 SEP 22 1965

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

ORIGINAL FILED IN 92-3267-688

Letter to New York
Re: Charles "Lucky" Luciano

For the assistance of Legat, Rome, ²in interviewing [redacted] you should prepare a comprehensive letterhead memorandum incorporating pertinent information concerning Luciano's background in La Cosa Nostra affairs, both in the United States and in Italy. Make certain that you include such information as Pasquale Eboli's association; Angelo DeCarlo's statement that Luciano was "pensioned" with Las Vegas skim money; circumstances surrounding Luciano's parole and deportation; visits to him in Italy by such notorious and powerful top hoodlums as Meyer Lansky, et al.;

b7D

[redacted] and any other pertinent items which would be of assistance to the Legat in exploring with [redacted] [redacted] all information available to him concerning Luciano. *JP/11*

This letterhead memorandum should be prepared to reach the Bureau for forwarding to Legat, Rome, by September 28, 1965.

F B I

Date: 9/28/65

Transmit the following in _____
(Type in plaintext or code)

Via AIRTEL _____
(Priority)

TO: DIRECTOR, FBI (92-3267)-

FROM: SAC, NEW YORK (92-1266) (c) (U)

SUBJECT: CHARLES "LUCKY" LUCIANO aka
Salvatore Lucania (TN)
AR

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8 BTJ/dd

ReBulet to NY, 9/17/65.

Enclosed for the information of the Legat, Rome
is an original and 5 copies of a LHM concerning CHARLES
"LUCKY" LUCIANO, aka.

The information set forth in the enclosed memorandum
is written in a narrative style without specific documentation.
Should the necessity arise as to the source of any of the
information set out in the LHM, the NYO will furnish such
information on request.

ENCLOSURE

REC-6 39-2141-218
92-3267-1

3 - Bureau (92-3267) (Encls. 6)
1 - New York (92-1266)

23 SEP 29 1965

LHM:vmc
(5)

[Handwritten signatures and initials]

Approved: *[Signature]*
Special Agent in Charge
OCT 19 1965

Sent _____ M Per _____



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

New York, New York
September 27, 1965

In Reply, Please Refer to
File No.

100-3261-
11/10/82 [Sp8BD/04]

Charles "Lucky" Luciano,
Also Known As
Salvatore Luciana (True Name)

Charles "Lucky" Luciano, whose true name is Salvatore Luciana, was born in Italy on November 11, 1897. He emigrated with his parents to the United States in 1905. He was given the name of "Lucky" as a result of having survived a gangland "ride" to Staten Island, New York, on the night of October 16, 1929.

b7D

100-3261-
39-2141-218
ENCLOSURE

Charles "Lucky" Luciano

b7D

In June, 1936, Luciano was convicted in New York State Court on 62 of 90 counts charging compulsory prostitution. He was sentenced to 30 to 50 years imprisonment. On February 8, 1943, an application was filed asking for the suspension of two 15 year sentences still remaining to be served by Luciano. The application for suspension of the remaining sentences was filed with the allegation that Luciano had furnished valuable information to the United States Navy during World War II.

On January 3, 1946, Luciano was paroled by then Governor Thomas E. Dewey of New York State on the condition that he be deported to his native Italy.

On February 2, 1946, Luciano was removed to Ellis Island, New York, by Immigration and Naturalization Service officials to await his deportation. Luciano was placed aboard the "SS Laura Keane" on the afternoon of February 8, 1946, for his journey back to Italy.

Concerning Luciano's alleged assistance to the United States Government during World War II, investigation reflected that a letter had been written by one Charles Radcliffe Haffenden to Charles Breitell, Counsel for Governor Thomas E. Dewey. Haffenden was a Commander in the United States Navy stationed in New York City at the time when Luciano allegedly furnished assistance to the Navy. Haffenden had written the letter to Albany at the request of Moses Polakoff, Luciano's attorney. Haffenden alleged in his letter that Luciano, through Polakoff, had made available for interview by the Office of Naval Intelligence a number of individuals who furnished information assisting in the invasion of Sicily and Italy. Haffenden, when questioned as

Charles "Lucky" Luciano

to specific information furnished by these individuals, was vague as to details and Naval Intelligence files did not reflect specific information substantiating Haffenden's claims of assistance by Luciano.

It is further noted that during the period Luciano was detained at Ellis Island, New York, awaiting deportation, he was visited by two of his friends, Meyer Lansky and Frank Costello.

Meyer Lansky has been identified as a long-time associate and companion of Luciano and is reported to be one of the most wealthy gamblers in the United States today. Sources have advised that it was Luciano who made it possible for Lansky to amass his fortune. It is also noted that Lansky visited Luciano frequently during his incarceration in the New York State prison system. Lansky has also been reported as one of the major figures controlling gambling in Cuba prior to the Castro regime and it was in Cuba that Luciano and Lansky met again in 1947.

After Vito Genovese had fled to Italy in 1936 and Luciano was deported to Italy, Frank Costello became the "boss" of the "La Cosa Nostra" "family" formerly headed by Luciano. Costello had admitted in testimony before the Senate Subcommittee on Organized Crime that he had met Luciano in the lobby of a hotel in Havana, Cuba in 1947.

Sources have advised that after Luciano was deported, Vito Genovese paid Luciano's outstanding bills and gave him an additional \$10,000. Luciano's outstanding debts at the time of his deportation were allegedly \$50,000. Other reliable information indicates that Vito Genovese ordered \$2000 per month paid to Luciano and then four or five years prior to Luciano's death, his monthly income was raised to \$3000 per month. The \$3000 per month was allegedly derived from point ownership in a Las Vegas gambling casino. The money derived from the ownership of "points" has been described as "skim funds" or money which is taken out of the casino by underworld figures and not reported in the operating revenues of the casino.

In February, 1947 Luciano traveled to Havana, Cuba where he allegedly associated with such former companions as

Charles "Lucky" Luciano

Meyer Lansky and Frank Costello at the gambling casinos. It was during this visit to Havana that Luciano was introduced to entertainer Frank Sinatra who subsequently denied any prior knowledge or association with Luciano.

During his residence in Italy, Luciano was known to have been visited by the following individuals who have been identified as members of "La Cosa Nostra":

b7D

Pasquale Eboli, who has been identified as a "caporegima" in the Genovese "family" of "La Cosa Nostra", visited Luciano in March or April, 1960. He has been identified as a frequent visitor at the home of Luciano in Naples, Italy.

On January 26, 1962, Luciano died of a heart attack while waiting to meet one Martin Arnold Gosch at the Naples, Italy, airport. Gosch has been described as a movie producer and was negotiating to produce a motion picture of Luciano's life at the time of Luciano's death in the Naples airport.

On January 27, 1962, Gosch met an individual in Naples who introduced himself as Pat Eboli. In subsequent conversation, Gosch learned that Eboli had recently journeyed to Italy to see Luciano. Eboli exhibited great concern as to whether Luciano had said anything between the time he suffered his heart attack and the time of his death. Gosch advised that he truthfully told Eboli that Luciano had said nothing. Eboli then endeavored to persuade Gosch to give him the movie script on the Luciano story. Gosch refused to do this.

Charles "Lucky" Luciano

It is noted Pasquale Eboli is the brother of Thomas Eboli, who has been identified as the "acting underboss" of the Genovese "family" in New York City. Thomas Eboli is also alleged to have visited Luciano on at least one occasion in Naples, Italy, in November, 1960.

Michele "Mike" Miranda, who has been identified as the "Consulieri" of the Genovese "family" of "La Cosa Nostra", traveled to Italy in 1950 and allegedly visited Luciano at this time.

On April 3, 1965, Joseph Profaci admitted during an Immigration and Naturalization Service examination that when he had come to the United States from Italy he visited "old Mr. Luciano", the father of "Lucky" Luciano. Profaci stated that Charles "Lucky" Luciano was then a young boy and denied that he had had any business or social connection with Luciano. Profaci, who is now deceased, has been identified as the "boss" of a "La Cosa Nostra" "family" in New York City.

In 1953, Vincent Rao, in an appearance before the New York State Crime Commission, testified that he was a personal friend of "Lucky" Luciano. Vincent Rao has been identified as a member and the "Consulieri" of the Luchese "family" in New York City.

[REDACTED] b7D
an address book found in Luciano's apartment in Naples, Italy. This list included the following individuals who are believed to be identical with the following "La Cosa Nostra" members:

[REDACTED] b7D

Charles "Lucky" Luciano

Joseph Valachi advised [REDACTED]

b7D

[REDACTED] Anthony Strollo has been identified as a "caporegima" in the Genovese "family" of "La Cosa Nostra" who is missing and presumed dead since 1962.

UNITED STATES GOVERNMENT

Memorandum

~~CONFIDENTIAL~~

TO : Director, FBI (39-2141)

DATE: 12/7/65

FROM : Legat, Rome [REDACTED] (RUC)

b3
b7ESUBJECT: CHARLES "LUCKY" LUCIANO, aka
AR

CLASS. BY SP8 BTJ/dd

DATE OF REVIEW 11/10/92

Re NY LHM 9/27/65 and BU r/s 10/6/65 captioned
as above and Rome let 10/29/65 captioned JOHN ROSELLI, aka.,
AR.

[REDACTED] was interviewed at his residence,
[REDACTED] on 12/2/65. [REDACTED] was
questioned in detail concerning his knowledge of LUCIANO's
activities in Italy and LUCIANO's connection with the criminal
element in the U. S. As the Bureau will note, his knowledge
of these matters is very limited, general in nature and much
of the information has been received by the Bureau from other
sources. [REDACTED] was hazy in his recollection of dates and
names of individuals and was unable to provide specifics
in many instances. Although he says he saw LUCIANO [REDACTED]

[REDACTED] the majority
of the encounters were social in nature and criminal activities
were not discussed. It is also felt that [REDACTED]

[REDACTED] is very proud of the fact that he
knew LUCIANO who at one time was one of the most notorious
hoodlums in the U. S. and, therefore, bragged about his
knowledge of LUCIANO's activities in Italy. As set forth
below, [REDACTED] VITO GENOVESE cut off LUCIANO's
funds [REDACTED]

and secured his release from prison and later deportation
to Italy. It seems highly improbable that GENOVESE, who was
very close to LUCIANO, would have cut LUCIANO's income for
this reason, and it appears that [REDACTED]

[REDACTED] is exaggerating his importance (U)

[REDACTED] was also questioned concerning his
knowledge of the current location of JOSEPH BONANNO and this
is being reported to the Bureau in the BONANNO file (U)

4 - Bureau (1 - Foreign Liaison)
(1 - Bufile 92-3267 JOHN ROSELLI)

2 - Rome [REDACTED]

(92-77)

b3
b7ETJB:lw
(6)

3 DEC 13 1965

REC 1

39-2141-219

771
80-73
CONFIDENTIAL

VP
100-1

~~SECRET~~

[] No further interviews are contemplated with
regarding CHARLES "LUCKY" LUCIANO. (S) (U)

b7D

[] requested that his identity not be
revealed. (S) (U)

Degree of Friendship with LUCIANO] (S) (U)

[] met LUCIANO for the first time []

b7D

Luciano's Background] (S) (U)

[] LUCIANO began his climb to power in
the early 1930's when he and VITO GENOVESE engineered the
murder of JOE MASSERIA and later of SALVATORE MARANZANO. []

b7D

[] MARANZANO was lured to a rather
large office building where he was murdered by two killers
wearing policeman uniforms. []

[] five groups were then formed in New York to lead the
"organization". [] never heard of the phrase "La Cosa
Nostra" until he read of it in the newspapers in connection
with the testimony given by JOE VALACHI in the United States.
LUCIANO never mentioned VALACHI or La Cosa Nostra during the
time [] knew him. []

groups were divided as follows: LUCIANO was chief of the
Sicilian group; ALBERT ANASTASIA was chief of the Calabrian
group and VITO GENOVESE was in charge of the Neapolitan group.

~~SECRET~~

(S) (U)

[redacted] could only recall one other which was the Puglia group (Puglia is a region in the south of Italy). [redacted] LUCIANO only spoke of the "organization" or the "comune" (comune literally translated can mean "for the common cause" of a municipality) when referring to the criminal element in the U. S. ~~(U)~~

b7D

LUCIANO's Source of Funds While in Italy ~~(U)~~

LUCIANO from the day of arrival in Italy in early 1946 until about 1950 lived lavishly. He spent approximately \$50 to \$80 daily on clothes, eating at the best restaurants, supporting a mistress and frequenting the race track.

[redacted] the amount of money received by LUCIANO was from \$2000 to \$3000 monthly. [redacted] money came from VITO GENOVESE, ALBERT ANASTASIA and FRANK COSTELLO. [redacted] the funds were transmitted to LUCIANO via hoodlums who visited Italy, seamen aboard merchant vessels, and his brother BARTOLO LUCIANO. [redacted] one seaman named [redacted] who worked on the SS Independence [redacted] recalled that JOE BIONDO visited LUCIANO in 1951 and assumed that he and PASQUALE EBOLI who visited LUCIANO several times in Italy also acted as couriers. [redacted] BIONDO and EBOLI as former associates of LUCIANO. ~~(U)~~

b7D

For some unknown reason, LUCIANO's income was abruptly terminated in about 1950. No funds were sent to LUCIANO until about 1955. LUCIANO fell on tough times, although his brother BARTOLO helped him a bit. His high manner of living changed and LUCIANO became desperate. Heretofore he spoke highly of GENOVESE, but when the money was no longer sent to him he began to speak most disparagingly concerning GENOVESE, blaming him for cutting off the money, but never indicating [redacted] why the funds were cut off. [redacted]

b7D

LUCIANO was an easy touch and gave money to all who asked. He was constantly being visited by persons from the states and most of the deported hoodlums paid a visit to LUCIANO. [redacted] never assisted LUCIANO financially during LUCIANO's low period because he was not in a position to do so. LUCIANO, whenever low on funds, always indicated he would sell his life story to the movie industry. The group in New York always expressed extreme displeasure with LUCIANO when they received word of LUCIANO's intentions. (U)

b7D

Criminal Activity of LUCIANO in Italy (U)

[redacted] LUCIANO was not involved in any criminal activity while in Italy. He said his activity was strictly confined to living high and betting at the race track in Naples. He said if LUCIANO were engaged in any kind of illegal activity he would have known about it. (U)

b7D

Travel of LUCIANO to Cuba in About 1947 and Possible Travel to U. S. (U)

[redacted] LUCIANO went to Cuba in 1947 by bribing an Italian official who issued him a valid Italian passport. [redacted] LUCIANO never returned to U. S. [redacted] he could have returned to the U. S. clandestinely in 1948 but LUCIANO refused to do so. [redacted] it cost the "organization" a great deal of money to secure LUCIANO's parole and return to Italy. [redacted]

b7D

In 1948 LUCIANO received word from the States that he could be returned clandestinely to the U. S. for the purpose of assisting Governor Dewey in his campaign for the Presidency. LUCIANO's job was to work behind the scenes and line up votes in the Italo-American block. [redacted] LUCIANO refused this offer. (U)

LUCIANO's Connection with the Criminal Element in the U. S. (U)

As set forth above, LUCIANO received money from the U. S., was visited by many hoodlums and was still respected by the "organization" in the U. S. [redacted] LUCIANO never (U)

b7D

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

told him of any ties between the Mafia in Italy and the criminal element in the U. S. and he doubts strongly that there is any tie other than most of the members of the organization are of Italian origin. ~~(U)~~

In about 1956 or 1956 word reached LUCIANO that FRANK COSTELLO and ALBERT ANASTASIA wanted VITO GENOVESE out of the way and asked MIKE MIRANDA to lure GENOVESE to a favorable place. MIRANDA, instead, double-crossed COSTELLO and ANASTASIA and told GENOVESE. GENOVESE then gave the order to kill COSTELLO, but the attempt was unsuccessful and COSTELLO later made peace with GENOVESE. GENOVESE then sent word to LUCIANO to cast a favorable vote for the execution of ALBERT ANASTASIA. LUCIANO answered affirmatively and so did JOE ADONIS who was then in Milan. ANASTASIA was later killed by members of his own gang. ~~(U)~~

Shortly thereafter, as a reward to LUCIANO for his favorable vote, LUCIANO began to receive large sums of money each month, more so than during the period 1946 to 1951. Smaller amounts of money were forwarded to LUCIANO during 1956 and 1957. LUCIANO again began living lavishly and returned to his old habits, doing so until his death in 1961. ~~(U)~~

LUCIANO told [] that subsequent to the murder of ALBERT ANASTASIA a meeting of the organization was held in Apalachin, N. Y., to decide the future course of the organization and how territories were to be divided. [] LUCIANO told [] that ANASTASIA's share was taken over by CARLO GAMBINO. ~~(U)~~

b7D

LUCIANO always referred to ALBERT ANASTASIA as the real power in the organization and GENOVESE feared him. ~~(U)~~
[] said he had heard that one of the EBOLI brothers is taking over for VITO GENOVESE who is presently in prison. ~~(U)~~

~~CONFIDENTIAL~~

March 2, 1966

REC-13

27-2141-220



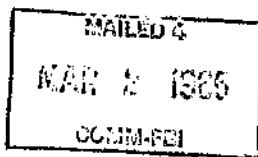
Dear



Your letter of February 23rd has been received.

Although I would like to be of assistance, the FBI has no material available for distribution pertaining to the individual you mentioned. Since investigation of Federal narcotics violations comes within the scope of another governmental agency, I am referring a copy of your communication to the Commissioner, Bureau of Narcotics, United States Treasury Department, Washington, D. C., for any information he may be able to furnish you.

Sincerely yours,



J. Edgar Hoover

NOTE: Bufiles contain no record of correspondent. A copy of the incoming is being referred to the Bureau of Narcotics by form.

EFT:bss (3)

Tolson _____
DeLoach _____
Mohr _____
Wick _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/92 BY SP8 BTJ/dld

54 MAR 10 1966

MAIL ROOM TELETYPE UNIT

b6
b7C

February 23, 1966

Department of Justice
FEDERAL BUREAU OF INVESTIGATION
Constitution Avenue and Tenth St. N. W.
Washington D. C.

6-
But

Gentlemen:

I am writing to ask for your help in doing
some research into the life of Salvatore
"Lucky" Luciano.

[Redacted]

b6
b7C

I solicit your assistance for the available
public information on Luciano, the narcotics
trade, related subjects and material and other
sources of information that will make it
possible to give the public a comprehensive
picture of the narcotics trade and the men
who run it.

Gratefully and with every good wish.

[Redacted]

b6
b7C

OK

39-2141-220

JPG/ga

16 MAR 8 1966

*1611
3/2/66
[unclear]*

[Redacted]

b6
b7C

CORRESPONDENCE

UNITED STATES GOVERNMENT

Memorandum

TO: DIRECTOR, FBI

DATE: 12/1/67

FROM: SAC, KANSAS CITY [REDACTED]

b7E

SUBJECT: CHARLES LUCIANO, aka
Lucky Luciano
AR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8 BTJ/ld

Enclosed for New York and the Bureau are two copies of a letter received by the South Side Bank, Kansas City, Missouri, from [REDACTED] together with copies of the envelope enclosing the letter.

b6
b7C

By letter dated November 27, 1967, [REDACTED] The South Side Bank, 3838 Main Street, Kansas City, Missouri, furnished the above-described enclosures to this office. He said in this letter that he thought the contents of the letter might be of interest to this Bureau and advised that the original letter and envelope are being maintained in the bank's files.

In substance the letter states that [REDACTED] was a friend of CHARLES LUCIANO, who died in January 1962 in Napoli, Italy. [REDACTED] said that about 20 years ago LUCIANO had opened some bank accounts [REDACTED], however the pass-book pertaining to at least one account was stolen. As can be seen the letter is somewhat rambling and not very specific.

b6
b7C

On November 30, 1967, [REDACTED] advised telephonically that a search was made at his bank for any account under all names listed in the enclosed letter from [REDACTED] however no accounts could be located. He could think of no reason why [REDACTED] would direct this letter to his bank, and because of the notoriety of LUCIANO, he believed this Bureau might be interested in the apparent attempt being made by [REDACTED] to locate an account for LUCIANO in this country.

b6
b7C

This is being furnished to the Bureau and New York for informational purposes in the event similar such letters have been received or might be received in the future by banking institutions.

- ② - Bureau (Enc. 6)
- ② - New York (Enc. 6)
- ② - Kansas City (Enc. 6)

REC-28

DEC 4 1967

WIC-MEU

DEC 26 1967

Savings Bonds Regularly on the Payroll Savings Plan

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 12/19/67

FROM : SAC, KANSAS CITY [REDACTED]

b7E

SUBJECT: CHARLES LUCIANO, aka
Lucky Luciano
AR

Re Kansas City letter to Director 12/1/67.

On 12/15/67 [REDACTED] Parklane
National Bank, Wichita, Kansas, received a letter from

b6
b7C

[REDACTED] which is identical
to the letter directed by [REDACTED] to the South Side Bank
at Kansas City, Missouri, and which was furnished to the
Bureau and New York with relet.

[REDACTED] Home State Bank,
Kansas City, Kansas, telephonically advised that his bank
had received an identical letter from [REDACTED] in late
November 1967,

b6
b7C

The above is being furnished to the Bureau and
New York inasmuch as it appears [REDACTED] is directing this
form-type letter to numerous banking institutions in this
area and possibly throughout the United States.

No action is being taken in this matter by the
Kansas City Division.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8KBT/jld

REC 48

- 2 - Bureau
2 - New York
1 - Kansas City

WJQ:MEJ
(5)

DEC 21 1967

EX 104



5010-108-01

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

FROM : *JFM* SAC, NEW YORK (62-8768)

SUBJECT: CHARLES "LUCKY" LUCIANO
INFORMATION CONCERNING

DATE: 1/11/68

ReNYairtel 12/7/67.

Enclosed for the Bureau are two (2) Xerox copies of a letter received by the Marine Midland Grace Trust Company of NY on 1/9/68.

Enclosed letter reflects that one [redacted] in her attempts to locate a savings account, which was previously described as having been presented to her by CHARLES LUCIANO.

The above is furnished for information.

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY *sp8 Btd*

REC 8

EX 101

2 - Bureau (Encls. 2)
1 - New York

RGO:rkx
(3)

JAN 12 1968



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

b6
b7C

UNREC COPY AND COPY OF ENCL FILED IN

COUNSELOR AT LAW

b6
b7C

COLISEUM TOWER BLDG.
10 COLUMBUS CIRCLE
NEW YORK, N. Y. 10019

JUDSON 6-3300
CABLE ADDRESS
"LEGALFIRM"

December 28, 1967

Marine Midland Grace Trust Co. of N. Y.
120 Broadway
New York, N. Y.

Re: [REDACTED]

b6
b7C

Gentlemen:

We have been retained by the above named client to locate a substantial account opened in 1945/1946 at a savings bank in the New York City area, under the name of [REDACTED]
[REDACTED]

The funds sought are in a live account, as interest entries thereon were made through 1961/1962, at which time client lost her passbook without, unfortunately, noting the account number or remembering the name of the bank where same was deposited. [REDACTED] was born on [REDACTED] lived in [REDACTED] at the time the account was opened on her behalf, and has resided at various other [REDACTED] addresses in the interim.

b6
b7C

Your cooperation in checking your deposits and advising whether you have a record of this Account would be most sincerely appreciated.

Very truly yours,

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8BXX

CEC:ASZ

721

37-2141-223

September 4, 1970



b6
b7C

Dear :

The letter addressed to Lucky Luciano which you sent to our New York Office was referred to FBI Headquarters and received on September 2nd. Inasmuch as Luciano died in Italy on January 26, 1962, your letter is being returned to you herewith.

Sincerely yours,

191 Helen W. Gandy

Helen W. Gandy
Secretary

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8CB/dd

Enclosure

NOTE: Bufiles contain no record of correspondent.

LEE:bjm (3)

EX-103
REC-22

39-2141-224

Tolson _____
Sullivan _____
Mohr _____
Bishop _____
Brennan, C.D. _____
Callahan _____
Casper _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Tavel _____
Tele. Room _____
Holloman _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

Routing Slip
FD-4 (Rev. 12-22-69)

To: XX Director

Date 8/31/70

Att.: CRIME RESEARCH

FILE

- ☐ SAC _____
☐ ASAC _____
☐ Supv. _____
☐ Agent _____
☐ SE _____
☐ IC _____
☐ CC _____
☐ Steno _____
☐ Clerk _____

Title

RE:

- ☐ Acknowledge
☐ Assign _____ Reassign _____
☐ Bring file
☐ Call me
☐ Correct
☐ Deadline _____
☐ Deadline passed
☐ Delinquent
☐ Discontinue
☐ Expedite
☐ File
☐ For information
☐ Handle
☐ Initial & return
☐ Leads need attention
☐ Return with explanation of notation as to action taken.

ACTION DESI

- ☐ Rotor #
☐ Open Case
☐ Prepare lead
☐ Prepare tickler
☐ Return assignment card
☐ Return file
☐ Search and return
☐ See me
☐ Serial # _____
☐ Post ☐ Recharge ☐ Return
☐ Send to _____
☐ Submit new charge out
☐ Submit report by _____
☐ Type _____

detached

The attached 3 letters are forwarded to the Bureau as they originated outside the US. They are forwarded for appropriate handling.

See reverse side

SAC JOHN F. MALONE

Office New York

GPO : 1970 O-571-917

39-2141-1241

ENCLOSURE

b6
b7C

file

39-2141-

UNITED STATES GOVERNMENT

Memorandum

TO

FROM

SUBJECT: THE LAST TESTAMENT OF LUCKY LUCIANO
BY MARTIN A. GOSCH AND [REDACTED]
INFORMATION CONCERNING

DATE: October 2, 1974

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 BTJ/RO

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Admin. _____
Comp. Syst. _____
Ext. Affairs _____
Files & Com. _____
Gen. Inv. _____
Ident. _____
Inspection _____ b6
Intell. _____ b7C
Laboratory _____
Plan. & Eval. _____
Spec. Inv. _____
Training _____
Legal Coun. _____
Telephone Rm. _____
Director Sec'y _____

On 9/25/74, "The Washington Post" contained a full-page advertisement for the above-captioned book, which purports to be the long-hidden memoirs of deceased mob leader "Lucky" Luciano and which is currently being serialized in "Penthouse" magazine. As an attention getter, the advertisement carried a two-inch banner headline reading "THE REAL GODFATHER TALKS" and followed this with a photographic pyramid of hoodlum, political, and Government leaders (including the late FBI Director J. Edgar Hoover) all connected by lines to a large picture of Luciano at the top.

Apparent Fraud

Since the book is not due to be published until later this year, the Special Investigative Division obtained the first two installments of the summary from "Penthouse" magazine and, after subjecting them to an exhaustive analysis, has come to the conclusion that the book is a complete fraud, along the lines of Clifford Irving's alleged memoirs of Howard Hughes, except that Hughes was still alive to deny the latter, whereas Luciano has been dead for more than 12 years.

According to the editors of "Penthouse," Martin Gosch (a former television and movie script writer) first met Luciano during the early 1960's while working on an aborted film of the gangster's life and subsequently spent a year taping Luciano's personal reminiscences on the condition that he would not publish them until the latter had been dead for ten years. Since Luciano died in 1962, the editors claim that Gosch kept his word--despite the efforts of "the government, the police, the mob, and other private interests...to get the tapes --and waited until 1972 to join forces with former "New York Times" reporter [REDACTED] to edit and publish his secret manuscript.

1
1

1
1

CONTINUED - OVER

JEM:jsj
(5)

b6
b7C

NINE

Memorandum to
Re: The Last Testament of Lucky Luciano

b6
b7c

Discrepancies Noted

Obviously, if such a manuscript were valid, it would be of considerable value to law enforcement, but there are many instances of internal evidence to indicate that Gosch probably resurrected a few random quotes gathered during interviews with Luciano and then put them together with an old movie script of his and some recent research to produce a book that would capitalize upon the current public interest in the subject of organized crime.

Timewise, for example, 1961 (the year the taping allegedly started) was two years prior to the testimony of Mafia member Joe Valachi before the McClellan Committee, and there is nothing in Luciano's previous history to indicate that he would be willing to break the Mafia's infamous code of omerta (or silence) and follow in Valachi's footsteps, even ten years after his death.

Secondly, if the underworld did know of the existence of actual Luciano tapes, as the publishers claim, it is inconceivable that Gosch would still be alive today to tell the tale.

Thirdly, the book contains a number of small--but crucial--errors which it is difficult to imagine someone as knowledgeable as Luciano making. Part II, for example, states that after the death of Salvatore Maranzano, Luciano created a new underworld "set-up" which he designated the "Unione Siciliano" at the suggestion of Meyer Lansky. As a matter of fact, the Mafia had long been known in public by this name, and most of the information gathered to date by the Bureau indicates that the title was probably dropped by Luciano when he created the concept of the La Cosa Nostra ruling Commission in 1931.

Reputation Matches Movie

With respect to Gosch's personal veracity, Bureau files reveal that he was described in 1962 by the Chief of the United States Narcotics Bureau in Rome as being completely untrustworthy, a liar, and an opportunist who was trying to take advantage of his association with Luciano to produce a movie about the dead mobster. Also in 1962, Gosch told the Bureau's Legal Attache in Madrid that his movie script about Luciano had been largely "made up out of the whole cloth" and bore little resemblance to anything that had actually

Memorandum to
Re: The Last Testament of Lucky Luciano

b6
b7c

occurred. In 1972, Gosch appeared at FBIHQ and unsuccessfully attempted to secure our help in converting the script (which he said had had Luciano's approval) into book form. He said that he had a former "New York Times" reporter named Richard Hammer assisting him and that they had been granted access to the files of the New York City Police Department. According to the "Penthouse" editors, Gosch died in 1973.

As regards Hammer, Bureau files show only that he is a successful author and reporter who may, or may not, be aware of the fraudulent nature of Gosch's manuscript.

Old History Rehashed

An in-depth analysis of captioned book indicates that the material contained therein consists of old information gleaned from the hearings of the McClellan Committee and other Congressional groups, plus a number of unverified allegations to the effect that Luciano dabbled in the political campaigns of Al Smith and Franklin D. Roosevelt, paid \$90,000 into Tom Dewey's gubernatorial coffers, and once turned down a \$5,000 offer from Director Hoover if he would tell the FBI where Louis Lepke Buchalter was hiding. For these reasons, and the description of how it came to be written in the first place, it is not believed that this book has any value to the FBI, or to anyone else for that matter.

RECOMMENDATION:

For information.

[Handwritten signatures and initials: "H", "J", "JEM", and others]

Assoc. Dir.
 Asst. AD Adm.
 Asst. AD Inv.
 Asst. Dir.:
 Adm. Serv.
 Crim. Inv.
 Ident.
 Intell.
 Laboratory
 Legal Coun.
 Plan. & Insp.
 Rec. Mgmt.
 Tech. Servs.
 Training
 Public Affs. Off.
 Telephone Rm.
 Director's Sec'y

17 JUL 79 17 16z

RECEIVED
 FEDERAL BUREAU
 OF INVESTIGATION
 COMMUNICATIONS SECTION
 171730Z JUL 79
 b7E

FM PARIS

TO DIRECTOR IMMEDIATE 182-17

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY sp8 BTJ/dd

UNCLAS E F T O

ATTENTION

ASSISTANT SECTION CHIEF, COMM-780,

DIVISION 6

REQUEST FOR FBI PARTICIPATION ON FRENCH TV BROADCAST, JULY 24, 1979,
 AT PARIS, FRANCE.

LECAT, PARIS RECEIVED TELEPHONIC REQUEST FOR AGENT PARTICIPATION
 IN TV DISCUSSION AFTER VIEWING OF FILM ON LIFE OF LUCKY LUCIANO.
 DURING PROGRAM ENTITLED, "DOSSIERS DE L'ECRAN," 8:30 P.M.,
 JULY 24, 1979. PROGRAM IS PRESENTED WEEKLY AND DEPENDING UPON
 SUBJECT MATTER, PANEL OF EXPERTS IS CHOSEN. LAST WEEK'S PROGRAM
 FEATURED ASTRONAUT NEIL ARMSTRONG.

39-2141-

QUESTIONS ARE OPEN TO TELEVISION AUDIENCE FOR PHONE IN.
 MOST OF DISCUSSION IS EXPECTED TO CENTER AROUND MAFIA IN THE
 1950'S AND EARLIER, FEATURING LUCIANO'S ROLE IN U. S. FORCES
 LANDING IN ITALY DURING WORLD WAR II.

NOT RECORDED
 44 AUG 1 1979

44-1775-231-725

ORIGINAL FILED IN
 b6
 b7c

7/18/79
 907

1979

PAGE TWO PAT UNCLAS C F T O

b7E

PRODUCER AWARE OF RESTRICTIONS ON DISCUSSION OF CURRENT ACTIVITIES, PERSONALITIES AND INVESTIGATIONS. NOTE, HOWEVER, SOME QUESTIONS, NO DOUBT, WILL CONCERN GALLANTII KILLING AND CURRENT IMPACT ON LCN.

AIR TRAVEL AND EXPENSES IN PARIS TO BE PROVIDED BY THE FRENCH. ANOTHER PANELIST TO BE PROFESSOR FRANCIS IANNI, COLUMBIA UNIVERSITY.

LEGAT EFFECTIVENESS VIS-A-VIS THE FRENCH WILL BE MAINTAINED BY A REFUSAL TO PARTICIPATE.

SUCAR AS SOON AS POSSIBLE.

Assoc. Dir. _____
 Dep. AD Adm. _____
 Dep. AD Inv. _____
 Asst. Dir.: _____
 Admin. _____
 Comp. Syst. _____
 Ext. Affairs _____
 Files & Com. _____
 Gen. Inv. _____
 Ident. _____
 Inspection _____
 Intell. _____
 Laboratory _____
 Plan. & Eval. _____
 Spec. Inv. _____
 Training _____
 Legal Coun. _____
 Telephone Rm. _____
 Director Sec'y _____

Any ideas as to source of leak?

F.B.I. Tells Agents Not to Trust Book on Luciano

By NICHOLAS GAGE

Special to The New York Times

WASHINGTON—The Federal Bureau of Investigation has advised its heads of organized units throughout the country to discount information about the Mafia contained in "The Last Testament of Lucky Luciano," a new book on the late Mafia boss.

The book, which was published by Little, Brown & Co. last month, purports to be the life of Luciano as "dictated" by him to Martin A. Gosch, a movie producer who died in 1973. It was written by Richard Hammer in collaboration with Mr. Gosch.

The F.B.I. has sent an advisory memorandum to heads of organized crime units saying that "passages [in the book] dealing with Luciano's life and early La Cosa Nostra history appear to have been extracted from street gossip and from previous books and Congressional hearings."

The memorandum said the F.B.I. had reached this assessment of the book after a study of it. A source said that information in the book had been compared with the F.B.I.'s own records.

The memorandum notes the published comment of Mr. Hammer that he was convinced

that Luciano had dictated his life to Mr. Gosch by the "internal evidence" of notes made by Mr. Gosch of the purported conversations.

"If so," the bureau memorandum said, "he [Mr. Hammer] apparently overlooked even stronger evidence indicating that the whole thing might be a complete fraud."

According to the memorandum, Mr. Gosch told the United States legal attaché in Madrid in 1962 that a movie script the producer had prepared on Luciano's life had been "made up out of whole cloth." A legal attaché is an F.B.I. agent serving

overseas as liaison with local law-enforcement agencies.

It said also that in 1972 Mr. Gosch went to the F.B.I. office in New York seeking the bureau's assistance in preparing his book and was turned down.

George Hall, vice president of Little, Brown, said the company would have no comment on the memorandum.

Last December, an article in The New York Times said that an examination of the book's background and its contents had produced information that brought into question the publisher's claim that the book was "dictated" by Luciano.

LUCKY LUCIANO

b6
b7c

5 APR 14 1975

The Washington Post _____
 Washington Star-News _____
 Daily News (New York) _____
 The New York Times 30 _____
 The Wall Street Journal _____
 The National Observer _____
 The Los Angeles Times _____

Date MAR 14 1975

39-2141-

NOT RECORDED

136 APR 11 1975

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8 BT/ed

57 APR 14 1975

ORIGINAL FILED IN 94-8-51-722

Assoc. Dir.	
Dep. A.D.	
Dep. A.D.	
Asst. Dir.:	
Admin.	
Comp. Syst.	
Ext. Affairs	
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Gen. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Plan. & Insp.	
Rec. Mgmt.	
Tech. Serv.	
Training	

NR006 NY CODE

245PM URGENT 03/17/75 GMD

TO DIRECTOR
FROM NEW YORK
ATT SPECIAL INVESTIGATIVE DIV

ARTICLE IN "NEW YORK TIMES", ISSUE OF MARCH 14, 1975,
CAPTIONED "FBI TELLS AGENTS NOT TO TRUST BOOK ON LUCIANO"

THIS ARTICLE BY NICHOLAS GAGE IS AN APPARENT EFFORT BY
GAGE TO LEND AUTHORITY TO A PREVIOUS ARTICLE THAT HE WROTE
SEVERAL WEEKS AGO FOR THE "NEW YORK TIMES" IN WHICH HE
DISCOUNTED INFORMATION APPEARING IN "THE LAST TESTAMENT OF
LUCKY LUCIANO."

INQUIRY AMONG PERSONNEL HAVING READY ACCESS TO THE
CRIMINAL INTELLIGENCE DIGEST OF JANUARY TWENTY ONE LAST, CONCERNING
THIS BOOK HAS FAILED TO DISCLOSE ANY INFORMATION TO THE EFFECT
THAT THE CONTENTS OF THIS DOCUMENT WERE MADE AVAILABLE TO
NICHOLAS GAGE.

APPROPRIATE PERSONNEL HAVE BEEN REMINDED OF THE IMPORTANCE
OF PROPER HANDLING OF SENSITIVE INTERNAL DATA AND CAUTIONED AGAINST
ANY UNAUTHORIZED DISCLOSURES IN DEALING WITH THE NEWS MEDIA.

END

JTG FBIHQ HOLD FOR ONE AND

39-2141-

NOT RECORDED

136 APR 11 1975

*Antel to
SAC, and
SAC, New York
57 APR 14 1975
HOC*

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/10/82 BY SP8 GBL

94-8-51-723
ORIGINAL FILED IN

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. J. B. Adams

DATE: 7-18-74

FROM : Legal Counsel

SUBJECT: FREEDOM OF INFORMATION REQUEST CONCERNING
ALBERT ANASTASIA; VITO GENOVESE; NICOLA
GENTILE; CHARLES "LUCKY" LUCIANO, AKA;;
SALVATORE MARANZANO

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Admin. _____
Comp. Syst. _____
Ext. Affairs _____
Files & Com. _____
Gen. Inv. _____
Ident. _____
Inspection _____
Intell. _____
Laboratory _____
Plan. & Eval. _____
Spec. Inv. _____
Training _____
Legal Coun. _____
Telephone Rm. _____
Director Sec'y _____

We propose furnishing the attached documents, including reports and public source material, concerning the following subjects to Alan Block, a historian at Alfred Univeristy, Alfred, New York:

Albert Anastasia (62-98011; 92-2573;
92-2567)
Vito Genovese (92-3759; 92-2709)
Nicola Gentile (92-7035)
Charles "Lucky" Luciano (39-2141;
31-44320) (ON MICRO FILM)

Names and identifying information on all individuals and businesses, other than subjects, have been deleted except in public source data.

No pertinent identifiable data was located concerning Salvatore Maranzano.

This request was initially coordinated with the Special Investigative Division.

Mr. Block has submitted the necessary deposit.

RECOMMENDATION:

That upon approval, the attached documents be returned to the Freedom of Information Act Unit, Legal Counsel, for completion of processing and transmittal to Block.

NOT RECORDED
202 SEP 10 1974

13 SEP 10 1974

Enclosures

- 1 - [redacted]
Attention: [redacted]
1 - [redacted]
1 - Bufile 62-115530 (FOI - REPLIES)

1 OCT 9 1974

CT 100-42303-1093X1
ORIGINAL FILED IN 100-42303-53

LEAD. C. [redacted] b6 b7C

CLASSIFIED

RECORDED - 103

Date: January 26, 1952

To: Director BY SPECIAL MESSENGER
Central Intelligence Agency
2430 E Street, N.W.
Washington, D. C.

Attention: Mr. Lyman B. Kirkpatrick
Assistant Director for Special Operations

From: John Edgar Hoover, Director
Federal Bureau of Investigation

Subject: CHARLES "LUCKY" LUCIANO
MISCELLANEOUS - INFORMATION CONCERNING
(INTERNAL SECURITY - ITALIAN)

DECLASSIFIED BY SP8 BDD
11/8/82

A confidential source has furnished the following information received from another source whose reliability is unknown:

Marine Corps officers returning from the Mediterranean Theatre report that the subject and his henchmen are making a specific effort to become very friendly with visiting Marine, Navy and Army personnel, buying them drinks, etc., in night clubs in Naples and Rome, Italy. It was also reported that subject and his associates have accurate information on the movement of United States warships and troops.

cc - Assistant Chief of Staff, G-2
Department of the Army
The Pentagon
Washington 25, D. C.

BY SP4 WSR
47 JAN 29
COMM - FBI

Attention: Chief, Security Division

cc - Director of Naval Intelligence
Department of the Navy
The Pentagon
Washington 25, D. C.

cc - The Commissioner
Immigration and Naturalization Service

Tolson _____
Ladd _____
Nichols _____
Belmont _____
Clegg _____
Glavin _____
Harbo _____
Rosen _____
Tracy _____
Mohr _____
Tele. Rm. _____
Nease _____
Gandy _____

ETBird R
(Source: Walter Winchell)

~~SECURITY INFORMATION~~ - ~~CONFIDENTIAL~~

FROM WALTER WINCHELL

Mr. Tolson	
Mr. Ladd	
Mr. Nichols	
Mr. Belmont	
Mr. Clegg	
Mr. Glavin	
Mr. Harbo	
Mr. Rosen	
Mr. Tracy	
Mr. Laughlin	
Mr. Mohr	
Tele. Room	
Mr. Nease	
Miss Gandy	

To Foster Kool

Marine Corps officers returning from the Mediterranean Theatre report that Lucky Luciano and his henchmen are making it a point to be oh, so friendly with the visiting Marine, Navy and Army personnel (buying them drinks, etc. in night clubs in Naples and Rome). Luciano and his boys also have accurate information on the movement of all U. S. warships, troops, etc. I got this from a close friend who has just come back from Italy, so I know it's the McCoy.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/8/82 BY SP8 BTJ/ded

Let. to CIA
cc - G-2
ONI
INS
1-28-52
ETB:RB

RECORDED - 103

EX - 102

129-211-133
FEB 7 1952

133 Refugon
ADE - Bited

~~SECRET~~

June 12, 1952

~~SECRET~~ - [ARMY COURIER] *ku*

Mr. George A. VanNoy
o/o Assistant Chief of Staff, G-2 *an*
Director of Intelligence
Headquarters EUCOM
Heidelberg, Germany

CHARLES (LUCKY) LUCIANO
GENERAL INVESTIGATIVE INTELLIGENCE FILE

Reurmemo May 22, 1952, concerning Luciano. ~~S~~ (U)

The Bureau is interested in receiving the type of intelligence information contained in your memo and for this reason it is requested that you be alert for such information and advise the Bureau of the receipt of same. ~~S~~ (U)

It is specifically requested that you attempt to ascertain, through your sources, the identity, background and description of the individual said to be operating in the American Zone in Germany as the immediate subordinate of Luciano. ~~S~~ (U)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

SPR 1970/ded
DATE OF REVIEW 11/8/82

cc: Foreign Service Desk (route through before mailing)

RECORDED -

LGD:lk
5839-2141

lk
134

Tolson _____
Ladd _____
Nichols _____
Belmont _____
Clegg _____
Glavin _____
Harbo _____
Rosen _____
Tracy _____
Laughlin _____
Mohr _____
Tele. Rm. _____
Holloman _____
Gandy _____

EX-77

RECEIVED READING ROOM
JUN 13 7 13 AM '52

RECEIVED READING ROOM
JUN 12 5 29 PM '52
FBI

For
Rox

51

FEDERAL BUREAU OF INVESTIGATION
Heidelberg, Germany

Date: May 22, 1952

~~SECRET~~ - ARMY COURIER

To: John Edgar Hoover, Director
Federal Bureau of Investigation

From: George A. Vannoy

Subject: "LUCKY" LUCIANO
INFORMATION CONCERNING

It is believed that the following information which was given to me in confidence recently by Major [REDACTED] Chief, Investigations Branch, PM Division, EUCOM will be of interest to the Bureau.

b6 per Army
b7C per Army

The CID, in developing information on narcotics activities in the American Zone of Germany, are convinced that they have identified an individual who is operating as the immediate subordinate to "Lucky" Luciano in illegal narcotics sale and export in the zone. The case is in the early stages of development but the CID is convinced that Luciano's operations have been extended into Germany and that the man they have identified is his "number one" man in this area.

Reports were received about six months ago that Luciano was in Munich, Germany but his presence there could never be verified and no other information indicating his actual presence in Germany has been obtained. However, it has been reliably established that Luciano was absent from his residence in Italy during the period that he was said to have been in Munich.

Major [REDACTED] said that he realized the Bureau would have no direct interest in the narcotics activities but that we probably would have a general interest in Luciano because of his extensive criminal background. I told Major [REDACTED] that that was true and I appreciated receiving the information.

b6 per Army
b7C per Army

GAV:

RECORDED-136

JUN 2 1952

*Trans. to Van Noy
6/12/52. dwp*

[Handwritten signature]

may at

FEDERAL BUREAU OF INVESTIGATION
Heidelberg, Germany

Date: August 30, 1952 *N*

~~SECRET~~-ARMY COURIER

To: John Edgar Hoover, Director
Federal Bureau of Investigation

3m From: [redacted] [redacted]

Subject: CHARLES (LUCKY) LUCIANO
GENERAL INVESTIGATIVE INTELLIGENCE FILE

21-2-11-1952
Rebulet June 12, 1952.

b6
b7C
b3
b7E

I have discussed this matter several times with Major [redacted]
[redacted] Chief, Investigations Branch, PM Division, USAREUR. He has ad-
vised me that in fact he is not able to furnish the real name of the man
[redacted] He explained b6 per Army
in the following manner. b7C per Army
b7E

Some time ago, his branch developed a general criminal informant
who later established some contacts with individuals in the narcotics
"racket" [redacted]

b6 per Army
b7C per Army
b7D
b7E

[redacted] Major [redacted] explained that he wanted coord-
ination with authorities in Italy familiar with Luciano's activities there
and further he said that he did not have the funds which would be required
to carry through on the case such as funds for a "buy" etc. [redacted]

PROCESSING
[redacted]

RECORDED - 16

I will follow this with CID and report any information which

may be obtained.

EX. - 73

12 SEP 1952

82 OCT 7 1952



UNITED STATES DEPARTMENT OF JUSTICE

29160

FEDERAL BUREAU OF INVESTIGATION

Heidelberg, Germany

In Reply, Please Refer to
File No.

~~SECRET~~-ARMY COURIER

Date: 30 October 1952

To: John Edgar Hoover, Director
Federal Bureau of Investigation

b6
b7C
b3
b7E

From: [redacted] [redacted]

Subject: CHARLES (LUCKY) LUCIANO
GENERAL INVESTIGATIVE FILE

Remylet 30 August 1952.

I have discussed this matter with [redacted]
who has been active in the investigation of illegal currency and
narcotic operations [redacted] and is familiar with the
information available to the CID regarding Luciano. [redacted] stated
that no active investigation of Luciano's reported attempt to invade
the narcotic field [redacted]

b6 per Army
b7C per Army
b7D per Army
b7E

[redacted] stated that it appears
to be fairly well established that Luciano actually visited Munich
in the spring of 1951, [redacted]

b6 per Army
b7C per Army
b7D per Army
b7E

(U)

GAV:sal

RECORDED - 75
INDEXED - 75

79 NOV 19 1952

139-2141-142
NOV 19 1952



~~CONFIDENTIAL~~
THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

The American Embassy
Rome, Italy

Mr. Tolson...
Mr. DeLoach...
Mr. Mohr...
Mr. Bishop...
Mr. Casper...
Mr. Callahan...
Mr. Conrad...
Mr. Felt...
Mr. Gale...
Mr. Rosen...
Mr. Sullivan...
Mr. Tavel...
Mr. Trotter...
Tele. Room...
Mr. Ingram...
Miss Gandy...

b6
b7C

Date: February 12, 1962

To: Director, FBI

From: Legat, Rome [redacted] (P)

Subject: CHARLES "LUCKY" LUCIANO
INFORMATION CONCERNING
(LIAISON)

b3
b7E

b6
b7C

ReRome cables 1/26/62 and 1/31/62. Reference also
Bulet dated 1/31/62, which quotes an article from the New York
Daily News" of 1/30/62.

Numerous articles have appeared in the Italian press
concerning LUCIANO's death and setting forth incidents con-
cerning his notorious life. In a number of instances references
were made to the FBI, indicating that the FBI had been investi-
gating LUCKY LUCIANO and had been running a surveillance at
the funeral taking photographs of friends and associates of
LUCIANO who attended the funeral. There is, of course, no
substance whatsoever to these claims and the Italian Press,
which is notoriously known for using and publishing anything
which will add sensationalism to the story, in numerous in-
stances attributed to the Bureau investigations being con-
ducted by the U.S. Bureau of Narcotics. The Italian press
will also publish stories which have absolutely no basis on
fact but which are drawn out by reporters in connection with
sensational-type stories.

There are attached hereto a number of newspaper
clippings relating to the death and funeral of the subject.
There is also attached a clipping from the Rome Italian-
language newspaper "Telesera" on 2/5/62 which headlines
"Lucky Luciano was working for the FBI." The article is
based on an interview by [redacted]

b6
b7C

[redacted] The photograph on the attached
article identifies, from left to right, MARTIN GOSH (GOSCH),

3 - Bureau (Enclosures
(1) Liaison Section)

1 - Rome

AAC:vw

(4)

57 FEB 28 1962

ENCLOSURE

~~CONFIDENTIAL~~

5 FEB 20 1962

39-2141-206

~~CONFIDENTIAL~~

Rome [redacted]

b3
b7E

the FBI official who arrived in Naples some days ago in the guise of a "producer"; [redacted]

b6
b7C

[redacted] The photograph is identified as having been taken at the racetrack in Rome in 1949. [redacted] LUCIANO's activities were connected with the fight which the FBI is conducting throughout the world to stop narcotics from being imported into the United States. [redacted] also related to the reporters LUCIANO's so-called collaboration with U.S. military authorities in connection with the Allied landing in Sicily during World War II.

b6
b7C
b7D

b6
b7C
b7E

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Rome



b3
b7E



b6
b7C
b7E

Legat, Rome, contemplates a trip to Naples in the near future and will conduct further inquiries concerning the LUCIANO case to develop any matters of possible Bureau interest. (S) (U)

~~CONFIDENTIAL~~

UNITED STATES GOVERNMENT

Memorandum

Tolson _____
 Belmont _____
 Mohr _____
 Callahan _____
 Conrad _____
 DeLoach _____
 Evans _____
 Malone _____
 Rosen _____
 Sullivan _____
 Tavel _____
 Trotter _____
 Tele. Room _____
 Holmes _____
 Gandy _____

TO : D. J. BRENNAN (12) DATE: April 27, 1962

FROM : J. M. FITZGERALD *JMF*

SUBJECT: CHARLES "LUCKY" LUCIANO
MISCELLANEOUS - INFORMATION CONCERNING
(LIAISON)

On April 26, 1962, Liaison obtained from [] Office of Naval Intelligence (ONI), the enclosed reel of motion picture film taken in connection with the funeral of captioned individual in Italy on January 29, 1962. [] said that ONI is happy to make this film available to the Bureau on a loan basis and that if the Bureau later desires to have its own print, ONI will be glad to make the negative available for copying. *6-1*

b6 per NCIS
b7C

According to [] the film was made by ONI representative from Naples, Italy, at the request of U. S. Bureau of Narcotics representative in Italy. It is a 16 mm. film which runs four minutes. [] said that ONI, Naples, furnished a print of the film to the Bureau of Narcotics representative in Rome. *L*

b6 per NCIS
b7C

The film in question was obtained from [] of ONI on the possibility that it may show individuals of interest to the Bureau in attendance at Luciano's funeral.

ACTION:b6 per NCIS
b7C

This memorandum and the enclosed film are being directed to the attention of the Criminal Intelligence and Organized Crime Section, Special Investigative Division. *File*

Enclosure

- 1 - Mr. McAndrews
- 1 - Mr. Leggett
- 1 - Mr. Wells
- 1 - Mr. Putnam
- 1 - Liaison
- 1 - Mr. Fitzgerald

REC-28

18 JUL 17 1962

JMF:gp (7)

EX-105
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 11/10/82 BY SP8 BTG/bld

JUL 20 1962

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

The following is the record of FBI number

277937

J. E. Hoover
 Director

CONTINUATION OF FINGERPRINTS	NAME AND NUMBER	ARRESTED OR RECEIVED	CHARGE	DISPOSITION
* SRef., Elmira, NY	1-4-22, as James Rinaldo, NYC. robbery; to Elmira Ref. James Rinaldo #30392	2-22-22	O.L. 2nd. deg.	5 yrs.
* West. Co. Pen. Eastview, N.Y.	3-9-25, as James Rinaldo, NYC. selling narc.; 1 yr. West. Co. Pen. James Rinaldo #4054	3-18-25	selling narc.	1 yr.
PD, NYC, NY	James Rinaldo #B-58847	4-22-30	miscellaneous (felony) - mal. misch.	4-28-30, disch.
PD, NYC, NY	James Rinaldo #B-58847	4-28-30	miscellaneous (felony) - mal. misch.	4-28-30, disch.
PD, NYC, NY	James Rinaldo #B-58847	10-4-31	homicide (aslt.) - material witness	
PD, NYC, NY	James Rinaldo #B-58847	9-12-33	aslt. and robbery (gun)	
PD, NYC, NY	James Rinaldo #B-58847	10-3-33	fel. aslt. #13	

60
6-11-1

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

2 The following is the record of FBI number

277937

J. E. Hoover
 Director

CONTAINER FOR
FINGERPRINTS

NAME AND NUMBER

ARRESTED FOR
RECEIVED

CHARGE

DISPOSITION

1918, truancy, 8 mos. N.Y. Catholic Protectory. (As on
 prt. #30392).
 1919, truancy, 8 mos. Flushing Truant School, Flushing, L.I.
 7-10-21, as James Rinaldo, NYC, burg.; 7-14-21, disch.
 8-18-23, as Vincent Rinaldo, NYC, vio. Harrison Act; 1 yr.
 West Co. Pen.
 11-7-23, as James Rinaldo, NYC, revolver; 1-18-24, 1½ yrs. S.Pr.
 6-28-27, as James Rinaldo, NYC, raps; disch.

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

3 The following is the record of FBI number

277937

J. E. Hoover
Director

FEDERAL BUREAU OF INVESTIGATION	NAME AND NUMBER	DATE RECEIVED	CHARGE	DISPOSITION
Bu. Field Div. NYO, NY	James Rinalda for	1-29-36	susp. harboring a fugitive	rel.

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK, N.Y.**

NY FILE NO. **92-9**

1

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 3-27-41	PERIOD FOR WHICH MADE 3-20-41	REPORT MADE BY J. E. SEYKORA
TITLE LOCAL #138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN AND HELPERS OF AMERICA; FLOUR TRUCKMEN'S ASSOCIATION, INC.			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE

SYNOPSIS OF FACTS:

Investigation closed upon recommendation of Special Assistant to the Attorney General F. J. WHELAN, Antitrust Division, U.S. Court House, N.Y.C.

- C -

REFERENCE:

Report of Special Agent J. E. Seykora, New York City, dated 7-1-40.

DETAILS:

A review of the instant file indicated that no prosecutive action has been instituted or authorized, and that since 1934 no investigative activity has occurred, and no additional complaints have been received, and in view of the policy of the Antitrust Division to consider for prosecution only those cases within the Statute of Limitations, MR. F. J. WHELAN, Special Assistant to the Attorney General, upon being interviewed, recommended that this investigation be closed.

- CLOSED -

APPROVED AND FORWARDED: SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES			
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	MAR 28 1941			

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK, N. Y.

NY FILE NO. 92-9 LFM

REPORT MADE AT NEW YORK, N. Y.	DATE WHEN MADE 7/1/40	PERIOD FOR WHICH MADE 6/21/40	REPORT MADE BY J. E. SEYKORA
TITLE LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN AND HELPERS OF AMERICA, et al.			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE.

SYNOPSIS OF FACTS:

Informed that further action in this matter is held in abeyance pending outcome of prosecution of same subjects in State Court, Brooklyn, New York. In the meantime no further investigation is required.

- P -

REFERENCE: Report of Special Agent E. J. Charteris, New York City 9/28/39.

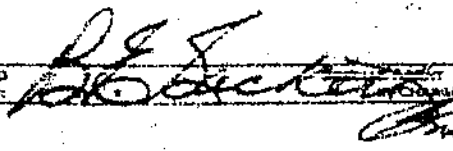
DETAILS:

Special Assistant to the Attorney General Berman, Anti-Trust Division, New York City, upon being interviewed advised that further action in this matter is being held in abeyance awaiting the outcome of the prosecution of the same subjects in the State Court in Brooklyn, New York, and in the meantime no further investigation is required.

UNDEVELOPED LEADS:

NEW YORK OFFICE - at New York City, will follow and report further developments in this case.

- PENDING -

APPROVED AND FORWARDED: 	DO NOT WRITE IN THESE SPACES 60-1759-42
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FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

NY FILE NO. **92-9**

MA

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 9/26/39	PERIOD FOR WHICH MADE 8/25/39	REPORT MADE BY E. J. CHARTERS
TITLE LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN AND HELPERS OF AMERICA, et al.			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE.
SYNOPSIS OF FACTS: WILLIAM L. HENDERSON, Antitrust Division, New York City, advises action in this case held in abeyance pending outcome of prosecution of Local 807. - P -			
REFERENCE: Report of Special Agent R. E. A. BOYLE, 1/10/38, New York City.			
DETAILS: WILLIAM L. HENDERSON, Antitrust Division, with permanent offices in New York, advised that the case of Local 807 (NY File 92-30) is the subject at the present time of a civil consent decree; that trial in that case is set for October 1, 1939, with the understanding that if the consent decree is successfully entered, prosecution will be dropped on the criminal indictment against all defendants except CAMPBELL and FURRY.			
MR. HENDERSON advised that JOHN MARLAN AMEN, 20 Exchange Place, New York City, formerly Special Assistant to the Attorney General, still has some files in these racket investigations and theoretically is still employed by the United States Government. He said that he was not familiar with the case against Local 138 and he telephoned Mr. M. LEWIS, assistant to Mr. AMEN, who stated that as far as he knew, the case against Local 138 was being held in abeyance pending the outcome of the prosecution against Local 807,			
APPROVED AND FORWARDED: <i>P. E. Foxworth</i> SPECIAL AGENT IN CHARGE		DO NOT WRITE IN THESE SPACES SEP 28 1939	
COPIES OF THIS REPORT 2 Bureau 3 New York (1 Antitrust Division) 55 Anti-trust Div.		SEP 27 AM	

92-9

upon which all of these cases depended.

Incidentally, Mr. HENDERSON advised that the consent decree entered into with defendants under the Local 807 indictment was not working out successfully.

UNDEVELOPED LEADS

NEW YORK OFFICE

At New York, will keep in contact with WILLIAM L. HENDERSON, Antitrust Division, New York City, for any further developments in this case.

- PENDING -

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

NY

FILE NO. 92-9 12

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 1/10/38	PERIOD FOR WHICH MADE 1/1/38	REPORT MADE BY R. E. A. BOYLE
TITLE LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CRAFTSMEN, STABLEMEN AND HELPERS OF AMERICA, et al.			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE.

SYNOPSIS OF FACTS:

Special Assistant to the Attorney General John Harlan Amen advised that proceedings in this case are still being held in abeyance pending decision of the Antitrust Division of the Department.

F.

REFERENCE:

Report of Special Agent R. E. A. Boyle, New York City, 8/5/37.

DETAILS:

John Harlan Amen, Special Assistant to the Attorney General, 20 Exchange Place, New York City, in charge of instant case, advised that proceedings in this case are still being held in abeyance pending decision of the Antitrust Division of the Department. He said that he would immediately communicate with the New York Office of the Bureau upon receiving word as to this decision.

P E N D I N G

APPROVED AND FORWARDED: <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES		
COPIES OF THIS REPORT 3-Bureau 3-New York (1-J.H.Amen, Spec. Asst. to the Atty. Genl., 20 Exchange Pl., NYC) <i>cc Jackson 1-12-38</i>	66-11759	40	JAN 11 1938
	JAN 11 PM		
	<i>[Signature]</i> SPECIAL AGENT		

AMCU

60-1759-39

~~60-1759-39~~~~60-1759-39~~~~PERSONAL AND CONFIDENTIAL~~

September 22, 1937.

~~CONFIDENTIAL~~

Mr. R. E. Vetterli,
Federal Bureau of Investigation,
U. S. Department of Justice,
607 U. S. Court House,
Foley Square,
New York, New York.

Dear Sir:

With reference to the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, involving Locals 807, 138 and 202 and the International Longshoremen's Association, which cases are interrelated, attention is directed to your letter of August 18, 1937.

It appears from an examination of your comprehensive review of these cases, which have been pending in the New York office for some period of time, that Special Assistant to the Attorney General, John Harlan Amen, has been subjected to intimidation and a change of policy as to the prosecutive action to be taken, due to circumstances without his control. It appears Mr. Amen has indicated that the most flagrant violations of Federal Law were existent against Local 807 and that such prosecutive action as would be deemed advisable against this local would form a basis for prosecutive action in like or associated cases.

At the present time, based upon telephonic advice received by your office on August 12, 1937, instructions from the Attorney General's office indicate that Grand Jury action against Local 807 has been postponed indefinitely. It is noted you suggest that based upon a review of the files in the aforementioned cases, together with the consideration of the opinion expressed by Mr. Amen, it is deemed advisable to discontinue any further investigation in these cases and that they be closed.

In accordance with Bureau policy and in view of the fact that complaints concerning the locals involved will have to be received from time to time by your office when such complaints are reported to

60-1813-72

Mr. H. E. Vetterli.

- 2 -

8/22/37.

you, together with the fact that investigation concerning them is still within the investigative jurisdiction of this Bureau, the cases are to be carried in a pending inactive status until the Department has disposed of them according to existing regulations.

Very truly yours,
For the Director,

Harold Nathan,
Assistant Director.

607 U. S. Court House
Foley Square
New York City

REAB:RB

August 18, 1937

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

PERSONAL AND CONFIDENTIAL

RE: Local 807, International Brotherhood of
Teamsters, Chauffeurs, Stablemen and
Helpers of America,
Interference by Violence with Interstate
Commerce. New York File 92-10.

RE: Local 138, International Brotherhood of
Teamsters, Chauffeurs, Stablemen and
Helpers of America, et al;
Interference by Violence with Interstate
Commerce. New York File 92-9.

RE: International Longshoremen's Association;
Anti-Trust. New York File 60-420.

RE: Local 202, International Brotherhood of
Teamsters, Chauffeurs, Stablemen and Helpers
of America; Interference by Violence with
Interstate Commerce. New York File 92-7.

Dear Sir:

The four above entitled cases have been under investigation
by this office for a long period of time. The case entitled: Local
807, International Brotherhood of Teamsters, Chauffeurs, Stablemen and
Helpers of America; Interference by Violence with Interstate Commerce,
New York File 92-10, was opened for investigation on December 10, 1935.

The case entitled: Local 138, International Brotherhood of
Teamsters, Chauffeurs, Stablemen and Helpers of America, et al; Inter-
ference by Violence with Interstate Commerce, New York File 92-9, was
opened for investigation on January 2, 1936.

The case entitled: International Longshoremen's Association;
Anti-Trust, New York File 60-420, was opened for investigation on November
18, 1935.

RECORDED & INDEXED

The case entitled: Local 202, International Brotherhood of
Teamsters, Chauffeurs, Stablemen and Helpers of America; Interference by
Violence with Interstate Commerce, New York File 92-7, was opened for
investigation on October 23, 1935.

62-1759-39

Letter to Director

Personal and ~~Confidential~~

August 15, 1937

For the ensuing period of time up until the present, a great number of complaints have been received and recorded by this office relative to the above mentioned organizations and particularly with reference to Local 657.

Special Assistant to the Attorney General, John Harlan Allen, 25 Exchange Place, New York City, who, from the time investigation was started on these cases, has been designated in charge of the legal proceedings with reference to them, advised this office that the four above entitled cases ought to be considered as associated cases, inasmuch as they all involve labor organizations, and it was his request that the complaints with reference to the four organizations be received, recorded and investigated, and that the complaints with reference to Local 657 be given particular attention, inasmuch as it was his opinion that the most flagrant violations of Federal law were committed in involving this organization, and that it would be less difficult to obtain sufficient prosecutive action against Local 657 than the others. Also, it was his opinion that in the event successful prosecutive action against Local 657 were had, it would form a basis for prosecutive action in like or associated cases and less difficulty would be encountered in any prosecutive action that might be taken against Local 138, Local 322 or the International Longshoremen's Association.

Extensive investigation by the New York Bureau Office uncovered a great deal of information and evidence relative to the activities of representatives of Local 657, in interfering with the free flow of interstate commerce into and out of New York City. Investigative reports were only submitted, incorporating this information, copies of which were furnished Mr. Allen as the reports were written.

In March, 1936, Mr. Allen began the presentation of evidence against Local 657 before a Federal Grand Jury for the Southern District of New York. While this Grand Jury was still receiving evidence against Local 657, Mr. Allen stated that he had received instructions from the Department in Washington to discontinue the Grand Jury investigation against Local 657 because the Department has decided that civil or injunctive proceedings against Local 657 would be the best course instead of criminal action. Regardless of this, however, Mr. Allen requested that the New York Bureau Office continue to receive and investigate complaints against Local 657 so that information obtained therefore might be included within the bill for injunction against Local 657.

Letter to Director

Personal and Confidential

August 18, 1937

Numerous additional complaints were received and investigated by the New York Office against the activities of Local 807, investigative reports written and copies of them furnished in due course to Mr. Amen, as before. Neither civil nor criminal action was taken against Local 807 from that time on, although when Mr. Amen was contacted from time to time, he advised that the Bill for Injunction was still under consideration by the Department.

However, on August 9, 1937, Mr. Amen directed a letter to the New York Bureau Office, stating that he had received informal authorization to present the case against Local 807 to a Grand Jury in the Southern District of New York, with a view to obtaining indictments under both the Sherman Anti-Trust Act and the Anti-Racketeering Act and that he expected to receive the formal Grand Jury authorization the next day.

The next day he advised Special Agent Boyle of this office that he had received such formal authorization and that it was his intention to obtain immediately all the books and records from the headquarters of Local 807 by subpoena to be introduced as evidence before the Grand Jury which was to be called. However, before this step could be taken, Mr. Amen telephonically advised Special Agent Boyle of this office on August 12, 1937 that he had received telephonic instructions from the Attorney General's Office at Washington, to postpone Grand Jury action against Local 807 indefinitely.

In view of the foregoing and in view of the additional facts that Mr. Amen has openly expressed the opinion that the investigation by the New York Bureau Office has unquestionably disclosed violations of Federal law by Local 807 and its representatives which would probably lead to convictions in Federal Court if these representatives were tried on these charges, and inasmuch as a review of the files apparently confirms Mr. Amen's opinion, this office does not deem it advisable to conduct any further investigation in the above entitled cases and is accordingly suggesting that these cases be closed.

Very truly yours,

E. WHITNEY,
Special Agent in Charge

60-400

Joseph Parisi

Inspector:

A review of this file indicates that investigation has been completed and the case awaiting prosecutive action since July 31, 1936. A review should have been made of the file and a summary report prepared. No report has been submitted in the case since April 2, 1937, and it is now being carried as a delinquent, inactive, unassigned investigation. The supervisor could very well follow the prosecutive action in this matter. This was not an ordinary Antitrust investigation but one involving violence and, therefore, a request should have been made of the Bureau for the criminal records of Charles Vonic, Louis Lapke and Charles Lackey who were subjects. The report of Special Agent John J. Keating dated at New York, August 13, 1934, reflects the criminal records of certain of the subjects in which various aliases are set forth. These aliases have not been included in the title of previous reports nor was the title of this particular report or any subsequent ones changed so as to include the aliases in the title. This same report on page 49 contains the statement that subject Charles Vonic had no criminal record. This statement was made despite the fact that no request was ever made of the Bureau to search its records to ascertain if a criminal record could be located for this subject.

Asst SAC Donegan:

This case will be assigned for the purpose of reviewing the file and preparing a summary report. The agent will be specifically instructed to make the necessary corrections and will also follow out the instructions as

Investigation Report
New York Office
Inspectors Foxworth and Ladd
June, 1937.

60-1759

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contained in the Inspector's report reflecting his examination of this file. In so far as this case is being carried as inactive and unassigned, the supervisor handling Antitrust violations will be instructed to follow prosecutive action in this case.

Inspection Report
New York Office
Inspector Foxworth and Ladd
June, 1937.

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

N.Y. FILE NO. 60-400

ETA

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 8/6/37	PERIOD FOR WHICH MADE 8/5/37	REPORT MADE BY R. E. A. BOYLE
TITLE CHANGED: JOSEPH PARISI alias Joe Parisi; JAMES RINALDI alias James V. Rinaldi alias James Rinaldo alias William Lombardi alias Billy Lombardi; ANTHONY LEGGIO alias Antonio Leggio alias Tony Leggio; SYNOPSIS OF FACTS: JOSEPH MAZZO; CHARLES VORIE; LOUIS LEFKE alias Louis Buchalter; CHARLES LUCIANA alias Charles Leckey alias "Lucky" alias "Lucky" Luciano.			CHARACTER OF CASE ANTITRUST

SYNOPSIS:

Inasmuch as alleged illegal acts of subjects uncovered by investigation thus far conducted are presently barred by the statute of limitations, J. E. Amen, Special Asst. to the Atty. General, suggested that this case be closed, subject to its being re-opened in the event additional complaints are received in the future.

- C -

REFERENCE:

Report of Special Agent R. E. A. Boyle, New York City, dated 4/2/37.

DETAILS:

The title in this case is changed to include the names and aliases of all the subjects as revealed by a review of the file, as follows:

APPROVED AND FORWARDED: <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES	
		60-1757-38	AUG 5 - 1937
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Subject JOSEPH PARISI - to add the alias JOE PARISI.

Subject JAMES RINALDI - to add the aliases JAMES V.
RINALDI; JAMES RINALDO;
WILLIAM LOMBARDI; BILLY
LOMBARDI.

Subject ANTHONY LEGGIO - to add the aliases ANTONIO
LEGGIO; TONY LEGGIO.

Subject LOUIS LEPKE - to add the alias LOUIS BUGHALTER.

Subject CHARLES LUCIANA - to add the aliases CHARLES
LACKEY; "LUCKY"; "LUCKY"
LUCIANO.

Inasmuch as a review of the file by the writer disclosed that the alleged illegal acts of the subjects in the instant case uncovered by investigation thus far conducted, are now barred by the statute of limitations, this information was transmitted to Special Assistant to the Attorney General J. HARLAN AMEN, 20 Exchange Place, New York City, who suggested that this case be closed, subject to its being re-opened in the event similar complaints are received in the future.

- CLOSED -

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

CASE ORIGINATED AT **NEW YORK CITY**

N.Y. FILE NO. **92-5**

NB

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 8/5/37	PERIOD FOR WHICH MADE 8/5/37	REPORT MADE BY R. E. A. BOYLE
TITLE LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, BRAUFEURS, STABLEMEN AND HELPERS OF AMERICA, et al			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE

SYNOPSIS OF FACTS:

Special Assistant to the Attorney General J. H. Amen has not as yet received information from the Department at Washington concerning proceedings in this case.

-P-

REFERENCE:

Report of Special Agent R.E.A. Boyle, New York City, May 5, 1937.

DETAILS:

It was ascertained from Mr. John H. Amen, Special Assistant to the Attorney General, Antitrust Division, New York City, that no information concerning the proceedings in this case has as yet been received by him from the Department in Washington.

-PENDING-

APPROVED AND FORWARDED <i>R. E. A. Boyle</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES AUG 7 1937 60 11759 137 AUG 8 - P.M. <i>HP</i>
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<i>8-7-37</i>	

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

N.Y. FILE NO. 92-9 RM

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 5/5/37	PERIOD FOR WHICH MADE 4/30/37	REPORT MADE BY R. E. A. BOYLE
TITLE LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN AND HELPERS OF AMERICA, et al.			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE.

SYNOPSIS OF FACTS:

John E. Amen, Special Assistant to the Attorney General, advises no information yet received from Department at Washington relative to proceedings in instant case.

P.

REFERENCE:

Report of Special Agent R. E. A. Boyle, New York City, 1/15/37.

DETAILS:

MR. JOHN E. AMEN, Special Assistant to the Attorney General, Antitrust Division, New York City, advises that he has not yet received any information from the Department at Washington relative to the proceedings in the instant case.

P E N D I N G

APPROVED AND FORWARDED <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES 60-1759-36 MAY 6 - AM	
COPIES OF THIS REPORT 3-New York 1-J. E. Amen, Spec. Asst. to Atty. Genl., 20 Mich. Pl., N.Y.C.	MAY 7 1937 <i>[Handwritten notes and stamps]</i>	

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

N.Y.

FILE NO. **100-1,000** ED

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 4/2/37	PERIOD FOR WHICH MADE 3/24/37	REPORT MADE BY R. E. A. TYLE.
TITLE JOSEPH PARISI et al.			CHARACTER OF CASE ANTI TRUST.

SYNOPSIS OF FACTS:

J. G. Amen, Special Assistant to the Attorney General, advised that this matter was still under consideration by the Department on a bill for injunction and that no decision has yet been made as to what is to be included in this bill.

REFERENCE:

Report of Special Agent R. G. Reed, 12/14/36, New York City.

DETAILS:

Special Assistant to the Attorney General **JOHN H. AMEN**, 20 Exchange Place, New York City, has advised that this matter is still under consideration by the Department at Washington for a decision on a bill for injunction, and that up to this date no decision has been made as to what is to be included in this bill.

P E N D I N G

APPROVED AND FORWARDED: <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES	
COPIES OF THIS REPORT 3-Bureau 3-New York (1-Spec. Asst. Atty. Genl. J. G. Amen, 20 Exchange Pl., NYC) cc: Tolson - by R/E 4/6/37 wsc		100-1759-35	APR 5 1937
		<i>[Handwritten initials and marks]</i>	

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

NY FILE NO. 92-9 afoa

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 1/15/37	PERIOD FOR WHICH MADE 1/13/37	REPORT MADE BY R. E. A. ROYLE
TITLE LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN AND HELPERS OF AMERICA, et al.			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE.

SYNOPSIS OF FACTS:

JOHN H. AMEN, Special Assistant to the Attorney General, advises civil proceedings against International Longshoremen's Association in progress. Investigation in instant case will be held in abeyance pending outcome of those proceedings.

F.

REFERENCE:

Report of Special Agent W. J. McNULTY, New York, N. Y., dated 10/22/36.

DETAILS:

MR. JOHN H. AMEN, Special Assistant to the Attorney General, Antitrust Division, New York City, advises that civil proceedings in the case of the International Longshoremen's Association (Flour Loading Charges - New York File 60-420) are in progress and further investigation in instant case will be held in abeyance pending outcome of these proceedings.

1/19/37 cc Dickinson LRP
PENDING

APPROVED AND FORWARDED <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES	
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FEDERAL BUREAU OF INVESTIGATION

FORM NO. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

NY

FILE NO. 60-400 a7ob

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 12/14/36	PERIOD FOR WHICH MADE 12/8/36	REPORT MADE BY R. O. REED
TITLE JOSEPH PARISI et al			CHARACTER OF CASE ANTITRUST

SYNOPSIS OF FACTS

ALBERT J. LAW, Special Assistant to the Attorney General, advises that negotiations for Consent Decree in this case are still in progress.

P.

60-1759

REFERENCE:

Report of Special Agent W. J. McNULTY, New York City, 10/22/36.

ALBERT J. LAW, Special Assistant to the Attorney General, Antitrust Division, was interviewed by agent at which time he stated that negotiations for Consent Decree in this case are still in progress, and have not yet been concluded.

REVIEWED LEAD

NEW YORK CITY DIVISION

Will report further action in this case.

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APPROVED AND FORWARDED: SPECIAL AGENT IN CHARGE	60-1759-3 DEC 16 1936 DEC 18 AM
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FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

FILE NO.

60-400 afob

REPORT MADE AT

NEW YORK CITY

DATE WHEN MADE

10/22/36

PERIOD FOR WHICH MADE

10/21/36

REPORT MADE BY

W. J. McNULTY

CHARACTER OF CASE

JOSEPH PARISI et al

ANTITRUST

SYNOPSIS OF FACTS:

JOHN H. AMEN, Special Assistant to the Attorney General, advised negotiations for Consent Decree still pending in this case.

F.

REFERENCE:

Report of Special Agent **M. J. ZMESKAL**, New York, N.Y., 7/31/36.

DETAILS:

JOHN HARLAN AMEN, Special Assistant to the Attorney General, Antitrust Division, was contacted and he advised that negotiations for Consent Decree in the instant case are still pending.

UNDEVELOPED LEAD:

NEW YORK BUREAU OFFICE

Will keep in touch with **MR. JOHN H. AMEN**, Special Assistant to the Attorney General and report the outcome of negotiations for Consent Decree in this case.

PERMITS

APPROVED AND FORWARDED

SPECIAL AGENT IN CHARGE

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3 Bureau

1-John H. Amen, Spec. Asst. to Atty. Gen'l, 20 Exchange Pl., NYC).

cc Dept 10/26/36

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

NY

FILE NO.

92-9 2428

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 10/22/36	PERIOD FOR WHICH MADE 10/20/36	REPORT MADE BY W. J. McNULTY
LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN AND HELPERS OF AMERICA, et al.			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE.

SYNOPSIS OF FACTS:

JOHN H. AMEN, Special Assistant to the Attorney General, advises receipt of authority from the Attorney General transferring this case from the United States Attorney, Southern District of New York, to the Antitrust Division. Pending outcome of civil proceedings against International Longshoremen's Association, he desires no investigation in this case.

P.

REFERENCE:

Report of Special Agent H. F. DOLAN, New York, N.Y., 7/31/36.

DETAILS:

MR. JOHN H. AMEN, Special Assistant to the Attorney General, Antitrust Division, New York City, advised that the office of the Attorney General has confirmed the transfer of this case from the office of the United States Attorney, Southern District of New York, to the Antitrust Division. He desires that no additional investigation be made at this time pending the outcome of the institution of civil proceedings in the case of the INTERNATIONAL LONGSHOREMEN'S ASSOCIATION (Floor Loading Charges - New York File 60-420).

APPROVED AND FORWARDED <i>[Signature]</i>	SPECIAL AGENT IN CHARGE <i>[Signature]</i>	DO NOT WRITE IN THESE SPACES 60-1759-3	OCT 28 1936
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cc Dept 10/24/36

92-9

UNDEVELOPED LEAD

NEW YORK BUREAU OFFICE

Will keep in touch with MR. JOHN H. AMEN,
Special Assistant to the Attorney General, to determine when
investigation is desired.

PENDING

FEDERAL BUREAU OF INVESTIGATION

FORM NO. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

N. Y. FILE NO. **60-400 147**

REPORT MADE AT: NEW YORK CITY	DATE WHEN MADE: 7/31/36	PERIOD FOR WHICH MADE: 6/22, 7/20 & 24/36	REPORT MADE BY: R. J. ZIESKAL
TITLE: JOSEPH PARISI, et al.			CHARACTER OF CASE: ANTI-TRUST

SYNOPSIS OF FACTS:

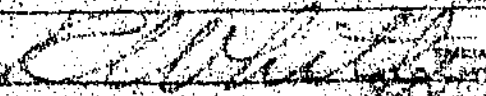
Witnesses interviewed advise of difficulties encountered with Local #27 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, in calling strikes in their plants. Persons who signed a letter addressed to Hugh Frayne of the American Federation of Labor, advised the letter was signed as a protest against the activities of Joe Parisi, because of his breach of faith with the workers. Isaac Rudowitz advised that after being told to keep away from New York, acts of vagrancy, such as intimidating his driver, stealing his merchandise, and putting molasses in the oil of his automobile, eventually drove him out of business and necessitated his contracting with another box maker for the purchase of boxes, which he sold as a selling agent.

DETAILS:

REFERENCE:

Report of Special Agent R. J. Zieskal, New York City, 6/18/36.

DO NOT WRITE IN THESE SPACES

APPROVED AND FORWARDED:  SPECIAL AGENT IN CHARGE	RECORDED AND INDEXED 60-1759-30 AUG 4 1936 AUG 4 - A.M. AUG 2 1936 DEPARTMENT OF JUSTICE
COPIES OF THIS REPORT FURNISHED TO: 1 - Bureau 1 - New York (1 John H. Amen, Spec. Agent to Atty. Gen., 70 Broad Pl., NYC) 1 - U.S. Atty. Gen., New York	

7/31/36

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DETAILS:

This is a joint report of Special Agent H. P. Dolan, W. J. McNulty and R. J. Zmeskal.

LOUIS KOCH, Head of the FAVORITE PAPER BOX CO. INC., 521 West 25th Street, New York City, advised that his business is confined primarily to New York City; that he had about six customers in New Jersey and one or two in Connecticut, but that these are mainly contractors who work for manufacturers to whom he, KOCH, sends boxes. He estimated that approximately 5% of all of his business is in interstate commerce.

KOCH advised that recently, within the past six months, he joined an Association known as the New York Credit Bureau, of which a Mr. SAMUEL WALLERSTEIN, an attorney with offices at 271 Madison Avenue, was the Secretary. He advised that as far as he knew, this credit bureau was formed for the purpose of solving labor difficulties the members encountered, and to negotiate with either of the unions connected with the set-up paper box industry.

As far as he knows, the Association enters into negotiations with either Local 27 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, or Local #18552, the Paper-box Makers Union, and the contract entered into between the Association and either of the two unions is binding upon all of the members of the Association and the Union.

As far as he knew, Mr. KOCH advised that his company had a strike in 1933 with JOE PARISI's union, which he thought was Local #27, and stated that SAMUEL WALLERSTEIN settled the strike for him.

WILLIAM A. REICHERT, Manager of ELY HALEWIN, a paper box manufacturing company located at 84 Wooster Street, New York City, advised that practically all of their business is confined to New York City, with the exception of one or two smaller accounts which are located in Connecticut. He stated that his company never had any trouble with any unions that are connected with the set-up paper-box industry; that his company is not box unionized, and that they are members of the New York District Association, of which Mr. DAVID H. SLOANE is the head.

In the report of Special Agent J. J. Keating, dated March 27, 1934, at New York City, there is contained on pages 6 and 7 of that report a letter dated October 27, 1933, which was forwarded to Mr. HUGH PRAYNE, American Federation of Labor, 1440 Broadway, New York City, signed by HERMAN WILDER, ELSIE TROMPETER, WILLIAM SCHREIBER and several others. This letter is in the form of an indictment of the activities of JOE PARISI, who at the time was business delegate of Local #27.

Miss ELSIE TROMPETER, who was employed by the Security Paper Box Co., 278 Van Sinderen Avenue, Brooklyn, N. Y., was questioned regarding her knowledge of this letter. She vehemently denied any knowledge of having signed any letter in the presence of seven or eight other paper-box workers at PAUL DEITCH's house, and further denied that she was present in PAUL DEITCH's house when JOE PARISI and several of his henchmen broke into DEITCH's house and in a threatening manner demanded that the meeting disband. Her attention was directed to the letter which is contained in Special Agent Keating's report, and she was invited to read same, and after doing so, advised that as far as she could remember, she went to PAUL DEITCH's house on a Saturday morning and while there, PAUL DEITCH asked her to sign something, which she did. She stated she did not read what she signed, but merely put her name down, because PAUL DEITCH asked her to. She denied that she was ever present with other paper-box workers, and that she had no knowledge whatsoever as to the purpose of the meeting that was called in PAUL DEITCH's house.

After a little prodding, Miss TROMPETER stated that she knew this letter was to be directed to some labor official, and it was a complaint against JOE PARISI's activities. She also indicated that although she was not in PAUL DEITCH's home on the evening that JOE PARISI and several of his henchmen broke into his, DEITCH's, home, she heard of this event and the next day, Saturday, she signed a letter in PAUL DEITCH's house. At the time she signed the letter, she was unemployed, and had a grudge against JOE PARISI because he had called a strike at the paper-box company where she was employed and she was promised by PARISI that he would get her a job when the strike was settled. She stated the strike was settled, but she did not get a job, and never joined PARISI's union after that time.

Miss TROMPETER stated that after WILLIAM SCHREIBER became business delegate of the Paper Box Makers Union, Local #1259, she joined the Union and is still a member of this Union.

Mr. WILLIAM SCHREIBER, who was one of the signers of this letter of October 27, 1933, advised that at the present time he is a newspaper man, but that between the years 1926 and 1933, he was employed as a shipping clerk for a paper-box concern. He stated that he was in PAUL DEITCH's home one night when JOE PARISI came in with CHARLES VONIE, and that PARISI invited one of those present in PAUL DEITCH's house to attend a meeting that JOE PARISI was holding elsewhere. He did not recall the person who was invited by PARISI to attend that meeting.

After a short time, SCHREIBER recalled that it was FRANK ROSINA who was told by PARISI to attend the meeting to be held by PARISI because he, ROSINA, was to come up before the Union on charges against him. SCHREIBER said he did not hear anyone make any threats, but he did recall that CHARLES VONIE had one hand in his pocket, which might have been indicative that he, VONIE, had a gun.

SCHREIBER was shown a copy of the letter which he was supposed to have signed, and after reading same, he recalled that the letter was written by a fellow box maker, LOUIS SMITH, and as far as he could recall, it was directed to a labor official, complaining about JOE PARISI's activities. He stated he signed the letter because JOE PARISI threw him out of the Union and for that reason he had a grudge against PARISI. He said all the people who were present at the meeting, claimed they had a bit of evidence against PARISI which would cause his removal as business delegate of the Union, and that it was their purpose to form a committee and present this evidence to Mr. HUGH FRAYNE.

SCHREIBER stated that he did not have any direct knowledge that PARISI ever received any money from any of the paper-box manufacturers, but that several of the men who were present told him they knew PARISI was receiving money from the manufacturers. He stated that after PARISI left, most of the persons who were present, except himself, were very angry at PARISI, because he broke into the house and there was much discussion as to whether some of them should go to the District Attorney and make a complaint against PARISI for assault and make a charge against VONIE also, for possessing a gun.

SCHREIBER stated that in his opinion, both PAUL DEITCH and SO. MASSARSKY, who brought PARISI into the industry as one of the drivers, wanted to get rid of PARISI, and were

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only too glad to get something on him. He stated he is of this opinion because both DEITCH and MASSARSKY have gone to the Attorney General's Office in the State of New York. They also went to the N. R. A. Office in New York City, complaining about JOE PARISI's activities.

HERMAN WIENER, who at the present time is working as a plumber, but who in 1931 was working as a setter-upper for the Belmont Paper Box Company, had been trying to get a membership card in JOE PARISI's union for the past two or three years, but was always denied membership. He stated he was afforded an opportunity to join the union because a strike was called, and the union was only too glad to get new members into it. He advised even then he could not get into the union. PARISI absolutely refused to have anything to do with him.

About five weeks after this strike at the BELMONT PAPER BOX COMPANY was called, JOE PARISI announced that a settlement was made and that all of the men were to go back to work. However, upon reporting back to work, Mr. ROSINSKY, the owner of the BELMONT PAPER BOX COMPANY, picked out certain men he wanted to work for him, and sent the rest of them home. This caused many hard feelings among those who were not chosen because they were all of the opinion that the strike had been amicably settled, and they all were to go back to their work. The disgruntled union members who were not picked to go back to work, called on JOE PARISI, but were unable to get any satisfaction from him, as to the reasons why they were not allowed to go back to their work.

One of the workers, who was employed by another paper box company, who was very dissatisfied with PARISI's activities, was named DEITCH. A meeting was arranged to be held at PAUL DEITCH's house, somewhere on Powell Street, Brooklyn, N. Y., and WIENER attended that meeting. He recalled seeing WILLIAM SCHWARTZ, FRANK ROSINA, LOUIS SMITH and PAUL DEITCH and SOL MASSARSKY. WIENER recalled that they were to prepare a circular which was to be distributed among the members of the union, and workers in the trade, and also to send a letter to the American Federation of Labor, complaining about PARISI's activities.

While they were discussing the action to be taken against PARISI, PARISI, YORIN and several other men broke into PAUL DEITCH's house and stated that he, WIENER, heard PARISI say - "I want everyone of you to get out of this meeting, and if any of you continue to meet, I will chop your heads off".

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He stated that as far as he could remember, LOUIS SMITH told PARISI to get out or he, SMITH, would call the police. He also recalled that while PARISI was standing, he had one hand in his coat pocket, from which he got the impression that PARISI had a gun in his pocket. PARISI, VONIE and the other men immediately left and drove away in an automobile. On the following day, WIENER said, they continued the meeting, which was on a Saturday, and after that, went to the District Attorney's office and made a complaint against PARISI and VONIE. After making the complaint to the District Attorney, they went to the Attorney General's office, State of New York, at 90 Centre Street, and made a complaint.

WIENER stated that shortly after that incident, he worked as a salesman for the Belmont Paper Box Company, and his proof or information that he had concerning PARISI's racket was gained from interviews with prospective customers. He stated that when he would go to a customer who he knew used other boxes and tried to get him to buy boxes from the Belmont Paper Box Company, he was always told by the customer that the customer could not possibly buy boxes from the Belmont Paper Box Company because if he did so, the organization or the Association would prevent the customer from getting any boxes at all, and then the customer would not be able to stay in the business any longer. He advised he did not recall the names of the concerns he solicited where he secured this information, and he did not know what Association they were referring to, but he surmised from the information he got, that PARISI was running some kind of a racket.

Mrs. Reuben R. Sacks, Head of the SACKS SCAM CARTON CO., Inc., stated that he has been in the set-up paper-box industry for the past fifteen years and is a member of the Carton Club of Greater New York, which is an association composed chiefly of box makers located in Brooklyn, N. Y. He stated that approximately five percent of all of his business is in interstate commerce, and that he does about \$150,000. or \$170,000. of business a year. He had three active accounts which formerly were located in New York City, but now are located in New Jersey.

In 1934, a strike was called by JOE PARISI at his place. This strike was settled after an agreement was reached with the Union. This agreement was made by practically all of the members of the Carton Club of Greater New York, and because the majority of the manufacturers signed up, it was necessary for him to sign up with the Union. After the contract was signed, he had no further labor trouble.

Mr. ISAAC M. RUDOWITZ, who conducts a business at 513 West 34th Street, New York City, known as the Independent Container Corporation, advised that he had been in the paper-box business for the past thirty-five years and was formerly connected with the ZIPP PAPER BOX COMPANY at 370 West 36th St., New York City, and also with the STAR PAPER BOX COMPANY in the Bush Terminal Building, Brooklyn, N. Y. In 1931, when he was with the STAR PAPER BOX COMPANY, he used to get some business in New York, and he recalled that someone called him on the telephone telling him to stop taking business from New York. He advised that it was someone from the MAJESTIC PAPER BOX CO. who made this call, and he spoke to a Mr. FZINERT, who told him "Keep out of New York. You have enough business in Brooklyn". RUDOWITZ said he replied that he would get his business anywhere he so desired and that no one could keep him out of New York. After this, he advised that a wagon of his, which had been delivering boxes in New York, was stopped, the driver threatened and after this, the driver would no longer drive to New York. He stated that at another time, a motor truck was taking boxes to New York, and either sand or molasses was poured in the oil vent, and the truck was damaged.

Mr. RUDOWITZ always referred to the individuals who stopped the wagon and damaged the truck, as "they" but he was unable to identify them or give their names, but he was positive that whoever did this, was hired either by Mr. NEEDHEST of the MAJESTIC PAPER BOX CO., or by JOE FARISI.

In spite of all these adversities, Mr. RUDOWITZ continued to get customers in New York City, and to combat his activities, either the Union or the Association in New York started cutting the prices, and as a result attracted a lot of the business he formerly had. As a result of these low prices, Mr. RUDOWITZ advised that he was forced to close down his shop. He stated the New York manufacturers who started cutting the prices were members of some Association, but he did not know the name of it. He stated that during the time he was getting business in New York, he received letters from some Association, the name of which he has forgotten, but he never paid any attention to these letters. He recalled that several box manufacturers talked to him and wanted him to join some Association and to pay dues so that he would get his share of the business.

but that he always felt that he could get his business whenever and wherever he wanted to, and refused to join any associations. He stated that during this time he had union help and they were getting more money than the union wage scale called for, but, nevertheless, a strike was called in his plant in a further effort to tie him up, and either force him to go out of business or come into some association. Eventually, he was forced out of business. He stated that before he went out of business, he was told that one of his drivers refused to drive a wagon to New York. Mr. RUDOWITZ stated that he, RUDOWITZ, got on the wagon and drove it to New York. While he was out making some deliveries and while the wagon was standing unattended in the street, unknown individuals stole some of the boxes and damaged others. As a result, he was unable to make deliveries to his customers and lost their business.

Mr. RUDOWITZ stated that after he had several thefts from his wagon, he had his wife follow on foot along the route that he was to take in New York, and that on one occasion his wife saw someone stealing boxes from the wagon, and that she immediately called a policeman. Mr. RUDOWITZ stated that the man was brought up for trial in some city court and discharged. He stated that after the plant was closed down in Brooklyn, he opened a shop in New York City, but because of the activities of the members of this Association, the name of which he did not recall, he was again forced to close his plant and he lost about \$15,000. After he was driven from business, he opened up his present business, but does not manufacture the boxes himself, and has a person named S. HARTFORD, make the boxes for him, and he acts as the selling agent.

Mrs. ITTA RUDOWITZ, wife of ISAAC RUDOWITZ, was questioned regarding the theft of boxes from her husband's wagon, which theft she witnessed. She stated she could not recall the man's name, could not recall the name of the policeman who arrested the man, did not know what court the case was presented at, but she did know that the man was discharged.

SQL MARGARSKY, who is business organizer of Local #18333, located at 633 Broadway, New York City, although questioned closely regarding JOE PARISH's activities, apparently could give no information of value which was based on facts.

It appeared throughout the conversation that he was very much prejudiced against JOE PARISI and bore a deep grudge against him, and was willing to do anything which would harm PARISI, even though he, MASSARSKY, had to lie about PARISI's activities. MASSARSKY claimed he, MASSARSKY, was a loyal worker and interested in the rank and file of the paper-box workers and that after he got JOE PARISI to be organizer of the paper-box workers, JOE PARISI double-crossed the workers and called a general strike in the industry and then settled this strike by entering into an agreement with the paper-box manufacturers that only the outside workers, that is, the drivers, should be unionized and that he, PARISI, would refrain from in any way attempting to organize the inside workers for a period of about five years. MASSARSKY, being vitally interested in the plight of the inside workers, became so incensed at PARISI's agreement, that he, MASSARSKY, admitted he would not stop his activities to make trouble for PARISI until he had driven him, PARISI, from Local #18239, and also from Local #27.

MASSARSKY stated that he well remembered the time that JOE PARISI and CHARLES VONIE broke into PAUL DEITCH's house when he, MASSARSKY, was there. He stated that PARISI came in in a threatening manner and appeared to have a gun in his pocket, although he was not positive that this was so, or that he saw a gun. He stated he was not afraid of JOE PARISI and that he told PARISI to get out of the house or he would call the police, and that after that, he, with PAUL DEITCH, drew up a complaint against JOE PARISI, but apparently the case was dismissed. He stated they also went to the Attorney General's office, of the State of New York, and made another complaint against PARISI, and that long hearings were held there, and that again nothing was done to JOE PARISI. He stated that he was of the opinion that he, JOE PARISI, had political connections because every time he got into trouble, PARISI got out of it. MASSARSKY never heard of any political affiliations PARISI had, and never saw PARISI approach anyone to have a favor done. He stated he merely drew the conclusion that PARISI had political influence, because of the fact that he has always avoided trouble.

In an effort to obtain information concerning the activities of JOE PARISI, information was secured to the effect that the firm of STEVENSON, JORDAN & HARRISON, a Cost Accounting firm, located at 19 West 34th Street, New York City, was the

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representative of the NATIONAL CONTAINER ASSOCIATION of America. At this Association, a Mr. DILLINGHAM advised that the company of STEVENSON, JORDAN & HARRISON maintained a file on JOE PARISI, due to his activities in attempting to organize the workers in the corrugated knock-down flat paper-box industry. Mr. DILLINGHAM advised that he had hired the Schindler Detective Agency to attend meetings which were held by JOE PARISI in his attempt to organize the workers in the corrugated industry, and that all of the information that was contained in his files referred primarily to the charges made by PARISI against the corrugated manufacturers and the statements made by PARISI as to what he would do for the workers when they were unionized, with reference to PARISI's activities in the set up paper-box industry, and were not concerned with that industry at all, and his actions were merely taken in an effort to take preventative measures against PARISI, if and when he made a serious attempt to organize the workers in the corrugated industry.

During the period of June 15 to July 10, 1936, witnesses appeared before a Grand Jury in the Southern District of New York, and testified as to the information they had concerning the activities of JOE PARISI and trade associations, which affected the set up paper box industry. The Grand Jury was adjourned until July 27, 1936, during which time Mr. John H. Amen advised that he had received advances from Mr. EDWARD C. MAGUIRE, Attorney for Local #27 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen & Helpers of America, for a consent decree, and that he, Mr. Amen, is seriously considering this decree.

UNDEVELOPED LEAD: NEW YORK OFFICE.

Additional investigation will be held in abeyance awaiting the outcome of negotiations for a consent decree.

Will contact Mr. Amen relative to results of negotiations entered into by Mr. Maguire and himself for a consent decree in instant case.

- PENDING -

Addendum: On Monday, July 27, 1936, the Grand Jury sitting in the Southern District of New York, before which evidence of violations of the Federal Anti-Trust Laws in instant case is being presented, was reconvened and adjourned until August 17, 1936.

FEDERAL BUREAU OF INVESTIGATION

FORM NO. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

FILE NO. **62-2**

RD

REPORT MADE AT: NEW YORK CITY	DATE WHEN MADE: 7/31/36	PERIOD FOR WHICH MADE: 7/24/36	REPORT MADE BY: H. P. DOLAN
TITLE: LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN AND HELPERS OF AMERICA, et al.			CHARACTER OF CASE: INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE

SYNOPSIS OF FACTS:

Confirmation of Attorney General's office of transfer of case from U. S. Attorney's office, Southern District of New York, to the Antitrust Division not yet received.

- P -

REFERENCE:

Report of Special Agent H. P. Dolan, New York City, dated June 3, 1936.

DETAILS:

JOHN H. AMEN, Special Assistant to the Attorney General, advises that the Attorney General's office has not yet confirmed the transfer of this case from the office of the United States Attorney, Southern District of New York. He desires no additional investigation until such confirmation is received.

UNDEVELOPED LEAD:

DETAILS:

NEW YORK OFFICE will contact JOHN H. AMEN, Special Assistant to the Attorney General, to determine when investigation is desired.

P E N D I N G -

DO NOT WRITE IN THESE SPACES

APPROVED AND FORWARDED: <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	60-1759-29 AUG 1 - A.M. AUG 5 1936
COPIES OF THIS REPORT FURNISHED TO: 3 - Bureau 1 - New York (to John H. Amen, Spec. Asst. to Atty. Gen., 20 Exch. Pl., NYC) (1-72A, BONY) 1 - cc New York (to Dickman)		RECORDED AND INDEXED AUG 1 1936 AUG 5 1936

July 25, 1936

PH:DT

MEMORANDUM FOR THE DIRECTOR

Re: LOUIS BUCKHALTER, with aliases:
Lopke, Lopke, Lepky, Lekky, Lipke,
Lefky, Louis Kuvar, Louis Kaver,
Louis Buckhouse, Louis Buckholts,
Louis Cohen, Louis Buckholter.

The Bureau files reflect the following information pertaining to Louis Buckhalter, with aliases. He first came to the attention of the Bureau when a complaint was made by Martin F. Kelly, 9 Catherine Street, Elizabeth, New Jersey, who stated he had formerly been a truck operator hauling knee pads from manufacturers in New York City to contractors in New Jersey; that some time prior to 1932 he was approached by I. Weirich, the president of the Knee Pads Manufacturing Association in New York City, and had had to pay him a thousand dollars for the privilege of remaining in business; that in 1932 the officers of the Amalgamated Clothing Workers of America, which organization he states dominates the Knee Pads Manufacturers Association, forced him entirely out of business; that this union was supposedly for both contractors and manufacturers of the Garment Industry, but that it amounted to a strong-arm racket which assessed the contractors and manufacturers a fee on each employee in their service; and that upon the failure of anyone to pay their demands they were immediately unable to obtain work from the manufacturers in New York. Mr. Kelly further stated that Lipke, which is an alias of subject, was an official of this organization. However, he had no information to verify this statement.

In connection with the investigation of the Bureau case entitled Amalgamated Clothing Workers of America, et al, Antitrust, Special Agent J. J. Keating ascertained from Mr. Bernstein of the firm of Bernstein, Schwartz and Company, 141 Fifth Avenue, New York City, that Louis Buckhalter was in the "canvas business" somewhere in Greater New York, he explaining that that is meant by "canvas business"

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is that canvas was used in men's suits and overcoats, which is a part of the industry. No investigation was made to verify this statement.

A complaint was also made by G. M. Brink of Brick and Ballerstein, who are manufacturers of paper boxes in New York City, that Joseph Parisi and his gang, of which he listed Louis Lepke as a member, were interfering with interstate commerce by violence; that the paper box industry consisting of 215 shops in New York City, Long Island and Brooklyn, and possibly 40 shops in the State of New Jersey, carried on interstate commerce between the State of New Jersey and New York, and that a small amount of business was done by the New York concerns with individuals in Connecticut; that there had been numerous instances in which violence was used to force drivers of the industry, as well as inside employees, to join the Truck Drivers' Union, thereby exacting lucrative revenues from the workers in the form of dues and initiation fees. However, a statement was later taken from a number of employees of the National Eagle Paper Box Company, Inc., located at 1226 Flushing Avenue, Brooklyn, New York, in which they stated that Parisi was the main racketeer in the paper box industry and that he was merely using Buchhalter's (alias Louis Lepke) name because he knew he was an ex-convict and a racketeer of Greater New York, and that by associating himself with Lepke, Parisi could thereby demand more respect from the manufacturers and from their employees.

Benjamin Hoffman, Assistant Attorney General, Department of Labor, Attorney General's Office of the State of New York, at 6 Center Street, New York City, stated in an interview with Special Agent Hasting, at New York City on August 13, 1934, that he had been unable to obtain any evidence which might indicate that Louis Lepke was connected with the paper box industry. This case relating to the racketeering activities of gangsters in the paper box industry is still being investigated by the Bureau and is being carried in the files as JOSEPH PARISI, JAMES RINALDI, ANTHONY LEGGIO, CHARLES VONIE, LOUIS LEPIE and CHARLES LUCKY - ANTITRUST (File 60-1752).

On January 31, 1935, Special Agent in Charge J. E. P. Dunn, of Los Angeles, California, directed a letter to the New York Bureau Office, which was in reference to a communication from the New York Office, advising them of their files with respect to well-known

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gangsters and criminals in their locality. The Los Angeles letter advised that through information obtained from the Los Angeles Police Department, Louis Buchhalter, in company with Benjamin Siegel, had been seen in California and that they had stated their reasons for leaving New York were to attempt to entrench Buchhalter politically in California; that Buchhalter exhibited a great deal of interest in the reopening of dog tracks in California, together with a possible connection on his part with the slot-machine business. However, no investigation was conducted to verify this information.

The files further reflect that Mrs. Virgian Mathis, who was an associate of Vernon C. Miller, advised Special Agent S. K. McKee, during an interview in the Jackson County Jail, Kansas City, Missouri, on January 8, 1936, that her friends had informed her that Vernon Miller had been killed as a result of orders from New York City; that the syndicate to which Vernon Miller had belonged, as well as the entire Barker-Karpis gang, was operated in New York, Chicago, Illinois, Kansas City and St. Paul, and that the chief connections in New York were Louis Buchhalter and "Benny the Dog" Siegel. She stated she was of the opinion that Louis Buchhalter had been instrumental in causing Vernon Miller's death, but investigation never substantiated this assumption.

It is to be noted that during the time Alvin Karpis, with aliases, et al, were being sought for the kidnaping of Edward George Bremer, Louis Buchhalter's home at 25 Central Park West, New York City, was kept under continuous surveillance by New York Police, for they believed that Harry Campbell might attempt to contact him since information had been obtained from Virgian Mathis, as previously stated, that Louis Buchhalter was the gang's main contact in New York City. The file reflects that their efforts were futile.

Louis Buchhalter is now being carried as a subject in an antitrust matter entitled The Dress Industry, John M. Keating having originally made the complaint regarding activities of gangsters in this industry. Special Agent J. J. Keating was advised in an interview with John M. Keating that he was the General Counsel for the Dress Code Authority, he having been formerly a counsel of the staff for General Johnson of the National Recovery Administration; that the Dress Code Authority controlled the manufacture of women's dress; and that the bulk of the industry was carried on by a system of orders

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and contractors' relationship, in that the jobbers would buy the material and design the dresses while the contractors would do the sewing, operating and finishing of the dresses; that prior to the Code the jobbers could bid one contractor against the other until the price of contractor service reached a starvation figure; that the Code set up machinery whereby the jobber was responsible to the worker and contractors for a decent wage, and in the event he didn't pay it the victim could present his case to an impartial chairman who would hear the facts and designate the reimbursing of the complainant, if such was warranted. The large jobbers, particularly those in the low price wholesale field, rebelled against this restraint and employed racketeers for protection. Lepky and Charles Gurrah, with five others, were named by Mr. Keating as being the outstanding racketeers employed by those firms who sought to evade the articles of the Code. Mr. Keating stated further that he had heard that contractors who had filed claims before the impartial chairman against certain wholesale firms in the Dress Industry, had been visited at night by gangsters and threatened with death. The individuals who were threatened and the gangsters who made the threats were unknown to Mr. Keating since this was a rumor that he was unable to verify.

The New York Office has conducted an extensive investigation on the Dress Industry and advised the Bureau by letter on July 3, 1936 that the Dress Industry investigation would be completed in approximately six or eight weeks. This investigation, however, has failed to develop any information definitely connecting Buchalter with the alleged racketeering activities in this industry.

A news article in the New York American appeared on April 30, 1936, which was entitled "The Garment Racket Drive Opens", and stated in substance that racketeers moved into the office of Arthur Saffer, Inc., 1239 Broadway, which is a men's clothing concern, and compelled him to be banker and pay off men for them. The article quoted Murray I. Gursara, who is Special Prosecutor Dewey's assistant as follows: "Starting his contacts through personal friends, Saffer was drawn in by Louis Buchalter alias Lepke and Charles alias Jacob Shapiro, until he could not extricate himself from his criminal associates. Lepke and Shapiro, known as Gurrah, simply made their headquarters at Saffer's office installing their henchmen who terrorized business men of the garment district".

July 25, 1935

The files regarding the investigation of the case entitled "THE FUR DRESSING INVESTIGATION, ANTITRUST" reflect that the investigation was predicated upon a complaint received from the VAN-DYE-WAY CORPORATION, located at 455 Straight Street, Paterson, New Jersey, on December 8, 1931, against the KAMACHATEA FUR DYEING CORPORATION; THE ICELAND FUR DYEING CO.; THE PHILIP SINKER & BRO.; THE GREAT NORTHERN FUR DYEING & DRESSING CO.; and THE MENDOZA FUR DYEING WORKS, INC., all of New York City. The complainant and the five corporations complained of are competitors in the business of dyeing rabbit skins; that their customers are jobbers who deal in rabbit skins, buying them in a raw state, sending them to the dyers for dyeing, and then selling them in a dressed condition to clothing manufacturers. The complaint made was that these five corporations notified the jobbers in attendance that unless all of their dyeing work was given to one of the said five corporations no credit would be extended to them and that if they gave any work whatever to the complainant, not only would no credit be extended to them, but none of their work would be accepted. Through the investigation of this complaint it was information obtained that a great number of the concerns in this industry were doing the same thing and also hiring gangsters to establish their strong-arm tactics.

As a result of these investigations a United States Grand Jury in the Southern District of New York returned two indictments on November 6, 1933, against a large number of business firms and individuals, together with two labor unions of this industry, charging them with a violation of the antitrust laws, in that by their agreements and tactics they were acting in restraint of interstate commerce. Bench warrants were issued for all defendants on November 9, 1933.

Louis Buchhalter was made a defendant in both indictments and on November 22, 1933, he appeared before United States District Judge Robert A. Ladd, and was arraigned, Buchhalter pleading not guilty on both indictments, his bail being set for \$25,000.00 and \$25,000.00, respectively. On June 11, 1934, Buchhalter was called before Judge William Bondy and was requested to give a new bail, there being a question as to the old one, and at this time his bail was reduced in the FUR DRESSING FACTOR CORPORATION, et al case to \$25,000.00. Included in the terms of the bail bonds was a prohibition against leaving the jurisdiction without the permission of the court. The Bureau was informed by letter on August 5, 1935 that there had appeared at Ladd

Memorandum for the Director.

- 6 -

July 28, 1935

in the newspapers on August 1st and 2nd, 1935, by the New York Bureau Office, that Buchhalter had sailed for Europe. The two above stated cases were called for trial on August 12, 1935, and at that time J. Arthur Adler, attorney for Buchhalter, advised the court that his client was presently in Carlsbad, Czechoslovakia, for his health. Federal Judge Hayes, Southern District of New York forfeited the bond of Buchhalter, subject to being reinstated if he surrendered himself to the United States Marshal, New York City, by September 3, 1935, the case being continued until that date.

On September 3, 1935, Buchhalter and his family arrived in New York City aboard the S.S. Berengaria from Marse, France. It is presumed he was reinstated by the court on this date since the files made no mention of the matter.

In a memorandum from Assistant Attorney General Dickinson, dated December 10, 1935, he stated that these two indictments above referred to are probably the only two pending against this man; that Commissioner of Police Valentine of New York classified Buchhalter as among the nine most notorious and dangerous criminals in the country; and that the proof available against him is comparatively slight, this being due primarily to the fact witnesses who presumably could give the desired testimony are afraid to do so. This case is still pending, having been continued from time to time by the United States Attorney's office.

It is to be noted that Jacob Shapiro alias Gurch's name has been associated with that of Buchhalter all through the investigations that the Bureau has conducted in the Garment Industry. He too, was indicted in the same cases as Buchhalter, but investigations thus far have failed to supply any tangible evidence which would assure a prosecution in behalf of the Government.

A copy of Louis Buchhalter's complete criminal record is attached hereto.

Respectfully,

E. A. Tamm

Enclosure.

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

FILE NO. **60-400 NYC**

REPORT MADE AT: NEW YORK CITY	DATE WHEN MADE: 6/18/36	PERIOD FOR WHICH MADE: 5/14 6/19 - 6/16/36	REPORT MADE BY: R. J. ZMESEAL
TITLE: JOSEPH PARISI, et al.			CHARACTER OF CASE: ANITRUST

SYNOPSIS OF FACTS:

Persons reinterviewed in an effort to substantiate and corroborate information they had previously given and to secure further information. Harry Roden and Sam Laken advised that Carton Club of Greater New York, the Equity Paper Box Manufacturers Association and the Paper Box Credit Bureau were formed primarily for the purpose of checking credits of customers of the box makers. F. H. Tyroler, former Executive Secretary of the N.R.A. code of the set-up paper box industry, advised all records he kept were burned pursuant to authority. Isaac M. Hudowitz advised he had been driven out of business because of the activities of Joe Parisi of the Equity Paper Box Manufacturers Association. Albert Kramer denies that he, as treasurer of the Millinery Paper Box Manufacturers Association, ever made any checks payable to Joe Parisi.

- P -

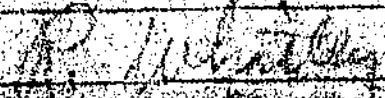
REFERENCE:

Reports of Special Agents J. J. Keating 3/27/34, 6/13/34 and H. P. Dolan 4/2/36, at New York City

DETAILS:

This is a joint report of Special Agents H. P. Dolan, W. J. McNulty and R. J. Zmeskal.

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APPROVED AND FORWARDED:  SPECIAL AGENT IN CHARGE	60-1757-2	RECEIVED AND INDEXED JUN 22 1936 JUN 24 1936
COPIES OF THIS REPORT:		
③ Bureau 4 New York (1 John H. Mean, Spec. Asst to Atty. Gen., 20 B'ch. Pl. NYC) (1-USA, B'NY) 1cc [unclear]		
DEPARTMENT OF JUSTICE DIVISION OF INVESTIGATION		

On May 14th Special Agent Dolan conferred with Mr. John H. Amen, Special Assistant to Attorney General, at his office, 20 Exchange Place, New York City, at which time Mr. Amen indicated that from the information contained in the reports of Special Agent Keating, March 27, 1934 and August 13, 1934, he was of the opinion there was sufficient information from which to present evidence to the Grand Jury. He indicated that he would prepare a letter addressed to the Attorney General of the United States requesting authorization to present the evidence in instant case to the Grand Jury.

Mr. Amen advised that because of the lapse of time between the investigative work which was shown in the report of Special Agent J. J. Keating, and the present time, he desired that witnesses who were mentioned in the reports of reference be reinterviewed in order to establish whether the facts were still fresh in their minds and whether the information they would give would corroborate the information they had already given.

Based on this request interviews were conducted with all persons mentioned in the reports of Special Agent J. J. Keating in an effort, not only to corroborate information they had already given, but, if possible, to develop further information that might be of value in presenting this case to the Grand Jury.

During the period of time covered by this investigation agents have interviewed a great many manufacturers of set-up paper boxes in the metropolitan area and inasmuch as the information obtained from them substantially corroborated information previously given, no effort is being made here to reproduce a substance of the interview with these individuals. The names of the persons interviewed will be shown at the end of this report.

It appears that the set-up paper box industry in New York City has been an industry that has been affected greatly by economic crisis and apparently is burdened with too much competition. A history of the set-up paper box industry in New York City shows that the early part of the 20th century all of the boxes made in New York City were in most instances made by hand. Gradually, however, the advent of machinery and increased efficiency methods

threw many men out of work and made for increased production. In an effort to make a living these men who were thrown out of work and who in many instances had been box makers all their lives borrowed a few hundred ^{dollars}, purchased machinery, and set up a business of their own. Not having any customers who would be in a position to take their products, these new manufacturers who opened up their places of business after having been discharged from the places at which they had been employed for a considerable time, went to the customers of their old employers and offered a much cheaper price for the same type of box made, and as a result were able to take some business away from their employers.

As a result of the activities of these men who opened up their own shops, which apparently was easy inasmuch as only a small amount of capital was required, and most of the men entered the business with a view of only making a living, the former employers of these men were forced to meet competition and, as a result, they too lowered their prices and in many cases lower than the prices that had been given on the basis of which the business was taken away. No attempts were made by the manufacturers to check the credit of their customers, and as a result the customers would buy from three to six months supply of boxes and then either refused to pay for these boxes or in many instances were unable to pay. As a result, the box makers suffered tremendous losses and in most instances were forced out of business. This, however, did not result in a decrease in the number of paper box manufacturing plants, but afforded an opportunity for other individuals to come in and take their place and in many instances purchase the same machinery and stock and attempt to make a going concern out of a weak business.

After many disastrous failures on the part of the customers to pay for the paper boxes they assumed, the paper box manufacturers, in an attempt to correct the evil, formed associations, the primary purpose of which was to check the credit of the customer to determine whether boxes had been paid for within a period of three months after purchase, and if no payment was made for the boxes, the association would recommend that no further business be made and that no other box maker should sell boxes to the customer until all or part of the bill due had been paid.

These associations, either in whole or in part, failed in their purpose due to the type of individuals owning or operating paper box companies, the decrease in returns for set-up paper boxes, and the fact that there was not a spirit of cooperation and good will among the manufacturers.

The trade associations in the set-up paper box industry have come into being and ceased functioning with such regularity and rapidity that members of the industry were unable to accurately describe any of these associations or to tell when they came into existence. However, based on the information secured from all persons interviewed, it is believed that the associations which are listed below and the operations of which are partially described, is true and correct.

Ever since the paper box industry became located in New York City there has been a more or less distinct classification of the type of boxes made, and the manufacturers engaged in manufacturing these boxes. The set-up paper box industry is divided into groups which manufacture round boxes, millinery boxes, candy, cigarettes, hosiery, and lingerie boxes. There are all types of the above-mentioned boxes made and they sell for all different prices; there being the cheap boxes, the medium priced boxes, and the expensive boxes. Based on the price received for the paper boxes a classification is made by the manufacturers themselves which distinguishes the kind of trade a manufacturer has.

The so-called "Wooster Street Crowd" is the group of manufacturers located in the vicinity of Wooster Street in this city, where the set-up paper box industry has been located for a long period of time and where there are from two to ten employees working under all kinds of adverse working conditions, for the various manufacturers. The manufacturers located in the Wooster Street District, although they have not been organized to a great extent, are still known in the trade as the "Wooster Street Crowd". They make the cheaper type of the set-up boxes. The set-up box is a box that is in a rigid form as differentiated from a folding box, which comes in a flat state and can be used only after opened and folded.

In 1926 when fear among the manufacturers was prevalent that the industry would be organized, the manufacturers in an effort to combat the activities of the union, and incidentally to secure credit information, banded together and formed the Independent Paper Box Manufacturers Association, of which association Sam Laken was General Manager and business counsellor. This organization was successful in securing a favorable contract with Local #7 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, and after enjoying the fruits of this apparent victory, disbanded in 1929. These manufacturers were all located in Manhattan and were the makers of a medium type of box in addition to a cheap type of box which was not their biggest selling item.

For diverse reasons, this association after it ceased functioning in 1929, remained dormant for a period of two years, and under the name of the Equity Paper Box Manufacturers Association came into being again with Mr. Sam Laken as Manager and Head of the Association with apparently the same membership that it included before. Mr. Dave Friedman was President of this group and worked closely with Mr. Laken in formulating the policies which were to be followed, and in securing credit information. The Equity Association was in existence until the early part of 1935, at which time it ceased functioning and a new organization sprang up six months later known as the Paper Box Credit Bureau. Mr. Sam Laken is Manager of this Association, Mr. Dave Friedman is President of this association, and although there are no offices for the association Mr. Laken conducts meetings in the office of Mr. Samuel Wallerstein, attorney at 271 Madison Avenue, New York City. This organization is functioning at the present time.

An effort was made to secure a list of the members of both the Independent Paper Box Manufacturers Association and the Equity Paper Box Manufacturers Association, but in each instance Mr. Sam Laken advised that the records of both associations had been left by him in other offices and he could not locate them and was not in a position at the present time to give a list of the membership of each organization from memory.

After Grand Jury authorization had been received in this case, a subpoena duces tecum was served [redacted]

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The manufacturers of set-up paper boxes who are located in Brooklyn have an association of their own which is known as the Carton Club of Greater New York. As far as could be ascertained, this association has been functioning since 1925 and has been managed by Harry Roden, who is editor of the "Shears Publication", the trade journal for the set-up paper box industry in the country, with an office located at 8 West 13th Street, New York City. This association has been functioning purely as a social organization from the date of its organization 1925, to date and the only change that has occurred has been a change of the name from the Brooklyn Paper Box Manufacturers Association, under which name it was organized in 1925, to the present name of Carton Club of Greater New York. Members of this association make a medium type of set-up paper boxes, including the millinery, candy, lingerie, and hosiery.

The manufacturers of the higher priced box who cater to a better class of trade, have, more or less, held themselves aloof from the other manufacturers, and have been known as the Silk Stocking Crowd. This Silk Stocking Crowd has plants equipped to make all types of boxes, the cheap as well as the expensive. They work under excellent working conditions and apparently are fairly well paid and satisfied with their work.

The Silk Stocking Crowd organized an association called the Metropolitan Club in 1929 and has been in continual operation to the present time, although the name was changed in 1933 to the New York District Paper Box Association. This association is under the guidance and direction of David H. Flood, an attorney, whose office is at 1440 Broadway, New York City.

Mr. Harry E. Roden advised that he is and has been the editor of the Shears Publication, 8 West 13th Street, New York City, for the past 20 years, and during that time has been in close contact with all of the concerns of the set-up paper box industry in New

York City. He advised that the purpose of the Carton Club of Greater New York was to build up good will and confidence between the manufacturers located in Brooklyn.

He stated that there have always been about twenty members of the association who would get together once or twice a month at dinners and luncheons, and discuss various problems concerning the industry. He stated that because of his many contacts with the paper box manufacturers and the customers, he is in a position to give credit information. No books are kept by the association and the dues that are collected from time to time from the members are used to pay off expenses, and when there is sufficient money, to pay him, Rodon, a salary.

He advised that the drivers' union, Local 87 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, came into existence some time in 1926, at which time there was a general strike of all workers in the set-up paper box industry. He stated that as far as he could recall agreements were entered into between the manufacturers and JOSEPH PARISI, business delegate of local 87; that the drivers would be organized and no attempt made to organize the inside workers in the industry. As far as he knew no attempt was made to organize the inside workers until 1933, at which time Local 18833 of the Paper Box Makers Union was formed, of which A. N. Weinberger was business delegate. Mr. Sam Laken, now a board salesman for the Ravenswood Paper Mill, Inc., and who maintains an office at 271 Madison Avenue, New York City, stated that he was connected with the Millinery Paper Box Manufacturers Association which was organized some time in 1931. This association was headed by Louis Clark as President, Albert Kramer as Treasurer. Mr. Laken stated that the headquarters were in the office of an accountant who had an office at 120 West 42nd Street, New York. There were approximately 21 members in this organization and it was in existence 12 months. Mr. Laken stated that after the organization ceased functioning he left what books and records were kept at Mr. Baylon's office, the accountant whose office was at 120 West 42nd Street, and did not know what happened to the books or where they can now be located.

From the middle of 1931 to 1933 there was no association in existence. In 1933, at which time the N. R. A. came into existence, and when the unions felt that under the provisions of the code they would get recognition and force manufacturers to arbitrate with them, the manufacturers located in New York City who made the medium type of box, came to him, telling him that efforts were being made to form an inside workers union and that a general strike would be called in the industry in September 1933. He stated then that an association was formed known as the Equity Paper Box Manufacturers Association of which Dave Freedman was President and Charles Berkowitz was Treasurer. Mr. Laken stated that he was the field man for the organization which maintained an office at 893 Broadway, New York City. Note should be made here of the apparent discrepancy in the dates shown here for the time during which the Equity Association was in existence, and that information contained above which indicated that the association was formed some time in 1931. Mr. Laken advised the association was not successful in combating the activities of the union, which was the original purpose for which the association was formed, and after the association was in existence for a short time he started checking on the credit of customers. In June of 1933 he advised a new association was formed which was known as the Paper Box Credit Bureau, of which Dave Freedman was President and Mr. Samuel Wallerstein was attorney for the association.

Constance Mason of the Tyn Paper Box Company, Inc., 1 Carlton Avenue, Brooklyn, N. Y., advised that he went into business with Hyman Vogel in 1930. Prior to his entering the set-up paper box industry he worked for the Knox Hat Company in their hat box department for approximately 20 years. He severed his relationship with Knox in 1930 and entered into negotiations with Hyman Vogel who had a paper box plant in Green Street, New York City, formed a company and then moved the machinery from Vogel's company to Carlton Avenue where the Tyn Paper Box Company, Inc. went into business. Immediately after formation of the new company labor difficulties were encountered, because at the time of the formation of the company, Vogel who formerly had his own company, was being picketed by union workers and the picketing was continued against the new company.

After about three weeks picketing, however, the strike was broken and they were able to employ non-union workers. In 1934, however, another strike was called in the Vyn Paper Box Company, and Mr. Mason stated that CHARLES VONIE told him that if he did not sign a union contract at that time, Mason would be put out of business. He stated a strike was called and the employees were out for six months. During this time he waited to see whether other manufacturers located in Brooklyn would sign up with VONIE'S union. After he saw some other manufacturers in Brooklyn sign up with the inside workers union, Local 18839, he signed the union contract.

Mr. Isaac H. Rudowitz who has space in a paper box factory owned by S. Rappaport, 513 West 54th Street, New York City, advised that he formerly was the owner of the Zip Paper Box Company, and that he was driven out of business by JOE PARISI. Before being driven out of business, however, he stated that various attempts were made by members of the Equity Association to get him to join the association, and in that way be allotted customers and not have the worries of competition facing him. He stated that because he held a patent on a certain type of box he did not feel that he would be in a position to join the association because he wanted to get as much business as he possibly could. He stated that apparently his decision not to join the Equity Paper Box Manufacturers Association was a direct reason for his being driven out of business. He stated after he lost his little business he still had the patent on his box and he went to S. Rappaport and made arrangements with him whereby Mr. Rappaport would make his, Rudowitz's boxes.

Mr. Rudowitz stated that because he was interviewed without having been told the purpose of the interview he was in a position to give more information and stated that he had many papers at home from which he could refresh his memory of union and association activities which were directed against him, and that he could give further information concerning the activities of the union and his associates later.

Mr. F.H. Tyrrell, who is now connected with the Tyler Bell Products, 87 East 82nd Street, New York City, advised that he had been the Executive Secretary of the K. B. as was in paper box industry code and that in that position he did not have any opportunities to learn of the different associations in the industry nor what the purposes were. He stated he kept only the records he was required to keep and he

50-400

does not know where those records are now because after the N.R.A. was declared unconstitutional he secured authority from some one in Washington to destroy those records, and he burned same.

The report of Special Agent J. J. Keating, dated March 27, 1934 contains an affidavit signed by Sol Messaraky, in which he states that Albert Kraper was treasurer of the Paper Box Manufacturers Association, and that Kraper would have to give a check to JOE PARISI in the amount of \$350.00 each week. Mr. Kraper was questioned regarding his activities as treasurer of the Millinery Paper Box Manufacturers Association and he vehemently denied that he had at any time made any checks payable to JOE PARISI. He further stated that he did not know on which bank checks were drawn. Because of his persistent denial that checks were ever paid to JOE PARISI it was felt that the only time information could be obtained from him was before the Grand Jury and as a result he was not questioned any further.

In a letter dated May 25, 1936 signed by Mr. Homer S. Cummings, Attorney General of the United States, Mr. John H. Amen, Special Assistant to the Attorney General, was granted authority to present evidence in instant case before a Federal Grand Jury convened [REDACTED]

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REMAINING MATTERS:

NEW YORK OFFICE will further interview Mr. Isaac M. Rudowitz, who can be reached c/o S. Haysport, 513 W. 34th Street, and secure from him all information concerning attempts to force him out of business by either JOE PARISI or members of the Equity Paper Box Manufacturers Association.

Will again interview Mr. Albert Kramer, treasurer of Kramer and Eurs, 708 Metropolitan Avenue, Brooklyn, N.Y., and secure from him any information he may be able to recall concerning his activities as treasurer of the Hillinary Paper Box Manufacturers Association.

Will interview Sol Massarsky, who is reputed to be business organizer of local 18239 of the Paper Box Makers Union, 693 Broadway, New York City, in an effort to secure from him information concerning the activities of JOSEPH PARISI.

Will follow results of Grand Jury investigation being held at the present time in Southern District of New York.

- P E N D I N G -

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

N. Y.

92-9

LS

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 5-3-36	PERIOD FOR WHICH MADE 5-22-36	REPORT MADE BY H. P. DOLAN
TITLE LOCAL 138, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, STABLEMEN AND HELPER OF AMERICA, et al.			CHARACTER OF CASE INTERFERENCE BY VIOLENCE WITH INTERSTATE COMMERCE.

SYNOPSIS OF FACTS:

Confirmation of Attorney General's office of transfer of case from U. S. Attorney's office, S. D. N. Y., to the Antitrust Division, not yet received. Investigation remains in abeyance, pending confirmation.

- P -

REFERENCE:

Report of Special Agent H. P. Dolan, New York City, dated 4-2-36.

DETAILS:

JOHN H. AMEN, Special Assistant to the Attorney General, advises that the Attorney General's office in Washington has not yet confirmed the transfer of this case from the office of the United States Attorney, Southern District of New York, to the New York Office of the Antitrust Division. Consequently, he desires that additional investigation be held in abeyance awaiting confirmation.

UNDEVELOPED LEAD:

NEW YORK OFFICE will contact JOHN H. AMEN, Special Assistant to the Attorney General, 20 Exchange Place, New York City, to determine when investigation is desired.

PENDING.

RECORDED AND INDEXED

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3 - Bureau

5 - New York (1-John H. Amen, Spec. Asst. Gen. Atty. Gen. L., 20 Exch. Pl., N.Y.)

62-1759-3
JUN 4 - P.M.
1936
43-4000

607 U. S. Court House
Foley Square
New York, N. Y.

NY 75
60-100

May 15, 1936.

Mr. John Marlan Auer,
Special Assistant to the Attorney General,
Room 311, U. S. Court House,
Foley Square,
New York, New York

Re: JOSEPH PARISI, ET AL.
Artists

Dear Sir:

Referring to your letter of May 14,
1936, with reference to the above mentioned case, you
are advised that Special Agents are conducting the nec-
essary investigation at the present time, and it will
be completed at the earliest possible date.

Very truly yours,

R. WHITING
Special Agent in Charge

cc: Bureau

60-1757

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

N.Y. FILE NO. **60-400** 0221

REPORT MADE AT: NEW YORK CITY	DATE WHEN MADE: 4-2-36	PERIOD FOR WHICH MADE: 3-25-36	REPORT MADE BY: H. P. DOLAN
TITLE: JOSEPH PARISI, et al.			CHARACTER OF CASE: ANTITRUST

SYNOPSIS OF FACTS:

Special Assistant to the Attorney General John H. Amen requests that investigation be held in abeyance pending confirmation of Attorney General's Office in Washington of transfer of case from the United States Attorney's Office, Southern District of New York, to Antitrust Division, NYC.

- P -

REFERENCE:

Report of Special Agent R. J. Zmasek, New York City, dated February 10, 1936.

DETAILS:

JOHN H. AMEN, Special Assistant to the Attorney General, advises that he has requested the Attorney General's Office in Washington to confirm the transfer of this case from the Office of the United States Attorney, Southern District of New York, to the New York office of the Antitrust Division. Until such confirmation is received, he desires that Mr. Law's instructions to continue the investigation be held in abeyance.

UNDEVELOPED LEAD: NEW YORK OFFICE:

Will contact JOHN H. AMEN, Special Assistant to the Attorney General, 20 Exchange Place, New York City, to determine when investigation is desired.

P E N D I N G.

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APPROVED AND FORWARDED: <i>R. J. Zmasek</i>	SPECIAL AGENT IN CHARGE	60-1759-26	RECORDED AND INDEXED APR 9 1936
COPIES OF THIS REPORT FURNISHED TO: 3 Bureau 4 New York (1-John H. Amen, Spec. Asst. to Atty. Gen., 20 Exchange Pl., NYC) (1-USA, SDNY) (1-USA, DIST. CT)		BUREAU OF INVESTIGATION DEPARTMENT OF JUSTICE FILE	CHECKED OFF APR 4 1936

60-400-1823

FEDERAL BUREAU OF INVESTIGATION

THIS CASE ORIGINATED AT **NEW YORK CITY**

N.Y. FILE NO. **60-400** **MM**

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 2/10/36	PERIOD FOR WHICH MADE 2/10/36	REPORT MADE BY R. J. ZIMSKAL
TITLE JOSEPH ¹²PARISI, et al.			CHARACTER OF CASE ANTITRUST

SYNOPSIS OF FACTS:

Letter from U. S. Attorney's office, SDNY, dated 1/20/36, advises entire file has been transferred to office of Special Assistant to the Attorney General, Antitrust Division, N.Y.C. Special Assistant to the Attorney General Albert J. Law requests additional investigation in instant case.

-P-

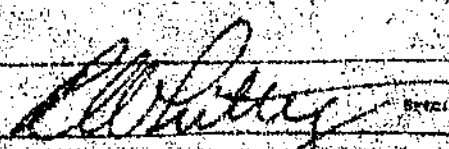
REFERENCE:

Report of Special Agent H. C. Reed, New York City, dated 12/3/35.

DETAILS:

Assistant United States Attorney Joseph P. Martin, Southern District of New York, advised that he had read the file in instant case and found there were several cases contained therein, namely, JOSEPH PARISI, et al.; Local 807, International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, and the case of Local 136 of the same Union. He advised that in all instances additional investigation should be made in order to secure specific

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APPROVED AND FORWARDED 	SPECIAL AGENT IN CHARGE	60-1759-25	RECORDED AND INDEXED FEB 11 1936
COPIES OF THIS REPORT FURNISHED TO: 3- Bureau 4- N. Y. (John H. Lomen, Spec. Asst. to Atty Gen'l, 20 Exchange Place, N.Y.C.-1) 12- S. Atty, SDNY (1)		BUREAU OF INVESTIGATION DEPARTMENT OF JUSTICE	CHECKED OFF FEB 13 1936
ROUTED TO		FILE	

1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000

60-400

instances of violence or intimidation in connection with an interstate shipment.

On January 21, 1936, the New York office of the Bureau was in receipt of a letter from the United States Attorney's office, Southern District of New York, dated January 20, 1936, advising that the file in instant case in the possession of the United States Attorney had been transferred to the Attorney General's office, Antitrust Division, and that office would be in charge of the case from date of letter. This letter is in New York File No. 92-9.

Mr. ALBERT J. LAW, Special Assistant to the Attorney General, advised that after a cursory examination of the file, he also noticed there were several cases contained in that file and also suggested that additional investigation be made in each case along the lines suggested by Mr. Martin. Mr. Law was advised at the time that the New York Bureau office file of JOSEPH PARISI, et al, Antitrust, New York File 60-400, had been broken up and two additional cases made, namely, Local 138, International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, and Local 807 of the same Union; that the information contained in instant file concerning the activities of Local 807 of the same Labor Union had been incorporated in a new case, the investigation of which has been requested by Mr. JOHN HARLAN AMEN, Special Assistant to the Attorney General.

-PENDING-

RECEIVED
JAN 22 1936
U. S. DEPT. OF JUSTICE

65 JAN 22 1936

Federal Bureau of Investigation

Form 6

U. S. Department of Justice

Washington, D. C.

February 5, 1936.

The following is a transcript of the record, including the most recently reported data, as shown in the files of the Federal Bureau of Investigation concerning our number

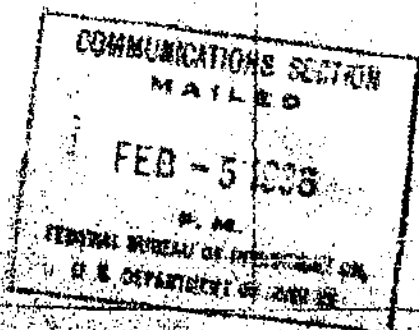
FBI 64-1498

J. E. Hoover

Bu. File #60-1759-22

J. E. Hoover, Director.

CONTRIBUTOR OF FINGERPRINTS	NAME AND NUMBER	ARRESTED OR RECEIVED	CHARGE	DISPOSITION
PD, N.Y., N.Y.	Anthony Leggio #B-96882	3-10-33	att. felonious assault	
PD, N.Y., N.Y.	Anthony Leggio #B-96882	9-12-33	assault and robb. (gun)	
PD, N.Y., N.Y.	Anthony Leggio #B-96882	10-3-33	felonious assault	
Bu. Off., N.Y., N.Y. (CC-Bureau) ✓	Tony Leggio # —	1-29-36	susp. harboring a fugitive	rel.
	12-18-26, as Antonio Leggio, N.Y.C., burglary; 12-23-25, discharged. 10-4-31, as Tony Leggio, Brooklyn, homicide (gun); 10-14-31, discharged.			



* Represents names and postal address of contributors.

For completion of our records, please supply dispositions to this Bureau in any of the foregoing cases where they do not appear.

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

JLD:LN
98-9
40-400

January 23, 1936.

Mr. Lanny Hardy,
United States Attorney,
U. S. Court House,
Foley Square,
New York, N. Y.

RE: LOCAL #138, INTERNATIONAL
BROTHERHOOD OF TEAMSTERS,
CHAUFFEURS, STEAKHOUSE AND
BELLERS OF AMERICA, FLOUR
TRUCKMAN'S ASSOCIATION, INC.
INTERFERENCE BY VIOLENCE
WITH INTERSTATE COMMERCE.

RE: JOSEPH PANISI, et al.
RETRIBUTION.

Dear Sir:

I wish to acknowledge receipt of your letter
(File, Jm E 13-18), dated January 20, 1936, wherein you advise
that your files in the above entitled cases have been transferred
to the Attorney General for the attention of Mr. Law, of the
Anti-Trust Division.

Very truly yours,

cc: Bureau.
cc: 60-400

60-1759
FILED BY R. CHITNEY, Special Agent in Charge. JAN 24 1936
TWO OK

UNITED STATES BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

N.Y.

FILE NO. **60-400** OR

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 12-3-35	PERIOD FOR WHICH MADE 11-26-35	REPORT MADE BY R. G. REED
TITLE JOSEPH BARISI, et al.			CHARACTER OF CASE AMBITRUST

SYNOPSIS OF FACTS:

Instant case has been reassigned to Asst. U. S. Atty. Joseph P. Martin, S.D.N.Y. who advised that it will be necessary for him to review the file before rendering a decision as to further action in this case.

P

REFERENCE:

Report of Special Agent P. M. Breed, New York City, dated 8-22-35.

DETAILS:

Through inquiry made at the office of the U. S. Attorney, Southern District of New York, by the writer, it was ascertained that Jacob Grumet is no longer an Assistant U. S. Attorney in the Southern District of New York and that instant case has been reassigned to Assistant U. S. Attorney Joseph P. Martin.

Mr. Martin was contacted by this agent, at which time he advised that he has only recently been placed in charge of this case.

APPROVED AND FORWARDED	SPECIAL AGENT IN CHARGE	60-1759-22	RECORDED AND INDEXED DEC 4 1935
COPIES OF THIS REPORT FURNISHED TO New York (1-1, 1-1, 1-1, S.D.N.Y.)		UNITED STATES	CHECKED OFF DEC 10 1935
BUREAU OF INVESTIGATION		BUREAU OF INVESTIGATION	

60-400

and that it will be necessary for him to study the file prior to rendering a decision relative to further prosecutive action in instant case.

Mr. Martin stated that the case referred to by former Assistant U. S. Attorney Jacob Grumet in reference report is that entitled JAMES PLUMERI - ANTITRUST, New York file 60-408, the facts of which were presented to a Grand Jury and a no bill returned by that body.

Mr. Martin indicated that if the facts in this case were analogous to those developed in the PLUMERI matter, he would be of the opinion that successful prosecution could not be effected and that the case should be closed or merged with other cases now under investigation relative to the general racketeering situation under investigation in New York City.

UNDEVELOPED LEAD:

THE NEW YORK OFFICE within a reasonable period of time will again contact Assistant U. S. Attorney Joseph F. Martin for his decision relative to instant case.

PENDING

Federal Bureau of Investigation

U. S. Department of Justice
Room 1403,
370 Lexington Avenue,
New York City, N.Y.

RJL:MOB
67-400

October 9, 1935

Director,
Federal Bureau of Investigation,
U.S. Department of Justice,
Pennsylvania Avenue at 4th St. N.W.,
Washington, D.C.

Re: JOSEPH PARISI; et al
Antitrust

Dear Sir:

Your attention is respectfully invited to the report of Special Agent J.J. Keating, New York City, dated March 27, 1934, which sets out the results of investigation of the activities of Joseph Parisi, Charles Vonie, and others, in connection with the Paper Box Makers Union, Local No. 18239, and the Paper Box Drivers Union, Local 27, A.F. of L., both of New York City, which have interfered with interstate commerce.

Attention is also invited to the report of Special Agent J.J. Keating, New York City, dated August 13, 1934, in which information is set out that an information had been filed by the Attorney General of the State of New York, in Kings County, on July 5, 1934, against Subjects Parisi and Vonie, for violation of Sections 530 and 580, New York Penal Code. This report then goes on and includes an investigation concerning the activities of Local Union No. 138, International Brotherhood Of Teamsters, Chauffeurs, Stablemen And Helpers Of America. On page 10, paragraph 2, of this report, it is stated that Local No. 138 has no connection whatsoever with the paper box industry. Also on page 10 of the same report, mention is made of Local Union No. 807, International Brotherhood of Teamsters, Chauffeurs, Stablemen And Helpers Of America, and it is stated on page 13 of said report that the activities of this Local are not connected with the paper box industry.

RECORDED

Subsequently all reports under the title of "JOSEPH PARISI; et al - Antitrust", have included in them information concerning the activities of Local Unions Nos. 138 and 807 of the International Brotherhood Of Teamsters, Chauffeurs, Stablemen And Helpers Of America, and no mention is made of

OCT 15 1935

TWO

Letter to Director
NY File 60-400
October 9, 1935

Joseph Parisi or Charles Vonia, and it is apparent from the file that the paper box industry is in no way associated with the activities of Local Unions Nos. 138 and 807.

Attention is also directed to the report of Special Agent P.M. Breed, New York City, dated December 12, 1934 in which information is contained to the effect that Assistant U.S. Attorney Grumet, Southern District of New York, to whom instant case had been referred for decision as to prosecution, advised that he would render no decision at the time because "this is merely one detail of a general situation that exists involving Local No. 138, International Brotherhood Of Teamsters And Chauffeurs." Assistant U.S. Attorney Grumet indicated that he would write a letter to the New York Office requesting an extensive investigation relative to activities of that union and persons connected with it which comprise a case now pending in the U.S. District Court, Southern District of New York.

It appears from the report of Special Agent P.M. Breed, New York City, dated August 22, 1935, that when Assistant U.S. Attorney Grumet was last interviewed, he desired to present another case to the Grand Jury involving some of the same principles before making a decision as to final prosecution in the matters involved in instant case.

Inasmuch as it appears from the file that under the case entitled "JOSEPH PARISI; et al - Antitrust", information concerning the activities of Local Unions Nos. 138 and 807, International Brotherhood Of Teamsters, Chauffeurs, Stablemen And Helpers Of America, has been included, the New York Office will separate this file and conduct a separate investigation concerning the activities of these two unions inasmuch as it appears from the file that their activities have interfered with interstate commerce.

Very truly yours,

R. Whitley
R. WHITLEY,
Special Agent in Charge.

FEDERAL BUREAU OF INVESTIGATION

AUG 23 1935 PM



FORM NO. 1

THIS CASE ORIGINATED AT **NEW YORK CITY**

N. Y.

FILE NO.

REPORT MADE AT: NEW YORK CITY	DATE WHEN MADE: 8/22/35	PERIOD FOR WHICH MADE: 8/17/35	REPORT MADE BY: P. M. BREED
TITLE: JOSEPH PARISI, et al.			CHARACTER OF CASE: ANTITRUST

SYNOPSIS OF FACTS:

Assistant U. S. Attorney Jacob Grumet, S.D.N.Y., states that before making final decision as to prosecution in the matters involved in instant case, he desires to present another case to the Grand Jury, involving some of the same principles.

- P -

REFERENCE:

Report of Special Agent John J. Keating, New York City, dated August 13, 1934; report of Special Agent John J. Keating, New York City, dated October 12, 1934; and report of Special Agent P. M. Breed, dated August 8, 1935, New York City.

DETAILS:

AT NEW YORK CITY

Agent interviewed Assistant U. S. Attorney Jacob Grumet, Southern District of New York, who stated he is about to present a case to the Grand Jury for the Southern District of New York, involving some of the same principles as are contained in the several phases of instant case. Before making his decision as to instant matter, he desires to present the facts of the other case to the Grand Jury, after which he will render his opinion.

DO NOT WRITE IN THESE SPACES

APPROVED AND
FORWARDED:

R. White

SPECIAL AGENT
IN CHARGE

60-1751-20

RECORDED AND INDEXED

3 - Bureau

3 - New York (1-U.S. Atty. S. D. N. Y.)

BUREAU OF INVESTIGATION

CHECKED OFF

AUG 26 1935

DEPARTMENT OF JUSTICE

COPIES

FILE

60-400

UNDEVELOPED LEAD:

NEW YORK OFFICE

Will keep in touch with Assistant U. S. Attorney
Jacob Grumet, and secure his opinion as to prosecution in this case.

P E N D I N G.

AGB:BU

June 16, 1936

Special Agent in Charge,
New York, New York

RE: JOSEPH PARENTE, et al;
KNIGHTMATE MATTER.

Dear Sir:

The Bureau file in the above entitled case indicates that this case is not receiving prompt investigative attention in your district.

This matter should be placed in line for early investigative attention and you should submit a report to the Bureau at the earliest possible date.

Very truly yours,

J. E. Hoover

John Edgar Hoover,
Director.

RECORDED

60-1759-19

JUN 19 1936

RE
A 5 B

NY FILE NO. 60-400

JOSSELYN PARISI, et al

MR. WHITLEY: Report of Special Agent F. J. Keating, NYC, 3/27/54, reflects that considerable additional investigation is required. Division letters dated 5/15/54, 6/16/54 and 7/12/54 call attention to this case and request further investigation at an early date. The last report submitted by the New York Office is that of Special Agent F. J. Keating dated 5/17/54, setting out a lead to contact the U. S. Attorney, Southern District of N. Y., relative to prosecutive action to be taken. Division letter of 9/24/54 requests that this case be given necessary attention at the earliest practicable date.

MR. FLY:

This case has not given much attention due to shortage of personnel. It is now receiving attention by Special Agent Keating, and a report will shortly be submitted.

Investigation Report
New York Office
October, 1954.

60-1757

60-1759

November 20, 1934

Special Agent in Charge,

New York, New York.

RE: ⁰JOSEPH PARISI, et al;
Antitrust Matter.

Dear Sir:

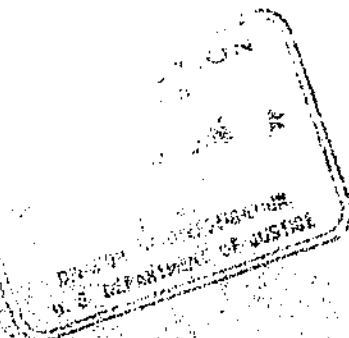
The Division file in the above entitled case indicates that this case is not receiving prompt investigative attention in your district.

This matter should be placed in line for early investigative attention and you should submit a report to the Division at the earliest possible date.

Very truly yours,

John Edgar Hoover,
Director.

RECORDED



60-1759-18

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U.S. DEPARTMENT OF JUSTICE	
FILE	

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60-1759-17 changed 1 to 60-1893-1
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KRM:RCL
60-1759

September 24, 1934.

Special Agent in Charge,
New York, New York.

Dear Sir:

RE: JOSEPH PARISI, et al;
ANTITRUST MATTER.

Reference is made to the report of Special Agent John J. Keating, New York City, August 13, 1934, which contains an undeveloped lead for the New York Office.

Please give this matter further investigative attention at the earliest practicable date.

Very truly yours,

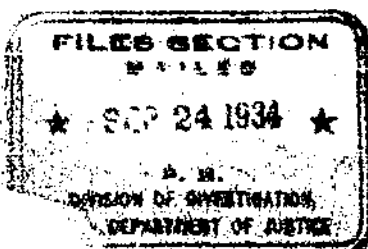
John Edgar Hoover,
Director.

RECORDED

60-1759-16	
SEP 25 1934	

W. J. E. A. J.

S



Division of Investigation

U. S. Department of Justice
Washington, D. C.

August 16, 1934.

REPLY TO MR. SPOYER.

On August 16, 1934 Mr. Spoyer of the Antitrust Division called and wanted to know what the Joseph^o Parisi, et al, Antitrust matter was all about and how the same started. I called his attention to the report of Special Agent J. F. O'Connell, New York City, October 16, 1933 and to the memorandum of Mr. Harold E. Stephens, under date of November 15, 1933, the memorandum suggesting that the matter be handled by the United States Attorney at New York City.

Mr. Spoyer stated that in view of the fact that the same is being handled at New York City, he would take no action in the case here.

Respectfully,

K. D. Lenderick
K. D. Lenderick.

RECORDED

60-17274-15

Aug 20 1934

Aug 20 1934

10

THIS CASE ORIGINATED AT NEW YORK CITY

N.Y. FILE NO. 60-400

REPORT MADE AT: NEW YORK CITY	DATE WHEN MADE: 6/13/34	PERIOD FOR WHICH MADE: 7/25-27/34 8/1-4/34	REPORT MADE BY: JOHN J. KEATING
TITLE: JOSEPH PARISI, et al			CHARACTER OF CASE: ANTITRUST

[illegible]

On 7/5/34 Information filed by Attorney General, State of N.Y., in Kings Co., N.Y. against subjects Parisi and Vonis for violation Secs. 530 and 550, N.Y. Penal Law, which are crimes of Coercion and Conspiracy. Both subjects released in \$1500 bond. Representative of Code Authority in and for the Set-Up of the Paper Box Industry, NYC, advised that approximately 10% of the industry is in interstate commerce; however, no complaints or evidence of violations of Federal Antitrust Laws were received by the Code Authority. James A. McGough, Assistant Attorney General, State of New York, who is investigating violations alleged to have been committed by officers and delegates of International Brotherhood of Teamsters, Chauffeurs, Stablemen & Helpers of America, Local 138, advised that no evidence obtained to date indicates a violation of the Federal Antitrust Laws by this Union. Local 138 is interfering locally with bakers and flour trucking. D.P. McC, N.Y. manager for Laube Interstate, Inc., operating between Connecticut and New York, complains that forceful methods are being used by delegates of Local 807, I.B. of W. O.S. & H. of A., compelling him to employ members of this Local while these trucks are operating in New York City. Local 807 not connected with the Paper Box Industry. Resume of Set-Up Paper Box Manufacturing Industry incorporated in this report. Descriptions, criminal records and police numbers of Parisi, Rinaldi and Leggio set out herein. Strike to be called in industry about 9/10/34 under direction of Charles Lucania alias Charles Lackey, East Side gangster.

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REFERENCE: Division letter dated July 12, 1934.

DETAILS:

This report covers complaints against Local Union 27, 138 and 807 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America; also against Local 16239, Paper Box Makers Union. Each Local will be dealt with in a separate section of this report.

LOCAL 27,
INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS,
STABLEMEN AND HELPERS OF AMERICA;

LOCAL 16239,
PAPER BOX MAKERS UNION.

Benjamin Hefner, Assistant Attorney General, Department of Law, Attorney General's Office, State of New York, 80 Centre Street, New York City, was interviewed and advised that during the past six months he has conducted an investigation into the affairs of the Paper Box Drivers Union, Local 27, American Federation of Labor, and also into the affairs of the Paper Box Makers Union, Local 16239. Mr. Hefner further advised that apparently Parisi and Vonie and others had not violated the Federal Antitrust Law although they had interfered with the Paper Box Industry locally. He stated that on July 2, 1934 in the Court of Special Sessions, City of New York, Borough of Manhattan, an information was filed by the people of the State of New York against Joseph Parisi and Charles Vonie for violations of Sections 532 and 530 of the New York Penal Law, which are crimes of Coercion and Conspiracy. The information was based on the complaint of the Tyn Paper Box Company, Inc., in which the officials of this company allege that Parisi and Vonie endeavored to compel them to sign an agreement with Paper Box Makers Union, Local 16239; that when they refused to sign this agreement, two motor trucks were put ^{out} of commission and the officials were threatened with bodily harm by

subjects Parisi and Vonis. There are two counts in the information. The witnesses are Cosmos Maach, 576 Franklin Avenue, Brooklyn, N. Y.; Henry Rosenberg, 1818 68th Street, Brooklyn, N. Y., and Herman Vogel, 3009 Kingsbridge Terrace, Bronx, N. Y. On July 6, 1934 Parisi and Vonis were arrested by Detective James J. O'Brien, Alien Squad, New York City Police Department, and were subsequently released in the amount of \$1,500.00 bond each.

Benjamin Haffner advised that he was unable to obtain sufficient evidence on James Rinaldi and Anthony Leggio, who were connected with the Union. He further advised that he had no information which might indicate that subjects Louis Lepke and Charles Lucania alias Lackey were connected with the Paper Box industry.

F. R. Tyroler, Executive Secretary, Metropolitan Zone Code Council of the Set-Up Paper Box Industry, 33 West 42nd Street, New York City, telephone Pennsylvania 6-8140, was interviewed and advised that approximately ten percent of the industry in the metropolitan area ships in interstate commerce. No complaint or evidence has been received by the Code Authority as to any violations of the Federal Antitrust Laws on the part of Parisi, Vonis or their cohorts. The Paper Box Industry produces paperboard boxes, used for packaging and display purposes. These boxes are distinguished from other paperboard containers in that they are delivered to the user "set up" in rigid form and ready for use. It is this distinction which differentiates the set up paper box from the folding box, one of the chief competitive items. There are at present about eight hundred firms engaged in the industry employing about thirty-five workers.

In recent years set up boxes have been replaced to a large extent by other containers such as folding boxes and transparent cellulose bags.

There were about 40,000 employees in the industry in 1929. This fell off to 25,000 in 1932 and increased as a result of the Public Recovery Administration to about 35,000 in August, 1933. It is estimated that under the Set-Up Paper Box Manufacturing Industry Code the number will increase somewhat further but because of the decline of the industry it is improbable that the 1929 figure will be reached.

The wage rates since the inception of the Code have increased the total payroll of the industry by about 20%. The minimum wage rates are 37¢ per hour for factory workers in the north, with a 5¢ differential for women, and 32¢ in the south, with a 2¢ female differential. The Code provides that women doing the same work as men shall receive the same pay. These rates represent a great increase over the minimum wage now being paid particularly for female workers who comprise about 60% of the total force of this industry. The average rate for women in May, 1933 was 31¢ an hour, the minimum wage in 1932-33 being as low as 10¢ per hour. For this same period for both men and women 67% of the factory jobs paid minimum rates of less than 25¢ per hour.

Under Article 5, Section 2, of the Code titled "General Labor Provisions", the following is set out:

" Employees shall have the right to organize and bargain collectively through representatives of their own choosing and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. No employee and no one seeking employment shall be required, as a condition of employment, to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing. Employers shall comply to the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President. "

The Code, which is in effect, is not designed to promote monopolies or to eliminate or oppress small enterprises, and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

The Northern zone comprises all States not included in the Southern zone. The Southern zone comprises the States of Virginia, Kentucky, North Carolina, South Carolina, Georgia, Florida, Alabama, Tennessee, Louisiana, Mississippi, Arkansas, Texas, and Oklahoma.

The plans of the Northern zone are as follows:

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Male	37 ¹ / ₂ per hour
Female	32 ¹ / ₂ per hour

Southern Zone:

Male	35 ¹ / ₂ per hour
Female	30 ¹ / ₂ per hour

George H. Brick of the firm of Brick & Ballarstein, 111 E. 42nd St., New York City, who made the initial complaint in this case, as set out in report of Special Agent J. F. O'Connell, New York City, 10/16/34, was again interviewed. Mr. Brick advised that about a year ago a lot of box makers in New York City got together for a common cause which was to endeavor to clean the racketeers out of the industry; that he was elected as a committee of one to proceed to Washington to make the complaint. Mr. Brick stated that he first saw a Mr. Morrison, a representative of the American Federation of Labor at Washington, D.C.; that this man was about 30 years of age; that he made a complaint as to the illegal methods of the officials and delegates of the Paper Box Drivers Union, Local 27, and Paper Box Makers Union, Local 1839, and that in response Morrison replied as follows:

"Bankers and businessmen use racketeering methods at times and it is also necessary for labor to do likewise at times."

Mr. Brick stated that he later discussed the racketeering activities in the Paper Box Industry with Assistant Attorney General Joseph E. Rosen and subsequently with Colonel F. G. Hutchinson, Chief of Investigation of the Senate Committee investigating racketeering.

Mr. Brick further advised that during the past year Parisi has been arrested on one or two occasions for crimes connected with strike breaking and that on each occasion Albert Marinelli, formerly Chairman and now Clerk of the City of New York, had him released by the local authorities. The last time Parisi was brought into court Marinelli was seen whispering to Magistrate Auriello and when the case against Parisi was called it was dismissed without a hearing.

Mr. Brick stated that there are approximately 200 paper box makers in the metropolitan area; that about 10 years ago there was a conference and after this conference the industry was organized and with Parisi's aid and that the industry on the City Island

Mr. Brick further stated that he is a member of the New York District Box Association, 1440 Broadway, New York City; that this association includes 18 members of the industry; that these 18 members control approximately one-third of the sales in Greater New York; that the members of the New York District Box Association are anxious to eliminate racketeering from the industry. He further advised that one Weissberg, who operates the Globe Paper Box Company and the Peerless Paper Box Company on Rooster Street, New York City, has gangster connections.

George H. Brick informed agent that he received information during the past week that Parisi was on his way out of the Union and was going to leave town; that a strike was to be called in the industry on or about September 15, 1934 and that this strike was to be organized and conducted by Charles Lucania alias Charles Lasky, the notorious East Side gangster and racketeer. He stated that Parisi was unable to account for moneys taken in by the Union and the report was that due to this he was going to get out. In all probability, Parisi is leaving town temporarily due to the information filed against him by the Attorney General, State of New York, on July 6, 1934. Mr. Brick believed Parisi and Lucania are protected by local politicians and to exist are paying tribute to these politicians. He suspects Albert Marinelli, who appears to be the fixer for these gangsters.

The following descriptions, criminal records and police numbers of subjects Parisi, Rinaldi and Leggio were received from the Identification Unit, Washington, D. C.

JOSEPH PARISI

New York Police #B-66257.

Division of Investigation #28833.

Age	32 - in 1933
Height	5' 8"
Weight	180 lbs.
Build	Medium
Hair	Black
Eyes	Brown
Complexion	Medium
Nationality	Italian - born Marino, Italy
Occupation	Business Agent, Local B7, Truck Drivers Union
Home	642 West 107th St., New York
Residence	1870 Lexington Ave., New York
Business Address	695 Broadway, New York City
Criminal Record	

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- 4/22/30 - as Joseph Parisi, NYC PD #B-56267, malicious mischief-misc. (felony); 4/22/30, discharged.
- 4/29/30 - as Joseph Parisi, NYC PD #B-56267, malicious mischief-misc. felony #41; 4/29/30, discharged.
- 10/6/31 - as Joseph Liggio, alias Joseph Parisi, NYC PD #B-56267, homicide (assault) - gun and axe; 10/14/31, discharged.
- 3/11/33 - as Joseph Parisi, NYC #B-56267, coercion; 3/21/33 discharged.
- 9/12/33 - as Joseph Parisi, NYC #B-56267, assault and robbery (gun); 9/15/33, discharged.
- 10/3/33 - as Joseph Parisi, NYC #B-56267, fel. assault #13; 1/18/34, discharged.
- 7/6/34 - as Joseph Parisi, NYC #B-56267, coercion (bench warrant); no disposition given.
- 1/19/22 - as Joseph Parisi, NYC; rape; 6/16/22, 12 to 3 yrs Sing Sing.

JAMES RINALDI

New York Police #7-22

#B-121431.

Division of Investigation #392543.

Age	21 - 12-1923
Height	5'4"
Weight	135 lbs.
Build	Slender
Hair	Brown
Eyes	Brown
Complexion	Fair
Birthplace	Brooklyn, N. Y.
Residence	275 So. Fifth St., Brooklyn, N. Y.
Occupation	Radio mechanic
Marital Status	Single
Education	High School Graduate
Religion	Catholic

Criminal Record:

- alias James V. Rinaldi,
 1/6/33 - as James Rinaldi, burg. (store), final charge petty larceny; 4/26/33, indefinite term N.Y.C. Ref.
 8/22/32 - as Wm. Lombardi, Brooklyn, vagrancy; 3/25/32, 6 mos. probation.
 2/27/33 - as Jas. Rinaldi, alias Wm. Lombardi, petty larceny; 4/26/33, NYC Ref.
 1/25/34 - as William Lombardi, alias Billy Lombardi, fel. assault; 13; no disposition given.

ANTHONY LEGGIO

New York Police #2-95222,

Division of Investigation #544422.

Age	30 in 1933
Height	5'5"
Weight	120 lbs.
Build	Slim
Hair	Brown
Eyes	Dark
Complexion	Slender
Birthplace	Italy
Occupation	Truck driver
Scars	Scar on left hand below the thumb
Residence	259 Broome St., New York City.

Criminal Record:

- 12/18/25 - as Antonio Leggio, NYC, burglary; 12/23/25, discharged.
 10/4/31 - as Tony Leggio, Bklyn, homicide (gun); 10/14/31, discharged.
 3/10/33 - as Anthony Leggio, alias Tony Leggio, att. fel. assault.
 9/12/33 - as Anthony Leggio, assault and robb. (gun).
 10/3/33 - as Anthony Leggio, felonious assault.

Subject Charles Vonie has no criminal record.

Throughout the Paper Box industry it is believed that Vonie is a college graduate. However, this is apparently not true. George H. Brick informed agent that Vonie informed him personally that he never attended a college but that this was merely put out by delegates of the Union in order to uplift the Union so that the industry would look upon them more favorably.

John G. Payne, Executive Chairman, Music Publishers Protective Association, 40th floor, 1801 Broadway, New York City, was interviewed for information as to Vonie. Mr. Payne advised that Vonie was never prosecuted in connection with the song sheet racket although he was an associate of Salvatore Tralanga, who was convicted in the Federal courts in Greater New York on several occasions for violation of the Copyright Laws. Mr. Payne advised that Vonie was mutually inclined and that he had published for him at one time a musical composition through Whitmark, the publisher; that Vonie endeavored to obtain permission from the Music Publishers Protective Association to publish a legitimate song sheet and that if the Association permitted him to do so he would clean New York of all the illegitimate people in the racket as he, Vonie, had gangster connections. Mr. Payne was interviewed as agent had information that the Music Publishers Protective Association had obtained a conviction against Vonie on one occasion for infringement of the Copyright Laws.

**LOCAL UNION #139,
INTERNATIONAL BROTHERHOOD OF TEAMSTERS;
CHAUFFEURS, STEWARDES AND HELPERS OF
AMERICA.**

The investigation relative to the International Brotherhood of Teamsters, Chauffeurs, Stewardes and Helpers of America, Local 139, is based on an anonymous letter dated December 17, 1933 and addressed to the Department of Investigation, Washington, D. C.

James A. McGough, Assistant Attorney General, State of New York, Room 600, 25 Centre Street, New York City, informed agent that he is still investigating the activities of Local 139, International Brotherhood of Teamsters, Chauffeurs, Stewardes and

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Helps of America, and that his investigation was based on an anonymous letter received by the Attorney General's office in the Fall of 1933. He advised that the members of Local 138 are mostly all of Jewish extraction and preying upon members of their own race in the bakery business by intimidation and threats. He further advised that the majority of the bakers in Greater New York do their own flour trucking but the Union officials of Local 138 have connections with the Longshoremen's Union in Greater New York and that after the flour is delivered at the various docks for the bakers, the Union officials endeavor to compel them to truck this flour in Union trucks.

Assistant Attorney General McGogh further advised that about a month ago Local Union 138 had been enjoined in the local courts at Brooklyn, N. Y. from molesting six independent truckmen who do trucking from Pier 6, Bush Terminal, Brooklyn, N. Y.; that Sam Schoor, a delegate of Local 138, and William Snider, who is President or Vice-President of Local 138, are under investigation at this time, and that these two men control the Union; that Schoor has a brother, an attorney named Max Schoor, and that Schoor is in charge of the Bronx, N. Y. territory for Local 138. Mr. McGogh further advised that the flour received by the local bakers in Greater New York, some of which comes from other States, is not shipped on consignment and that during his investigation there was no indication the Federal Antitrust Laws had been violated.

Local 138, International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America has no connection whatsoever with the Paper Box Industry.

LOCAL UNION #207,
INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS,
STABLEMEN AND HELPERS OF AMERICA

B. P. Rao, who states that he is the New York Manager for the Interstates, Inc., 114 So. Main Street, Watertown, Conn., and that the New York terminal is located at 515 Washington Street, New York City, telephone Walker 5-6345, called at the New York Internal Office on December 13, 1933, and informed as follows:

That the Laube Interstate, Inc. is a trucking concern carrying freight interstate for delivery in New York, Connecticut and Massachusetts, and that the concern operates a fleet of approximately forty trucks.

Mr. Mac states that recently the drivers for Laube Interstate joined Local 443 of the International Brotherhood of Teamsters, Chauffeurs and Stablemen, which union is affiliated with the American Federation of Labor. On December 8, 1933, Mr. Mac states, he was informed by Delegate G. Bourke of Local 807 of the International Brotherhood of Teamsters, Chauffeurs & Stablemen, that the drivers belonging to the Connecticut association could not operate the company's truck when in New York City; that the Connecticut drivers would be allowed to drive the trucks to the company's New York terminal at 515 Washington Street, where drivers furnished by Local 807 would then take the trucks over and drive them to their destination in New York City. Mr. Mac states that the company has approximately 22 trucks entering New York City every week and, as soon as the trucks reach the terminal, the Connecticut drivers must give up the trucks, which are then taken over by drivers furnished by Local 807, the Laube Interstate Company having nothing to say about the selection of the drivers. The New York drivers receive a full day's wages, \$8.00, whether it takes them one-half hour or all day to drive the load to its appointed destination. The driver receives \$1.50 per hour for every hour over eight. Mr. Mac states that while the trucks are being driven by the New York drivers, the drivers who brought the trucks into New York remain idle, but at the same time they are drawing pay.

Mr. Mac contends that the action of Local 807 is a restraint of interstate commerce, and desires that necessary investigation be made and the matter presented to the United States Attorney for his consideration. Mr. Mac states that under the present conditions, the company cannot possibly pay for the two sets of drivers, and if some relief is not afforded, the company will be forced into bankruptcy.

On January 6, 1934, Mr. Mac again called at the New York office and furnished the following additional information:

He stated that Carl Modine, a driver for Interstate, Inc., had unloaded some freight at the Universal Carloading Company, Pier #23, which freight had been brought from the United States Rubber Co., at Beacon Falls, Conn. One Dan Loughlin, a member of Local #807, and several others forced Modine to put the merchandise which had been unloaded back on the trucks and told him to return to the Interstate warehouse and not to take the truck out if he knew what was best for him. Modine put the goods back on the truck and brought it back to the terminal.

During December Interstate tried to keep Local #807 satisfied and Loughlin was employed to work for a couple of days during the week of December 24, 1933. Although he worked only two days during that week, Loughlin demanded pay for Monday, Christmas Day, even though he was hired only by the day. Loughlin at that time stated to Mr. Neo that for the few dollars involved, it might save a fractured skull.

On January 4th, an Interstate driver by the name of McBride went to Pier #20, North River, National Carloading Company. When he arrived there a group of five or six men met him and told him not to deliver any freight but to return to the terminal. McBride called Mr. Neo on the phone and Neo immediately drove to the pier. At that time there was only one man outside belonging to the subject union, and his name was Foley. Foley was one of those men who had threatened McBride. When Neo arrived McBride and Neo unloaded the truck without interference.

From this point McBride drove to the United States Rubber Company, 51 Hudson Street, and Neo returned to his office. McBride again called Neo from the latter point and stated a gang had followed him and was again threatening him. Neo went to 51 Hudson Street and parked his car nearby. At that time he saw Loughlin in the neighborhood. While McBride was phoning some wires were removed from the truck and on going back to his own private car after he had parked the same in the vicinity of 51 Hudson Street, Mr. Neo found all the wires torn from the distributor of same.

On January 4th, the men came to the Interstate terminal on Washington Street, took the phones from the wall and threw them into the street. These men were unknown to Mr. Neo but they stated to him that he had to sign up with Local Union and

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to hire Union men. According to Mr. Leo, the Interstate drivers were formerly all members of Local #443 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America at New Haven, Conn., but due to the fact that membership in this Local has not been of any advantage to them in trucking into New York, they have recently abandoned such membership. Mr. Leo's company employs about fifty truck drivers and operates forty trucks, all doing business between Connecticut points, New York City and Boston, Mass.

The principal parties involved in the conspiracy to keep Mr. Leo out of business have, according to him, been Dan Laughlin, one Callahan, one Halpern, one Miesner and one Foley.

Local Union #807, International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, is not connected with the Paper Box Industry.

The aforementioned matter has been referred to the United States Attorney for the Southern District of New York for appropriate action.

UNDEVELOPED LEADS:

NEW YORK OFFICE will submit the facts in this case, as to Paper Box Drivers Union, Local 27; Paper Box Makers Union, Local 16239; Locals 138 and 807, International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, to the United States Attorney, Southern District of New York, so that he may render an opinion as to violations of the Federal Antitrust Laws.

- PENDING -

Div. File #61-1719-15

RECORDED

July 26, 1934.

Special Agent in Charge,
New York, New York.

Re: JOSEPH PARISI, et al;
Antitrust Matter.

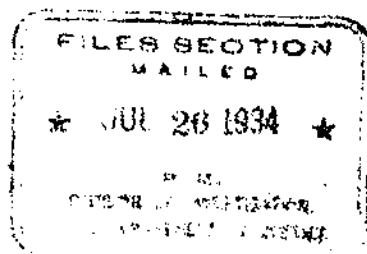
Dear Sir:

In reply to your communication dated July 18, 1934, I am attaching the record, revealed through a search of the identification files of this Division in the case, of the following:

JOSEPH PARISI, New York City Police #B-55267.
TONY LESSIO, New York City Police #B-90582.
JOE MAZEC, New York City Police #B-109031.

I am transmitting herewith the criminal record of one James Rinaldi as reflected by the fingerprint files of the Division of Investigation, who is possibly identical with your JAMES RINALDI.

There are no photographs of any of the above persons in our files. However the description in each instance is entered on the enclosed criminal history sheets.



Very truly yours,

John Edgar Hoover,
Director.

Enc. #11701.

U. S. Department of Justice

Washington, D. C.

July 24, 1934.

The following is a transcript of the record, including the most recently reported data, as shown in the files of the Division of Investigation concerning our number 1-56257.

J. E. Hoover, Director.

Contributor of Fingerprints	Name and Number	Arrested or Received	Charge	Disposition
PD, New York City, N. Y.	Joseph Parisi, #B-56257	4-22-30	malicious mischief, (felony)	4-25-30, disch.
PD, New York City, N. Y.	Joseph Parisi, #B-56257	4-28-30	malicious mischief, (felony)	4-29-30, disch.
PD, New York City, N. Y.	Joseph Liggio, alias Joseph Parisi, #B-56257	10-6-31	homicide (assault) gun and axe	10-14-31, disch.
PD, New York City, N. Y.	Joseph Parisi, #B-56257	3-11-33	coercion	3-31-33, disch.
PD, New York City, N. Y.	Joseph Parisi, #B-56257	9-13-33	assault and robb. (gun)	9-15-33, disch.
PD, New York City, N. Y.	Joseph Parisi, #B-56257	10-3-33	rel. assault #13	1-12-34, disch.
PD, New York City, N. Y.	Joseph Parisi, #B-56257	7-6-34	coercion (bench warrant)	

1-12-32, as Joseph Parisi, N.Y.C., born; 3-16-32, 14 to 17 yrs.
Sing Sing.

The following description of the above individual appears on print #B-56257, PD, New York City, N. Y., received September 15, 1933:

Residence, 1970 Lexington Avenue, Manhattan; color, white; age, 33 years; height, 5 feet, 8 1/2 inches; weight, 180 pounds; build, medium; hair, black; eyes, brown; complexion, medium; birthplace, Marino, Italy; occupation, business agent, Local 229, Truck Drivers Union. Scars: Scar over left eye at the eyebrow.

U. S. Department of Justice

Washington, D. C. July 24, 1934.

The following is a transcript of the record, including the most recently reported data, as shown in the files of the Division of Investigation concerning one number 829043.

J. E. HOOVER, Director.

Contributor of Fingerprints	Name and Number	Arrested or Received	Charge	Disposition
PD, New York City, N. Y.	James Rinaldi, alias 8-33 James V. Rinaldi, 87-28		burg. (store), final chg. petty larceny	4-26-33, indet. term N.Y.C. Ref.
Prob. Dept., Brooklyn, N. Y.	Jos. Rinaldi, alias 2-27-33 Ma. Lombardi, 7---		petty larceny	4-26-33, N.Y.C. Ref.
PD, New York City, N. Y.	William Lombardi, 1-25-34 alias Billy Lombardi, 89-121431		fel. assault - 13	
	8-28-33, as Ma. Lombardi, Brooklyn, vagrancy; 8-28-33, 6 mos. probation.			
	The following description of the above individual appears on print 87-28, PD, New York City, N. Y.:			
	Residence, 276 South 1st St., Brooklyn; color, white; age, 21 years; height, 5 feet, 4 inches; weight, 135 pounds; build, small; hair, brown; eyes, brown; complexion, fair; birthplace, U. S. - Brooklyn, N. Y.; occupation, radio mechanic. Marks: True Love Mother and Father in heart tattooed on right forearm.			

U. S. Department of Justice

Washington, D. C.

July 24, 1934.

The following is a transcript of the record, including the most recently reported data, as shown in the files of the Division of Investigation concerning our number 64468.

J. E. Hoover, Director

Contributor of Fingerprints	Name and Number	Arrested or Received	Charge	Disposition
PD, New York City, N. Y.	Anthony Leggio, alias Tony Leggio, #B-96882	9-10-33	att. fel. assault	
PD, New York City, N. Y.	Anthony Leggio, #B-96882	9-12-33	assault and robb. (gun)	
PD, New York City, N. Y.	Anthony Leggio, #B-96882	10-3-33	felonious assault	

12-12-35, as Antonio Leggio, N.Y.C., burglary; 12-23-35, discharged.

10-4-31, as Tony Leggio, Brooklyn, homicide (gun); 10-14-31, discharged.

The following description of the above individual appears on print #B-96882, PD, New York City, N. Y., received 7-12-33:

Residence, 299 Broome Street, Manhattan; color, white; age, 30 years; height, 5 feet, 5 inches; weight, 180 pounds; build, slim; hair, brown; eyes, brown; complexion, sallow; birthplace, Italy; occupation, truck driver. Scars: Scar on left hand below the thumb.

U. S. Department of Justice

Washington, D. C. July 24, 1934.

The following is a transcript of the record, including the most recently reported data, as shown in the files of the Division of Investigation concerning our number 614415.

J. E. Hoover, Director

Contributor of Fingerprints	Name and Number	Arrested or Received	Charge	Disposition
FD, New York City, N. Y.	Joseph Mazzo, #---	11-18-33	grand larceny (auto)	11-20-33, \$1500.
Prob. Dept., New York, N. Y.	Jos. Mazzo, #---	3-7-35	assault 3rd deg.	
FD, New York City, N. Y.	Joseph Mazzo, #B-109051	3-10-35	att. fel. assault	
City Mag. Court, New York City, N. Y.	Joseph Mazzo, #553075	3-21-35	D.C. (annoying) - strikers	3-21-35, 10 days, sent. camp.
W.H., Welfare Island, New York City, N. Y.	Joseph Mazzo, #136668	12-1-35	assault 3rd deg.	3 mo.

The description of the above individual as it appears on print #136668, Workhouse, Welfare Island, New York City, is as follows:

Date of birth, 1908; birthplace, New York; age, 25 years; height, 5 feet, 8 1/2 inches; weight, 145 pounds; complexion, pig; eyes, dark chestnut; hair, dark chestnut; occupation, chauffeur. Scars and marks: Tattooed heart, cross, anchor, "True Love is Mother", C. M. 1925, R. arm.

Division of Investigation

U. S. Department of Justice

Room 413
270 Madison Avenue
New York, N. Y.

100-100
60-400

July 18, 1934.

Director,
Division of Investigation, W
U. S. Department of Justice,
Washington, D. C.

RE: JOSEPH PARISI, et al.
ANTITRUST MATTER.

Dear Sir:

In connection with the above investigation, a photograph, description and criminal record of each of the following-named persons are desired:

✓ Joseph Parisi	NYC PD B-56267
✓ James Riccardi	do B-56847
✓ Tony Leggio	B-96882
✓ Joe Mazza	B-109051

Very truly yours,

F. K. FAY,
Special Agent in Charge.

JUL 23 1934

100-100-1751-13	
JUL 19 1934	
SEARCHED	INDEXED
SERIALIZED	FILED

JUL 13 1934
60-1759

July 12, 1934

Special Agent in Charge,
New York, New York.

Re: JOSEPH PARESI, ET AL,
Antitrust Matter.

Dear Sir:

Attention is invited to your letter dated June 11, 1934, advising that a report would be submitted in the above matter within the very near future.

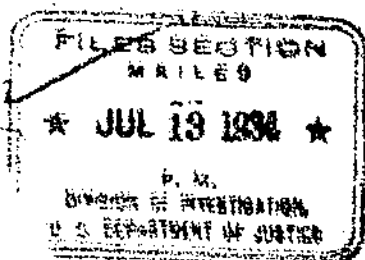
The Division file fails to reflect that a report has as yet been received from the New York City Office, the latest report submitted being that of Special Agent J. J. Keating, dated March 27, 1934.

Very truly yours,

John Edgar Hoover,
Director.

RECORDED

60-1751-12
JUL 14 1934
JUL 14 1934
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Division of Investigation

U. S. Department of Justice

Room 1407,
375 Lexington Ave.,
New York, N. Y.

JK:R
60-400

June 11, 1934.

Director,
Division of Investigation,
U. S. Department of Justice,
Washington, D. C.

Re: JOSEPH PARISI, et al
Antitrust Matter.

Dear Sir:

Reference is made to Division letter dated June 8, 1934, with reference to further investigation required by the New York City office in the above entitled case.

Special Agent J. J. Keating to whom this case is assigned is working on another antitrust case at this time and a report will be submitted by him in the very near future on the above matter.

Very truly yours,

F. X. FAY,
Special Agent in Charge.

RECORDED

60-1757-11	
JUN 15 1934	
FILE	FILE

JBL:TAH
60-1759

June 3, 1934

Special Agent in Charge,
Division of Investigation,
U. S. Department of Justice,
370 Lexington Avenue, Room 1403,
New York, New York.

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RE: JOSEPH PALISI, et al
Antitrust Matter.

Dear Sir:

Attention is invited to the Division's letter dated May 15, 1934, with reference to the further investigation required of the New York City Office, in connection with the report submitted by Special Agent J. J. Keating, dated March 27, 1934, at New York City.

The Division desires to be advised when a report will be submitted by the New York City Office, covering investigation requested in the report of reference.

Very truly yours,

Director.

RECORDED

60-1759-70	
JUN 11 1934 P.M.	
U. S. DEPARTMENT OF JUSTICE	
61	FILE

JUL:CSH
60-1759

May 15, 1934

Special Agent in Charge,
Division of Investigation,
U. S. Department of Justice,
370 Lexington Avenue, Room 1403,
New York, New York.

RE: JOSEPH PARISI, et al,
ANTITRUST MATTER

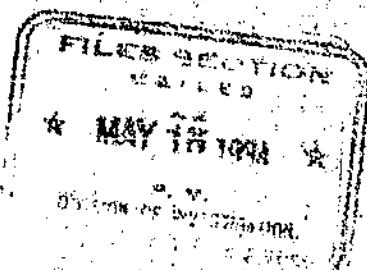
Dear Sir:

Attention is invited to the undeveloped lead requiring the attention of the New York City Office, contained in the report of Special Agent J. J. Keating, dated at New York City, March 27, 1934.

Efforts should be made to bring the investigation in this case to a logical conclusion at the earliest practicable date.

Very truly yours,

Director.



RECORDED

60-1759-9	
MAY 16 1934	
U. S. DEPT. OF JUSTICE	RECEIVED
FILE	

UNITED STATES BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

N. Y. FILE NO. 60-400

SERIAL

REPORT MADE AT: NEW YORK CITY	DATE WHEN MADE: 3/27/34	PERIOD FOR WHICH MADE: 3/7, 13-17/34	REPORT MADE BY: J. J. KEATING
TITLE: JOSEPH PARISI. JAMES RINALDI. ANTHONY LEOGIO.		CHARACTER OF CASE: ANTI-TRUST	

SYNOPSIS OF FACTS:

Approximately 16 manufacturers of paper boxes in Greater New York interviewed, the majority of whom advised that subjects Parisi, Vonie, and Rinaldi, through their connections with the Paper Box Makers Union, Local No. 18839 and the Paper Box Drivers Union, Local 27, A.F. of L., both of New York City, are interfering with interstate commerce and by threats and violence are forcing workers in both trades to join the respective unions and collecting large fees from these unions. Eight ex-members of the Paper Box Drivers Union, Local 27, advised that Parisi expelled them from the union some seven months ago because they requested an accounting of moneys taken in by the union and are now black-listed with manufacturers who are compelled to employ union help. Subjects reported to have the support of several of the manufacturers in the trade. Apparent agreements exist between the representatives of labor unions and between the unions and manufacturers who are members of the Paper Box Manufacturers Associations whereby interstate commerce in the paper box industry is interfered with. Approximately 15% of trade is shipped in interstate commerce. Anti-Racket Bureau, Attorney General's Office, State of New York, also investigating subjects at this time for possible violations of State laws.

. P .

REFERENCE:

Letters from the Division dated 11/21/33 and 2/27/34.

APPROVED AND FORWARDED: <i>[Signature]</i>	SPECIAL AGENT IN CHARGE 60-1759-8	RECORDED AND INDEXED MAY 20 1934
COPIES OF THIS REPORT FURNISHED TO: Division		UNITED STATES MAR 29 1934 A M
New York (U.S. Atty. S. B. H. 11-1)		RECEIVED MAR 31 1934

DETAILS:

In compliance with instructions set out in Division letter dated November 21, 1933, the facts in this case were presented to Assistant United States Attorney Brill, Southern District of New York, who advised that there appeared to be sufficient evidence to warrant a successful prosecution. However, he suggested that further investigative work was necessary to establish definitely if the anti-trust laws were violated.

A general history of the industry and the local unions connected with it is being set out in order to show how the industry is dominated and controlled by the subjects in this case, who are ex-convicts and well known characters in racketeering circles in Greater New York.

The paper box makers are organized into two A.F. of L. unions, the outside workers in Local 27 of the Paper Box Drivers, Chauffeurs and Helpers Union, and the inside workers in the Paper Box Makers Union, Local No. 18339.

The outside workers were organized in 1933 by Joseph Parisi. Shortly after this organization, Parisi called a strike of both inside and outside workers, which lasted approximately ten days. During this strike only the drivers came out. At this time Parisi maneuvered a settlement with the manufacturers' association, which contained a clause providing that only outside workers would be organized in the future. From then on until 1932 no attempt was made to organize the inside workers and they worked under sweat shop conditions.

Shortly after or during the first strike, Parisi and his henchman, Charles Vonia, were recognized as racketeers and individual strikes were called one after the other to benefit the manufacturers. Parisi's line has been to cooperate with the manufacturers' association by forcing small dealers into the association by calling a strike among the workers and then offering to settle the strike when the company joined the designated association. Refusal to join the association meant virtual ruin for the manufacturer.

For the last five years, it is alleged, Parisi has collected all the dues and special assessments levied at his own discretion. It is further alleged by workers and some manufacturers that, not including graft, he has had charge of approximately \$350,000 and has not accounted for expenditures. The treasury of Parisi's

union is reported to be empty at all times. Even the death benefit fund, which was to be in a separate account, is reported to have been used up and no benefits are paid to widows. Dues have been raised when wages have remained the same or have been lowered. No money is at any time available for bail, strikes or other legitimate union activities.

About 800 drivers are employed in the industry. Of these, although they were at one time 100% organized, only about half are now in the union. Of this number, too, about 200 pay dues. The other members are alleged to be exempt because they are personal friends of Parisi or on his private payroll. In the inside workers' union there are about 1200 to 1400 workers. In November, 1933 they were 100% organized.

In both unions elections have never been held other than through steam roller methods. Parisi appoints all officers and directs the work of the executive board. At the demand of some of the rank and file a meeting was held on November 30, 1933 of the membership called by leaflet by Parisi. At this meeting there was no opposition to candidates placed by Parisi's nomination committee. In fact, very few of the workers voted, the majority of whom were afraid to object to the procedure. The qualification committee consisted of former scabs. Parisi himself holds two offices, manager of the Drivers Union and general manager of the Paper Box Makers Union. Parisi's criminal record includes charges of rape, manslaughter, robbery and assault.

Before the organization the inside workers worked forty-eight to fifty-two hours per week. The union committee asked that the N.R.A. code be set at 36 hours per week. Parisi insisted on a 48 hour week, which now prevails. Before organization wages amounted to as low as \$5 and \$6 per week in some shops, the highest average wage being \$7 or \$9 per week. The N.R.A. code provides for a minimum of \$13 per week. The paper box makers were originally organized in 1923 with a successful strike in which all of their demands were won. Wages at that time were 25% to 30% higher than at present. Waldman, the manager of the union, at that time had a clean record. He was subsequently succeeded by Cyrola, who also had the confidence of the union. Dues were 35¢ a week during the years 1923 and 1928 and during this time three or four successful strikes were won. There was some trouble when the American Federation of Labor demanded that the union affiliate with the International Brotherhood of Pulp, Sulphate and Paper Mill Workers. Since the per capita tax of this union was very high, the workers resisted affiliation and Waldman was finally expelled by the American Federation of Labor for his stand on this question. In New York the paper box industry includes about eighty-five shops.

CORRUGATED DRIVERS

Shortly after the first strike in 1928, Parisi began a program to increase his influence over the workers by an unscrupulous campaign of organization. His second job was the organization of the corrugated workers. Besides paying \$20 to \$25 for books, a \$10 tax was levied for membership with no reason given for this charge. Monthly dues were raised from \$4 to \$5. The members of this union gave a ball from which \$3000 was supposed to have been made. No account was ever given as to what became of this money. In 1929 a 100% strike was called at the National Container, but Parisi is said to have received at least \$1400 to \$2000 for breaking the strike and sending the men back to work.

FIBER (CLOAK AND SUIT BOXES) DRIVERS

Late in 1929 Parisi organized the drivers in the fiber box plants for the purpose of forcing this industry into the manufacturers' association. Besides the fee for membership books a \$10 tax was also levied here. The company subsequently joined the fiber association and Parisi is reported to have received \$500 a month from this group.

INSIDE WORKERS

On September 12, 1933, the first attempt to organize the inside workers was made. The strike, however, was not called at the height of the busy season, which was the month of July. The members of the union presented the following demands at the meeting which was called to announce the strike:

Cutters \$55	Turner Ins \$20
Setter Ups \$40	Tier Ups \$35
Strippers \$30	Glue Table Men \$40

The meeting was called at Webster Hall and the entire membership was present. At this meeting Parisi immediately objected to the demands of the union members on the grounds that they were too high and proceeded to conduct an auction sale to change the demands. Finally the demands read as follows:

Cutters \$37	Turner Ins \$15
Setter Ups \$27	Tier Ups \$21
Strippers \$20	Glue Table Men \$30

On these demands the strike was called. The manufacturers dealt with included the Equity Association of New York, the Carton Club of Brooklyn, New York, the Metropolitan Club of Brooklyn, and the Package Party Association. An agreement with the Equity was signed before the strike was called and the strike lasted only two days. The drivers on strike were promised their pay and received it for the two days on strike. The agreement was to be in effect for fifty days. The strike at the Carton Club and the Metropolitan was at full speed when the American Federation of Labor refused to sanction it. The drivers called a sympathetic strike at the same time. The drivers lost many strikes before the inside workers were organized, due to the inside workers' refusal to strike. A driver named Paul Deitch and Sol Massarsky were in charge of mass picket lines in East New York and Brooklyn. These men also issued pamphlets on the strike. As a result of their activities Parisi and not the union has expelled eight active members of the union. Since that time these eight drivers have been fighting Parisi with pamphlets and complaints.

Relative to these expulsions a meeting was held at the home of Paul Deitch some time during the Fall of 1933. During the meeting his home was invaded by Parisi and his gang. Parisi stood in the kitchen and held his hand threateningly in his pocket as though he were pointing a gun. He warned the committee that if it did not stop issuing leaflets against his method of controlling the unions, urging the workers not to pay taxes, etc. he would "chop their heads off." Parisi and his men are alleged to have then walked across the street and sat in automobiles. Finally one of the committee entered a telephone booth in a neighboring store and the Parisi gang drove away. The committee was apparently the parties who wrote the anonymous complaint referred to in the initial report in this investigation. The committee also filed complaints at the Assistant District Attorney's office in Brooklyn against Parisi and Vonia. However, no action was taken.

MILLINERY BOX GRIFT

For every millinery box delivered, Parisi demanded one cent commission. In order to check up on the number of boxes he forced the drivers to bring him a list showing the number of boxes they delivered. It is said that in three months, ending in December, 1933, Parisi collected approximately \$18,000 from this graft.

ORGANIZATION OF INSIDE CORRUGATED AND FIBER WORKERS

In October, 1935 the inside workers in the corrugated and fiber plants were organized 100%; that is, 1200 to 1400 strong. In November, 1935 these members walked out. After a short strike of two or three days Vonie advised the men to return to their jobs. The workers refused without an agreement but Vonie stated the agreement would be settled after they went back. These members had paid \$8 for membership books which they never received. They protested against the decision of Parisi and Vonie and tried to stay out on strike. They had no funds, instructions, or strike meetings. Two of the union members were arrested while trying to prevent scabs from entering the building and they were left in jail without bail. In two weeks the strike was lost. Some of the leaders of the strike were black-listed. It is rumored that Parisi received \$2000 for breaking the strike.

The aforementioned general information was obtained from the records on Parisi and his associates, which are in the possession of the Anti-Trust Bureau, Attorney General's Office, State of New York, 80 Centre Street, New York City.

On October 27, 1935 the following letter was forwarded to Hugh Payne, American Federation of Labor, 1140 Broadway, New York City, by eight members of Local 27, Paper Box Drivers Union:

"Complying with your suggestion of the 25th we wish to place before you the following charges against Charles Vonie and Joe Parisi, of the Drivers and Inside workers of the Paper Box Union.

(1) That Joe Parisi and Charles Vonie are not legitimate labor men, that they are in the Paper Box organization through the efforts of some notorious men for the purpose of regenerating the organization into a racket.

(2) That to further their racket, he, Joe Parisi, entered into an agreement with the employers not to allow the inside workers to organize, for a period of five years.

(3) That should the inside workers organize through their own efforts, and should an employer wish to battle with the inside workers, he should be allowed to do so. It is our belief that they will be able to do so. We wish to place before you a large amount of evidence for your consideration. We have been in the business of organizing and have been successful in many cases.

(4) That Parisi entered into an agreement with the employees to raise prices on the millinery boxes and for this Parisi received a percentage from the manufacturers for every box sold. We have definite proof of his racket.

(5) That Parisi asked the manufacturers whose workers were out on strike to take the drivers back and not to bother about the inside workers, and he is supposed to be the General Organizer of the inside workers.

(6) That the minute a verbal agreement was reached with the round box manufacturers, Parisi and Vonie have threatened workers not to go into any round boxes business, because they would be stepping into his territory.

(7) In reference to Organization affairs some of the workers got on to Parisi and Vonie's rackets, and have been protesting against them. The answer to their protests were removal from their jobs and also threats to be killed by their mobsters.

(8) Our so-called leaders have accused us, as union breakers, thieves and communists. We are neither union breakers, thieves nor communists. We are ordinary workers, who have been waiting and slaving for the past twenty years to see a legitimate organization. We are willing to prove every word that is written in the above letter, and to obey the rules of any labor organization, but not the rules of Parisi Vonie and Co. who are under the guidance of mobsters.

We therefore appeal to you to call a joint meeting of drivers and inside workers, so that we could have our say, as well as they have had theirs to poison the minds of the membership against us. We wish to prove to them that everything that was stated in the above letter was nothing but the absolute truth.

Respectfully yours,

(signed) HERMAN WINNER
LARRY SMITH
ELSON THOMPSON
WILLIAM SCHREIBER
FRANK ROSEN
HARRY WOLFE
CARL WILSON
JOE MURPHY

On the 11th day of November, 1933, the following affidavit was made by Sol Massarsky, who at that time was a member of the Paper Box Drivers Union, Local No. 27:

"STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

SOL MASSARSKY, being duly sworn, deposes and says:

He resides at No. 1370 Prospect Avenue, Borough of Bronx, New York City.

Deponent has been employed as a chauffeur and salesman in the paper box business for the last 19 years.

During the past 3½ years, deponent has been employed by Kramer & Kura, Inc., 236 Stagg Street, Borough of Brooklyn, New York City, paper box manufacturers.

Prior to the month of April, 1933, this firm was, to your deponent's personal knowledge, not a member of any association or any other group of paper box manufacturers. That on or about April 5, 1933, that firm joined the Military Box Manufacturers Association, an organization composed of 17 paper box manufacturers. Your deponent has been apprised of this by the statements of A. Kramer made to your deponent.

At that time the price of military paper hat boxes was \$8.75 per hundred. Soon thereafter the price rose from \$2.75 per hundred to \$3.75, then \$4.75 to \$5.75, until the price of \$7.75 per hundred was reached in June, 1933.

Your deponent's knowledge of the prices is derived from the fact that your deponent as chauffeur and salesman had occasion every day, in the course of his duties, to check up on the sales slips when he made deliveries.

In or about the month of April, 1933, your deponent was approached by Joe Parisi, manager of the Paper Box Drivers, Chauffeurs and Helpers' Union, Local 27, of which your deponent

is a member, and ordered to submit to said Parisi every week a full and complete list of all the customers of Kramer & Kura, Inc. and the number of boxes delivered to each. When your deponent inquired of Parisi as to his purpose in having such list, Parisi answered that it was necessary for him to keep a check on these manufacturers.

In or about the 1st of June, 1933, one of your deponent's employees, Albert Kramer, informed your deponent that he, Kramer, had been elected treasurer of the said Millinery Paper Box Manufacturers Association. Your deponent then said to him: "Being you are an official of that organization, I suppose you will get some kind of a break." Kramer replied, "Yes, the break is this, I will have to sign the payroll for your delegate each week to the amount of \$300.00."

Your deponent told Kramer that he could not believe that was so. Whereupon Kramer replied: "Just wait until my day comes along and you will see for yourself."

The next Friday, which was payroll day, June 2, 1933, your deponent was shown all the checks made out for the payroll by Mr. Kramer. There were in all 15 checks -- 12 for the workers, one for Laken, the representative of the Association, attorney for the Association, and one check in the sum of \$300 made out to cash. Kramer showed this check to your deponent and said, "See, Sol, here it is, this goes right to your delegate Parisi."

Your deponent asked him how Parisi came to receive such a large sum and for what? Whereupon Kramer answered: "See that is what I have to pay out to Parisi every week because I am a member of the Association. Tell me Sol, how could I go to work and capture some trade -- I still want to be a competitor without the Association getting wise?"

Your deponent, therefore, suggested to him that he might go to the Standard Mfg. Co., 224 Greene Street, New York City, and obtain an order from them without the knowledge of the Association. Kramer agreed to this, and when the order was obtained at 5¢ net -- \$5.00 a hundred, -- which was 25¢ less per hundred than the Association price, your deponent delivered 2500 boxes to the Standard Manufacturing Co.

Your deponent was observed delivering these boxes by Abe Bromberg, another driver, and a member of the Union who informed your deponent that he was sent to watch your deponent by the order of Parisi.

In the evening of that same day, Thursday, June 15, 1933, your deponent went to Parisi at the union office at No. 226 Lafayette Street, New York City, and said to him: 'Joe, what is the idea of sending around a watchman?' Parisi answered: 'If you must know, I will tell you. You are my driver and I am getting 1¢ per box, and it is my business to check up on every box the Association delivers. That is why I sent Bromberg out to keep an eye on you.' On divers occasions the said Parisi admitted that he receives not less than \$300 per week from the employers' Association.

SOL MASSARBY

Sworn to before me this
11th day of November, 1933

Leo Greenfield

Com. of Deeds, N.Y. City

N.Y. Co. Clk's No. 162, Reg. No. 57 G 4

Kings Co. Clk's No. 154, Reg. No. 4141

Bronx Co. Clk's No. 27, Reg. No. 54 G 24

Commission expires July 12, 1934.

In the initial report in this case which was submitted by Special Agent W. E. O'Connell of the New York Division office, dated October 16, 1933, it will be noted that Agent O'Connell interviewed Mr. Harry Rodan, secretary of the Packaging Credit Bureau, 36 E. 13th Street, New York City, who submitted a typewritten list of names and addresses, with telephone numbers, of manufacturers of paper boxes in New York City and Brooklyn, who had been victims of threats or assaults or both from one or another of the Parisi gang, as a result of their activity in the paper box industry. It will be further noted from this report that Mr. Rodan explained most of these assaults had been made on truckmen as they were driving their trucks in the paper box industry. The list of manufacturers heretofore referred to was attached to the Division copies of the initial report in this case, marked Exhibit A1.

The following sixteen paper box manufacturers were interviewed by this agent in an endeavor to establish if any of the anti-trust laws had been violated by Parisi and his associates or by manufacturers of paper boxes who are working in conjunction with the Union representatives.

A. Dorfman of A. Dorfman Company, Inc., 57 E. 13th Street, New York City, advised that he has been a manufacturer of paper boxes for the past twenty eight years. He further advised that A. Dorfman Company, Inc., was chartered in the State of New York in the year 1905; that at this time his employees number approximately 55 and in the busy season approximately 110; that he has one truck driver, named Rudy Razzi, who is not a member of the Paper Box Drivers' Union #27 at this time. He further advised that about 15 or 20% of his products are shipped interstate.

Mr. Dorfman stated that Local Union #27, Paper Box Drivers' Union and Paper Box Union Local #16839 called a strike about September 18, 1933; that a week prior to this strike he had a talk with Parisi who informed him that he had a lot of contracts and that about seventy shops had signed up with his Union. Mr. Dorfman stated that at this time he asked Parisi what to do not to be bothered with strikes and Parisi said "Give your help join the Union and also share the salary of each truck driver". Mr. Dorfman stated that at this time none of his employees is a member of Parisi's union and that his business is not being molested in interstate commerce.

E. Casselman, Jr., of T. E. Casselman, Inc., 356 W. 16th Street, New York City, advised that he has been a manufacturer of paper boxes since January 1, 1904; that his firm operates under a New York State charter issued between the years 1906 and 1911. He further stated that at this time he employs about forty people and during the busy season from sixty to seventy people; that he has one truck in operation at this time and the driver's name is Thomas Romano. He stated that about seven to ten percent of goods produced by his factory is transported in interstate commerce.

Mr. Casselman advised that he met Parisi on a committee some two years ago, at which time he signed a two year contract with Parisi to employ Union drivers for that length of time. He stated his driver Romano is not a paid up member at this time; that Parisi sent him over a new contract to be signed on February 15, 1934, and that he had not signed this contract. He stated during September, 1933, the period of the strike which lasted for seven weeks, and which was a strike for Union recognition, none of the inside employees went out and his only striker was his truck driver; that during this strike and since that time none of his shipments interstate has been molested. Mr. Casselman stated the Equity Paper Box Association, which is made up of manufacturers in New York City, signed up with Parisi in the Fall of 1933, with the understanding that Parisi would get all paper box manufacturers in the Association. He stated he joined the Equity Paper Box Association for two months only; that he is not a member at this time and that none of his employees is a Union member at this time.

Charles Rebholz of the firm of Joseph Rebholz, Inc., 515 Greenwich Street, New York City, advised that his company has been in the paper box business for approximately sixty years; that the company was chartered under the laws of the State of New York about four years ago and that they have about fifty employees at this time; that they only have one truck driver; that during the strike of 1933 Parisi and his mob, through intimidation, forced employees of his company to join the Union and that during this strike he had to have boxes made elsewhere at almost double the price.

Mr. Rebholz further stated that during the years 1933 and 1934 all manufacturers in the paper box business signed a contract with Parisi to hire Union drivers only, in return for which Parisi promised the manufacturers that there would be no trouble with the drivers and that the inside help in the factories would not be molested. Mr. Rebholz further advised that during the strike of 1933 his help was not molested; that he ships interstate only rarely and he did not sign any agreement with Parisi or the Union.

Jacob Newman, of the firm of Weil & Newman, Inc., 79 Wooster Street, New York City, was interviewed and advised that he has been in the paper box business for the past thirty years and that his firm received a charter under the laws of the State of New York about three years ago; that at this time he employs between twenty and thirty five people; that he has one truck driver, named Hugh Calla, who is not a Union man at this time. He stated that approximately 20% of his business is interstate business, the interstate shipments being carried by Connecticut truckmen; that during the September, 1933 strike some of his help was assaulted; that Tony Cutro, Anthony Foligno and Tony Devino, who are known in the trade, went to the homes of three or four girls and three men who were employed in his factory and threatened them with violence; that on one occasion he received a threat over the telephone from an anonymous caller; that during the strike the strikers stabbed the New Haven, Connecticut truckman and scared him off so that he did not transport his goods interstate; that the truckmen stated he did not know the men who stabbed him and could not identify them; that during the month of September, 1933 Parisi and Vonia came to see him, this was about the third day of the strike, and he advised them he was paying a Union scale of wages and Vonia said "you'll have to pay \$2 a week more because the drivers must pay their dues to the Union". He stated six of his men went on strike and he took back only two of them. He further advised he was never molested by the alleged Union racketeers and that he was not molested in any way in operating his business.

Mr. H. Fleisig of H. Fleisig, Inc., 402 Lafayette Street, New York City, advised that his firm is chartered under the laws of the State of New York; that he does about \$100,000 worth of business each year, only 5% of which is interstate; that at this time he employs about thirty people; that about seven or eight months ago his driver, Sol Carroll, was assaulted by strike breakers; that Joe Parisi threatened him about nine months ago, stating he was a "wise guy" and he would beat him up and put him out of business; that the Equity Paper Box Manufacturers Association, New York City, consists of about fifty manufacturers; that some time during the month of March, 1933 he charged Parisi, in the local courts, with coercion and that the case was later dismissed; that Parisi called a strike in his shop about four months ago; that the strike is still on and for the past four months he has had city policemen riding his truck.

Wallace Ungemach of Wallace Paper Box Corporation, moved from 132 Mulberry Street, New York City. They were located at 605 W. 51st Street, New York City. Mr. Wallace Ungemach advised that his company was incorporated under the laws of the State of New York

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during the month of May, 1932; that he does approximately \$100,000 worth of business a year, 25% of which is interstate, shipping mostly to the State of New Jersey; that he has twenty five employees in his plant, none of whom belonged to Parisi's Union; that he has one truck driver, who is not a Union member; that during the September, 1933 strike, Parisi and his associate called Joseph Arena, his driver, out on strike; that Arena did not want to strike and therefore was threatened; that his driver at this time is Richard Danfali and his helper is James Peacock; that during the strike his driver and helper were attacked one night by about fifteen men two of whom were arrested; that one of these men was James Rinaldi, who was a representative of the Paper Box Makers' Union; that Rinaldi was held in \$1,000 bail, charged with assault and that the charge was subsequently dismissed through the influence of one Albert Marinelli, who holds a political office in one of the courts at New York City. Mr. Ungemach stated that Parisi did not endeavor to have him join the Manufacturers' Association and that no attempt was made to interfere with his business in interstate commerce; that Parisi, Vonia and Rinaldi are racketeers of the worst type and that they had introduced racketeering into the paper box industry.

Agent called at the Seaman Box Company, Inc., 29 9th Avenue, New York City and the Favorite Paper Box Company, Inc., 521 W. 25th Street, New York City, on several occasions, however, the members of these firms could not be located for interview.

I. Robbins of the Bedford, Robbins Corporation, 79 Bridge Street, Brooklyn, New York, was interviewed and advised that his firm was incorporated under the laws of the State of New York some time during the year 1930; that he has forty employees, none of whom is a Union member; that the corporation does a business of \$100,000 to \$125,000 a year, 2% of which is interstate; that none of his employees was assaulted or molested in transacting his business; that during the strike in September 1933 delegates came to his shop and tried to force his employees to join the Union but that he is having no trouble whatsoever with any of the representatives of the Unions involved in this case.

Miss Sylvia Eisenberg, secretary of the Belmont Paper Box Company, Inc., 603 Third Avenue, Brooklyn, was interviewed. She stated that the firm was incorporated under the laws of the State of New York in 1929; that the volume of business is approximately \$150,000 a year, 5% of which is in interstate commerce; that the inside help amounts to about fifty employees; that the company has two truck drivers; that the company recently sold two trucks; that the drivers had trouble with Parisi on several occasions and that the last time

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was about two months ago, at which time Phillip Rosinsky, the proprietor made a complaint to the local district attorney at Brooklyn, that the drivers are Jack Eisenberg and James Colbert. She further advised that the firm went into the round hat box business in January, 1934; that there are fifteen people in the round hat box industry and that Parisi and Vento endeavored to force the Belmont Paper Box Company out of the business; that they ship in interstate commerce to the Hudson Hat Company of Nutley, New Jersey and the May Hat Company at Newark, New Jersey; that some of their customers were called up by anonymous persons and advised that the boxes made by the Belmont Paper Box Company, Inc., were no good; that Parisi and Vento visited the factory on several occasions recently. The following is an affidavit made on February 10, 1934, by the truck drivers employed by the Belmont Paper Box Company, Inc., showing that they were threatened by Joseph Parisi:

STATE OF NEW YORK
CITY OF NEW YORK SS;
COUNTY OF KINGS

JACK EISENBERG, residing at NO. 2155 - Dean Street,
and James Colbert, residing at NO. 655 - Halsey Street,
both in the Borough of Brooklyn, County of Kings, City
and State of New York, being both duly sworn, depose,
and save, that they both work for the BELMONT PAPER
BOX CO. located at NO. 393 - 3rd. Avenue, Brooklyn,
N. Y.

That on the 26th day of January 1934, at
about 5:30 P.M., they were threatened by JOSEPH
PARISI, who is known to be a delegate for the Paper
Box Drivers Local NO. 87, International Brotherhood
of Teamsters, Chauffeurs, Stevedores and Helpers. That
the said Joseph Parisi told the above mentioned
workers that if they didn't get off the trucks that
they were driving, that he would have their heads
knocked in.

That they further state, that when they
told the aforementioned Delegate (Joseph Parisi) that
if they would quit their job, somebody else would
take their position, he threatened them, and told the
above workers that they should look out for them-
selves and not worry about anyone else's lives.

(Sgd) JACK EISENBERG

Subscribed and sworn to before me this

10th day of February 1934.

Notary Public for the State of New York

My commission expires on the 10th day of February 1935.

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Abe Winkler of 100 Columbia Street, New York City, recently made the following affidavit relative to the activities of Parisi in the paper box industry:

I, Abe Winkler, of 100 Columbia Street, Para of Manhattan, City and State of New York depose and state that:-

1. I was working for Zip Paper Box Co., at 520 West 35th Street, New York City.

2. I was sent there by Joe Parisi so that I could observe and notify him (Joe Parisi) when trucks of boxes were to be sent out to be delivered, so that he (Joe Parisi) could break them up.

3. The purpose of this action was to force the management to join the Paper Box Association.

4. I have observed the manner in which Joe Parisi and his followers have taken the trucks and destroyed them.

5. One, Jimmie Ronaldo, Sec - Treas - Paper Box Drivers Union Local 27 has stated to me that the Paper Box Association had given them a sum of money to either force the Zip Paper Box Co. into the association or to drive them out of business.

With reference to the Belmont Paper Box Company, Inc., the Paper Box Drivers Union, Local 10279 sent out a circular dated March 1, 1934, to all of its members advising them the Union was making a complaint to the N.E.A., against the Belmont Paper Box Company for not paying union wages and otherwise discriminating against union workers. The complaint was made and in response thereto the Belmont Paper Box Company, Inc., received a letter from the National Recovery Administration, Washington, D. C., dated March 10, 1934, advising the cost price of \$16.63 per hundred boxes was furnished by the N.E.A. investigator and computed from figures furnished by the Belmont Paper Box Company. The letter further stated the Belmont Paper Box Company, Inc., should forward an affidavit stating they were complying with the price of \$16.63 per hundred for Bearskin and Adam boxes by March 15th, or the case would be forwarded to Washington for

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prosecution.

With reference to this matter, Louis Smith, 2329 W. 24th Street, Coney Island, who is in charge of the Belmont Paper Box Company, 383 Third Avenue, Brooklyn, advised that there are seven round hat box manufacturers in Greater New York who charged 15¢ per box; that the Belmont Paper Box Company manufactures the same box for 14¢, making therefrom a 40% profit; that due to the Belmont Paper Box Company being able to sell these boxes cheaper, naturally, they were taking away business from the other manufacturers; that when the Belmont Paper Box Company went into the manufacture of these particular boxes, sometime during the early part of January, 1934, Parisi came around to the company and informed the proprietor, Mr. Rosinsky, that he wanted to have the drivers raised in salary \$5 a week above the union scale, which was a discreet way of getting \$10 a week graft for Parisi.

Louis Smith stated Rosinsky refused Parisi's offer; that due to this Parisi forced the drivers off the job and called a strike on the premises and that the strike lasted two weeks; that the strike was a failure as the firm was well fixed financially and in retaliation, Parisi made a complaint to the NRA that Rosinsky was underselling his boxes; that an investigator from the NRA came to the factory and made an inspection and that he made an erroneous report; that any of the manufacturers can produce this box at 14¢ per box and make a 40% profit; that under the present rule of \$16.67 per hundred, his company is now making a 59% profit, as it only costs \$8.00 to manufacture 100 boxes; that the reason why the price was changed from 14¢ to 15¢ was that by raising the scale the Belmont Paper Box Company would lose a lot of its new-found trade, they returning to the round hat manufacturers from whom they formerly obtained their boxes; that if the scale were kept at 14¢ per box, the Belmont Paper Box Company would keep their customers, and the whole matter was a scheme on the part of Parisi to freeze the Belmont Paper Box Company out of the business.

The Faultless Carton and Novelty Company, formerly at 160 John Street, Brooklyn, was located at 25 Jay Street, Brooklyn, New York. I. Sandlow, president, stated his firm was incorporated under the laws of the State of New York in 1921; that he had twenty employees at this time, including one truck driver; that he does approximately \$100,000 worth of business a year, ten to fifteen per cent of which is interstate; that at this time he is not being molested or threatened by Parisi or any of his associates; that none of his employees are Union men and that on March 1, 1934, all of his employees received letters from Parisi's union stating that they could not work

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in the factory unless they were active members of the Union. He stated further that his truckmen are members of Local 27 of the Paper Box Drivers' Union and that during the strike in September, 1933 several of his women employees were beaten up and one of his men was stabbed. He advised that he has no interference in his business at this time.

Investigation at 101 Wyckoff Avenue, Brooklyn, New York, disclosed that the firm of William Huschlee Sons, Inc., went out of business some three months ago. This firm had been in business for thirty nine years.

Samuel L. Leibman, Secretary of the Imperial Paper Box Company, Inc., 282 Newport Street, Brooklyn, was interviewed and advised that his firm was incorporated under the laws of the State of New York in the year 1917; that the company's business amounts to about \$250,000 a year, 15% of which is in interstate commerce; that they employ approximately 125 persons in the Imperial Paper Box Corporation and in a subsidiary called the Martin Products, Inc., which is located in the same building, they employ 150 girls; that they have two truck drivers; that during the September, 1933 strike his father was assaulted by gangsters in the employ of Parisi; that due to this assault Parisi was arrested on a local charge which was later dropped.

Mr. Leibman further advised that the average weekly payroll of the Imperial Paper Box Company is \$2,300; that Parisi and Vonia came to him in October, 1933 and asked him to put up \$5,000 to be held in escrow as a guaranty that he would not violate Union rules, further stating that if he joined the Carton Club in Brooklyn or the Equity Association in New York, it would not be necessary for him to put up any money. He stated that Sam Lacken, is secretary of the Equity Association located at 853 Broadway, New York City; that the Equity is full of racketeers; that some of the racketeers of the paper box code authority in the NRA, drawn from the industry, are connected with Parisi.

Abraham Kleiman of the Kleiman Paper Box Corporation, 505 Seaboard Street, Brooklyn, was interviewed and advised that his company was incorporated under the laws of New York in the year 1932; that he does approximately a \$70,000 business per year 5% of which is in interstate commerce; that he employs twenty five or thirty people as inside help and has one driver; that during the strike in September and October, 1933 all of his employees were threatened and his driver was assaulted by a driver from the Service Paper Box Company. He further advised that Parisi is president of the local union, that Winold is secretary and treasurer; that Vonia is business manager and that Leggio is the bodyguard; that the other members are Sam

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heavily by Parisi and his crowd and that he employs no union members at this time.

Ruben Sacks of Sack-Sons Carton Company, Inc., 54 Knickerbocker Avenue, Brooklyn, New York, was interviewed and refused to state what business he did yearly. However, he did state that 5% of his business was interstate; that he had thirty employees, including two truck drivers and that none of his employees was a union member. He further stated that he was not a member of any of the associations. Sacks stated he was having no trouble whatsoever and that he was not interfered with in interstate commerce.

The general information in the paper box industry is that Sacks is a racketeer himself, closely allied with Parisi; that when Parisi was arrested for the assault on Leder of the Imperial Paper Box Company, Sacks donated \$500 for attorney's fees. Due to Sacks' connections with Parisi, it is said in the trade that he is not compelled to have his employees join the union or contribute anything whatsoever to the racket now operated by the union representatives.

Alex Cohen and Aaron Walnick, proprietors of the Service Paper Box Company, 1813 E. New York Avenue, Brooklyn, were interviewed and advised their company was chartered under the laws of the State of New York in 1919; that they did approximately \$50,000 worth of business per year, 1% of which is in interstate commerce; that they employ seventeen people in the factory and one truck driver; that some of their employees belong to the Union; that they are members of the Carton Club of Brooklyn, New York and they are having no trouble whatsoever in transacting their business. They did not appear to be inclined to give any information of value.

J. J. Clark, president, Champion Citron, Clark Inc., 36-45 York Avenue, Brooklyn, was interviewed and stated his firm was incorporated under the laws of the State of New York in 1916; that the company's business is approximately \$250,000 a year, 5% of which is in interstate commerce. He further advised they have approximately 50 employees, including one truck driver; that at times they hire extra truck drivers; that since the strike of September, 1933 none of the employees belonged to Parisi's union, due to the fact the employees knew it is a racket; that the strike of September, 1933 cost the firm about \$5,000; that out of the eighteen or nineteen employees who went on strike, the company only took back two. He further advised that at this time there was another drivers' strike brewing; that

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Parisi and Vonic came to the company's offices recently and asked for an interview, which was refused. He, Mr. Clark, advised them he was not interested.

Isidore Katz, secretary and treasurer of the National Eagle Paper Box Company, Inc., 1326 - 58 Flushing Avenue, Brooklyn, was interviewed and advised that his firm was incorporated under the laws of the State of New York in 1932; that his business is approximately \$200,000 a year, 5% of which is interstate; that he employs twenty-two in inside help and one truck driver; that none of his employees is a member of Parisi's union. With reference to the Equity Association he stated that the monthly assessment is \$25 to \$50 and that the members of this Association have a monopoly in the industry.

Mr. Katz turned over to Agent the following affidavit in which Parisi and Vonic are alleged to have endeavored to compel him to turn his customers over to his competitors who are members of the Equity Association:

STATE OF NEW YORK
COUNTY OF NEW YORK

CS

ISIDORE KATZ, being duly sworn deposes and says: That he is the secretary and treasurer of the National Eagle Paper Box Co. Inc. That deponent is acquainted with The Parisi and Charles Vonic, who represented themselves to be officials of the Paper Box Makers' Union local #18235, of the American Federation of Labor.

Deponent is also acquainted with one, Joe Tocci, who is a companion of the said Parisi and Vonic.

That on the 20th day of November, 1933, the said Tocci and Vonic visited the deponent's plant of business located at 1326 Flushing Avenue, Brooklyn, and the said Vonic demanded that deponent return certain customers to various competitors of the deponent's firm who are members of the Equity Paper Box Mfrs. Association, and he then and there demanded that deponent appear at the office of the Equity for the purpose of joining said organization. Otherwise, the said Vonic stated to deponent, he would call a strike of all the employees of the said firm.

That on Tuesday, November 21st, 1933, the said Tocci and Vonic again called at deponent's establishment and demanded that deponent give up his said customers to the said competitors.

That on the 27th day of November, 1933, Joe Parisi and Charles Vonia called at deponent's establishment and stated that unless deponent then and there surrendered the said customers to his competitors, that a strike would be called and upon deponent's refusing to comply with the said demand, said Joe Parisi and Charles Vonia immediately ordered the deponent's help to leave their places and declare a strike for the purpose of compelling deponent to surrender his customers to his said competitors, who are members of said Equity Association.

In response to the said insistence of the said Parisi and Vonia, 15 or more of deponent's employees left their place of employment and were prevented by the said Joe Parisi and Charles Vonia from returning to their work.

That the said Charles Vonia and Joe Parisi stated to the employees who were ordered on strike that their full wages would be paid by the said Equity Association so long as they remain out on strike.

That there was no dispute between the deponent's firm and the employees in the firm shop as to wages or working conditions whatsoever prior to the 20th of November, or at any time since then, and there is no such dispute now. That the only cause of the strike was that the said Joe Parisi and Charles Vonia are conducting all their union activities for the Association.

Mr. Katz likewise turned over to agent a copy of a joint affidavit signed by Max Katz, Max Beckery, John Herbert and Bernard Golinaky, relating to the conversation described in the affidavit by Theodore Katz and representative of the Union, which reads as follows:

STATE OF NEW YORK
COUNTY OF NEW YORK : ss.

Max Katz, Max Beckery, John Herbert, Bernard Golinaky, being duly sworn, depose and say that they depose and say:

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We are each of us employees of the National Eagle Paper Box Co. Inc., located at 1225 Flushing Avenue, Brooklyn. That the undersigned Bernice Wolinsky heard the conversation had between Joe Tucci, Charles Vonie and Isidore Katz on Monday, November 20th, 1933, and the undersigned Bernice Wolinsky, again heard the conversation between the said Tucci and Vonie and the said Isidore Katz on Tuesday, November 21, 1933.

That the undersigned Max Katz heard the conversation described in the affidavit by Isidore Katz relative to the occurrences of Monday, November 22nd.

That during the month of October, 1933, the undersigned, Max Becker received instructions from the said Joe Parisi to deliver to him the names of all customers of the National Eagle Paper Box Co. Inc.

That the undersigned John Herbert was present when the demand was made by the said Joe Parisi from the said Max Becker that he deliver to the said Joe Parisi a list of the said customers of the said National Eagle Paper Box Co. Inc.

That all of the said conversation between the said Isidore Katz, Joe Tucci and Charles Vonie are true, as described in the affidavit of the said Isidore Katz, verified under oath herewith, to the knowledge of the undersigned Bernice Wolinsky, Max Becker and Max Katz, and we hereby re-affirm the facts as described by the said Isidore Katz in the same manner and with the same effect as if they were fully set forth herein.

On Jan 19, 1934, the following ex-members of the Paper Box Drivers' Union, local 427, called at the New York Division office to answer a complaint against Parisi and his associates in using the Union connected with the paper box industry as a racket:

1 - Louis Smith, 2629 E. 24th Street, Coney Island, New York

2 - Sol Manseraky, 1370 Prospect Avenue, Brooklyn, New York

3 - Isidore Sineoff, 1534 Charlotte Street, Bronx, New York

4 - Hyman Wolfson, 212 Watkins Street, Brooklyn, N. Y.

5 - Paul Delich, 512 Howell Street, Brooklyn, N. Y. Tel. Williams 2-9034

N.Y. 80-400

The above named drivers who were formerly employed in the paper box industry informed Agent that they formerly were members of the Paper Box Drivers' Union, Local #27, and that they "got wise" to Parisi, Vonte and Mansidi using the Union for a racket and that they asked him on several occasions to give them an accounting of the monies which he had taken in from the membership, that in retaliation Parisi forced them out of the Union; that the American Federation of Labor did not put them out and due to the fact they have no Union cards at this time, they are unable to obtain employment from any of the paper box manufacturers. The majority of these men have been out of employment for approximately seven months. They state they have been black listed by Parisi with the manufacturers who will not employ other than Union help. That the actual racketeers in the Union are Joseph Parisi, Charlie Vonte and James Mansidi; that Anthony Leggio is just a hanger on and an underling employed by Parisi; that Louis Lepke, better known as Louis Buchhalter and Charles Leckey, better known as Charles Lucania, have nothing to do with the racket in the paper box industry; that Parisi knows that Lepke and Lucania are well known ex-convicts, racketeers and gamblers in Greater New York and that he merely uses the names of these men to further his racketeering schemes with manufacturers or union drivers who would have the "nerve" to question Parisi's authority.

The above named individuals stated that on the sole authority of the NRA, representing the paper box industry in New York City, the following members of the Dirty Association are a part: Dave Freedman, Herman Block and Sam Katsenbergs; that the following members of the Garden Club of Brooklyn are on the same board: Mitty Sacks and Herman Freeman; that Dave Freedman and Mitty Sacks work with Parisi and that the Board which is set up by the NRA for the paper box industry is actually being dominated by racketeers.

Agent interviewed John A. McCoolley, Assistant Attorney General in Charge, Department of Law, Attorney General's Office, State of New York, 80 Centre Street, New York City, and Mr. McCoolley advised that his office is at this time investigating racketeering in the paper box industry and believes that possibly the State of New York will be able to prosecute Parisi and his associates successfully.

James A. Hough, Assistant Attorney General, State of New York, Room 502, 80 Centre Street, New York City, informed Agent that he recently completed an investigation of Local

N.Y. 60-408

128, International Brotherhood of Painters, Glaziers, Stainers and Helpers of America; that his investigation was initiated as a result of an anonymous letter, that he has evidence which he believes will indict the representatives of this Local Union. Investigation will be conducted at a later date by the New York Division office relative to the activities of representatives of Locals 128 and 1287, International Brotherhood of P. O. S. and H. of America, in furtherance of the complaints in which it is alleged that representatives of these Unions are violating the antitrust laws.

Photographs, descriptions, fingerprints and original records of subjects will be obtained and incorporated in a subsequent report.

UNDEVELOPED LEAD: NEW YORK OFFICE

Will continue the investigation in this matter, interviewing various manufacturers, as set out in the initial report, Union members and others, in an endeavor to establish the violation of the antitrust laws, on the part of manufacturers, Union representatives or others who are interfering with interstate commerce.

RECEIVED

U. S. Bureau of Investigation

Department of Justice

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

YCC:PS
60-0

March 21, 1934.

Director,
Division of Investigation,
U. S. Department of Justice,
Washington, D. C.

Re: FLOUR BAKERS' ASSOCIATION, INC.
New York City Local #138
International Brotherhood of Teamsters
and Chauffeurs, New York City.
Antitrust

Dear Sir:

Reference is made to your letter of the 17th instant in the above entitled case, wherein you ask to be advised of the basis for my request that a copy of the memorandum, submitted by Special Agent P. M. Breed, dated March 9, setting forth complaint of Mr. A. P. Tanner, be forwarded to Colonel F. S. Hutchinson, Chief of Investigation of the United States Senate Sub-Committee on Crime Control.

Please be advised that the original request that Mr. Tanner be interviewed came from Colonel F. S. Hutchinson, in view of which it was requested that a copy of the memorandum be sent to him. The memorandum of Agent Breed is inaccurate, in that it appears from the same that Mr. Tanner took up the matter directly with the New York Division Office.

Very truly yours,

RECORDED
F. X. FAY
Special Agent in Charge

MAR 21 1934

60-1754-7	
1934	
FILE	

U. S. Department of Justice

Bureau of Investigation

Form 1403

370 Lexington Avenue
New York, New York

JJA:PW
50-100

March 14, 1934

Director
Division of Investigation
United States Department of Justice
Washington, D. C.

Dear Sir:

Re: Local No. 139, INTERNATIONAL
BROTHERHOOD OF T.C.S. & M. of
A.
Antitrust Matter.

Reference is made to Division letter dated February 27, 1934, in the above entitled case. In accordance with Department circular #2493, the facts were submitted to Assistant U. S. Attorney Brill, Southern District of New York, who advised that there appeared to be sufficient evidence to warrant a successful prosecution. Further investigative work is necessary, however. This case is receiving investigative attention by the New York Office at this time.

Very truly yours,

J. L. [Signature]
F. X. PAY,
Special Agent in Charge.

RECORDED
MAR 17 1934

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1934	
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JBL:ps

60-1759-5

March 17, 1934

MAR 19 1934

Special Agent in Charge,
Division of Investigation,
U.S. Department of Justice,
370 Lexington Avenue, Room 1403,
New York, New York.

RE: FLOUR TRUCKMEN'S ASSOCIATION,
INCORPORATED, New York City, Local #138.
International Brotherhood of Teamsters
and Chauffeurs, New York City.
ANTITRUST MATTER.

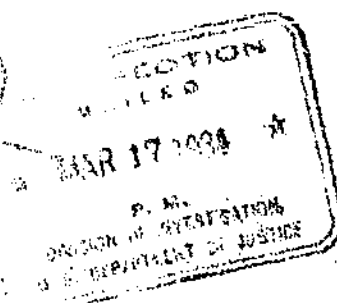
Dear Sir:

The Division is in receipt of your letter dated March 9, 1934, transmitting a copy of a memorandum prepared by Special Agent P. M. Reed, dated March 9, 1934, setting forth the complaint of Mr. W. P. Tanner, previously referred to United States Attorney Conboy under date of February 17, 1934, requesting that a copy of Agent Reed's memorandum be forwarded to Colonel F. S. Hutchinson, Chief of Investigation, of the United States Senate Sub-Committee on Crime Control, since racketeering activities in New York City are reported.

The Division desires to be advised of the basis for your request that a copy of this memorandum be sent to Colonel Hutchinson.

Very truly yours,

Director.



60-1759

U. S. Department of Justice
Bureau of Investigation

March 14, 1934
15 Lexington Avenue
New York City

RECEIVED

March 14, 1934

Director
Division of Investigation
U. S. Department of Justice
Washington, D. C.

Re: FLOUR TRUCKMEN'S ASSOCIATION, I. O.
New York City, Local #183.
O International Brotherhood of
Teamsters and Chauffeurs, New York City
AMTITRUST

Dear Sir:

There are attached hereto copies of a memorandum of Special Agent F. M. Breed, of this office, in the above captioned case.

As this memorandum sets forth alleged racketeering activities in New York City, it is requested that you forward a copy of the memorandum to Colonel F. S. Hutchison, 345 Senate Office Building, Washington, D. C., who is the Chief of Investigation of the U. S. Senate Sub-committee on Crime Control.

Very truly yours,

F. M. PAY
Special Agent in Charge

Encl/ (5)

MAR 19 1934

Room 1408
390 Lexington Avenue
New York City

FWD:ED



b7E

March 9, 1934

MEMORANDUM FOR SPECIAL AGENT IN CHARGE FAY

Re: FLOUR TRUCKMEN'S ASSOCIATION, INC.,
New York City Local #138,
International Brotherhood of Teamsters
and Chauffeurs - New York City
ANTITRUST

This office recently received a complaint from Mr. W. P. Tanner of the W. P. Tanner-Gross & Co. Inc., 23-25 Beaver Street, New York City. This complaint involved a matter of possible racketeering, as well as a possible violation of the Antitrust laws, and the information is given you in order that your files may contain the substance of the facts developed.

Mr. Tanner complained that the Flour Truckmen's Association, Inc., having its headquarters at 159 Second Avenue, New York City, headed by David Lesser, president, included in its membership a number of the principal flour truckmen operating in New York City; that the Association appeared to be conceived with the idea of controlling to an unwarranted degree the flour trucking business in this section, and listed in its by-laws certain very arbitrary and unnecessarily stringent regulations, which practically amounted to a restraint upon trade.

Mr. Tanner further advised that the firm controlled by his company, the Distributors Trucking Corporation, located at Staten Island, New York, had never joined this association. On an unremembered day in December 1933, one of his truckmen drove one of the company's trucks to Pier 44, East River, to get a small consignment of flour. He was delayed about one-half hour, there, and then proceeded to Pier 6, East River, to secure another load. On his arrival at Pier 6, he was stopped by certain persons who are believed to be members of the

66-1757-5

PMB:rd

International Brotherhood of Teamsters and Chauffeurs, and asked if he was a member of their union. He replied that he was not, and he was therefore forced to go away from the pier, without collecting his load.

Mr. Tanner later communicated with Mr. William Snyder, the president of Local 6135, International Brotherhood of Teamsters and Chauffeurs, 22 E. 17th Street, New York City, and complained of this matter. Mr. Snyder assured him that it would not happen again; that in the future, his trucks would be unloading, and actually since that time there has been no further interference with Mr. Tanner's business.

Mr. Tanner does not desire any further investigation to be made at the present time on account of the present satisfactory condition of affairs. Accordingly, his wishes will be respected, and in the absence of more information, no further investigation will be made. It is Mr. Tanner's idea, however, that the members of the Flour Truckmen's Association were actually responsible for the driver of his trucks having been stopped. This opinion is not supported by any definite evidence, and in Mr. Tanner's conversation with Mr. Snyder nothing was said by Mr. Snyder relative to any persons connected with this union having been apprehended by any representatives of the Flour Truckmen's Association.

Respectfully submitted,

P. F. BARKER
Special Agent

JD:RCL

65-1760

February 27, 1934.

Special Agent in Charge,
Division of Investigation,
U. S. Department of Justice,
Room 1403, 370 Lexington Avenue,
New York, New York.

Dear Sir:

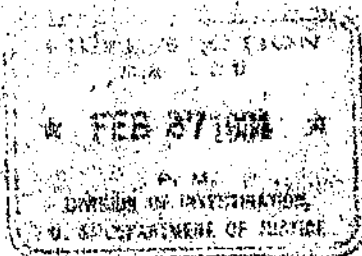
Re: Local No. 158, International Brotherhood of
T. G. H., and H. of A. - Antisemitic Matter.

Your attention is invited to Division letters dated
November 21, 1933; December 26, 1933 and January 29, 1934, re-
questing to be advised what disposition is to be made of the
complaint in this matter by the United States Attorney at New
York City.

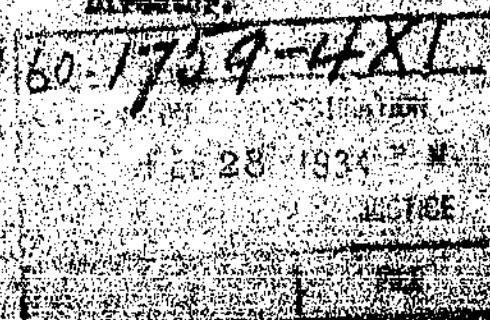
It will be noted that the complaint in question is
an anonymous letter addressed to the Division under date of
October 17, 1933 and that Assistant Attorney General Harold
H. Stephens in a memorandum dated November 15, 1933, suggested
that the complaint be referred to the United States Attorney,
Southern District of New York, in accordance with Department
Circular 2493.

In view of the length of time that has elapsed since
this matter was originally submitted to New York City for atten-
tion, the Division desires that the United States Attorney be
consulted promptly and every effort made by the New York City
Office to bring this matter to a logical conclusion at the
earliest practicable date.

Very truly yours,



RECORDED



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

PMB:ML



b7E

February 17, 1934.

Mr. Martin Conway,
U. S. Attorney,
Old Post-Office Building,
New York, N. Y.

RE: Flour Truckmen's Association, Inc.,
New York City.
Local #139.
International Brotherhood of Teamsters
and Chauffeurs,
New York City.
Antitrust.

Dear Sir:

INDEXED

60-1759

In accordance with Department Circular #2493 the following facts are given you relative to a complaint made by Mr. E. P. Tanner of the E. P. Tanner-Gross & Co. Inc., 23-25 Beaver Street, New York City, which involved a matter of possible racketeering, as well as a possible violation of the Antitrust Laws.

This office received a carbon copy of a letter written by the Store Door Delivery Inc., to Mr. Ben H. Sparack, Executive Secretary, Flour Truckmen's Association Inc., 189 Second Avenue, New York, N. Y., dated November 17, 1933. Copy of this letter was forwarded by the writer to Mr. Tanner who in turn forwarded it to the New York office of this Division. The substance of the letter is that Mr. Louis Pina, president of the Store Door Delivery Inc., the address of which is 1000 Exchange Building, New York, N. Y., tenders his resignation as secretary and member of the Flour Truckmen's Association Inc., to take effect immediately. The reason given for the act is that the writer feels that he cannot subscribe to the Association's by-laws, as he feels they are not equitable, in that a member is compelled to sign them, signifying his willingness to be bound by them, as well as any and all future amendments, regardless of the fact

Mr. Martin Conboy

-2-

2/17/34.

that these amendments may work a hardship on an individual concern in the conduct of its particular type of business. The writer also complains of a provision in the by-laws, permitting an assessment to be levied at any time, for any purpose. Further complaints listed by the writer of the letter are: (1) That there is no need for such an association; (2) That the provision in the by-laws for engaging an attorney and labor adjuster are absolutely unessential; and (3) That he does not agree with the section of the by-laws prohibiting membership to flour truckmen except on payment of \$10,000. initiation fee.

With the letter was attached a list of the officers of the Flour Truckmen's Association, who are as follows:

David Lasser	President
Abraham Postman	Vice President
Harry Kexlar	Secretary
Isador W. Held	Treasurer
Benjamin E. Spivack	Counsel and Executive
	Secretary
Max Silverman	Labor Adjuster

On February 3, 1934, Special Agent P. M. Brown of this office interviewed Mr. W. P. Tanner at his office at 23-25 Beaver Street, New York City. He stated that his firm, the F. P. Tanner-Cross & Co. Inc., are members of the New York Produce Exchange and do business as brokers on that Exchange. The company also controls the Distributors Trucking Corporation, Staten Island, N. Y., which concern does a general trucking business. His concern has never joined the Flour Truckmen's association Inc., and has no intention of joining. His employees have not been members of the International Brotherhood of Teamsters and Chauffeurs.

Sometime in December, 1933, exact date not remembered, a truckman in the employ of the Distributors Trucking Corporation, by name Mike Madden, drove one of the company's trucks to Pier 44, East River, to get a small consignment of flour. He was delayed

2/17/34.

there about one-half hour and then, having collected his load, he went to Pier 6, East River. While on his way to Pier 6, he noticed that he was being followed in an open automobile, with eight or nine men in it. On his arrival at the pier, this car pulled up to him, the men got out, and asked the driver if he were a member of the Union. He stated that he was not, and they then refused to permit him to pick up the flour he had gone to Pier 6 to get. They told him to go back to Staten Island and stay there and not to come to Manhattan or Brooklyn. The driver knew two of the men to be individuals bearing the names of Genetick and Becker, further names and addresses unknown, who were believed to be members of Local #138, International Brotherhood of Teamsters and Chauffeurs, the address of which is 22 East 17th Street, New York City. Mr. William Snyder is president of that local. The other persons who stopped Amodea are also believed to be members of that Local.

It was Mr. Tanner's opinion, unsupported by any definite facts, that these men had been directed by some officials of the Flour Truckmen's Association to stop this particular truck, as Mr. Tanner's company has never joined that Association.

Mr. Tanner, immediately after this incident, went to Mr. William Snyder, president of the Local, reported the facts to him, and Mr. Snyder stated that Mr. Tanner need not worry any more; that there would be no further occurrences of this nature. Mr. Snyder said nothing about having any connection with the Flour Truckmen's Association. There have been no further occurrences, and since that time the trucks of the Distributors Trucking Corporation have been unmolested in their deliveries to Manhattan and Brooklyn.

Mr. Tanner does not wish any further investigation to be made concerning this matter, in view of the present satisfactory condition of affairs. He stated that he would report any further developments to the New York Division office, and in the event of the New York office's hearing nothing, it could assume that there were no further developments.

He listed the following members of the Flour Truckmen's Association:

2/17/34.

1. Luckman Bros.,
Pier 34, East River.
2. Postman Trucking Co.,
Pier 44, East River.
3. United Flour Trucking Corporation,
280 East 149th Street,
Bronx, N. Y.
4. H. & W. (Hegel & Wexler) Trucking Corp.,
Pier 44, East River.
5. S. & P. (Saulfani & Puccio) Trucking Co.,
235 Water Street,
New York City.
6. Pendole Trucking Company,
66 Wilson Avenue,
Brooklyn, N. Y.
7. Marino Trucking Company,
421 Rodney Street,
Brooklyn, N. Y.
8. Muchnick Trucking Co.,
402 Grant Street,
New York City.
9. Y. & Z. Trucking Co.,
c/o Stokess Bakery,
415 Park Avenue,
Brooklyn, N. Y.
10. Yellow Flour Trucking Company,
North 5th Street and Kent Avenue,
Brooklyn, N. Y.
11. O. & L. Trucking Co.,
103 North Street,
New York City.

Mr. Martin Conboy

-5-

2/7/34.

12. Silver Trucking Co.,
704 East 125th Street,
New York City.

13. Surkan Bros.,
Pier 34, East River.

Mr. Tanner further stated that of the officers of the Silver Truckmen's Association listed in the foregoing, David Laasner, president, has his business in Elizabeth, N. J. The other officers have their business in New York City.

No further investigation will be made by the New York office, in the absence of further instructions or further developments reported by Mr. Tanner.

A copy of the by-laws of the Silver Truckmen's Association Inc. was furnished this office by Mr. Tanner, and is being retained in this office's file.

Very truly yours,

F. X. FAY,
Special Agent in Charge.

cc - Division

U. S. Department of Justice
Bureau of Investigation

Room 1403
277 Lexington Avenue
New York City

RECEIVED
60-400

February 2, 1934

Director
Division of Investigation
U. S. Department of Justice
Washington, D. C.

Re: LOCAL NO. 138, INTERNATIONAL
BROTHERHOOD OF T., C., S.,
and H. of A.
ANTITRUST

Dear Sir:

Reference is made to Division letters dated
December 26, 1933 and January 30, 1934, in the above styled case.

In accordance with Department Circular #2493,
the facts were submitted to Assistant U. S. Attorney Brill,
Southern District of New York, who advised that there appeared to
be sufficient evidence to warrant a successful prosecution.
Further investigative work is necessary, however.

This case is now assigned to Special Agent
J. J. Keating, of this office, and will receive his attention
in the very near future.

Very truly yours,

F. K. FAY
Special Agent in Charge

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FEB 12 1934

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January 29, 1934

Special Agent in Charge,
Division of Investigation,
U. S. Department of Justice,
Room 1403, 370 Lexington Avenue,
New York, New York.

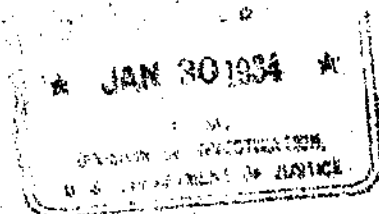
Dear Sir:

Re: LOCAL NO. 178, INTERNATIONAL
BROTHERHOOD OF T., C., S.,
and H. of A. - Antitrust Matter.

Please refer to Division letter dated December 26,
1933, in the above matter and advise what disposition is to
be made of the complaint by the United States Attorney at
New York.

Very truly yours,

Director.



RECORDED

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Room 1403
370 Lexington Ave.
New York City

REC-20
61-100

January 10, 1934

Mr. Martin Conkey
United States Attorney
Old Post Office Building
New York, New York

Re: International Brotherhood of Teamsters,
Chauffeurs, Stevedores and Helpers of
America - Local Nos. 27, 138 and 287,
Initiative

Dear Sir:

With further reference to the above entitled matter, please be advised that on January 8th, Mr. Dan Mac, New York manager for Louis Interstate, Inc., 2244 South Main St., Hattiesburg, Miss., who has previously supplied information in this matter which has been referred to you, called at the New York office and furnished the following additional data:

Mr. Mac stated that Earl Houghlin, a driver for Interstate, Inc., had delivered some freight at the Whitcomb Stevedoring Company, Pier 23, which freight had been brought from the United States Rubber Co., at Hendonville, Conn. One Dan Houghlin, a member of Local 287, and several others (names not recalled) who had been unloaded back on the truck and told him to return to the Interstate warehouse and not to take the truck out if he knew what was best for him. Houghlin put the goods back on the truck and brought it back to the terminal.

During December Interstate tried to keep Local 287 satisfied and Houghlin was employed to work for a couple of days during the week of December 24, 1933. Although he only worked two days during that week, Houghlin demanded pay for Monday, Christmas Day, even though he was only hired by the day. Houghlin at that time asked Mr. Mac what for the fee dollars involved. It might have been a freight

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JAN 13 1934
U.S. DEPT. OF JUSTICE

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On January 4th, an Interstate driver by the name of McBride went to Pier #20, North River, National Carloading Company. When he arrived there a group of five or six men met him and told him not to deliver any freight but to return to the terminal. McBride called Mr. Mac on the phone and Mac immediately drove to the pier. At that time there was only one man outside belonging to the subject union, and his name was Foley. Foley was one of those men who had threatened McBride. When Mac arrived McBride and Mac unloaded the truck without interference.

From this point McBride drove to the United States Rubber Company, 61 Hudson Street, and Mac returned to his office. McBride again called Mac from the latter point and stated a gang had followed him and was again threatening him. Mac went to 61 Hudson St., and parked his car nearby. At that time he saw Loughlin in the neighborhood. While McBride was phoning some wires were removed from his truck and on going back to his own private car after he had parked the same in the vicinity of 61 Hudson Street, Mr. Mac found all the wires torn from the distributor of same.

On January 4th, two men came to the Interstate terminal on Washington Street, tore the phones from the wall and threw them into the street. These men were unknown to Mr. Mac but they stated to him that he had to sign up with Local Union 444 to hire Union men. According to Mr. Mac, the Interstate drivers were formerly all members of Local #445 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America at New Haven, Conn. but due to the fact that membership in this local has not been of any advantage to them in trucking into New York, they have recently abandoned such membership. Mr. Mac's company employs about fifty truck drivers and operates forty trucks, all doing business between Connecticut points, New York City and Boston, Mass.

The principal parties involved in the conspiracy to keep Mr. Mac out of business have, according to him, been Dan Loughlin, one Callahan, one Halpern, one Klesner and one Foley.

Very truly yours,

P. I. EAT
Special Agent in Charge

Convincing

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

JHM:ML
60-400

December 29, 1933.

JAN - 4 1934

Hon. Martin Conboy,
U. S. Attorney,
Southern District of New York,
Old Post-Office Building,
New York, N. Y.

RE: International Brotherhood of Teamsters,
Chauffeurs, Stablemen and Helpers of
America - Locals Nos. 27, 138 and 607.
Antitrust.

Dear Sir:-

In accordance with Department circular #2493, I am transmitting herewith a letter dated October 17, 1933, addressed to the Department of Justice, Washington, D. C., signed "American Citizen". This letter relates to a complaint against the International Brotherhood of Teamsters, Chauffeurs, Stablemen & Helpers of America, Local #138, with headquarters at 138 Rivington Street. I am also forwarding a memorandum prepared by Special Agent O'Leary of this office, regarding a complaint made by Mr. D. P. Mac against Local #607 of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America.

It will be noted that these two complaints refer to different locals of the same organization.

Under date of November 28, 1933, a report of Special Agent J. F. O'Donnell, dated October 18, 1933, under the caption of JOSEPH PARISI was forwarded to your office. This report refers to Local 27 of the same organization.

I await your advice as to the further attention which is to be given to these matters.

Yours truly yours

P. L. FAX,
Special Agent in Charge.

Encs.
cc Division

60-1759
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JEL:RGL

60-1700

December 26, 1933.

Special Agent in Charge,
Division of Investigation,
U. S. Department of Justice,
Room 2403, 370 Lexington Avenue,
New York, New York.

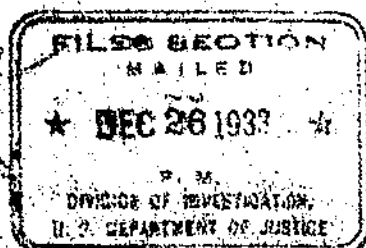
Dear Sir:

Re: Local No. 138, International Brotherhood
of T., C., S. and N. of A.,
Antitrust Matter.

Your attention is invited to Division letter of
November 21, 1933, requesting that the facts in the above
case be submitted to the United States Attorney for the
Southern District of New York in accordance with Department
Circular 2493.

Very truly yours,

Director.



RECORDED
&
INDEXED

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60-400
JNU:ASB

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

November 26, 1933

Mr. Thomas E. Dewey
United States Attorney
Old Post Office Bldg.,
New York, N.Y.

Re: ^C Joseph Parisi, et al
Antitrust

Dear Sir:

Transmitted herewith in compliance with instructions issued by Harold M. Stephens, Assistant Attorney General, pursuant to Departmental Circular #2493, are report of Special Agent J. F. O'Connell, dated October 16, 1933 together with exhibit 1 of that report, and copy of an anonymous letter signed "American Citizen", addressed to "Department of Investigation, Washington, D.C." under date of October 17, 1933.

These enclosures are being transmitted for your consideration and for such action as you deem necessary, and it is requested that you notify me of your wishes in the premises.

Very truly yours,

F. X. FAY
Special Agent in Charge

cc Division
enclosures

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November 21, 1933.

60-1759-3X

MEMORANDUM

Special Agent in Charge,
Division of Investigation,
U. S. Department of Justice,
370 Lexington Avenue, Room 1409,
New York, New York.

RE: LOCAL NO. 138, INTERNATIONAL BROTHER-
HOOD OF T., O., S. and H. of A.--
ANTITRUST MATTER

Dear Sir:

Transmitted herewith are copies of a memorandum received from Assistant Attorney General Harold M. Stephens dated November 15, 1933 suggesting that the facts in this case be presented to the United States Attorney for the Southern District of New York in accordance with Department Circular No. 2493.

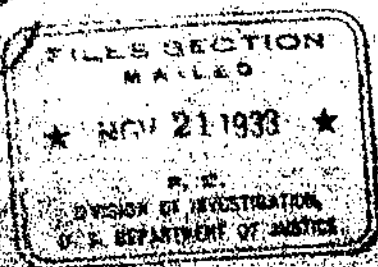
The only information available in this matter is an anonymous communication addressed to the Division under date of November 17, 1933, copies of which are also transmitted herewith.

Please present these facts to the United States Attorney at the earliest opportunity.

Very truly yours,

Director.

Incl. 663643



JBL:CHM
60-1760-2

November 21, 1933.

60-1759-3X

MEMORANDUM FOR ASSISTANT
ATTORNEY GENERAL STEPHENS

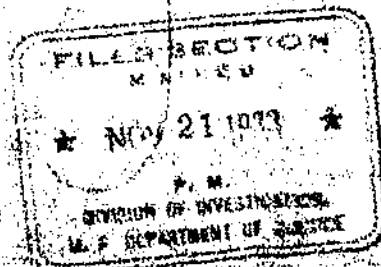
RE: LOCAL NO. 139, INTERNATIONAL BROTHERHOOD
OF T., O., G. and E. of A.—ATTITUDE MATTER

Receipt is acknowledged of your memorandum dated November 15, 1933 suggesting that the facts in the above case be submitted to the United States Attorney for the Southern District of New York in accordance with Department Circular 2493.

Please be advised that the New York Office is being instructed to give this matter appropriate attention.

Very truly yours,

Director.



RECEIVED REPLY TO
THE ATTORNEY GENERAL
AND REFER TO
INITIALS AND NUMBER

DEPARTMENT OF JUSTICE

WASHINGTON, D. C.

61-171-37

November 1, 1936

Mr. J. Edgar Hoover, Director, Federal Bureau of Investigation
Washington, D. C.

Reference is made to your memorandum of October 27
transmitting copy of a letter complaining about the
racketeering activities of some members of the above-
mentioned labor union. In order to carry out the pro-
cedure inaugurated by Departmental Circular No. 2493,
please instruct your New York office to submit the same
to the United States Attorney for the Southern District
of New York for his consideration and whatever action
he deems necessary.

Harold M. Stephens
HAROLD M. STEPHENS,
ASSISTANT ATTORNEY GENERAL.

*File & report
NYC 11/2/36
JBL*

60-17129-3X	
NOV 10 1936	
RECEIVED	FILE

JBL:CSH
60-1759-3

RECORDED

November 21, 1933.

MEMORANDUM FOR ASSISTANT
ATTORNEY GENERAL STEPHENS

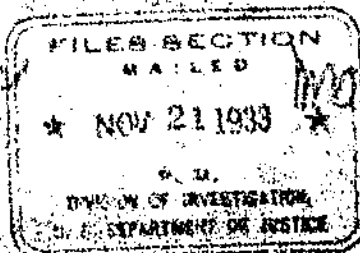
RE: JOSEPH PARISI, et al—Local No. 27
INTERNATIONAL BROTHERHOOD OF T., C.,
E. and H. of A.—ANTITRUST MATTER

Receipt is acknowledged of your memorandum dated November 15, 1933 together with Exhibit 1 attached to the report of Special Agent J. F. O'Connell, New York City, dated October 16, 1933, suggesting that the facts be referred to the United States Attorney for the Southern District of New York in accordance with Department Circular No. 2493.

This matter is being referred to the New York City Office of this Division with instructions to pursue the course of action suggested.

Very truly yours,

Director.



JSL:CEM
60-1759-3

November 21, 1933.

Special Agent in Charge,
Division of Investigation,
U. S. Department of Justice,
370 Lexington Avenue, Room 1403,
New York, New York.

RE: JOSEPH PARISI, et al--Local No. 27
INTERNATIONAL BROTHERHOOD OF T.,
C., S. and M. of A.--ANTITRUST MATTER

Dear Sir:

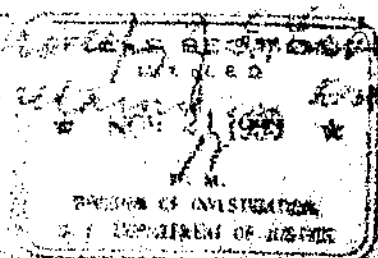
There are transmitted herewith copies of a memorandum received from Assistant Attorney General Harold M. Stephens dated November 15, 1933, together with Exhibit 1 of the report submitted by Special Agent J. F. O'Connell, dated October 16, 1933, in which it will be noted that the facts should be submitted to the United States Attorney for the Southern District of New York in accordance with Department Circular No. 2493 incorporated in a letter from the Division dated November 17, 1933.

Please have these facts presented to the United States Attorney at the earliest opportunity.

Very truly yours,

Director.

Incl. 665642



ADDRESS REPLY TO
THE ATTORNEY GENERAL
AND REFER TO
UNIT AND NUMBER

DEPARTMENT OF JUSTICE
WASHINGTON, D. C.

67-177-17

November 1, 1933

TO: SAC, NEW YORK
FROM: Director, Department of Justice

Reference is made to your memorandum of October 26 transmitting copy of a report of Special Agent J. J.

McConnell of New York City with reference to a complaint of George E. Price of New York City against Local 27 of the Brotherhood of Teamsters, etc. and its representative, Joseph Terisi. Please have your New York office submit this matter to the United States Attorney for the Southern District of New York in accordance with the procedure outlined in Departmental Circular No. 2493.

Attached hereto is original of Exhibit No. 1 which was transmitted to this Division as an exhibit to the report of Special Agent McConnell. It is suggested that this exhibit be transmitted to the New York office for submission to the United States Attorney as above directed.

Handwritten: 67-177-3
Handwritten: Harold M. Stephens
HAROLD M. STEPHENS, 1933
ASSISTANT ATTORNEY GENERAL.

RECORDED

Inclosure 277982

Handwritten: 67-177-3
Handwritten: 11/2/33
Handwritten: M.

JML:GJ
60-1759

November 11, 1933.

RECORDED
&
INDEXED

60-1759-2
MEMORANDUM FOR ASSISTANT ATTORNEY GENERAL KEENAN.

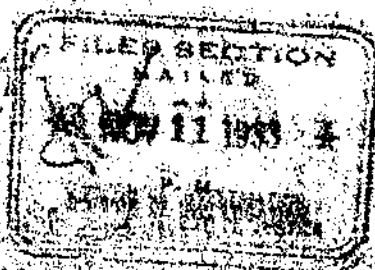
Attention: Mr. J. W. B. Smith.

With reference to your conversation with Mr. Hughes of this Division recently, I am attaching hereto copies of the fingerprint records of one Joseph Parisi, one James Rinaldo, and one Anthony Leggio, who may possibly be identical with the individuals you had under discussion and who are believed to be racketeers in New York City.

Very truly yours,

Director.

1 Encl. #366838



U. S. Department of Justice

Washington, D.C.

November 7, 1933.

The following is a transcript of the record, including the most recently reported data, as shown in the files of the Division of Investigation concerning our number

272535.

J. E. Hoover, Director.

Contributor of Fingerprints	Name and Number	Arrested or Received	Charge	Disposition
FD, New York, N. Y.	Joseph Parlati, #3-56267	4-28-30	miscellaneous (felony) - malicious mischief	4-28-30, disch.
FD, New York, N. Y.	Joseph Parlati, #3-56267	4-30-30	miscellaneous (felony #41) - malicious mischief	4-30-30, disch.
FD, New York, N. Y.	Joseph Leggio, #3-56267	10-8-31	homicide - assault (gun and axe)	10-14-31, disch.
FD, New York, N. Y.	Joseph Parlati, #3-56267	5-11-33	concealment	
FD, New York, N. Y.	Joseph Parlati, #3-56267	9-12-33	assault and robbery (gun)	
FD, New York, N. Y.	Joseph Parlati, #3-56267	10-3-33	fel. assault #12	
1-10-35, Brooklyn, N. Y., rape; 5-15-35, 10 to 15 years State Sing Prison.				

61-1759-2

U. S. Department of Justice

Washington, D.C.

November 7, 1933.

The following is a transcript of the record, including the most recently reported data, as shown in the files of the Division of Investigation concerning our number

877037.

J. E. HOOVER, Director.

Contributor of Fingerprints	Name and Number	Arrested or Received	Charge	Disposition
St. Nat., Elmira, N. Y.	1-4-22, as James Rinaldo, N.Y.C., robbery; 1-21-22, to Elmira Nat. James Rinaldo, #70392	2-22-22	G.L. 2nd degree	0 years.
West. Co. Pen., Eastview, N. Y.	3-0-25, as James Rinaldo, N.Y.C., selling narcotics; 3-12-25, 1 year West. Co. Pen. James Rinaldo, #4024	3-12-25	selling narcotics	1 year.
PD, New York, N. Y.	James Rinaldo, #1-58947	4-22-30	miscellaneous (felony) - malicious mischief	4-22-30, dish.
PD, New York, N. Y.	James Rinaldo, #1-58947	4-22-30	miscellaneous (felony) - malicious mischief	4-22-30, dish.
PD, New York, N. Y.	James Rinaldo, #1-58947	10-4-31	homicide (assault) - material witness	
PD, New York, N. Y.	James Rinaldo, #1-58947	9-12-33	assault and robbery (gun)	
PD, New York, N. Y.	James Rinaldo, #1-58947	10-3-33	fel. assault #13	
1918, truancy, 6 months N. Y. Catholic Probationary. (As on point #30308)				
1919, truancy, 3 months Flushing Truant School, Flushing, L. I.				
7-10-21, as James Rinaldo, N.Y.C., burg.; 7-14-21, dish.				

persons mentioned unsupported by fingerprints

positioned to this Bureau in any of the foregoing cases where they do not appear

CONTRIBUTOR OF FINGERPRINTS	NAME AND NUMBER	ARRESTED OR RECEIVED	CHARGE	DISPOSITION
	8-13-34, as Vincent Rinaldo, N.Y.C., vio. Harrison Act; 1 year State Prison.			
	11-7-35, as James Rinaldo, N.Y.C., revolver; 1-13-36, 1 1/2 years State Prison.			
	4-23-37, as James Rinaldo, N.Y.C., rapist; 6 months.			

• Represents notations unsupported by fingerprints.
For completion of our records, please supply dispositions to this Division
in any of the foregoing cases where they do not appear.

U. S. Department of Justice

Washington, D. C.

November 7, 1933.

The following is a transcript of the record, including the most recently reported data, as shown in the files of the Division of Investigation concerning our number

664499.

J. E. HOOVER, Director

Contributor of Fingerprints	Name and Number	Arrested or Received	Charge	Disposition
Pd. New York, N. Y.	Anthony Leggio, #B-66882	3-15-33	att. fel. assault	
Pd. New York, N. Y.	Anthony Leggio, #B-66882	9-18-33	assault and robbery (gun)	
Pd. New York, N. Y.	Anthony Leggio, #B-66882	10-3-33	fel. assault	
	12-12-33, as Antonio Leggio, N.Y.C., burg.; 12-21-33, ditch. 10-4-31, as Tony Leggio, Brooklyn, N. Y., homicide (gun); 12-14-31, ditch.			

66-1759-2

Fingerprints furnished by the contributor

JOHN EDGAR HOOVER
DIRECTOR

Division of Investigation

U. S. Department of Justice

Washington, D. C.

BEST COPY AVAILABLE

[illegible]

It is not a good idea to have a large number of people in a room at one time. It is better to have a small number of people in a room at one time. This is because a large number of people in a room at one time can be very noisy and disruptive. A small number of people in a room at one time can be more quiet and focused.

Abraham Lincoln

1. *Chlorophyll a* and *Chlorophyll b* were determined by the method of Arar and Collins (1971).

BLOODWIT

09 16 1982

60-1759-2

JEL:LC

October 20, 1933.

RECORDED

60-1759-1K

MEMORANDUM FOR ASSISTANT ATTORNEY GENERAL STEPHENS

OCT 23 1933

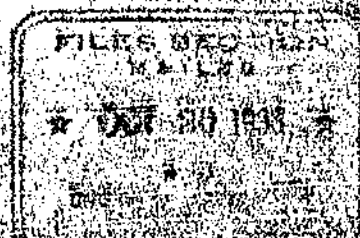
With reference to the recent complaints concerning the activities of various locals of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America in connection with their efforts to secure members among the truck drivers in the Metropolitan areas, there is transmitted herewith a copy of an anonymous letter dated October 17, 1933, received by this Division.

Very truly yours,

Encl. #679942

Director.

RECORDED



October 17, 1933.

Department of Investigation
Washington, D.C.

Gentlemen,

We are in the middle of a crisis and it depends on honest American principles to pull us thru but we are faced with a condition which is UnAmerican and ready to plunge industry back into a deeper, more dangerous rut than we experienced in the past few years.

Labor will be the stumbling block. It is being steered and directed mostly by communistic racketeers. These union delegates have such tremendous power over business and local police that it isn't safe for employer or employee to do anything but agree with their proposals.

It is a shame that men who were earning a good wage (\$30.00 to \$40.00 dollars weekly) and perfectly satisfied with conditions must against their will join a union and be forced to turn over one dollar per week dues - twenty five dollars for initiation and one days pay each week in support of strikers connected with their local. This condition brings the working mans pay below what it was before joining a labor union.

These conditions cause the breaking down of morals among labor to say nothing of the way it jeopardizes private business.

It is imperative that a secret service man gain admittance to the meetings of the International Brotherhood of Teamsters Union Local # 138 with headquarters at 157 Livingston Street, New York City. He would soon find out how the members are dom insered by the higher ups who are merely conducting a racket to fill their pocketbook.

It is with regret that this statement goes unsigned due to fear of foul play by gorillas dominating both labor and industry.

Here's hoping this letter will not be just cast aside but in ~~xxxx~~ it's stead a real effort made for the betterment of our present cause ,the NPA. m

RECORDED

&

INDEXED

OCT 23 1933

60-1759-18	
Yours truly,	
OCT 21 1933	
American Citizen	
Unit One	FILE

2 copies to SAC - N.Y.
11/22/33

RECEIVED
60-1759-1

October 25, 1933

RECEIVED

MEMORANDUM FOR ASSISTANT ATTORNEY GENERAL STEPHENS

There is transmitted herewith a copy of a report submitted by Special Agent J. F. O'Connell, New York City, October 16, 1933, with reference to JOSEPH PARISI, et al, ANTITRUST MATTER, containing the complaint of Mr. George H. Brick.

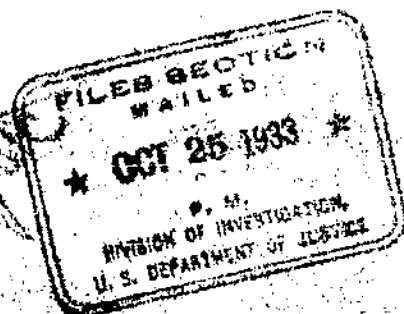
The exhibit mentioned in this report is also attached hereto, no copy thereof being retained in the Division's file.

I shall appreciate being advised whether investigation is desired of Mr. Brick's complaint, as a possible violation of the Antitrust statutes.

Very truly yours,

Director.

Incl. 676971



UNITED STATES BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

NEW YORK CITY

NY

FILE NO.

60-100-470

REPORT MADE AT NEW YORK CITY	DATE WHEN MADE 10-16-38	PERIOD FOR WHICH MADE 10-5-33/10-7-33	REPORT MADE BY J. F. O'CONNELL
TITLE JOSEPH BARISI. FRANK RUFFALO. ANTHONY LEGGIO.			CHARACTER OF CASE ANTITRUST
CHARLES KONIK. LOUIS LEPRK. CHARLES LACKEY.			

SYNOPSIS OF FACTS:

Complaint received from George H. Brick of Brick and Ballenstein, New York City, manufacturers of paper boxes, to the effect that subjects through their connections with the Paper Box Makers Union and the Truck Drivers Union, both of New York City, are interfering with interstate commerce and by threats and violence forcing workers in both trades to join the respective unions and are extorting large fees from these unions. Details of complaint indicate that persons implicated by Brick are racketeers.

P.

DETAILS:

AT NEW YORK CITY

Mr. George H. Brick of the firm of Brick and Ballenstein, 111 West 32nd Street, New York City, appeared at the office of Colonel S. Hutchinson, Chief of Investigation of the Senate Committee, investigating racketeering, and made a complaint relative to the paper box industry and was subsequently referred to the New York Division of the FBI by Colonel Hutchinson.

DO NOT WRITE IN THESE SPACES

APPROVED AND
FORWARDED

COPIES AND
REMARKS

COPIES OF THIS REPORT

MAILED

CHECKED

OCT 20 1938

RECEIVED

Division
S. J. J.
S. J. J.

RECEIVED

NEW YORK FILE #60-400

Mr. George H. Brick informed agent that the chief cause of all the difficulty of which he had complained is an Italian racketeer named Joseph Parisi. He stated that the Paper Box industry is an important industry in the metropolitan district, there being 215 shops in New York, Long Island and Brooklyn and about 40 shops in the state of New Jersey, all of which are engaged in the making of paper boxes. The principal business done by these people is local and there are shipments made in interstate commerce from New York into New Jersey and into Connecticut and from New Jersey into New York. Mr. Brick displayed a letterhead bearing the name of Joseph Parisi with his title set out as "Representative, Paper Box Drivers Union Local No. 27 I.P. of T., 226 Lafayette St., New York City, Canal 4-8000" and also displayed some stationery bearing the name of Charles Voulis who is designated thereon as "Business representative, Paper Box Makers Union, Local 18239, American Federation of Labor". Mr. Brick stated that the drivers of trucks used in making deliveries of paper boxes are employed generally by the manufacturers themselves who in most instances own their own trucks. He stated that there had been numerous instances in which violence has been used to force inside employees of the paper box manufacturing industry to join the union and that threats and violence have also been used to coerce truck drivers to join the Truck Drivers Union; that Parisi and his henchmen are connected with these unions ostensibly in the guise of workers; that their only purpose in belonging to the union is to place them in a position where they can dictate the conduct of the business insofar as it involves both workers and employers. He stated that they derive a lucrative revenue from the workers in the form of dues and initiation fees.

He stated that he had discussed the matter with Inspector John J. Lyons of the New York City Police Department and that the latter had informed him that he considers Parisi as one of the three worst racketeers in the city of New York. Brick further stated that Parisi has a long record of arrests on criminal charges; that Lepke is also connected with the racket, has served a sentence at Sing Sing Penitentiary; that Rinaldi has served three felony convictions and that Parisi is the only one of Parisi's cohorts who has no criminal record.

He referred agent to Mr. Harry Rosen, secretary of the Packaging Credit Bureau as a source of further information involved in the complaint and also referred agent to Herbert Rubenstein, an attorney, now representing the Packaging Credit Bureau as having still further information comprising the complaint in the instant matter.

NEW YORK FILE #62-100

Mr. Harry Roden was interviewed at his office at 8 West 18th St., New York City. He submitted a typewritten list of names and addresses with telephone numbers of manufacturers of paper boxes in New York City and Brooklyn, explaining that either the men whose names appear on this list or workers in their employ have been victims of threats or assaults or both from one or another of the Parisi gang as a result of their activity in the Paper Box Industry, explaining further that most of these assaults have been made on truckmen as they were driving the trucks. This list which appears on two pages is being attached to the Division copies of this report marked Exhibit 1.

With reference to the criminal records and past history of the subjects in the case, Mr. Roden referred agent to Samuel Rioskove, Parole Commission, Municipal Building, New York City, telephone North 2-2560, explaining that Mr. Rioskove is well acquainted with practically all of the subjects. At the time of interview with Mr. Roden he had in his office two men named Louis Smith and Herman Wiener who he stated had information pertaining to the instant matter. Smith who gave his address as 380 Robbins St., Brooklyn and Wiener whose address is 664 East 14th Street, Bronx explained that the round box industry is under the control of Parisi and Vonie. Smith stated that he attempted to go in the round box business during the summer of 1933. That he went to the Belmont Paper Box Company for capital to finance the enterprise and an agreement was reached whereby the capital would be advanced. Later Parisi and Vonie approached Smith and told him that if he wanted to go into the round box business he would be without his hat indicating to him that they would kill him. They went to the Belmont Paper Box Company and told Mr. Rosinsky of that company that if he would go into the paper box business they would put him out of business. Wiener stated that Parisi told him that if Smith went into the round box business he, Parisi, would dash his brains out. At the time that remark was made Parisi and Vonie were together and Wiener was alone. This incident happened during the first part of July, 1933. This man further stated that Parisi organized the inside help in the round box industry and is also believed to have entered an agreement with the manufacturers regarding the supplying of any competition by being their understanding that the manufacturers agreed to recognize Parisi's union in the event that Parisi would agree to prevent competition from other manufacturers. This man further stated that there are approximately 2400 members who belong to the paper box makers union; that Parisi collected numerous strike benefits from members of the union and has failed almost entirely to give an accounting concerning these collections.

NEW YORK FILE #60-400

Norbert Rutenberg was interviewed at his office, 1776 Broadway, telephone, Circle 7-1801. He was unable to produce any information not previously recorded but promised his full cooperation. Pending instructions from the Division no further investigation will be conducted by this office.

PENDING

GOVERNOR ASKS LUCIANO RETURN

Signs Extradition Papers for
Reputed Vice Overlord
Held in Arkansas.

Governor Lehman this morning signed extradition papers reciting charges of compulsory prostitution against Charles (Lucky) Luciano, reputed overlord of a \$12,000,000 New York vice ring, Special Prosecutor Thomas E. Dewey said today.

They are being brought here by a special messenger of the Governor. Detective Stephen Di. Rose of Mr. Dewey's staff will board a plane at 7:30 tonight and take them to the Governor of Arkansas.

corpus petition in Hot Springs, Ark. Luciano charged his indictment was the result of "vicious politics."

Meanwhile, the Appellate Division upheld the first contempt sentence in the history of the State for one giving evasive answers to a Grand Jury. The decision was four to one, Justice Untermyer dissenting.

Abraham Finkel, owner of a cafeteria at 79 W. 135th St., was sentenced to thirty days for failing to give satisfactory answers concerning payments to the Metropolitan Restaurant and Cafeteria Owners Assn., called by Mr. Dewey "racketeering outfit." Mr. Dewey said the decision was "most important in strengthening the enforcement of the criminal law."

In Arkansas, Luciano asserted the warrant on which he was arrested yesterday was issued October 23, 1934, and the New York authorities have known his whereabouts since and could have obtained service at any time.

"When I left New York last year," said the accused man, "I conferred with the Chief of Police of Miami telling him who I was. The New York authorities knew that and they also knew when I came to Arkansas."

"Regarding the charge that I aided in prostitution, I wish to most emphatically state that it is false."

"Back of the action against me is politics, the most vicious kind of politics. I may not be the most moral and upright man that lives, but I have not at any time stooped so low as to become involved in aiding prostitution."

The Appellate Division unanimously confirmed without opinion the lean shark conviction of Fred Engel, who operated in the Times Square area. He was given a year's sentence.

62-5773-1
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
APR 2 1935
NEW YORK
CJ

Vice Jury Finds 4 Indictment Against Luciano

Dewey Agent Is Expected to
Reach Hot Springs Today
to Seek His Extradition

Trial to Start on Return

11 Held Here Also to Face
Prostitution Ring Charges

The extraordinary grand jury investigating rackets in New York County handed up four indictments yesterday against Charles Lucky, whose real name is Charles Luciano, New York racketeer. He is in jail awaiting extradition proceedings following his arrest in Hot Springs, Ark., Wednesday, by agents of Thomas E. Dewey, special prosecutor.

Chancellor Sam W. Garratt, who ordered Luciano re-arrested following his release in \$5,000 bail soon after the arrest Wednesday, announced yesterday the racketeer's hearing would await the arrival in Hot Springs of Edward McLean, assistant to Mr. Dewey, who is expected to reach that city today.

Trial Set on Return Here

The trial of Luciano will take place as soon as the prisoner is returned to New York City, Mr. Dewey's office announced yesterday. With him will be tried eleven of his alleged henchmen, who were named in the grand jury indictments yesterday and who are reported to have aided Luciano in controlling all organized prostitution in the city. The gross take of the vice ring has been estimated by Mr. Dewey's office at \$12,000,000 a year.

The eleven men are now in jail in \$75,000 bail each. They were arrested in a series of raids conducted by agents of Mr. Dewey on February 1 against forty-one houses of prostitution in Manhattan and Brooklyn. Eighty women and thirty men were arrested with the eleven, and are in jail in bail of \$10,000 to \$25,000 each as material witnesses against the alleged leaders.

The twelve alleged leaders of the vice ring, all of whom have police records, are as follows:

- Charles Luciano, alias Lucky Luciano, Lucky and Charles Lane.
- Thomas Pennochio, alias Tommy Bull, Thomas Nelson and Thomas Sullivan.
- David Bettio, alias David Bettio, Robert Quello, David Rossa and Little David.
- James Frederico, alias Jimmie Fredericks and Goldberg.
- Abraham Wahrman, alias Abe Heller and Abe.
- Jessie Jacobs.
- Benny Spiller.
- Meyer Berkman.
- Peter Balitzer, alias Pete Harris and Philip Henry.
- Al Wiener.
- David Marcus, alias David Muller.
- Jack Ellenstein, alias Jack Eller.
- Jack Ellers and Jack Ellis.

Luciano Called Head of Ring

Seven months' investigation, Mr. Dewey's office revealed, had disclosed information that indicated Luciano was head of the vice ring with Bettio as his chief lieutenant, Pennochio his treasurer and Wahrman in charge of his strong-arm department to enforce collections and obedience. Jacobs and Burkman handled the legal end of the business, it was reported, and Frederico and Spiller managed collections. The remaining members of the twelve indicted were all bookers of prostitutes. It was said each of the four indictments yesterday carried six counts against the twelve men, with a seventh count of conspiracy added to one indictment. All of the indictments are felonies, carrying a maximum penalty of twenty-five years in prison for each indictment.

Charges in Indictment

The indictments charged the twelve men with committing compulsory prostitution by placing women in houses of ill repute, with receiving the proceeds of the earnings of prostitutes and with conspiracy to operate a wholesale business of prostitution by compelling madams and prostitutes to abide by rules of the combination.

The indictments further charged the leaders of the vice ring with compelling prostitutes to book from house to house, with requiring them to pay regular portions of their earnings to the combination for permission to continue in business and with conspiracy to prevent continuing operation of houses outside the combine by threatening raids and attacks by thugs.

The final counts of the indictments alleged that the combination had agreed in advance to post bail for women arrested, agreed to furnish counsel, supply doctors, teach inmates how to testify falsely and to arrange removal of the defendants from jurisdiction of the courts if conviction seemed imminent.

Informed last night that Luciano had issued a statement attributing his arrests to politics and had described himself as the victim of a frame-up, Mr. Dewey said, "I will answer the complaints of felons."

62-3772-1A

Q7

Law Agencies In West Fight Over Luciano

County Officials, Holding Up Extradition Action Against Dewey Suspect in Arkansas, Face Arrest

Special to the Herald Tribune

HOT SPRINGS, Ark., April 3.—Charles Luciano, New York racketeer, best known as "Charlie Lucky," remained in Garland County jail here tonight after a day of legal wrangling that ended with the refusal of local authorities to permit the removal of the racketeer to Little Rock for a hearing before Governor J. Marion Fretwell on his extradition to New York.

Attorney General Carl E. Bailey announced he would file Garland County authorities for contempt of court on charges that they took Luciano into their custody after he was legally in the custody of Little Rock authorities.

After counsel for the racketeer asserted the attempt to remove him to Little Rock was "an effort to take Luciano where he has no friends and will be unable to make bond," Mr. Bailey posted two deputy sheriffs from Little Rock on guard at the jail with instructions to take the racketeer into custody at once if he should be released by Hot Springs authorities.

Lawyers Employ Strategy

Lawyers for Luciano, who was arrested here Wednesday on a warrant charging compulsory prostitution by agents of Thomas E. Dewey, special racketeer prosecutor for New York County, learned that Edward McLean, Mr. Dewey's special agent, who arrived here early today, would move to dismiss the original warrant on which the racketeer was arrested. Foreseeing that Luciano would be rearrested immediately for extradition to Little Rock, his counsel served a warrant on their client, charging him with being a fugitive from justice.

When Attorney General Bailey arrived from Little Rock with a fugitive from justice warrant, counsel for Luciano had filed an amendment to his habeas corpus application in Hot Springs Municipal Court by which he requested that Mr. McLean be removed from the case, and asking the court to issue an order over Luciano.

County Holders Represent Him
The array of counsel for Luciano in court consisted of Davies, City Attorney, Richard M. Ryan, former president of the local bar, and James R. Campbell, State Representative from Garland County. Mr. McLean explained to the court that Luciano had been indicted yesterday by the extraordinary grand jury investigating rackets in New York County on charges of compulsory prostitution arising from his formation of a vice ring controlling prostitution in Manhattan. The special agent asked that the racketeer be held.

Continued on next page—page 34

(Continued from page one)

An \$200,000 bail for extradition to New York. He said that Governor Herbert H. Lehman had forwarded a warrant for the extradition of the racketeer. In dismissing the habeas corpus warrant against Luciano, Chancellor Sam W. Garratt denied a request for a restraining order that would prevent the transfer of Luciano to Little Rock. However, the racketeer was remanded into the custody of Roy E. Emery, Chief Deputy Sheriff of Garland County, and on advice of counsel to Luciano was not turned over to Mr. McLean and Attorney General Bailey. Asserting in court that he realized a fight would be made in behalf of Luciano to prevent his extradition to New York, Mr. McLean told the court he was interested primarily in seeing that the man does not escape. Chancellor Garratt declined to rule on which of the two warrants was served first on Luciano here this afternoon—that of his counsel, charging the prisoner with being a fugitive from justice and preventing his removal to Little Rock, or Attorney General Bailey's fugitive warrant asking for Luciano's immediate removal to Little Rock for extradition hearings.

Lawyers for the racketeer announced they would exert every possible legal means to forestall the transfer of Luciano to Little Rock tomorrow. It is expected that Luciano will be brought into Municipal Court here this morning on the warrant issued by his lawyers and that application for bail will be made.

Information from Mr. Dewey, Mr.

McLean revealed today, disclosed that Detective Stephen Di Rosa, of the special prosecutor's staff, started by plane from New York at 7:30 p.m. tonight with extradition warrants from Governor Lehman to Governor Fretwell.

Luciano had dinner enough for every one in the county jail sent in to him, consisting of spaghetti, fried chicken, potatoes, salad, cheesecake and coffee. The two Little Rock officers were invited by Luciano to partake of his repast. One of them had a late meal, but the other accepted the invitation for half a chicken. Both Mr. Bailey and Mr. McLean returned tonight to Little Rock.

Called "Most Dangerous" Racketeer

Mr. Dewey charged Wednesday that Luciano was the "most dangerous and important racketeer in New York City, if not in the country," and was head of a vice ring doing a gross business of \$12,000,000 a year in Manhattan and Brooklyn. Eleven of the racketeer's alleged henchmen are now in jail in bail of \$75,000 each awaiting trial on charges of compulsory prostitution. These eleven men were arrested together with eighty women and thirty men, now jailed in bail of \$10,000 to \$25,000 each as material witnesses in a series of raids on forty-one houses of prostitution by agents of Mr. Dewey on February 1.

Luciano and his eleven alleged henchmen were named in four indictments handed up by the grand jury Thursday charging compulsory prostitution. Trial of Luciano and the eleven men awaited only the return of the racketeer to New York City.

When Mr. Dewey was informed of the arrest of Luciano in Hot Springs Wednesday and of his subsequent release in \$5,000 bond, he expressed the fear that he would find it difficult to gain the extradition of the racketeer to New York. Luciano subsequently was re-arrested and held in jail without bail after Hot Springs authorities were informed of the seriousness of the charges against him.

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POLICE TAKE LUCIANO BY FORCE

20 Arkansas Rangers
Seize Vice Czar
in County Jail

Special to the Evening Journal.
HOT SPRINGS, Ark., April 1.

Machine guns gleaming in the sun, twenty determined State rangers stormed the Garland County jail today, cowed protesting armed deputy sheriffs and dragged Charles (Lucky) Luciano, so-called vice overlord of New York City, from his cell.

The attack sudden and surprising to Sheriff Emery and his men, was staged much as a lynching episode—excepting the rangers were representing the State Attorney General and were armed with a warrant for Luciano's arrest signed by Circuit Judge Abner McGhee, of Little Rock.

\$200,000 BAIL

Attorney General Bailey ordered the surprise attack after receiving a warning from Prosecutor Thomas E. Dewey, in New York, that:

"Luciano is Public Enemy No. 1 in New York. He is one of the most dangerous criminals at large today."

The New York prosecutor asked Arkansas officials to make his bail as high as possible and Bailey promptly agreed that Luciano should be given his liberty, pending outcome of the extradition proceedings if he can post \$200,000.

Friends of Luciano—and he had made many here—scurried out after the huge sum. Luciano's attorney said later he had but \$50,000 available.

Handcuffed during the trip to Little Rock, blustering and storming against "this outrage," Luciano will be placed under heavy guard when he reaches the State capital.

TAKEN TO CAPITAL

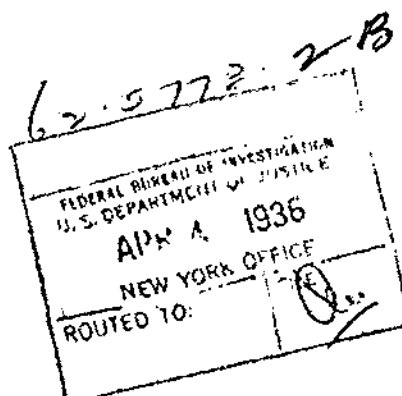
Luciano, swarthy, pug-nosed and a reputed owner of much property hereabouts, was rudely and effectively tossed into an automobile and the vigilantes of plains and hills began their cavalcade to the State capital.

There, it is expected, the Governor will shortly issue extradition papers sending Luciano back to New York for trial on charges of compulsory prostitution.

Behind the strange episode of State police and the sheriff's being in conflict is a thwarted plan of escape accredited to the wily brain of Luciano.

In heavy funds, Luciano bought a house here. He made connections with politicians and was tipped that the Criminal Court in Little Rock had issued a warrant for his arrest as a fugitive from justice from New York, where Special Prosecutor Dewey had obtained an indictment against him. Luciano was arrested, then by the sheriff on a warrant issued by the Municipal Court here. This warrant also charged he was a fugitive and was arranged by Luciano's attorneys, headed by City Attorney A. T. Davies and Richard A. Ryon, former head of the local bar association.

Anticipating a possible plot of engineered escape through a sudden quashing of the Municipal Court warrant, Attorney General Bailey ordered the county jail surrounded by rangers until the warrant from Circuit Court arrived.



Lindbergh Law May Be Used to Return Luciano

Dewey Announces Plan to Invoke Federal Act if Vice Suspect Wins at Hearing

Police Off for Arkansas

Will Seek to Break Alibi, Get Extradition Ruling

Thomas E. Dewey, special prosecutor for rackets in New York City, announced yesterday that he would invoke Section 408c of the United States Criminal Code, passed in 1934 as a result of the Lindbergh kidnaping, to force the return of Charles Luciano, New York racketeer, better known as "Charley Lucky," to face trial in New York on an indictment charging compulsory prostitution if Luciano's extradition hearing this afternoon before Governor J. Marion Futrell in Little Rock, Ark., fails.

The law, seldom used since its passage, provides that it is a Federal crime punishable by five years imprisonment or a \$5,000 fine to move from one state to another to avoid prosecution for a felony or to avoid giving testimony in any criminal proceedings charging a felony. Compulsory prostitution under the New York State penal code is a felony.

Aid of U.S. Is Sought

To assure the use of the Federal statute Mr. Dewey requested Lamar Hardy, United States Attorney, to ask Federal authorities in Little Rock to arrest Luciano on the Federal charge if Luciano and his array of attorneys succeed in delaying or defeating the extradition proceedings, it was learned yesterday.

United States District Attorney Fred A. Isgrig said, according to The Associated Press last night, he would file Federal charges today against Luciano there, charging him with extorting money with threats of violence against Al Weiner, described as a "hooker of women," and with being a fugitive from another state. He acted at the request of Mr. Hardy, he said. Mr. Isgrig added that he would file a holdover warrant which will give Federal authority jurisdiction if the state should decide to abandon custody of the racketeer.

Luciano's arrest Wednesday in Hot Springs, Ark., was followed by a series of legal maneuvering which resulted in Luciano's rearrest and his bail being raised from \$5,000 to \$200,000. Later, at the urgent request of Mr. Dewey and Police Commissioner Lewis J. Valentine, Luciano was committed without bail. On Saturday twenty state rangers, on orders from Governor Futrell, invaded the Garland County Jail in Hot Springs, armed with machine guns, rifles and pistols, and took Luciano fifty-five miles over mountain roads to Little Rock.

Three City Detectives Sent

Luciano, it was said in Mr. Dewey's office, will offer testimony before Governor Futrell that he was sojourning in Cuba at the very time the crime charged in the New York indictment occurred. To challenge this evidence Mr. Dewey yesterday dispatched three New York detectives who left at 5:30 p. m. by plane.

Reports from Little Rock, however, indicate that Luciano will have several prominent Hot Springs citizens testify to his presence in Hot Springs at the time stated in the indictment. It is expected that they will tell of Luciano's golf playing and his presence in several night clubs.

So confident is Mr. Dewey of the strength of his evidence against Luciano that he has several times expressed a keen desire to return Luciano to New York by any available legal means. The Federal law, Mr. Dewey feels, is the answer to the problem.

Gets U. S. Warrant for Luciano

Dewey Invokes Federal Fugitive Law to Speed Vice Chief's Extradition.

A Federal warrant under a recently enacted fugitive law was sworn out today before Commissioner Garrett W. Cotter and dispatched to Little Rock, Ark., for service upon Charles (Lucky) Luciano if he escapes from the extradition case which is to be heard this afternoon, it was announced today by Thomas E. Dewey, special vice and racket prosecutor.

United States Attorney Lamar Hardy then telegraphed Federal Attorney Fred A. Isgrig in Little Rock, telling him that the warrant was on its way by air mail and asking him to obtain a similar warrant and with it make sure that Luciano did not flee the city until the New York warrant arrived.

Obtains Extortion Warrant.

Mr. Dewey was notified at 11 o'clock by Edward McLean, his legal assistant, whom he sent to Little Rock, that this had been done and two marshals had been assigned to keep an eye on the No. 1

New York racketeer, who is under indictment here as head of a \$10,000,000 vice ring.

Yesterday Mr. Dewey obtained a warrant from Chief Magistrate Jacob Gould Schurman Jr., charging Luciano with extortion, a crime under which the Federal fugitive law can be invoked.

Meanwhile Mr. McLean is attempting to have the hearing scheduled for Wednesday on a habeas corpus proceeding in Little Rock moved up for today. Thus, if Gov. F. B. Putrell finds that the gangster must return to New York he can be removed tonight. Unless Mr. McLean is successful no matter what the outcome of the hearing this

afternoon is, Luciano will remain in Arkansas until the habeas corpus proceeding is disposed of.

This complex procedure was invoked to fight the stubborn and desperate legal moves through which Luciano hopes to thwart the New York authorities. Already the chief deputy sheriff of Hot Springs, where he was arrested last week, and his lawyer there, who is the city attorney also, have been cited for contempt for having interfered with an order of the Circuit Court to remove him to Little Rock.

Accused by Weiner.

The specific charge against Luciano in the latest move in the Federal courts to return him is that he extorted money from Al Weiner, who is in Sing Sing serving time for compulsory prostitution.

Detectives John Kennedy and John Cashman left by plane yesterday to testify with Detective Stephen DiRosa, who already is in Little Rock on this charge in the

Federal Court there, if it becomes necessary.

These additional witnesses were dispatched when it was learned that Luciano intends to place several prominent Hot Springs businessmen on the witness stand to testify that he was in that city, playing golf and in no sense hiding at the time that the extortion is alleged to have taken place.

The Federal fugitive law imposes a penalty of five years in prison and a fine of \$5,000, but it is assumed that the charge of extortion, upon which it is based, will be accepted as soon as Luciano reaches New York.

New York, N. Y.

RG:PS

April 2, 1936.

MEMORANDUM FOR THE FILE

On 4/2/36 MR. FOXWORTH telephoned and stated that press dispatches report that "LUCKY" LUCIANO has been apprehended as a result of DEWEY'S investigation into vice activities and operation of so-called "bookies" in New York, and that a secret indictment has been returned against LUCIANO, charging connection with vice activities in New York.

MR. FOXWORTH instructed that discreet inquiry be made in an effort to ascertain just what charges are pending against LUCIANO and what evidence there is to support these charges. This information should not be obtained through any contacts with DEWEY or other parties working with him; casual inquiries of police officials might develop the desired information without the inquiring Agent indicating a particular interest in the matter other than a passing personal interest.

The Bureau should be advised of any information obtained.

R. WHITNEY
SAC

62-5777-5

VICE LEADER HERE SEIZED IN ARKANSAS; OPENS LEGAL FIGHT

Luciana Is Arrested on Bench
Warrant at Hot Springs as
Dewey Rounds Out Case.

10 INDICTMENTS EXPECTED

McCook's Plea for High Bond
Ignored in Release, but
New Seizure Follows.

Charles (Lucky) Luciana, 39-year-old droopy-eyed boss racketeer of New York, was arrested yesterday at Hot Springs, Ark., on a warrant obtained from Supreme Court Justice Philip J. McCook by Special Prosecutor Thomas E. Dewey. Although Luciana is to be indicted here today by the extraordinary grand jury investigating organized vice, an Arkansas judge ignored the request of New York officials that he be held in at least \$200,000 bail and freed him on a \$5,000 bond.

Later, however, complying with an urgent request from authorities here, the court ordered Luciana returned to jail. Argument on an application for a writ of habeas corpus was set for 4 P. M. today.

Luciana, who won the nickname "Lucky" in 1929 when he was "taken for a ride" and lived to tell the tale or as much of it as it pleased him to tell—reputedly was the head of a syndicate that operated four chains of disorderly houses doing an annual business of more than \$10,000,000 in New York City. The warrant served on him in his winter retreat charged him with compulsory prostitution.

The vice racket, however, was only one of Luciana's many interests. A former associate of the late Arnold Rothstein, murdered gambler and racketeer, he fell heir to the management of many of the illegal interests of Al Capone when the Chicago underworld boss went to Federal prison for failing to declare all his profits on his income tax returns.

Trained for Seven Months
He had a big interest in the policy game and had "mashed in" on several of the more important industrial rackets. He was one of several whom the police suspected of being neither surprised nor sad when Arthur (Dutch) Schultz, Flegenheimer was murdered in Newark, N. J.

For the last seven months Mr. Dewey and his staff of investigators have been dogging Luciana's trail. The first blow was struck at him two months ago when, after five months of investigation, the police, acting under orders of the special prosecutor, raided forty houses of prostitution simultaneously.

With 110 material witnesses—eighty of them women—in custody, Mr. Dewey indicated yesterday that he was ready to go into court against the man he accused of dominating the racket. Evidence has been submitted to the grand jury, which was expected to return ten indictments against Luciana today, each carrying a possible prison sentence of twenty-five years.

With the indictments just around the corner, Mr. Dewey secretly swore out a warrant for Luciana's arrest Tuesday afternoon. On the back of it Justice McCook requested a minimum of \$200,000 bail for the racketeer's release.

Continued on Page Two

Continued From Page One

Dewey urged his investigator, who flew to Hot Springs with the warrant, to try to have Luciana held without bail.

But Luciana retained Richard M. Ryan, former head of the Garland County Bar Association, to defend him and charged that he was being framed. Chancellor Sam W. Garratt released him in \$5,000 bail and scheduled a habeas corpus hearing for April 7.

Low Bail Arouses Dewey

Announcing that he had sent Edward McClean, one of his assistants, to represent the State of New York at the scheduled hearing, Mr. Dewey made no secret of his disappointment at the low bail, but since he has followed Luciana's movements from day to day since January, when the racketeer was sojourning in Miami, the special prosecutor was not afraid he would lose his man.

Mr. Dewey issued the following statement before receiving word that the racketeer had been ordered rearrested:

"I cannot understand how any judge could make such an order unless he was ignorant of the facts. It would be a shocking thing if this man were released in such bail after the judge was aware of the nature of the case.

"Luciana is generally and correctly regarded as the most dangerous and important racketeer in New York, if not in the country. After prolonged investigation by my office we are prepared to procure an indictment based on one of the rackets in organized crime directed by this man.

"Judge McCook, a justice of the Supreme Court, has indicated that bail should be \$200,000 at the minimum, and I cannot believe that a judge of the State of Arkansas would set lower bail if he were acquainted with the nature of the case. This case involves one of the largest rackets in New York and one of the most loathsome types of crime."

Investigation by members of Mr. Dewey's staff has produced evidence indicating that Luciana, with the aid of gunmen and other aides, most of whom are being held in heavy bail, organized four competing chains of disorderly houses into one big syndicate, which employed its own lawyers, doctors and bondsmen.

Under this set-up, it was charged,

62-5773-6

every prostitute in the city paid a weekly tax of \$10 to Luciana. Similar tribute was paid by other small fry in the racket.

Luciana's chief assistant, the investigators said, was David Battilo, 28 years old, who until Capone was sent to prison in 1931 was one of the Chicago gangster's first lieutenants.

Upon Capone's imprisonment, Battilo, who has a record of many arrests but few convictions, dating back to 1924, returned to his home city of New York and joined the gang headed by Luciana, then a rising young racketeer with ambitions to exterminate the opposition of such rivals as Dutch Schultz and entrench himself as the czar of the underworld.

It was the task of Battilo, who is being held in \$100,000 bail pending trial on charges of compulsory prostitution, according to investigators, to consolidate and coordinate four competing vice syndicates which, until three years ago, operated independently.

In this task, as well as that of convincing obdurate independents that they should join the chain, Battilo was said to have had the help of two "muscle men," Abe Wahrman and James Frederico, alias Jimmy Fredericks. These two were held in \$75,000 bail pending trial.

Treasurer and Bondsman Held.
Thomas Pennacchio, known to the police for thirty years as Tommy the Bull, served as treasurer of the syndicate. He, too, was held in \$75,000 bail. Jesse Jacobs, one of the bondsmen who saw to it that the women arrested in raids did not languish too long in jail, was held in \$75,000 bail and Meyer Berkman and Benny Spiller, minor functionaries of the ring, were held in \$25,000 and \$10,000 respectively.

Included in the huge vice syndicate were the four chains once headed by Nick Montana, and after him Jack Ellenstein or Eller, "Cock-Eyed" Louis Welmer and his son Al, David Marcus, alias Dave Miller, and Peter Ballitzer, alias Pete Harris. Under Luciana's management, investigators said, women were brought here from other States and routed from one house and from one chain to another, as vaudeville performers were booked from theatre to theatre and from city to city.

In the last two years the prosperous Luciana had cut quite a swath on Broadway, living luxuriously in hotels and entertaining lavishly in the most expensive night clubs. He was a guest at the Hotel Arlington in Hot Springs when he was arrested, and was known there as a free spender and a plunger at the race track, to which he was go-

ing when the warrant for his arrest was served on him.

Luciana's Police Record

Luciana's police record follows:

June 27, 1916—Possession of narcotics; sent to penitentiary.

Dec. 15, 1921—In Jersey City, concealed weapons; dismissed.

June 5, 1923—Possession of narcotics; dismissed.

July 27, 1928—Violation of Sullivan Law; dismissed.

Dec. 28, 1926—Felonious assault; dismissed.

Nov. 17, 1928—Assault and robbery with a revolver; dismissed.

Oct. 17, 1929—In Richmond, Va., grand larceny; dismissed.

Feb. 28, 1930—At Miami, operating a gambling game and carrying concealed weapon; fined \$1,000.

Feb. 2, 1931—Felonious assault; dismissed.

July 4, 1931—At Cleveland, held for investigation and released same day.

In the county jail in Arkansas, Luciana said he would fight extradition to New York. The bond that gave him his freedom pending argument on the habeas corpus writ was signed by W. S. Jacobs, proprietor of the Southern Club and the Club Belvedere.

DEWEY CHARGES \$50,000 BRIBE IN LUCIANO CASE

Attorney-General of Arkansas
Refused Offer; Governor Or-
ders Extradition to N. Y.

Proffer of a \$50,000 bribe to the Attorney General of Arkansas to free Charles "Lucky" Luciano was charged last night by Special Prosecutor Dewey as his fight to bring about the return of the racketeer came close to victory. Machine guns guarded the suite of Governor Futrell at Little Rock, Ark., yesterday as he ordered the extradition of Luciano to New York to answer charges of compulsory prostitution. Dewey has described the prisoner as overlord of vice and the most dangerous racketeer in New York and probably in the country.

Dewey received information of the bribe offer from his aide, Edward McLean, in Arkansas. Dewey said:

"I understand Attorney General Bailey not only rejected the bribe and refused to yield to pressure, but ably led the fight in the extradition hearing."

Bailey also was seeking to bring about the arrest of those who offered the bribe.

Dewey was balked in bringing Luciano here immediately by a new maneuver of defense attorneys. They obtained a writ of habeas corpus from U. S. District Judge Martineau in Little Rock, asserting they feared an attempt to spirit Luciano out of Arkans-

Dewey countered this move by securing a new Federal warrant against Luciano. The racketeer is now a prisoner both on State and Federal complaints.

Dewey declared New York gangsters have rushed to Little Rock by planes and trains. He said a reinforced guard of Arkansas State Rangers and U. S. marshals' deputies has been thrown about the jail where the racketeer is held.

Fearing an attempt at jail delivery, the guard is heavily armed with riot and machine guns. Dewey said he was informed.

Pressure also was applied to Futrell, Dewey said, to adjourn the extradition hearing both before it started and after New York State had completed its testimony.

Luciano was served with a warrant charging the Federal offense of crossing a State line to avoid prosecution. The warrant charged he was a fugitive from a charge of extortion by threats of violence.

The new habeas corpus writ obtained by Luciano's attorneys will be argued this morning.

62-5778-7

Writ Is Denied Luciane

He Then Delays Return Here by Motion for Appeal to U. S. Circuit Court.

LITTLE ROCK, Ark., April 7 (A. P.).—Habeas corpus proceedings brought by Charles (Lucky) Luciano to prevent his removal from Arkansas to New York to answer vice racket indictments were dismissed today by United States District Judge John F. Martin-Fall.

New York officers, however, were prevented from taking Luciano into custody by a motion for an appeal to the Eighth United States Circuit Court of Appeals, which sits in Kansas City and St. Louis.

Armed Rangers Guard Jail.
Arkansas state rangers, armed with machine guns, and United States marshals are guarding the Pulaski County Jail in Little Rock today because of a report that New York city mobsters are planning to storm the jail in an effort to deliver Charles Luciano, New York racket chief.

The mobsters are said to have arrived in Little Rock by chartered plane after the offer of a \$50,000 bribe to the Attorney General of Arkansas failed to gain the release of Luciano yesterday in extradition proceedings before Gov. J. Marlon Futrell.

Thomas E. Dewey, special prosecutor of rackets, announced last night that he had been informed of the bribe offer and the answer by Attorney General Carl E. Bailey of Arkansas that he would do everything in his power to assist the State of New York to regain custody of Luciano on a vice indictment which makes him liable to a term of 100 years in prison.

Detectives Arrive

The case against Luciano in Arkansas was clinched upon the arrival of two New York city detectives, James M. Cashman and John Kennedy. They left Newark by plane Sunday evening, but were grounded en route. However, by motor car, train and another plane they succeeded in arriving just as the extradition hearing started. They testified that Luciano was in New York city, not Cuba or Hot Springs, as he contended, at the time of the crime of which he is accused.

After yesterday's hearing Mr. Dewey made the following statement:

"I have just been advised that Gov. J. Marlon Futrell of Arkansas has ordered the extradition of Charles Luciano on the warrant of the State of New York. I understand that this was done by the Governor despite great pressure to adjourn the hearing both before it started and after the State of New York had offered its testimony. I deeply appreciate the Governor's fine co-operation throughout this matter to date and his vigorous action in support of the enforcement of the law.

Offered Bribe of \$50,000.

"I also deeply appreciate the continuous co-operation rendered both day and night by Attorney General Bailey, who has vigorously resisted all efforts to free this prisoner. I understand that Attorney General Bailey was offered a bribe of \$50,000 to co-operate in a release of this prisoner and put under great pressure to accept the bribe.

"The Attorney General not only rejected the bribe and refused to yield to the pressure but ably led the fight in the extradition hearing thereafter. I wish to congratulate him on the courage and ability with which he conducted the matter.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

APR 7 1936

NEW YORK OFFICE

Q

607 U. S. Court House,
Foley Square,
New York, N. Y.

GJS:MV
62-5773

April 7, 1936

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

Dear Sir:

Reference is made to telephone communication of April 2, 1936, from Mr. P. R. Foxworth, directing that inquiry be made discreetly to ascertain exactly what charges are pending against Charles "Lucky" Luciano in this district, and what evidence there is to support those charges.

Special Agent George J. Starr of this office called on Assistant District Attorney James Neary, of New York County, who is a trustworthy and dependable source of information. Mr. Neary informed Agent Starr that neither he nor the County District Attorney's office had any information on the matter, inasmuch as Special Prosecutor Thomas E. Dewey works entirely independent of their office. Mr. Neary stated that he had no previous knowledge of Luciano being involved in the prostitution racket. He is to make further inquiry of one of his associates in the County District Attorney's office who, he states, did turn over to Dewey's office some information regarding the prostitution racket, for which he stated the County District Attorney's office received absolutely no credit from Mr. Dewey.

Special Agent H. C. Leslie of this office, a close personal friend of Deputy Chief Inspector John Lyons, New York Police Department, called on Mr. Lyons in connection with another matter, and in the course of his talk with Mr. Lyons, brought up the matter of Luciano on two occasions, and in each instance, Mr. Lyons immediately switched the conversation to some other subject. Agent Leslie states, however, that he could not say that this was done deliberately as it might have been that the other matters were of greater interest to Inspector Lyons than the Luciano matter.

[redacted] who has been interviewed from time to time as a possible source of information regarding racket and gangster activities in this city, was interviewed by Special Agent Starr [redacted]

b7D

[redacted] Luciano is very definitely one of the kingpins of the prostitution racket in this city, although he is not the man having absolute control over the racket.

Very truly yours, 62-5773-9

R. MITCHELL,
Special Agent in Charge

BRIBE FOILED LUCIANO DUE BACK IN N. Y.

(Special to The News)

Little Rock, Ark., April 6.

In a state Capitol bristling with submachine guns Gov. U. Marion Futrell today ordered Charles (Lucky) Luciano extradited to New York. The ink was hardly dry on the extradition papers when charges of intimidation and attempted



Charles (Lucky) Luciano

His extradition approved.

bribery of local officials were flung at the vice czar.

After the hearing, Luciano was taken with a heavy escort back to jail where he is held in default of \$200,000 bail. Police trebled the guard about the jail because of an influx of New York gangsters from Hot Springs, where they take the baths. A jail delivery was feared.

Due in U. S. Court.

The battle over the prostitution racketeer's freedom has also precipitated a bitter war between Little Rock and Hot Springs. Attorney General Carl E. Bailey accused resort leaders of furnishing haven for evildoers from all over the country because of their financial value to the place.

Futrell's order, which was handed down while State Rangers guarded his office with tommy guns, does

(Continued from page 2)

not mean Luciano will be immediately extradited.

Local officials must produce the gangster in Federal Court tomorrow at 11 A. M. and show cause why a writ of habeas corpus should not be granted.

An order to this effect was obtained from Judge John E. Martineau this afternoon by Richard Ryan, of Hot Springs, one of Luciano's battery of prominent Arkansas counsel. Ryan told Martineau he feared his client would be "spirited out of the state." Luciano is wanted in New York for trial on compulsory prostitution charges.

Bailey made the charge of attempted bribery in a public statement in which he declared: "They have tried to buy public officials in this case to guarantee this man's retention in Arkansas."

Dewey Charges Bribe.

(In New York, Special Prosecutor Thomas E. Dewey said a \$50,000 bribe had been offered Bailey. Dewey indicated that intimidation had been attempted, too. He spoke of "great pressure" brought to bear on Bailey and Futrell and praised both for their "courage.")

Turning his guns on Hot Springs, Bailey asserted: "All criminals have formed the habit of coming to Hot Springs, where they have been safe from prosecution. Hot Springs lawyers and residents don't want this racket driven away by the extradition of this man. He was brought to Little Rock three days ago, only after State Rangers and county officers made signs of 'open warfare' unless he was surrendered to them."

Saw Him at Jamaica.

The extradition hearing was brief. To refute Luciano's claim he was in Florida when the alleged compulsory prostitution was committed, Assistant District Attorney Edward McLean, of New York, presented three witnesses.

The trio—Detectives Stephen Di Rosa, James M. Cashman and John J. Kennedy, of New York—saw they saw Luciano at Jamaica, Long Island, on the day in question, April 26 last.

62-5773-10
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(Continued on page 3, col. 2)

Luciano Wins 10 Days' Stay Of Extradition

**U. S. Court Denies Habeas
Corpus Plea but Grants
Delay to Permit Appeal**

Dewey Aid's Protest Fails

**Legal Battle Costing State
\$1,000 a Day, He Holds**

Special to the Herald Tribune

LITTLE ROCK, Ark., April 7.—Judge John E. Martineau, of United States District Court, granted counsel for Charles Luciano, New York racketeer, better known as Charley Lucky, a stay of ten days today to seek from the United States Court of Appeals a writ of appeal from the court's decision earlier today of habeas corpus proceedings designed to prevent the extradition of the racketeer to New York to await trial on charges of compulsory prostitution.

Although Judge Martineau refused to sign a certificate for probable cause for appeal and denied an application for bail, he advised Luciano's attorneys to seek an appeal order from "any judge of the higher court." Luciano was remanded to the Pulaski County jail.

Edward McLean, assistant to Thomas E. Dewey, special racketeer prosecutor for New York County, leaped up to protest the decision of the court delaying Luciano's extradition ten days.

Says Delay Costs \$1,000 a Day

"I wish to remind your honor," he cried, "that this case is costing the State of New York \$1,000 a day and that this delay means that much additional expense."

"I do not believe the cost is that high," Judge Martineau replied calmly. "Furthermore, you do not have to remain here. You can return home if you wish to."

On behalf of Attorney General Carl M. Bailey, Judge Martineau admonished counsel for Luciano to hasten the preparation of their record, saying it could be submitted to the higher court within forty-eight hours. Attorneys for the racketeer answered that it would take some time to prepare the record carefully, but they would make every effort to hurry it.

DAVID P. FANTON, of Little Rock, counsel to Luciano, announced he would go to Kansas City before the end of the week to present his petition for an appeal to the higher court. If necessary, he asserted, he would carry to the United States Supreme Court his client's appeal for a hearing on the habeas corpus writ Judge Martineau denied today.

Ten deputy sheriffs brought Luciano to court this morning. Fred Isgrig, United States Attorney, announcing that the Federal government had ordered him to take a hand in the proceedings, stood by with a warrant which would make the racketeer a Federal prisoner if the state released him or let him out on bail.

Habeas Corpus Writ Rejected

Although Luciano took the stand to testify he was in White Plains, N. Y., caring for his ill mother on April 28, 1935, the day the extradition warrant charged him with being in New York City, Judge Martineau ruled out the racketeer's writ of habeas corpus and denied a motion for a continuance of the hearing. Luciano described himself as a bookmaker who followed the race tracks. Judge Martineau said he was not concerned with the question of the racketeer's guilt or innocence.

Luciano's extradition to New York was ordered yesterday by Governor J. Marion Futrell after a two-hour hearing in the executive suite at the Capitol here, but the warrant could not be executed because of the writ of habeas corpus obtained by Luciano's attorneys and dismissed by Judge Martineau today.

\$50,000 Bribe Offer Reported

The maze of legal maneuvers surrounding the attempt to extradite Luciano from the time of his arrest in Hot Springs last Wednesday was complicated further yesterday by the announcement that Attorney General Bailey had been offered and refused a bribe of \$50,000 to free the racketeer. Mr. Dewey, in a statement yesterday, congratulated Mr. Bailey for refusing the alleged bribe and for resisting pressure brought to adjourn the extradition hearing.

Released in \$5,000 bail and then arrested in Hot Springs last Wednesday.

Luciano finally was brought to Little Rock Saturday by twenty state rangers, armed with machine guns, rifles and pistols, acting under orders of Governor Futrell. The Governor's swift action was a rebuke to Roy E. Erney, Chief Deputy Sheriff of Garland County, who had refused to execute a court order to turn Luciano over to Little Rock authorities.

62-577-8-11
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
APR 2 1936
NEW YORK OFFICE
ROUTED TO

NOTE

1936

LUCIANO APPEAL BEFORE COURT

U. S. Judge to Rule on Writ of Habeas Corpus.

RACKETEER HELD IN PRISON

Guard Is Increased on Rumor of Jail Delivery.

The extradition of Charles (Lucky) Luciano to New York from Arkansas on an indictment charging compulsory prostitution will have to await a ruling on his case by the United States Circuit Court of Appeals. The court will consider the appeal from the denial of an application for release on writ of habeas corpus. In the meantime, the racketeer will sit in jail at Little Rock under a guard of Kansas State Rangers, armed with machine guns, rifles and pistols. The extraordinary precautions were ordered when rumors were heard that New York gangsters would raid the jail to free Luciano if all other means failed.

Special Prosecutor Thomas E. Dewey was informed today that the court proceedings will require at least ten days, though Federal Judge John E. Martineau, in Little Rock yesterday, urged upon Luciano's counsel the need for speed in disposing of the case.

Court Declines Certificate

Judge Martineau in Federal District Court declined to issue to Luciano's attorneys a certificate of probable cause for an appeal after he had refused the application for release. At the behest of the counsel, however, he granted ten days for the racketeer to get ready his appeal to the Circuit Court, which will sit in Kansas City or St. Louis.

The judge gave no evidence of being impressed with the contention of Luciano's attorneys that with the bag of tricks used by the racketeer's counsel to keep out of the hands of New York authorities.

Luciano's attorney, the judge said, "why he should not be turned to New York, except that he doesn't want to go. However, we want to give the petitioner every opportunity to preserve his rights. The delay was protested by Edward McLean, assistant to Mr. Dewey. He told the judge that the proceedings were costing the State of New York \$1,000 a day, but the court refused his plea. The judge denied Luciano bail.

Luciano Gives Alibi. Luciano took the stand himself yesterday in an effort to throw an alibi for April 26, 1935, at which date he threatened Weiner and extorted money from him, according to the Federal indictment which hangs over him against his escape from the New York imprisonment.

He testified that on the date he allegedly threatened Weiner, who is in Sing Sing on a compulsory prostitution conviction, he was at the bedside of his mother in White Plains. His mother, he said, is now dead. He also swore that he appeared at Miami (Fla.) Police Headquarters, gave his name and showed his photograph and was taken to be taken in conformity with a State law in Florida. "I did it," the witness explained, "because I had a record. I wanted to show that I was not a fugitive. I was not there for work, but on a vacation."

Police Refute His Story.

He also denied knowing the two women who are mentioned in the prostitution indictments. In rebuttal, Detectives Stephen di Rosa, James Cashman and John Kennedy of New York testified that they saw him at the Jamaica race track when he was supposed to be at his mother's side.

In ruling on the application, the judge recalled that Luciano's identity was readily admitted, but he announced that by his refusal to return voluntarily Luciano had made himself a fugitive from justice. He also commented that whether Luciano was on hand on the day of the alleged extortion made no difference since the crime could be accomplished by an agent.

New Crime Bill Passed.

Another weapon to use against Luciano and his henchmen will be put in Mr. Dewey's hands as soon as Gov. Herbert H. Lehman signs a crime bill passed by the State Senate yesterday and previously by the Assembly. Described by Mr. Dewey as "the greatest advance in efficient criminal prosecution in the State in thirty years," the bill makes possible the lumping together in a single indictment a number of incidents and violations. It will remove the restriction which now permits mention in an indictment of only a single specified incident.

Abraham Wahrman, accused of being one of Luciano's aids, was held in \$75,000 bail by Supreme Court Justice Philip J. McCook. He will be tried on four indictments charging compulsory prostitution.

62-57737-12
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
APR 2 1936
NEW YORK OFFICE
ROUTED TO: *Day*

APR 8 1936

LUCIANO TO FIGHT TO THE LAST DITCH

May Go to Supreme Court in Opposing Extradition

Charles (Lucky) Luciano, who is under indictment here for compulsory prostitution, remained under a heavy guard in the Little Rock (Ark.) jail today while his counsel threatened to carry to the Supreme Court his fight against extradition to New York.

The racketeer was awaiting a United States Circuit Court of Appeals hearing on his appeal for release on a writ of habeas corpus. Federal Judge John E. Martineau denied the original application for release in Little Rock on Tuesday. To guard against a rumored raid on the jail by New York gangsters, Arkansas State Rangers were posted with machine guns.

Special Prosecutor Thomas E. Dewey, whose investigation of vice led to the indictment of Luciano, announced that the Extraordinary Grand Jury would sit today, tomorrow and Saturday from 2 to 6 P. M. His announcement caused reports that some important development is in the offing.

Benny Spiller, one of the twelve under indictment in the vice investigation, was in Brooklyn city prison today in default of \$50,000 bail. The bond was required by Supreme Court Justice Philip J. McCook yesterday when Mr. Dewey explained that Spiller's connection with the case seemed most important. He had been free in \$10,000 bail.

6-15773-13

Geo.

FEDERAL BUREAU OF INVESTIGATION

U. S. DEPARTMENT OF JUSTICE

Transmit the following Teletype message to: DIRECTOR

FBI LITTLE ROCK

APRIL 6, 1936

11-15 AM DAN

DIRECTOR

PHONE. USA LITTLE ROCK ADVISES INFORMATION RECEIVED FROM USA NEW YORK CITY STATING FEDERAL WARRANT WAS ISSUED YESTERDAY CHARGING CHARLES "LUCKIE" LUCIANO WITH EXTORTION BY THREATS OF VIOLENCE AND FLEEING THE STATE OF NEW YORK TO AVOID PROSECUTION. USA HERE CAUSING FUGITIVE WARRANT TO BE ISSUED TODAY AND PLACED IN HANDS OF USA LITTLE ROCK WHO WILL BE PRESENT AT HABEAS CORPUS PROCEEDINGS AT GOVERNORS OFFICE LITTLE ROCK 2:15 PM TODAY AND IN THE EVENT LUCIANO IS DISCHARGED BY STATE AUTHORITIES HE WILL BE IMMEDIATELY TAKEN INTO CUSTODY BY US. FOR REMOVAL TO NEW YORK CITY. IN ACCORDANCE WITH BUREAU INSTRUCTIONS RECEIVED FROM MR. FOXWORTH NO ACTION BEING TAKEN BY THIS OFFICE UNLESS I AM ADVISED TO DO SO.

FLETCHER

END

CC: NEW YORK CITY

CF: DAN

62-5773-14	
FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE	
APR 10 1936	
NEW YORK OFFICE	
ROUTED TO:	FILE

Approved: _____
Special Agent in Charge

Sent 11:15 AM Per _____

Luciano Appeal Fought by Arkansas Prosecutor

Case Will Be Taken Before Kansas City Court Today

Attorney General Carl E. Bailey, of Arkansas, in a move to speed the extradition here of Charles Luciano, New York racketeer, better known as Charlie Lucky, departed from Little Rock, Ark., last night to ask the United States Circuit Court of Appeals at Kansas City today to decide whether or not it would grant the racketeer the right to appeal the dismissal Tuesday of habeas corpus proceedings designed to prevent his return to New York to await trial on charges of compulsory prostitution. The office of Thomas H. Dewey, special prosecutor, announced last night.

Arrested April 1 by agents of Mr. Dewey at Hot Springs, Ark., Luciano was granted a ten-day stay Tuesday by Judge John E. Martinelli, of United States District Court in Little Rock, to seek a writ of appeal from his dismissal of the racketeer's habeas corpus warrant alleging he had been arrested illegally.

Learning that the higher court was not expected to sit after tomorrow, Mr. Bailey, accompanied by Edward McLean, assistant to Mr. Dewey, hastened to Kansas City to find what the court's decision in the case would be.

62-5778-15
NEW YORK
63

SEEKS TO FORCE LUCIANO BACK

Dewey Aid Wants Suspect
to Speed Legal Moves.

APPLIES TO MISSOURI JUDGE

Printed Copy of Court Record
Supplied by Complainant.

Edward McLean, Vice-Prosecutor Dewey's legal assistant who is attempting to bring Charles (Lucky) Luciano back to New York from Arkansas to answer indictments charging him with being leader of a \$10,000,000 vice ring, applied to Federal Judge Stone of the Circuit Court in Kansas City for an order to force the racketeer to make his next legal move immediately if any plans.

This action is unprecedented, it was said at Mr. Dewey's office in the Woolworth Building, and through it the prosecutor hopes to hasten Luciano's return.

The delay is costing the city \$400 a day for eighty women and fifty men who are held in custody as material witnesses (besides the expenses of three members of Mr. Dewey's staff who are in Arkansas and Missouri fighting the legal obstacles which Luciano's six lawyers have raised.

Offers Printed Record.

Mr. McLean established another precedent by offering to Judge Stone a printed copy of the record of the court proceedings in Little Rock.

Under ordinary procedure the petitioner who is making the appeal must submit such a transcript, but because Luciano was able to obtain a stay of extradition for ten days, pending his appeal on the grounds that the record could not be printed and his case could not be prepared sooner, Mr. McLean sought to expedite matters by having the printing done himself.

Mr. Dewey said it was done overnight in Arkansas and cost probably \$35. By presenting the printed record Mr. McLean has removed one of the principal reasons for further delay.

Meanwhile Luciano is held without bail in Little Rock.

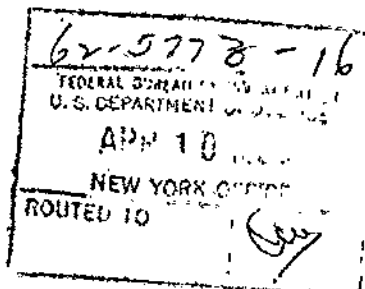
Racketeer's Return Ordered

The racketeer's return to New York has been ordered by Gov. B. H. B. of Arkansas and is now being held up by the stay granted pending his appeal from the refusal of Federal Judge John E. Martinian in Little Rock for a writ of habeas corpus. Luciano's lawyers asked the writ on the ground that the state law of extradition is unconstitutional.

Mr. McLean's motion in Kansas City was for an order requiring Luciano to proceed with his appeal within twenty-four hours.

Meanwhile Mr. Dewey is preparing to ask the Extraordinary Grand Jury investigating rackets and vice to indict Luciano and eleven of his lieutenants in the alleged vice ring under the rackets law signed by Gov. Lehman yesterday. They are already under other indictments charging compulsory prostitution.

The new law will make it possible for them all to be tried together on the several hundred counts which Mr. Dewey has prepared.



Luciano's Lawyers Get Until Monday to Appeal

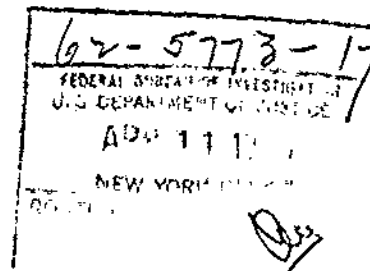
Move to Hold Up His Return 30 Days Is Blocked

Judge Kimbrough Stone, of the United States Circuit Court of Appeals at Kansas City, yesterday notified attorneys for Charles Luciano, New York racketeer, also known as Charlie Lucky, that they might have until 2 p. m. Monday to ask the court for a writ of appeal from the dismissal of the racketeer's habeas corpus proceedings designed to forestall his extradition from Arkansas to New York, the office of Thomas E. Dewey, special prosecutor, announced last night.

Meanwhile, a move by counsel for Luciano to prevent his return here for another thirty days was blocked by Edward McLean, assistant to Mr. Dewey, in Kansas City yesterday. The contention of counsel for the defense that thirty days would be required for printing an appeal from the lower court's decision was ruled out yesterday when Mr. McLean announced he had caused the appeal to be printed at state expense during the last twenty-four hours.

Judge Stone's decision was made yesterday after a conference with Mr. McLean and Attorney General Carl E. Bailey of Arkansas, who departed from Little Rock, Ark., Thursday, to speed the racketeer's return here to await trial on charges of compulsory prostitution. Arrested by agents of Mr. Dewey at Hot Springs, Ark., April 1, Luciano was granted a ten-day stay Tuesday on a Federal court writ alleging he had been arrested illegally.

Luciano remained in jail at Little Rock yesterday. Although his extradition to New York was ordered Sunday by Governor J. Marion Furell of Arkansas, the warrant cannot be acted upon until the writ of appeal is denied by Judge Stone.



Casual Arrest Here Trapped Huge Vice Ring

Girl Nabbed for Shop-
lifting First Told of
\$12,000,000 Racket

The apparently insignificant arrest of an 18-year-old girl in Brooklyn on a shoplifting charge a year ago led directly to the wholesale arrests made by Special Prosecutor Thomas E. Dewey in connection with New York City's \$12,000,000 vice ring, it was revealed today.

According to Byrnes MacDonald, head of the Juvenile Aid Bureau of the Police Department, the records of the Crime Prevention Bureau, which his department succeeded, tell the story, although MacDonald did not head the bureau at the time. They show, he said, that the girl's arrest brought about the capture and conviction of Nick Montana, alleged head of the vice syndicate, and of Mae Scheible, convicted recently under the Mann act.

It also resulted in the indictment of Charles (Lucky) Luciano, whom Dewey is seeking to have extradited from Arkansas, and of the wholesale arrests of prostitutes and men employed by the syndicate who are being held as material witnesses against the leaders.

Arrest Led to Raid

The girl was arrested in April, 1935, when three policewomen attached to the Crime Prevention Bureau in Brooklyn became suspicious of her actions and her answers to questions. She described herself as Marjorie Harris, and said she was an inmate of a disorderly house in Harlem.

Crime Prevention Bureau records show that the house was raided and the proprietress, whose name was withheld by the police, was arrested, along with two girls. The proprietress, turning State's evidence, implicated Montana, and the Montana case precipitated the sweeping Dewey campaign against the vice ring.

NY FILE

12/11/35

62-5778-172

JD

LUCIANO RUSHED HERE BY TRAIN FOR TRIAL MAY 4

Dewey Says All Accused
Will Be Re-indicted Under
the New Crime Code.

PRISONER'S ROUTE IS SECRET

Jacket, Prosecutor Wants No
Delay in Bringing Members
of Ring to Justice.

While Charles (Lucky) Luciano, racketeer, was speeding back to New York today, protesting that he was being "kidnaped" by detectives from Little Rock, Ark., Special Prosecutor Thomas E. Dewey, in charge of the vice investigation, announced that Luciano and other members of an alleged vice ring will be brought to trial on May 4 on charges of compulsory prostitution.

In the meantime, Mr. Dewey said, the leaders of the alleged vice ring will be re-indicted under the amended criminal code recently enacted by Gov. Lehman. This permits the consolidation of indictments for a single trial. Special Prosecutor Dewey smiled when told that Luciano, having fled his flight to escape extradition, protested that he was being kidnaped when placed aboard a train for New York last night at Little Rock.

He declined to disclose the route taken by the detectives in bringing Luciano to New York, in view of the possibility of a leak. Luciano is serving a term in the Arkansas State Penitentiary for a charge of kidnapping.

The special prosecutor is requiring 110 persons as material witnesses in the vice trial and wants no further delays because of the expense to the city in holding these witnesses, eighty of whom are prostitutes seized in the March 1 raids on a chain of disorderly houses operated by the ring in Manhattan and Brooklyn. While these witnesses are detained they will be fed. They will be paid a fee of \$3 a day for the period of their detention.

Mr. McLean, his assistant, who has been in Arkansas fighting Luciano's efforts to escape extradition, had taken advantage of a legal technicality. Mr. Dewey pointed out, using tactics not far different from those employed by the underworld itself.

Receives Telegram.

It was true, Mr. Dewey said, that Attorney General Bailey of Arkansas and Mr. McLean had received a telegram yesterday from D. D. Pannick, one of Luciano's lawyers who was in Kansas City, that he intended to appeal today to Federal Judge Martineau for an extension of the stay.

However, the Attorney General did not consider this notification under the terms of the original stay in view of the fact that Judge Martineau is a circuit judge. The order stated that twenty-four hours' notice must be given before an appeal to a judge of the Circuit Court of Appeals. Since none was received, Mr. McLean and the Attorney General agreed that at midnight the stay ended.

It was necessary for them to get Chancellor Frank M. Dodge out of bed, however, to persuade Sheriff L. B. Branch of Pulaski, in whose custody Luciano was, that this was sound. John J. Chance, Dodge agreed with them. Mr. Dewey said, and the sheriff turned over the prisoner.

Mr. Dewey refused to say what

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17 1935
Dwy

Luciano would arrive except that it would be some time tomorrow.

Where he will arrive, whether by train or motor car, and whether he would be heavily guarded, were also matters Mr. Dewey declined to discuss.

It was learned that the St. Louis police assigned twenty policemen to guard Luciano when he changed trains there early today, and that he is riding handcuffed to the three New York detectives who are returning him. They are Stephen Di Rosa, John Brennan and John Kennedy.

When Luciano arrives he will be taken immediately before Supreme Court Justice Philip J. McCook for arraignment on four indictments charging him with being head of a \$10,000,000 vice ring. Mr. Dewey will ask for high bail, as much as \$300,000, it is believed.

Rushed Out of Arkansas.

LITTLE ROCK, Ark., April 11 (A. P.).—Loudly protesting that he was being kidnaped, Charles (Lucky) Luciano, reputed New York vice king, early today lost his two weeks' fight against extradition when detectives spirited him out of Little Rock ten minutes after obtaining his custody.

The accused New Yorker, indicted on charges of compulsory prostitution, was released to Assistant Racket Prosecutor Edward McLean and three detectives and started toward New York at 12:05 A. M. five minutes after expiration of a Federal court order delaying his extradition for ten days.

Luciano charged that he was being deprived of his legal rights as he was rushed from the Pulaski county jail to the railroad station and hustled aboard a Missouri Pacific passenger train held up ten minutes at request of the New York authorities to permit them to get their prisoner aboard.

Court Delayed Action.

Luciano appeared bewildered without his battery of attorneys, who have prevented his removal from the State since he was picked up at Hot Springs on April 2. Gov. J. Marion Rutledge granted extradition papers four days later at a hearing held under machine-gun guard, but Federal court action delayed carrying out of the order until today.

Federal Judge John E. Martineau, on April 9, refused Luciano's petition for a writ of habeas corpus to prevent extradition, but in a supplemental order gave the accused New

Yorker ten days to present a motion asking an appeal from the decision.

The court directed that Attorney General Carl E. Bailey, aiding New York authorities, be given twenty-four hours' notice in the event an appeal hearing was obtained. Mr. Bailey said no such notice had been given and that at 12:06 A. M. today, the tenth day since the order was issued, it was physically impossible for Luciano's attorneys to obtain the hearing and provide the necessary notification.

Seized in Bath Promenade.

Picked up on Hot Springs' famous Bathhouse Promenade, Luciano immediately became the object of a legal squabble. Released on \$5,000 bail, he was rearrested shortly afterward when Chancellor Sam W. Garrett said he learned the facts of the case, at first believing the accused man was wanted on a simple morals charge.

Attorney General Bailey entered the fight, obtained a fugitive warrant carrying a \$200,000 bond and went to Hot Springs to obtain custody of Luciano. When he sought to serve the warrant Hot Springs police took Luciano into custody on a municipal court order and Mr. Bailey filed charges of contempt of court against them.

State Rangers went to Hot Springs, brought the prisoner here and guarded the Governor's offices while he held extradition hearings. Federal court action was resorted to by the accused man when the Governor granted his removal to New York. Luciano was refused bail and remained in jail while Mr. Bailey said he understood his attorneys unsuccessfully sought an appeal hearing on the Federal action.

Thomas E. Dewey, special rackets prosecutor of New York, accused Luciano of being the overlord of a \$12,000,000 metropolitan ring of disorderly houses, branding him as "the country's No. 1 racketeer." During the extradition fight Mr. Dewey announced he was informed that Attorney General Bailey had refused a \$50,000 bribe offer to help free the New Yorker.

Luciano on Way To Face Trial in Dewey Inquiry

Rushed to Train Waiting
at Little Rock by McLean
and 2 N. Y. Detectives

Extradition Fight Lost

Racketeer Had Resisted
His Removal for 14 Days

By The Associated Press

LITTLE ROCK, Ark., April 17 (Friday).—New York detectives received custody of Charles Luciano early today and left immediately with him by train for New York, where he faces compulsory prostitution charges.

Sheriff L. B. Branch said he turned Luciano over to Edward McLean, assistant to Thomas E. Dewey, special prosecutor in New York, and two detectives on an order from Attorney General Carl E. Bailey and Fred A. Donham, prosecutor, of Little Rock.

With Luciano turned over to him at 12:05 a. m., Mr. McLean held a Missouri Pacific passenger train due to leave Little Rock at that time, rushed his prisoner to the railroad station and left for New York at 12:15 a. m.

The sudden action ended Luciano's fourteen-day fight against extradition after he was picked up at Hot Springs by a deputy sheriff and a New York detective.

Luciano, whose extradition was granted by Governor J. Markon Futrell, delayed his removal through Federal court action. Denied a Federal writ of habeas corpus, he was granted ten days to present a petition before some member of the Eighth Circuit Court of Appeals asking an appeal from the decision. His attorneys, however, announced they had abandoned efforts to take the case to the higher court.

62-5773-19

Q

Post Office Box 1469,
Little Rock, Arkansas,
April 14, 1936.

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

62-5773-20	
APR 18 1936	
NEW YORK OFFICE	
ROUTED TO:	FILE

Re: CHARLES "LUCKIE" LUCIANO;
UNLAWFUL FLIGHT TO AVOID
PROSECUTION.

Dear Sir:

This will confirm telephonic communication with
Mr. Foxworth of the Bureau concerning the arrest and confinement
of Subject Luciano.

Luciano was arrested at Hot Springs, Arkansas, on
April 1, 1936, by Detective Charles Bronnan of the New York City
Police Department and Marion Anderson, Deputy Sheriff of Hot Springs,
Arkansas. The arrest was made upon a warrant charging violation of
Section 2240 of the New York Penal Code which warrant was issued by
the New York State Supreme Court and was dated October 25, 1934, the
warrant charging compulsory prostitution or aiding in compulsory
prostitution.

Subsequent to the arrest of Luciano, he was taken
before Chancellor Sam W. Garrett in Hot Springs, Arkansas, who fixed
his bond at \$5,000.00. Luciano then executed this bond, the surety
on the same being W. S. Jacobs, the owner of the Southern Grill and
Club Belvedere, both gambling establishments in Hot Springs.

Subsequent to his release on bond, Luciano returned
to the Arlington Hotel at Hot Springs where he was residing but soon
thereafter was called to the lobby of the Southern Grill by Deputy
Sheriff Marion Anderson who re-arrested him and confined him in the
county jail. This arrest was due, allegedly, to the fact that Judge
Garrett was not cognizant of the full facts at the time he released
Luciano on a bond of \$5,000.00.

On the afternoon of April 2, 1936, Luciano was
taken before Judge Garrett on a writ of habeas corpus and at that
time the warrant upon which Luciano was originally arrested was
dismissed upon motion of the State Attorney General. At this habeas

Director,

4/14/36

corpus hearing, Luciano was represented by A. T. Davies, City Attorney of Hot Springs, and Richard M. Ryan of Hot Springs. Immediately upon the dismissal of this warrant at the habeas corpus hearing, two Deputy Sheriffs of Pulaski County, Arkansas, attempted to re-arrest Luciano upon a Fugitive Complaint and warrant issued by the State of Arkansas based upon an indictment returned in New York City. However, prior to this arrest, Luciano's attorney had made affidavit before the Municipal Court at Hot Springs alleging that Luciano was a fugitive and subsequent to his discharge at the habeas corpus proceedings, a question arose as to whether Luciano was in custody of the Municipal officers based upon this Municipal warrant or in custody of the Deputy Sheriffs of Pulaski County, Arkansas, because of the State warrant issued at Little Rock. Luciano was then taken to the County jail at Hot Springs where he was confined pending further order of the local court at Hot Springs as to who had the legal custody of Luciano.

On the night of April 3, 1936, several Arkansas State Rangers appeared at the County jail in Hot Springs, Arkansas, and obtained custody of Luciano based upon the fugitive warrant issued at Little Rock, Arkansas, and an order entered by the local Judge in Little Rock declaring that the Municipal warrant at Hot Springs, Arkansas, was invalid. The State Rangers thereupon took Luciano to Little Rock, Arkansas, where he was confined in the Pulaski County jail.

Subsequent to his removal to Little Rock, Arkansas, and confinement in the Pulaski County jail, an extradition hearing was held before the Governor of Arkansas who, after completion of the hearing, ordered the removal of Luciano to New York City. At this extradition hearing, Luciano was represented by D. D. Panich, an attorney of Little Rock, Arkansas. Subsequent to this extradition hearing and after being ordered removed to New York City, Luciano, through his attorney, Mr. Panich, applied to the United States District Court at Little Rock, Arkansas, for a writ of habeas corpus and, after a hearing upon this application, United States District Judge John E. Martineau of Little Rock refused to order the release of Luciano. From this order of United States District Judge Martineau a notice of appeal was given and Judge Martineau allowed the defendant ten days within which to present his application for appeal to a judge of the United States Circuit Court of Appeals. The last day upon which this application may be made to a judge of the United States Circuit Court of Appeals is Friday, April 17, 1936.

Director,

4/14/36

The Bureau will be advised of the result of the application for appeal.

As the Bureau was advised in my teletype of April 6, 1936, on that date Honorable Fred Isgrig, United States Attorney at Little Rock, Arkansas, advised that he had received information from the United States Attorney at New York City to the effect that a Federal warrant had been issued at New York City on April 5, 1936, charging Luciano with Fleeing From the State of New York to Avoid Prosecution on the Charge of Extortion by Threats of Violence and the United States Attorney at New York City requested that a Fugitive complaint be filed at Little Rock, Arkansas, and Luciano taken into Federal custody in the event he was discharged at the extradition hearing. Mr. Isgrig stated that he was making the necessary affidavit for a Fugitive complaint in Little Rock and that the warrant would be placed in the hands of the United States Marshal who would be present at the habeas corpus proceedings and extradition hearing at the Governor's office in order that he might take Luciano into custody if discharged by the State authorities.

In accordance with the instructions of the Bureau received from Mr. Foxworth, no action is being taken by this office other than keeping the Bureau advised of the proceedings and results thereof. It may be stated that the Federal warrant, obtained by United States Attorney Isgrig, at Little Rock charges that, "Charles Luciano on the 15th day of December, 1935, at New York City, in the Southern District of New York, did unlawfully, knowingly, and feloniously, move and travel in interstate commerce from New York City in the Southern District of New York to Hot Springs in Garland County, Arkansas, with the unlawful intent then and there to avoid prosecution for the crime of Extortion accompanied by threats of violence then and there being a felony under the laws of the State of New York."

Very truly yours,

CHAPMAN FLETCHER,
Special Agent in Charge.

BLD:coh
88-17
cc New York City

**Bail Too High to Meet,
Luciano Stays in Jail**

**Vice Racketeer in City Prison
in Default of \$350,000 Bond**

Charles Luciano, alias Charley Lucky, described by Thomas E. Dewey, special rackets prosecutor, as leader of the city's most extensive racket domain, passed yesterday in the city prison, 149 Ashland Place, Brooklyn, a prisoner in default of \$350,000 bail set Saturday night by Supreme Court Justice Philip J. McCook, who heard Luciano's plea of not guilty to four indictments charging compulsory prostitution.

It is expected that Luciano and his eleven henchmen will go on trial together early next month after the extraordinary grand jury reindicts the defendants under a crime bill recently passed at Albany, permitting defendants involved in the same crime to be tried as a group.

Luciano was brought back on Saturday from Little Rock, Ark., following an unsuccessful fight to prevent extradition to New York. Detectives who returned him to New York said that Luciano was disgusted with Arkansas because he had spread money around liberally only to find himself in more trouble.

62-5773-21

Big

Luciano Due Today; Faces \$350,000 Bail

Ice Racketeer, Removed From Arkansas in Surprise Midnight Move, Is Under Heavy Guard

Lehman Crime Law Will Be Invoked

10 Men and Women, in Jail Since Feb. 1, Are to Testify at May Trial

Charles Luciano, racketeer, is scheduled to arrive at Grand Central terminal at 3 a. m. today under guard, back from Arkansas in spite of lawyers, to await trial, with eleven others, on charges of compulsory prostitution brought by the office of Thomas E. Dewey, special prosecutor in racketeering.

Luciano will be booked at Police headquarters and taken to the regular line-up at 9 a. m. and at 5:30 p. m. He will be arraigned before Justice Phillip McCook, in Supreme Court, where Dewey will ask for bail of \$350,000. His trial will begin about May 1 before Justice McCook and a blue ribbon jury. He and his co-defendants will be re-indicted next week under the Lehman crime program passed recently at Albany permitting defendants involved in the same crime on separate charges to be tried as a group.

Ends Fantastic Legal Whirl

Charles Luciano, who has been known to friends and enemies since he came back in 1929 from a ride which was to have been his last, sets foot in the Grand Central today, he will ring down the curtain on a melodrama that has been playing in Arkansas for two weeks with Mr. Dewey's agents, Arkansas officers, lawyers and courts and Luciano's attorneys running in circles, dashing on midnight excursions, snatching the racketeer out of jail and clapping him in again.

The action and suspense did not last for a minute. The climax came at 12:05 a. m. yesterday, when Luciano was taken from the Pulaski County jail at Little Rock and surrendered to three New York detectives, five minutes after the end of the last legal stay his industrious counsel had obtained. Hustled aboard a train which had been kept waiting ten minutes at the station on the request of Edward McLean, Mr. Dewey's assistant, Luciano howled that he was being kidnaped. None of his lawyers was near to hear him, and the detectives just smiled.

By the time the six Luciano lawyers did hear of their client's departure, Luciano's train was puffing toward St. Louis. There, where a change of cars required a thirty-minute delay, fifteen St. Louis police watched him. Mr. Dewey had arranged for them by wire. Back in Little Rock the lawyers were holding the bag.

High on Public Enemy List In recent months the twilight of the public enemies, Luciano had attained, in the judgment of the New York police, the unsavory eminence once occupied by the late Dutch Schultz and his predecessors.

62-5-3-22

Luciano Due Today: Faces \$350,000 Bail

(Continued from page one)

that of supposed overlord of most of the city's lucrative rackets. When Schultz was shot down in a Newark safe on October 23 Luciano had no challenging rivals left.

The police were pretty certain, they said, that he ran three profitable industrial rackets, the policy-slip game and prostitution. But after Schultz's death, when police wanted to ask him what he had been doing lately, they found he had skittered away in his private airplane to Miami. Soon he was not even in Miami.

Mr. Dewey, digging away at the cap of racket testimony, announced that he wanted Luciano, got a warrant for him and on April Fool's Day 10 of his investigators picked up the skitterer on the warrant in Hot Springs, Ark., where Luciano had been enjoying the waters.

Arkansans Fight for Him

At once the legal circus began. Justice Al Cook, on the back of the warrant, had asked that a minimum of \$50,000 bail be set, but an Arkansas judge ignored the request and freed Luciano on a \$5,000 bond. He was arrested quickly and held in the Grand County jail while officers of Kansas law pulled and hauled for his custody. U. S. District Attorney C. C. Gannett, of Garland County, dismissed a habeas corpus it obtained by Luciano's counsel and ordered him held without bail for the Rock authorities, who would handle the matter of his extradition. New York. A deputy sheriff defied the order and when Mr. McLean and E. Bailey, Arkansas Attorney General, arrived at Hot Springs to take Luciano to Little Rock they found that Luciano's counsel had served on a warrant charging him with being a fugitive from justice.

The knot was cut at dawn on April 10 when twenty state troopers, armed with machine guns, rifles and pistols, came under the direct orders of Governor J. Marion Futrell, of Arkansas, took Luciano out of the Grand County jail.

What's this, the National Guard? Luciano asked with a smile. Do you want all these men to take me to the Rock? The troopers had told E. Erney, the deputy sheriff who defied the court order, that they would use force if necessary. He was not trouble, Luciano, informed by his lawyers that nothing was to be done, went quietly.

Mr. Futrell, with a request from Governor Herbert H. Lehman for Luciano's extradition on his desk, was busy again. In New York, Mr. Dewey was ready if necessary, to ask a Federal law making fight between one state to another's Federal

offense to bring Luciano back. In Little Rock, Luciano's counsel applied for a habeas corpus writ. Judge John H. Martineau, of the United States District Court, refused it, but granted ten days for him to show the Circuit Court of Appeals, sitting in Kansas City and St. Louis, why an appeal should be heard.

It was this ten-day stay that expired at midnight yesterday and five minutes later Luciano was on his way to New York. His attorneys had not met legal requirements of filing notice on an appeal for extension twenty-four hours before the ten-day stay was up.

When Luciano was arrested, Mr. Dewey called him "the most dangerous and most important racketeer in New York City, if not in the country," and said that seven months' inquiry by his office had indicated that Luciano was the head of a gang controlling organized vice in Manhattan with a \$12,000,000 gross business last year. On the day after Luciano was arrested the extraordinary grand jury investigating rackets in New York County handed up four indictments charging him and eleven alleged henchmen with compulsory prostitution.

110 Witnesses Ready

The eleven men were arrested with thirty others and eighty women in a series of raids by Mr. Dewey's agents on forty-one houses of prostitution in Manhattan and Brooklyn on February 1. All have been in jail ever since and 110 of the prisoners are expected to appear as witnesses against Luciano and his eleven supposed associates.

Luciano's ride, which earned him his name of Charlie Lucky, occurred on the night of October 15, 1935. He had made a date with a new girl, who was to meet him at Fidelity Street and Sixth Avenue. Luciano was there, but the girl was not. Instead there were three men in a sedan, who plucked him from the curb, threw him to the floor and drove him away, his mouth taped, his hands manacled and his legs wired around his neck.

They drove him to Huguenot Beach, S. I., crossing on the Staten Island ferry with their prisoner without a sign of suspicion and dumped him out, first taking care to employ a knife judiciously on his throat, chest and shoulders. They left him for dead.

Somewhere in the hours before dawn he recovered consciousness and found his bonds loosened. He staggered more than a mile to a police booth. A policeman took him to a hospital. Detectives asked him who did it.

"That's my business and I'll take care of it," Luciano said. There was not charge on which to hold him and he was released.

Luciano is thirty-nine years old. He is particularly powerful, the police say, with the Italian element in the underworld in New York, Newark, Chicago, and Miami; head of the sinister Unione Siciliano, wearing the diadem of Al Capone and the late Giuseppe Masseria, who was called Joe the Boss. Those in the nation's police departments who prepare the unofficial rankings of public enemies each year have been inclined lately to put him tops.

LUCKY LUCIANO BACK IN TOWN FROM ARKANSAS

Big Shot Racketeer Arrive Here Handcuffed to Two Detectives.

TO ASK BAIL OF \$350,000

Dewey Says Twelve Accused Vice Ring Defendants May Be Tried Together.

Handcuffed to two detectives, Charles (Lucky) Luciano, big-time racketeer, arrived here at 8:45 A. M. today from Little Rock, Ark. where he had waged a losing battle to escape extradition to New York to face charges of compulsory prostitution as the head of a huge vice ring.

The visiting celebrity could have received more attention from the police than did Luciano when the Southwestern Limited of the New York Central Railroad rolled into the Grand Central Terminal from St. Louis. But it was a somewhat different kind of attention.

Plenty of Police Around.

Thirty armed detectives were on duty on the platform. Three squads of policemen were scattered elsewhere in the station keeping their eyes peeled for Luciano and his pals. Just in case they might try something as foolish as a delivery.

Luciano, described as the No. 1 racketeer for the United States, was hustled into a bullet-proof police car, and taken to Police Headquarters. The racketeer's face was drawn. He looked worried.

Special Prosecutor Thomas E. Dewey, whose investigation led to the indictment of Luciano and eleven others, said that the racketeer would be booked at Police Headquarters before appearing in court and his arraignment before Judge Philip J. McCook in Supreme Court was set for 3:30 P. M. It was reported that Mr. Dewey could ask for bail of \$350,000.

Mr. Luciano must face four indictments containing twenty counts. His trial will take place about May 1, according to the Special Prosecutor. Since the prisoner did not furnish bail of \$200,000 in Arkansas, it was thought that a request for \$350,000 bail would prevent his release before trial.

Mr. Dewey has said that Luciano and the other eleven alleged leaders of the \$10,000,000-a-year vice ring will probably be re-indicted under the amended criminal code recently signed by Gov. Herbert H. Lehman. Such a procedure would permit consolidation of all the indictments for a single trial.

Mr. Dewey has been holding 110 persons as material witnesses in the case. Because of the expense he wants no further delays. Eighty of the witnesses were seized as prostitutes in raids in Manhattan and Brooklyn on May 1.

Luciano has been called by Mr. Dewey "the most dangerous and the most important racketeer in New York, if not in the country." The police say the racketeer wields great power among Italians in the underworld of New York, Newark, Chicago and Miami. On him descended the mantle of the late Dutch Schultz and other dead leaders of New York rackets, according to the police.

Returned Alive From Ride.

The nickname "Lucky" was bestowed on Luciano by the underworld after the rack.

He had made a date with a girl, who was to meet him at Fiftieth street and Sixth avenue. According to the story, the girl was not at the trysting place, but three men were. They picked up Luciano, threw him on the floor of a sedan and trussed him up with tape over his mouth, handcuffs on his wrists and wire around his legs and neck.

The men drove him to Huguenot Beach, S. I., crossing on the Staten Island ferry without arousing suspicion. During the trip they traced designs on his throat, chest and shoulders with a knife.

His legs were pulled up by a wire wound round his neck in such a manner that a movement of the limbs would choke him.

His abductors tossed him out and drove away, apparently satisfied that the combination of knife wounds and the garotte would eliminate Luciano for all time. But somehow he worked loose and staggered more than a mile to a police booth. From there he was taken to a hospital.

"It's my business, and I'll take care of it," was all the police could get out of him.

62-5773-27

Cur

Luciano Prepares for Battle

Receives Lawyers in Cell in Brooklyn—
Defense Awaits Dewey Move.

Charles (Lucky) Luciano, charged by Thomas E. Dewey, special vice and rackets prosecutor, with being No. 1 racketeer of the city and head of a \$10,000,000 vice ring, began preparation today for his legal battle against a possible sentence of 200 years in prison if he is convicted on four indictments returned against him.

He was visited by Moses Polakoff, lawyer, in the Raymond street in Brooklyn, and by Edward Reilly, former Hauptmann defense trial lawyer. The latter, although he filed a one-day notice of appearance, said, after talking with Luciano, that he "definitely was appearing" for him.

He added that the visit was a personal one. He had known Luciano for fifteen years in Brooklyn, where the gangster grew up.

Polakoff said he would not make any legal move until the superseding indictment Dr. Dewey is planning to obtain under the new rackets law was either voted by the

Ordinary Grand Jury or refused.

Client Can't Raise Bail.

Meanwhile his client will have to stay in jail because, Polakoff said, "he can't raise \$350,000 bail or any part of it."

"Get the best lawyers in the city, no matter what they cost," was the cry from Luciano. He has shown by his fight against extradition from Arkansas, where he was arrested, that he has no desire to tilt with Mr. Dewey in the court room.

Luciano is locked in a cell alone to prevent his communicating with other prisoners held in the jail in the Dewey vice investigation. Warden Frederick L. Morehead said that the racketeer is paying for special food from the commissary, but is being treated as an ordinary prisoner in other respects.

"We have the usual heavy guard in the prison," said the warden. "There is nothing extraordinary. I

have three other Dewey prisoners, and there may be more. Luciano is in one of the cell blocks and is not secluded."

In the meantime Mr. Dewey will seek a superseding indictment of Luciano and the eleven men who are charged with being his henchmen. The new indictment will be sought under a recently passed State law permitting a single trial of all defendants charged with a crime on separate counts.

Will Contain 50 Counts.

It has been reported that the new indictment would contain more than fifty counts, each of them carrying a maximum sentence of twenty years. Mr. Dewey has intimated that he will ask no charges except those resulting from the vice investigation, although he has made it plain that he regards the racketeer as having a finger in narcotic smuggling, the policy game and several industrial rackets.

Luciano, who was arrested seven

teen days ago and returned to New York on Saturday, pleads that he is just a race track bookmaker trying to earn a living. He was "kidnaped," he said, when he was rushed out of Arkansas.

62 5 12-24

Reilly Visits Luciano In Prison in Brooklyn

Later Denies He Will Appear for Racketeer in Vice Trial

Charles Luciano, alias Charley Lucky, confined to the City Prison, Brooklyn, in default of \$350,000 bail on an indictment obtained by Thomas E. Dewey, special racket prosecutor, charging compulsory prostitution, was visited yesterday by Edward J. Reilly, Brooklyn attorney. A half hour after entering the prison on a one-day notice of appearance, Mr. Reilly announced that he was definitely not appearing for Luciano.

"The visit was a purely personal one," Mr. Reilly explained. "I have known Luciano for fifteen years. He was formerly a Brooklyn boy."

Later, Moses Polakoff, of 475 Fifth Avenue, Luciano's attorney, who appeared for him on his client's return from Arkansas, entered the prison to confer with Luciano. He said later in the afternoon that no legal steps would be taken to obtain Luciano's release until a superseding indictment was handed up. Mr. Dewey, he said, wished to try Luciano and eleven others as a group, under a statute recently passed in Albany.

Mr. Polakoff added that it would be impossible for Luciano to make the \$350,000 bail, "or any part of it."

APR 21 1936

62-5773-25

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

APR 21 1936

NEW YORK OFFICE
ROUTED TO

Qu

Federal Bureau of Investigation

U. S. Department of Justice
Post Office Box 1469,
Little Rock, Arkansas,
April 20, 1936.

Special Agent in Charge,
New York, New York.

Re: Charles "Luckie" Luciano;
Unlawful Flight to Avoid
Prosecution.

Dear Sir:

Reference is made to the letter from this office to the Bureau under date of April 14, 1936, concerning the arrest of Luciano and the subsequent court procedure, a copy of which was forwarded to your office.

This is to advise that on Thursday, April 16, 1936, the attorneys for Luciano abandoned their appeal and at approximately midnight of said date Luciano left for New York City, New York, in the custody of New York State and City officers.

In the absence of further leads in this district, this matter is being considered as referred upon completion to the office of origin.

Very truly yours,

Chapman Fletcher
CHAPMON FLETCHER,
Special Agent in Charge.

BLD:coh
88-17

cc Bureau

62-5773-26	
APR 23 1936	
NEW YORK OFFICE	
ROUTED TO:	FILE

Racket Inquiry Jurors Indict Luciano and 12

Reputed Overlord of Vice Is Named With Alleged Aids on 90-Count Charges

The extraordinary grand jury investigating rackets in New York County handed up a single superseding indictment yesterday charging ninety counts of compulsory prostitution against Charles Luciano and twelve of his henchmen, who are in jail in total bail of \$1,100,000 awaiting trial. The thirteen defendants will be arraigned at 4 p. m. today before Justice Philip J. McCook in Supreme Court, when the date of trial is expected to be set tentatively for May 4. Thomas E. Dewey, special prosecutor, said he would ask Justice McCook to continue the bail of \$350,000 in which Luciano was held Saturday when the racketeer was returned to New York from his two weeks' flight against extradition from Arkansas.

The new indictment was returned yesterday under the joinder of offenses bill recently passed at Albany, permitting defendants involved in the same crime on separate counts to be tried as a group. Each of the thirteen prisoners is charged with the ninety counts of the indictment.

The three different classifications of charges against the defendants are that they placed women in houses of prostitution; that they received money for the act and that they further received money from the proceeds of prostitution without consideration. A count was made for each time one of these offenses was allegedly committed and the total counts were joined under a single indictment. The maximum sentence for each count is twenty years.

The twelve defendants, who are alleged to have aided Luciano in forming a vice ring controlling all organized prostitution in Manhattan and doing a yearly gross business of \$12,000,000, are: David Beillo, Thomas Pennocchio, James Frederico, Abraham Wahrman, Jessie Jacobs, Benny Spiller, Meyer Berkman, Peter Ballitzer, Al Weiner, David Marcus, Jack Ellenstein, and Ralph Liguori.

The twelve henchmen of Luciano were arrested by agents of Mr. Dewey in a series of raids on forty-one houses of prostitution in Manhattan and Brooklyn on February 1. Eighty women and thirty men also captured in the raids, have been held in jail as material witnesses against the leaders of the ring. Liguori, whose police record lists seven arrests and no convictions for burglary, grand larceny and attempted extortion, was admitted as the thirteenth defendant yesterday.

Although Luciano insisted at the time he was booked at Police Headquarters Saturday that his name was "Lucania," Mr. Dewey said yesterday that the racketeer was named Luciano in the indictment and that he would be referred to by that name during the trial. Luciano, the prosecutor explained, was the name the racketeer was known by in the underworld and the one he often used in signing hotel registers.

64-5772-27

Q.

UNLUCKY LUCIANO UP IN COURT AGAIN

Racketeer and 12 Others to Be Arraigned Today on New Indictment

Unlucky Luciano and twelve co-defendants will face a court again today under a new indictment made possible by a recently passed law to facilitate the prosecution of racketeers.

Their total bail of \$1,100,000, headed by \$350,000 for Luciano, is expected to be continued unchanged.

The new indictment, superseding previous charges, was voted yesterday by the Special Grand Jury working with Thomas E. Dewey in his racket investigation. Ninety counts in three different classifications of offense are charged against each defendant. A defendant convicted on all the counts and given maximum sentences to run consecutively would be subject to release from prison in the year 3886, not counting time off for good behavior.

The defendants are charged in thirty specific cases with the following three offenses:

Placing a woman in a house of prostitution.

Receiving money for this service.

Receiving money from the proceeds of prostitution without consideration.

The new law which is aiding the prosecution, permits the joinder in this fashion of separate charges relating to similar offenses. The fact that this is permitted under Federal law is one of the factors which have made it easier heretofore to con-

vict racketeers on Federal than on State charges.

Today's arraignment is scheduled for 4 P.M. before Supreme Court Justice McCook.

NEW YORK POST

APR 2 1936

62-5772-26

4 1936

Copy

TRIAL OF LUCANIA WILL START MAY 11

Not Guilty Pleas Entered by
the Racketeer and His
12 Co-defendants.

COURT HEAVILY GUARDED

Blue-Ribbon Jury to Be Asked
For, Dewey Aide Tells
Justice McCook.

Supreme Court Justice McCook
yesterday afternoon set May 11 for
the trial of Charles Lucania and
twelve other men on charges of
compulsory prostitution. They were
held in an aggregate bail of \$1-
\$75,000, Lucania's being the high-
est, \$350,000.

All previously had been indicted.
But they were indicted again
Thursday by the extraordinary
grand jury, which filed a sixty-
page document accusing the thir-
teen defendants on ninety counts.
Each, if convicted on every count,
would face a theoretical maximum
sentence of 1,950 years.

For technical reasons some of the
prisoners refused to enter pleas
then arraigned yesterday before
Justice McCook. In all such in-
stances the court directed that
pleas of not guilty be recorded.
Lucania, a short, scar-faced vet-
eran of the underworld and re-
ferred by the New York police as
"Boss" No. 1, was quiet and
still during his arraignment.
Though while awaiting his call to
appear he attempted to joke with
old-faced detectives.

The lowest bail, \$25,000, was set
for Meyer Berkman. Two men,
Harry Liguori and Benny Spiller,
were held in \$50,000 each. ~~Each~~
\$75,000 each was imposed on
Thomas Pennocher, David Betillo,
Abraham Walfrman, Jesse Jacobs,
Peter Balitzer, Al Weiner, David
Marcus and Jack Ellenstein. James
Frederico was held in \$100,000.
None of the defendants provided
bail. The cases were presented by
Jacob J. Rosenblum, chief aide to
Thomas E. Dewey, special prose-
cutor.

Mr. Rosenblum notified the court
he intended to move for a blue rib-
bon jury for the trial. A heavy
police guard was maintained in the
building against any rescue at-
tempts. Some 200 persons were in
the rotunda outside the court room.
On the street another 500 had
gathered.

This was the first arraignment
under the new law permitting the
holder of a series of related events
in one indictment. It was expected
that Lucania was fighting extra-
dition from Arkansas.

62-237-29

7485

LUCIANO CALLS INDICTMENT VOID

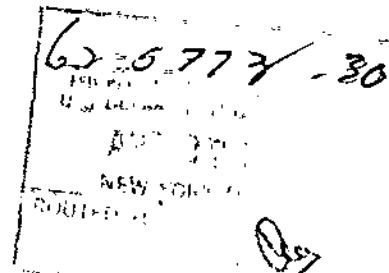
Challenges It on Ground Conspiracy Is Not Shown.

Counsel for Charles (Lucky) Luciano, held in \$350,000 bail on charges of compulsory prostitution, appeared before Supreme Court Justice McCook today and said that he would challenge the validity of the indictment on which Luciano and twelve other persons were arrested.

The attorney, Samuel Mezansky, told the court that the indictment contains ninety counts and specifies as many alleged crimes without showing that the defendants were linked in a conspiracy. This point will be argued before Justice McCook on Wednesday.

Notice of this defense contention was made today when Justice McCook listened to a motion by Assistant District Attorney Rosenblum, one of Thomas E. Dewey's assistants, for the selection of a special blue ribbon panel of jurors to try Luciano and his alleged associates. The court said that the Commissioner of Jurors would be instructed to draw a special panel of 150 on Friday. He announced that counsel for either side would have ninety peremptory challenges. The trial is scheduled to begin on May 11.

Justice McCook predicted that a special jury would facilitate the trial since difficulties might be experienced in selecting a regular jury in view of the publicity that has attended Mr. Dewey's campaign against organized vice and the subsequent arrest of Luciano and his defendants.



HUNT 2 HERE AS \$50,000,000 ALKY 'BOSSES'

By DOMINICK UNSINO.

Two New York millionaires were revealed yesterday as the master minds in the post-prohibition 'bootleg' empire upon which Secretary of the Treasury Henry Morgenthau has issued a virtual declaration of war.

Spurred to action by the Treasury head's ukase to smash the ring which has been flooding the East with untaxed alcohol, Eastern operatives indicated that an arrest which would rock New York would soon be made. The names of Johnny Torrio and Lucky Luciano figure prominently in the huge liquor dynasty which has robbed the government of upwards of \$50,000,000 since prohibition was ushered out, it was indicated.

But "Torrio and Luciano would pale to insignificance" when the final coup was effected, an unimpeachable source said.

Ruled by New Yorkers.

With the seizure Sunday of the Charles D. Leffler, an oil tanker carrying 100,000 gallons of smuggled alcohol, marine enforcement authorities concentrated on a so-called "Mother Ship" anchored a little more than sixty-two miles out of Halifax.

The activities of this international ring are being ruled by the two New York tycoons who pretend to be engaged in legitimate business, it was said.

Johnny Torrio, tutor of Al Capone during the halcyon days of Chicago's gang wars, was described as the "front" for the money men.

For the first time the name of Charles (Lucky) Luciano was thrown into the governmental spotlight on illicit liquor traffic. The Brooklyn gang chief, ensnared in a prosecuter Thomas E. Dewey's white slave net, was described as a "district boss" receiving smuggled alcohol.

New Serving in Prison
Edward Florio, a lieutenant in the Rottich gang, now serving on an income tax evasion rap, already under indictment for defrauding the Government out of \$1,500,000 in taxes. The alcohol seized in Elizabeth was said to be consigned to him.
Meanwhile Torrio, who has been trying to palm himself off as a quiet business man, was pictured in Federal Court as one of the ringleaders of the desperate Carl Rottich mob of Rhode Island.
Torrio was one of the moving spirits in the Rottich gang, which operated extensively in rum-running and mail and bank robbery, the Assistant United States Attorney Charles T. Murphy told Godard.

62-3778-31
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
APR 28 1936
NEW YORK OFFICE
ROUTED TO [initials]

Special Jury Ordered For Trial of Luciano

Court Asks Blue Ribbon Panel of 150 Be Drawn Friday

Justice Philip J. McCook of the Supreme Court yesterday granted a request by Jacob J. Rosenblum, first assistant to Thomas E. Dewey, vice and rackets prosecutor, for a special blue-ribbon jury for the trial of Charles Luciano, also known as Charlie Lucky, and twelve others on an indictment charging compulsory prostitution. The trial has been set for May 11.

Justice McCook directed Frederick C. Byrne, Commissioner of Jurors, to draw a panel of not less than 150 names at 10 A. M. Friday. He ordered that opposing counsel each have thirty peremptory challenges in the selection of the jury.

The application for the blue ribbon panel was granted over the objections of Samuel Mezansky, who is associated with Moses Polakoff, counsel for Luciano. Mezansky said that the validity of the indictment would be challenged before Justice McCook tomorrow. He said that the indictment contained ninety counts, but specified ninety separate alleged crimes without alleging a conspiracy to link the defendants.

Mr. Rosenblum said that a special panel was necessary because the publicity attending the arrests of the members of the alleged vice ring might cause difficulties and a delay in obtaining a jury in the usual manner, while a special blue ribbon panel would facilitate the trial. He said that the defendants were joined under the indictment in accordance with the provisions of the joinder of offenses bill which was signed by Governor Herbert H. Lehman on April 9.

62-5778-32

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

APR 23 1936

NEW YORK OFFICE

ROUTED TO: *File*

APR 23 1936

62-5773
OJS:AOS

607 U. S. Court House
Foley Square
New York, N. Y.

April 28, 1936

Director
Federal Bureau of Investigation
Washington, D. C.

Re: Charles "Lucky" Luciano
Unlawful Flight to Avoid Prosecution.

Dear Sir:

Reference is made to telephone conversation with Mr. Foxworth on April 2nd, regarding the above matter, and my reply thereto of April 7, 1936.

Special Agent George J. Starr again called on Assistant District Attorney James Neary, New York County, and the latter stated that he had made inquiry but had been unable to find where his office (the office of the District Attorney for the County of New York) had any information showing a connection on the part of Luciano with commercialized prostitution. For his own information, Mr. Neary thinks that he may, at some future date, make some discreet inquiry to ascertain just what Special Prosecutor Thomas E. Dewey has in the way of evidence along this line, and should he learn anything of interest he will communicate with Agent Starr.

Very truly yours,

R. WILLEY
Special Agent in Charge

62-5773-34

Hearing On Luciano Set Today

Move to quash the indictments charging Charles "Lucky" Luciano with compulsory prostitution will be made before Supreme Court Justice McCook this morning.

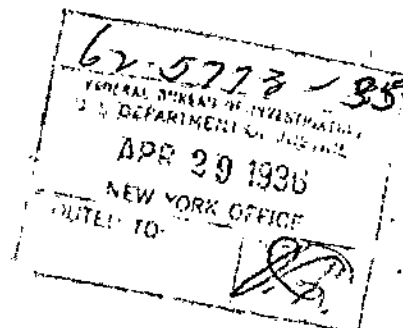
Moses Polakoff, counsel for "Lucky," will declare the newly enacted crime laws not operative against his client, and may combat their constitutionality.

While Special Prosecutor Dewey worked arduously yesterday to make the indictments stand up, his aides, before Justice McCook dug away at the alleged restaurant and cafeteria rackets.

Adolph Austin was hauled before the court on contempt proceedings, charged with keeping two sets of books at his Pine Tree Cafeteria, 106 W. 38th st., to conceal a \$1,500 payment to racketeers.

But Austin denied ever keeping more than one set, insisting the 15 books in that set were as much as he could handle. Howard Schmitz, former payroll auditor of the State Insurance Fund, testified he had seen three other books, however.

It being a case of Austin's word against that of Schmitz, Justice McCook declared himself reluctant to pass judgment on Austin without further argument. Counsel for both sides were directed to submit briefs tomorrow afternoon.



62-5773-36



THIS SIDE OF CARD IS FOR ADDRESS

U.S. DEPARTMENT OF JUSTICE

APR 30 1936

NEW YORK OFFICE

ROUTED TO:

FILE

U.S. Federal Judge Henry Goddard

New York City
New York

Halann
Michigan
April 28th 1936

Dear Sir.

The 100,000

Bail put on Jones is
super excessive and is
constitutional to the 8th amend-
ment which prohibits excess-
ive bail and also your
denial of a Habeas Corpus
to him was unconditional to
the Constitution which says
excessive bail shall not
be required, and as well which
says a Habeas Corpus
shall not be denied except
in case of treason or rebell-
ion.

There was neither in this
country yet you uncondi-
tionally denied the Jones
a Habeas Corpus.
Sincerely,
Halann

LUCIANO, AIDES TO TAKE FIGHT IN HIGH COURT

The battle of technicalities under which Charles "Lucky" Luciano and six associates are seeking to smash their way out of Prosecutor Thomas E. Dewey's nets was headed for the United States Supreme Court this afternoon.

As Justice McCook overruled demurrers to the 90-count indictments charging Luciano and his co-defendants with compulsory prostitution, defense attorneys indicated they would carry their appeal to the highest tribunal, if necessary.

Meanwhile, plans for the arraignment of the accused vice czar and his friends later today were undisturbed.

Arguments on the demurrers were held this morning with defense counsel maintaining that the joining of counts on unrelated crimes was unconstitutional.

"To be valid," declared Attorney David P. Siegel, appearing specifically for Abe Wahrman, alleged member of the Luciano vice ring, "it would be necessary to show a conspiracy."

CHARGE CONSPIRACY.

"In the course of the trial," retorted Jacob J. Rosenblum, Dewey aide, "we will show that a definite conspiracy existed."

Justice McCook took an hour's recess before overruling the defense's objections.

The seven defendants, including Luciano, Wahrman, Thomas Pennochio, James Frederick, David Beillo, Benny Stiller and Raul Liguori, originally entered pleas not guilty with six others under indictment, but withdrew their pleas to fight it out on technical grounds.

62-577237

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

APR 30 1936

NEW YORK

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Vice Panel Drawing Delayed for Week

Drawing of the "blue ribbon" panel of 150 talesmen, from which will be selected the jury to try Charles "Luck" Luciano and 12 others on charges of compulsory prostitution, was postponed today until Friday by Supreme Court Justice McCook.

The postponement was caused by the arraignment of Oscar Saiffer, Broadway clothing merchant, who is accused by Special Prosecutor Thomas E. Dewey of having acted as "payoff man" for racketeers and filing a false State income tax return.

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FEDERAL BUREAU OF INVESTIGATION	
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NEW YORK MAY 1 1936

VICE CASE PLEAS LOSE

On the eve of the drawing of a "blue ribbon" jury to hear the trial on May 21 of 13 defendants indicted in Special Prosecutor Dewey's vice probe, seven of them yesterday appeared before Supreme Court Justice McCook to plead demurrers that were refused by the court.

Their attorneys argued that the new law deprives the clients of constitutional rights and reduces their possibilities of meeting the charges of compulsory prostitution with proper defense. The seven who pleaded demurrers were "Lucky" Luciano, cited by Dewey as head of the \$12,000,000-a-year vice ring; Abe Wahrman, Thomas Pennochio, James Frederico, David Petillo, Benjamin Spiller and Ralph Liguori.

62-5772-39

Q

SPECIAL PANEL IN VICE CASES

Supreme Court Justice McCook today granted a motion by Jacob J. Rosenblum, chief assistant to Thomas E. Dewey, special prosecutor for vice and rackets, for a special jury panel for the trial of Charles (Lucky) Luciano and other defendants on a charge of compulsory prostitution. The trial is scheduled to begin before Justice McCook Monday.

This afternoon Justice McCook will supervise the drawing of the special panel of 200 names by Frederick O'Byrne, commissioner of jurors, in the Hall of Records.

62-5778-40

By

Special Panel Is Drawn For Luciano Vice Trial

Utmost Care Taken to Forestall Chance of Reversible Error

A blue ribbon panel of 200 men chosen from among 1,300 names was drawn yesterday with utmost care to prevent the slightest legal flaw and forestall the possibility of reversible error when Charles Luciano, alias Charley Lucky, and his twelve co-defendants go on trial Monday in Supreme Court on indictments charging compulsory prostitution.

The drawing took place in the office of Frederick O'Byrne, Commissioner of Jurors, after Justice Philip J. McCook, who will preside at the trial, granted a motion of Jacob J. Rosenblum, chief aid to Thomas E. Dewey, special prosecutor of vice and rackets. Mr. Dewey uncovered the evidence against Luciano and his henchmen.

To make certain that every section of the criminal code referring to special jury panels was followed strictly, Mr. O'Byrne had in attendance Justice McCook, Justice Ernest E. L. Hammer, who is presiding over the May term of the court; Andrew B. Keating, county clerk, and James McGurrin, Deputy Commissioner of Jurors. Mr. Rosenblum represented Mr. Dewey for the prosecution, and Samuel Mezansky, associate of Moses Pollakoff, attorney for Luciano, represented the defendants.

Among those chosen were Albert Gallatin, artist, of 7 East Sixty-seventh Street; Carl Van Doren, writer, of 8 East Thirteenth Street; Frederick J. H. Sutton, of 2152 Fifth Avenue; Witherbee Black, jeweler, of 911 Madison Avenue; Frederick L. Ackerman, architect, of 1 West Sixty-fourth Street; and Mark O. Frenkel, writer, of 210 Fifth Avenue.

62-5773-41

Q7

LUCIANO AND 12 AIDS FACE 1,800-YR. RAPS

Charles (Lucky) Luciano and twelve hirelings of his vice ring will go to trial Monday morning on charges so numerous that conviction on all counts would make them liable to 1,800 years in prison each.

The last obstacle to the trial was removed yesterday by Supreme Court Justice Philip J. McCook, who will preside. He denied three last-minute motions for separate trials on each of twenty-eight crimes alleged in the 90-count blanket indictment and said all the charges would be lumped against the vice mob.

Defense counsel pleaded that the jury would be prejudiced by having the twenty-eight women connected with each of the offenses take the stand and repeat their stories. "I would, they said, create a general atmosphere of guilt and the layman will be utterly bewildered and confused."

62-5778-42

Q

EW Y

MAY 3

Trial of Lucania To Open Monday. Decision Assures

Judge Balks Efforts for
Separate Prosecution of
Alleged Vice Czar

The trial of Charles (Lucky) Lucania, indicted on charges of compulsory prostitution, is scheduled to begin Monday. Justice Philip J. McCook removed the last obstacle today in Manhattan Supreme Court and a panel of 250 talesmen already has been drawn for the blue ribbon grand jury.

Justice McCook refused to allow a separate trial for Lucania or to dismiss the charges against Abe Warman, alleged strong-arm man of the vice ring. Counsel for both vainly attacked the constitutionality and the form of the indictment returned against members of the ring.

Samuel Mezansky, counsel for Lucania, argued that a fair trial for his client was impossible if he had to stand trial with the 12 other defendants. The joinder of offences bill under which members of the ring were indicted may lead to "fair chamber" proceedings, Mezansky said.

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LUCIANO GOES TO TRIAL TODAY

HEAVY GUARD
AS HE FACES
VICE COUNTS

LIABLE TO
LONG JAIL TERM

At 10 o'clock this morning a large green "Maria" will pull up to the Supreme Court in Manhattan, unloading Charles "Lucky" Luciano and 12 of his alleged henchmen, all charged with compulsory prostitution.

Their trial before Justice McCook will begin immediately afterward in Room 149, under the most extensive precautions for guarding against gang shootings (this city has witnessed in many years). Police will surround the yard and the building stairway. Two lines of police will stretch across the corridor to the rear of the building.

SNIPERS FEARED

Plainclothesmen, heavily armed, will fill the courtroom, where blinds will be drawn back of the defendants to deter possible snipers in the area.

"Lucky," 39 years old, a Brooklyn-born bachelor, who contends he never had dealings with the vice racket, admitting he always has been a bookmaker for racing bets, will come to court shackled to a deputy sheriff.

Each of his 12 co-defendants will be likewise shackled, but handcuffs must be removed in the courtroom.

Sub-machine guns and tear gas bombs will be available in side corridors, for use in any possible emergency.

"Lucky" faces 1,800 years in prison if convicted, having been indicted by the Extraordinary Grand Jury on 90 counts, each bearing a maximum penalty of 20 years in prison. His co-defendants are in a like predicament.

Beginning today, a jury will be chosen from the blue panel of 200 businessmen, leaders in the world of finance, arts and letters. Justice McCook, demanding a speedy trial, has limited the defense to a total of 30 peremptory challenges for all 13 defendants.

Special Prosecutor Dewey and his chief aide, Jacob A. Rosenblum, will direct the prosecution. Moses Polakoff and a battery of wellknown criminal lawyers, including Caesar Barra, counsel for "Terrible Johnny" Torrio, will represent the defense.

OTHERS

ON TRIAL

Those on trial with "Lucky" are Abe Wahrman, alleged chief of his strong-arm squad; David Betillo, alleged treasurer of the combine; Al Wiener, described by Dewey as the booker of women in disorderly houses; Tom Pennochio, James Frederico, Jesse Jacobs, Benny Spiller, Meyer Berkman, Peter Ballitzer, David Marcus, Jack Ellenstein and Ralph Liguori.

All of the 110 State witnesses have been lodged in jail to prevent their disappearance for one reason or another. Of this number 80 are women—55 inmates and 25 operators of disorderly houses, with five "mystery" women to testify—and 30 are men allegedly employed in the vice racket in various capacities.

62-5773-44

Day

DEWEY STARTS VICE TRIAL WITH SURPRISE MOVE

Bookers Remanded to Tombs as Ten Higher Ups Face 90 Counts —Defense Maneuvers Blocked

By MALCOLM LOGAN

Three of the twelve men on trial with Charles "Lucky" Luciano as principals in the city's vice racket suddenly pleaded guilty today when the trial opened in Supreme Court. They are Peter Balitzer, alias Pete Harris; Al Weiner, son of "Cock-eyed Louie" Weiner, who is serving a term in Sing Sing for compulsory prostitution; and David Marcus, alias David Miller.

All of them are accused of being "bookers"—the men who assigned prostitutes to the several hundred houses controlled by the vice syndicate.

The higher-ups sat in grim silence as Supreme Court Justice Philip J. McCook accepted the pleas of these subordinates and sent them back to the Tombs for sentence when the trial of the remaining ten defendants is over.

Others Stick to Guns

All the men who, according to Mr. Dewey, ranked above the bookers in the Luciano organization stuck by their pleas of not guilty.

The way was cleared for the selection of the jury at the morning session when Justice McCook brusquely denied one motion after another made by the squad of nine defense attorneys.

One of those motions—a challenge of the legality of the drawing of the blue-ribbon panel of 200 talesmen—resulted in the first clash between counsel when Mr. Dewey accused Lorenzo C. Carline of attempting a "pretty sharp practice."

To Summarize Case

When Justice McCook adjourned court for an hour at 12:25 P. M., everyone was ready to start selecting the jury. Mr. Dewey announced that he would briefly summarize his case for the enlightenment of the talesmen before he began examining them.

The charge against all the defendants is compulsory prostitution. There are ninety counts in the indictment, each count naming each defendant. It would be possible, if they were convicted on every count, for Justice McCook to sentence them to serve a total of 1,800 years.

121 Witnesses for State

Mr. Dewey, who expects to complete his case within two weeks, has 121 witnesses, some of them men in fairly important positions who have turned State's evidence, other the smaller fry—"madams" and prostitutes.

Under heavy guard the prisoners were taken to Justice McCook's court room on the main floor of the Supreme Court Building from the Tombs, where all have been held under bail so high that no casualty company would furnish bond for them.

An unusually heavy detail of plainclothes men mingled with the crowds in the court house corridors and with the talesmen in the court room.

There were even rumors—unconfirmed—of sub-machine guns and tear gas bombs cached in the building.

Continued on Page 12, Col. 3

Continued from Page One

ing for use in any emergency that might arrive.

The prisoners were seated on three benches at Justice McCook's left, inside the well of the court.

Public Enemy No. 1

At the end of the bench nearest the wall was a blonde policeman and next to him Luciano—the man whom Mr. Dewey calls New York's Public Enemy No. 1.

Luciano is a man somewhat below medium height, with a profusion of black hair, heavy black eyebrows, heavy-lidded eyes and a mouth which turns down at the corners. More than any of the defendants, he has the sinister and dangerous appearance which the movies have led the public to expect of gangsters.

At Luciano's right sat Little Dave Betillo, whom Mr. Dewey described as one of Luciano's two chief lieutenants in the vice racket. Betillo's hair is brown and curled, his features sharp, his face dead white.

Next Is "Gen. Tanager"

Beside Betillo sat the so-called "Gen. Tanager," a swarthy, compact black man, and a wrestler.

AGENTS PREPARE TO SPRING TRAP ON GANG HEADS

**\$10,000,000 Kept From Gov-
ernment by Evasion—
Big Profits Split**

**REVENUE DEPARTMENT
DUPED INTO AIDING MOB**

BY HENRY PAYNTER

Two score Federal agents today were about ready to spring one of the Government's biggest traps against rum runners since prohibition.

For weeks the agents have been examining the books of more than 100 retail and wholesale liquor corporations of the city and have shadowed the movements of politicians and gangsters of renown.

They have uncovered the movements of a fleet of alcohol-smuggling ships involving tax evasions exceeding \$10,000,000 annually.

They have also discovered a gang racket by which the Collector of Internal Revenue unwittingly has been furnishing bona fide tax stamps for imitation whiskey made of the smuggled alcohol and disposed of in many seemingly reputable liquor stores. The Government men now wait only for the rounding out of minor details of evidence before making wholesale arrests.

Luciano Under Probe

Among well-known figures under investigation are:

CHARLES "LUCKY" LUCIANO, accused of being head of the city's vice ring, who, according to the agents, acts as banker for the rum syndicate.

JOE ADONIS, Brooklyn figure who has recently come to play a hidden hand in Kings and Queens county politics.

JOE RAO, former ally of Dutch Schultz, and best known to the general public as the "boss" of Welfare Island Penitentiary during his sojourn there as a prisoner.

LITTLE AUGIE PISANO, who succeeded to the late Frankie Yale's position as Capone agent here and head of the Brooklyn chapter of the Unione Siciliana, sometimes more vulgarly and incorrectly known as the "Black Hand."

Share Profits

Adonis, Rao and Pisano are said by the agents to control operations of the great alcohol-smuggling syndicate, while Luciano is their banker. The four share equally in the net profits of the ring, which are said to exceed \$5,000,000 annually.

The recent murder of Louis Silver is linked by the Federal agents to the syndicate's operations. Silver was water boss, or marine superintendent, for Joe Adonis.

Tapped telephone messages exchanged between gang leaders indicate, the agents say, that Adonis blamed Silver for the seizure two weeks ago at Elizabeth, N. J. of a bargeload of Belgian alcohol smuggled in by the ring.

The telephone conversations overheard by the agents indicated that Harry Bernstein, arrested after the crime, had fingered the victim for two out-of-town assassins. John Torrio, once Capone's mentor, who was also under suspicion by police, did not figure in the case according to the agents' information.

The method of operation used by the syndicate is as follows:

The alcohol, a cheap industrial product, is purchased in shipload lots in Belgium and loaded on ships owned by the syndicate. 700,000 litres, or approximately 200,000 gallons, to a shipload.

Save Millions a Trip

At \$5 a gallon, a Government tax of \$1,000,000 is evaded for each voyage of each ship.

The syndicate pays 35 cents a gallon for the alcohol and net \$1.30 profit a gallon (in addition to the tax saved) for \$300,000 a shipload each voyage of each ship. The ships can make six trips a year and several ships have been used.

The alcohol is flavored, colored and put up in whisky bottles under well-known trade names. Bona fide Government tax stamps are placed on these bottles.

These stamps were obtained chiefly by making false affidavits.

Got 276,000 Stamps

At least 276,000 stamps are reported to have been obtained by the syndicate from the office of the Collector of Internal Revenue in New York City alone.

The operators would obtain the stamps for legitimate liquor actually ordered, but disposed of without the stamps through several of more than 100 "cover houses"—retail liquor stores used by the syndicate in disposing of its products.

The evidence in possession of the Government agents, most of them from the alcohol tax unit, and including some of the aces of the sensational raids of the last year of prohibition, indicates that the ring's operations commenced shortly after prohibition ceased to be.

62-5773-46

See

Trial of Vice Lord Speeded:

FIVE LUCIANO JURORS PICKED

Three Henchmen Plead Guilty on 90 Counts

The first day of the compulsory prostitution trial of Charles "Lucky" Luciano, described as the overlord of vice in New York, ended at 11 o'clock last night with five jurors chosen from a blue ribbon panel of 200.

The day opened badly for the man described by Special Prosecutor Dewey as one of the most dangerous racketeers in the country. Three of his small fry henchmen pleaded guilty on all the 90 counts against them.

The three are among the 12 named in the blanket indictment with Luciano. It is expected that these three "bookers" of prostitutes will turn State's evidence, hoping for light sentences and supporting the word of 12 witnesses.

Face 20 Years

Each man on trial faces a sentence of 20 years on each of the 90 counts.

The jurors, selected from the panel before Justice McCook, are:

Edwin Aderer, 41 5th ave., dental gold manufacturer, married.
Theodore A. Isert, 20 E. 96th st., editor of trade magazine, married.

Edward Blake, 39 Sherman ave., salesman.

Paul Mahler, 331 Central Park W., consulting engineer.

Hewitt Morgan, 169 E. 78th st., a broker.

Pleading guilty before the talesmen were examined were David Miller, alias David Marcus; Pete Baltzer, alias Pete Harris, and Al Weiner.

They lifted into what Special Prosecutor Dewey calls "a large corporate enterprise" as men who "mated the women from one house to another, arranging with the mistress of the houses for 40 registers, which usually took place once a week. Small fry, Dewey called the three.

None Ever Saw Him

The size of the empire which Dewey believes he has smashed can be imagined from the fact that none of these three had ever seen their alleged czar, Luciano, until they met him in court at the time of their arraignment. Yet, the prosecution says they worked for him for more than a year.

Dewey explained to the panel that Luciano never personally put the girls in houses nor collected money from them. He said:

"It was an organized racket. Luciano sat way up on top, in his Waldorf apartment. He was the czar, and his word was sufficient to put other houses out of business. His function was to say 'Do this' and it was done. The others were his servants."

Only one surprise marked the trial yesterday. That came during the examination of a prospective juror, when Dewey asked him if he knew Albert Marinelli, Democratic district leader and County Clerk. Intimating this man will be brought prominently into the testimony, Dewey said:

"I ask this by reason of his relationship with one of the defendants in this case."

Luciano is a product of the district over which Marinelli has won Democratic control.

The fact that Dewey is trying these men under a new crime law which requires all defendants to answer together each of the many charges was responsible for numerous motions, all denied.

It is believed certain the case will be appealed, should the defendants be found guilty, on the ground that they were involved in the perpetration of the new crime bill was passed and there fore cannot be tried under its regulations.

Luciano, a pocket man of medium build, dark hair, his never-flickered men pleaded guilty.

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ONE OF FEW
TIMES THE
CAMERA
CAUGHT HIM



CHARLES 'LUCKY' LUCIANO
Exclusive Candid Camera Photo in Night Court

International News Photo, Inc., New York

Luciano Jury Still Sought

Another Late Session of Trial Is Indicated
Dewey Defends Immunity Plan.

The selection of a jury to try Charles (Lucky) Luciano and nine of his henchmen on charges of compulsory prostitution continued today before Supreme Court Justice Philip J. McCook, with the expectation that the examination of the blue-ribbon panel would again be continued to a late hour before the box was filled.

When the afternoon session began at 2 P. M. seven jurors had been selected, including five chosen yesterday. The defense lawyers had exhausted nine of their twenty peremptory challenges, and the State, five.

In examining the talesmen, Special Prosecutor Thomas E. Dewey defended his policy of granting immunity to prostitutes and lesser fry in order to convict Luciano and other higher-ups who, he charges, controlled a vice ring netting the operators \$10,000,000 a year.

Addressing Witherbee Black of 911 Park avenue, a merchant, Mr. Dewey explained that "in order to get the big fellow, I have given immunity to the little fellow." Mr. Black agreed that he had no quarrel with that theory of prosecution.

George Morton Levy, of counsel for Luciano, roused the Prosecutor to protest when he asked Mr. Black whether he could regard Mr. Dewey and defense counsel with equal consideration.

"I object to the injection of personalities in this case," Mr. Dewey exclaimed. "I am not the issue here."

He was sustained by Justice McCook, and the defense peremptorily challenged the talesman.

The possibility that Luciano might take the stand in his own defense was mentioned by Mr. Levy, in examining the first talesman called when court was resumed at 10:25 A. M. The door was asked Webb Wilson of 156 West

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JURY STILL SOUGHT AT LUCIANO TRIAL

Continued from Page 1.

Seventy-ninth street, an investment banker, if he would be prejudiced against Luciano if the reputed vice czar did not take the stand or if he would believe him capable of telling the truth if he did. Mr. Wilson replied that he would naturally be suspicious of any man who, if innocent, did not testify on his own behalf.

The defense excused Mr. Wilson, exhausting another of the twenty peremptory challenges allotted to each side.

Tenor of Questions.

The questions put to the talesmen by the defense today followed those of yesterday in tenor: Were they impressed by the heavy bail set for Luciano and his co-defendants? Would they be influenced by the Special Prosecutor, or by the extraordinary term of the court? Had they any part in the passage of the joinder of offenses act (signed by Gov. Lehman on April 8) or would they be swayed by the character of the prospective witnesses? Most of these, Mr. Dewey has said, will be prostitutes.

The same precautions taken yesterday were followed when the prisoners were led into the court room today from the vans which had brought them from the Raymond street jail in Brooklyn, and in court they were guarded closely by attendants and prison attaches.

Most of the morning was absorbed without another juror being chosen to join the five already in the box.

Jurors Are Seated.

After a brief recess at noon, however, Norton R. Gagnon of 107 West 127th street, a purchasing agent, was accepted as juror No. 6.

Within another few minutes the seventh juror was seated. He was Charles H. Jones of 45 East Eighty-fifth street, a vice-president of the Manufacturers Trust Company.

Robert D. Williams of 380 Riverside Drive, a heating contractor, admitted being "a little deaf." He was impressed by the fact that 121 witnesses were ready to testify, but Mr. Dewey assured him that, while he would call many, he would not call them all.

Mr. Dewey objected, and was sustained, when Mr. Levy suggested that Luciano "is to be the price for certain witnesses being given their freedom." The defense rejected Mr. Williams, exhausting the eighth of its challenges.

During the session Mr. Dewey admitted that he expected the trial to last two weeks, but promised to expedite the State's case.

Night Session Held.

In a move which took defense counsel by surprise yesterday Justice McGook announced that he would hold a night session to expedite the case, and it continued until 11 P. M. before an adjournment was ordered. At that time five jurors had been chosen. They are:

Edwin Ederer, 41 Fifth avenue, manufacturer.

Theodore A. Hart, 70 East Ninety-sixth street, trade newspaper editor.

Edward Blake, 129 Sherman avenue, salesman.

Paul Mahler, 33 Central Park West, consulting engineer.

Hewitt Morgan of 162 East Seventy-eighth street, a customer's man.

Early yesterday, almost before the trial had started, three of the original thirteen defendants, Pete Ballizer, David Marcus and Al Weiner, entered pleas of guilty to all ninety counts against them in the indictment and may turn State's evidence.

Luciano Jurors Picked; Appeal Already Settled

Vice Prisoner's Lawyer Faves
Way for Test of New Law
on Group Indictment

Panel To Be Locked Up

Daily Sessions to Last From
9:30 A. M. to 7 or Later

After sixteen hours, during which seventy-one talsman were examined, the blue-ribbon jury which Thomas E. Dewey, special rackets prosecutor, hopes will find Charles Luciano and nine of his subordinates guilty of compulsory prostitution, finally was completed at 7:53 o'clock last night. Justice Philip J. McCook, of the Supreme Court, immediately ordered counsel to select two alternates. They were picked half an hour later and court was adjourned until 10 a. m. today, when Mr. Dewey is expected to open the actual trial of the men he calls the city's top-notch racketeers.

Late in the afternoon, when eleven jurors had been chosen and defense counsel had four of its allotted twenty peremptory challenges left, George Morton Levy, one of Luciano's lawyers, suddenly began challenging each talsman who took the stand without any immediately apparent reason. In that way, four of the prospective jurors who had sat through the two grueling opening days of the trial were dispensed with quickly and sent home, somewhat bewildered by the devious ways of legal technique.

To Test Group Indictment

It soon became apparent, however, that the dozen or so lawyers representing the defendants had decided to make a test case of the recently enacted state legislation under which many prisoners can be grouped in a single indictment, charging several crimes in several places at several times. The defense has contended from the first that each of their ten clients should be entitled to twenty peremptory challenges—a total of 200—and Justice McCook has stoutly denied the point.

When the defense had thus used its quota of challenges, Samuel P. Siegel, representing James Frederick, who is regarded by Mr. Dewey as Luciano's general manager, rose to make the twenty-first peremptory challenge. Justice McCook remarked tartly that he already had ruled that twenty would be all either side could have, whereupon all defense lawyers made a great point of placing exceptions on the record for the future scrutiny of the Court of Appeals.

That, temporarily at least, gave Mr. Dewey a prosecutor's field day in the selection of the last juror for he will had the privilege of exercising eight peremptory challenges. Long now or other, though, things seemed to break wrong and all of the next six talsman had ideas on justice in general or compulsory prostitution in particular which did not appear to fit into Mr. Dewey's scheme of things. Finally, however, he completed the jury with two challenges to spare.

List of the Jurors

Seven of the jurors were drawn yesterday and five on Monday, the opening day of the trial. The panel, whose members have a decided leaning toward banking or other types of finance, follows, in the order selected:

BOWEN ADERER, of 41 Fifth Avenue, a manufacturer of dental gold.

THEODORE A. ISERT, of 70 East Ninety-sixth Street, trade magazine editor.

EDWARD BLAKE, of 199 Sherman Avenue, salesman.

PAUL MAHLER, of 333 Central Park West, consulting engineer.

HEWITT MORGAN, of 163 East Seventy-eighth Street, a customers' man.

NORBERT E. GAGNON, of 108 West 27th Street, bank purchasing agent.

CHARLES H. JONES, of 45 East Eighty-fifth Street, bank vice-president.

ROBERT INNES CENTER, of 112 East Thirtieth Street, book publisher.

LINCOLN E. WELD, of 125 Washington Place, accountant.

STEPHEN J. SMITH, of 2 Beckman Place, art importer.

JOHN MCGOWAN, of 36 West Seventy-first Street, an Edison Company supervisor.

MARTIN MOSES, of 225 West Ninety-seventh Street, W. P. A. foreign language teacher.

Alternates

HENRY P. STURGES, of 145 East Thirty-fifth Street, investment counsel.

CLARENCE TALBOT SQUIER, of 18 Park Avenue, accountant.

It was brought out during the examination of the last juror, Mr. Moses, that he lived in one of the buildings raided on the night of February 1 by police operating under plans laid by Mr. Dewey. It was in the course of these raids that all the defendants, except Luciano, who was vacationing in the South, as well as the ninety prostitutes and thirty men being held as material witnesses, were arrested. Mr. Moses, of course, made it clear that his home was in a large apartment building and that it would not influence his opinion to know that another apartment at the same address might have been raided as a brothel.

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only to be locked up nightly. Justice McCook announced that the juror would be locked up during the trial, which is expected to last at least two weeks. The panel was sent to the Grosvenor Hotel, Fifth Avenue and Tenth Street, last night, where it will pass all ensuing nights until the trial is over. The justice, who already had given ample indication that he intended to speed the case, said that court would sit from 9:30 a. m. to 7 p. m. or later daily. When Mr. Sigel complained that he would not have enough time to discuss the progress of the case with his client, Frederick, Justice McCook replied by ordering the prisoners brought to court at 9 a. m. daily for a half-hour talk with counsel.

Christmas Book Spells Plans
Carl Van Doren, editor and biographer, of 8 West Thirtieth Street, was excused when he said that he was in the final throes of getting a new book to the publishers in time for

next Christmas sale. Mr. Van Doren said he sat through Monday's questioning and then sat up all night on the "hook." He insisted he wouldn't mind serving on the jury if assurance could be given that it would not be locked up every night. Mr. Dewey was powerless to promise that.

The writer admitted he did not have, "strictly speaking, a legal excuse," but added: "To be honest with you, this is the most inconvenient time to be taken from work that no one else can do for me. When I stop writing, my writing stops." Mr. Dewey said he was sorry, because "I am terribly anxious to get five impartial men" on the jury, but consented to excuse Mr. Van Doren.

Among the talesmen rejected or excused was Ewing L. Raftery, of 187 East Sixtieth Street, a playwright and retired business man. He was the only one questioned who happened to admit he personally knew a prostitute. He said he wrote of prostitutes in his plays "as I conceived them to be and in the character of prostitutes I have known." Asked by defense counsel if he "had not had enough experience with newspapers to know that they are not thoroughly accurate," Mr. Raftery replied:

"Well, I depend upon newspapers for a great deal of my information although I do know that they make some mistakes."

Friend of Mrs. Titterton

Mr. Center, who finally became a juror, said that he had been a friend of the late Mrs. Nancy Evans Titterton, who was murdered, and that as a result he was prejudiced against a policeman involved in that case. "He revealed something I didn't consider proper," Mr. Center said. Mr. Dewey smiled, remarking: "Oh, I quite understand."

Sidney L. Smith, manufacturer, of 102 East Eighty-second Street, was challenged after he told Mr. Dewey that he would not question the testimony of any witness simply because she was a prostitute and "unfortunate." He added: "You can't make me believe that any woman takes up prostitution because she wants to."

COUNSEL SAYS LIGUORI NEVER KNEW LUCIANO

**Dewey Tells How Racketeer
Deposed Old Czars and
Stole Vice Empire.**

ROSE AS CRIME BOSS ENTERED

**Accepted Quietly When New Czar
Announced, 'I'm Giving This
Business' to Own Aid.**

Counsel defending Charles (Lucky) Luciano and nine of his henchmen, on charges of compulsory prostitution opened their case before Supreme Court Justice Philip J. McCook today after Special Prosecutor Thomas E. Dewey had told how Luciano summoned the former vice bosses of New York to a conference at a downtown restaurant, curtly informed them that they were deposed and then proceeded to organize prostitution "into a colossal racket."

Lorenzo P. Carlino, representing Ralph Liguori, whom Mr. Dewey had called the strong-arm man of the vice trust, said that his client would take the stand and deny knowing any of the other men named in the indictment. He would deny, Mr. Carlino said, ever having had any dealings with his defendants and would aver that he never received a penny from the business of prostitution.

Counsel asserted that Little David threatened the District Attorney's office with two lives in prison unless he gave testimony against Luciano. Liguori, counsel said, declared that the testimony he was asked to give was not true, and refused to participate in any such arrangements.

"They wanted him to swear that his girl, Nancy Fraser (arrested in the raids of February 1) was intimate with Luciano for a week," Mr. Carlino shouted. "He was asked to testify that Little Abe Wahrman was the strong arm man of the combination, and that he Liguori was a collector."

Theft of an Empire.

Until the fall of 1935, Mr. Dewey said in his opening address to the jury, there were only four large "bookers" of women in New York. They were Nick Montana and Cock-eyed Louis Weiner both in jail and Pete Balitzer and Dave Marcus.

There were a few smaller bookers, but these four were the major operators.

It was then that Little David Petillo, and Tommy the Bull Pennocchio, Luciano's chief lieutenants, thought it would be a good idea to take over the racket, Mr. Dewey said, and present it to their boss—a mere extension of his other activities.

The downtown meeting was arranged. The bookers were told to attend, they knew not why.

Without a Whimper.

"Into the room walked Charles Luciano. Those present rose, in deference to the ruler of crime.

"He spoke briefly: 'You guys are through! I'm giving this business to Little David.'"

The former vice czars, Mr. Dewey said, took the verdict without a protest.

"Such," he told the jury, "was the power of the mere spoken word of this man, that they folded their tents and gave up their business without a whimper."

Thereupon, the prosecutor said, Luciano sat down with Petillo, Pennocchio and Jimmy Fredricks,

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Throughout his address Mr. Dewey stressed the fact that he would give only "glimpses" of Luciano's activity, but these, he said, would show that he was the master of the enterprise and ruled with an iron hand.

Few of those in the lower brackets saw Luciano, the prosecutor said, or were aware that he was their overlord. Even the tenants mentioned his name with bated breath. The racket took only a few minutes of Luciano's time every day. Mr. Dewey sought to explain to the jury that organized prostitution was only one of the gang chief's rackets, but he was not permitted to develop that point.

Sketching the growth of the vice trust, Mr. Dewey showed how at first the bookers were forced into line. As the business grew, the number of underlings multiplied. There were telephone men, collectors, "lobby gows" and similar satellites. All, the prosecutor said grimly, were cheating on each other at one time or another.

The executives "downtown"—a pseudonym for vice headquarters—laid down rigid rules for the conduct of the enterprise, which, Mr. Dewey said, were rigidly enforced. Bookers were not allowed to take houses from other bookers, though they could lend girls to bookers needing re-enforcements. There was a fine of \$500 for any booker who held out a single house, and the executives let it be known that they "would not take the fine out in money."

The Legal End.

Soon the system was functioning like a big business corporation, with Ave Wahrman, Tommy the Bull and Little Davie Betillo at the helm. Records were transmitted daily to them by General Manager Fredericks, or Frederico, who also acted as a clearing house for those prostitutes unfortunate enough to be arrested.

It was then, Mr. Dewey said, that the trust's legal machinery got to work. A madam would telephone the bad news, and before the girl was even in court bail would be fixed and waiting. The bondsmen and the lawyers took care of her, and worked so efficiently, the jury was told, that of 170 girls arrested in 1935 only one went to jail.

Jesse Jacobs and Meyer Berkman, neither of them licensed bondsmen, ran the bonding office, the prosecutor said. After the girl was bailed out, Abe (not Alex) Karp would coach the girl. Fredericks was present to add suggestions. Max Rachin or some other lawyer appeared in court, and the case was fixed. But if it was a "straight" case, the girl was told to "take it on the lam"—to jump bail. She became, in the underworld parlance, a lamster, and soon went back to work in another house.

This never gave their right

names. Every Monday, Mr. Dewey said, they furnished the madam with a name that was to be used in case of a raid. Of the 170 cases in 1935, the girls walked free in 80 per cent of the cases; took it on the lam in the other 20 per cent.

"I tell you, gentlemen," Mr. Dewey said softly, leaning forward over the jury rail, "not one of these girls went to jail."

The bail, he said, was usually \$300 or \$500. The madam supplied half of this; the ring the other half. Fredericks collected the madam's half, went "downtown" and collected the ring's half from Tommy the Bull, then put up the bond. But if the girl was freed, as happened in 80 per cent of the cases, the ring just kept the money the madam had put up.

Plenty of Money.

"Thus," said Mr. Dewey, "the ring had plenty of money at all times to use for bonding. The \$10 a week they levied on all prostitutes in the city for this service was clear profit."

In tough cases, such as one in which the magistrate sprung a surprise by fixing bail at \$2,000, the executives had to go to the big boss himself. He arranged for a writ of habeas corpus; bail was cut from \$2,000 to \$900, and the girl went on the lam. "Forfeiting \$900 bail was much easier," Mr. Dewey smiled, "than forfeiting \$3,000."

Some madams, strong-minded women, disliked paying tributes for protection. They were stuck up or beaten up, Mr. Dewey declared, "and soon realized that they were fighting an impossible battle."

Madams and prostitutes never knew that Luciano bossed the racket. But he was there when the trust called an executive meeting, always suddenly, so that no one would know anything about it—and laid down the law.

Testimony would show, Mr. Dewey said, that on one occasion he brutally ordered that a recalcitrant madam be "given the works." Tommy the Bull saw that the orders were carried out.

"Where is she?" Mr. Dewey quoted Luciano as asking.

"In the hospital," the Bull replied. "She's straightened out."

Finally, after describing how Luciano gained an ever-tightening control on the vice trust, Mr. Dewey concluded by quoting the vice czar: "We're going further. We're going to put every man in the city (he meant every member of the ring, big and small) on a salary. Then we'll raise prices."

List of Jurors

The blue-ribbon jury was completed last evening at the end of another long day, during which seventy-one talesmen were examined and two alternates chosen.

The jurors, in the order of their selection, are:

ADLER, EDWIN, manufacturer, 418 Fifth avenue, foreman.
BERT, THEODORE A., trade magazine editor, 70 East Ninety-sixth street.
BLAKE, EDWARD, salesman, 109 Beekman avenue.

MOHLER, PAUL, consulting engineer, 323 Central Park West.
HARRITT MORGAN, customer's manager, 188 East Seventy-eighth street.
GAGNON, ROBERT G., banker, 108 West 227th street.
JONES, CHARLES H., banker, 45 East Eighty-fifth street.
CENTER, ROBERT L., book publisher, 118 East Thirtieth street.
WELD, LINCOLN H., accountant, 125 Washington Place.
SMITH, STEPHEN GERARD, art importer, 2 Beekman Place.
M'GOWAN, JOHN, supervisor, 28 West Seventy-first street.
MOSES, MARTIN, teacher, 228 West Ninety-first street.
STURGES, HENRY F., investment counsel, 145 East Thirty-third street, alternate.
SQUIER, TALBOT, accountant, 18 Park avenue, alternate.

DEFENSE IS HEARD AT LUCIANO TRIAL

Continued from Page 1.

who had been with the old gang, and proceeded to organize prostitution in this city "into one colossal racket."

One night shortly afterwards, four men, Mr. Dewey said, backed Baltzer to a wall, one of them put a knife to his stomach and snarled: "Get out of town."

Baltzer asked: "Why?"

"Those are orders," he was told. "Obey."

Next day a hail of bullets, the prosecutor continued, spattered round the automobile of Marcus.

Here the defense objected hotly but was overruled. Thereupon, David P. Siegel moved for a mistrial on the ground that Mr. Dewey's remarks were "inflammatory and unfair." Justice Philip J. McCook denied the motion.

But Recently Organized.

Mr. Dewey had told the jury previously that prostitution, which he called an age-old racket, was an individual matter in New York until a few years ago. It had never been organized. Women kept their earnings, giving most of them, however, to a "protector."

Then, he said, the booking system started. A booker, he told the attentive jury, is a man who knows a number of women and a number of madams, and gets business by placing girls in houses where they work usually for one week. Popular girls stay two weeks, or perhaps three weeks, but ordinarily they go on to a new house after one week "in the manner of an Orpheum circuit."

The girls, he said, called the booker on the telephone every Sunday or Monday and asked where they were to work that week. Most of the places, Mr. Dewey said, were two-girl houses; some had only one girl; some had three or four.

Describing conditions in the racket before it was taken over by the Luciano syndicate, Mr. Dewey said that the women formerly lived in hotels or rooming houses, going home at night.

"If the girl earned \$400 a week—a figure I believe common—in 32 or 33 houses, she got about \$300 of this, \$150 went to the madam, 10 per cent to the booker, \$5 to a doctor, and \$10 went for a bond." Often, Mr. Dewey said, the bond was included in the \$25 to \$35 charged for board. Which left the girl about \$100 a week.

Fortune to Be Made

It was then that Luciano's hand was conceived the notion that there was a vast fortune to be made by taking a toll of \$10 a week from every prostitute in the city by promising her protection from the police and practically immunity from jail.

Hitherto, Mr. Dewey said, the "lowest officer in this great corporate criminal enterprise" prosecuted was a booker.

Montana "taken over by the ring at the point of a gun," was jailed, but his business, Mr. Dewey said ironically, did not stop for one second. Jack Ellenstein, or Eller, took it over and the booking went on briskly. The same applied to Cock-Eyed Louis Weiner. He was sent away, but his son Al stepped into the place vacated by his father, and so the circuit remained unbroken.

During the course of his address the prosecutor reminded the jury that no one in the underworld uses his right name, and that the witnesses to be called would refer to the ring members by the cryptic pseudonyms by which they are known to their associates.

Turn State's Evidence.

Marcus, Baltzer and Al Weiner, who pleaded guilty on Monday, will testify for the State, Mr. Dewey announced.

He told how Baltzer, who owed money to the ring, was told to "pay up and get out." Finally, after a meeting in an apartment, "with guns on the table," the ring finally gave Baltzer "protection" for \$200 a week.

The prosecutor told of a madam

who was beaten up for failure to pay. Montana also was beaten on this occasion. Charlie Spinach, a booker, who couldn't pay his quota into the ring's coffers when times got hard, hurriedly left the city.

Spike Green, called a "lobby guy" and identified by Mr. Dewey as the assistant of Spinach, was in wrong with the ring for the same reason. There was a conference. The "executives" decided to let Green see Little Davis.

"We're going to give you a break," the prosecutor quoted Little Davis as saying to Green. "We'll give you a few weeks to no cost to get your bearings. After that—you pay."

Mr. Dewey told the jury how the girls were coached how to testify when arrested. He named Alex Karp, disbarred lawyer, who had practiced in the Women's Court, as the coach.

When the girls were taken to his office, they tried the same tactics on Mr. Dewey, but he told them, he said: "Frankly, I hope through you to get the big shots. If you don't tell me the truth we'll send you to the Women's Court to face charges of prostitution."

"We told this to these women," the prosecutor said scornfully, "on whose bodies Luciano resided at the Waldorf." Accordingly, they went before the Grand Jury and were automatically granted immunity.

Describe Vice Ring's Methods

Additional Women Placed on Witness Stand at Trial of Luciano.

Women who operated houses of prostitution raided by Special Prosecutor Thomas E. Dewey on February 1 and inmates of the houses took the witness stand before Supreme Court Justice Philip J. McCook today and told the blue-ribbon jury hearing charges of compulsory prostitution against Charles (Lucky) Luciano and nine of his henchmen how they booked girls through members of the vice ring and paid weekly fees for legal protection in the event of arrest.

The first operator of a house to be called related in detail how she punched green cards to keep track of the number of customers who patronized her establishment, and used the cards to compute the earnings of the girls and the percentages to be paid to the trust.

The appearance of this witness occasioned some surprise.

A well-spoken girl who gave her age as 25 years, she was neatly dressed in a brown suit and tan skirt and wore a brown felt hat with a jaunty green feather. Her name, she said, was Dorothy Arnold, but she was also known as Doris Sherman and Dixie.

She said she was born in Virginia, left school at the age of 14 and, when she was 17, eloped with a man to join a traveling carnival.

Barent Ten Eyck, Mr. Dewey's chief assistant, drew out her sordid background—how she came to New York with her husband, identified as Slim, in 1934. At that time he was selling gowns and lingerie.

"Then what did you do?" asked Mr. Ten Eyck.

"I went into a house of prostitution at Broadway and Seventy-seventh street," the witness answered without a trace of expression on her pale face.

Montana and Balitzer.

She told how girls started coming to her apartment and, when Mr. Ten Eyck asked if she "ever enjoyed the services of a booker," named Nick Montana and Pete Balitzer, whom she referred to as Pete Harris, as the bookers with whom she did business. Montana is now in jail.

She changed to Harris, she said, after Montana went to jail. Harris met her in a store at Broadway and Seventy-second street and told her, she testified, that he would send collectors round and "take girls out of jail in case of arrest."

She said Jack Eller, or Ellenstein, one of the defendants, called to make collections, and identified a picture of an individual known as Chapple, whose real name is Santos Scalfani, as another who collected the rake-off for the vice trust.

Chapple, she said, gave her a telephone number to call in case of an arrest. She gave him the names of her girls every Monday morning. Once, she said, she complained to Harris, or Balitzer, that a girl was unsatisfactory, and Harris "sent to change her."

Collected Weekly.

She saw Jimmy Fredericks, named by Mr. Dewey as the general manager of the trust, for the first time in 1935, when he came at her apartment and was introduced as "Jimmy, who works the bonding office."

"Jimmy asked me why I didn't bond with him. I said I could get myself out," she testified.

She said she changed her place of business from 233 West Seventy-seventh street to 244 West Seventy-second street, where she was operating when arrested, and gave the names of a number of girls she had seen in the House of Detention, who had worked for her.

Harris, she said, sent one of the girls, Marilyn Sommer, to 233 West Seventy-seventh street. Jo-Jo Weintraub, she said, collected the booking money at this time, and an individual identified only as Teddy, collected the bond money. The bond money, she said, was collected weekly. Sometimes, she said in response to Mr. Ten Eyck's questions, she had one girl, sometimes two. If she had one, the bond money was \$10 a week; if she had two, it was \$20.

"What booking commissions did you pay on Marilyn Sommers?" Mr. Ten Eyck asked.

"From \$10 to \$15 a week," she replied.

Questioned by Court.

Justice McCook took a hand in the questioning after the green cards were introduced, over defense objections, and brought out that the witness punched the cards every time a customer patronized her establishment.

"If a customer paid \$2," she said, "I'd punch two. If the next one paid \$3, I punched five; if the next one paid \$4, I punched nine"—and so on.

From the cards, she answered in reply to a direct question by Justice

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McCook, she tabulated the earnings of the and of each day.

A witness had trouble remembering details but finally identified a card as that which showed the earnings of one Betty Anderson, showing that on a Friday the prostitute earned \$45 between 2 and 10 P. M., and \$63 on the following Saturday between the same hours. The cards were kept for only six days a week.

Defense objected repeatedly to the identification of the cards, asserting that they were not dated. The prosecution had to admit that the dates were only approximate, but showed that the Anderson girl's card related to business done immediately prior to the February raids.

Witness Flares Up.

Under cross-examination by David U. Siegal, Mrs. Arnold showed the only emotion she displayed during more than an hour on the stand when counsel sought to show that one of her girls named Dixie was her husband's "girl friend." Mrs. Arnold had said that Dixie was one of the names she herself had used.

"I am my husband's wife—and girl friend," she flashed back.

Counsel then tried to show that Mr. Dewey arrested Elim Arnold, with whom the witness said she lived at the Hotel Paris on West End avenue while operating her houses of prostitution, and used that fact to force her to testify against the Luciano vice trust. She was hazy about the time her husband was arrested, and thought it was in March.

Mr. Dewey immediately sprang up and stated that Arnold was arrested on February 8, a week after his wife.

When Mr. Siegal again tried to get the witness to say that she consented to testify to save Arnold from prosecution the girlish-looking woman retorted: "How could my husband be prosecuted for what I

Widow Winked, Teller

The next operator said she was Mary Thomas, also known as Ellen, and gave her address as 154 West Seventy-fifth street. A spectacled blonde, she wore a brown felt hat, brown coat and skirt and a green sweater blouse.

She said she was 27 years old, a native of Elizabeth, N. J., left school to work in a factory, after which she married and spent five years looking after her two children. Then her husband died, and she was forced into prostitution, she testified, to support them.

She came to New York three years ago, went on the street, and related how she entered a house of prostitution and later made contacts with Pete Harris, or Balitsar, and booked girls. Her testimony ran along the same lines as that given by the first witness.

Pete and Jo-Jo Weintraub collected from the operators she worked for, naming Jenny Fox as one of these. The Fox woman, she said, charged her \$35 a week, explaining that \$25 was for board and \$10 for a bail bond.

Names Operators.

She named cryptically a number of operators for whom she worked—Violet, Peggy, Josephine and Ruby, and the first woman to testify today, Dorothy Arnold. She said Pete Harris sent her to 144 West Seventy-second street, where she earned \$231 the week before the place was raided by Mr. Dewey. As a result, few deductions were made, and she kept most of this money.

Under cross-examination she admitted that she was arrested "three or four times" during the year she was on the street, before entering a house, but asserted stoutly that she preferred the street to the house. Her earnings, she said, had

varied from \$100 to \$150 a week. As an independent, in the houses she had only from \$75 to \$112 left after the deductions.

She denied, responding to a question by Mr. Siegal, that she was Andy Coco's girl, but admitted that for the six months prior to her arrest she had been Jo-Jo Weintraub's girl.

"You became a prostitute, did you not, because you couldn't support your children any other way?" asked Mr. Dewey on re-direct examination.

The defense objected, but the witness had already answered in the affirmative.

Forced to Join Vice Combine

Woman Swears Luciano's Ruffians Wrecked Her Place and Beat and Robbed Her.

An operator of a disorderly house described to Supreme Court Justice Phillip J. McCook and a jury today how strong-arm men, reputedly working for Charles (Lucky) Luciano, wrecked her apartment, slugged her and finally compelled her at the point of a gun to "join the combination" and pay weekly tribute for protection in the form of bond money.

The witness, Joan Martin, a slow-spoken woman, wearing dark-rimmed glasses, gave her age as 41 and said she was born in Russia. She told of opening a disorderly house in Clinton street and of booking girls through Cock-Eyed Louie Wetner, now in prison. In August, 1933, she said, Charlie Spinach, one of the individuals named by Special Prosecutor Thomas E. Dewey as involved in the conspiracy, became her booker. She paid him commissions.

Spinach, she said, told her "you'll now have to join the combination." She said she had to join the bonding combination in case of arrest. "I said I wouldn't do it and he said then I'd get no more girls. He wanted \$5 a week for myself and \$10 for each girl."

Witness Points Out Wahrman.

A week later, she said, he returned with four men, pointing out Abe Wahrman in court as one of the four.

Abe, she said, told her she would have to bond with the trust.

"He said I couldn't do business in New York," she continued. "He told the boys to take the place apart. The others smashed the furniture to pieces."

"How long were they doing it?" asked Barent Ten Eyck, Mr. Dewey's chief assistant.

"Not very long," drawled the witness. "They took out knives and ripped the carpets and bust the sofa. I got scared and started to scream. Charlie Spinach said to the others, 'If I'd known you was going to pull that rough stuff, I wouldn't have brought you down here.'"

She saw Spinach next day, she said, and he brought Jimmy Fredericks, the trust's general manager. They sat in kitchen chairs. Fredericks, she said, after being introduced to her by Spinach, told her that little Abe had told her that she must book with the combine and pay \$15 a week. Further, she said, she was compelled to pay \$250 a month for each girl and \$150 for herself.

Says She Protested in Vain.

"What?" she said she protested. "I should pay money, after what they did, smashing up my place?"

Fredericks, she testified, told her that the "ruffians" were not his men, and that there'd be no more trouble.

"I told him," the woman said, "that I didn't want to join. I said, why should I put up the money? If I wasn't arrested, they'd keep it."

But her arguments were futile. She was told bluntly that she couldn't operate in New York "five minutes" without joining the combine, and capitulated after Fredericks generously allowed her to make her payments in installments. She gave him, she said, \$15 for the first week's bond money.

She told of going to Fredericks' headquarters, which she said was in the rear of a doctor's office in West Twenty-fourth street, and named four men she said were present. Fredericks gave her a telephone number, she said, to call in case of arrest, and told her there would be a collector around to see her every week. Thereafter, she said, she paid tribute to little Abe Wahrman.

Charges Fredericks Beat Her.

But only for a while. She stopped paying, while operating a place in West Eighth street. Fredericks, she said, called to see her and hit her on the head with a black object that looked like a piece of pipe. "He knocked me cold," she declared.

"How did it feel?" asked Mr. Ten Eyck.

"How did it feel? I was out. The cut bled from top to bottom in back of my head, and a doctor had to put seven stitches in it."

This occurred, she said, in October, 1933. She then moved to East Tenth street. Abe Wahrman came to her door.

"I wouldn't let him in, I see him," she added, "but he don't see me." A week later she moved from the ground floor to a floor above.

Men kept coming to her place and tried in vain to get in, she said. She was asked if she could identify any of the men. She said she stood, Mr. Dewey, asking where the ten defendants on trial for compulsory prostitution sat.

Defense counsel objected strenuously that Mr. Dewey was aiding her, but were over-ruled.

Finally she said she saw a man who looked something like one of the sinister callers. The man, she indicated, was Ralph Liguori, alleged boss of the trust's strong-arm squad, who curiously enough has been wearing spectacles—for the first time in his life—since the trial began.

Identifies Strong-Arm Man.

Justice McCook told Liguori to remove the glasses.

"Yes, sir," the Martin woman said emphatically. "That's the man."

Further argument ensued, but the court ruled that the identification was in order.

The witness said she opened the door on the chain when Liguori called. She said he asked for "Lillian," a girl booked to her that week by Charlie Spinach. Lillian, she said, looked through the door and said, "He my man, let him in." So she let Liguori in, she said. Two men entered with him. Liguori talked with Lillian and she left with the men. Lillian did not return and the Martin woman got a new girl.

A few days later, she said, Liguori returned with two men and asked to see the new girl. She said she told him the girl wasn't in.

"One of the two men with Liguori pulled out a gun on me," she testified, "and said, 'All right! This is a stick-up, then!'"

After which, she said, they went through her things, took her watch.

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signs and "some change" from my girl's purse.

Signed Up Again and Paid.

After this, she related, Charlie Spinach told her that getting a bond was "the best way out." So she moved again and joined the "bonding combination," paid her tribute regularly thereafter and had no further trouble.

Early in 1934, she said, she went to the York Hotel to see Fredericks, who was registered there under an alias. Spinach had told her Fredericks could be reached there. Binge-Anthony Curcio escorted her. While she was there the phone rang. Binge answered it and turning to Fredericks, said: "A house has just been taken."

Fredericks, she said, told Binge: "All right, get the paper out and see if the house is on the books." "It was on the books," she said, "and Jimmy left in a hurry."

Weiner Testimony Attacked.

Earlier defense counsel had sought to discredit the testimony of Al Weiner, the bookie who turned State's evidence, by showing that he held out large sums from the trust.

Weiner was also forced to admit that he made no offer to save his father, Cockeyed Louie Weiner, from prison because he feared arrest.

Slow-witted and evasive, Weiner admitted that while he ran the booking business with his father they collected between \$400 and \$500 weekly from about thirty houses employing between sixty and seventy girls. He denied stoutly, however, that he received 10 per cent of the girls' full earnings, insisting that he collected only 10 per cent of the girls' half. The defense strove hard to get Weiner to admit that he collected as much as \$1,000 a week, and finally got him to say that it might have been more than \$500.

Witness Squirms in Chair

But further questioning revealed that he received \$100 a week from Max the Barber's house in West Sixty-eighth street, and that he got \$50 from other houses of the chain he booked with Cock-Eyed Louie. Some, however, he said, yielded only \$10 to \$12 a week in commissions.

Squirming in his chair, Weiner admitted that he kept the money in excess of that he paid over to Little Abe Wahrman, Luciano, sitting well in front of his co-defendants and their attorneys, watched him narrowly, his chin resting in his hand. He seemed deeply interested in Weiner's testimony, particularly as related to the sums held out.

"Anybody tell you to be sure of yourself on the stand?" asked Mr. Siegal.

"Nobody told me nothing," Weiner growled.

"You're not worried much, are you?" sneered Mr. Siegal. "Not worried about what's going to happen to you, are you?"

"No," said Weiner, who admitted yesterday that Special Prosecutor Thomas E. Dewey had promised to see that he gets a lenient sentence "in a jail where he wouldn't be murdered."

Samuel Siegal asked, "Weiner whether he ever paid a State or Federal income tax, and the pudgy crippled witness blandly stated that he hadn't heard of either obligation."

In redirect examination Mr. Dewey brought out that young Al had only fifteen houses left when his father went to jail last June, and saved his face somewhat by getting him to say that prior to that date he gave all the money he collected to Cock-Eyed Louie.

Finally Justice McCook, impatiently, gave Mr. Kopp only ten minutes more for his cross-examination. Mr. Kopp declined to continue, and resumed his seat in a huff.

Finally Weiner, a very relieved young man, was allowed to leave the stand, and Margaret Marino, a peroxide blond, replaced him and gave details of sums deducted from her earnings as a prostitute.

Careful About Bookkeeping

The State introduced the green printed form upon which the madams of the ring's bordellos kept track of the earnings of their girls. Dorothy identified the slips and explained the system.

"I used them to keep track of the girls' money as they earned it," said Dorothy. "When one of them got money from a man she brought it to me and I punched it on her card. This card here shows that the girl earned \$2 from the first man and I punched the card twice, \$3 from the second man, \$4 from the third man and then \$2 again for thirteen times. I kept the money and the girl kept the card. When a card was full she would give it back to me. Every night I would write down in my books the amount a girl had taken in."

Dorothy, her blonde curls revealed by a huntsman's hat surmounted by a green feather, was composed witness under



(Associated Press Wirefoto)
Mrs. Madge Petillo (left) and Mrs. Lillian Federico, wives of two of the defendants.

Eyck's questioning, but when Samuel P. Siegel, bullying defense counsel, took her over on cross-examination, the courtroom got its first heart throb.

"You had a girl working for you named Dixie?" asked the lawyer. "No," said Dorothy, "they called me Dixie."

"There was no Dixie in your house of prostitution?" demanded Siegel.

"That was me." "Oh, it was?" scoffed Siegel. "As a matter of fact, wasn't Dixie your husband's girl friend?"

Dorothy hesitated a moment, then sat straight in the witness chair and squared her slim shoulders.

"I am," she said, "my husband's wife and my husband's girl friend."

Q: Did he live with you at the apartment? A: No.

By this time the girl was twisting her hands in silent agony. Siegel kept after her to find where her husband lived.

Justice McCook ruled she had to reply and with tears filling her eyes she blurted out: "He lived at the Paris Hotel with me." (The Paris Hotel was not the location of her house of prostitution.) Why Dorothy hesitated in replying was not disclosed.

Entered Trade To Keep Family

Mary Thomas, 27, a bespectacled blonde, followed Dorothy to the witness stand and told her brief story of descent to the streets. She was born in Elizabeth, N. J., went to school until she was 17,

worked in a factory a year and at housework for five years. She married, had two children and was widowed. To support the children she came to New York and prostitution in 1933.

While she was "working independent," a girl introduced her, she said, to Pete Harris.

"I asked him," she said, "if he would give me a job and he said he would. Then he says, what do you want me to do, call you up? I says no, you give me your number and I will call you. He asked me if I understood everything, and I said I did."

She told the same story of others before her of giving from her earnings each week, half to the madam, plus a \$10 bond fee, board and a doctor's fee of \$5. Among the madams—for this trial has revealed that there are male madams, too—she named Jennie, Dorothy, the Greeks and Pops (both male), and Rita Gordon.

Under cross-examination by Maurice Cantor, the girl said that while street walking she had been arrested several times.

Q: How much did you make on the street? A: From \$100 to \$150 a week.

Q: What was your income when you became the inmate of a house? A: From \$75 to \$125 a week, that is, that was my half.

Q: But you prefer working in a house to working on the street, don't you? A: No, I prefer the street.

Betty Winters, 33, born in Russia and a madam since she was 17, but never a prostitute, she said, was the next witness. She introduced the name of Cockeyed Louie Weiner.

Betty said she booked with Cockeyed Louie in 1933. Apparently he looked her up and met her on the street.

Coached for Raid Defense

Sally Osborne, 29, a small blonde hailing originally from North Carolina, began the afternoon session with testimony closely paralleling that of girls who had preceded her. She told of being booked into establishments by Cock-eyed Louis Weiner, Dave Marcus and others.

When caught in a raid she was coached by Abe Karpis on what to say in court, she said. Once, to explain her presence in a disorderly house, she was told to say she was a hairdresser there on professional business.

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Began Making Notes on Trade

"Did you know what your father's business was?" asked Dewey.

"Yes, I knew," replied Weiner.

"Did you take any part in it?" said Dewey.

"No," said Weiner. "Not at that time."

For several months he rode the circuit of the houses with his father every Saturday and Sunday and got to know their locations. But as yet his father did not take him into the places and he knew none of the madams or the women. He sought honest occupation, he said, for two months, but finding no business he could buy, he drifted back to riding with the elder Weiner.

"I began to make notes of telephone numbers for him," said the pudgy witness. "Then I started hanging around the Hungarian Restaurant where my father had his headquarters. I answered the phone for him and gave him mes-



Mary Thomas, 27, said she took to the streets after husband died to support two children.

"Those were from women wanting bookings?" asked Dewey.

"Yes," was the reply. Gradually Weiner learned the names by which his father's contacts were known but still met none of them nor did he know the madams. Like any careful father looking to a lad's future, Cockeye was making haste slowly in the training of his son in a business filled with pitfalls.

But one eventful afternoon in September, 1933, his father introduced him on East Rivington St. to Little Abie Wahrman, now on trial.

"My father just said, 'Abie, this is my son. All meet Abie'," said Weiner. "Yes, I think father gave Abie \$200 that time."

The education of the lad was more rapid after that. When December came, the father was ready for the advanced course in commercialized vice.

"He took me around to all the houses and he introduced me to the madams and to the prostitutes," said Weiner, with the same emotion a broker's son might have used describing a meeting with his father's clientele.

Told Where to Call for Help

Exhausted perhaps by the drudgery of running his complicated business and training his son, the elder Weiner decided to spend the Winter in Florida and to let his offspring try his hand at business affairs until his return.

"He took me to see Little Abie again," explained Weiner. "He said to Little Abie, 'My son is going to take care of the booking until I get back. All you give Abie here \$200 each week. Abie, I'm sure he

will do a good job and will place girls right.' Little Abie says to father, 'I'm sure he looks like he would do it right.'"

At this time Cockeye explained to his son that when arrested he should telephone either Abie or Jesse Jacobs, now on trial as the bondsmen of the reputed vice syndicate.

At a later meeting with Jacobs to complete bonding arrangements, Weiner testified Jacobs asked his father to "put in a good word for me with Abie, I'd like to do his bonding." But Abie was cagey, Weiner said. He said he didn't want to talk business then, but "maybe some day at my office."

When, after a three weeks' pleasure trip to Florida, Cockeye returned to his domain, he was well pleased with the stewardship of his son. From that time on Weiner said, he continued as an assistant until a year ago when the law took Cockeye away. Then the well trained son inherited. As he made the rounds with his father, Weiner said, he met bigger and bigger shots in the world of vice. He met Binge, who never had another name, but who Dewey says was the telephone switchboard man in the final Luciano set-up. Then Binge was a collector and Weiner testified he worked with Yoke, who also has not been identified. Week after week he saw his father pay Abie Wahrman \$200, but after Pa's arrest and as the new mob cut in and took houses from him until he had but 15 of his original 200, Weiner said Wahrman agreed the weekly give-down should be half of what it had been or \$100.

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Al Weiner, 27, roly-poly, bespectacled squealer son of Cockeyed Louie Weiner, now slowly going blind in Sing Sing, while serving a five to



At the Luciano trial Sally Osborne, 29, tells how she first became a prostitute at 18.

ten year sentence for his part in the girl trade, told a nervous, jerky story. Chin in hand, Luciano—New York's Public Enemy No. 1, who heretofore has been immune from the law—stared fixedly at him with hooded cobra eyes.

Weiner is the most important witness yet produced by the State in the trial of Luciano and nine others on a prostitution indictment, which carries a maximum of 1,800 years in jail.

As a hooker of women in a chain of bordellos, which the State contends Luciano finally combined into a monster vice syndicate,

SLAVER BARES MAZE OF VICE RING SYSTEM

(Continued from page 3)

Weiner knew of and told about the inside workings of the complicated machinery for retailing counterfeit love.

Weiner linked into the vice conspiracy all but one or two of the defendants and his testimony named for the first time little Abie Wahrman, who, according to special prosecutor Thomas E. Dewey, was the contact man between Luciano and his far flung empire of vice.

"What were you promised if you would testify to this story?" David P. Siegel of defense counsel demanded of Weiner, on cross examination.

"Mr. Dewey promised he would recommend leniency for me and also that he would recommend a jail where I wouldn't be murdered," replied the witness.

Most of the dozen lawyers at the defense table were on their feet objecting and Justice Philip J. McCook agreed with them and struck out the answer.

But the jury and the spectators felt the menace behind the words; caught a glimpse of the guns which the State claims backed up the Luciano rule of vice.

Responding to Dewey, Weiner said he was born on the East Side and that he had to leave school at the seventh grade because of an accident to his leg which confined him to a hospital for a year. He still wears a specially built shoe because of the accident. He became a basket weaver at 17 and worked at this trade until he was 21, when he opened a combination billiard hall and candy shop, which slowly died on its feet. He gave it to his brother in 1932.

Now unemployed, Weiner told the jury, he began to ride with his father on the latter's weekly rounds, collecting his share of the profits of the women he had hooked during the week.

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July 6

SLAVER BARES MAZE OF VICE RING'S SYSTEM

By RUSS SYMONTOWNE.

With trembling, frightened lips, a rising young merchant in human flesh, who learned his business at his father's knee, exposed the operations yesterday of New York's \$12,000,000-a-year vice



(sketched in courtroom by NEWS Staff Artist Money Penny)
On the stand here, Betty Winters, 33, born in Russia, and a madame since she was 17. She stoutly denied that she ever was a prostitute. She told of having booked with Cockeyed Louie Weiner.

racketeers in Manhattan Supreme Court. When he left the witness stand, he had dragged the principal prisoner at the bar—Charles (one-time "Lucky") Luciano—a step nearer prison walls.

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7-11-16

Bookers Called No Good Lice

"Did you attend a meeting held in a candy store at Delancey and Norfolk Streets?" asked Dewey.

"Yes," said Weiner. "Yoke called the meeting and Little Abie and Jo-Jo and Pete Harris (defendant) and Vito and Jimmy Fredericks (defendant) were there. Little Abie did the talking."

"What did he say?" asked Dewey.

"He said the bookers weren't kicking in enough," said Weiner. "He told us we should be glad he was there to help us because we were a bunch of no good louses. He told us to make a list of the houses we had and give it to him. I started to make out my list but some of the others objected. They didn't want him to take their houses from them. Then he called all sorts of names I wouldn't like to tell here because they were not. He told Jack Eller (Ellenstein, a defendant) he would kick his belly off."

In his opening statement Dewey referred to this meeting as the first show of force, after Luciano felt he had muscled his way far enough into the industry to take full control.

Much of Weiner's testimony was picturesque. He named as a male madam in Brooklyn "Abie, the Rabbi," he referred to a house of prostitution operated by a "Max, the Barber."

He showed no hesitancy about naming his sisters but he did represent a suggestion by Siegel that one of them was a prostitute. On

WOMEN TELL HOW VICE RING WORKED

(Continued from page 1)

the other hand, he wouldn't say yes and he wouldn't say no when he was asked if his Aunt Rose Singer was a bawdy-house keeper. He just didn't know if she had a house which his father supplied with merchandise. As for his brothers, Marty and Morris, both, he said, were bartenders and had been since they gave up hacking in 1933.

He resented Siegel's question whether both had not "lived on the earnings of women all these years," and showed a great coyness about naming the place where they are now employed.

When Court adjourned until today Weiner was still on the stand and defendants were busy telling their lawyers just the questions to ask him today to make his roly-poly body squirm the most.

Weiner was a reluctant witness and took much prodding from Dewey.

Independent Madam Talks

Dorothy Arnold, 25, born in Virginia, was the first witness of the morning. She married, at 17, she told the jury, and left with her husband to join a carnival. In 1934 they came to New York, where for a short time he supported the pair by selling gowns and lingerie.

"Then," inquired Special Assistant Prosecutor Barent Ten Eyck, "you decided to open a house of prostitution?"

"Yes," said the girl.

Q. Were you ever a prostitute?

A. No.

Q. Did you get girls from a booker? A. No, not at first. A girl started bringing men to my apartment and she introduced me to some men and one of them introduced me to Nick Montana.

Q. Did he send you girls after that? A. Yes, for a couple of months. Then for a time I booked with Jack Eller and then with Pete Harris.

Q. Did you not go independent for a time? A. Yes, but the girls would promise to come and again they did not show up. I was disappointed.

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LUCIANO CASE NEAR A CLIMAX

Dewey Leading Up to Show Link Between Chief Defend- ant and Others.

Special Prosecutor Thomas E. Dewey sought to burn into the minds of a Supreme Court jury today the sordidness of the vice industry in New York City.

He deferred presenting evidence which, he contends, directly will link Charles (Lucky) Luciano to his nine co-defendants and the actual operations of the vice industry.

The trial entered its sixth day. Thirteen witnesses—about half of the total—have been called by Mr. Dewey to describe the executive set-up.

One other major aspect has been depicted in testimony of Mrs. Joan Martin, self-confessed operator of brothels, called in an effort to show the strong-arm tactics used. Mr. Dewey hopes to convict the defendants of compulsory prostitution.

Tells of Conference.

The final major aspect of the prosecution—linking the organization directly to Luciano—still remains untouched.

Mr. Dewey charges that in 1933 there was a conference in a hotel town hotel. There, he says, Luciano first met the men who booked the girls from those activities flowed the whole \$12,000,000-a-year earnings of the syndicate, and he handed the business over to David Petillo to manage. Al Weiner, Peter Balitzer and David Marcus, who surprised the defense by pleading guilty, are expected to give details of the arrangements.

Mrs. Martin testified that she suffered at the hands of the re-

endants three times. She was an apparently vengeful and eager witness.

Able Wahrman, she swore, ordered her to join the organization and pay tribute for its bonding protection.

"Able said I had to join the bonding people, or I wouldn't get any girls," he told the jury. "I told him I'd get my own girls."

Then Able told the fellows with him to take the joint apart. He told them to take the furniture and smash it all to pieces. He took the couch and ripped it apart. They cut up all the rugs. They tore everything. Three besides Able had knives.

Visited by Frederico.

Jimmy Frederico then invaded her house, she reported.

"He told me I'd have to bond with the combination," she testified. "He said I'd have to take orders from him—or else."

"I told him to get the hell out of the house. He told me he'd knock my brains in if I didn't take orders from him. Then he hit me on the head with something that looked like a pipe. It had a strap underneath it and it looked like it was taped black. I was knocked out cold."

A third time Ralph Liguori paid a fateful visit, the hollow-cheeked and bespectacled madame told the jury. Liguori, she said, was much more of a gentleman.

Liguori Is Next.

"He came around with two men," she snapped it out. "One of the other two said it was a stickup and he had a gun. They went through my things. They found a watch in my pocketbook and they took \$36 I had on me."

"They went through the coffee cans and the cereal cans at the

kitchen. They took the change out of my girl's purse."

And so finally Mrs. Martin started bonding again with the syndicate, she related, and she paid out a week of her own money and her girls paid \$10 a week from their earnings.

And still no one had directly implicated Lucky Luciano, who sat there waiting, expressionless.

Assail Witnesses.

The eight members of defense counsel continually hammered on the admitted dubious character of the State's witnesses. They emphasized that the witnesses had been promised immunity or light sentences in return for their testimony.

The defense contends that Luciano was merely a gambler, unconnected with the vice industry, that he knew only one of his co-defendants, David Petillo, before the trial. None compelled any woman to be a prostitute, it is contended.

The defense will claim a mistrial, if necessary, on the basis of the selection of the twelve jurors and two alternates from the blue ribbon panel of 200—because the combined defense was allowed only twenty peremptory challenges. Defense counsel insisted they should get twenty challenges for each defendant, 200 in all.

May Attack Law.

And finally, should all else fail, the defense will attack the very law on which the trial is based—the recently enacted consolidated indictment law. This it was that permitted trial of all ten defendants together, instead of separately. That attack, it was indicated, might be carried as high as the United States Supreme Court.

It would be a worth-while fight. Penalties facing the defendants might total 1,000 years in prison. At the industry, according to Mr. Dewey, paid \$12,000,000 a year.

62-517-58

Resort Keeper Tells How Gang Terrorized Her

Testifies Luciano's Agents
Haunted Her Places Until
She Started Paying Dues

Then She Tried to Quit

She'd Move, but They Fol-
lowed, She Discloses

The promise of Thomas E. Dewey, special racketeer prosecutor, that he would produce evidence that the gang allegedly controlled by Charles Luciano beat and bullied free-lance operators of disorderly houses to make them subservient of a prostitution syndicate materialized in Supreme Court yesterday when an outspoken witness took the stand to describe her three-year fight against gang invasion of her field. Luciano, with nine lesser luminaries, is on trial for compulsory prostitution before Justice Philip J. McCook and a blue-ribbon jury.

The witness was Joan Martin, who, born in Rumania in 1895, came to this country when she was six years old, attended school for three years and was convicted of prostitution at eighteen. With a steady hand she pointed out Jimmy Frederico, listed as Luciano's front man, as the unwelcome guest who knocked her out with an eight-inch piece of pipe when she refused to take orders from him in the operation of a disorderly house.

Squares Grudges for Five Hours

During five hours on the stand, while she manifestly derived a grim sort of pleasure by squaring old grudges, Joan Martin told of her flight from one Manhattan apartment to another, year after year, trying to escape the syndicate representatives who sought to tax her \$10 a week as "protection" for each girl in her employ. Ralph Liguori, another defendant, marked by Mr. Dewey as Luciano's stick-up man, had been wearing horn-rimmed glasses since the opening of the trial, but Miss Martin had no hesitation upon walking down into the courtroom, in singling him out as one of those who looted her apartment.

In cross-examining the witness, David P. Stegel, of defense counsel, asked her a question and then remarked, sarcastically: "If suppose you'll sit there and deny that like you've been denying everything else." To that Joan Martin retorted tartly: "I'd have to be crazy to make up a story like that." During the remainder of the day the studious Liguori kept his glasses off, so that he had a better view of the proceedings.

Questioned by Barent Ten Eyck, assistant to Mr. Dewey, Joan Martin said that after serving a three-year term in Bedford Reformatory for her prostitution in 1913 she went to Cleveland, and was married to an automobile salesman. They separated in 1927, she said, and she returned to New York to work as a waitress, later opening her first prostitution establishment with one girl, in a third-story apartment at 64 Clinton Street.

Big Business Methods Arrive

She was booked—that is, a different name was sent to her every week—by a man called Charlie Spinach, she said. In August, 1933, she said, Spinach told her she would have to make a "bonding combination" if she were to receive any more girls. "He says in case of arrest the combination would pay the bond," Miss Martin testified. "And I says, 'Nothing doing, I wouldn't jern it.' I told him I couldn't see no percentage, suppose I didn't get arrested?"

Later that week, she said, four men, including the defendant, Little Able Wahrman, whom Mr. Dewey looks upon as one rung higher up Luciano's ladder than Frederico, came around to her place. "Able started to explain to me," she said, "how I'd have to jern the bonding company to get girls. I told him I could get my own girls. He told me I wouldn't be able to run a place in New York City whether I had girls or not. And then he told the boys to take the fern apart and to break up everything."

"So they smashed up the furniture. They took the couch and pulled it apart. And they cut up the rugs and the upholstery and they cut up everything. They had a knife and it didn't take them very long. I started to scream. The superintendent started to walk in and they told him it's the police and to get out of here. Charlie Spinach said to cut it out—that he wouldn't have brought them down if he'd known they were going to do that. The next day there was only some kitchen chairs left."

Frederico Comes to Apologize

The next day, Frederico came around, apologizing to Joan Martin, adding that "it wasn't his boys what broke up everything," the witness said. He wanted, but, to put up a \$250 "security bond" for her girl and \$150 for herself. She gave him \$10 on account, she said, but she didn't like the crowd, and in October sneaked away to a house on West Eighth Street. A week later, Frederico ferreted her out there, looking for collections.

"He told me I'd have to bond with the combination," the gaunt, bespectacled witness testified. "He said I'd have to take orders from him or else. I told him to get the hell out of the house. He told me he'd knock my brains in if I didn't take orders from him."

"And what did you say?" Mr. Ten Eyck asked, softly.

"I didn't have a chance to say nothing," the witness replied. "Because he hit me on the head with something that looked like a pipe and it had a strap underneath it and it looked like it was taped. He

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hit me on the head and I was knocked out cold.

The witness later left the stand to bear her head in front of the jury box so that the jurors might determine whether she still had two scars in her skull, in which, she said, a dozen stitches were taken. She said she was carried, bleeding and unconscious, from the house. When she regained consciousness, she said, she went to rest for three days with a friend in the Bronx, but then indomitably returned and opened a house in East Seventh Street.

Within a few days, however, her new abode was discovered, and Liguori came around. He gained admission by saying that he wanted to see his girl, Lillian, who was working for Joan Martin at the time. Lillian looked through the peep-hole and said he was all right. Liguori was back in a short while, the witness said, and this time he brought two strangers with him.

"As I let him in," the witness recalled, "the other two came around the corner of the hall and walked into the parlor. One of the other two said: 'This is a stickup,' and he had a gun. Then they went through my things. They found a watch in my pocketbook and they took \$28 I had on me, and they went through the coffee cans and cereal cans in the kitchen and they took the change out of my girl's purse."

The hard-bitten Miss Martin moved again after that, but on Charlie Spinach's advice she started paying the weekly bond money, "so I didn't see Liguori any more." For a year, she said, she moved "about every two or three weeks." After the first week she again stopped paying bond money and immediately the gang began tipping off the police to make raids on her places, she said. "Either the police or the stickup fellows kept coming to my door," was her testimony.

Wassa Matter, She's Asked

In November, 1934, Miss Martin opened a place in East Thirty-third Street and almost before her first customer arrived, Able, a man, was around to ask for a week's payment of \$15. The witness said she pleaded with him to give her a chance to get on her feet financially in her new place and that Able went away.

He was back soon with Frederick, she said, and the latter asked her: "Wassa matter, doncha wanna pay?"

"I told him I didn't want to pay," Miss Martin testified. "I told him I just wanted a break. They wanted \$15 for the two days I'd been there and they'd be around the next Tuesday for another \$15. That would make \$30 for the week and I wanted a break. So, Frederick says, 'You or I'll knock your cheek in.' And he hit me in the eye, so hard that it started to swell up."

"Yes, sir. He hit me right across my temple with Able looking on. And then my dog came up and I yelled, 'Don't touch my dog; hell grab you!' And Jimmy says, 'He will, will he?' And he went to shoot my dog. I threw the dog into the other room and I says, 'Jimmy, hit me, but don't hit that animal. He's here to protect me just like he'd protect you if he was yours.'"

Under cross examination, the witness was asked whether she was to get her freedom for testifying against the gang. Unlike the younger women who have been taken it for granted, she said, cynically: "I'm still not sure of it. I just can't believe it could be true."

Other witnesses during the day were prostitutes and operators who told of dealings with several lesser defendants. They were Margaret Martino, twenty-two years old, who said her bookie told her "the combination people" would help her in case of arrest; Lou Kane, thirty-three, who became so faint on the stand that she had to be excused; and Ellen Williams, twenty-five, and Marie DuBois, prostitutes.

Justice McCook announced that today's session probably would last until 7 p. m. as usual.

LUCANIA TRIAL ENTERS SECOND WEEK TODAY

**Prosecution Evidence in Vice
Ring Cases Only About Half
In Despite Long Sessions.**

The second week of the trial of Charles (Lucky) Luciano, Lucania and his alleged henchmen for compulsory prostitution before Supreme Court Justice Philip J. McCook and a blue ribbon jury will get under way at 9:30 o'clock this morning.

It is quite likely that most of the week will be consumed by further prosecution testimony. Justice McCook already has held several night sessions and may continue that policy to hasten the end of the case.

Special Prosecutor Thomas E. Dewey and the attorneys for the defendants have asked occasionally for shorter hours in court, but the program outlined at the start has maintained. Justice McCook has been holding court from 9:30 o'clock in the morning until the evening, and sometimes at night.

Lucania, the major defendant, will take the stand in his own behalf according to present plans. Thus far he has not been connected directly with the vice industry, but Mr. Dewey has promised that such a connection will be established.

Besides Lucania, the defendants are Thomas Pennochio, Abe Wahrman, David Betillo, Jesse Jacobs, Meyer Berkman, Ralph Liguori, Jack Ellenstein, James Frederico and Benny Spiller.

The evidence thus far adduced has come from admitted prostitutes, managers, of disorderly houses and men engaged in the business of "booking" or placing inmates in these houses. Three bookers, who were co-defendants, have pleaded guilty. They are Al Weiner, David Marcus and Peter Harris. The first two have turned state's evidence and it is believed Harris will follow suit.

62-5773-60

Woman Puts Finger on Luciano

Mollie Leonard, a Proprietor, Names Him as Head of Vast Vice Empire.

The net of evidence Special Prosecutor Thomas E. Dewey is weaving about Charles (Lucky) Luciano, on trial with nine of his henchmen for compulsory prostitution, drew tighter today, when a woman witness "put the finger" definitely on Luciano as head of the vice combination which controlled disreputable houses in New York and exacted tribute amounting to millions annually.

Defense lawyers tried their same tactics to get her to admit that threats by Mr. Dewey's staff caused her to testify against the vice ring. But Mr. Dewey, in re-direct examination, set the minds of the jury right on that point.

"Did anybody tell you that you must mention Luciano or Jimmy Fredericks, or any of these defendants in order to get immunity?" he asked.

"No," the girl whispered.

"You know, don't you, that some of the girls in the House of Detention don't know any of the defendants and yet have been given immunity?"

"I do."

After Customers in a Week.

"Did any one tell you at any time that you would be prosecuted unless you gave any particular kind of testimony?" persisted Mr. Dewey.

"No."

"That's all," the prosecutor said, smiling.

The other girl, Jean Matthews, said she was married at 18 and became a prostitute a year later in Wilkes-Barre, Pa. She worked in other Pennsylvania towns before coming to New York. Pete Harris, she said, was her booker.

Her testimony corroborated that of other women as to details of the tribute paid the vice combine. A dark girl, now 24, she was forced by the defense to admit that the largest number of customers in any one week was "around fifty."

The woman, Mollie Leonard, also known as Molly Kingsley, caused the first sensation of the trial, which today entered upon its second week before Supreme Court Justice McCook and a blue ribbon jury, when she placed on the record the name by which Luciano is known in the underworld.

The witness, a white-faced woman wearing a faded blue flowered dress and a blue hat cocked over her right eye, twisted her gloves nervously and plucked at her dress. She gave her age as 37, admitted that she was arrested for possession of opium in 1929, and that she had operated disorderly houses at various addresses from 1918 until she was arrested in the raids conducted by Mr. Dewey on February 1, last.

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Tells of Booking Women

She told of booking women through Dave Miller and Pete Harris, two of the men pleaded guilty on the opening day of the trial.

She said these men said the "regular commission" of 10 per cent of each girl's earnings.

She met Jimmy Fredericks, so-called general manager of the vice trust, she said, through a woman named Eva Miller, who was running a disorderly house in the same building. Fredericks, she said, called on her and told her she would have to bond with him. That was late in 1933, after the Luciano ring had decided to "take over" the prostitution racket.

"He told me," she said, plucking at her dress, "white fingers" that everybody was booking with the combination and that I'd have to book with him or I'd get no girls."

The details were explained to her, she said, including the fact that she would be required to put up half the bond money in case a girl "took it on the lam."

Fredericks, she said, gave her a card with a telephone number to call in case of trouble.

Lawyer's Objection Overruled.

She paid Fredericks \$20, she said, and later asked Pete Harris, her bookie, about the new arrangement. "She was told 'they've formed a combination, and you'll have to join'."

"What did you say?" asked Barent Ten Eyck, Mr. Dewey's chief assistant.

"I said 'Who are they?'" Pete said there were two people behind the combination.

Every one in the court room listened intently for the next question.

"Who did he tell you they were?" urged Mr. Ten Eyck.

The witness compressed her red lips, glanced about nervously, and then blurted out:

"Lucky and . . ."

She had no chance to name the second of the vice overlords. Moses Polakoff, attorney for Luciano, who had hitherto kept silent, sprang up with an objection which was promptly overruled.

It had been predicted that if a witness definitely squealed on Luciano, it would be a woman, and not one of the underlings of the vice

combine who have turned State's evidence.

Mr. Ten Eyck seemed satisfied to let the matter rest there, and proceeded with routine questioning regarding payments to the trust, and to a time when the woman's house was raided and she and her two girls were arrested.

Ran a House in Albany

Cross-examination by defense attorneys served only to bring out the name Luciano on the record for the first time. The reputed vice czar had been referred to cryptically as Charlie, and by today's witness as Lucky, but never by the name he is generally known.

George M. Levy, of Luciano's own counsel, brought out that Miss Leonard had operated a disorderly house in Albany for eight years before she came to New York. He asked her what she told Mr. Dewey's assistants after her arrest on February 1.

"I told them I was having a card party," she replied.

"Did they ask you," demanded Mr. Levy, "how many years you were running a similar card party?"

"No," the witness replied dully.

Mr. Levy strove hard to get the woman to admit that Mr. Dewey's aid suggested that she mention Luciano's name when she went before the Grand Jury.

"Didn't Mr. Hogan (a Dewey assistant) tell you all that you all could have immunity if you implicated Lucky?" demanded Mr. Levy.

Denies Prompting by Hogan.

Miss Leonard denied that was true.

"Did you ever hear of Lucky before?" asked Mr. Levy, being careful not to use the name Luciano.

Not before Pete Harris told me about him," was the reply.

"Didn't they tell you they wanted to get Lucky?" insisted counsel.

The woman denied stoutly that she was ever told that, and refuted suggestions that Pete Harris or his wife, Mildred, told her that it would be to her benefit to implicate Luciano.

Mr. Levy asked Luciano to rise. The principal defendant slouched to his feet and stood drooping while the witness stared at him, and then sank down in his seat and resumed his habit of picking gently at his cheek with white-manicured fingers.

"Ever see that man in jail like before?" demanded Mr. Levy.

"No," the woman admitted.

Admits Naming Luciano

Mr. Dewey, who had maintained all along that the madams, runners and lesser fry scarcely dared mention Luciano's name, much less come in personal contact with him, brought out in redirect examination that Miss Leonard knew she had immunity before she went before the Grand Jury and that "this talk about 'you getting from two to twenty years' was largely fiction."

Defense lawyers bounded up at that, and their chorus of objections was sustained. Mr. Dewey had asked the question, however, to counteract their suggestions that the woman was telling of Luciano to save herself from a long jail term.

Just before Justice McCook ordered a short recess, David P. Siegel of defense brought in Luciano's name even more definitely. "You mentioned," he shouted "Betillo and Luciano when you went before the Grand Jury the second time."

"Yes," the woman said in a low voice. "I did."

Looks Like Bishop's Secretary

The testimony of two inmates of disorderly houses occupied the remainder of the morning session. One, who said that she was Eleanor Jackson, 23 years old, seemed out of place among the women who have told their stories to the jury. She was dressed neatly in a brown suit and wore a little brown hat. Speaking in a low, educated voice, she was the first of the women to show embarrassment, and although she kept her chin up, her appearance on the stand was obviously an ordeal.

She said she was born in Los Angeles and went to school until she was 18. She worked as a model, she said, among other things, and became a prostitute in 1932.

For a girl of her appearance, one who easily might have been mistaken for a bishop's secretary, it seemed incongruous to hear her testify that she had been arrested three times for prostitution. The

first time she became a lamster, underworld parlance for a bail jumper; in the other instances her case was dismissed.

Defense Attorneys Fire Questions

She told the same story as the others, of bookings and percentages, and visits to the West Tenth street bonding office. But she said Charles Spinach, not Charlie, called the lawyer who represented the women in Jefferson Market court Mr. Hicklin and referred to Pete Harris as Peter Harris.

Swears Vice Ring Paid a Prosecutor

Convicted Procurer Tells How Assistant District Attorney Received \$25 for Each Girl Taken to Magistrates' Court.

By RAPHAEL AVELLAR,
World-Telegram Staff Writer.

A former "heel" in Charles (Lucky) Luciano's vice syndicate testified today that an Assistant District Attorney was paid at the rate of \$25 each for prostitutes taken into Magistrate's Court.

The witness did not name the Assistant District Attorney if he knew his name, but his testimony was the first indicating that the syndicate bought its way out of trouble.

The testimony was drawn from Danny Caputo, former bootlegger and procurer, who once was an employee of the syndicate.

He was brought down from Dannemora prison today to testify at the trial of Luciano and his nine alleged henchmen on charges of compulsory prostitution.

Tells of Conversation.

Caputo swore that he overheard a conversation between Jimmy Frederico, known as business manager of the syndicate, and Jesse Jacobs, reputed bail bond fixer.

"Jesse dunned Jimmy for \$75 he claimed was owing him," Caputo testified. "Jesse said he had paid it to an assistant district attorney before three prostitutes who were protected by the combination were admitted to bail."

Caputo had been on the witness stand before Supreme Court Justice Philip J. McCook when he blurted out testimony again linking Luciano, at least by inference, with New York's \$12,000,000-a-year vice industry.

Quotes Frederico.

In a conversation with Frederico, Caputo quoted Frederico as saying:

"Well, I've lost my job. Lucky has decided against me, and I am supposed to turn my books over to Little Dave and Able."

Prosecutor Dewey announced in his opening statement that he would prove that Luciano muscled into the vice traffic by announcing to a half dozen bookers:

"You guys are through. I'm giving the business to Little Dave."

Little Dave is listed on the prosecutor's chart of the racket set-up

as David Bettilo. He is on trial, as is Abraham Wahrman, professionally known as Able and Little Able.

Caputo was sent to Dannemora last year for compulsory prostitution. He had been a "booker," a bootlegger and an underworld roustabout for many years.

Before putting him on the stand Mr. Dewey indicated that he had evidence to show that Luciano and the mob decided to muscle Caputo out of the racket, "because he was too hot."

Held Many Jobs.

Caputo adopted the alias of Danny Brooks when he was running a speakeasy. Previously he had tried working as a truck driver, an assistance pipe fitter and sundry smaller jobs. He went into the show business and later into bootlegging. He is 42.

Q. (By Mr. Dewey)—Do you know the defendant, Jimmy Fredericks?
A. Yes. I have known him for ten years.

Q. In the summer of 1933 what were you doing? A. I was just hanging around 30th St.

Q. Were you living with a girl named Ellen? Married? A. Well, I don't know. I married her, but I understand she was married before and never got a divorce.

Helped Him Collect.

The swarthy little witness said he became Frederico's chauffeur and accompanied him on his rounds when he went to collect the bonding and booking fees from madames.

Brooks told of meeting Frederico frequently from that point on in a Dr. Seigman's office, where, according to his testimony, telephone calls were received for madames. Gradually, Brooks said, he rose from being Frederico's chauffeur to his confidant.

He said that Binge and Cowboy Dan were telephone men, receiving calls in the doctor's office. And that eventually Frederico offered him a similar job.

Names Billy Peluso.

Jimmy said:—Will you take this business over? Brooks testified. "I said I didn't know anything about it. He said:—That will come to you, and what you don't know Billy Peluso will tell you."

Brooks did not say whether or not he accepted the offer, but he described in detail his duties as Frederico's driver, which he performed without pay at first.

Subsequently, Mr. Dewey said, Caputo was sent away, and there were indications that the mob had engineered his conviction.

With Caputo the prosecution has drawn the net of evidence tighter and tighter around Luciano.

Mr. Dewey has devoted his efforts to date to a detailed exposition of

the workings of organized crime in the city and the method of the ring.

Once having clarified this complex system to the jurors, Mr. Dewey will undertake to submit evidence which he believes will definitely place Luciano at the top of the organization and send him and his various underlings to Sing Sing.

'LUCKY' NAMED SECOND TIME AS VICE CZAR

Witness Says She Was Told
He Was Backer; System
of Bail Swindles Bared

Charles "Lucky" Luciano listened stolidly yesterday while a plump, garishly dressed madam testified that he was head of the syndicate that took over the city's \$12,000,000 year prostitution racket in 1933.

It was the second time that a witness at the prostitution trial of Luciano and nine others before Supreme Court Justice McCook and a jury had mentioned the name of "Lucky."

On Saturday a booker of women for disorderly houses said "Charlie" was head of the vast vice combination. "Charlie Lucky" is the underworld's name for Luciano.

Molly Glick, or Leonard, 37, former narcotic addict, was yesterday's identifying witness.

Barent Ten Eyck, aide to Special Prosecutor Dewey, drew the testimony from her with startling suddenness. She said:

"Pete Harris (a booker) said to me: 'Molly, I'm starting bonding, and you'll have to bond your girls.' I said: 'I didn't want to,' and he said: 'There's a new combination, and you'll have to get in. There are good people in back of the combination.'"

"I asked him who the good people were and he said: 'Lucky.'"

Nager Saw Lucky

In an effort to break down the testimony of George Morton Levy, Luciano's lawyer, subjected her to lengthy cross-examination. She admitted she did not know Luciano and never had seen him before the trial.

Another woman told how the syndicate, not content with taxing the earnings of girls who worked in houses of ill fame, also schemed to pry large sums of money from the madams of the houses.

The vice lords used a peculiar system of keeping arrested prostitutes out of jail, this witness, Shirley Taylor, 23, said.

The "taylor" girl recited the chronology of her career, which began "on the streets," progressed to the point where she had her own "house," and ended with her being driven back onto the streets when the combination defrauded her.

Shirley kept the courtroom in laughter most of the time she was being cross-examined by her amusing retorts to defense counsel. Modishly dressed in a brown ensemble topped by a rakish hat, she laughed at the insistence of the attorneys to learn the secrets of her business. An auburn-haired native of Pittsville, Md., born Mary Wilkerson, she took to soliciting when she was 16.

Coming to New York in 1933, she engaged Jack Eller, a defendant, as her booker. As she was shifted about the city, moving to a new house every week and always paying 10 per cent of her earnings to the booker, she finally reached the house of Danny Taylor, at 140 W. 71st st. Taylor fell in love with her and a few weeks later, to take her out of her profession, gave her his house.

Had Two Girls

She had two girls who gave her half of their earnings every week. Under the system of the ring which controlled her house, Shirley had to put up half the bail in case her girls were arrested, while the combination put up the other half. The ring took \$10 each week from every girl as a contribution towards the fund for bail bonds. This was in addition to the 50 per cent which went to the madam, the 10 per cent which went to the booker (of which the ring got the major share), a \$5 medical deduction and 10 per cent for board.

Shirley's house had been running but a few weeks when the police raided it. Shirley escaped but her two girls were taken to

Shirley sent down her half of the bail money—\$300—by Eller. When the case was postponed, Shirley was soaked another \$30 for "legal expenses."

Eventually, one girl disappeared—became a lamster," Shirley said—and the charge against the other was dismissed. The witness said:

"I asked Jack Eller for a return of the money I'd put up, and he said he didn't know anything about it, that he'd have to ask. So when I saw him the next time I asked him again and he said: 'You don't get any back. It all went for the case'."

After that Shirley had no more money and had to go back to the streets.

Her experience enabled her to get into the court records for the first time the value given by the madam for the 50 per cent of the girls' earnings. First, she furnishes the house and provides a maid. Second, she puts up half the cash for bail in case of arrest. But Shirley explained the most important thing—all when Maurice Cantor, defense attorney, asked her just what it was Danny gave her when he gave her his house.

Looking at the counsel and the jury as though she could not understand such a simple thing, Shirley said:

"Why, customers, of course."

Cantor asked how many customers Danny gave her. She looked at Justice McCook and said:

"Must I answer that?"

She was laughing and the judge smiled broadly as he made ready to answer. Cantor withdrew the question and the witness, still laughing, said:

"Not that it makes a bit of

difference to me, you understand."

Cantor, trying to impress on the jury that Eller was not a booker, said sarcastically to the witness:

"You don't mean to say Jack Eller is a booker?"

The girl put her hand on her hip, leaned forward in the chair and imitating Cantor's voice and expression, replied:

"Why, certainly. He booked me. He gave me addresses. He sent me to houses."

The Glick woman declared that when a girl was caught in a situation that would preclude successful defense the combination was willing to let her jump bond. A policeman visited her place in Brooklyn one night and arrested Molly and her two girls, after paying a fee to one of them, Muriel Ryan.

Molly put up her share of the bail and then heard Muriel was going to disappear. She confided her fears to Jimmy Fredericks, who, the witness said, told her:

"Don't worry about it. If I want her to show up, she will."

Muriel, a previous witness, did disappear, only to go to another house and continue working without further difficulty.

Peter Tach, 43, a Greek, first male keeper of disorderly houses to take the stand (at least 11 more are expected to follow) told how Jimmy Fredericks, general manager of the combination, led a gang who beat up Nick Montana, convicted booker.

The beating was administered because Montana had not reported Tach's house, and was holding out his 10 per cent commission from the ring. Fredericks took the house from Montana and gave it to Charlie Spinach, another booker.

HOUSE HOLDUPS LAID TO LUCIANO

Booker Says Vice Combine Tried to Force Tribute.

RING PROTECTED ITS OWN

Harris, Testifying for State, Describes Bonding Plans.

A nervous booker of women for disorderly houses who turned State's evidence today described how the vice ring, alleged to be headed by Charles (Lucky) Luciano, protected the "bonding houses" against holdups and themselves "stuck up" the houses of the "bonding" madams who refused to pay tribute to the combination in the form of commissions and bond money.

The man who squealed on his former associates was Pete Harris, alias Baltzer, a dark, flat-skulled individual who twisted his hands continually as he testified in a mumbling voice. He is the third of the bookers who pleaded guilty on Monday to take the stand before Supreme Court Justice McCook and a jury at the trial of Luciano and his henchmen on a charge of compulsory prostitution.

He told how a house operated by a woman named Jean Bradley had been held up "by some fellows from Williamsburg. He said he drove over to Brooklyn with Jimmy Fredericks, the general manager of the vice trust, and Fredericks seized a gangster whom he knew and brought him back to the East Side. Fredericks, he said, wanted to find out who the other holdup men were.

Slugged Them In.

In the car, Harris testified, Fredericks struck the young thug from Brooklyn and snarled:

"Didn't I tell you to stay away from these bonded joints? They belong to Charlie Lucky."

While today's hearing was in progress District Attorney Dodge was questioned concerning the testimony yesterday of Danny Brooks, long-term Dannemora convict, who declared that he had heard that money was given to an assistant district attorney in connection with "fixing" several vice cases.

"I understand that it is an assistant district attorney in Queens county—not in my office—who was implicated in the vice case," said Mr. Dodge. "Unless Mr. Dewey puts this matter before me, I will make no investigation."

On the stand throughout the morning session, Harris wove the name of Luciano more tightly into the record. He testified also that all the time he was booking women, from 1931 until his arrest last February 1, none of the women he placed in disorderly houses had ever gone to jail.

Tells of Protection Talk.

In the summer of 1933, he said, he met Joe Levine, who told him, he said:

"We're forming a mob to protect the bookies, and you'll have to fall in line."

He said that he met Levine again with Little Abe Wahrman, and was told that he would have to pay \$250 weekly for protection. He said that he complained that he was

only a small booker, and could not pay that sum.

A few days later he met the same two men again on Seventy-first street. This time, he said, there were eight other men present. Wahrman and Levine started "talking protection" again, he said.

"They came down from \$250 to \$150," he said. "I told them I couldn't pay that much. So they went back to \$200 again and told me if I didn't pay I'd have to get out of town."

Harris said that the men drew guns and forced him into a car and took him to his apartment. There they threatened him with guns again, he said, and menaced his young brother and brother-in-law. He was scared and started packing his clothes, he said.

"They said they'd take me out of town," Harris said in reply to questions by Sol Gelb, an assistant of Special Prosecutor Thomas E. Dewey. "I was afraid to go with them and I said: 'You're not going to take me out of town and dump me on the road some place.'"

Feared He'd Be Example.

Harris said he feared the gang "would make an example of me." "Why did you think that?" asked Justice McCook.

"Because Able Wahrman told me they had shot Dave Miller out of town," the witness replied nervously.

Finally, he said, he agreed to pay \$100 weekly. Levine and Wahrman, he said, shook hands with him and told him they'd take care of him and that no one would shake him down. Thereafter, he said, he paid \$100 weekly to Wahrman up to the time of his arrest, except for six weeks when Wahrman forced him to pay \$50.

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and you make any other party for bonding with Able, he said. He went round with Able and explained the new setup to the operators at the houses.

"He shook me down for \$100 in September, 1934," the witness mumbled. "Two of his friends were married of the vice trust told me in trouble. When I tried to get in to stop using names," the witness money back he said it was a confession.

"He related how Wahrman called him downtown in the fall of 1934 and told him that the 'combination' had taken over the bonding racket. Up to that time—the time Mr. Dewey says Luciano interested himself in the profits from prostitution—Wahrman, Jimmy Fredericks and other lesser lights were running the racket. Harris said that he was told to 'bring a list of my joints' to the ring's headquarters at 121 Mulberry street.

Demanded a Guaranty.

Dave Betillo was there, he said, and Able told him that he, Able and Dave were going in the bonding business.

"I told Able that any bookie, facing twenty years if he got caught, couldn't take no chance on a girl going to jail," Harris testified. "I said I'd got to have a guaranty that no girl would go to jail.

"Able said that for \$10 a week they'd guarantee that. He said, 'Charlie Lucky's behind us, so don't worry about it.'"

"Charlie Lucky is the name by which Luciano was known in the underworld.

So Harris turned over his houses

"What name did he tell you to stop using?" asked Mr. Gelb.

"He told me to stop using the name of 'Charlie Lucky.'"

Describes the System.

His testimony thereafter related to bonding and the procedure that was followed in the event of arrests. Throughout his testimony the squealer twisted his hands incessantly and had difficulty in making himself heard. He told of three meetings in the Mulberry street headquarters in 1934 and named the Luciano underlings who were present when Little Dave read them the riot act.

At one of the meetings, he testified, Dave told the assembled satellites, "We've got to try and get all the joints we can together." On another occasion the bookers were lashed for holding out houses on the combine, and were warned of the consequences, financial and otherwise. Brusquely they were ordered to "sway" the madams who resisted the ring's efforts to take them over and finance their own bonding operations.

At one of the meetings, at which Tommy Pennochio, treasurer of the trust, was present, Nick Montana, until he was to jail the biggest booker of women in New York, complained that Harris was "going around stealing houses from him," the witness testified. Montana complained that he, Harris, was using Betillo's name.

Overlords Issue Mandate.

So the overlords of vice laid down a rule, he said, that no booker could solicit another madam to add to his string unless the madam approached him first.

Harris said he had sent girls in 1935 to Betty Winters, one of the operators who has testified and collected commissions from her and other madams. One of the girls he booked he called "Gashouse," and identified Ralph Liguori, one of the defendants, as the man with whom he discussed the advisability of booking "Gashouse."

Sprinkling underworld terms throughout his testimony, he said he had told Liguori that he was "fingering" lest some of his places be "fingered," explaining that "fingering" meant "stuckup." Liguori, he said, assured him that his place would not be "fingered."

Harris said he booked a number of girls at Liguori's request. One he described as "a neat looking blonde." He himself, Harris said, was fussy that his girls be reliable, and not "fresh" or "gabby." One girl, he said, Liguori insisted be placed in a "good house."

Hungarian Helen Named.

"He liked her and loved her," Harris explained, wringing his fingers.

"Hungarian Helen," another of Harris's madams, was reluctant to book her house, he testified, but

Jesse Jacobs, one of the two bondsmen on trial, told him to send her two girls.

"Jacobs was in partnership with Hungarian Helen," Harris said. "The place was on upper Park avenue and Jacobs said he would be responsible for its operation."

Harris said that he had houses of his own on the side as did Jack Eller, another of the defendants. He and Eller frequently swapped girls, he said, or otherwise "helped each other out" in cases of emergency.

Before the session began, Mr. Dewey said that he had never heard of a girl named Mildred Davis, who was reported shot in Ohio and who was said to have testified at the trial of Nick Montana.

The prosecutor also said he did not know Beverly Reynolds, another of the girls who testified at Montana's trial, who was supposed to have reported her friend's death from St. Paul, Minn.

Made \$300 a Week.

Harris told of a number of arrests and how in each case the bonding office in West Tenth street took care of the women. If the case was what he called a "sure turnout," he was told by the bondsmen to have the girls show up. Otherwise, he was told to tell them to "lam."

Under cross-examination, Harris lost some of his nervousness and appeared complacent as he testified that he had made as much as \$300 a week from booking girls. His lowest income, he said, was \$72.50. He denied, however, being a big booker, like Nick Montana.

"To be a big booker you had to have fifty women working for you," he explained. "That meant you had to have about 100 on your list at one time."

The subject of earnings and profits was tossed back and forth between defense counsel and Harris for some time, in the manner of carloads of produce.

Denies a List of 1,000.

"Did you have 1,000 girls in 1935?" asked David Koff, of counsel for Bettillo.

"A thousand girls?" ejaculated Harris. "With a thousand girls I'd be a millionaire."

Finally, he admitted that he had about forty girls working for him and that \$175 was the largest individual income of any of the girls after the usual cuts to the madam and expenses. Asked if he ever experienced difficulty in getting girls Harris exclaimed:

"Oh yes. Positively."

Aid to Luciano Gries It's Lie At a 'Squealer'

Vice Ring Treasurer Leaps to Feet in Court, Shouts Profanity at State Witness

Booker Implicates Him

Also Tells How Big Boss Ruled With an Iron Hand

David Petillo, a sickly looking, hawk-nosed youth known to the underworld as Little Davie and to Thomas E. Dewey, special racket prosecutor, as treasurer of Charles Luciano's vice syndicate, jumped to his feet in Supreme Court yesterday afternoon to cry out profanely against a lowly squealer who was glibly testifying of a visit he once paid to Petillo's home.

"It's a lie!" Little Davie cried in a hoarse, rasping voice, as he snapped a pencil in two in his long, yellowed fingers and struggled to escape his lawyer's clutches. "You couldn't get up to my house, you —"

Little Davie's nerves had cracked under the strain of sitting for eight long days in the court room, facing possible life imprisonment with Luciano and eight others, while one bookie of women after another had taken the stand to implicate him and his associates ever more deeply as the operators of a syndicate which skimmed huge profits off the earnings of prostitutes.

Scornful of Lowly Bookies

But even in the moment when exasperated by the restraints of orderly legal procedure, he tried to revert to gangland tactics, Little Davie did not forget the superb contempt which he felt for the underlings whose dangerous job it was to crawl from brothel to brothel, booking women, and bringing back the money to the higher-ups. Little Davie, his face livid, made it clear that no mere bookie was ever permitted to enter his home at Sixteenth Street and Seventh Avenue. Justice Philip J. McCook overlooked the interruption. The witness who had just told of making this way unannounced to Petillo's apartment was Danny Brooks, who was fired by the syndicate after having served it as a bookie for a year. He was down for the trial from Clinton Prison at Dannemora, where he is serving a minimum sentence of seven and a half years for a free-lance job which he took at compulsory prostitution in Westchester County after he found himself out of a job in the city.

Brooks not only succeeded in turning Little Davie, whom Mr. Dewey took upon as "the most dangerous man in the city today" but he also named Luciano by his nickname "Lucie" and involved several of the defendants in what he said was a successful conspiracy to reduce the toll of prostitutes by means of \$225 bribes to an unnamed Assistant District Attorney.

Brooks, a swart, outspoken little man of forty-two with a flat skull covered by black, curly hair, said that his real name was Caputo, that he was born in Italy and that his family came to Brooklyn when he was one year old. He testified that he got through the eighth grade in school there and that "my mother used to call me Mimi when I was a little boy."

From Teamster to Entrepreneur

He drove trucks and fitted pipes, served ten months for possessing a pistol in 1913, and received a suspended sentence a year later for having narcotics in his possession. Brooks said in 1915 he served seven months for third-degree assault and then went into the show business. During the 1920's, Brooks said, he managed a rowdy vaudeville acts on the road, operated cheap night clubs in the West 50's, and did some bootlegging when legitimate business was dull.

In 1933, he said, his old friend, the defendant Jimmie Frederico — who was Luciano's general manager, according to Mr. Dewey — told him that a new combination was being organized to "bond" prostitutes for \$10 a week. Frederico, the witness said, was elated because he thought "they" would let him do front work for the syndicate and was crestfallen when "Lucky" decided a decision against him and told him to turn over the books of his trade to Petillo and the defendant Abraham "Little Able" Waxman.

The substitute manager, however, "spiced" the combination and in a short while Frederico was taken back. Brooks said. The witness found that his business of cutting and bottling bootleg liquor did not take all his time, so he got in the habit of driving Frederico around on his regular calls to the madams operating as servants of the syndicate.

By April, 1934, Brooks said, he had learned enough of the business to begin booking women himself in partnership with Frederico and Billy Peluso, who offered corroborating testimony yesterday. The "big three" of women-booking in the city at that time were Nick Montana and "Cock" Louis Weiner — both in jail now — and Dave Miller, or Marcus, who also has squealed at the trial.

He Wanted To Be Big, Too

Brooks testified: "I was trying to become as big as those three." But after a year, he had failed to add a single house to his string and was fired. Meanwhile, however, he had seen a lot of things which he remembered yesterday. For example, he was permitted to visit Tommy Bull, or Pennocchio, listed as Luciano's chief lieutenant, at his headquarters in Mulberry Street.

"Jimmie (Frederico) called me up one Saturday night," Brooks testified. "He told me two girls had been locked up and he had to get them out that night because they were dope fiends and he was afraid they would talk."

They couldn't get the bail money that night, the witness went on, but the next day they went to Tommy Bull and he gave them \$500. Frederico took the money up to court, where it turned out the girls' bail was only \$100 apiece, and they were quickly freed. It was the syndicate's guaranty, according to Mr. Dewey, that no girl paying tribute "would go to jail regardless of the facts." From Bull's headquarters, Frederico always took the money to the bonding office of the defendants Meyer Berkman and Jesse Jacobs, Brooks said.

There came a day, early in 1935, when three girls were held in the unusually high bail of \$1,000 each. With the fixers Frederico and Jacobs, Brooks said, he went around to the Supreme Court Building to see what could be done. There, he said, Jacobs found that Justice Salvatore A. Cotillo had made the bail high because he had learned that the

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MAC

came from out of town—
from Virginia and Maryland—and he
suspected that they were backed by a
syndicate.

The syndicate was supposed to put
up half the bail and the madams
agreed to post the other half. Still,
with girls "going on the lam" on the
time, the bosses of the combination
didn't see their way clear to supply-
ing their share of \$1,500 in this case.
On the other hand, they had their
guaranty to remember. So the next
day Frederico and Jacobs went back
to the court building. Brooks said
and then "Jimmie says to me they
had the same writ as the day before,
but the bond had been cut to \$300
apiece."

Later that day, the witness recalled,
Frederico asked Jacobs for the rest of
the money he had given the bonds-
man to fix the case. Jacobs replied
that the balance was \$75 and that "I
gave that balance to the D. A. (As-
sistant District Attorney, according
to subsequent testimony)—I gave him
\$25 for each girl."

The witness continued: "Jimmie
says he don't believe that Jesse
(Jacobs) laid it out. And I says to
him he didn't lose anything because
he charged the madam for a lawyer
and \$50 for the D. A." On one
occasion, Brooks said, he helped Fred-
erico prepare a bill for a madam in
which he charged her \$400 for getting
a single girl out of jail. There was a
\$75 item for lawyer's fees, he said,
although the syndicate's lawyer
handled each case for only \$25.
Petullo received the impetus for his
later outburst when Brooks calmly
told of a meeting of bookers in a
"back" back of a building on Mul-
berry Street at which Little Davis
abused his employees and told them
that "if any booker held out a house
(from the syndicate) the fine would
be \$200 and he wouldn't take it out
in money, either." The witness said
Little Davis told them that "the rea-
son the meeting was on so short no-
tice is because he didn't want the
cops to find out."

Frederico Tells Him He's Through

In March, 1935, Brooks bought a
new car in an effort to get around
more and scare up new business. He
hadn't had acquired it, however,
than Frederico came to him sadly and
told him that he was through. Dave
Miller, a more seasoned booker, was
going to take over Brooks' houses.
Frederico said: "He says I been in it
about a year and hadn't picked up
the business." Brooks recalled, "Fred-
erico told him to get out of New York,
the witness said, and told him that
the syndicate's latest plan was to have
Miller handle all Brooklyn houses and
Montana take care of every house in
Manhattan."

Cross-examined by George Morton
Levy, counsel to Luciano, Brooks said
that before testifying he had been
assured by Mr. Dewey that "I will not
be sent back to a prison where any of
these defendants are so that I can be
killed." He said that Mr. Dewey also
promised to advise the Governor of
the state, helping the people of this state
long as he (Mr. Dewey) didn't catch
me in a single lie on the stand."

Among the four or five prostitutes

and madams who followed Brooks to
the stand was Helen Hayer, twenty-
four years of age, of Westbury, N. Y., who said
that she had put up \$625 in bond
money which was not repaid to her
when the case of herself and her maid
was closed in the courts. She said
that Berkman refused to do anything
about it until she got her own law-
yer and threatened to "call the cops."
Then, she said, Berkman came across
with \$500.

LUCIANO NAMED AS CZAR OF VICE BY A COLLECTOR

**\$40-a-Week Underling First
to Put the Finger on
Lucky as Head.**

IS A LIFER AT SING SING

**Started as a Mural Artist,
but Got Into Jail at 18
for Stealing Bicycle.**

The long-expected "finger" was placed on Charles Luciano today by Joe Bendix, now serving a life term in Sing Sing for burglary, who told Supreme Court Justice McCook and a jury that, as vice boss of New York, Lucky gave him a job as collector of tribute from disorderly houses at a salary of \$40 a week.

It was the first time since Luciano and nine of his underlings went on trial for compulsory prostitution that a witness definitely has pointed to Luciano as master of the \$10,000,000 racket.

A slim man with a high forehead and wavy brown hair, Bendix looked what he said he was before he turned to crime—an artist. He gave his age as 38 and readily admitted that he had been convicted five times as a sneak thief and burglar. His last conviction, the sixth, drew him a sentence of from fifteen years to life.

At one time, Bendix said, he was an editor of the New York Central Railroad magazine, but lost the job because he was "stealing on the side."

Identifies Jimmy Fredericks.

He began his testimony—the most important adduced so far in what is dealt almost exclusively with Luciano—by identifying Jimmy Fredericks, general manager of the vice trust. He said he talked with an individual known as Charlie the Barber in the summer of 1935. A few days later, he said, Charlie the Barber took him to Seventy-second street and Broadway, where they were joined by Fredericks.

"Fredericks came over," he continued, "and said he understood that I knew Lucky Luciano. I told him I'd known Luciano for eight or nine years."

Luciano, who hitherto has sat unperturbed while the evidence was piling up against his alleged subordinates, stirred uneasily in his

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chair and stared hard at the "lifer."

"Fredericks said he'd heard from Charlie the Barber that I was O. K. He said he understood that I was looking for a job as a collector for houses of prostitution and that he'd speak to Luciano. He said he'd meet me the following night and let me know what was what."

"Did you meet Fredericks again?" asked Special Prosecutor Thomas E. Dewey.

"I met him in the Villanova restaurant in Forty-sixth street, Bendix testified. 'My wife—the woman I married later—was with me. Luciano was there. He sat at a table with Fredericks and two other men whom I didn't know."

Bendix Gets the Job.

"Fredericks came over to my table. He said he had spoken to Lucky Luciano and he'd be over in a minute. I asked my wife to excuse me, as I didn't want her to hear any of the conversation."

"After about five minutes Lucky came over. He said Fredericks had talked with him about me and said he understood that I wanted a job as collector for these houses of prostitution. He said he understood I was too high-hat for that job, which he said only paid \$35 or \$40 a week."

"I said that was better than stealing and risking a life sentence under the Baumes law. Lucky said: 'If you want to work for \$40 a week it's O. K. with me. I'll tell Little Davie to put you on.'"

He referred to Little Davie Bettillo, one of the two men alleged to share control of the vice ring and be contacts between Luciano and the underlings.

Bendix said that he tried to see Luciano again at the same restaurant on several occasions, but he was not in. Three weeks later, however, Luciano was in the place with some friends and Bendix went up to him, he said.

"Lucky asked where I'd been," he testified. "I said I'd had something on—been making money on the side—and that now I needed work and asked him if I could start in."

"Luciano said he'd give me a list to take to Little Binge (Anthony Curcio, another of the contact men) at a hotel and told me to go there. I said 'O. K.'"

Luciano then told him how he could make more than \$40 a week, the witness said.

"Lucky said, 'If you get wise to things after a while you can make a little extra from the madams.' I didn't know what he meant then, as I was new to the prostitution racket."

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Q. 11

Stole a Bicycle at 18

Bendix said he went to the hotel but could never find Bing there. After a while he went to work executing murals for the Stadium Cafe at Seventy-fourth street and Broadway, and thereafter worked steadily at his trade as an artist until he was caught stealing again in January and sent to prison for life.

Cross-examined by George Morton Levy of Luciano's counsel, Bendix said he was born in Pittsburgh. When he was 18 he stole a bicycle from in front of a telegraph office in New Haven, Conn., and was sent to prison for thirty days. That was in 1912.

He told of other crimes and said he was sent to Elmira Reformatory. He specialized, he said, in robbing hotel rooms.

"Did you steal anything at the reformatory?" asked Mr. Levy.

"No," replied the witness, amid laughter, "everything was pretty well tied down there."

Witness Is Pounded Hard

Bendix testified that he first met Luciano at the Club Richman in 1928. He was introduced to Luciano, he said, by a man he knew as Cap Dutton.

"Did you tell Lucky about your criminal record?" demanded Mr. Levy.

"I believe he knew it," the convict said.

Defense objected and the answer was ordered stricken out.

Mr. Levy pounded hard at Bendix on the subject of the meeting in the Club Richman, seeking to trap him.

Luciano never took his eyes off the nattily-dressed convict. His own face was as gray and impassive as ever, but he played gently with his chin, in the manner of one preserving an air of imperturbability.

Before going into the witness's first meeting with Luciano, defense counsel brought out Bendix's full criminal record, an amazing list of crimes, convictions and arrests.

In 1926, Bendix said, he "went straight" and opened a studio in Brooklyn with some money his mother left him. In January, 1933, he said, he lost what money he had and went back to stealing. His first effort, he said, was unfortunate, and he was caught because of "lack of practice."

Girl on Stand at Start

Always a lone wolf, he admitted that he was known to every honest detective in the city. At one point he protested that she didn't wish to argue about his record, but he'd "like to have it read off right."

When the session started Helen Kelley, the nineteen-year-old Kentucky girl who said she went to Mr. Dewey's office because she wanted "to get back some of the self-respect I lost as a prostitute," resumed the stand for cross-examination.

A demure brunette strikingly different from the run of women who have taken the stand, she testified yesterday that her sweetheart, Gypsy Tom Petrovitch, placed her in a disorderly house run by Hungarian Helen two weeks after she came back to New York from a trip abroad in October, 1934.

James D. C. Murray, defending the two bondsmen, Jesse Jacobs and Meyer Berkman, made her admit that her real name was Helen Keller, and that she was of Hungarian parentage. She said that her mother died when she was 2 years old, and that her father brought her to this city. Shortly

afterwards, she said, she lived with her parents named Horvath in Yorkville.

She had testified that she worked as a waitress for \$6 a week and tips, and that economic necessity drove her to prostitution.

Mr. Murray tried to force her to admit that she embraced the life voluntarily.

Bows to California Peggy

"You were Pete Harris's best money getter, weren't you?" asked Mr. Murray.

"I wouldn't say that." "But you earned \$600 the first two weeks, you said. Did any of Harris's girls make any more?"

"California Peggy earned more—close to \$400 the first week."

"You told us," said Mr. Murray, "that Harris said you were too nice a girl and advised you to quit."

"Pete Harris was mighty particular about the girls he booked," retorted.

Smart in a mauve flower and mauve hat, she appeared certain of herself and at answers.

"You weren't forced?" "Hungarian Helen's—re you?" "mand?"

"I guarded to see of that house," "wasn't free to leave and the women held me."

"You told this to that great philanthropist, Harris, didn't you? What did he say?"

"He told me—defiantly—that if I could ever get away to take advantage of it."

Worked for Ill Man

She testified that in January, 1935 she went to live with a working man who supported her. The man lost his job when he was taken ill with pneumonia, she said, and she went back to her trade.

"I kept him," she said. "He didn't know I was a prostitute. I told him I was a waitress. All that time I was spending from ten to twelve hours a day in houses of prostitution."

Defense made much of the fact that she had been living in various hotels since she became a voluntary witness, and tried to show that she had associated with Mildred Harris, wife of Pete, and that because of Mildred she was "going easy" on Harris in her testimony. She denied the suggestion.

"You're eating very well aren't you?" sneered counsel.

"If you call 40 cents for lunch and 75 cents for dinner eating very well, then I am," she flashed back.

Pressed about her various addresses, she smiled archly.

"Really," she smiled, "I can't tell you. If I'd known you were going to ask me those questions, I'd have gone around and collected all my old addresses."

Girl, 19, Tells How Man Lured Her Into Vice

Voluntary Surprise Witness
Against Ring Made \$314
First Week, Tried to Quit

Booker on Stand All Day

Says Luciano's Higher-Ups
Extorted Christmas Gifts

A nineteen-year-old girl, who said that she had voluntarily sought out Thomas E. Dewey, special rackets prosecutor, to tell him how she had been placed in a house of prostitution here by her sweetheart two weeks after she had come to New York, took the witness stand unexpectedly last night in the Supreme Court trial of Charles Luciano and nine others on charges of compulsory prostitution.

The girl said that her name was Helen Kelly, that she was also known as Nancy Miller, and that she was born in Kentucky. Not only was she strikingly more demure in appearance than the other women who had taken the stand as material witnesses to gain immunity to prosecution, but she was the first prostitute to testify without ulterior motive.

She even admitted to Justice Philip J. McCook and the jury that there was a warrant out for her arrest for jumping bail given in a previous case when she was arrested as a prostitute while working in a house here. She said that she had been advised to "go on the lam" (jump bail) by Jesse Jacobs, a defendant in the present case.

Worried? She Certainly Is

"Are you worried that you might be picked up on a warrant for bail jumping?" Miss Kelly was asked.

"I certainly am," she replied.

She looked intently at each of the defendants and then told Mr. Dewey that not one of them was the sweetheart who made a prostitute out of her and placed her in a house. She said she knew that man as Thomas Petrovich, whom she described as a Broadway habitue. She testified that he placed her in her first house, operated by Hungarian Helen.

Through that man, Miss Kelly swore, she met Peter Baltizer, better known as Pete Harris, a booker of women, who turned state's evidence at the opening of the trial and who testified most of yesterday against Luciano and his alleged vice syndicate.

Miss Kelly said that she went to Mr. Dewey's office because "I wanted to get back some of the self-respect I lost because of my life as a prostitute."

"Didn't you pick out that life voluntarily?" defense counsel asked.

"I did it to solve the economic problem," the girl replied.

"Were you a good girl when you arrived in New York?"

"Well, I should think so."

Miss Kelly said that Baltizer, who had just left the stand after asserting freely that he had lived for years on the earnings of women, was the one who told her to get out of the business. She said that she earned \$314 during the first week she worked at Hungarian Helen's in October, 1934. Then, she said, Baltizer had a talk with her.

"Too Nice for This Business"

"Pete told me I was too nice a girl to be in this business," Miss Kelly testified, "and that if I wanted to get out, he would give me some pointers."

She said she took Baltizer's advice and worked for a year as a waitress in a restaurant where she made \$12 a week. Her room cost her \$4, she said. After a year of privation, she related, she decided to return to prostitution and Baltizer sent her back to Hungarian Helen's.

"Pete told me he was sorry to see me come back into the life," the girl said, "but he said if I insisted he would be glad to give me employment."

She also identified another of the defendants, Jack Ellenstein, as the man who booked her after she returned to that line of work. Finally, she said, she quit after the courts made things hot for her. "I didn't make very much money," she explained. "There was too much competition."

Told that she was a corroborating witness and asked whether she knew what that was, Miss Kelly replied: "Yes, I'm not as stupid as not to know that. I learned it in school."

Baltizer on Stand

During his many hours on the stand Baltizer described the spirit of giving at Christmas time and at other festive occasions as it was radiated by a booker of women in kowtowing to his underworld boss. He told of his experiences in bearing holiday presents to the defendant, Little Able Wahrman, listed by Mr. Dewey as Luciano's contact man with the small fry who did the leg work for the vice syndicate.

Until three years ago, according to Baltizer, he had been under the impression that booking women was a dangerous business unmitigated by the little pleasantries of ordinary life. At that time, however, Little Able came to him, told him that he was about to celebrate his nineteenth birthday, and asked that Pete observe the event by giving him a present. Baltizer said he then was paying Wahrman \$100 a week "protection."

"He asked me to bring him a present," Baltizer testified. "I went out and bought him a watch for \$55 wholesale and Little Able took a look at it and threw it back at me. He said it was a cheap watch and he raised me to \$150 a week instead of \$100. After that I always gave him a nice Christmas present."

It was six weeks before he was able to soothe Little Able's ruffled feelings and get back on the old \$100-a-week basis, the witness said. Asked by David Siegel, counsel to Wahrman, whether he had purchased the watch from a second-hand dealer, Baltizer replied indignantly: "My brother don't sell no second-hand watches."

Sol. Gelb, Mr. Dewey's assistant, suggested that Baltizer simply had raised his weekly payments to Little Able because the holiday spirit was in the air. "He asked you to pay it?" Mr. Gelb inquired softly. "Baltizer snapped a rubber band with which he had been toying," Little Able made me pay it," he retorted. "He didn't ask me to. And in 1934 he shook me down for \$900." It developed that Baltizer had supposed that the \$900 was a "loan" to his superior, but that Little Able looked upon it as a "donation."

The question of gifts was brought

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Q/

up by Mr. Siegel, who sought to show that as recently as last Christmas Balitzer had nothing but admiration for Little Abie. Mr. Siegel asked the witness whether he had not sent Wahrman \$100 and a card bearing the message, "With kind appreciation," just before last December 25.

"Nah," Balitzer replied. "Just a card and the cash."

It's a Hard Life

When the social amenities were discarded in favor of pure business, Balitzer said, he fared even worse. He said that he had been minding his own business as an independent bookie until 1933 when a man named Joe Levine met him on the corner of Fifty-fourth Street and Seventh Avenue and told him that "a mob was being formed to protect the bookies." Levine told Balitzer he would have to pay \$250 every week for the protection, the witness said.

"A couple of days later," the bookie testified, "I was to meet Levine on Broadway and Seventy-first Street and when I got there I sees Levine and ten more fellers surrounding the whole block. They started arguing me protection. They says I'll have to pay, or get out of town."

"They pushed me into a car with a gun and came up to my house on Riverside Drive. Then they pulled their guns on me. I went into the bedroom and started packing my clothes. Then I was afraid to leave town. I was afraid they were going to dump me on the road to make an example of me. Abie Wahrman said they'd shot Dave Miller (another bookie) out of town. After that I agreed to pay \$100 a week."

Describing the time when the syndicate decided to exact \$10 from each prostitute for "bonding," Balitzer said that Wahrman introduced him to the defendant David Beillo, alleged to be Luciano's chief lieutenant. The witness said he was afraid to go in on the plan because he was not certain that the crowd behind it could afford to bail out as many as six or seven women a day.

"Charlie Lucky" In It

Little Abie says, "Don't worry about that Charlie Lucky's behind it." the witness testified, thus bringing Luciano into the proceedings by his underworld nickname. He said he explained to one of the madams he served that Charlie Lucky was behind the new syndicate, but that the defendant Jimmie Frederico, listed as Luciano's general manager, told him to keep that big name out of it.

Balitzer, who said he had been present at all the pep meetings for bookies which nearly every defeciant save Luciano attended at one time or another, also implicated Ralph Liguori, who is on trial as the gang's stick-up man.

"Ralph called me on the phone," the witness said, "and he wanted me to give his girl, Gashouse Lilian, a job. I didn't want to book her because I'd heard stories that she'd work in places and then put the finger on the joint, and I didn't want no stickups in my joints. She was too fresh, though, and I couldn't book her in the good places."

"In 1933 Ralph called me up and said to come over to the hotel—that he had a nice blonde for me to book. He introduced Nancy Pressler to me and asked me to give her a job. I said all right, if she was reliable. But she wasn't reliable. She wouldn't get to work in time and I couldn't afford to book her in the good places. Ralph told me he liked her, he loved her, and she was his sweetheart and he wanted to put her in the good places. But she wasn't reliable enough."

Sing Sing Thief Puts 'Finger' on 'Boss' Luciano

**Bendix Says Accused Vice
Overlord Offered Him Job
to Collect From Houses**

Didn't Work Assignment

**2 Women Tell Connections
With Crime Defendants**

A kleptomaniac, brought down from Sing Sing by Thomas E. Dewey, special rackets prosecutor, testified before Justice, Philip J. McCook in Supreme Court yesterday that Charles Luciano, on trial for compulsory prostitution, met him in a West Forty-sixth Street restaurant last summer and offered him a job at \$40 a week collecting money from disorderly houses. He was the first witness to implicate directly the powerful Luciano who hitherto has been pictured in court merely as a shadowy figure far above the nine menials on trial with him who, when they spoke of him at all, did so in whispers under the threat of violent punishment.

As though the business from which Luciano allegedly derived a huge income were not unsavory enough under any conditions, the prosecution also introduced a prostitute who testified that, when she became so infected with venereal disease that she was ordered out of Atlantic City, she was invited to New York with the promise of work here by Jack Ellenstein, a defendant said by Mr. Dewey to be a booker of women.

To wind up a day crowded with evidence which the defense fought bitterly to discredit, Mr. Dewey placed upon the stand last evening a twenty-nine-year-old woman morphine addict who said her name was Florence Brown and that she is the "Cokey Flo" referred to frequently during earlier testimony as one of the city's more prominent madams. Unlike the many women of her profession who have taken the stand, however, it developed that she knew Luciano because, for the last two years, she lived with Jimmie Frederico, a defendant whom Mr. Dewey regards as from man and general manager for the "Boss" himself.

"Cokey Flo" barely had a chance to tell her life history, to swear that she knew nearly every one of the ten defendants, and to describe how she has been given the "reduction treatment" for drug addiction while in the house of detention, when court was adjourned until this morning. She did say, however, that she was not arrested during the general raids of February 1 and that she was not taken into custody until May 8, when she was arrested for soliciting. She will resume the stand this morning to tell how well she knew Luciano.

First to Name Luciano



Joe Bendix

Puts "Finger" on Luciano
Joe Bendix, thirty-eight-year-old, confessed hotel thief, who has a record of ten jail sentences and six felony convictions, was the witness who actually "put the finger" on Luciano for the first time. An insistent man, now serving fifteen years to life in Sing Sing as a fourth offender after being caught in the Madison Hotel last January, Bendix testified that he had known Luciano for nine years.

The witness said his family reared him to be an artist but that he became fascinated by stealing at the age of seventeen. Well aware that his mania had broken up his childhood home life and disillusioned two of his three wives, Bendix said he had attempted occasional periods of "reform," during which he earned his living as a photographer and commercial artist.

In the spring of 1935, Bendix said, he found himself broke and afraid to steal again because another conviction might return him to prison for life as a fourth offender under the Baumes law. For years, he said, he had been meeting Luciano in front of a drug store on Seventh Avenue relative to business, the nature of which he was not permitted to disclose. Accordingly, when he found himself hard up, Bendix felt to thinking of that valuable contact.

Bendix said he singled out a friend named Charlie the Barber to act as a go-between and that Charlie introduced him to Jimmie Frederico. Jimmie said Charlie the Barber told him I was looking for a job as a collector and that he would talk to Lucky about it," the witness testified. Lucky is Luciano's underworld nickname.

The following night, by appointment, Bendix said he was at the Villanova Restaurant, on West Forty-sixth Street, with the girl who in October was to become his third wife.

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Q1

Talked to Luciano

"Luciano and Fredericks (Freddie) were there sitting at another table with a man and a woman. I didn't know," the witness recalled. "Fredericks came over and he said he had spoken to Lucky and that Luciano would be over in a minute. I excused my wife because I didn't want her to hear any of the conversation and after a few minutes Lucky came over and said that Fredericks had talked to him about me and that he understood I wanted a job as a collector in houses of prostitution.

"Luciano said the job only pays \$30 or \$40 a week and he couldn't understand why I wanted it, because, he said, he thought I was a little too high-bat for a job like that. I said it was better than to go back stealing because I was facing the Baumes law. And Luciano says, 'If you're willing to go to work for \$40 a week, it's okay with me. I'll tell Little Davie to put you on.' Little Davie is the defendant. David Bettio, said to have served Luciano as chief lieutenant.

The plan was for Bendix to make final arrangements with Luciano a few days later, the witness said, but the meeting was delayed because "I had been making a little money on the side and I sort of overlooked this job." When he finally did meet Luciano again, Bendix said, the latter told him he had prepared a list of houses and given it to an assistant, Blinge, who would tell Bendix how to get started.

"Luciano said, 'After you get going around collecting—if you get wise to yourself—after a while you can pick up a little extra from the madams.'" Bendix swore. "I didn't know what he meant because I didn't know anything about the racket."

Nor, according to Bendix, did he ever find out what was meant, because about that time he got a job painting murals on the walls of a Broadway night club. After that he married his present wife, a member of a vaudeville sister act, and then he got caught stealing from a room in the Madison Hotel, so he never did get around, again, to collecting for Luciano.

Shirley Mason, twenty-three, was the prostitute who testified that Ellenstein met her in Atlantic City last year and told her he would like to give her a job in New York.

She said she came to New York with Ellenstein but she proved a poor investment because, in the first place, she became ill and passed most of her time in hospital wards, and in the second, because Ellenstein, her booker, had love with her and had to pay her bills.

WITNESS TELLS OF LUCIANO'S BIG TIME PLAN

Cokey Flo Says His Aim Was to Establish Vice on Chain Store Basis.

ATTENDED A GRAND COUNCIL

Lucky Fingers His Face and Other Defendants Scowl as She Tells Her Story.

Special Prosecutor Thomas E. Dewey played his ace today and drew from a woman witness testimony that Lucky Luciano proposed to "lie low" during the current vice investigation and later syndicate all disorderly houses in New York on a grand scale "like chain grocery stores," with the madams on a salary or commission basis.

The witness whose testimony may do more toward sending Luciano to jail than that of any other put on the stand during the trial of Luciano and nine of his underlings on charges of compulsory prostitution was Florence Brown, known in the underworld as Cokey Flo, an admitted narcotic addict up to a week ago.

A solemn-faced woman of 29 years, she told in slow, deliberate accents of being present on numerous occasions when Luciano discussed prostitution with his lieutenants, Tommy the Bull Penachio, Little Davie Betillo, and Jimmy Fredericks, general manager of the vice trust, who was her sweetheart.

She did not merely put the "finger" on Luciano as master of the \$10,000,000 vice trust; she nailed him solidly by repeating conversation after conversation which she was privileged, as the sweetheart and confidante of Fredericks, to overhear.

In Business Since 1929.

Resuming the stand when the trial before Supreme Court Justice Philip J. McCook and a blue ribbon jury was continued at 10 A. M., she gave routine testimony to the fact that she had operated disorderly houses since 1929 until her arrest last January, and to using bookers of women employed by the ring.

She admitted that she started taking narcotics in the winter of 1934-5, and to using morphine until a week

ago, when she finished the "reduction cure" in the House of Deten-

tion. Her first meeting with Luciano, she said, was in a Chinese restaurant uptown.

"Charlie Lucky, Tommy Bull, and Davie Betillo were sitting at a table when I went in with Jimmy Fredericks," she said. "We were invited to sit down and I was introduced."

Some of the conversation was in Italian. When Mr. Dewey asked her to relate any conversation in English that referred to prostitution George Morton Levy of Luciano's own counsel sprang up.

"You needn't limit your question to prostitution as far as Luciano is concerned," he snapped at Mr. Dewey.

But before Mr. Dewey could continue, Lorenzo P. Carlino, counsel for Liguori, the alleged strong-arm man of the vice ring, protested that he would object to any other matters being revealed.

"As far as Mr. Carlino is concerned, his client isn't even mentioned," retorted Mr. Levy.

Cokey Flo Tells Her Story.

It looked as though defense counsel were on the point of getting into a squabble but Mr. Dewey finally instructed Cokey Flo to tell what she heard as it related to prostitution only.

"They didn't talk about prostitution in the restaurant," she said.

"We got into a car. I was driving. Jimmy said: 'I think some of the bookies are holding out joints on us.'"

"Lucky said: 'Can't you do something about it? Can't you get them together?'"

"Davie said: 'We can, but it will take some time.'"

"Lucky said: 'Well, I tell you what to do. Call 'em downtown and put them on the carpet.'"

Her sweetheart, Fredericks, she said, told his associate that Nick Montana, now serving a long term in Sing Sing for compulsory prostitution, was the worst offender. "He collects bond money and keeps it," she quoted Fredericks as complaining. "Then when places get pinched, he runs to me and I don't know they've been paying bond money."

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...said "have 'em down and straighten things out."

There was some more conversation. Mr. Dewey brought out, about three disorderly houses on Long Island. One of them, the witness said, wasn't paying very well and the gang talked of sending a man named Jerry Bruno over there to take it over for gambling purposes.

Later, she testified, Fredericks told her that they had all the bookers downtown and had read the riot act and told them that they would be fined if they held out any more houses. Nick Montana was told curtly that "even if he thought he was a big shot, he couldn't do things like that." Montana at the time was the "biggest" booker of women for disorderly houses in the city.

Fredericks Joins Combination.

The witness then related how Fredericks joined the bonding combination and then went on to the fall of 1934, when she drove Fredericks and Benny Spiller, another of the defendants, to an East Side garage.

"I stayed in the car while they went into the garage," she testified. "I got tired of waiting and walked around a bit. I heard voices but I couldn't tell who was talking."

"Who came out of that meeting?" asked Mr. Dewey.

"Jimmy, Charlie, Davie and Tommy came out," she said, naming Fredericks, Luciano, Bettillo and Pennachio. "Spiller stayed inside."

She went on to tell of a similar grand council of the vice overlords in the same garage about Easter, 1935. The same thing happened: she waited outside; the same men came out.

That summer she said, she went to a restaurant in Chinatown with Fredericks and saw Luciano, Bettillo and Tommy the Bull sitting at a table eating. She and Fredericks sat down.

"Charlie said he was disgusted and didn't like the idea of it all," she testified, "as there wasn't much money in it; and things were getting tough. He said the places were getting hard to manage and a lot of the madams didn't want to pay bond money. It was all getting difficult to manage," he said.

There was some conversation, she said, about a particular madam who was leaving the ring by saying she wasn't operating, when she had a place across the hall, and by telling the collectors she had only one girl when she had three.

"Charlie Lucky said, 'I suppose she's a wise guy?'"

"Little Davie said, 'We'll take care of her.'"

"Did Charlie say what they should do?" inquired Mr. Dewey.

Lucky Watches Her Closely.

All this time Luciano was watching the woman closely. He betrayed no nervousness, except for his habit of fingering his face in an abstract manner. Fredericks wore a scowl and shifted uneasily in his chair.

"Charlie said, 'Why don't you get the madams together?'"

"Jimmy (Fredericks) said he thought of going round to the houses and talking with the madams."

"Charlie said: 'Well, you can't talk to 'em. They're too stubborn. Get after 'em. Step on 'em.'"

Here, she said, Little Davie again butted in with one of his ominous "We'll take care of 'em" remarks.

She was asked if Luciano objected to his name being bandied around by the lesser lights of the vice combine, and said that there were some recalcitrants who told everybody that they could get out of paying bond money by going downtown and seeing Davie and Lucky. Luciano, she said, found that "very annoying."

In October, 1935, she said, she again went to the Chinatown restaurant with Fredericks. Charlie and Davie were there. Luciano, she testified, again expressed his disgust with the racket and wanted

to stop the bonding combination as there was no money in it, only a headache."

"Davie said 'Why don't you give us a chance. Wait a while longer and we'll straighten it out.'"

"Luciano said: 'I don't know. This Dewey investigation is coming on, and that'll make it tougher. It would be better if we started again after things quieted down.'"

Little Davie again put his oar in and suggested that they carry on, as after a time "it may not be so tough."

Proposed His Syndicate.

Luciano, however, complained that there has been "quite a few pinches" and that these were taking money out of the combination.

"Later on," the witness quoted him as saying, "we'll syndicate all the places like they do in Chicago."

Davy protested. Cokey Flo continued, that there was nothing to fear from the Dewey investigation. "They'll pick on phoney bonding, that's all. They'll pick on a couple of bondsmen and that's as far as it will get."

Luciano, she said, agreed to let the racket go on, but told his henchmen:

"After things get quieted down we'll syndicate the places on a large scale, like the A. & P. stores, and we'll put the madams on a salary or commission basis." The boss, she said, agreed that it might be difficult for his lieutenants to get the syndicate going, as the madams would object. "But it could be worked up," she quoted him as assuring.

Again she told how Lucky objected to "people who didn't like bonding running downtown and saying that if they could see Lucky they could get out of bonding."

"I'm tired of having my name mentioned like that," the witness quoted Luciano as saying petulantly.

After testifying to driving Fredericks downtown to get bond money from Tommy the Bull, the ring's treasurer, on two occasions, her direct examination ceased and she requested a recess.

Defense Attacks Testimony

The defense struck at once at the witness as a drug addict and forced her to describe how, until she was cured, she took injections of morphine when she woke up, again before dinner and a third time before she went to sleep. The dose, she said, was one-quarter of a grain.

She was also forced to admit that she faced three charges—possession of narcotics, soliciting and maintaining a disorderly house—when she volunteered to testify.

David P. Siegel of defense asked her if she had taken narcotics during the brief recess. She denied that she had anything except a cup of coffee. Counsel then asked Justice McCook's permission for a physician to examine her. Mr. Dewey immediately requested that a physician for the people be present and the examination was delayed twenty minutes until a doctor could be summoned. Meanwhile the cross-examination went on.

When the doctors arrived, Moses Polakoff, chief counsel for Luciano, asked that the defense physician be allowed to make a general examination of the witness. Mr. Dewey objected, and when court recessed at 12:20 for ten minutes, to permit the examination, it was restricted solely to whether the woman had taken narcotics during the previous recess.

At the end of the ten-minute recess period court was adjourned until 2 P. M. without hearing medical testimony.

Finds Witness Alert.

While waiting for the people's doctor to arrive, Mr. Siegel tried to get the witness to admit that she was a "little drowsy."

"There's no reason why I should feel drowsy," she retorted, brightening. "I was just trying to think, so I can give correct answers."

She was asked to pick out Fredricks, and identified him in a firm voice.

"Do you know who this man is?" asked Mr. Siegel, moving beside Little Able Wahrman. Cokey Flo denied that she had ever seen Wahrman. Mr. Siegel looked somewhat relieved, as Wahrman is his client.

She was then asked about newspapers she had read since her arrest and admitted having seen photographs of Luciano.

"Do you see Luciano in the court room now?"

Yes, the woman replied, moving forward in the witness chair. He is sitting right down there, the third man from the front, second from the aisle.

Luciano, who had been slumped down, glowering at her, stiffened.

"Where do you mean? Indicate whom you are talking about?" insisted Mr. Siegel.

Points Straight to Luciano.

Miss Brown stood up and pointed a steady finger at the gray-faced defendant.

"That man right there with the black tie?" she cried.

Defense lawyers began moving about Luciano, as though to shield him. Again Mr. Siegel asked her whom she indicated.

"That man right there with the yellow pencil in his hand," said Miss Brown, jabbing the air with her finger.

Luciano threw the pencil he was holding down on the counsel table with a gesture of disgust. Cokey Flo, he seemed to realize, had put more than a speck on him—she had forged the final link of testimony which, if accepted by the jury, meant jail.

Pointed Out as Vice King:

LUCIANO REVEALED AS FEARING PROBE

Woman Bares His Plan To Flee and Come Back

Charles "Lucky" Luciano, alleged brains of the city's prostitution racket, sensed the danger of the Dewey investigation coming, and wanted to run. He knew last October he should drop out to return when things were quiet again and build the business into a great chain-store system.

"Cokey Flo" Brown, one of the city's best-known madams, so quoted the vice lord yesterday. Testifying in the compulsory prostitution case against Luciano and nine others, she recited how he had said he was willing to let a few bookers "take the rap while the heat was on" because the business as run then was not making enough money to satisfy him, anyway.

On the eleventh day of the trial, Special Prosecutor Dewey finally laid the nefarious business right on Luciano's doorstep, using the glib tongue of "Cokey Flo," two-year sweetheart of Jimmie Fredricks (Frederico), general man-

ager of the enterprises which collected tribute from almost every prostitute in the city over a three-year period.

Planned Salaries

Lucky dreamed of a vast empire of vice in which even the madams would lose their 50 per cent of the girls' earnings and be placed on a salary, but he realized the business could not be built to meet his dreams while the moral forces of the city were working against him.

So he asked to be let out of the racket, so small as to be "a headache," until he could build his empire unimpeded. But his henchmen, unwilling to let their

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File

Pointed Out as Vice King:

Luciano Dreaded Quiz, Says Woman

*Planned to Flee,
Then Come Back,
She Testifies*

Continued from First Page.

take-off go, talked him out of his resignation.

That was "Cokey Flo's" testimony in which she repeated numerous statements from Luciano's lips, words she was allowed to hear only because she was Fredericks' sweetheart.

The defense attorneys demanded the girl should identify the vice lord.

'Yes, That's the Man'

So she stood, a small, frail figure, her body wasted by sickness and years of dope addiction. Her thin, bony finger pointing to the swarthy Luciano as she leaned dramatically from the witness stand, she said:

"There he is, the man in the black tie. The man with a yellow pencil."

Reluctantly and with a black scowl, Luciano half rose from his chair at his attorney's insistence. "Cokey Flo" said:

"Yes, that's the man."

The climax of her story dealt with a meeting of the "big shots" who had strong-armed their way into control of the business. Fredericks, she said, took her to a place in Chinatown about 4 a. m. At a table were Lucky, "Little Davie," Bettilo, Luciano's pet lieutenant, and Tommy Bull (Pennochio), treasurer of the outfit. She said:

"Charlie said he was disgusted and wanted the bonding business stopped. He said there was not enough money in it, anyway, and the way it was going it was just a headache."

"Davie said: 'Why not give us a chance, and see if we can't straighten it out.'"

"Then Charlie said: 'Well, the Dewey investigation is getting hot, too, and we could start all over again, when that quiet down. We could let a few crummy bookers take the rap.'"

"After things quiet down, we can take over the places again on a big scale like they do in Chicago and have them all like chain stores, or a syndicate. The madams would be put on a commission or salary basis. Naturally, it would be hard at first, but it could be accomplished in time."

"Then he said he didn't like the idea of having people run down town and say if they could see Lucky they could get out of trouble. He said he was tired of having his name used all the time by these people."

Resents Dope Charge

The strain of her hours on the stand showed early on the witness. After Dewey's direct examination had ended, she asked Justice McCook for a short recess. Looking rested after 10 minutes, she came back to be met by accusations from the defense that she had taken a shot of morphine in the meantime. She denied it, saying she had had no dope since her cure at the House of Detention ended a week ago.

At the insistence of the defense, two doctors examined her during the noon recess and agreed she had not taken any narcotic for at least six hours. They remarked out of the courtroom that they could not understand how a woman just off the "stuff" could go through such a strain without breaking down.

Taking their tip, the defense attorneys subjected her to the longest cross examination any witness had been given. They made her describe in detail the operations of smoking opium and taking dope and called for the reactions in minute detail. But if the girl's appetite was stimulated by this line of questioning she did not show it.

However, shortly after 5 p. m., when she had been on the stand six hours, she almost swooned. She had been braced before by a drink of brandy, but as she started to faint, water revived her.

At a previous meeting in the same restaurant in Chinatown, with the same persons present, Luciano expressed his disgust with the way things were being run. He did not understand why all of the madams were not being forced to pay the tribute the combination demanded.

"Little Davie" tried to pacify him, assuring him the madams would be taken care of. But the whole business was too indefinite for Lucky. "Cokey Flo" quoted him as telling his henchman, Fredericks:

"Why don't you get the madams all together, the way I told you to?"

Ordered Round-Up

Fredericks said he was going around talking to them one at a time. Luciano said:

"You can't talk to them that way. They're stubborn. Get them all together and tell them what is what. Step on 'em."

Still another conversation of Luciano of the same aides took place in a car. The witness said:

"Jimmy spoke up and said: 'Charlie, there's a lot of bookers

holding out on us, and we got to do something about it." And Charlie said: "Can't we get them all together and give them a talking to?" Then Dave said: "Sure, we can get them all together, but it will take a little time." And Charlie said: "The only way we can do it is to call a meeting and tell 'em what's what."

"Dave wants to know who's holding out, and Jimmy says: 'Nick Montana is the worst. He goes out and collects bond money and keeps it, and when a girl gets pinched, he comes running around to me and wants to know why we don't get the girl out.' And Charlie said: 'You have all the bookers come down to the joint, and we'll straighten things out.'"

Defense counsel made much of the suspected motives of "Cokey Flo" turning on her sweetheart, especially when Samuel Siegel, counsel for Fredericks, brought out that she had come to his office to see if she could not do something for her lover.

Q. Why did you come down to my office? A. I still had a soft spot in my heart for my sweetheart.

Q. What eliminated that soft spot? A. Time.

Q. But what really eliminated it? A. I was disgusted with everything. I wanted to go straight. I was quitting all this.

After she went to Siegel, she was arrested and convicted of soliciting on the streets, and it was then she wrote Dewey. He had not counted on her testimony until last week, for he never heard from her until that time.

During the grilling about her dope addiction, which began in 1930, George Morton Levy, Luciano's attorney, attempted to make her admit that such a habit could dull one's memory.

"Cokey Flo" put in a stout denial. The very nature of her business, she explained, made it imperative that her memory be far above the average. She said:

"I had more than 3,000 customers at that time, and I had to remember their faces, voices and names. Those 3,000 regular customers came in from time to time, and I had to remember their voices on the telephone and know their voices through the door, and recognize their faces when I saw them."

The trial will be continued today.



CHARLES 'LUCKY' LUCIANO (RIGHT) MANACLED TO DETECTIVE
Mounting Court Steps on Way to Trial Yesterday

LUCIANO READY TO TESTIFY IN OWN DEFENSE

Plan to Keep 'Lucky' Off the Stand Is Upset Through Revelations of 'Cokey Flo' Brown

New York City's drive against the gang of underworld figures who have lived off the earnings of more than 1,000 prostitutes will reach its climax toward the end of this week when Charles 'Lucky' Luciano takes the stand in his own defense.

His appearance on the witness stand will mark a complete reversal of plans for the numerous defense counsel, who when the trial opened, had agreed to take a chance by keeping the man rated as New York's Public Enemy No. 1 completely silent.

Direct Accusation

Special Prosecutor Dewey, in his opening address to the blue ribbon jury, had said his evidence against Luciano was entirely circumstantial and would come from the mouths of persons of questionable reputation, whose veracity could easily be questioned.

But last week there stepped into the sordid picture a character known as "Cokey Flo" Brown—one of the city's most notorious madams and the sweetheart of Jimmie Fredericks (Frederico), general manager of the combination which held the vice racket under its thumb. Her testimony was not circumstantial.

She quoted conversations from the secret council meetings of the ring-leaders—meetings she could never have attended had she not been the "girl friend" of Fredericks.

Quoted His Words

She put into the mouth of "Charlie Lucky," by which name the principal defendant is known in the underworld, words that screamed against him.

For more than nine hours 10 defense lawyers tried to break the woman down. Every ruse of criminal procedure was tried, and tried to such extremes that occasionally the patience of Justice McCook was stretched until he reprimanded the cross-examiners.

When she left the stand, after naming "Charlie Lucky" as the man behind the whole underworld organization, George M. Levy, his counsel, said:

"Charlie will take the stand in his own defense."

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NEW YORK

MAY 1936

Night Sessions to Speed Vice Trial of Luciano

Starting Today, Supreme Court
Will Sit Until 11 or 12 P. M.

The trial of Charles Luciano, alleged vice overlord, and nine associates, charged with compulsory prostitution, will be accelerated this week by night sessions in the Supreme Court.

For two weeks Thomas E. Dewey, special rackets prosecutor, and his assistants have disclosed, through the testimony of prostitutes, madams, bookers and others, the business methods of a metropolitan vice syndicate whose gross income was approximately \$1,000,000 a month. From this point on Mr. Dewey is expected to produce evidence connecting the defendants with administrative and executive activities in the vice ring, and more particularly to show that Luciano was its supreme boss.

Mr. Dewey has estimated that four more days will be required to finish the state's case. The defense may need only two days, and Luciano's attorney, George Morton Levy, has indicated that Luciano will take the witness stand.

With the trial speeded by night sessions extending to 11 or 12 o'clock daily, there is a possibility the case may reach the blue ribbon jury by Saturday.

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VICE RING SLIT GIRLS' TONGUES FOR TALKING, WOMAN SWEARS

**Charges Feet and
Bodies Were Burned
by Cigaretts.**

NAMES LUCIANO

**Sweetheart of a De-
fendant Says He Head-
ed Syndicate.**

By RAPHAEL AVELLAR.

United Press Staff Correspondent.

Girls caught up in the city's vice traffic were subjected to gang torture—burned bodies and feet and slashed tongues—if they talked too much, it was testified today before Supreme Court Justice Philip J. McCook by the sweetheart of one of Charles (Lucky) Luciano's co-defendants in the compulsory prostitution trial.

The witness, Thelma Jordan, said she had been reluctant to give testimony when she was first brought before Special Prosecutor Thomas E. Dewey's associates, and then added:

"I know what the combination does to girls who talk. Plenty of girls who talked too much have had their feet burned and their stomachs burned with cigarettes and their tongues cut."

Afraid to talk.
The Jordan woman, who came to the torture she had feared, came for a gross examination by David M. Siegel, attorney for Abe Wahrman, one of the defendants. She had admitted she had decided to give Mr. Dewey's men the information they sought only after at least ten interviews.

"Why didn't you talk sooner?" Mr. Siegel demanded.

"I was afraid to talk, that's why," she replied. And then, before Mr. Siegel could halt her, she spoke of burns and other forms of torture.

"But you are not afraid to talk now," Mr. Siegel asked, a bit sarcastically.

"No, I'm not afraid now, because I've got confidence in the people behind me."

Tells of Threats.

A little earlier in her testimony, the woman told of threats made to another prostitute while sitting in an ante-room of the Dewey investigation offices in the Woolworth Building, but with these exceptions, only one previous witness among the prostitutes and madames had mentioned the high pressure punishments of the combine. That was Jean Martin, a dowdy madame, who submitted to the syndicate's jurisdiction after being knocked unconscious with a lead pipe.

The witness said that one of the defendants, Ralph Liguori, alleged "stick-up" man of the syndicate, threatened Nancy Presser, who was arrested in the raids of February 1.

"Ralph told Nancy," she said, "that if she knew what was good for her she wouldn't testify against him or any other member of the combination, and that if she did, she would be taken care of. He said if she ever talked, he'd see that she got her picture in her home-town paper so her people and friends would see what's become of her."

Refers to Murder.

She said that Liguori further attempted to intimidate the Presser.

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[Handwritten signature]

woman by referring to the Tifferton case, and adding: "Just remember that, and don't talk if you know what's good for you."

The witness, who said she was the intimate friend of Benny Spiller, one of the defendants, said that through Spiller she learned that Luciano was the "head man" of the combination, and that she often saw many of Luciano's co-defendants in conferences.

When the trial got underway this morning Mr. Dewey said he would complete the State's case in twelve hours, not including time for cross-examination, and Justice McCook announced that to speed the case as much as possible he would order night sessions, beginning this evening.

Met Pete Harris.

The Jordan woman said she came to New York in 1933 and became a prostitute working out of hotels. In the spring of 1934, she said, she met Pete Harris (Balitzer), who pleaded guilty on the opening day of the trial.

"Any time you want a job let me know and I will book you," she quoted Harris as saying. A short time later she accepted the offer and Harris placed her in houses of prostitution.

The witness met Jack Eller (Ellenstein), a defendant, having been introduced by Nick Montana, and he also booked her. She said he placed her in houses that "needed building up."

She met Spiller while working at May Spiller's house. She said he paid her at the end of each week. They became friendly, she said, in the spring of 1935, and they went out frequently together until they were arrested February 1.

In Combination.

Q. (By Assistant Prosecutor Harry Cole.) Do you recall any conversation that you had with Spiller concerning prostitution? A. He told me he was a member of the combination and that the combination was formed for the purpose of making madames pay bonds.

Q. Did he ever tell you the names of members of the combination? A. Yes. He said they were, Davie Bettillo, Abe Wahrman, Tommy Bull (Pennochio), Jimmy Fredericks and Charlie Lucky (Luciano), Jesse Bruno, Jesse Jacobs, Meyer Berkman and also himself.

Q. Did he say anything else? A. He said Charlie Lucky was the boss, the head of the combination, and he used to tell me he wished he got money Charlie Lucky got in one week, that he could retire.

Bettillo Under Lucky.

Q. Anything else? A. Yes. He ~~told me~~ Bettillo was immediately under Charlie Lucky and Abe (Wahrman), and that Tommy Bull was the treasurer, and that Jimmy Fredericks collected the bond money from the madames and that Meyer Berkman and Jesse Jacobs were bondsmen.

The witness in response to another question testified that Spiller also told her: "In case a madame refused to pay they sent stick-up men out."

She said Spiller introduced her to Fredericks in 1933 on 34th St. and quoted him as saying that he and Fredericks were partners in collecting from madames.

Drove to Waldorf.

On one occasion, the Jordan woman said, she and Spiller drove Fredericks to the Waldorf-Astoria. That was in September, 1933, she said. Witnesses swore Saturday that Luciano occupied a suite at the Waldorf at that time under the name of "Charlie Ross."

The witness told of seeing together in a restaurant at 301 W. 46th St. Davie Bettillo, Benny Spiller, Jo Jo, Jimmy Fredericks and Tommy Bull. She saw most of them together on other occasions, she said.

The Jordan woman is the second sweetheart of a defendant in the case to testify. Last week "Cokey Flo" Brown, Frederick's sweetheart, offered damaging evidence against her lover and his alleged associates. Her testimony, also, was mostly information given her in confidence.

Bonus Each Year.

Q. Now, do you recall anything else that Spiller told you? A. Yes, he told me he received a portion of the bond money collected from the madames. He also said that at the end of each year they got a bonus that each member of the combination shared.

During this period there were frequent objections from defense attorneys, despite Mr. Dewey's assertion that the witness' testimony is directed only against Spiller.

Once, she related, she met Jimmy Fredericks and asked him to have a drink with her. He declined, she testified, saying: "I can't. I have to go down town to see the boss."

"I asked him who the boss was," she said, and he said, "You ought to know, how that it's Charlie Lucky."

Woman Tells Secrets She Got From Luciano

His Former Sweetheart
Testifies Against Vice
Ring's Reputed Leader

Another Tells of Threat

Says Girls Who Talked
Had Their Tongues Slit

A woman for whom Charles Luciano once cared so deeply that he urged her to come to him for money rather than go to work in a disorderly house took the witness stand in Supreme Court late yesterday to reveal his trade secrets as he disclosed them to her in unguarded moments during hotel room trysts. Not once did she meet the scornful stare of Luciano, who with nine others, is on trial for compulsory prostitution before Justice Philip J. McCook, while she described her one-time suitor as the head of a mob growing fat upon the illicit earnings of women.

Luciano's former sweetheart, Nancy Pressler, was preceded on the stand by Thelma Jordan, a prostitute, and for years a friend of the defendant, Benny Spiller. She gave David Siegel, of defense counsel, a jolt when she told him that her reason for lying at first to Thomas E. Dewey, special rackets prosecutor, was because "I know what happens to girls who talk about the vice combination—they have their tongues cut and their feet and stomachs burned with cigar butts."

Warned Not to Talk

Crestfallen Mr. Siegel asked: "When did you stop being afraid?" To which the girl replied: "Late in March when I began getting confidence in Mr. Dewey and his assistants and then I told the truth." She also gave some inkling of the hazards faced by the Pressler woman as a result of her testimony when she recalled that the defendant, Ralph Liguori, had warned them both not to squeal on the gang.

He said that if Nancy ever talked he'd see that her picture got put in her home-town paper so that the folks there could see what kind of a girl she was and what she was doing in New York. (Miss Jordan swore.) Then he called attention to the Liguori case—the woman that was murdered in a bathtub—and he said, "I just remember that. She was murdered in a bathtub and you better keep quiet if you know what's good for you."

As the trial started on its third week Luciano and his subordinates had good reason to wish that they had treated all women with the strong-arm methods they are alleged to have used in their business dealings with the operators of brothels. Miss Pressler, who became a prostitute and supported Liguori after her affair with Luciano, aired the secrets of both men, while Miss Jordan, as Spiller's confidante, named every one of the men on trial and outlined their duties in the vice syndicate.

Quotes Luciano

Miss Pressler said that she had known Luciano eight years and that when she met him last summer in June or July they discussed the progress he was making with the vice syndicate for which she worked. "He said the \$2 houses were going to be raised to \$3 and \$4 and that the \$5 houses were going to be raised to higher prices and that he was going to put the madams on salaries and take their joints away from them."

Miss Pressler pictured Luciano as far more concerned with the details of his underworld business than any other witnesses, who thought he left routine to his underlings and contented himself with raking in the profits. She recalled one occasion when she met Luciano at a tavern on West Forty-ninth Street. With him, she recalled, were the defendants Abraham Wahrman, David Bettillo, Hyman Frederico and Thomas Penocchio, all big shots in the combination, according to Mr. Dewey.

Luciano said he was having trouble with a woman known as Dago Jean. Miss Pressler said: "He said she wouldn't bond her girls with the combination. And Lucky (Luciano's nickname) turned around to the boys and said to go ahead and wreck her joint."

Miss Pressler said that she had visited Luciano frequently when he was living at the Barbizon Plaza and that she continued to drop in on him when he moved to the Waldorf Astoria. She was asked about a visit she paid him in 1934. "I told him I needed money," the witness said, "and I told him I was going to work in a

house. He said not to, and I asked him why, and he said if I ever needed any money he could let me have it. Then I asked him how bonding was coming on, and he said fine."

She said that when Liguori moved into her hotel room seven or eight months ago she continued to pay the rent. The defendant, she said, "told me that I had to go out and work as a prostitute" and when she protested that she didn't want to "he told me that if I didn't go to work he would cut me up so my own mother wouldn't know me."

Liguori called a booker who sent her to a house operated by Jean Burns, she said, and pretty soon she found that her madam wasn't bonding with the combination, so she told Liguori. As Luciano's strong-arm man, Liguori went up and "stuck up" Jean Burns's place, the witness said. "He told me he had orders from downtown to do it," Miss Pressler said, "and he got her money and a wrist watch." Liguori gave her the wrist watch, she said, the only thing he ever gave her.

Miss Jordan refused to reveal her real name or her birthplace beyond saying that it was somewhere in Kansas. After a private discussion with Justice McCook the court ruled that she need not place it on the record because of the pain such a revelation would cause her parents to whom she has been sending \$25 a week for two years. Asked by defense counsel whether she went to church, she replied hotly: "No! I hate hypocrites!"

Miss Pressler was cross-examined by Lorenzo C. Carlino, counsel for Liguori, during the evening session. Court adjourned at 10 p. m. until 9:30 this morning.

State Protects Vice Witness

Her Hotel Is Suddenly Changed After She Testifies Against Luciano.

Threats against Nancy Pressler, former friend of Lucky Luciano, who testified last evening against the vice ring, were hinted today, when Special Prosecutor Thomas E. Dewey told Supreme Court Justice McCook and the blue-ribbon jury hearing charges of compulsory prostitution against Luciano and nine others that Miss Pressler had been moved from her hotel after midnight and lodged in other quarters.

Miss Pressler, a twenty-four-year-old blonde, testified against Luciano, telling of conversations with the vice czar when he lived at the Barbizon Plaza and the Waldorf-Astoria.

She was expected to resume the stand for further cross-examination when the trial was continued today at 9:45 A. M. Mr. Dewey, however informed the court that the witness had changed hotels after midnight, and had not been settled in her new quarters until 1 A. M. and asked that she be excused until this afternoon. The Prosecutor said his witness was tired and needed sleep.

Justice McCook at once consented.

Man Is Put on Stand.

Sol Gelb, one of Mr. Dewey's assistants, was asked by reporters if Miss Pressler had been moved because of any threats against her, as a result of her testimony. Mr. Gelb shrugged.

"Draw your own conclusions," he said.

The prosecution called to the stand James Rosso, 38 years old, a "male madam," who admitted opening a house of prostitution in 135th street, in April, 1935. He operated houses, he admitted, until last February.

A dark, pudgy individual, Rosso played nervously with a rubber band while he testified. He said he had employed Pete Harris, one of the three men who pleaded guilty at the opening of the trial, as a hooker and declared that Harris told him he would have to bond with the vice combination.

Suddenly Changed Mind.

He was asked by Mr. Gelb if he knew Nancy Pressler. He said she had worked for him last July.

"I didn't want to take her at first," he said, "but I had to."

The defense objected to the last remark, and Mr. Gelb went on to show why Russo felt he was compelled to accept the girl.

"After sending her away from your house, did you see the defendant, Ralph Liguori?"

Liguori has been described by Mr. Dewey as strong-arm man for the vice trust, whose job was to force recalcitrant madams and girls into line.

Rosso said he saw Liguori sitting in his car outside the 135th street house. He said he went out to speak to him.

"Liguori said, 'What the hell's the idea, you not putting the girl to work?'"

"I said, 'Well, I don't want any trouble.'"

"Liguori told me, 'You better put her to work.'"

After that, Rosso said, he employed Miss Pressler.

Today four of the defendants, Jimmy Fredericks, Abe Wahrman, Dave Betilo and Liguori, who at various times have been identified by witnesses—all wore brown suits and black ties. Moreover, their hair was combed a different way, and they occupied different places at the counsel table.

Wife Had Left Him.

On cross-examination Rosso hesitated about giving his home address because, he said, he "didn't want to bring his people into this." Later, however, he admitted that his wife had left him when she learned that he had been operating a disorderly house.

Questioned by Lorenzo P. Carlini, counsel for Liguori, Rosso admitted that he had been in the "business" about two years. He had no idea of the number of men he had "accommodated" but estimated his own profit at \$1,000 for the two years.

"It was a very poor house," he explained, and operated on a \$1.50 and \$2 basis.

He admitted that he had read re-

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ports of the trial in the newspapers and did not communicate with Mr. Dewey's office until around May 19. He said he talked to Harry Cole, one of Mr. Dewey's assistants, and that Mr. Cole "got mad" and sent him back to the Fifty-third street jail.

"He got mad because you wouldn't tell him what he wanted to know about Ralph Liguori?"

"No, he wanted me to tell about myself."

Lawyer Sneers at Him

Finally, Rosso said, he promised to tell all he knew if he was promised immunity. He said nothing until he went before the Grand Jury at 11 A. M. yesterday.

"Pretty smart, weren't you?" sneered Mr. Carlino. "You pulled a pretty nice trick."

Questioned by Samuel Siegel, Rosso denied that his testimony was sought to corroborate that of Miss Pressler. He was questioned about the woman's earnings while she was an inmate of his house, and said that one week she earned \$200.

"Which meant that she had one hundred men?" exclaimed Mr. Siegel. "And you consider that poor business?"

Rosso denied that he was prompted to tell his story to aid a girl named Francis, one of those held as a material witness.

"Francis don't mean that much to me," he grunted.

Women witnesses took up the remainder of the morning session.

The first was Betty Anderson, 23 years old, who said she was born in Cincinnati and came here in 1931. She started as a prostitute, she said, in July, 1934. Pete Harris was her regular booker. Her testimony relating to commission paid

to the vice ring and deductions for bonding corroborated that of previous witnesses.

The next girl, Katherine O'Connor, 24, born in Springfield, Ill., said she learned her trade in Chicago and came to New York in December 1934. She met a girl friend, Patsy Day who introduced her to Harris, she testified. She asked Harris for work.

Knew of Bonding Arrangement

"He told me there was a shortage of girls and that I could go to work immediately," she said.

She was placed in a house, she said, adding that she knew of the bonding arrangement from the Day girl.

She told of being arrested with Cokey Flo Brown, when she worked in that woman's house last January, and of being coached by Abe Karp in the West Tenth street bonding office as to what she should say if she was called to the stand in the Women's Court. Her case was postponed, she said, and she went to work in two other disorderly houses while it was being disposed of. Finally the case was dismissed.

The third woman, Jenny Benjamin, a heavy, nervous person of uncertain age, said she had operated disorderly houses since 1932. She told of being forced to bond with the ring, and of being "shaken down by some fellers" for \$500. She said she told Jimmy Fredericks about the demand, and he told her to go to a downtown confectionery store and see Able (Wahrman). She was unable to locate Able, and finally compromised with a payment of \$250.

She also told how later she supplied \$300 bond money for women arrested in her house, but got nothing back.

VICE RING THREAT TO WITNESS BARED

Woman Forced to Move to New
Address After Testimony
Involving Lucania.

STATE'S CASE NEARS END

But Cross-Examinations May
Delay Finish of the Trial
Until Next Week.

Four women and a man took the stand yesterday to inform Supreme Court Justice Philip J. McCook and a jury of the operations of the organized vice industry of this city. Their testimony, in large measure, was repetitious of evidence given by many other witnesses presented by Special Prosecutor Thomas E. Dewey.

Most of the day was given over to a continuance of the testimony of Nancy Presser, former friend of Charles (Lucky Luciano) Lucania, major defendant on charges of compulsory prostitution. On trial with him are David Betillo, Thomas Pennochio, Abe Wahrman, Benny Spiller, Jesse Jacobs, Meyer Berkman, Jack Ellenstein, Ralph Liguori and James Frederico.

Miss Presser testified Monday that she overheard Lucania and others of the ring planning its conduct. Virtually all her time on the stand yesterday was spent under cross-examination. Lucania's attorney, George Meyer, drew the admission that for eighteen months the witness had been a narcotic addict.

Heeded Addict's Invitation

The witness, who is 24 years old, said she had not used narcotics for about two years. She started, she admitted, with opium, on invitation of an addict.

Miss Presser said she visited Lucania frequently when he maintained a suite at the Waldorf-Astoria under the name of Ross. However, she showed an unfamiliarity with the entrances and elevator system of the hotel and did not seem certain of the hotel's location.

It was revealed by Saul Gelb, assistant to Mr. Dewey, that threats had been made against Miss Presser and that she was moved to a new apartment Monday night after having testified. The witness has been living with Thelma Jordan, also a State witness, under police surveillance.

Tells of Liguori's Threat

Preceding Miss Presser on the stand, James Russo, 23, operator of a disorderly house, said that Liguori compelled him to take Miss Presser though he did not want her as an inmate. He quoted Liguori as saying, "Put her to work, if you know what's good for you."

Kathleen O'Connor, 24, testified that on one occasion when she was arrested the combination sent her to Abe Karp, a disbarred attorney, who coached her in false testimony that led to the dismissal of the charge against her.

The trial will be resumed at 9:30 o'clock this morning. Justice McCook plans to hold night sessions the remainder of this week in the hope of ending the trial by Saturday night.

Mr. Dewey has indicated that the State's case is near its end. However, cross-examination has been extensive and it seemed last night that the trial would go into next week.

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M.H.

Girl Collapses Testifying on Visit to Luciano

Vice Defendants' Friend
Taken Ill After 4 Hours
of Searching Questions

Admits Drug Addiction
Says Men Once Paid \$75
to Take Her to Theater

Nancy Presser, who was brought to the Supreme Court witness stand by Thomas E. Dewey, special racketeer prosecutor, to testify that as the former girl friend of Charles Luciano she had heard the secrets of a vice syndicate from his lips, broke down last night after four hours of incessant cross-examination and with tears in her eyes beseeched Justice Philip J. McCook to grant her a respite. At the end of a ten-minute recess, Mr. Dewey told the court that Miss Presser was in the care of a police matron and was too ill to continue. The trial then was adjourned until this morning.

Before she left the stand, shaking, however, Miss Presser had told George Morton Levy, counsel for Luciano, that she visited the alleged gang leader several times late at night in his suite in the Tower Apartments at the Hotel Waldorf-Astoria and that the elevator operators whisked her directly to the thirty-ninth floor where he lived without insisting on the formality that she be announced. Other persons, the defense implied, have been subjected to closer scrutiny before being permitted to visit at the Tower Apartments.

Admits Opium Addiction

Mr. Levy tore vigorously into the testimony given for the prosecution by Miss Presser, who was one of the few witnesses in the long trial of Luciano and nine others for compulsory prostitution to swear that she knew the alleged gang leader personally. The lawyer made the twenty-four-year-old woman admit that she had been addicted to opium, morphine and heroin, that men once had paid her \$50 and \$75 simply for the privilege of taking her to the theater, and that she later had worked in a \$1.50 house. She evaded the lawyer when he sought the names of persons who had seen her with Luciano.

Miss Presser said that on her nocturnal visits to Luciano she walked into the Park Avenue entrance of the Waldorf, and that "I think I took the ordinary elevator—the first elevator I came to," thus leaving it for the defense to point out that the Tower Apartments are served by special elevators to the left of the Park Avenue door. Fatigued and floundering, Miss Presser added: "I know I lost myself; I always get lost in big hotels."

She could recall no photographs there might have been a piano and there was a radio on the table in Luciano's three-room apartment, she said. She saw only one French mirror, she told Mr. Levy, and that, she thought, was in the bedroom or the bath.

"Were there twin beds or a double bed in the bedroom?" Mr. Levy asked. "There was one or the other," the witness faltered.

Court Takes a Recess

Mr. Levy snorted, sarcastically, and started to frame his next question when Miss Presser leaned toward Justice McCook, who announced a ten-minute recess for her benefit. "I'm going to adjourn at 7 o'clock as originally arranged," the court added. It was then 6:45. Mr. Levy, who has been one of the most outspoken of the defense counsel in criticism of Justice McCook's evening sessions, protested that this would be one night he would be only too glad to carry on.

At 7 o'clock court reconvened. Mr. Dewey emerged from a side door to report: "The witness says she feels sick, your honor."

Mr. Levy volunteered: "I'll try and be very gentle with her."

Justice McCook said, sternly: "Bring her back!"

Mr. Dewey vanished, then reappeared to report: "The policewoman informs me the witness has been very ill downstairs." Justice McCook said: "That settles it," and adjourned the court.

Although minor witnesses appeared at the morning session, Miss Presser occupied the jurors' attention from the very first. She first took the stand on Monday and was scheduled to be recalled for cross-examination at 9:30 a. m. yesterday, but when court convened Mr. Dewey told Justice McCook that at 2 a. m. it suddenly had become necessary to move his witness from the Queens apartment in which the state had been sheltering her to

an undisclosed address. She would have to become settled in her new quarters before taking the stand again. Mr. Dewey said: "When she finally arrived, Miss Presser told the court that she had checked into a Brooklyn hotel (St. George) at the close of Monday's evening session."

Came Here Ten Years Ago

Miss Presser told Mr. Levy that she had been "perfectly respectable" in her home town before coming to New York ten years ago. The first man with whom she became intimate, she said, was a married florist, who paid her rent after she stopped working here as a model. Then, she recalled, she became friendly with "two other business men," one of whom "didn't have to buy me clothes, being as he had a dress place." She said she then became a "call girl"—one who gives her telephone number to many men and goes to their apartments when summoned.

She said she met Luciano through a Betty Cook, of whom he was fond at the time. She ran into him again, and again, she recalled, in restaurants with persons whose last names she did not know. She first went to visit him in the Barbizon Plaza, she said, at his invitation. She tried to put the responsibility for producing room numbers and men's names on the shoulders of the defense when she said that all such details were contained in her notebook, which, she said, she gave to the defendant, Ralph Liguori, with whom she once lived. Liguori, she testified, made her enter a house of prostitution "and he was mean and rotten about it, too."

Luciano grinned broadly as Miss Presser described her first visit to him when, she said, he merely chatted with her and then gave her \$50 and said good night. On another evening, she said, they split two bottles of champagne and she went home when Luciano fell asleep. She couldn't recall whether Luciano gave her money on her second visit to his rooms because \$50 never meant much to me.

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J. H. H.

FIVE ARRESTED FOR TAMPERING IN LUCIANO CASE

Dewey Charges Lives of
Women Were Threatened
in Vice Ring Trial.

BROOKLYN LAWYER IS SEIZED

Sol Kornbluth Is Accused of
Trying to Get Witness to
Contradict Cokey Flo.

Threats of murder against some of his important women witnesses were charged today by Special Prosecutor Thomas E. Dewey after the arrest of Samuel Kornbluth, an attorney, of 313 Montgomery street, Brooklyn, accused of attempting illegally to persuade a woman to contradict the testimony of Florence Brown, known to her intimates as Cokey Flo, who gave damaging evidence at the trial of Charles (Lucky) Luciano and nine other men for compulsory prostitution.

The charge against Mr. Kornbluth relates only to attempted subornation of perjury, "which," said Mr. Dewey, "is a felony in this case." Three other men and a woman, the prosecutor revealed, have been arrested since the trial started on May 11, and their alleged crimes include attempted bribery, perjury, intimidation and threatened murder.

The prosecution would not reveal details regarding the other persons, except to say that they were being detained in various city prisons. The women and one man are being held, it is understood, as material witnesses.

Testimony given by the Brown woman is regarded as among the most damaging presented to Supreme Court Justice McCook and the blue ribbon jury which has been hearing the case against the vice ring. Kornbluth, Mr. Dewey revealed, was arraigned at 10 o'clock last night before Justice McCook, sitting as a magistrate, and held in bail of \$1,000.

Kornbluth Not in Line-up.
Kornbluth did not appear today at the line-up at Police Headquarters, although his name was on the

move to have her testimony stricken from list of prisoners scheduled to be questioned. The line-up sheet stated that he was arrested by Detective Bannon and Patrolman Rosenblatt of the Grand Jury Squad on the complaint of Thurston Green, one of Mr. Dewey's assistants. The line-up sheet further stated that he had confronted an unnamed witness in the Hotel Alamac at Seventy-first street and Broadway last Saturday.

The Brown woman testified that she had worked as a secretary for a Mrs. Lillian Russell Calvert, and had lived with her at the Hotel Alamac. She claimed that she was working for Mrs. Calvert when she was charged with soliciting a policeman.

Nancy Pressler, a former intimate of Luciano, was expected to resume the stand for the third time this afternoon. Mr. Dewey, at the opening of the trial this morning, stated that the Pressler woman who broke down under an intensive cross-examination yesterday, could not continue because she was "very ill." He promised she would appear later.

George M. Levy of Luciano's counsel, who succeeded in confusing the woman during the four hours she was on the stand yesterday, informed the court that he was willing to let her go and would not from the record. Mr. Dewey, however, declared that he was not satisfied with the witness and desired to examine her again. He stated that Miss Pressler had been under medical care for six weeks.

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Hotel Manager Is Called

First witness called was Frank Brown, assistant manager of the Barbizon Plaza Hotel, who identified Luciano as the man for whom another person, unidentified, engaged Room 3102 at the hotel under the name of Charles Ross. The same name Luciano later used at the Waldorf Astoria. On April 3, Mr. Brown testified, the name of Charles Luciano was added to the registration card, and on May 12, Luciano gave up his room and took a two-room suite under the name of Charles Lane, which he occupied until February 1, 1935. He slept out of the hotel, the witness said, on five occasions during the period he was registered there.

Mr. Brown proved an unsatisfactory witness for the prosecution and his refusal to identify any of the defendants other than Luciano aroused the prosecutor's ire. "What's happened to your memory since yesterday?" Mr. Dewey snapped.

"Not a thing," the witness reported.

He was asked to step down and point out any one he had ever seen in Luciano's rooms. He persisted in saying that he could not be positive and returned to the stand.

Calls Brown Hostile Witness

Luciano turned in his chair as he stepped down a second time, on a direct order from Justice McCook, and fixed him with a cold stare as he stood gazing uncertainly about the court room. When he again returned to the stand, Mr. Dewey announced that he would cross-examine Brown as a hostile witness.

The defense injected frequent objections and interruptions, but was overruled.

"When you talked to Mr. Grimes yesterday didn't you say you recognized from pictures shown you several men with whom you had drinks in Luciano's room?" demanded Mr. Dewey, angrily.

Mr. Brown said that he hadn't been sure, and that he told Grimes, an investigator for Mr. Dewey, that he "thought" he had seen several of the men whose pictures were shown him.

"Did you express any doubt to me?" urged Mr. Dewey. "Didn't you tell me you were sure?"

"No," the witness said stubbornly. "I didn't say I was sure."

Battle Lasts Half an Hour

The battle between prosecutor and witness took up more than half an hour, during which the defense made a number of motions for a mistrial, objecting that Mr. Dewey was trying to impeach his own witness.

A third time Mr. Brown was told to step from the stand and survey the courtroom. Again he repeated that he could not identify any one. When he returned to the stand a third time, Mr. Dewey threw a

batch of photographs on the witness.

"Are those the same pictures you were shown yesterday?" he asked curtly. "Didn't you tell Mr. Grimes and me that there were at least five people in that bunch that you saw when you were having drinks in Luciano's room?"

Brown finally admitted that he had picked out some of the photographs, but stuck to his refusal about identifying them in court. He said he hadn't been under oath when he made the tentative identifications.

"You didn't tell me you would testify differently under oath from what you told me in the witness room," Mr. Dewey said coldly. "That's all."

Recites Jail Threat

In cross-examination by Mr. Levy Brown said that he had been threatened with jail unless he identified Luciano's visitors. Mr. Dewey's assistants, he said, were "very insistent" that he identify some of the pictures shown him, and make the same identifications in court.

"You lied deliberately when you came to my office and said you had never seen any of these men in your life," demanded Mr. Dewey in redirect examination.

Mr. Brown denied that he had lied, and finally was permitted to leave the stand.

The next witness, William McGrath, who worked as night bellboy at the Barbizon Plaza for four years, told of delivering newspapers to Luciano's room almost every night between 1 and 3 A. M. and identified David Beillo and Tommy the Bull Pennachio as two men whom he had seen there on more than one occasion.

He also identified Maurice E. Cantor, attorney representing Jack Ellenstein, alias Ellet, in the present case, as a man he had seen with Luciano.

On one occasion, McGrath said, a man, whom he said lived with Luciano, and whom he knew only as Dave, opened the door.

"Six or seven men in the room jumped to their feet," he said, and then sat down again when they saw who it was.

When cross-examined, McGrath denied that he had been discharged from the hotel, and said that he was now working at the Hotel Pierre.

Elevator Boy on Stand

Another witness, Lawrence Oberdier, an elevator operator, who was formerly a bellboy at the Barbizon Plaza, identified Luciano and pointed out Jimmy Fredricks, alleged general manager of the vice trust, as a man he had seen in Mr. Lane's room one night when he delivered two packs of playing cards.

At first, however, he picked out Jack Eller as Fredricks. He admitted later that he had made the mistake through nervousness. He also admitted having been in court during the first days of the trial, but denied that Mr. Dewey's assistants had helped him in any way to refresh his memory other than by showing him photographs.

He made a number of deliveries to Mr. Lane, he said, but was only admitted to the room on the occasion when he delivered the playing cards. Mr. Dewey tried to ask him why he was curious about Lane, and whether there was always a whispered colloquy before the door was opened, but the defense blocked this line of examination.

ANOTHER VICE WITNESS ILL

'They've Been Fainting on
Me,' Says Dewey.

ASKS FOR A BRIEF RECESS

Certain His 'Star' Soon Will Be
Ready to Face the Court.

Special Prosecutor Thomas E. Dewey called to court today a woman whom he described as the State's star witness against Charles (Lucky) Luciano and nine other men on trial for compulsory prostitution before Supreme Court Justice McCook and a blue ribbon jury.

After presenting three women witnesses whose testimony was relatively unimportant, Mr. Dewey asked for a recess of half an hour before calling his "star." He said that the witness, a woman, had been brought to the Supreme Court building, but immediately became so ill that it was necessary to return her to his office in the Woolworth Building.

He promised the court that she would be available later and stated that he expected that she would be on the stand throughout the remainder of the day.

Declining to reveal the woman's identity, the prosecutor told reporters that he never knew who the star witness would be until they actually took the chair.

"They've been fainting on me," he said.

After the recess the prosecutor summoned Charles H. Farrell, clerk of the Women's Court, who identified a batch of records of prostitution cases for the year 1935, and then had brought into the court room a large chart showing details of 161 arrests during the same period.

Benjamin Blattner, an accountant in Mr. Dewey's office, attested to the chart, stating that it showed the address where each arrest took place, the bail fixed by the court, the name of the person who supplied bail, the name of the attorney who represented the defendant, the magistrate who sat in the case and his disposition. The dispositions were listed under four classifications: not guilty, guilty with a suspended sentence, bail forfeited and discharged.

Mr. Siegel objected to the introduction of the chart, terming its use by the prosecution "exhibitionism," but was overruled.

Attests Power of Ring.
Introduction of both records and chart, Mr. Dewey told the court, was to prove to the jury the truth of his statement that not a single prostitute or madam bonded by the vice combination went to jail, in accordance with the vice ring's guaranty.

Although he would not present detailed records in all cases, he said, those mentioned in evidence would cause the jury to draw the "irrefragable conclusion" that the guaranty operated 100 per cent.

The chart was set up in front of the jury box and Mr. Dewey drew back in a corner with Mr. Blattner while the accountant explained it in detail.

Introduction of this testimony took some time, so that the appearance of Mr. Dewey's promised star witness was delayed.

During the recess Justice McCook conferred in chambers with counsel for Luciano and Abraham Wahrman, and permitted them in confidence to examine the record of the Florence Crittenden Home relating to Thelma Jordan, who testified earlier in the week.

Counsel for Ralph Ligouri asked for the same privilege in connection with the Crittenden record of Betty Winters, who testified last week. Permission on this was reserved.

Jurors Study Vice Chart.

Several jurors took notes from the chart and one asked that certain figures be explained. Later, while Mr. Dewey and defense counsel conferred at the bench, several jurors put their heads together, apparently to compare notes. Cash bail in all cases was \$250, always half the amount set if the court accepted bond.

Before the luncheon adjournment Mr. Dewey put on Christopher Redmond, a sad-faced Irish youth who worked in the office of Abe Karp, the disbarred lawyer, who Mr. Dewey says coached the women arrested in disorderly houses to lie in court.

Redmond said he was 20 years old. He was paid \$10 a week to answer telephones, and relay messages to Meyer Berkman or Jesse Jacobs, the two bondsmen on trial, who shared Karp's West Tenth street office. When he received word that "two packages had been taken in," he knew that meant an arrest, he said.

After Karp was disbarred he worked for Jacobs, he said. He identified Jimmy Fredericks, so-called general manager of the vice trust, as a frequent caller, and also Benny Spiller, another defendant. The calls followed arrests, he said, and shortly afterwards the women were released.

"Whenever there was a case," he said, "Fredericks would show up at

62-5778-79

the bonding office. Frederick used the name Mr. Goldberg, he said, and once he heard him addressed as Joe Marino.

"Fredericks," he said, "said he would rather have me work for him than Binge, and told me I'd make \$10 to \$15 a week answering telephone calls for him in a hotel."

Binge, whose real name is Anthony Curcio, testified yesterday to his duties as Frederick's assistant.

"I told Mr. Berkman about it," the Redmond youth said. "He told me not to consider it, as it was rather risky."

Examination Is Brief.

When the trial was resumed at 9:40 A. M., Louise Dawson, a prostitute, continued under cross-examination by David P. Siegel of the defense.

"Werent' you known in prostitution circles as 'The Gallant Fox'?" asked Mr. Siegel.

The girl looked puzzled. "I don't understand," she hisped. "I can't remember positively."

The cross-examination was short, dealing mostly with her activities as an inmate of a disorderly house at Hudson during the summer of 1935. She denied that she sought to shield Peter Harris, one of the three bookers of women who pleaded guilty at the opening of the trial, and denied also knowing an individual called Frank the Sheik.

The second woman, Ruth Davis, gave somewhat similar testimony as many of her predecessors, regarding booking and commissions paid to the vice ring.

Jean Fox, the third witness, admitted operating disorderly houses for the last eight years and testified that she was told by Harris that she would have to bond with the combination in order to get girls.

Cross-examined briefly by Mr. Siegel, she said that she seldom had more than one girl during her first four years of operation. During that period she made a profit of about \$100 a week. After the fifth year, when she increased her establishment to two girls, she made \$200 weekly, she said.

(Samuel) Kornbluth, the Brooklyn lawyer held in \$1,000 bail on charges of attempted subornation of perjury, will have a hearing this morning before Justice McCook, sitting as a magistrate.

Mr. Dewey, who did not reveal Kornbluth's arrest on Tuesday until the lawyer's name appeared on the line-up list at Police Headquarters, declined to reveal any details of the charges against him.

Mr. Dewey, however, did disclose the names of two men and a woman held as material witnesses in connection with charges that they were approached by higher-ups seeking to embarrass the State's case through perjury, intimidation and even threats of murder.

Mr. Dewey stated yesterday that three men and a woman were being held in addition to Kornbluth. Today, he admitted having made a mistake, due to the fact that one of the men had a number of aliases, and said that two men and a woman were in custody.

Mr. Dewey identified the material witnesses as Lillian Berner, held in \$10,000 bail; Lou Adamon, alias Lou Fischer, alias Lou Herman, held in \$25,000 bail, and Hymie Toline, previously arrested as a material witness in the case and released a month ago in \$500 bail. Toline's bail was raised last night to \$10,000.

Moses Polakoff, chief counsel for Luciano, issued a statement denying emphatically that the defense had used any improper methods.

"Nathrally," said Mr. Polakoff, "an intensive investigation is being conducted, motivated solely by a desire to get the entire truth concerning the charges on credibility of the witnesses against Luciano. The defense seeks only the opportunity to conduct a proper and unhandcapped investigation."

'Ready to Deny All on Stand,' Says Lucky

In the first direct interview he has given since his arrest, Charles (Lucky) Luciano today told the Evening Journal that he will take the stand in General Sessions not only to deny the compulsory prostitution charges against him but also to refute the charge that he has threatened witnesses against him.

He said:

"I'm going to insist on being given a chance to take the stand. They put all kinds of people on the stand to testify against me. I don't know any of them except the hotel employees of the Waldorf and the Barbizon Plaza.

"All this other stuff is just manufactured. I wouldn't take a dollar from such a lousy racket."

NEVER MET HIM.

"Take all these bookers who went on the stand," Lucky went on. "These guys are in the business, they know everybody in the racket—but they didn't know me. They admitted it."

A number of bookers had testified that they knew of Luciano

from hearsay, but had never met him personally or had dealings with him. Scornfully, Luciano continued:

"Then along comes a lifer, Joe Bendix, who swears I was in the racket—a guy who didn't even work in the racket himself, according to his own testimony. That's the kind of stuff they're using against me."

The Lucky one went even further than that. He denied positively that he even knew any of his fellow-defendants except Little Davie Betillo. Asked what the motive of the vice racketeers could be in using his name, Luciano said, sharply:

"I don't know what their motive was in using my name. If they did use it, I don't know any of them. I know Betillo, but I don't know a thing about his business."

"As far as any of these women are concerned, if any of them get on the stand and say I had anything to do with them personally, and I did have something to do with them, I'll admit it. They haven't put anybody on the stand like that yet."

8-172-80

Lawyer, 4 Others Held in Vice Fixing

By JAMES WHITTAKER

WITH his star girl witness dodging murder threats and a series of turn-coat witnesses smashing at his anti-vice case in court, Special Prosecutor Thomas E. Dewey yesterday lashed back at an alleged band of Luciano witness-fixers with an arrest of a Brooklyn lawyer accused of being their leader.

Samuel Kornbluth, attorney, of 313 Montgomery St., Brooklyn, secretly arrested Tuesday night and arraigned on attempted subornation of perjury charges, was reportedly accused of seeking to use Dorothy Russell Calvit, daughter of the famed Lillian Russell, as a vice-trial witness fixer.

Confirming the arrest of Kornbluth, Dewey said:

"What's been going on in the background of this trial is horrible—unbelievable."

4 OTHERS HELD

He said that four alleged conspirators other than Kornbluth were being held by him as material witnesses.

Their names were given as Louis Fisher, owner of a grill at 41st St. and Broadway; Lillian Berner; Lou Adamoni, alias Fexler, and Hymie Toline. Fisher and Adamoni were held in \$25,000 bail and the Berner woman and Toline in \$10,000.

Kornbluth was arraigned before Justice McCook in the latter's home when special arrangements were made by Dewey, who asked for them on the ground that only Justice McCook himself could act in a way to prevent a "leak" of information to Luciano's spies.

The three remaining men, it was reported, made desperate attempts over the week-end to reach witness Nancy Pressler, blonde

62-5773-81

HOTEL WITNESSES FAIL PROSECUTOR

AT VICE TRIAL

LAWYER IS ACCUSED AS FIXER

Continued from Page 3

Venus who has testified that Charles "Lucky" Luciano so far forgot caution in her arms as to divulge secrets of his \$12,000,000 vice racket.

"One of the threats made against a witness by this mob was a direct threat of murder," Dewey said.

The Presser girl, pretty, blonde artists' model, who collapsed on the stand Tuesday night, was recalled at Wednesday's night session.

OFTEN BEATEN

Nancy, under re-direct examination by Dewey, related a harrowing tale of beatings, kickings and stranglings by her common-law husband, Ralph Liquori, when the earnings of her body's sales fell under his rake-off of \$125 a week.

Her numerous love meetings with Luciano were merely side-lights to her five years as Liquori's "wife" and "meal ticket," the witness said.

The next witness was Betty Connors, who admitted she was a street walker some years ago, but more recently, having become so fat she weighs nearly 300—was forced to take employment in a disorderly house as maid, preparing meals for the girls and answering the door.

Her testimony was used merely as identification of girls seized in a raid last February, who have already testified.

The next witness was Ann Moore, red-headed, good looking, who gave her address as the House of Detention.

She testified to a raid in which she, the Presser and Connors woman and others were arrested.

Stone Face" Lucy Stern, 25-year brothel keeper, followed a Moore girl on the stand. She said she booked her girls through Pete Harris and Joseph "Jo-Jo" Weintraub, the first-mentioned, one of the defendants. Harris has turned State's witness.

Louise Dawson, 22, pretty, languid-eyed, ash-blond, followed "Stone Face" Lucy. Like the latter, she said she was forced to book through Pete Harris and Jack Eller, another of the defendants. Court then adjourned until 9:30 a. m. today, when the Dawson girl will resume her testimony.

Luciano will take the stand in his own defense, his attorney, George Morton Levy, announced at close of court last night.

DESPERATE

As pieced together from courtroom reports and from other sources, the history of Lawyer Kornbluth's alleged attempt to swing a verdict in Luciano's favor was dictated by sheer desperation in the Luciano fold.

Last week witness "Cokey Flo" Brown, picturesque, disorderly house operator whose story involved all the defendants from Luciano on down, casually mentioned the name of Mrs. Dorothy Russell Calvit as that of a one-time employer.

"Once when I was going straight a while," she said, "Mrs. Calvit of the Alamac Hotel gave me work as a secretary. She was writing a book."

The book, it was learned, was Daughter Dorothy's projected biography of Lillian Russell, her famous mother.

SUGGESTION

With this much to go on, it was reported, a woman who claimed to come from Lawyer Kornbluth approached Mrs. Calvit with a suggestion that she summon "Cokey Flo" and help in a scheme to tempt "Cokey Flo" to reverse her damaging anti-Luciano testimony.

The plot was nipped in the bud

by the arrest of Kornbluth, Dewey intimated.

Kornbluth, after his Tuesday night arrest, was rushed to arraignment before Justice McCook, who, sitting as a magistrate, held the Brooklyn lawyer in \$1,000 bail. Kornbluth yesterday was seeking to raise his bond through his lawyer of record, Joseph Gans, 32 Broadway.

TRIAL CRISIS

Throughout the day in Justice Philip J. McCook's part of Supreme Court, the signs pointed to a crisis in the trial, with the underworld aroused by Luciano's agents to extreme, extra-court efforts to save Luciano's skin by any methods available, including bribery, intimidation and the simple final argument of a bullet well placed.

Late in the day, Dewey made his courtroom demonstration of the far-reaching organization of Luciano's vice empire with the testimony of Anthony Curcio, who produced a list of 125 flourishing resorts which were reported as paying Luciano tribute until vice-raids smashed that empire early this year.

Curcio is the oft-mentioned "Bingie," more than once identified during the trial as the lad on the switchboard who took all incoming calls at the vice-ring headquarters.

These calls, he testified, related to fees paid in tribute to the Luciano syndicate, and to police raids on houses, which raids were systematically followed by efforts on the part of Luciano underlings to "fix" the case in Women's Court.

His testimony was the first so far produced at the trial to corroborate Dewey's claim.

At the outset of the case, that the smashed vice-ring dealt in the human chattels on a \$12,000,000-a-year scale.

Husband Held In Vice Racket, Wife Testifies

Mrs. Mildred Balitzer, Star
Dewey Witness, Tells of
Luciano's Grip on Him

Debt Kept Him in Ring

Pleaded With His 'Boss' for
His Freedom, She Says

Mrs. Mildred Balitzer, called by Thomas E. Dewey, special racket prosecutor, as the state's star witness against Charles Luciano because she has everything to lose and very little to gain by her testimony, finally took the stand in Supreme Court yesterday afternoon to swear that when she implored Luciano to let her debt-ridden husband retire from his business of booking women, the underworld leader retorted that it would be utterly impossible as long as he continued to owe the vice syndicate money.

George Morton Levy, of defense counsel, suggested during his cross-examination that the thrice married, thirty-year-old Mrs. Balitzer had taken the witness stand for the first time in her life because she craved a new sensation to top off five years in which she has been at one time or another a drug addict, a prostitute, and a madam. That seemed to be about as good a guess as any, Mrs. Balitzer, unlike most of the disreputable characters Mr. Dewey has placed on the stand, had no charge against her for which she might desire immunity from punishment.

It is true that her husband is Peter Balitzer, or Pete Harris as he was known when he booked girls to the madams of disorderly houses before he turned state's evidence and squealed on Luciano and the nine underlings on trial with him for compulsory prostitution before Justice Philip J. McCook. It is also no secret that Mr. Balitzer's revelations may help win leniency for Pete when he comes up for sentence. The possibility of loyalty being the motive for the wife risking mob vengeance by testifying seems remote, however, not only in view of her easy-going past but because she and her husband have been separated on at least one occasion.

Whatever her reasons, Mrs. Balitzer fulfilled Mr. Dewey's promises of, her value to his case by telling of Luciano's hard-fisted, business-like rule of the city's commercialized vice ring and by describing his alliance with David Betillo and Thomas Pennochio, who also are defendants and are listed by Mr. Dewey as sitting at the right and left sides of the chief's throne. She started by saying that she was born in the South, studied nursing at seventeen, married a Pittsburgh business man a year later, and lived with him until she was twenty, during which time she bore him a daughter.

Admits 'Mistress' Role

They were divorced, she said, and she came to New York, where she married another "respectable business man." She left him in 1930, and for a year was the mistress of "the head of a large New York institution." Then she met Balitzer, a gambler, at the time, and from then on she began sliding downhill fast.

The witness said she was introduced to Balitzer and Pennochio in 1932 by a man named Gus Frank, with whom she was living at the moment. She had business transactions with them, she said, and saw them regularly after that. They would come up and visit her in her hotel, and on one of those occasions Betillo said he was working for Charlie Lucky, as Luciano generally is known. Betillo arranged a meeting, and introduced her to Luciano, saying, "I want you to meet my boss," the witness recalled.

A short time later Mrs. Balitzer said she heard Pennochio tell Betillo that a couple of fellows are bonding houses, getting \$10 a week from each girl, and he thought it would be a good thing to get into. Betillo, she said, didn't want to bother with it at first because he felt there would not be enough money in it, but Pennochio urged him to think it over, remarking that "they could take over every house in New York."

The witness said she had not married Balitzer yet, but she was living with him and that he sent her to the higher ups to tell them that he could not pay the \$10 a week a girl bonded money on the houses he booked. "I told Little David (Betillo) that they were asking Pete for a lot of money and that he didn't make that much but he said Pete would have to pay like the other bookies," Mrs. Balitzer testified. "I said, 'Is Lucky still behind this?' And he said, 'Yes.'"

Bride-To-Be Pleads

Early in 1934, Mrs. Balitzer said, she planned to marry Pete, and he said he would give up booking if ever he could escape the talons of the syndicate. So the bride-to-be went again to Betillo, she said, and told him that Balitzer wanted to quit. She complained that her fiancé had to borrow from "the loan shysters" to meet his bond payments and was becoming hopelessly in debt. "It goes around in circles and he never will get out," I told them, but Little David said, "You can't," the witness said. Betillo told her, "I won't do any good to see Lucky," she added.

Mrs. Balitzer said she married Pete anyway, and shortly went to Florida, where she ran into Luciano at a race track. Later she met him at a bar.

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entreated him to exert his influence and free her husband from the booking business.

"Back to Lucky," she testified. "I said, 'I suppose you know I'm married to Pete now and I want him to get out of the business.' I told him I'd been to see Little Davie and that he'd told me Pete owed too much money to quit. I told Lucky, 'They're constantly shaking Pete down and he can't pay up and get out.' And Lucky told me, 'Well, as long as he owes money, he can't get out. You know how it is in the racket.'"

Luciano put her off, Mrs. Balitzer said, by telling her he would look into the matter and see her in New York. When she met him here, however, he was still adamant, she testified. "I spoke to him," she said, "about the Miami conversation, and he said, 'Davie says to pay.' I said, 'Pete can't. There's no such thing as paying the money. He can't get out of the racket because he can never pay. You're the only one who can do anything.'"

Was to Go on Salary

Mrs. Balitzer said her husband went to Philadelphia a few days before Mr. Dewey's raids on February 1. Presumably, he was quitting the business by leaving town. At that time, other witnesses have indicated, the syndicate decided to put Balitzer on a salary to handle all booking. Mrs. Balitzer said that a few days later she met Pennochio in a night club and he told her to recall Pete because "everything's fixed up" and it won't cost him anything. She said she would because she had stopped living with him a few months earlier.

Then came the Dewey arrests and Balitzer was extradited from Pennsylvania. His wife was taken into custody here simply as a material witness because no evidence could be found that she had committed any recent crimes.

Justice McCook announced that he will hold court on Saturday as usual but that, because the day is Memorial Day, he will omit the evening sessions the rest of this week. Mrs. Balitzer, who will face further cross-examination this morning, is believed to be one of Mr. Dewey's last witnesses, which may mean that the state will rest its case before the end of this, the third week of the trial.

KANG MURDER THREAT IS TOLD AT VICE TRIAL

Dewey's Star Witness Says Gus Franco Warned Her Not to Testify.

UNDER CROSS EXAMINATION

Pete Harris's Wife Denies State Offered to Pay for Evidence Against Luciano.

Mrs. Mildred Harris, Special Prosecutor Thomas E. Dewey's star witness, declared on the witness stand today that she was threatened with death if she testified against Charles (Lucky) Luciano and his nine co-defendants on trial before Supreme Court Justice Philip J. McCook and a jury on charges of compulsory prostitution.

Mrs. Harris, cross-examined a second time by George Morton Levy of Luciano's counsel, testified that after being taken into custody as a material witness in the present case, she met a man named Gus Franco, with whom she had once lived in a West Fifty-eighth street penthouse.

"I was with a policeman in plain clothes," she said, "I asked him to step aside, as I wanted Gus to think I was out. Gus said to me: 'If you testify against those people, you'll be killed.'"

She said that when she lived with Franco three years ago, he was in the numbers racket. It was Franco, she testified, who introduced her to the man who told her Luciano was the head of the vice combination. After her arrest, she said, she sent a telegram to Franco's mother and Mrs. Franco sent her a lawyer. She couldn't recall the name of the lawyer for a few minutes, but said she didn't talk much with him.

Francis Family
Mrs. Harris, also known as Mrs. Harris, did not want to reveal her family connections of Gus Franco as they were, she said, legitimate people. She was instructed to answer, however, and gave an address in East Eleventh street. Mr. Levy pressed her about her use of drugs and drew from her the testimony that she had used fifteen opium pills a day in 1933 and that

when she graduated to morphine, she used about an ounce a month, three injections daily. Counsel questioned her about her meeting with Luciano in Florida in February, 1935. She said she met Luciano at the Hialeah race track and later at the bar of the Paddock Restaurant. Two acquaintances whom she identified as Joe Frank, a gambler, and Joe Fisher, told her she would find Lucky at the Paddock around 2 A. M.

"Your only purpose is going to see Charlie Lucky was to have him let Pete Baltzer (Harris) retire from the business of booking girls for houses of prostitution in New York?"

"You had a career of reformation in mind for Peter," asked counsel, when Mrs. Harris answered in the affirmative. Again she nodded.

"He wanted to get out of the business," she said.

"Yes, in the worst way," she said that Harris bought tickets for herself and an eight-year-old nephew who stayed with her in Miami Beach for almost three months. She then sent the boy back to New York and went to Havana for two weeks before coming back north.

She admitted that Harris gave her only \$50 when she left for Florida, but denied that she engaged in prostitution in Miami, or that she went to Havana "to look over the prostitution prospects."

Mrs. Harris resumed the stand for further cross-examination when the trial was continued at 9:45 A. M. and was still on when the court took a recess for luncheon. When she steps down the State's case will practically be completed.

Cesar Barra, defending Little David Bettio and Tommy Bull Pennachio, alleged to be Luciano's chief lieutenants in the \$10,000,000 vice racket, continued the attack on the witness where Mr. Levy left off in his first examination last evening.

Today Mrs. Harris, a rather plump woman looking more than her admitted 30 years, wore a dark flowered silk dress, white silk stock, a black hat trimmed with white, and white gloves. A silver fox fur draped around her shoulders. She remained composed under the searching cross-examination, tilting her head slightly to one side and giving her answers in a low but steady voice.

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Denies Being Bought

She had testified under direct examination that Bettino told her that Charlie Lucky was the head of the vice racket, and related how he had made personal appeals to him to let her husband, a bookie for the ring, free himself from debt to the combination and get out of the business.

Mrs. Harris denied that she had seen her husband since he pleaded guilty on the opening day of the trial and turned State's evidence, and denied that she was ever promised by Mr. Dewey or his assistants that if she gave testimony damaging to Luciano and his fellow defendants her husband would be freed and given money to leave the country.

The witness admitted that she was born in West Virginia, but did not wish to tell the town.

Sgt. Gelb of Mr. Dewey's staff asked the court to permit Mrs. Harris to write down the name of her birthplace on paper and give it to the stenographer.

"No, no," cried Mr. Barra. "I want it made public."

She then gave the desired information, and also her maiden name. Over Mr. Gelb's objections she gave the name of her first husband, a New York business man, and said that a daughter by that marriage, now 13 years old, is living in West Virginia.

Court Intervenes

"When was the child born?" demanded Mr. Barra.

"I don't see any point in that question at all," interrupted Justice McCook. "I suggest it is unnecessary to do damage or harass anybody."

Court yielded on that point, but proceeded to wring from the witness further details of her life up to the time she met Pete Harris in 1931. At that time Harris was a

gambler, she said. Early in 1932, while living with Harris, she began to use drugs, she admitted, but she denied that Harris supplied her.

"He was opposed to it," she declared.

She also denied having threatened Harris at any time during 1932 because he failed to give her money. For most of 1932, she said, she lived in a penthouse in West Fifty-fifth street, and admitted that she conducted a disorderly house on the floor below. A man she called Gus, however, supplanted Harris in her affections, she said, and she continued living with Gus in the penthouse until she opened another disorderly house in West Seventy-fourth street.

She went back to Harris in March 1933, she testified, and he supported her. She said that she married him—her third husband—in 1934, and continued to live with him until last September.

Discussed the Case

"You testified that Pete was broke in 1933," said Mr. Barra. "Didn't he buy you a mink coat and two automobiles?"

Mrs. Harris admitted receiving the gifts, but not at that time.

She was then taken over her testimony in which she had said that Gus introduced her to Bettino and Pennachio in a Mott street restaurant in September, 1932. She clung to the statement.

Mr. Barra then went into the subject of her arrest, and the statements she made to Mr. Dewey's staff. She admitted meeting Harris on a number of occasions in the Woolworth Building, and said that they discussed the case.

Visited Night Club

After she made her final statement she was removed from the House of Detention and placed in an apartment in Jackson Heights with other women material witnesses. While there, she admitted, she visited Leon & Eddie's night club on one occasion with a police matron and policeman and Mr. Gelb. They went to the club, she said, after leaving Mr. Dewey's offices at 2 o'clock one morning, and stayed half an hour. She said she did not dance.

"Did you have cocktails?" asked Mr. Barra.

"No."

"Whisky?"

"No. I had two brandies."

"Who paid for them?"

"Mr. Gelb."

Mrs. Harris also admitted that she had two meals with Harris after he was brought back here from Philadelphia in company of police officers. She said she signed a waiver of immunity when she went before the Grand Jury, but said that she doesn't believe that she has committed a crime in recent years.

Luciano Due on Stand In His Defense

Attorneys Anxious to Rebut Mildred Harris Testimony

Charles Luciano, alias Charley Lucky, on trial with nine others in Supreme Court before Justice Philip J. McCook and a blue ribbon jury, is expected to take the stand today to defend himself against a charge of compulsory prostitution on evidence uncovered by Thomas E. Dewey, special racket prosecutor.

Luciano's testimony is expected to follow the plea of guilty which attorneys for Jack Eller, alias Eller, stepping one of Luciano's nine co-defendants, said last Friday would be entered by their client.

Attorneys for Luciano are anxious for him to rebut much of the damaging testimony offered for the prosecution by Mildred Harris, wife of Peter Harris, who admitted during the trial that he was a booker of women.

While the direct testimony of the defense is not expected to take more than a week, it was said that Mr. Dewey's cross-examination would be considerably extended.

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DOUBT DAWES ANY WIGE ROLE

Victim of Circumstance, He Says—4th Booker Pleads Guilty

By MALCOLM LOGAN

Ralph Liguori, a stumpy, thick-set man of thirty, who is accused of being the holdup man for the vice racket here, made a blanket protestation of innocence on the stand in Supreme Court today.

He pictured himself as an honest butcher who had the misfortune to fall into Special Prosecutor Thomas E. Dewey's hands because his girl, Nancy Presser, had, unknown to him, worked as a prostitute.

Until he went on trial with them for compulsory prostitution he did not even know Charles (Lucky) Luciano or any of the seven others charged with compulsory prostitution, he asserted.

Liguori was the first of the defendants to take the stand.

Booker Pleads Guilty

Before the defense opened, one of the men on trial, Jack Ellenstein, gave up and changed his plea to guilty. Ellenstein was a booker of prostitutes, one of four indicted. The other three—Peter Baltzar, Al Weiner and David Marcus—pleaded guilty at the opening of the trial and testified for the State.

Ellenstein was remanded to prison for sentence at the conclusion of the case.

Lorenzo C. Carlino, Liguori's attorney, before calling his own client, did the State a small service by summoning the manager of the Hotel Emerson, who testified that Nancy Presser, Liguori's girl, had lived at the hotel for three and a half years. He said her clothes are being held because she owes the hotel money.

The hotel man said he did not

know anything about Mr. Dewey or any other man who had been in the city.

The witness pointed out Liguori and said he had been registered as Mr. Presser.

A few minutes later Mr. Carlino called "Ralph Liguori."

Detectives led the defendant up to the witness chair.

Liguori, the man Mr. Dewey says held up madams who refused to pay bond money to the vice racketeers, is not much over five feet tall but is broad-shouldered and has a short, thick neck, unwinking black eyes and black hair plastered to his skull. He locked his stubby fingers together as he began to tell the story of his life in a very low, thild voice.

Starting life as a butcher boy at fifteen, he said, he had become manager of a butcher shop by 1932, when the depression threw him out of steady work.

Denies Knowing Prostitutes

Mr. Carlino reeled off the names of all the prostitutes named in the indictment as girls whom the members of the ring placed in houses of prostitution and in whose earnings the racketeers shared.

Liguori denied knowing any of them.

He said he had known Nancy Presser for three and a half years and had lived with her nine months, but he never put her in a house of prostitution or took any money her.

"Did you ever know she was engaged in prostitution?" Mr. Carlino asked.

"I did not."

Monotonously he denied all the charges State witnesses have made against him—that he threatened Nancy if she testified that he robbed various houses of prostitution; that he gave Nancy a stolen wrist watch.

Had Seen Frederico

"Do you know Charley Lucky?" "I do not," he said.

"Do you know any of the other defendants here?"

"I do not. I've seen one of them around—Jimmy—but I never spoke to him."

He was referring to James Frederico, the man Mr. Dewey says was "general manager" of the vice syndicate.

Before the defense began, Supreme Court Justice McCook denied motions to dismiss the indictments, to direct a verdict of not guilty and to declare mistrial, made and argued in the absence of the jury on behalf of all the men on trial.

Appears Relieved After Plea

It was after this that Ellenstein, a fat, baldish, gray-haired man of forty-two, pleaded guilty. Ellenstein, who has appeared more and

more unhappy as the evidence against him has piled up, seemed relieved when his plea was accepted and he was led away.

Because he did not testify for the State as the other three bookers did, he is not expected to receive the same consideration as they do when the time comes for sentencing.

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JUN 1 1936

Luciano Trial Anti-Climax; Dodge Cleaned Up Vice Ring

**Book Reveals Prosecutor Ended Racket
Before Dewey Began Investigating It**

The current trial of Lucky Luciano and his co-workers, with Special Prosecutor Dewey officiating, is just an anti-climax after all, according to a publicity handout issued today by the National Library Press, 110 West Forty-second Street.

It seems that District Attorney William C. Dodge already had cleaned out the vice ring before the trial began.

"The startling inside facts about the collapse of New York's \$20,000,000 a year vice racket were made public today from the files in District Attorney William Copeland Dodge's office," says the announcement.

It goes on to explain that the "inside facts" are in a book by "a newspaper man, Michael Stern," in collaboration with members of District Attorney Dodge's office under the title of "The White Ticket."

Mr. Dodge is quoted as saying in the introduction:

"I worked on this case for one solid year. I saw the operation of the ring, actually wading through a welter of filth and muck, graft and corruption, broken hearts and broken bodies, before I finally reached the boss."

The boss, it seems, is Nick Montana, small-time vice booker recently convicted of compulsory prostitution.

VICE DEFENDANTS START TO TELL

THEIR SIDE OF THE STORY





JIMMY FREDERICO

TOMMY PENNOCHIO

Sketched by William Sharp

ABE WAHRMAN

The men accused of running most of the city's bordellos began their defense before Justice McCook and a jury today after listening to prosecution testimony for seven days.

MISS SENT LETTER AIDS VICE DEFENSE

Missive Used to Show Witness Against Luciano Gave Perjured Testimony

By MALCOLM LOGAN

A letter which fell into the wrong hands was produced in the vice ring trial in Supreme Court today to prove that an important State's witness gave perjured testimony against Charles (Lucky) Luciano, the principal defendant.

It was written on April 20 by Joe Bendix, a hotel sneak thief, who was facing a life term as a habitual offender to his wife.

But Bendix by an error addressed it to Assistant District Attorney Morris Panger, the man who was prosecuting him. Two hours later Bendix discovered his mistake and wrote to Mr. Panger begging him to destroy the misaddressed letter, but the prosecutor considered it so important that he kept it and turned it over to District Attorney Dodge.

"Thinking Up a Clever Story"

In the letter Bendix urged his wife:

"Try to think up some real clever story which would prove of interest to Mr. Arlois—anything to show your willingness to help him. The chances are he may not need it, but it will help, nevertheless.

"For some unknown reason my implicit faith lies with him, and his promises are worth far more than coming from the other D. A.'s office."

Mr. Arlois is one of the assistants of Special Prosecutor Thomas E. Dewey, who is trying Luciano and his nine co-defendants. "The other D. A.'s office" was a reference to Mr. Dodge's office.

Mr. Panger, who was on the stand when this letter was read to the jury, testified that previously Bendix had tried desperately to be permitted to plead a life term in order to escape a life term.

That story also was said Bendix had tried to escape a life term by offering information about a gang of bond thieves, but police who investigated his tale found it worthless. Failing there, Bendix started

MISS SENT LETTER AIDS VICE DEFENSE

Missive Used to Show Witness Against Luciano Gave Perjured Testimony

Continued from Page One

dickering with Mr. Dewey's office, offering information implicating Luciano as the head of the vice racket.

Mr. Dewey put him on the witness stand, and he testified the week before last that Lucky offered him a job as collector for the vice syndicate.

After the introduction of this letter in which Bendix urged his wife to commit perjury, Mr. Panger completed the task of discrediting the witness by denying that Bendix had been promised by Mr. Panger and General Sessions Judge Nott that after he had served three and a half years of his sentence they would urge a commutation for him.

The letters to Mrs. Bendix contained a reference to this alleged promise.

"I have no faith or belief," he wrote, "in what George told you Jimmy Helms says about the five years for Mr. McDermott (an Assistant District Attorney) personally heard and did Mr. Panger—that the recommendation will be for three and one-half years."

"I don't know a judge, no less

than Nott, will not go back on his word, and also know Mr. McDermott is not the type to lie."

Mr. Panger promised, if Mr. Bendix did you know Bendix? George Morton, an attorney, asked Mr. Panger.

Made No Promises

"I made no promises," Mr. Panger said. "I told him nothing further could be done for him. I told him that the information he had given the police concerning the bond thieves was of no avail, that everything ended in a blind alley and it was all a hoax."

Mr. Panger said that on May 22, after Bendix had testified, a photostat of the thief's letter to his wife was sent to Mr. Dewey.

Mr. Levy said:

"May we have it noted on the record that this is the first intimation given defense counsel of the fact that this letter was sent to Mr. Dewey."

Mr. Dewey stood up and said angrily, "I am willing to stipulate that the first time I heard of this letter, which had been in Mr. Dodge's possession for a month, was after Bendix had testified."

Second Attack on Dewey

This was the second attack made on Mr. Dewey's attitude toward exposure of his witnesses. Yesterday Mr. Dewey admitted that after another State witness, David Marcus, had testified, he privately admitted to Mr. Dewey that he had lied on the stand concerning his past record. His acknowledgement of this was made only after the defense had begun to hint that he had perjured himself.

Before the defense completed its attack on Bendix, several of Lu-

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claiming to be a bookmaker for him. The witness also testified that Luciano was at the track every day of the racing season from April 15 to November 1, and that he was a professional gambler.

They also said they had visited him at his apartments at the Barbizon-Plaza and Waldorf-Astoria hotels and that they had never seen any of the other defendants at either place.

This testimony was offered in refutation of the stories of defense witnesses that David Beillo, Jimmy Frederico and others accused with him often called at his apartment during the day.

The first of his race-track cronies to testify was Max Kalik of 901 Avenue K, Brooklyn, a bookmaker for thirty years. He said that he saw Lucky at the track almost every day, that Lucky frequently made bets with him.

On cross-examination Mr. Dewey said:

"Didn't you know that for twenty-nine of those thirty years you were engaged in a criminal occupation?"

Kalik, a gray-haired man, smiled. "I didn't think it was because such nice people laid bets with me," he said.

His customers, he added, included society people, prominent business men and professional men.

"And gangsters?" Mr. Dewey asked.

Kalik said he never took bets from men whom he knew to be gangsters. Mr. Dewey recited a list of names of men prominent in the underworld—Lepke, Gurrah, Legs Diamond, Augie Pisano and Leo Byk—and Kalik admitted he had seen Pisano and Byk at the track.

Dewey Accused of Trial Deals By Vice Chief

Lucania Counsel Claims Prosecutor Bargained for Evidence in Case

By ALICE COGAN

Charles (Lucky) Lucania, who claims he is more interested in horses than women, today struck back at the State and through counsel buried counter-charges that Special Prosecutor Thomas E. Dewey made deals with criminals to get evidence in the vice trial.

Undercurrents of strained feelings between Mr. Dewey's office and District Attorney William C. Dodge's office were brought out in open court by George Morton Levy, Lucania's counsel, during the examination of Assistant District Attorney Morris Panger of Mr. Dodge's staff.

A letter from Joe Bendix, hotel thief now in Sing Sing serving a 15-year-to-life sentence, written to his wife but by mistake put in an envelope to Mr. Panger, was triumphantly read in court by Mr. Levy.

Suggested Story

In this letter, Bendix suggested to his wife that it might be a good idea for her to pick up a good story for the Dewey investigators. Bendix was brought from Sing Sing to testify for the prosecution and identified Lucky as the man who had offered to pay him \$40 a week to collect money for the ring from various houses of prostitution. Bendix said he turned down the job.

Mr. Panger denied that he had ever promised any client a reward, though the prisoner had frequently offered to testify in any prosecution for consideration.

...of ...
...men ...
...this morning, to testify that Lucky spent all his time at the tracks around town—that he was a lavish and lucky gambler and a good fellow with his racing pals.

Mrs. Agnes Liguori, bewildered and respectable mother of Ralph Liguori took the stand this morning to try to save her son from prison on a compulsory prostitution charge.

Liguori is the squat, butcher boy from Bath Beach, alleged strongarm man of the vice ring, who charged Dewey's staff threatened him if he would not testify favorably for the State.

Mrs. Liguori was merely sworn and before she could testify all the battery of counsel went into another huddle about procedure. Mr. Dewey complained to the court that the sketchy introduction of witnesses by the defense made it impossible for the State to check in an orderly manner.

George Morton Levy informed Justice McCook that as soon as the Liguori defense is complete the Lucania onslaught would start.

This would indicate that Lucania might go on the stand some time today.

Mrs. Liguori testified very briefly that on April 22 a telephone call came to her Bath Beach home from the Dewey office. Lorenzo Carlino rested his case with the evidence of the mother.

Reads Minutes

Mr. Dewey read to the jury the minutes of the Supreme Court on April 6, when Liguori was held in \$25,000 bail as a material witness in the vice case. At that time a woman assistant of Mr. Dewey told the court:

"I can safely say this man is acquainted with all the vice ring and is closely connected with it. He is now held as a material witness and it is possible he may become a defendant."

Capt. George Paul Dutton of Albany, husky member of the State Police, was the first witness for Lucky. He testified he had never seen Lucania before he entered the court this morning. His testimony was aimed to knock down the statements of Joe Bendix, now in Sing Sing, who testified for the State that he was introduced to Lucky in the Club

Richman in 1927 or 1928 by a Captain Dutton of the Army. On cross-examination Mr. Dewey brought out Dutton was a sergeant in the 68th Regt. during the Mexican trouble, but had not been in the Army since.

Dewey moved to strike out Dutton's testimony as irrelevant, but Levy said he would link it up as the case progressed.

Max Kalik of 901 Avenue K, a bookmaker for 30 years, second witness, said he had known Lucky for eight or ten years, and often saw him at the race tracks. He said Lucky bet with him very frequently.

Mr. Dewey put the bookmaker through some uncomfortable cross-examination.

Met Lee Byk

Q. Don't you know you're engaged in a criminal occupation? A. I've always traded with such nice people that I didn't think it was criminal.

Q. Don't you know bookmaking has been a criminal offense for the last 29 or 30 years? A. No.

Kalik said some of the other people he met at the tracks were Leo Byk and Little Augie.

"You mean Byk, the well-known fixer in Brooklyn?" asked Dewey. Levy objected to this line of questioning and was sustained. On redirect questioning, Levy tried to get Kalik to name some of the socially elite who do business with him at the track, but he declined to mention names, though he modestly admitted he was one of the best known bookers in racing.

Henry Goldstone, 25 Central Park West, Manhattan, associated with Kalik, continued the saga of Lucky as a horse race enthusiast.

Thomas Francis of the Hotel Richmond, father of five daughters and a son, followed Goldstone in Lucky's defense. He is a handicapper and owner of a racing stable. He said he has known Lucky 10 or 12 years as a big-time bettor at the races. He also met Lucky at the Waldorf, many times, and went to the races with him. Francis said he never saw any of the other defendants in Lucky's room at the Waldorf.

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...defendant witness...
...couldn't tell you who was the Hel-
mont. Finally last year without
looking in my little book. My
memory is in this book. I don't
remember what I ate for lunch yes-
terday and I won't remember you,
Mr. Dewey, in two hours. And I'm
telling the truth."

Joseph Forgione, a betting com-
missioner, was next to tell of Lucky's
love for horses. He placed bets for
Lucky daily, he said.

Mrs. Mary Conboy, a tall, statu-
esque woman, handsomely dressed
in blue, with sable fur piece and a
large picture hat, was next in the
parade of Lucania defense witnesses.
In a low, quiet voice, she explained
the name was fictitious and that
she was an assistant housekeeper at
the Waldorf. She contradicted the
State testimony of Marjorie Brown,
hotel bath maid, who said she had
seen some of the other defendants
visiting Lucky at the Waldorf. She
claimed there was work enough to
do for the bath maids without spy-
ing on the guests.

Prosecutor Testifies

Morris H. Panger, an Assistant
District Attorney in New York
County since 1920, came to the
stand to testify for Lucky, armed
with the records showing the arrest
of Joe Bendix. Panger said that
Bendix attempted to dicker with
the District Attorney's office for a
misdemeanor plea and promised to
give the State certain information.
Panger testified the District Attor-
ney's office refused to bargain with
Bendix, but the police investigated
his story.

"I gave him no promises of any
sort," Panger said. Mr. Levy read
a number of letters from Bendix to
Mr. Panger, offering all kinds of
inducements to the District Attor-
ney for leniency. Another letter
written from the Tombs by Bendix
to his wife was enclosed by mistake
in the envelope to Panger.

In the letter to his wife, Bendix
advised her to help Mr. Dewey and
wrote:

"Try to think up some real clear
story. Tell Mr. Arons (of Dewey's
staff) it will help. Somehow im-
plicitly, with lies with him and his
promises."

Vice Witness Says Dewey Aid Offered Bribe

**Liguori, Alleged Luciano
Strong-Arm Man, 'Too
'Truthful' He Tells Court**

Booker Pleads Guilty

**III Juror Is Replaced;
Trial Is in Fourth Week**

The defense of Charles Luciano and eight others against charges of compulsory prostitution opened in Supreme Court yesterday, with Ralph Liguori taking the stand in his own behalf to swear that assistants of Thomas E. Dewey, special racket prosecutor, offered him a free trip to Europe with his prostitute-sweetheart if he would point an accusing finger at men he told them he never had seen before.

Liguori, listed by Mr. Dewey as Luciano's strong-arm man, said he told his inquisitors in the prosecutor's office that the thought of committing perjury to save himself was repellent to him, at which they immediately told him he must play their game or go to prison for twenty-five years. He left it for Justice Philip J. McCook and a blue-ribbon jury to infer that it was only his love of the truth that brought him into court as a defendant.

Cross-examined by Mr. Dewey, the squat, pale-faced defendant wriggled uncomfortably at times when the prosecutor calmly produced pages from his past which the thirty-year-old man, on the witness stand apparently thought had been obliterated. On the whole, however, Liguori's insolent monotone indicated that he thought he was more than holding his own and Mr. Dewey, playing the cat-and-mouse game, appeared to be losing the upper hand.

When Justice McCook denied these ones and all Maurice P. Canfor, representing Jack Ellenstein, stepped forward and announced that his client wanted to change his plea to guilty. Ellenstein was the only one of four bookers of women indicted who did not turn state's evidence at the opening of the trial.

As a mere Booker, Ellenstein was in daily contact with madams and prostitutes who, upon taking the stand, have had little trouble in singling him out. Half bewildered, half impressed by his own momentary importance, Ellenstein shuffled up to face the bench, gave his age as forty-two, his business as real estate, and was remanded for sentence at the close of the trial.

Another person to leave the courtroom after three weeks of constant attendance by day and of nights passed under lock and key was John McGowan, juror No. 11, who became ill during the afternoon and was excused by Justice McCook to return to his home at 29 West Seventy-first Street, Clarence Talbot Squier, of 16 Park Avenue, one of the two alternates, was selected by lot to take Mr. McGowan's place.

Liguori, who probably will be the only defendant except Luciano to testify in his own behalf, was kept jumping off and on the stand all afternoon by busy witnesses summoned by their work or from out of town by defense counsel intent on discrediting the testimony of the shady underworld characters upon which Mr. Dewey has staked the better part of his case.

Battle for Untruths

The first attack came on the sworn word of David Miller, or Marcus, one of the bookers who squealed and insisted on the stand that he never had been convicted of operating a house of prostitution in Pittsburgh. Mr. Dewey said he was willing to stipulate, in the interest of saving time, that Miller had admitted to him after leaving the stand that he had been convicted of prostitution. Defense counsel, however, chorused that their own witnesses must be permitted to prove Miller a liar.

Thomas Call, county detective from Pittsburgh, said that he visited Miller's house in that city in 1927 and found Mrs. Miller working as a prostitute there. He said that her husband remained in the kitchen entertaining guests with drinks and collecting the \$2.00 each customer while Mrs. Miller took newcomers into her bedroom where her two children were sleeping. Pittsburgh policemen testified that the house was raided after Mr. Call's call, and that Miller was fined \$100 and his wife \$50.

Thief-Artist Names Luciano

Luciano was first linked definitely to the vice syndicate by Joe Bendix, a four-times-convicted hotel thief now in Sing Sing, who said the witness stand that he had worked on photographic studios and that he had designed the murals for the Stadium Club on West Fifty-fourth Street. Defense counsel produced Arthur DeMirjian, who denied Bendix ever was employed in his studios, and the owner of the Stadium Club, who said that while Bendix hung around there at times he never did any art work for the place.

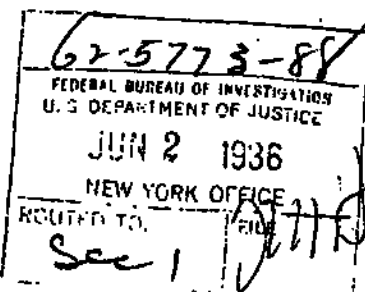
Liguori, his beady eyes fixed on the ceiling when he tired of returning the gaze of his counsel, Lorenzo C. Carlino, said he had been in love with Nancy Presser, a prostitute who swore that she was once Luciano's favorite. Liguori said he had known Miss Presser since 1932, had taken her to visit his parents in Brooklyn on Christmas and Thanksgiving, and was overcome with surprise when he learned after her arrest by Mr. Dewey's agents that she was a prostitute.

The defendant agreed with Miss Presser that he moved into her hotel room with her but he indignantly denied that he had insisted that she go out and support him as a prostitute. His earnings as a gambler, he said, enabled him to buy her clothes and when his luck was bad he could always go home and get money from his sister, Anna, who was earning \$25 a week in the Bronx Terminal Market. He said he paid the room rent at the hotel desk where he was known as Mr. Presser.

Liguori testified that before he was indicted he was taken on several occasions to Mr. Dewey's offices where he was questioned by Harry Cole and other assistants to the prosecutor who tried to make him "co-operate" with them by threats and soft promises of trips abroad.

"Mr. Cole said, 'If you don't co-operate Nancy Presser will get three years and we'll make you a defendant in this case,'" Liguori recalled under questioning by Mr. Carlino. "He told me, 'We'll make you the stick-up man of the mob.' He threatened me with twenty-five years in prison and he said if I would co-operate they would send me to Europe for six months with all the money I needed."

"Mr. Cole says, 'Don't be a damn fool. We don't want you. We want you to be a witness for the state. There is only one man we want and



"But he said, 'We'll show you Lucky's picture so many times you'll dream it.' He says these bums (prostitutes and madams) up here will do anything to save themselves. We've arrested 110 of them and not one of them's going to jail."

Liguori testified that Mr. Cole and others warned him that "Mr. Dewey is a big man and he's going to become Governor." They wanted him to tell the court, he said, that he had given \$10 to Luciano in the presence of Betillo and Pennocchio, whom Mr. Dewey calls the boss's two chief assistants.

On the last day before he was indicted, Liguori said, Mr. Dewey's assistants gave him his final chance. "I said to them, 'It's a pack of lies,'" Liguori told the court. "I said, 'It's perjury and I won't perjure myself for nobody.'" At that time, he swore.

Charles P. Grimes, one of Mr. Dewey's assistants, came toward him, calling him a "ginny," and made an attempt to strike him.

Liguori's sister, Anna, told a similar story of the efforts made by the prosecution to make her brother perjure himself. She said she went to Mr. Dewey's office, where Mr. Cole told her "he had a puzzle all fixed but that one piece was missing and if they could get Ralph to do it, he wouldn't have to go to jail for twenty-five years." Miss Liguori said she pleaded with her brother to "do what they wanted" but that he remained adamant against perjuring himself.

Liguori did not appear concerned when Mr. Dewey brought in cross-examination that he had deceived Miss Presser's father to make him turn over his daughter's insurance to

the defendant. Mr. Dewey produced a check indorsed by Liguori for Miss Presser and the defendant swore he had "borrowed" \$300 from the woman. "And," Mr. Dewey asked, "did you stay in Nancy's room except when she had customers there?"

The defendant drew his stumpy body up in the chair where he had been sprawling. "I beg your pardon," he replied, stiffly, "I was her only customer."

Two Witnesses For Defense Defense Attack

**Bendix and Nancy Presser
Represented as Faking
Testimony at Vice Trial**

Gamblers Aid Luciano

**Dodge Assistant Puts in
Discrediting Evidence**

Counsel for Charles Luciano, on trial with eight others in Supreme Court for compulsory prostitution, paved the way yesterday for his taking the stand in his own defense by introducing testimony designed to cast grave doubt on the credibility of two witnesses, upon whom Thomas E. Dewey, special racket prosecutor, has relied heavily to implicate Luciano as head of a large metropolitan vice syndicate.

One of those at whom the defense struck was Joe Bendix, now serving fifteen years to life in Sing Sing as a chronic hotel thief, who has testified for the prosecution that Luciano stepped down from his executive position long enough to offer him a personally a job at \$40 a week collecting money from houses of prostitution. The other whose testimony the defense sought to riddle was Nancy Presser, who has told Mr. Dewey she was Luciano's sweetheart and as such had access to his hotel rooms, his drinks and his secrets.

Professional Gamblers Heard

While concentrating on those two witnesses, defense lawyers also introduced nearly a dozen professional gamblers who testified that during the last three years, in which he is supposed by Mr. Dewey to have been organizing vice on a racket basis, Luciano has been betting at race tracks nearly every afternoon and every night has been the affable operator of dice games.

Bendix was shown up as a man who when he found himself facing life imprisonment early this year wrote to his wife from the Tombs urging her to "try to think up some real clever story which might be of interest to Raymond M. Arlos, a politician," Mr. Dewey. This suggestion was made by Morris R. Egan, assistant District Attorney, who, with Mr. Dodge, and promptly Mr. Dewey, to expostulate that he had no copy of the Bendix letter, which after he had placed the convict on the stand.

...reading, presumably from a newspaper, that Bendix had been turned over to the police, who investigated and found it worthless.

On April 20, Bendix wrote a letter to his wife and addressed it by registered mail to Mr. Panger. In that letter the prisoner wrote: "It will mean so much what impressions you and Joan will make upon Mr. Arlos." He also besought her to "try to think up some real clever story which will prove of interest to Mr. Arlos, anything to show your willingness to help him."

"The chances are," Bendix continued, "he may not need it but it will help, nevertheless. In some unknown reason his implicit faith lies with him and his promises are worth far more than coming from the other D. A.'s offices."

Says She Was Evicted from Hotel

Grace Kaiser, introduced by George Morton Levy, counsel for Luciano, as a friend of Mr. and Mrs. Bendix, was not permitted to identify a note which she received from the latter but, instead, under cross-examination, accused Mr. Dewey and his aids of having had her evicted from her hotel. Then Mr. Levy took over the witness and asked her to tell the court what happened after she called his office with word that she had important information about Bendix.

"Three hours later," the witness cried, heatedly, "my room was raided and they searched it for guns and dope and when they couldn't find any they took me to the Woolworth Building (Mr. Dewey's headquarters) on a subpoena. They held me there for thirty-six hours without sleep or food."

Mr. Dewey retorted: "The reason was because you called Mrs. Bendix on the phone and told her that Bendix would be killed within three hours after he testified in this case, wasn't it?"

"It's lies!" Miss Kaiser exclaimed, and the defendants' bias and prejudice in approbation.

Waldorf Manager Testifies

G. David Hardy, assistant manager of the Waldorf-Astoria, gave brief, precise testimony to the effect that Miss Presser could not have reached Luciano's rooms on the thirty-ninth floor of the Tower Apartments there by taking the "ordinary" elevators, as she said she had done.

The hotel man said it was extremely dubious that Miss Presser would have been taken upstairs at 2 a. m. unless she had had herself announced. Miss Presser, on the stand, said that on several occasions she visited Luciano at the Tower Apartments, and she did not recall ever having her name sent up before ascending in the elevator.

Lorenzo Bresscio, whom Mr. Levy admitted was not too alert mentally, told a slow story of having lived with Luciano from time to time, and said the only other defendant he recognized was David Betillo. The latter is said by Mr. Dewey to have been Luciano's right-hand man in vice racketeering, but the blundering Bresscio knew him only as a gambler.

The witness also testified that he had known Luciano for several years, and that the latter's sweetheart was Gay Oriola. He said he never had heard of Miss Presser, and certainly had not seen her in his friend's apartment.

Gamblers, who recognized Luciano with a friendly smile, testified that he was accustomed to lay bets of from \$200 to \$500 on horse races, and ran dice game concessions at Saratoga during the August season.

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Luciano on Stand in Vice Case

To Testify Income Came Only From Dice and Horses—Death Threat Denied.

Debonair in a cool gray suit, Charles Luciano took the stand today to deny that he ever was head of any \$10,000,000 vice trust and assert that he was always a gambling man who made his living around race tracks and dice games.

Principal of nine defendants on trial for compulsory prostitution before Supreme Court Justice, Mr. Cooke and a blue ribbon jury, Franko took the stand after Gus Franko, a defense witness, had denied that he ever had threatened Mrs. Mildred Harris with death if she testified against Luciano.

Luciano was the second witness of the afternoon session. Franko had denied that he even knew the alleged vice czar, who was born and raised one block away from Franko's home at 342 East Eleventh street, between First and Second avenues.

Franko, a swarthy man, said that he was 29 years old, and admitted that he was convicted of selling narcotics at the age of 20.

Resisted the Opium Habit.

Questioned by George M. Levy of Luciano's counsel, Franko said that he met Mrs. Harris in 1932 and lived with her for eighteen months at a penthouse in the West Fifties and at various hotels. He did not know that she was running disorderly houses, he said, until after he had lived with her for some months.

Franko admitted that he knew

that Mrs. Harris operated a disorderly house on a floor below the penthouse, but denied that she ever gave him money. He said that he paid the expenses of their establishment. At the time, he said, he was in the numbers business.

He also admitted that he had been addicted to opium seven or eight months before he met Mrs. Harris, and resumed the habit with her.

He said that they both took a cure and later went to Atlantic City. They returned in July, 1933, he said, and separated.

He maintained communication with Mrs. Harris, however, and said that she called him at home or at his father's restaurant at 329 East Eleventh street, where he then had a job as a handy man. He met her a week before her arrest, he said, and took her to have dinner with his parents. He also said his mother had received a telegram from Mrs. Harris in February, and as a result, he had arranged to send his cousin, an attorney, to see her the following day.

Three weeks ago, Franko said, Mrs. Harris called him on the telephone. After some argument between Mr. Levy and Special Prosecutor Dewey he was allowed to resume the conversation.

"She said she was very glad to hear my voice," he testified. "She said she felt very much upset about her husband (Pete Harris, the broker of women who turned State's evidence) and told me that Dewey wouldn't give Harris any consideration unless she names Charlie Lucky in her testimony."

Daniel Knowing Luciano.

He said she didn't know Charlie Lucky, but was going to say that he was head of the vice combination.

"I said: 'My God, you don't want to identify an innocent man, do you?'"

"She said: 'I can't help it. I've got to help myself and my husband. They're hounding me, putting too much pressure on me.'"

Franko then was asked to look at Luciano, and denied that he had ever seen him before. He also denied Mrs. Harris's statement that he introduced her to Little David Betillo, alleged to be one of Luciano's chief lieutenants, and emphatically denied that he threatened Mrs. Harris if she testified.

Mr. Dewey began to cross-examine Franko quietly on his history, bringing out that a school friend had introduced Franko to the narcotic peddling racket. Franko, however, couldn't recall that friend's last name.

He next bought dope from a man he called "Red," but insisted that he only had sold one ounce when he was arrested.

"And the only time you ever sold dope was the one time when you were arrested?" asked Mr. Dewey cynically.

Franko said that was so. He said he received a three-year probation after being convicted, and then went to work in his father's restaurant.

Ran Own Numbers Game.

That brought his career up to 1931, when he said he started in the numbers racket. He had been smoking opium for two years, he said, using a tin a day, which cost him a dollar.

Franko said that he ran his own numbers game, taking in \$75 a day. He blandly asserted that he was not aware of any other numbers games in New York, but a customer in the restaurant explained the system to him. He had two collectors, but did his own accounting.

"You never heard of Henry Miro or Dutch Schultz?" asked Mr. Dewey in an incredulous tone.

"Didn't you know that policy

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that the odds against winning were 1000 to 1.

Asking Franko about his use of opium, Mr. Dewey used the same phrase which the defense had employed repeatedly in challenging State witnesses who admitted being addicted to drugs.

"Did opium transport you into some other world so that you couldn't remember things?" the Prosecutor asked softly.

Deserted for Another Man

Franko said he never had any such sensation.

Questioned about his first meeting with Mrs. Harris, he said that a William Jones who introduced her to him, had dropped out of his life immediately.

"He left town and I haven't seen him since, unfortunately," he said.

He denied again that he knew Mrs. Harris's business, but said she knew he was in the numbers game. He said he didn't know she was married when he first started taking her around, or whom she was living with.

"She had a nice penthouse in the West Fifties," he said. "She finally left me for a man who had quice kept her and given her \$1,000 a month."

Frank said he had been "a good boy" until he met Mildred, and that after he met her he "quit his criminal occupation" and went to work and became a "good boy again."

Some asked Mr. Dewey if Franko made a husky meal.

He said that after he went back working for his father, he earned \$12 or \$15 a week, but was forced to admit that from October, 1932, to July, 1933, he was living with and supporting Mildred Harris. He said he gave her \$100 a week. Asked where the money came from he replied that his mother gave it to him, "out of a little drawer."

"So that little drawer paid for your dope and Mildred's dope and your food and hotel bills for eight months?" asked the prosecutor.

Franko sheepishly admitted that was true. He said he and Mrs. Harris took the cure and he left her and went back to work for his father in August, 1933.

"That was the month you killed a man in Brooklyn, was it?" shot the prosecutor.

"That's a lie," shouted the witness.

"You never went with a man named Angelo and stuck up a man in a cafe and killed him when he resisted?"

"That's not true."

Franko also denied a suggestion that he threatened his Uncle Patay with a gun or that he beat his uncle so severely that he was taken to a hospital.

Questioned About Father

He was questioned closely about his sources of narcotics, but could only answer vaguely, saying that he got his supplies from "a fellow called Louis."

"Is your father a member of the Italian Scollano?" asked Mr. Dewey.

"That's a lie," the witness shouted again.

Questioned about his telephone conversation with Mrs. Harris, he admitted that she did not tell him that she had to commit perjury in order to save her husband.

"You didn't know that she had separated from Harris six months before her arrest, did you?" the State asked. "And you didn't ask her why she was being called on to

testify against Luciano, and not her husband?"

Franko said he didn't know either of those things.

The next witness was Sam Lewin, a portly, pouchy individual dressed entirely in gray, who said he worked in Jack Dempsey's restaurant and was known as the "blowing bartender" because, in addition to serving drinks, he "makes wise cracks and does funny things behind the bar."

He testified that he worked in Keene's Tavern in 1933 and 1934, but never knew of any Charlie who had an interest in the place.

Mrs. Harris had testified that she frequently met a man named Charlie there, when she was in Luciano's company, and that this Charlie was part owner of the tavern. Lewin said he had seen Luciano at Madison Square Garden and other places, but not in Keene's, and denied he knew any of the other defendants.

The first three witnesses called by the defense today were Philadelphia policemen who testified to the activities of Harris in that city, and said that his reputation for veracity was bad.

Witness for Luciano Admits Telling Lies but Later Denies It

Recalled by Dewey, Janitor Says He Did Receive
Woman's Hush Money—Vice Trial
Drawing to Close.

By RAPHAEL AVELLAR,
World-Telegram Staff Writer.

A janitor who admitted he accepted hush money from a madame, who said he was confined to an insane asylum in 1931 and who seemed inclined to change his testimony according to the aims of the attorney questioning him was a principal witness at the trial of Charles (Lucky) Luciano and his eight co-defendants as the case approached its conclusion in Supreme Court today.

The man, Joseph Barth, was recalled by Special Prosecutor Thomas E. Dewey this morning and admitted that in his testimony yesterday as a defense witness he lied about a

disorderly house kept by Jean Martin in the E. Seventh St. apartment where he worked.

Later, under questioning of defense counsel, Barth said he hadn't lied at all in his original testimony—that he told the truth. It was, so to speak, a repudiation of a repudiation.

The defense brought out that, after testifying yesterday, Barth went home only to be seized late last night by Mr. Dewey's aids and subjected to a grilling until 4 A. M., when he signed a statement calling his original testimony untrue.

The Martin woman had testified that Able Wahrman and several other men went to her apartment and "took the joint apart" because she had failed to pay the regular assessment levied by the vice ring.

Barth said yesterday that he had seen no evidence of damaged furniture or rugs in the Martin apartment and denied he had ever received money from the woman.

Today, under questioning by Mr. Dewey, Barth said he really had seen the damage committed by the strong arm men in the Martin apartment and that he collected \$10 a month from Jean Martin.

He said further that when the Martin woman moved out another disorderly place was installed in the building and he continued to pay

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complaints bitterly against Barth's change of front and moved that the witness be arrested for perjury. The motion was denied.

Mr. Siegel himself was called to the witness chair by George Morton Levy, counsel for Luciano, and questioned about a visit he received from "Cockey Flo" Brown, sweetheart of Jimmy Fredericks, one of the defendants.

Denied Knowing Luciano

When the woman called on him to discuss the case, Mr. Siegel testified, he asked her if she knew Luciano and she replied that she did not.

Earlier in the trial she had testified that she once overheard Luciano, and two other men discussing their operation of the vice racket, and quoted Luciano as saying he wanted to organize New York prostitution on a chain store scale.

Ellen Davis, a triple-chinned blonde of uncertain age, who said she had been convicted three times for running disorderly houses in Philadelphia, was called to refute testimony of Pete Harris, who turned State's evidence in the trial and told of his work as a booker of prostitutes, starting in 1930. The Davis woman swore that Harris had booked girls for her as early as 1927.

Was a "Good Girl"

She mentioned a certain girl Harris had booked for her in 1935.

"Was she a good girl?" asked Mr. Siegel.

"Yes."

"Was she chaste?"

"Well, I don't know. She was a prostitute."

"When you said the girl was a good girl," interposed Mr. Dewey, "you meant she was a good prostitute?"

Luciano replied the witness. The defendant was not asked further cross-examination, having required five hours of questioning at Mr. Dewey's hands yesterday.

Mr. Dewey could not get Luciano to confess anything to link him directly to the vice business, but he had spread upon the record two statements by Luciano in which the squat little gambler claimed ignorance on vital subjects.

Cites Telephone Calls

In the first instance, Mr. Dewey showed that there had been frequent telephone calls from Luciano's rooms in the Waldorf-Astoria to the restaurant alleged to be headquarters of the vice syndicate and to more mysterious addresses.

All Luciano would say was:—

"I didn't call them. It must have been somebody else in my room."

For the second instance Mr. Dewey forced Luciano to admit that the incomes on which he paid income taxes—moneys allegedly derived from the gambling operations to which Luciano had admitted during his own defense—might have been still larger and thus still unexplained.

Quotes Tax Figures

Mr. Dewey showed that Luciano had paid taxes on a net income of \$15,000 for 1929, \$16,500 for 1930, \$20,000 for 1931, 1932, 1933, and 1934, and \$32,500 for 1935.

Hammering on Luciano, vainly, in an effort to break these net incomes down into details, Mr. Dewey finally snapped:—

"You just picked the figures out of the sky?"

Luciano reported:—

"I paid the government on more than I made at that time. I just thought it was the proper amount I should give the government."

But, as prosecution officials emphasized today, there remained a necessity for explaining these incomes—that might possibly have been swollen by the proceeds from prostitution.

LUCKY BARES LIFE

Brands Himself 'Squealer' Under Dewey's Fire

Charles "Lucky" Luciano laid bare on the witness stand yesterday the sordid life of crime that won him the title of New York's Public Enemy No. 1, but desperately fought off all attempts to link him with the city's \$12,000,000 vice ring.

He was a confused and frightened man as he left the stand after five hours of bludgeoning cross-examination, but he was still insisting weakly he had no connection whatever with the prostitution racket.

Admits Perjury

Faced by a mountain of damning detail in a secret police tab kept on him during the past 15 years, Lucky haltingly admitted almost everything else. He had repeatedly lied under oath to save his skin, that he squealed on

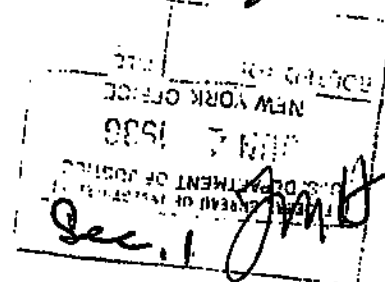
a pal, that he has been gambler, bootlegger, tax evader and dope peddler.

But never in his life before, he maintained, had he laid eyes on any of the pathetic parade of girls and madams who pointed him out in court as the man who held the whip-hand over the city's vast network of disorderly houses.

Neyer had he received a dollar from the earnings of this trade, he insisted.

And of his eight co-defendants on charges of compulsory prostitution, the only one he knew, she swore, was "Little Davie" Betillo.

A cowering and unimpressive



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'Big Shot' Racketeer Humbled:

LUCIANO DEFLATED UNDER DEWEY FIRE

Brands Self 'Squealer'; His Crimes Paraded

Continued from First Page

witness Lucky repeatedly sent pleading glances for help to his own counsel as Special Prosecutor Dewey shot one embarrassing question after another at him.

Slumping deeper in his chair, beads of perspiration on his brow, Luciano fell back increasingly on the unconvincing device of silence, preferring to give no answer to some of the prosecutor's questions when his own lawyers failed to respond to his imploring looks.

When Dewey produced, near the end of the grueling session, a list of all telephone calls made from Lucky's rooms at the Hamilton Plaza and Waldorf-Astoria, the alleged overlord of the city's vice scowled at them, lapsed into a long silence, and finally muttered:

"I didn't call them. It must have been somebody else in my room."

Underworld Rendezvous

Many of the phone calls were to vice rendezvous that had been named by "Cokey Flo" Brown and other State witnesses.

Others were to such well-known underworld characters as Lepke Buckhaus, or Buckhalter, Jacob Garrah Shapiro, Max Silverman, Buggsy Siegel and Ciro Terranova.

Lucky had said he knew these men only casually, as race track acquaintances. Dewey demanded then how he happened to have called them so often at private unlisted numbers, at strange hours of the day and night. Lucky returned his swarthy complexion turning a shade darker. His lips twisted into a forced smile. He gave no answer.

'Dewey Jubilant

The special prosecutor had expected to take about 12 hours for his cross-examination of the key figure in his drive to rid the city of vice. But shortly before court adjourned at 7 p. m., after he had Lucky on the stand less than 5 hours, Dewey snapped out with ill-concealed jubilation:

"That's all!"

Luciano shuffled from the witness chair.

At almost every point during the long, hot afternoon under Dewey's relentless probing, Lucky found himself maneuvered into tight corners. Dazed at the seemingly endless flow of records of phone calls, occupations, previous arrests and testimony thrust at him by the prosecutor, the witness at one point blurted out in pain:

"What I want to know is where the hell does all this come from?"

'Hunting Peasants'

So badly confused did he become that occasionally he stumbled into ridiculous errors that left his own lawyers stony-faced. One of these came when Dewey asked:

"On July 19, 1926, were you with a man named Joseph Scarisi, and did you have two revolvers and a shotgun and 45 rounds of ammunition in your car?"

"Yes. We was hunting."

Q. And what had you been hunting? A. Peasants.

Q. You mean pheasants? A. That's right.

Q. What! Shooting pheasants with two pistols, out of season, in the middle of July? What did you use the pistols for?

Drooping and wretched, Lucky took his head in silence as the courtroom snickered. Dewey pursued:

Q. Do you always tell the truth under oath? A. I'm telling the truth now.

Q. You don't want to answer that question, do you? When have you lied under oath? A. When I'm looking to get something, but I'm telling the truth now.

Q. But when?

Denies Any Fear

Apparently, the unhappy witness turned his eyes toward George Morton Levy, his lawyer. Levy made no move.

Q. Have you ever had under oath? A. I don't know.

Q. How many times did you perjure yourself in order to get a gun to carry around the streets of New York? A. Only once.

Q. Did you lie under oath any other times? A. If there's anything I ever lied about it was my occupation.

Just prior to this Dewey had produced a record of Lucky's troubles with traffic policemen, a list of summonses covering three typewritten pages. In each case Lucky had given the officer an occupation; although on the stand yesterday he admitted he had not ever had a legitimate business since 1918. He also told the officer in each instance that he was married, but on the stand denied ever having had a wife.

Quizzed on Perjury

Luciano also stumbled badly over the list of aliases he used in hotel registrations, and was trapped again in his account of the time he was taken for a ride and dumped out, badly wounded, on Staten Island.

It was toward the end of the session when the witness, all self-assurance gone, was answering in

a voice scarcely audible, what Dewey suddenly delved into his income tax records.

These showed Lucky made no move to pay until ten days after the present vice investigation started, and that then returns were filed for only six years, beyond which the statute of limitations prevents prosecution. The returns showed admitted income as follows:

1923—\$15,000; 1924—\$16,500;
1925—1926—1927—1928—\$20,000
each; 1929—\$22,500.

Luciano said he kept no books, but felt these figures were a proper estimate of his earnings.

Q. Isn't it a fact that you paid

a tax on these amounts because you felt someone could prove that amount on you? A. No.

Q. Was it a sudden rush of conscience to pay up for what you had been cheating the Government out of all these years? A. No.

Q. You suddenly thought you would be an honest man? A. Yes.

Q. You weren't afraid? A. I wasn't afraid of you.

Q. Did you ever pay any income tax to the State of New York? A. No.

Q. Isn't that because you know the Federal Government prosecutes the big gangsters for income tax evasions and the State doesn't? A. I don't know.

Confesses 'Rattin'

Lucky's confession that he once squealed on a friend had the eyes of the other defendants popping. Throughout the trial they had heard tales of the horrors administered to those who turned informer, yet here was Lucky himself admitting he had "ratted."

Dewey's approach to this incident had the witness fooled as he asked:

"Does the date June 8, 1923, mean anything to you?"

When Lucky answered in the negative, he shot out in biting tones:

"On June 2, 1923, don't you remember selling a 2-ounce box of dope to an agent of the secret service? A. I was arrested, but I didn't sell it.

Q. I repeat, don't you remember selling that dope? A. No.

Q. On June 3, 1923, didn't you sell to the agent again? A. No.

Q. At 143 E. 13th st. on June 3, didn't another agent see you?

Answer Blocked

This question was objected to and the witness did not have to answer.

Q. Wasn't your apartment searched that day? A. Yes.

Q. And didn't they find two one-and-one-half ounce packages of morphine and 2 ounces of heroin and some opium in your apartment? A. No.

Q. Didn't you give a statement that at 163 Mulberry st. they would find a whole trunkful of dope?

The witness closed his eyes. As each question had been put to him he looked more and more worried and his replies were more and more deliberate. Now he seemed to stop altogether. Dewey waited. His eyes still closed, Lucky replied in a voice that hardly carried to the jury:

"Yes, I did."

Q. And the whole trunkful of dope was found, wasn't it?

A. Yes.

Q. And you still want to tell the jury that you weren't sell-

ing dope at that time? A. I was squealed up, but I wasn't guilty.

Q. You still want to say you sold no dope after 1918? A. That's right.

Q. You're just a stool pigeon, isn't that it? A. I told them what I knew.

Q. Did you get something for telling them that? A. No.

Q. You mean that you went to these men and like a big, public-hearted citizen, you told them where they could find the trunk? A. Yes.

Q. How did you know about that trunk? A. Somebody told me.

Q. Who? A. I don't remember. I knew a man was selling it there.

Dewey let it go at that, and swung into a new line of questioning.

Lucky had denied knowing any of the defendants save "Little Davis" Betillo, an acquaintance for about 10 years.

Q. Wasn't Betillo working for five years in Chicago with Al Capone? A. No.

There were loud objections to this question. When Justice McCook permitted it to stand the defense lawyers demanded a mistrial, as they frequently had before during the day. Their motion was denied.

Denies Knowing Capone

Q. You were fairly well acquainted with Capone, weren't you? A. No.

Q. Weren't you a great friend of his? A. No.

Q. Before he moved away from here didn't you have a conversation with him about Betillo? A. No such a thing.

Q. Didn't Tommy Bull (another defendant) live in your neighborhood as a child and young man for 30 years? A. I don't know him and never heard of him.

Dewey stressed the fact that a bootlegging partner of Lucky's, a man known as J. Manfredi, was convicted of receiving stolen goods at about the time of the partnership. Lucky finally admitted he had been held as a material witness in the case, but did not testify because he did not know anything about what his partner had been doing.

Then the prosecutor tried to show that Lucky himself was a "fence," but Lucky denied that.

When his attorney took him through his direct examination, there was just a 20-minute account of the good and bad spots of his life—the good ones being emphasized when they were a matter of record.

Then came Dewey.

Q. You were arrested for selling narcotics when you were 18?

A.

How long had you been

peddling dope when you were arrested? A. Three times.

Q. How many sales did you make in that time? A. I don't remember.

Q. Was it about 50? A. Maybe.

Q. From whom did you buy this dope? A. I don't remember.

Q. Where were you arrested? A. I was selling to a dope fiend on 14th st.

Q. Did you stand trial? A. I don't know.

Q. Well, you pleaded not guilty didn't you? A. Yes.

Q. And you were guilty? A. Yes.

Q. How did you find out from whom to buy? A. Somebody told me.

Q. Did you know lots of dope addicts to sell to? A. Well, I could tell them when I saw them, just by looking at them.

Q. How much did you buy? A. An eighth of a bottle.

Q. And then how much after you sold that? A. About the same.

Q. What did you do during the war? A. I was too small to get in the army.

Q. Too small? A. I mean I was too young. My class hadn't been called.

Q. How old were you? A. 20 or 21.

Q. Then you began running floating crap games? A. Yes.

Q. What else were you doing? A. That was my life.

Q. When did you start making book? A. About 1935.

Q. You were never for one minute legitimated, employed from the time you left jail for selling dope until 1937. A. Never.

Q. From 1935 to 1936 did you stop selling but run crap games and make books? A. Yes.

Q. Nothing at all? A. No.

Q. Didn't you run a restaurant? A. Oh, yes, I remember now, I had an interest in a restaurant for about six months in 1938.

Q. And didn't you do some bootlegging? A. Yes, for 18 months or so.

The Luciano defense in the morning session took a more or less desperate chance to refute the testimony of Mildred Harris, one of the three women who actually named Lucky as a part of the combination, when they brought Gus Franko, 29, to the stand. He is a dope addict, once convicted of peddling narcotics, who admitted to living with Mildred for 18 months.

On direct examination he branded Mildred a liar when he denied he had threatened her after her arrest as a material witness if she dared testify against Luciano. That was a bombshell the defense dropped, but it failed to explode with a damaging detonation after Dewey started ripping into the witness on cross-examination.

'STEPDOWN'

*The Waldorf Was Never
Like This*



CHARLES 'LUCKY' LUCIANO ARRIVES AT COURT IN MANAC
He Is Shown Stepping Out of Prison Van for Rough Session with De

Vice Case Ends: State Accused As Liquor Host

Defense for Luciano and 8
Others Police Took Star
Witness on Drinking Bout

Slated to Sum Up Today

Jury Is Expected to Go
Out by Late Tomorrow

After an acrimonious, last-minute battle during which counsel defending Charles Luciano and eight others in Supreme Court against charges of compulsory prostitution accused Thomas E. Dewey, special racket prosecutor, and his assistants of taking extreme liberties in handling state witnesses, both sides rested at 3:47 p. m. yesterday, the twenty-first day of the trial.

Two of the seven defense lawyers completed their summations before Justice Philip J. McCook and a blue ribbon jury prior to the 7 o'clock adjournment. The first of the two sounded off with a warning that "Mr. Dewey expects to be Governor of the State of New York" and that the jurors should not help to nominate him by finding the defendants guilty.

The remaining defense counsel estimated that they would need another seven or eight hours to sum up, with George Morton Levy, representing Luciano, probably coming to the fore late this afternoon to plead for three hours and so close the case as far as his side is concerned.

Jury May Get Case Tomorrow

Mr. Dewey told the court that he probably would require less than five hours for his summation and it is expected that he will address the jury tomorrow morning. He probably will be followed later in the day by Justice McCook's charge to the jury which, according to these calculations, will receive the case in the afternoon.

...and complicated, sordid case against Luciano and his alleged functionaries in the operation of a syndicate came to a close, the witness brought forward to the stand Pauline George Heidt, who gave a spiley account of the amounts of brandy consumed at state expense by Mrs. Mildred Ballizer (alias Harris), a madam and one of Mr. Dewey's most helpful witnesses.

Mrs. Ballizer testified that she went to Leon and Eddie's night club for a few drinks early one morning in the company of Heidt and Sol Gelb, an assistant to Mr. Dewey. She said her nerves had been shattered because on the preceding afternoon, while she was on her way to be questioned at Mr. Dewey's office, her former sweetheart, Gus France, stopped her in the street and threatened her with death if she should testify against Luciano, she said.

Heidt said he had accompanied Mrs. Ballizer to Mr. Dewey's offices on the day in question and he could recall no one's stopping to talk with her on the sidewalk. He recalled leaving the office for home with the witness and Mr. Gelb at 2:30 a. m. On the way uptown, he said, Mrs. Ballizer said she wanted a drink. They went to Leon and Eddie's.

"Mildred had quite a few drinks," Mr. Levy asked. Heidt said that she did and that she ordered brandies while he had beer.

"And she got up and danced?" "Well, she just got on the floor when the orchestra stopped."

"Somewhat" Drunk

Mr. Levy asked whether Mrs. Ballizer was "pretty well drunk" when the group left the resort at 3 a. m., and Heidt replied, "Somewhat." Then, the witness said, they went across the street to the Dixie Club and remained there until 4 a. m., when the bar closed. Inquiring concerning instructions given to Heidt on the treatment of the woman witnesses in his care, Mr. Levy asked: "Was Mrs. Ballizer permitted to drink all she wanted?"

The patrolman replied, "Not quite as much as she wanted." He said that sometimes she had only two or three drinks at a restaurant, but he had seen her take as many as twelve or fourteen brandies at a sitting.

Then Mr. Levy asked about Mrs. Ballizer's sobriety on her visits to Mr. Dewey's headquarters in the Woolworth Building.

"I always took her in there sober," Heidt said, cautiously.

"How about coming out?" Mr. Levy demanded. The patrolman appeared flustered, and the lawyer pressed on. "What are you hesitating about, Mr. Heidt?"

"Speak up, speak up, officer," Mr. Dewey ordered. "It's your business."

"Sometimes Intoxicated"

"Well," the patrolman said, "sometimes she was slightly intoxicated." He added that once he heard Mrs. Ballizer ask Peggy Weil, another woman held with her as a material witness, "if that bum eye of Luciano's was glass." He also had heard Mrs. Ballizer, who, on the stand had professed to know Luciano, ask Mrs. Weil "how tall he (Luciano) was."

Mr. Dewey elicited from Heidt the information that he had been "hawled

out" by Mr. Weit for letting Mrs. Ballizer have as many drinks as he

Mr. Levy also called his colleague, Samuel Siegel, counsel to the defendant Jimmie Frederico, to testify that "Cokey Flo" Brown, another star witness for the state, came to his office before the trial to see whether she could help his client, who also was her sweetheart.

As a witness for Mr. Dewey, "Cokey Flo" had said that she met Luciano often in the company of Frederico and that together they plotted to enlarge the activities of the vice syndicates. Mr. Siegel swore, however, that she told him in his office that she had never seen Luciano and had no idea how he happened to be connected with the case.

Mr. Dewey recalled a defense witness, Joseph Barth, who testified on Wednesday that as superintendent of an apartment house at 75 Seventh Street he had seen no sign of a raid on a disorderly house which the state contends was made there. Miss Geary, a madam and prosecution witness, swore early in the trial that her establishment at that address had been torn apart by a gang headed by the defendant Abraham Wahrman after she refused to pay \$10 a week to the syndicates.

Perjury Charge Falls

David Siegel, counsel to Wahrman, sought unsuccessfully to have Barth arrested for perjury when Mr. Dewey brought him back to the stand yesterday morning to testify that he had been mistaken, and that Miss Geary did tell him that some men had smashed up her place. Barth said that he had been questioned all night by Mr. Dewey's assistants and that he wanted to correct his testimony after discussing the matter with Miss Geary.

Cesar B. F. Barra, counsel to David Bettilo and Thomas Pannochio, was the first to sum up. Mr. Dewey interrupted his monologue about the prosecutor's chances of becoming Governor by calling them "preposterous," but Mr. Barra insisted he had a right to mention the matter because one of the witnesses had testified he had heard the subject discussed in Mr. Dewey's office.

Mr. Barra accused the prosecution of being "actuated by ulterior motives" and said "they've got to justify the expenditure of large sums of money." He ridiculed the prosecu-

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NEW YORK OFFICE

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den of prostitutes, madams and
hookers of women placed upon the
stand by Mr. Dewey.

The lawyer dwelt at length on the
case of Peter Baltzer, who told Mr.
Dewey that he had lied after leaving
the stand. He chided the prosecutor
for failing to bring Baltzer's perjury
to the attention of the court until
witnesses had been produced by the
defense to prove the man had lied.

Cites Ethics of Bar

"I always understood it to be ac-
cording to the best ethics of the
American bar that when a lawyer
learns that his witness has conducted
willful perjury it is the duty of that
advocate to call it to the attention
of the court, and I have known of
the disbarment of a lawyer because
he retained that information," he re-
marked.

Mr. Barra said he was resting his
case on that of the state, because
testimony against his clients had been
given by persons whose lips are
seared with perjury. He added, "I
never would believe Mr. Dewey is so
dumb as to swallow hook, line and
sinker the propositions that these
procurers made to him."

David Paley summed up for the
defendant Benny Spiller, saying that
only one witness, a prostitute, had
directly involved his client with the
syndicate. He expressed the belief
that Spiller had been introduced
simply so that the woman could ap-
pear and name Luciano and other
more important defendants.

VICE DEFENSE MAILS DEWEY IN BITTER PLEA

**Counsel for Liguori Tells
Jury Prosecutor Is
Egoistic Actor.**

SEES 'MOUNTAIN OF PERJURY'

**Pictures Own Client as 'Clean
Young Man'—Luciano's
Summation Last.**

Lorenzo P. Carlino loosed a bitter attack on Special Prosecutor Thomas E. Dewey today in summing up for Ralph Liguori, one of the eight men on trial with Charles Luciano for compulsory prostitution before Supreme Court Justice Philip J. McCook and a blue-ribbon jury.

Terming the prosecutor "an immature young boy," Mr. Carlino called him "the greatest actor I have ever seen" and accused Mr. Dewey of stage-managing the vice trial to reflect his own egoistic personality.

Counsel went further than that. He charged Mr. Dewey with suppressing evidence favorable to the nine defendants, and of unethical tactics.

"By promising freedom and clemency to the prostitutes, madams and bookers who have testified for him," shouted Mr. Carlino, "he has looked the rebirth of the prostitution racket in the city of New York."

Counsel called the State's evidence a "mountain of perjury" and declared that Mr. Dewey would not dare fail to keep his promises to the witnesses, because if he failed to prosecute them they would play the part they had been compelled to play "in the frame-up of these defendants."

He proved himself to be no actor. After shouting and whispering his denials away across the jury-rail, backed away and shook his finger at the prosecutor, imitating Mr. Dewey's mannerisms and tones and accusing him of "having consumed thousands of glasses of water" as part of his "act."

Mr. Carlino sneered at Mr. Dewey's smoothness, his perfect balance and poise, his perfect command of the English language, and recalled how often "this supreme, superb actor" had turned "to smile and smirk at the audience."

"It was a great performance," Mr. Carlino scoffed, "and I enjoyed it."

He charged that in Mr. Dewey's "supreme ego and vanity" lay the solution to the "persecution of Ralph Liguori," and that the prosecutor had "conceived a vicious desire to convict Liguori because his pride had been hurt."

While his counsel pleaded with the jury, Liguori, alleged by Mr. Dewey to have been the strong-arm man for the vice combination, put on a little act of his own. He sat like a Raphaelite angel, a hurt look on his face, handkerchief held close to his mouth, a picture of injured innocence.

Liguori, Mr. Carlino shouted, had been persecuted in addition to being prosecuted because he refused "to become part and parcel of a frame-up." He called his client a "clean young man" who had no previous criminal record, and characterized the defendant's mother as "a dear, old white-haired lady" and his sister as "a simple working girl."

He repeated Liguori's accusation from the witness stand that Nancy Presser tried to get him to testify against Luciano, and then charged that she had heaped upon him "the anger of a woman scorned" because of his refusal.

He said Miss Presser had told Liguori that they would both be freed and given a trip to Europe at the State's expense, but Liguori refused to perjure himself. Balked by Liguori's refusal, Mr. Carlino said, the prosecution decided to make him a defendant "because they knew that if he testified as a defense witness he would have thrown a bombshell into this courtroom."

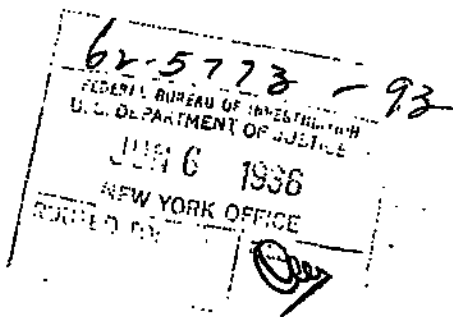
He demanded, his voice shaking with indignation, why Mr. Dewey's assistants were not put on the stand to refute Liguori's charges of intimidation.

Luciano Summation Last.

"Dewey will try to laugh that off," Mr. Carlino screamed. "But he can't laugh it off, not if he's the greatest actor the world has ever seen."

Repeatedly he referred to Mr. Dewey as "the distinguished special prosecutor," asking the jury to consider the "danger of entrusting tremendous powers to a young man who doesn't know how to use them."

James D. C. Murray made a moderate plea in behalf of the two bondsmen, Jesse Jacobs and Meyer Berkman, who have figured least in the testimony. It was unnece-



he said quietly, to review the evidence against Berkman, whose status in the West Tenth street bonding office was that of errand boy. Berkman, Mr. Murray said, was an insignificant figure "who would have been thrown out of the Waldorf-Astoria as a vagrant" had he called there to see Luciano, as one witness testified.

Pleading for Jacobs, Mr. Murray pointed out that no one can be accused of accepting the proceeds of compulsory prostitution if a consideration is given. The consideration Jacobs gave, he said, was his services as a bondsman. He likened Jacobs to Dr. Seligman, whose name was mentioned repeatedly in the evidence as having treated prostitutes for a \$5 weekly fee, but who was not indicted. Seligman, counsel said, gave a consideration, and so did Jacobs.

Counsel Renounces Al Weiner.

Touching upon the charge that Jacobs himself had an interest in a house of prostitution, Mr. Murray said that Al Weiner, son of Jack-Eyed Al Weiner, testified to that, and Weiner, counsel said, was "the most applicable of all the witnesses."

Mr. Murray continued the argument for obtaining a guilty plea of Weiner, Dave Harris, Jack Miller and Dave Marcus and said he hoped they would be sent to jail. But he contended that after the bookers of women had pleaded guilty, the State's case was finished. Berkman, an insignificant man as Mr. Murray described him, sat with the same white impassive expression he has worn throughout the trial. Jacobs kept his eyes downcast, blinking quickly when Mr. Murray referred to his wife, who testified for him, as "a sweet-faced woman" who had known that her husband was a bondsman for fourteen years.

"Of course there is vice in New York," said Mr. Murray, "and by this time the nation is probably convinced that New York is a good place to keep their womenfolk away from, that, should they come here, some ghostly hand will reach out and grab them into a den of vice."

Other Counsel Summing Up.

But he went on to show that by their own admission, the prostitutes who took the stand all came here from other cities, and that they were "full-fledged fallen women," often in their teens, before they reached New York.

After the noon recess, Samuel Siegel began summing up for James Frederico. He was to be followed by David P. Siegel for Abraham Wahrman, and George M. Levy for Luciano.

Justice McCook indicated that he would hold court to a late hour if necessary, in order to complete the defense's summations. Mr. Dewey will sum up tomorrow, and the case will then be given to the jury after the judge's charge.

Vice Trial Defense Hits Dewey Vanity

The defense at the trial of Charles (Lucky) Luciano and eight co-defendants plunged into the second day of summations today with a blistering attack on Special Prosecutor Dewey.

Charging that the taxpayers' money has been "dissipated in narcotics, brandy and so forth" for State's witnesses Lorenzo Carlino, counsel for Ralph Liguori, scoffed at Dewey as "a man of supreme ego and enormous vanity."

Said counsel:

"Mr. Dewey sits and smirks at the press table. Mr. Dewey moves gracefully. He performs in front of you like some fine snake—some beautiful cobra."

Mr. Carlino then pranced in front of the jury box.

RIDICULES CHARGE.

He ridiculed Dewey's charge that Liguori was the "stick-up man" for the vice combine, stressing that Liguori is but 5 feet 2.

"The reason my client is being persecuted as well as prosecuted is because he refused to become part and parcel of a frame-up against these other defendants, or some of them," Carlino charged.

He criticized the prosecutor for holding Liguori incommunicado for three days after his arrest while they tried to "provoke" him into turning State's evidence.

Taking up the testimony of Nancy Presser, who was Liguori's

sweetheart, the lawyer said, the public might ask:

"Why didn't he marry her?"

Carlino got around that one replying:

"Well, he was married already and had a child."

He accused Nancy of trying "with her women's wiles," to induce Liguori to "lie for the prosecutor. When she refused she 'turn' against him, for 'hell hath no fury like a woman scorned.'"

REFUSED TO TESTIFY.

The lawyer charged that when Liguori refused to turn State's evidence "there was nothing for them to do but make him one of the defendants."

"If Ralph Liguori had been a party to their nefarious schemes, what a perfect picture Mr. Dewey would have had. He wouldn't have needed to put on the stand Cockey Flo and Mildred, Baltzer and Joe Bendix—Joe Bendix who was the biggest mistake Mr. Dewey ever had in a court room."

"Mr. Dewey is the lawyer for all the people of the State of New York, but he has been guilty of suppressing evidence in this case. He refused to have the grand jury minutes brought into court."

"He concealed the Joe Bendix letters for two weeks; he declined to bring back Dave Miller into the courtroom to change his testimony after he caught him in perjury."

NEW YORK BUSINESS

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FEDERAL BUREAU OF INVESTIGATION
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Sec. 1 21114

ORDERS QUIZ OF COP WHO AIDED LUCKY IN COURT

By TED PRAGER.

An investigation of the cop who testified in Lucky Luciano's defense at the gangster's vice trial has been ordered by Police Commissioner Valentine, according to a high official in the department last night.

The Commissioner refused to comment, but The News learned on good authority that an intensive inquiry into the cop's background and previous connections was ordered immediately after he gave his testimony last Thursday.

Former Broadway Detective.

He is Patrolman George Heidt, former Broadway detective, and recently assigned to Special Prosecutor Dewey's staff.

One phase of Commissioner Valentine's investigation will seek to determine who had Heidt appointed to this important post.

Heidt's testimony was considered highly damaging to the State's case. Assigned to protect Dewey's flock of ladies-of-the-evening from possible molestation by Luciano's plug-uglies, the patrolman related that he has escorted a star girl witness to the prosecutor's office while she was sober and later escorted her away drunk.

Night Clubs for Witnesses.

Heidt also testified that all the courtesans in his care, who took the stand against Luciano and his nine co-adventurers, charged with compulsory prostitution, were entertained in night clubs.

NEW YORK TIMES

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Cop Faces Quiz By Valentine on Vice Case Spree

Commissioner Objects to Patrolman Getting Woman Witness Drunk

Commissioner Valentine today asked for a complete transcript of the testimony of Patrolman George Heldt, guardian of a material witness in the vice trial of Charles (Lucky) Lucania, as a preface to a Police Department investigation into the defense accusation that one of Special Prosecutor Thomas E. Dewey's assistants had allowed State's witnesses to get drunk.

The investigation grew out of Patrolman Heldt's statements on the stand last Thursday that he accompanied Mrs. Mildred Harris, star witness for the prosecution, to two night clubs during which time, the policeman said, she became "somewhat drunk."

Mr. Valentine said, in asking for the transcript, that he did not mind how prosecutors treated their witnesses, but he disliked the idea of their being assisted in such treatment by policeman.

Jury to Get Case Today

The vice trial was expected to go to the jury late today after summation by Special Prosecutor Dewey. The latter began with the opening of court this morning and was to be continued to five o'clock, after which Supreme Court Justice Philip J. McCook was expected to make his charge.

The summation for the defense

was completed late last night after a 24-hour day in which counsel for Lucania and his cohorts, in a burst of forensic fireworks, turned the special prosecutor a "Boy Scout," a legalizer of prostitution in New York and a "David in khaki shorts, set out to slay Goliath."

Jorenzo Carlino, fiery counsel for Ralph Liguori, Bath Beach butcher boy and alleged strong arm man for the Lucania organization, was the principal attacker of Mr. Dewey. In granting immunity to the prostitutes and disorderly house operators used as State's witnesses, Carlino charged that the prosecution had "degraded and vilified the sacred oath on the holy Bible," and in so doing had legalized prostitution.

Cites Defendant's Looks

Carlino further charged that no member of the Dewey staff dared to take the stand in the vice trial "lest he commit perjury."

James D. C. Murray, counsel for Jesse Jacobs and Meyer Berkman, said to have been the organization's mondamen, was considerably more restrained in his defense, citing Berkman's unprepossessing appearance as adequate evidence against the charge that he conferred with Lucania, who is also known as Luciano, in his apartment in the Waldorf.

"If Berkman went into that hotel," Murray said, "they would have thrown him out on his nondescript looks."

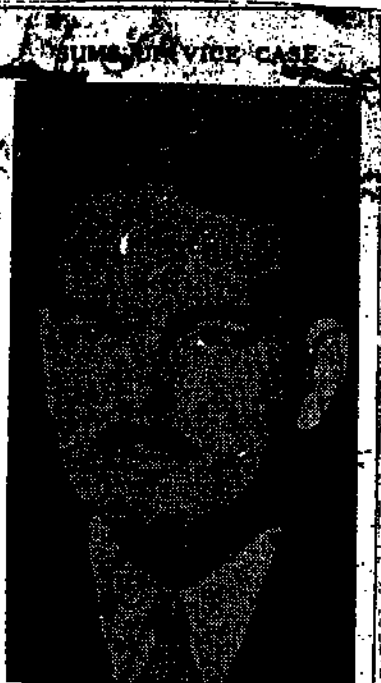
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ROUTED TO

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Thomas E. Dewey.

DEWEY TO SUM UP VICE CASE TODAY

**Jury Expected to Begin
Deliberations by Night.**

Special Prosecutor Thomas E. Dewey was expected to take nearly five hours today in summing up the State's case against Charles (Lucky) Luciano and eight other defendants on trial before Supreme Court Justice Philip J. McCook on charges of compulsory prostitution.

The prosecutor's summation of his attempt to prove the nine men were leaders of a \$12,000,000 a year vice ring will be followed by Justice McCook's charge to the blue ribbon jury, which has heard 150,000 words of testimony or more in the four weeks of the trial. The justice's charge should be concluded in time to give the case to

the jury late this afternoon, according to present plans.

Defendants are Luciano and Thomas Fannochio, David Belmo, Jesse Jacobs, Meyer Berkman, Abe Wahrman, Ralph Liguori, Benny Spiller and James Frederico.

In summation, counsel for the defense presented to the jury pictures of the innocence of their clients and attacked the prosecutor for the methods he employed in his conduct of the case, saying that he had been duped by witnesses who sought to win immunity by testifying falsely.

Meanwhile, Police Commissioner Lewis J. Valentine was investigating the manner of the guarding of more than a hundred women held as material witnesses, as a result of testimony given by Patrolman George H. H. The patrolman said that a witness in his charge had been taken to a night club and provided with liquor.

NEW YORK

JUN 6 1936

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JUN 6 1936

NEW YORK OFFICE

Sec. 1

Stubborn Vice Witness Loses Appeal at Albany

Court of Appeals Holds Finkel in Contempt; 30-Day Term

Special to the Herald Tribune

ALBANY, June 5.—Abraham Finkel, New York restaurant proprietor who was summoned by Thomas E. Dewey, special prosecutor, to testify before the extraordinary grand jury in the investigation of vice and rackets, lost in the Court of Appeals today an appeal by which he sought to escape a thirty-day sentence for contempt of court for failing to give satisfactory answers.

Justice Philip J. McCook, who is conducting the extraordinary term of Supreme Court in the vice and racket inquiry, adjudged Finkel in contempt and imposed the thirty-day sentence. Today's decision unanimously upheld him. There was no opinion.

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FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE	
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NEW YORK OFFICE	
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Sec. 1	

Dewey Duped By Witnesses. Jury Is Told

Luciano Lawyer Says Prosecutor Accepted Tales
Child Could See Through

Second Charges Perjury

Panel to Get Vice Case After
State Summary Today

George Morton Levy, counsel for Charles Luciano, asserted in his summation to a blue ribbon jury in Supreme Court last night that his client had been implicated as head of a huge vice syndicate because Thomas E. Dewey, special racket prosecutor, had accepted the stories of self-seeking witnesses which "a twelve-year-old schoolboy could have seen through."

Luciano's lawyer, who was last to sum up in the defense of his client and eight others on charges of compulsory prostitution, was mild in his comments on the tactics of Mr. Dewey and his assistants in contrast to some of the counsel who preceded him. Lorenzo C. Carlino, representing Ralph Liguori, the only man on trial to take the stand in his own defense with the exception of Luciano, openly charged that the prosecution had framed the case by suborning perjury. He characterized Mr. Dewey as "a man of supreme ego and enormous vanity."

Mr. Dewey will sum up for the state this morning and probably will require five hours to complete the task. Justice Philip J. McCook is expected to charge the jury this afternoon, as the fourth week of the trial comes to a close. There were 1,800,000 words of testimony taken.

See Case Based on "Atmosphere"
Mr. Levy admitted candidly that Luciano had lived years ago when applying for a pistol permit, and that his past had not been spotless. But he denied blurring that his client ever had been involved in prostitution racket, and he insisted that Mr. Dewey had substituted "atmosphere" for fact to prove the point.

Luciano did not have to take the stand and "expose himself to every art and herb of the learned prosecutor," Mr. Levy remarked.

"Luciano knew that every act of his life would be disclosed, yet he took the witness stand," the lawyer continued. "The case for the prosecution is unreliable and unstable, and you men on the jury cannot possibly find a verdict for the state on the evidence."

"I predict that 80 per cent of Mr. Dewey's summation will be atmosphere. I want you to consider Luciano as a human being and not a wild animal. Give this poor man the benefit of the doubt. He wanted to elevate himself and of late years has been associating with the better element at the racetracks, and with prostitutes and procurers."

Mr. Levy made a particular issue of the testimony submitted by Joe Bendix, a confirmed hotel thief, who hoped that by acting as a witness for Mr. Dewey he might have some time lopped off the fifteen-year-to-life term he is now serving in Sing Sing. Bendix swore Luciano had offered him a \$40-a-week job as a collector in disorderly houses, and Mr. Levy observed in passing that such personal contact with hirelings scarcely fitted in with Mr. Dewey's picture of the underworld boss sitting aloof in his Waldorf-Astoria suite far from the maddling underworld crowd.

The special racket prosecutor should be called Thomas Belasco Dewey, in Mr. Levy's expressed opinion. The attorney charged that the witnesses who had dragged Luciano into the case were "rehearsed" before they gave their testimony by Mr. Dewey's "ambitious young assistants."

"I don't accuse Tom Dewey of deliberately suborning any witness," Mr. Levy said. "They would be dishonest. But he didn't have to do that. He was dealing with a class of people only too eager to find out what he wanted them to say."

Liquor for Witness Cited

Mr. Levy rolled his tongue as he described "the great indignation" with which Mr. Dewey rose to his feet to exclaim, "How disgusting!" when defense counsel first hinted that Mrs. Mildred Baltzer, one of the state's witnesses against Luciano, had been taken to Leon and Eddie's night club by one of the prosecutor's assistants.

On Thursday Patrolman George Hiedt testified that he had taken Mrs. Baltzer to Leon and Eddie's late at night in the company of Sol Gelb, an assistant to Mr. Dewey. Mr. Dewey sought to explain that the woman had been nervous on the night in question and had needed a drink after leaving his office.

Regardless of how Mr. Dewey might feel about it, Police Commissioner Lewis J. Valentine was furious yesterday when Patrolman Hiedt's testimony was brought to his attention. He demanded a transcript of the patrolman's sworn words at the trial and promised thorough investigation. The Commissioner indicated that it was no concern of his if Mr. Dewey chose to condone such treatment of witnesses, but that the procedure certainly did not conform to his ideas of running the Police Department.

Mr. Levy was especially caustic in remarking that "Mr. Dewey's little drama has changed" as the trial progressed. He recalled that in his opening to the jury Mr. Dewey promised he would prove that Luciano had told the defendant to "straighten out" a recalcitrant madam who would not pay tribute to the syndicate, and that the mob had worked so efficiently that the woman had to be taken to a hospital. No witness had ever testified to that episode, Mr. Levy observed, suggesting that "no actor could be found to play that part."

Nor could Mr. Levy find in the record, he said, testimony substantiating Mr. Dewey's claim that he would prove that Luciano had stalked into a downtown dive one night and said to the mob, "You guys are through; I'm giving this business to Little Davis (David Betillo, a defendant)."

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See. 1

Luciano and 8 Guilty on All 62 Counts in Vice Racket

Jury Returns Verdict at
Dawn on Sunday After
5½ Hours' Deliberation
and Only Two Ballots

Nine May Get Life
Terms on June 17

Dewey Calls Sweeping
Victory 1st Felony Blow
at Top-Rank Racketeers
Dealt in a State Court

Charles Luciano and his eight co-defendants were found guilty on every one of the sixty-two counts in an indictment charging compulsory prostitution by a blue ribbon jury which straggled into a dawn-lit Supreme Court room at 5:25 a. m. yesterday to deliver its verdict to Justice Philip J. McCook after five and one half hours of deliberation.

The sweeping decision was an overwhelming victory for Thomas E. Dewey, special rackets prosecutor, who thus brought down the biggest game of the underworld for which he has been gunning since he was elected by Governor Herbert H. Lehman last June to clean up Manhattan. Luciano and his underlings were trapped as the manipulators of a huge vice syndicate, but Dewey said, was only one of their many lucrative rackets.

Life sentences, June 17, possible by the trial, which Justice McCook pushed relentlessly through night and day sessions during four weeks. Mr. Dewey remarked that to the best of his recollection the verdict marked the first felony conviction of a top rank racketeer in a state court. Other big shots, Al Capone, for example, he said, had been put behind bars, it was true, but it had required the intervention of the Federal government to do it and then upon the comparatively innocuous charge in income-tax evasion.

Justice McCook is expected to sentence the nine guilty men on June 17. Each separate count in the indictment is a felony, and on each felony the minimum sentence that can be imposed is two years and the maximum is twenty. While the Justice may, at his discretion, rule that the individual sentences shall be served concurrently, it also is plain that he has it within his power to send Luciano and his confederates away for life.

Mr. Dewey said he would make no recommendation concerning the sentences for the convicted men and would leave the matter entirely up to Justice McCook.

It is regarded as certain that the defense will appeal the case, and the action will be followed with unusual interest because one of the chief complaints of Luciano's lawyers is expected to be the constitutional status of the law under which the nine men were tried. This law, a new one, permits several defendants to be tried together on an indictment charging numerous crimes committed by one or more of them in various places and at various times.

Fifty Policemen on Guard

The courtroom, which under Justice McCook's direction, had been neat and orderly throughout the trial, became disordered during the long night as lawyers, relatives and associates of the defendants, and newspaper men waited in suspense that was at once monotonous and exciting. Fifty uniformed police were on hand all night to prevent any desperate last-minute attempt that confederates might make to wrest the prisoners from the authorities.

Although the jurors announced they had reached a verdict just before 5 o'clock, it was not until 8:15—when the sunlight was bright outside on Foley Square—that Justice McCook finally discharged the panel. In the first place, the Justice himself was sleeping in his office upstairs, and he had to be roused to dress. In the second place, even after court had been reconvened, it required forty-four minutes for Edwin Adair, foreman of the jury, to read his full reply

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Luciano Guilty With 8 on All 62 Vice Counts

(Continued from page one)

Involving every defendant in every count.

The Eight Convicted with Luciano

Convicted with Luciano were:

DAVID BETILLO, twenty-eight years old, a hawk-nosed, pale and surly youth who served Luciano as chief lieutenant under the name of Little Dave.

THOMAS PENNOCHIO, forty-four, a husky, swarthy, bullet-headed man, known as Tommy the Bull, who acted as treasurer of Luciano's vice syndicate.

ABRAHAM WAHRMAN, twenty-two, a chubby, pink-faced young man whose lawyer made much of his apparently guileless expression, and who, as Little Abe, served as Luciano's go-between in dealing with the lower mania in the racket.

JAMES FREDERICO, thirty-five, a dark, low-browed man with a receding forehead and a plug-ugly scowl, who used the name Jimmie Fredricks in working for Luciano as general manager of the syndicate.

BENJAMIN SPILLER, thirty-eight, a lean-and-lanky man who does not look his age and who became involved with Luciano's combination by investing money in it.

RALPH LIGUORI, thirty, a truculent, stocky tough man who made his sweetheart support him by working as a prostitute and who served Luciano by sticking up brothels which refused to pay tribute. Liguori's only other claim to fame was that he took the witness stand in his own defense as did none of the others except Luciano.

JAMES JACOBS, thirty-five, a clean-shaven, reputable looking man who bailed out prostitutes when they were arrested while working for the syndicate although he had no license to practice that profession.

MATTHEW HERKMAN, forty-five probably the saddest Little Runt ever to be linked up with a big-time gang. He was Jacobs' office boy, and not even the prosecution would have been greatly grieved if the bewildered, sunken-cheeked man had been acquitted.

Luciano heard the verdict with a calm that appeared almost contemptuous. He had done so much of the same thing during the trial, he reached his chin to the palm of his hand and stared straight ahead of him while the foreman read his "guilty, guilty, guilty" monologue. The other defendants glowered with hate, except

Little Barkman, who just looked scared stiff.

It was learned that the jury stood eleven to one for the conviction of Luciano on the first ballot and that only one more vote was taken. The intervening hours were passed in study of the details of each count, a tedious process judging from the pace taken throughout the trial by the conscientious jurors, four of whom kept a record of the proceedings on pads of note paper.

The one juror who did not wish to convict Luciano on the first ballot was believed by courtroom spectators to be Judge Martin Moses, a testifier of foreign languages, who was seen weeping unashamed while Mr. Adorer read the verdict.

Standing beside Justice McCook Mr. Dewey congratulated the jurors and then departed with his assistants and a police escort. The jury, too, left under guard. The convicted men, a bedraggled looking crew after passing the night lying on newspapers, were taken to the police van at 8:30 a. m. to return to jail until they are sentenced.

Justice McCook turned the sensational case—guilt by Mr. Dewey almost entirely upon the testimony of self-seeking prostitutes, madams and thugs—over to the jury at 9:31 Saturday night, but the twelve men went out and dined before commencing their deliberations. They settled down to their task at 10:50 p. m. There was no suggestion of looking the jury up for the night, and the panel, which had been under guard night and day since the opening of the trial on May 11, realized that they could not return to the hotel until a decision was reached.

Mayor Highly Pleased

Mayor F. E. LaGuardia, upon hearing the verdict late yesterday, said he was highly pleased. There were many, however, among those who had tried to sleep on the marble floors in the corridor of the court building who, as friends of the defendants, felt differently.

Another person who was sorely disappointed by the verdict was George Morton Levy, counsel for Luciano, whose three-hour summation on Friday made the case look somewhat doubtful. The consensus was that Mr. Dewey's five-hour summation clinched the verdict. Mr. Levy, his face flushed, had no statement to make in reply to the decision of the jury.

Mr. Dewey would say nothing at the time the verdict was announced. The thirty-four-year-old prosecutor went to his home at 1148 Fifth Avenue where, after a few hours of untroubled sleep, he received reporters during the afternoon. He made the following statement:

"This, of course, was not a vice trial. It was a racket prosecution. The control of all organized prostitution in New York by the convicted defendants was one of their lesser

rackets. The four bookers of women who pleaded guilty were underlings. The prostitution racket was merely the vehicle by which these men were convicted.

"It is my understanding that certain of the top-ranking defendants in this case, together with other criminals under Luciano, have gradually absorbed control of the narcotic, policy, loan shark and Italian lottery syndicates, the receipt of stolen goods and certain industrial rackets.

"While this is the first felony conviction with which I am familiar of any top-rank racketeer in a state court, it is in no sense a personal victory. The men who prepared this case through months of grueling hard work and who presented more than half of the evidence to the jury are responsible for the conviction.

Praises Work of Assistants

"This verdict is the result of the magnificent work of Barant Ten Eyck and Jacob J. Rosenblum, both chief assistants, and of my assistants, Sol Gelb, Eunice E. Carter, Frank S. Hogan, Harry M. Cole, Charles F. Grimes, Stanley H. Fuld and Charles D. Breitell. Their ability, loyalty and the heavy sacrifices they made during five months of night and day work brought about this result.

"I am also deeply grateful to Detective Captain Bernard Dowd and the devoted efforts of his staff assigned by Commissioner Valentine. These men have worked on this case for many months, most of them sixteen and eighteen hours a day and on a number of occasions as long as sixty hours without sleep. I cannot adequately express my gratitude for their devotion and hard work.

"I also wish to express my admiration and appreciation for the co-operation of David Marcus, Deputy Commissioner of Correction. The handling of more than 130 prisoners, including 120 material witnesses in the various jails in this city has been a major problem calling for almost daily conferences with Commissioner Marcus and for most extraordinary co-operation on his part. This he has given in unstinted measure, and without his help this case would not

have been brought to a successful conclusion.

The four men referred to by Mr. Dewey, pleading guilty were bookers of women and, as such, the lowest in rank on his list of defendants. Three of them, Peter Balitzer, Al Weiner and David Marcus, turned state's evidence at the opening of the trial, and the fourth, Jack Elmsstein, abandoned all hope on the day the State rested its case.

Some idea of the eminence which the convicted men held in the underworld can be derived from the fact that Al Weiner's father, Cockeyed Louis, and Nick Montana were simple bookers of women, yet it was page one news when they were sent to jail.

Witnesses Likely Free Soon

The droves of material witnesses whom Mr. Dewey has kept under lock and key since their arrest in raids on February 1, probably will be turned loose this week. Their fees alone will cost the State about \$38,000.

Mr. Dewey would not reveal the probable course that his racket investigation would take now that it has gotten off to such a spectacularly successful start. It is known, however, that only seven or eight of his twenty assistants have been working on the Luciano case and that the others are delving into matters which may come soon to public notice.

Mr. Dewey was pleased that he and his assistants succeeded in as many instances as they did in persuading their shady witnesses to violate the first commandment of the underworld — "Thou shalt not squeal." The better part of his case consisted of men and women who finally consented to talk to save themselves from jail sentences.

Work on the Luciano case began last October when Mrs. Carter, representing Mr. Dewey's office, commenced an investigation of the vice racket with the assistance of three detectives. Twenty-six higher-ups or potential witnesses were spotted and arrested on February 1. A few hours later, 100 plain-clothes men, working with sealed orders, raided more than a score of disorderly houses in Manhattan and Brooklyn.

SEES NO RESULT IN VICE INQUIRY

Magistrate Kross Holds Trial a Roman Holiday.

DEPLORES COST OF CASES

She Says There's Always Cash for Political Crusades.

The vice investigation, which resulted in the conviction of Charles (Lucky) Luciano and eight henchmen was a "Roman holiday" that "proved nothing and got nowhere" in solving the problem of prostitution, according to Magistrate Anna M. Kross, who has been sitting in Women's Court.

She asserted in a prepared statement yesterday that Special Prosecutor Thomas E. Dewey's successful prosecution of the leaders of a huge vice syndicate would prove to be as futile as did the Seabury investigation of a few years ago. She described both as "politically inspired" and deplored the expense of conducting them.

"A million dollars went for the Seabury investigation only four years ago," she said. "The investigation found a few scapegoats and left a voluminous record to gather dust. But the prostitute continued to ply her calling, the vice squad to track her down, the abster lawyer and bondsmen to wax fat on the fees earned by the disease-ravaged bodies of women. Nothing has changed at all except a few names on the vice squad and in Women's Court."

Sees Institutions Crowded.

"Clinical and hospital facilities for the treatment of venereal diseases are most inadequate; out institutions for the care of the feeble-minded and psychotic are overcrowded. There aren't public funds enough for these things we are told.

"But there seems to be plenty of money available at all times for politically inspired crusades and investigations that prove nothing and get nowhere. The vice crusade has become a regular feature of our civic scene."

The evil of compulsory prostitution, she said, is to be found in the public policy of "trying to solve moral questions by law and the police, trying to handle a social question by criminal-legal procedures."

Holds Court Needs Trial.

"The time has come," she continued, "to put on trial a tenth defendant. This defendant is the Women's Court of New York. The Women's Court must take a large share of the blame for the conditions which have been revealed at vice trials. The bonding-abster lawyer evils, the exploitation of women under promise of protection from arrest, were made possible by this court and the procedures it stands for."

Police Commissioner Valentine's statement that prostitution had been abolished in New York city was scoffed at by Magistrate Kross.

"Let us have the courage," she said, "to face this situation fearlessly. Police Commissioner Valentine said that prostitution had been abolished in New York city. It has not and it won't be. It can not ever be abolished in a society such as ours. The best we can hope for is to maintain public decency, law and order, protect the public health and offer intelligent assistance to those individuals who have been victimized in prostitution."

She said she had made recommendations to Mayor F. H. LaGuardia for a new plan of procedure in prostitution cases, but had never heard from him on the matter.

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JUDGESHIP OFFERED DEWEY AID AS BRIBE IN LUCIANO VICE CASE

**\$250,000 Was Pledged as
Guaranty of Election—
Witness Tempted.**

DEFENSE COST WAS \$250,000

**Appeal Certain After Conviction
of Nine—Prosecutor Will
Bare Business Rackets.**

While Special Prosecutor Thomas E. Dewey turned his attention today to industrial racketeering, following his success in convicting Charles Luciano and eight others for compulsory prostitution, it was learned that one of his assistants was offered a Supreme Court judgeship to sell out to Luciano, and that \$250,000 was promised as a guaranty that the pledge would be fulfilled at the polls this fall.

The offer, it was learned from an unquestionable source, was made in the middle of April, two weeks after Luciano's arrest in Hot Springs, Ark.

Other efforts were made, it is understood, to hamper Mr. Dewey in his prosecution of the vice combination headed by Public Enemy No. 1.

One witness whom Mr. Dewey intended to use was offered \$2,500 and the privilege of running a gambling resort in the Adirondacks, it was learned. The offer was made during the trial, while he was in jail as a material witness, and the money paid over to a relative.

He was not called by the prosecutor to testify, and he is still in jail. He was to have been used to prove a point which the defense accused the prosecutor of not proving.

Outline of Case Sought

It is further understood on reliable authority that two prominent business men approached one of Mr. Dewey's chief assistants and told him that it would be "very useful" if he could furnish a list of the witnesses whom the prosecutor intended to call, and outline the evidence against Luciano. The consideration in this instance was not mentioned.

That Luciano was well able to finance his fight to escape jail is clear from a computation of the money he has spent thus far.

George Morton Levy, whose able defense gave Luciano high hopes of freedom before the case went to the jury late Saturday night, is understood to have received a fee of \$50,000, with the promise of another \$50,000 in the event of an acquittal. Luciano's attorney's also were allowed \$5,000 a week for investigation and other expenses, it is said, and were thus able to send investigators to Cincinnati, Pittsburgh, Philadelphia and other cities, as well as pay the expenses of witnesses from those cities who testified for the vice czar.

Luciano also paid for all food for himself and his fellow defendants in Raymond street jail and throughout the trial, a matter of more than

two months. Detectives assigned to guard the vice lord and his underlings actually had to wait their dishes after the meals consumed in the courthouse.

Luciano's fight to escape extradition from Arkansas cost him heavily, including a \$50,000 bribe which was never accepted by the official for whom it was intended, but which never was returned to the vice boss. Altogether Luciano's thick bankroll has been nicked for at least \$250,000 since his arrest, another large sum will be necessary to finance his fight through the Appellate courts, up to the United States Supreme Court. Cost of printing the 7,500 pages of testimony alone will amount to \$15,000, but there is no doubt that all the money necessary will be forthcoming.

Throughout the trial and on the witness stand, Luciano contended that he knew none of his fellow defendants, except Little David Battilo. But while waiting for the jury to report early yesterday morning, the vice czar is said to have admitted to detectives that he not only knew all the other men in the case, but had business dealings with them.

Luciano's lawyers are expected to file an appeal immediately after the gangster and his associates are sentenced by Supreme Court Justice McCook on June 18. Their argument will be based almost entirely, it is believed, on the legality of the new joinder of offenses law, under which the vice racketeers were tried.

Another Trial Held Impossible

Either Mr. Dewey or Sol Gelb, one of his assistants, will oppose any appeal action, it is understood. It is not expected, however, that any appeal could be acted upon by the Appellate Division before September or October, so that a further move to the Court of Appeals would not be likely before January and a final plea to the United States Supreme Court before next spring. In the event that any of the

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the court decreed a retrial, the state would be compelled to move to dismiss the indictment, as another trial is held impossible in the circumstances.

This week Justice McCook will begin interviewing the eighty-four women still held as material witnesses, seventy-nine of them in the House of Detention, five in an apartment. An assistant of Mr. Dewey will be present, and representatives of Catholic, Protestant and Jewish social agencies.

It is understood from Mr. Dewey's office that each of the women will be promised a job. Some no doubt will prefer to go back to their homes in other cities.

Witness fees for each of the women average \$380 for the 120 days they have been confined. As they have been paid only \$1.50 per day of the \$3 fee due them, they will have an average of \$175 or \$180 when they are released from custody.

One reason why a second trial would be impossible is the fact that Mr. Dewey's office could not keep track of the eighty-four women and twenty men who have been held for four months as much for their own protection as to insure their presence at the trial just ended.

Dewey Silent on Kross.

No comment was forthcoming today at Mr. Dewey's office regarding the statement of Magistrate Anna Kross. It is known, however, that Mr. Dewey does not regard the Luciano case as a vice case. He simply chose prostitution as a vehicle to convict New York's biggest gangster who is known to be mixed up in many other rackets, of which prostitution probably was the smallest.

Regarding Mr. Dewey's future plans nothing could be learned at his office. It was learned that his assistants are actively engaged in investigating eleven major rackets, and have been so engaged since last August. Their investigations relate to businesses whose owners and workers have been victimized for the benefit of gangsters.

Where and when the special prosecutor will strike next is known to him alone, but it is not expected that there will be another major trial as a result of his activities at least until this fall.

The master of Patrolman George Heidt, it was learned, is being left entirely to Police Commissioner Valentine.

Heidt was the only policeman of the many assigned to Mr. Dewey's

staff who was called by the defense. He testified with seeming reluctance to the night when Mrs. Mildred Harris, an important witness, was taken to night clubs after leaving the Dewey offices. It was also clear that defense attorneys knew exactly the questions to ask him. Now it is believed that Heidt took a number of witnesses out drinking after being ordered to take them from the Woolworth Building to their quarters, and took them back to the Dewey offices, instead of obeying his orders.

Heidt Relieved of Duty.

Heidt, a demoted detective, occupies a penthouse apartment at Thirtieth street and Fifth avenue. He has not been suspended, but has been relieved of all duty while reporting daily to the office of Chief Inspector John J. Seery.

Commissioner Valentine is anxious to know how Heidt received the assignment. He was given the job of a guarding witnesses for the Dewey office on April 10, ten days after Luciano's arrest, and apparently without the knowledge of Mr. Dewey or his assistants.

The length of the jail terms the Luciano gang get on June 18 lies with Justice McCook. The nine convicted by the blue ribbon jury which reported its verdict early yesterday, and four who pleaded guilty, are liable to two to twenty-five years in each of the sixty-two counts of the indictment. There is no likelihood, however, of the sentences being spectacular.

Those besides Luciano who face jail are David Betino, his chief lieutenant; Thomas Pennachio, treasurer of the vice ring; James Frederick, alias Fredericks, its general manager; Abe Wahrman, contact man between the higherups and the lesser fry; Benny Spiller, loan shark for the disorderly housekeepers; Jesse Jacobs and Meyer Berkman, bondsmen, and Ralph Liguori, strong-arm man.

The four who pleaded guilty, all bookers of women, are Al Weiner, David Marcus, alias Miller, Peter Baltzer, alias Harris, and Jack Eller, alias Ellenstein.

Commissioner Valentine added his congratulations to the many which reached the Dewey offices today.

"It is a great victory for law and order," Mr. Valentine said. "Mr. Dewey is to be congratulated for the great case he built up against them. It goes to show that if you can rouse the public and intelli-

gently handle the evidence, any racket can be crushed."

Mr. Dewey modestly passed on the praise to his assistants, Berent Ten Eyck, Jacob J. Rosenblum, Sol Gelb, Mrs. Eunice H. Carter, Harry M. Cole, Frank S. Hogan, Charles F. Grimes, Stanley H. Fuld and Charles D. Breitl.

VALENTINE'S FIRE STIRRED BY COP AT VICE TRIAL

He Orders Patrolman Who Guarded Star Witness Brought Before Him.

RESENTS HIS 'INTERVIEW'

Has No Comment to Make on Missing Data—How Witnesses Changed Stories Revealed.

Patrolman George Heidt, who testified at the Luciano trial that he had escorted one of the State's star witnesses to night clubs, where she became intoxicated, was hurriedly summoned to the office of Police Commissioner Valentine today after the Commissioner had been shown what purported to be an exclusive newspaper interview with the officer.

Heidt, about whose appointment to guard duty on the staff of Special Prosecuting Thomas E. Dewey considerable mystery centers, has been relieved of all duty since he appeared as a witness, and has been reporting daily to the office of Inspector Seery in Headquarters. Another strange phase of the matter is that certain records concerning him have disappeared from the files at Police Headquarters.

Today at his press conference the Commissioner was shown the purported interview with Heidt in which the fact that the patrolman, whose salary is now \$200 a year, occupies a penthouse apartment at 134 Fifth Avenue was prominently mentioned. He read a few paragraphs of the story and made an

obvious effort to restrain himself from an angry outburst.

His face flushed and he snapped: "So Mr. Heidt is giving interviews, is he?"

He ordered his secretary to obtain a copy of the paper in which the interview appeared, and to send for Heidt at once.

Asked to comment on the story, however, he snapped:

"Nothing to say."

"Isn't it insubordination for a policeman to give out interviews while he is under investigation," he was asked, "could he not be suspended for that?"

"What," replied the Commissioner, "suspend a man on the basis of a newspaper story? How do I know he gave that interview? That's one of the things our investigation will discover."

He declared he had "nothing to say" concerning the missing records, and in reply to further questions, declined to reveal who had charge of them. Pressed still further, he finally declared that the "records were removed on a court order during a legislative investigation, and some of them did not come back."

"That," he added, "happens frequently."

Although he sent for Heidt to report to his office at once, it seemed likely that the policeman might wait a considerable time before seeing the Commissioner, who departed for City Hall to attend a reception immediately after his press conference.

From a source other than Mr. Dewey's office it was learned that friends of Luciano "reached" a man who was to have been the State's star witness in the recent trial, and bribed him to change his testimony.

In his opening address Mr. Dewey told the blue-ribbon jury that he would prove that in August, 1933, Luciano summoned the bookers of women then running the disorderly house racket in New York and curtly told them that they were through and that he was giving the business to Little David Betillo, his chief lieutenant. Betillo was for a year one of Al Capone's right-hand men in Chicago.

Star Witness Shifts.

Direct testimony relating this morning at which the vice racketeers "rose in deference to the king of crime," as Mr. Dewey said, in his opening address, was to have been the climax of the State's case, as it put Luciano right in the vice picture.

But just before putting the star witness on the stand, Mr. Dewey, it is learned, questioned him briefly in the witness room to refresh his memory. At the end of five minutes the witness blurted out that the testimony he had given the Grand Jury was not true, and that he wouldn't testify to it.

Mr. Dewey was shocked and dismayed, but he had no alternative but to return the man to jail, where he is now, and proceed with the trial. It has since been learned that the man's wife called on him at the Fifty-third street prison at 8 A. M. on the day he was scheduled to testify. The original intention was that the witness should "blow up" on the stand, and scuttle the State's case. But for Mr. Dewey's caution in talking with him in the witness room, that is exactly what would have happened.

Other illustrations of the pressure brought to bear on the witnesses assembled by Mr. Dewey have been revealed since the vice racketeers were convicted. One woman witness became truculent after the trial started and could not be used because it was feared that she would turn against the State and deny what she had already told the Grand Jury.

Another Witness Goes Sour.

She was to have backed up another statement made by Mr. Dewey in his opening address, to the effect that Luciano ordered a recalcitrant madam beaten up and then inquired about her from Tommy Bull Pennachio, treasurer of the vice ring, after she was taken to a hospital. The witness who "went sour" on the prosecution was at one time the inmate of both Luciano and Pennachio.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

JUN 9 1936

NEW YORK OFFICE

ROUTED TO:

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From Mr. Dewey himself nothing whatever could be learned regarding his plans for the future. It is known that his staff is working at top speed, but as far as any information is concerned, the special prosecutor clamped the lid down tight. No comment was forthcoming regarding the bribe of a Supreme Court judgeship said to have been offered to a member of the prosecution staff, or in regard to other attempted and successful acts of bribery.

"When I took office on July 29, 1935, I said that this is a working and not a talking investigation," Mr. Dewey said. "I have never yet talked about the work of my office, the testimony of a witness, or the subject matter of any investigation, except when action was taken. That rule still applies. When the next case is ready, whether it involves an industrial racket or other organized crime or connections between such crime and any public official, that case will appear in court and not elsewhere. Until then, the work of my office will continue as secret as it always has in the past.

Acts on Two Lawyers.

Sol Geln, one of Mr. Dewey's assistants, sought permission from Supreme Court Justice McCook today to send to the Association of the Bar a copy of the testimony given before the Grand Jury which indicted Luciano and his associates, by two attorneys not connected with the defense.

Mr. Dewey sent the names of the two lawyers to the Bar Association yesterday. The evidence presented to the association against one of them charges that he was retained at a standing fee to represent any woman who contributed to the bonding fund operated by the Lucio vice ring, and that he attended conferences of the committee. The second attorney is accused of letting his office be used as head-

quarters for an important figure in the Lucio crowd, in the operation of industrial, narcotic, policy, stolen goods and Italian lottery rackets.

Mr. Dewey charges that both these lawyers lied when questioned by his assistants and testified falsely before the Grand Jury. The statements they made to Mr. Dewey's aids also will be sent to the Bar Association.

If the association's grievance committee finds Mr. Dewey's charges are substantiated, the evidence will be turned over to the executive committee, which may petition the Appellate Division of the Supreme Court to disbar the two men.

Justice McCook continued his task of interviewing the eighty-four prostitutes and disorderly house keepers who have been in custody since February 1 as material witnesses against the Lucio ring. Representatives of social agencies are assisting the Justice in an attempt to rehabilitate the women.

Dewey Cites Vice Lawyers For Discipline By N. Y. Bar

Also Reveals Bribe Bait
of Supreme Court Post
to One of His Aids for
Secret Luciano Facts

Valentine Finds
Police Data Gone

Records on Patrolman
Heidt Taken From Head-
quarters During a Pre-
vious Administration

Thomas E. Dewey, special racket prosecutor, announced last night that he was sending the names of two lawyers to the association of the Bar of the City of New York for disciplinary action because of the parts they played in events leading up to the conviction on Sunday of Charles Luciano and his eight assistants on charges of compulsory prostitution.

Mr. Dewey, who proved to be the powerful Luciano's nemesis, thus capped a series of startling sequels to the trial, which grew more and more significant, although complicated, as they progressed. He would not comment, however, upon the next most important development of the day, which was the revelation that one of his own assistants had received an offer of a position as Supreme Court Justice two weeks after Luciano's arrest, in return for certain secrets of the investigation.

Police Records Missing

In addition to other discoveries of attempted and accomplished crimes in the Luciano case, Police Commissioner Lewis J. Valentine found that certain important records of confidential investigations had been removed from the files at Police Headquarters during some previous administration. The Commissioner made this find while trying to look into the record of Patrolman George Heidt, who testified at the prostitution trial that he had taken on drinking parties some women held as material witnesses. Heidt was ordered from his post at the Elizabeth Street station to the office of Chief Inspector John J. Seery and relieved of all other duties pending an investigation of his conduct.

As the day loaded with implications of corruption far more significant than the offenses of any one set of gangsters came to a close, Mayor F. H. LaGuardia sounded the keynote in a public announcement congratulating Mr. Dewey and his men.

"These convictions," the Mayor said, "strike me as being collectively an important step in the elimination of rackets in this city. Let us hope they also indicate that the link between the rackets and politics will disappear."

"If those with good memories will think back a few months they will recall the political prominence of the Luciano fellow during a primary contest. This case also shows that the police will go after the crooks efficiently and successfully when they are not hampered or intimidated by the specter of political influence."

The Mayor did not dwell further upon his reference to "the Luciano fellow during a primary contest."

Two Lawyers' Names Withheld

Mr. Dewey did not reveal the names of the two lawyers whose actions he is calling to the attention of the Bar Association. He will merely turn in their names, together with the data collected on their conduct during his investigation, and it will be up to the Bar Association's grievance committee to decide what, if any, action should be taken.

If the grievance committee, in secret hearing, should decide that suspension or disbarment of either or both the lawyers were advisable, it would pass its recommendations on to the Bar Association's executive committee. Then, if that body should agree with the findings of the grievance committee, the case or cases would be submitted to the Appellate Division of the Supreme Court. A referee then would hear the evidence and report the facts to the court for action. Such a procedure requires months.

One of the two lawyers is being reported to the Bar Association because it developed during the Luciano case that the man worked for Jesse Jacobs, convicted as the bondsmen for the

(Continued on page thirteen)

62-5778-104

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

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(Continued from page one)

syndicate, to represent prostitutes on a regular retainer. The lawyer was part of the combination which made a racket out of prostitution and he attended conferences in which prostitutes were coached in stories which enabled them to slip through the meshes of the Magistrate's Courts. He also was successful in getting many of the women free, and either the case was won in that way or the girls were advised to jump their bail and go on the lam."

The other lawyer singled out by Mr. Dewey operated as a "front" for the defendants convicted in the compulsory-prostitution case. Not only did he permit his offices to be used as a headquarters for the guilty men but he also testified falsely before the grand jury, it was said, and thus obstructed the investigation.

These headquarters were to all outward appearances mere law offices, it was said, but it was there that the executive work of Luciano's numerous underworld interests were concentrated. They were not, however, the hell-bound offices on West Tenth Street which were mentioned frequently during the trial.

Today the special prosecutor will

ask Judge Philip J. McCook, who presided at Luciano's Supreme Court trial, for the order which will make available to the Bar Association's committee the testimony given to the grand jury by the lawyer in question.

In addition to other data on the lawyers, Mr. Dewey will submit copies of statements made by both of them to his assistants who questioned the lawyers on their parts in Luciano's vice ring.

Bench Post to Be Unwitnessed

The member of Mr. Dewey's staff to whom a position on the Supreme Court bench was offered if he would divulge secrets of the Luciano investigation, also received a promise that \$250,000 would be posted to assure his nomination for that job, it was learned. No action is contemplated in this case, it is understood, because there were no witnesses to the offer.

In addition to that overture, it was disclosed that one of the prosecution's material witnesses accepted a \$2,500 cash bribe and an agreement to open a gambling house for him in the Adirondacks, in return for throwing the case. The witness did the best he could, it was said, and the money was paid to him through a relative. However, the plot was blocked when Mr. Dewey heard of it and so did not call the witness to testify. The bribed man still is in jail and Mr. Dewey is considering whether to bring criminal action against him.

Another member of Mr. Dewey's legal staff was approached during the investigation by two business men, both with incomes of more than \$25,000 a year, who told him that he "could do well by himself" if he

would turn over the names of the prosecution's witnesses, together with some idea of the testimony Mr. Dewey would produce, it was disclosed. No definite figure of the proposed bribe was reached.

Commissioner Valentine recalled that while serving as a deputy inspector in the Police Department he worked for some time as a confidential investigator and he remembered that one of his tasks was to look into the work of a policeman named George Heidt. The name being the same as that of the patrolman now under investigation for his conduct in caring for Mr. Dewey's material witnesses, the Commissioner sent for the Heidt papers, which he recalled having filed several years ago.

Not only were the confidential records of George Heidt missing from the files but the Commissioner found that numerous other papers of a similar nature supposedly filed away during previous administrations of the Police Department also had disappeared.

The Patrolman Heidt involved in the Luciano case was formerly a detective assigned to the West Twentieth Street station, but it was found that "his services were not satisfactory," according to officials at headquarters, and he was demoted to the uniformed force and transferred to the West 133d Street station in Harlem. Three months later he was moved again, this time to the Elizabeth Street station in the Chinatown area.

Patrolman Heidt has been a member of the Police Department for twenty-one years, and there is no previous record of a complaint against his service. He was picked, along with other policemen, to serve on a special

detail to assist Mr. Dewey, and in such selections seniority in the department is used as a guide. Nevertheless, Commissioner Valentine is now trying to find out who chose Heldt for the job and why.

Heldt testified for the defense that he had taken Mildred Baltzer, a madam and one of Mr. Dewey's star witnesses, to night clubs and that she frequently had become intoxicated. He said he had been instructed to allow the women under his surveillance to drink, but under cross-examination he admitted that Mr. Dewey's assistants had "bawled him out" for letting Mrs. Baltzer drink too much. He also testified that he had taken sober women to Mr. Dewey's offices for questioning and that they were intoxicated when they came out.

Commissioner Valentine praised Mr. Dewey's prosecution of Luciano and his henchmen. "It's a great victory for law and order," he said. "It proves that if you can arouse the public and get its support, and if the case is intelligently and thoroughly handled, it is possible to break any racket."

Justice McCook began the week by interviewing the first of the eighty prostitutes and madams who have been held in the House of Detention throughout the proceedings. Representatives of social agencies will be on hand throughout the week in an effort to rehabilitate the women by finding lawful jobs for them or by sending them back to their home towns.

Girls Get \$3 Daily Fees

Each of the women receives \$3-a-day material witness fees from the state since the arrests in raids on February 2. Half of the money, \$1.50 a day, was turned over to them

immediately for spending money; each will receive the remaining half upon being released.

Luciano, it is understood, already has spent close to \$250,000 in an effort to win freedom for himself and those in trouble with him. Nevertheless, it is certain that the defense will appeal, if for no other reason than to test the constitutionality of the law under which Luciano and his assistants were convicted. The law, a new one in the state, permits several defendants to be tried for many felonies under a single indictment.

Although he has little fear that the law will not be upheld, because there is a long standing similar one in the Federal code, Mr. Dewey, it is understood, will not attempt to try each guilty man again if the decision is reversed, because he can not bring the necessary underworld witnesses together again once they have scattered.

One of the items for which Luciano must pay when his case is appealed will be the printing of the 7,000-page trial record at an estimated cost of \$15,000. His generosity toward the underlings on trial with him became apparent when it was learned that he paid the entire bill for food brought in for them to the Raymond Street Jail in Brooklyn to substitute for the usual prison fare. Luciano stoutly contended at the trial that he previously had known only one of the defendants.

Although there was no let-up in the activity at Mr. Dewey's office yesterday it was said on good authority that there would be no trial of any more persons for big-time racketeering until the fall sessions of court in September.

Luciano and 12 in Vice Racket Take Mental and Physical Tests

Examinations Preparatory to Sentencing Thursday; 80 Girl Witnesses, Freed After 4 Months, Stage Party on State's Fees

Charles Luciano and his eight co-defendants who were found guilty by a jury in Supreme Court last Sunday on an indictment charging sixty-two counts of compulsory prostitution were examined at the psychiatric clinic of General Sessions yesterday. Along with four defendants who had pleaded guilty to the charges, the prisoners were brought to the yard of the Tombs in vans from several city jails.

Dr. Walter Bromberg, Dr. Charles B. Thompson and Dr. David Impastato refused to divulge the results of the physical, neurological and psychological tests given to the prisoners. Reports on their condition will be forwarded to Justice Philip J. McCook, of the Supreme Court, who will sentence the thirteen men on Thursday. Each of the sixty-two offenses in the indictment is a felony, and on each felony the minimum sentence that can be imposed is two years and the maximum is twenty.

The eight men found guilty with Luciano were David Bettio, Thomas Ganocchio, Abe Wahrman, Ralph Li-
guori, Bennie Spiller, Jesse Jacobs, Meyer Berkman and James Frederico. Those who pleaded guilty were Al Foster, Peter Balitzer, David Marcus and Jack Ellenstein.

Throughout the day Justice McCook questioned one by one the eighty prostitutes who have been held since Feb-

ruary 1 in the Women's House of Detention, Tenth Street and Sixth Avenue, as material witnesses against Luciano and his henchmen. One member of the staff of Thomas E. Dewey, special prosecutor, who conducted the case against the defendants, and a social service worker assisted in the examination.

After many of the women had promised to seek jobs or to return to their homes, all were discharged from the House of Detention. Reporting to the office of Mr. Dewey on the fourteenth floor of the Woolworth Building, the women received checks ranging from \$150 to \$175. Each was entitled to a fee of \$3 a day during detention. One-half of the amount owed to them had been paid as the weeks dragged by.

Some of the younger women said they planned to be married soon. Others gathered at a cafe near the Woolworth Building to celebrate their freedom.

Mr. Dewey departed yesterday for a week-end cruise in a yawl, saying he planned "just to sail around in the Atlantic Ocean." The special prosecutor said he was not ready to reveal his plans for further prosecution of rackets in New York County, announcing that he hoped to rest for a time this summer from the strain of the prolonged vice trial. He was accompanied by friends and staff assistants.

NEW YORK TRIBUNE

JUN 13 1936

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JUN 13 1936

NEW YORK TRIBUNE

JOHN J. J. J.

Policeman's Fund Inquiry Ends

Valentine to Get Report on Heidt, Vice Defense Witness

Hearings on Patrolman George Heidt before special counsel to Commissioner Valentine ended yesterday after a fifth session in which the last of Heidt's bankbooks was examined by the counsel, Irving Ben Cooper.

Later this week Cooper will report to Valentine as to how a \$2,800 policeman could tenant a six-room penthouse, at 284 Fifth ave. The inquiry was begun after Heidt testified for the defense in the compulsory prostitution trial of Charles "Lucky" Luciano and 12 others.

Heidt's testimony of female witnesses drinking at night clubs and at Special Prosecutor Dewey's offices was under study by Cooper along with the patrolman's financial status.

Meanwhile, Clarence J. Shearn, president of the Bar Association of the City of New York, directed the grievance committee to expedite its inquiry into the conduct

of two lawyers associated with the vice racket.

A report next week will go to the executive committee, and if disbarment proceedings are in order, the report will be submitted to the Appellate Division.

"Lucky" and his henchmen are to be sentenced Thursday before Supreme Court Justice McCook. Notice of appeal will be filed immediately after sentence is imposed.

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VICE PARADE CONTINUES IN COURTROOM

It was hot and noisy in the Women's Court and the colored light from the stained glass windows fell as a spotlight might upon the girl who stood before the magistrate.

She was dark and pretty, with a round little white face and big eyes and curls like black grapes. She was crying. Most of them don't cry. Her hands were trembling.

A court clerk leaned close to her, shouting the words of the complaint in her ear, because the Sixth Ave. L. was rattling by outside and it filled the courtroom with a noise like metallic thunder.

"You are charged with soliciting...at the premises of...for the purposes of prostitution."

He handed up the complaint to black-robed Judge Leonard McGee, a business-like man, balding, with rimless glasses.

"How do you plead?"

The girl shook her head.

"Not guilty," she said.

She had a lawyer, and she looked up at him and he nodded.

WHY: NOT GUILTY.

They all say not guilty. They say it trying to look respectable; trying to look like a waitress or a manicurist or a telephone operator.

They let her sit in a chair while a detective took the stand. His tie was pulled loose and his collar unbuttoned. He looked hot and uncomfortable. His badge was fastened to the lapel of his coat with a big safety pin.

"I watched the defendant walk up Seventh ave. and proceed down 52nd st." he droned, consulting the little black book. "I followed her and saw her go up and speak to a man whom I later learned to be Max S... I saw them enter the premises of number... When I approached I asked the man if he had ever seen the defendant before... He said no... I asked him why he was entering the premises with the defendant and he told me... I asked him how much he had agreed to pay the defendant. He said five dollars."

DAMP WITH TEARS.

The defendant was weeping. Her rouged cheeks were damp with tears. She didn't take the stand. The "E!" rattled by again and the judge ordered her to go with a woman social worker to be examined, and then return. The lawyer went out. The detective went out. The girl went out, still crying.

Then to the bar came a tall Negro in a plaid cotton dress with big tears in her ears. She had been convicted of prostitution and she was up for sentence.

"This is your first conviction, so I will suspend sentence," the judge told her.

She went out grinning. Another girl in a blue suit took her place, awaiting sentence. Her eyes were fearful.

ON PROBATION.

"I will put you on six months probation but you have got to behave yourself," said the judge.

"Yes sir," she smiled.

And her high heels clicked woodenly up the aisle as she left the shabby courtroom.

Then there is a shoplifter, then a petty thief. But always the court comes back to the ladies of the pavement. Once in a while one goes to jail, but there is always another to take her place and no one wants particularly to see them convicted because in the tolerant atmosphere of the vice court these women are regarded more as victims than criminals.

AND STILL NO CURE.

The Dewey investigation put some 80 of them in jail and released the same 80, giving all of them immunity and arranging to have previous conviction dismissed and old charges dropped. There was never at any time a pretense on the part of the investigation that its purpose was to wipe out prostitution; no one thinks that putting a handful of women behind bars cures an evil as old as time.

It is an old routine. There seems to be some unwritten law that a detective detailed to vice work brings in so many arrests, and this each one does in an understandably abashed manner, not caring whether his arrest results in a conviction and rather hoping it will not.

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JUN 15 1936

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AL BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE

JUN 15 1936

NEW YORK OFFICE

File 16

DESCRIBES LUCIANO AS ONLY A SYMBOL

Prostitution Social Problem, Says Mrs. Simon.

Insisting that prostitution is a social rather than a strictly criminal problem, Mrs. Leopold K. Simon, chairman of the committee on prevention and correction of the Women's City Club, said today that it should be removed from the criminal code as an offense. Making her remarks timely because of the impending sentence of Charles (Lucky) Luciano, she said:

"Substituting some one else for Luciano as vice lord is not going to solve the problem for the city. Just as long as present conditions in the Women's Court maintain, there will be a vice lord. The Women's City Club believes very strongly that the removal of prostitution from the criminal code and taking from women defendants the fear of inability to pay bail will weaken the racket. The city's only interest in the problem is in the question of public health and this could be met through the establishment of suitable clinics and making attendance at these less onerous than at present."

Mrs. Simon was in agreement with Miss Dorothy Kenyon, Deputy Commissioner of Licenses and chairman of the Joint Committee on Women's Court of the Welfare Council of New York city, who last night bitterly attacked the court.

She also said that the offense of prostitution should be taken out of the criminal code, and asserted that if the likes of Luciano "had their way, there would be a Women's Court on every corner, for it is fear of the Women's Court that throws so many women into the clutches of such men as Luciano and his gang."

"Women of the streets soon learn to know," she said, "that a necessary element in carrying on the business of prostitution successfully is the skillful shyster lawyer who would not think of defending a girl for the paltry five or ten dollars that she could pull out of her own purse but who will only appear on her behalf upon the receipt of handsome and regular retainers paid by powerful vice ring organizers with their enormous profits."

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

JUN 17 1936

NEW YORK OFFICE

ROUTED TO: JNTH

SOCIAL PLAN URGED TO END VICE RACKET

Welfare Group Recommends
Sympathetic Treatment for
Women Instead of Jail.

SPECIAL COURT 'A FARCE'

Dorothy Kenyon. Says Prosti-
tutes Lucania Preyed On Seek
New Protectors From Law.

A study of Women's Court pro-
cedure led a committee of the Wel-
fare Council to conclude yesterday
that "sympathetic social treat-
ment" would prove more effective
than criminal prosecution in meet-
ing the problem of prostitution.

The committee was headed by
Miss Dorothy Kenyon, Deputy
Commissioner of Licenses, and was
made up of representatives of the
League of Women Voters, the
Women's City Club and the pro-
tective and correctional section of
the Welfare Council.

In announcing the group's find-
ings, Miss Kenyon urged that the
conviction of Charles (Lucky Lu-
ciano) Lucania and his associates
be followed up at once by "regular
prosecution of the brokers, agents
and bail bond shysters who reduce
our existing Women's Court pro-
cedure to a mere farce."

"These, the exploiters, are the
only real criminal offenders in any
prostitution case," Miss Kenyon de-
clared. "That they can and should
be arrested and sentenced, Prosecu-
tor Dewey has proved. But the girls
whom Lucania exploited by offering
them protection from the endless
round of arrest, trial and penalty
meted out to unorganized prostitutes
at the Women's Court, are at this
minute seeking new protectors."

Substitution of social treatment
for criminal action against prosti-
tutes would throw thousands of vice
racketeers out of their jobs, Miss
Kenyon declared.

"The Women's Court is not only

ineffective in getting at successfully
protected prostitutes," she added,
"but the punitive approach is equal-
ly inadequate in changing the way
of life of these unfortunate girls
who are caught and arrested."

"The present system of having
these girls brought into court by
means of plainclothes policemen
who pose as customers and then
accompany the girl to her room
until the required evidence is se-
cured degrades and demoralizes the
men who serve as decoys."

"It makes the girls sullen, resent-
ful, defiant—and quite naturally so.
Many of these girls soliciting on our
streets have found the wages of vir-
tue all too low. Most of them are
in desperate need of money. They
present social problems reaching
into background, education and
emotional frustration, as well as
into economic difficulties. Instead
of being tried and sentenced for a
penal offense, they should be of-
fered shelter, food, guidance and
vocational training, and in this
fashion be led to a better way of
life."

The committee recommended that
clinics be established as a public
health measure, where prostitutes
could go voluntarily and receive
treatment for venereal disease in
privacy and anonymity.

Vice Sentences Tomorrow

Thirteen leaders of the vice racket
in this city will be sentenced at
10 A. M. tomorrow by Supreme
Court Justice McCook on charges
of compulsory prostitution. Nine
were convicted by a jury and
the others pleaded guilty. Those
convicted were Charles (Lucky
Luciano) Lucania, David Betillo,
Abe Wahrman, James Frederico,
Thomas Pennochio, Jesse Jacobs,
Meyer Berkman, Ralph Liguori and
Benny Spiller. Those who pleaded
guilty were Al Weiner, Jack Ellen-
stein, David Marcus and Peter
Baltzer.

THE RECORD

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VICE SENTENCES 'Lucky,' Aides to Hear Fate

Sentences to be imposed on Charles "Lucky" Luciano and his 12 henchmen in the vice racket tomorrow are expected to range from light to extra heavy, but none fantastic.

Conviction on 62 counts permits imposition of a maximum of 1,240 years in prison for each defendant by Supreme Court Justice McCook.

Special Prosecutor Dewey, it is known, will ask leniency for three bookers of women who not only pleaded guilty but turned State's witnesses.

The fourth booker, Jack Ellenstein, alias Eller, who rested his case at the trial's end but declined to aid the State, will not share in that leniency.

Meyer Berkman, the mouse-like bondsman described as a glorified clerk, probably will gain comparative clemency, and Benny Spiller, the loan shark of the crowd, may get less than a maximum term.

As for "Lucky," his first aide, "Little Davie" Betillo; his treasurer, Thomas Pennocchio, alias Tommy Bull; James Frederico, the combine's general manager; "Little Abie" Wahrman, the strong-arm chief; and Ralph Liguori, the

stick-up expert, severe terms were believed impending.

Jesse Jacobs, head bondsman, was expected to hear some bad news.

Meanwhile, suggestion was made that vice cases be withdrawn from Women's Court and turned over to social treatment. Dorothy Kenyon, chairman of the Welfare Council's joint committee on Women's Court, declared racketeers, shyster lawyers and bondsmen are the real criminals in vice cases.

If prostitutes were offered social treatment instead of arrest, she said, thousands of vice racketeers would be "thrown out of their jobs."

62-5773-110

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VICE CZAR TO LEARN FATE TODAY

His doom as certain as sunrise, Charles (Ex-Lucky) Luciano, today stands up for sentence as convicted vice czar, his only hope resting in the remote chance that the sentence to be imposed by Supreme Court Justice Philip J. McCook may some day permit him to leave Sing Sing as an old man.

Together with eight co-defendants found equally guilty two weeks ago by a blue-ribbon jury, Luciano faces cumulative sentences totalling ten life-spans, or 1,118 years.

In concert with Special Prosecutor Thomas E. Dewey, whose case against the vice-ring leaders brilliantly demonstrated the efficacy of the so-called "Dewey Law" for trying racket-mobs in batches, Capt. Bernard Dowd of the Police Detective Bureau last night perfected plans for patrolling the entire Supreme Court building against the eventuality of any underworld attempt to rescue "Lucky" and his mobsters at gun-points.

Oddly enough, despite his 20-year record as mobster, Luciano faces the court as a first offender under the law. He has "kissed the rap" nine times since 1916, when he matriculated in crime as a dope peddler.

NEW YORK DAILY NEWS

JUN 16 1936

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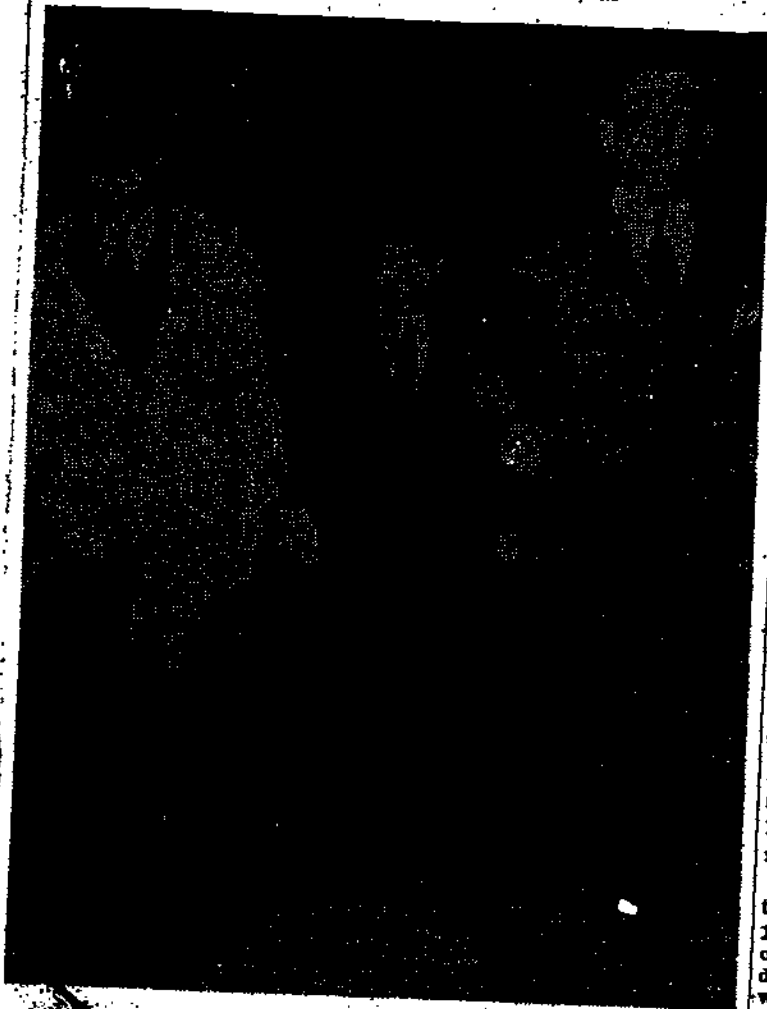
NEW YORK OFFICE

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LUCIANO SENTENCED TO SING SING FOR A TERM OF 30 TO 50 YEARS

SENTENCED TO LONG-PRISON TERM



Charles (Lucky) Luciano, in center, is shown with defectives. Sun Staff Photo.

**Warned if Witnesses Are
Harmed He May Have to
Serve Maximum.**

WILL GO TO PRISON TODAY

**Four Aids Get Penalties of 15 to
40 Years and Five Others
Draw Shorter Terms.**

Charles (Lucky) Luciano, vice
czar, gambler, boss racketeer and
reputed power in politics, was sen-
tenced today to from thirty to fifty
years in State's prison for compul-
sory prostitution, said by Special
Prosecutor Thomas E. Dewey to be
the least important of his many
underworld enterprises.

Standing droopy-eyed, his loose
limbs sagging, Luciano took the
blow without a show of emotion on
his face, gray as the rain-filled
skies outside the courthouse. He
had expected a heavy sentence
since his conviction with eight of
his henchmen on June 7, and was
not surprised.

Justice Philip J. McCook mounted
the bench in the Supreme Court at
10:40 A. M., but retired to his
chambers when he found that the
defendants were not present. They
were brought in, Luciano and the
nine who stood trial from the
room and the three bookers of
women who pleaded guilty through
another door.

NEW YORK

JUN 18 1936

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U. S. DEPARTMENT OF JUSTICE

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NEW YORK OFFICE

RON

Police and guards packed the court room. Outside the building other policemen and mounted men patrolled the streets. Inside the courthouse more police guards were stationed on stairs and in corridors.

As the wealthy boss of the \$12,000,000 prostitution racket, Luciano was called first to the bar by the Clerk of the Court. He wore a dark blue suit and a crumpled tie. Besides the husky court attendants who surrounded him he seemed slight and insignificant.

Asked if he had anything to say before sentence was pronounced, Luciano replied in a voice surprisingly soft for one of his sinister appearance, that he was not guilty.

"I have nothing to say, your honor," he said, "except I might say that I am innocent."

While Luciano was standing at the bar, before being sentenced, Justice McCook said:

"The evidence at the trial and reliable information since received have convinced me that these defendants will be responsible for any injury which the people's witnesses might hereafter, by reason of their testimony, suffer. Let the record show that should any witness for the people be injured or harmed, I will request the parole authorities to retain in prison the defendant against whom such witness testified for the maximum term of sentence about to be imposed."

Howay Was Consulted

Justice McCook said that in imposing sentence the court had consulted the prosecuting attorney, his own copious notes and also the probation and psychiatric reports.

"In construing the Governor's order, which started the so-called racket investigation, this court instructed the first Grand Jury of the extraordinary special trial term that they would do well to leave to other constituted authority the prosecution of ordinary crimes, including vice. Only when they should find vice organized did I advise indictment."

"Similar instructions were given by me to the present Grand Jury who indicted you. The crimes of which you stand convicted are those of placing females in houses of prostitution, receiving money for such placing and knowingly accepting money from their earnings without consideration."

"An intelligent, courageous and discriminating jury has found you guilty of heading a conspiracy or combination to commit these crimes, which operated widely in New York and extended into neighboring counties."

"This makes you responsible in law and morals for every foul and cruel deed, with the accompanying elements of extortion performed by the band of co-defendants, whose records and characters will shortly be discussed."

"I am not here to reprove you, but since there appears to be no excuse for your conduct or hope for your rehabilitation I will now proceed to administer adequate punishment."

Court Room Is Silent.

Dead silence, broken by an occasional rumble of thunder, reigned in the court room as Justice McCook again referred to his papers and outlined his method of pronouncing sentence.

On the first group of counts

the sixty-two count indictment, he sentenced Luciano to from ten to twenty years, with a similar sentence on another group of counts to run concurrently with the first.

On the second group of counts the sentence was from ten to fifteen years, and a similar sentence on more counts is to run concurrently with his second punishment.

The third sentence was also from ten to fifteen years on another group of counts, with a third and similar term to run concurrently with that sentence on a last and final block of counts.

"Which makes the sentence you will serve from thirty to fifty years," observed the court.

No Emotion Shown.

Luciano's saltpw face, scarred from the underworld ride which earned him the sobriquet Lucky in 1929, betrayed no emotion. Attendants quickly seized him by the arm and led him away.

Thomas Pennochio, called Tommy the Bull, was next. A bulky, solid individual whose sobriquet fits him, Pennochio stared dully at the bench while Justice McCook sentenced him to a straight term of twenty-five years.

The court said that the same remarks which he made to Luciano applied to Pennochio, who the court remarked had served two previous jail terms, in 1904 for grand larceny and in 1914 for attempted burglary.

"Pennochio," said Justice McCook, "you are a seller of drugs and a thief. Twenty-two years ago a judge saw fit to call you a habitual criminal. You were treasurer of the Luciano band."

Detectives and deputy sheriffs seized Pennochio and hustled him away, the second of the ring to be sent on his way to jail.

Luciano Sentenced Next

The book next called David Betillo, the Little David to whom Luciano at the famous meeting in the fall of 1935, gave the "protection racket" in New York. Betillo, a pale, dark, contracted with thin green suit. Prosecutor Dewey charged that he was Al Capone's chief lieutenant in Chicago for five years, and has dubbed him "the most dangerous man in New York—a vicious killer," but with his pale face and curly black hair he looked like a nervous boy as he stood at the bar ringed in by busy officers.

Calling Betillo "a dangerous and aggressive egoist," Justice McCook sentenced him to from twenty-five to forty years.

James Frederico, alias Fredericks, was next led to the bar. He was the vice ring's general manager.

"The evidence against you," said Justice McCook, "was overwhelming. You are a dangerous and brutal character and a third offender."

"I sentence you to from fifteen to thirty years," the court intoned in clipped, severe accents.

Mercy Asked for Wahrman

When Abe Wahrman, the fifth defendant, was called to the bar, David P. Siegel, his counsel, pleaded for mercy. He said that Wahrman had no criminal record and was the main support of his family. "He is a good son," the counsel pleaded.

"Take this case separately from that of Wahrman's co-defendants," Mr. Siegel pleaded. "He is only a boy 22 years old, not a deep-seated criminal."

In view of Mr. Siegel's remarks, observed the court, "it might be best to hear from the District Attorney."

Mr. Dewey arose.

"I have little to say," he said. "The probation report shows that Wahrman is a depraved character who has lived quite successfully on the proceeds of crime since he was 15 years old."

Wahrman's puffy face wore the same hurt and cringing look that characterized him at the trial. He hoped for leniency, but Justice McCook cut short his hopes.

"The evidence that you were the overlord of violence for this group is very convincing," the court said, looking directly at the cringing defendant. "You were an important executive in this group. I sentence you to from fifteen to thirty years."

Next Sentenced Liguori

There were no shots had been dealt with and the next called was Ralph Liguori, whom Mr. Dewey characterized as the strong-arm man for the vice mob, the tough guy who went around intimidating prostitutes and smashing up the apartments of those who were recalcitrant. He was the only other defendant besides Luciano to testify in his own defense, and his testimony consisted largely of charges of bullying by Mr. Dewey's assistants.

"You have a good family," said Justice McCook, addressing Liguori, whose mother and sister testified for him, "and had an opportunity to live a good and upright life. I will consider your youth and give you an opportunity for rehabilitation."

The sentence for Liguori was seven and a half years.

Jack Ellenstein, alias Eller who pleaded guilty after the evidence in the trial was all in, was next to hear his fate. A fat, slightly bald, perpetually mystified individual, Eller obtained the leniency he expected when he took his plea.

"Your flabbiness of body and soul caused you to give up a real estate business and take over the mantle of Nick Montana," lectured the court. Montana, a bookie of women, is now serving a long term in Sing Sing for compulsory prostitution. Until this trial he was the biggest fish ever landed by any prosecutor investigating vice conditions.

"Your plea of guilty," continued Justice McCook, "came too late to do you much good. However, I feel there is some hope of rehabilitation for you and will consider that in sentencing you."

The sentence was from four to eight years.

Ellenstein's lumpy face lighted up with a smile of gratification and he nodded affably to a spectator as he was led away.

Next came the bookers of women.

who pleaded guilty at the opening of the trial and turned State's evidence.

The first was Peter Balitzer, alias Harris, whose wife Mildred was a State's star witness.

"The psychology of the bookies is peculiar," said Justice McCook, employing the vernacular in referring to Balitzer and his ilk. "He regards the booking of women as not entirely blameworthy. Witnesses have shown you are not entirely devoid of human feeling."

Balitzer fidgeted nervously. He had more on his mind than the mere sentence, which he had reason to believe would not be severe.

He got from two to four years, and was vastly relieved when Justice McCook directed that he and the other two bookers, Al Weiner and David Marcus, be confined in the West Fifty-third street jail until the place where their sentences shall be served has been decided. Part of Mr. Dewey's bargain with these men was that they should be sent to some prison where they "would not be murdered" by the rest of the vice ring against whom they testified.

Weiner Seems Relieved

Bespectacled, pasty-faced Al Weiner was next. To him, son of Cockeyed Louis Weiner, now serving a long term in Sing Sing, and inheritor of his father's booking business, Justice McCook addressed the same remarks. Weiner, a youth of small intelligence, blinked dully. He, too, seemed relieved that he would not go to Sing Sing, where his father, now approaching blindness, is serving time.

Marcus, alias Miller, an important figure in the trial, also received the same comment from the bench as was directed to Balitzer and Weiner. To Marcus, however, Justice McCook added the reprimand that he was guilty of perjury on the witness stand in one instance (Marcus's denial that he was ever engaged in prostitution in Pennsylvania) and that he "drew no line of decency in connection with his booking of women." This was taken to be a reference to testimony by Pennsylvania policemen that Marcus, before coming to New York, used his wife as a prostitute in their home and permitted men to visit her in the same room where her children were sleeping.

"Therefore," continued the court, "your sentence will be a little different."

He was given from three weeks

It was the last. Prosecutor Dewey watched him go with a faint flicker of triumph on his boyish face. Mr. Dewey's job, as far as the prostitution racket was concerned, was finished.

Delay Is Denied.

George Morton Levy of Luciano's counsel rose and asked that Luciano's removal to Sing Sing be delayed for thirty days in order that he might straighten out his client's income tax and other business matters.

Mr. Dewey opposed this, saying that "elaborate precautions" have been made for the immediate removal of Luciano and his fellow convicts to Sing Sing.

The motion was denied and the convicted men were at once removed under heavy guard to Police Headquarters. It was reported that they would leave the Grand Central Terminal at 2:05 P. M. for Ossining.

Luciano was taken from the courthouse handcuffed to Fredericko. They and their fellow convicts were rushed past a crowd gathered on the courthouse steps, and through a downpour of rain to the waiting sheriff's wagon. A number of the spectators were obviously friends and relatives of the convicted men. Some of the women were weeping. But there was no demonstration. Heavy police guards in the streets, including mounted men, guarded the approach to the building.

Mr. Dewey said privately that Luciano and the other men would be permitted a brief interview with their immediate relatives before being taken to the Grand Central Station.

When Justice McCook mounted the bench at the opening of court, Prosecutor Dewey rose and said that he would ask a two-week adjournment of sentence for the two bondsmen, Jesse Jacobs and Meyer Berkman, and Benny Spiller, who

Sentences for Luciano And Aids in Vice Racket

The sentences meted out to Charles (Lucky) Luciano and nine of his co-defendants by Justice McCook were as follows:

Charles (Lucky) Luciano, 30 to 50 years.

Thomas Pannocho, 25 years.

David Bettillo, 25 to 40 years.

James Frederico, 25 years.

Abe Wahrman, 15 to 30 years.

Ralph Liguori, 7 1/2 years.

Jack Ellenstein, 4 to 8 years.

David (Miller) Marcus, 3 to 6 years.

Pete (Harris) Ballizer, 2 to 4 years.

Al Weiner, 2 to 4 years.

has been described as a shylock for the vice ring, a money lender who bought his way into the racket. James D. C. Murray for the bondsmen and David Paley for Spiller, agreed and the court directed that the three men be brought back for sentence on July 1. Meanwhile Justice McCook directed that they stay in the court room while their fellow defendants were sentenced.

Defense counsel then made a series of motions, all of which were denied.

Lorenzo P. Carlino, counsel for Liguori, asked for an adjournment of sentence on the ground that the jury, while locked up during the month of the trial, was allowed to receive visits from relatives and that police guards had been placed on the homes of two of them as a result of communications received by their relatives. Mr. Carlino argued that these circumstances

had warped the judgment of the jury.

Mr. Dewey objected that the argument was without legal merit and ridiculous, pointing out that had the jury not been locked up, the members would have been at home all through the trial.

Counsel Get Short.

Mr. Carlino, pressing his point, asked if the court had directed that police guards be provided for Jurors. Norbert R. Gagnon and Stephen J. Smith. Mr. Gagnon, a bank purchasing agent, lives at 108 West 227th street, and Mr. Smith, an art importer, at 2 Beekman Place.

Justice McCook said curtly that he had nothing more to say on the subject.

Mr. Levy then made a detailed motion for arrest of judgment and moved that the indictment be dismissed, citing a series of technical motions. He also moved that the

verdict be set aside as contrary to the facts and against the weight of evidence, and asked for a new trial. The motions were all denied.

Mr. Dewey did not reveal his rea-

son for asking a delay of sentence for Spiller, Berkman and Jacobs. It is presumed that the prosecutor hopes they may have information valuable to the State.

Lucky's Dark Soul Bared

CHARLES "LUCKY" LUCIANO was taken apart, to demonstrate what gangland "Big Shot" is made of and exactly what makes him tick, in a psychiatric report submitted yesterday to Justice Philip J. McCook just before the vice czar was sentenced to Sing Sing for fifty years.

Merciless in analysis of the "giant child" weaknesses and vices of the gangster character, the report included blistering scientific analyses of Luciano's co-defendants.

NEVER 'CRUMB'

The report of Chief Probation Officer Irving W. Halpern cites a number of phrases from analyses of "Lucky," anonymously submitted by psychiatrists, which are classic utterances in the field of criminology and could stand as "spoken portrait," not only of brash and boastful Luciano himself, but of the whole bully breed.

The report quotes Lucky:

"I never was a crumb and if I have to be a crumb, I'd rather be dead."

The psychiatrists cite "Lucky's" definition of a "crumb":

"A 'crumb' is a person who

...saves and lays his money away who indulges in no extravagances."

The doctors comment:

"This description of a 'crumb' would fit the average man. As Luciano achieved a measure of success, his attitude towards his anti-social activities became that of an entrepreneur."

HIS IDEALS

"His ideals of life resolved themselves into—

"Money to spend—

"Beautiful women to enjoy—

"Silk underclothes to wear,

and—

"Places to go in style."

Devastating because it is put down without animus, and merely for the eyes of the court, the following psychiatrist character study of the undersized vice-ring head is far more blistering than any angry diatribe could be:

"The defendant (Luciano) is a shallow and parasitic individual who is considerably wrapped up in his own feelings. His social outlook is essentially childish in that it is dominated by recklessness and a craving for action.

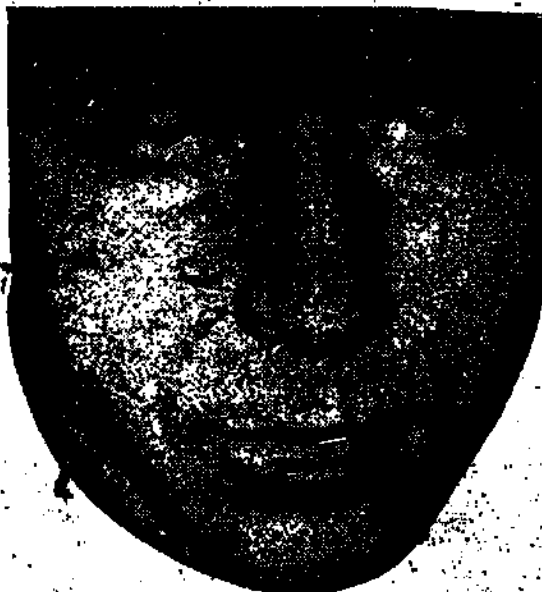
"His only asset as a leader consists of his apparent coolness at times of stress.

NONCHALANT

"This characteristic, which seems to have been based on his feeling that he could escape involvements, has passed for reserve and strength.

"As a consequence, he is accorded a degree of underworld respect. He manifests a peasant-like faith in chance and has developed an attitude of nonchalance.

"His behavior patterns are essentially instinctive and primi-



CHARLES LUCIANO
(International-Mirror Photo)

Shallow

Childish

Reckless

Cool

Ingratiating

Immoral

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...the former easy, common
and...ing."

Halpern's report outlines
"Lucky's" career, using sources
provided by Sol Gelb, Dewey as-
sistant who helped convict the vice
leader. Gelb is quoted as saying:

"Lucky is reputed to be the
head of the Unione Siciliano, an
organization of Italian gangsters,
as a dominant figure in nar-
cotics, policy slips, stolen goods,
gambling houses and intima-
tion of business men and labor
unions."

SUSPECTED

"He is also suspected of having
had a hand in the slaying of
Arthur Flegenheimer (Dutch
Schultz)."

Halpern makes the fair com-
ment:

"These allegations and suspi-

cion, largely based on underworld
rumor, gossip and hearsay, are
based on statements of witnesses
whose identities were withheld by
Mr. Gelb.

"While the prosecution
charges Luciano with intimidat-
ing, tampering with, and bribing
witnesses, Luciano protests his
innocence and insists that he
was convicted by manufactured
evidence."

After reviewing Luciano's pic-
turesquely squalid childhood as an
immigrant infant who grew up in
the gutter to smear at and abandon
his "foreign" parents, and citing a
record of obscure incarcerations
starting with a four-month term in
Brooklyn Truant School at the age
of nine, Halpern quotes Luciano
himself on the subject of the gang-
ster's recent gains from his
rackets:

"Defendant states that for the
last eight years he has gotten
his income from gambling, but
insists that he also derives in-
come from investments in sev-
eral legitimate enterprises."

"However, he refuses to name
these legitimate concerns, saying
that adverse publicity and police
curiosity would ruin them all."

"Lucky," it transpires, admits
to an annual income of "between
\$15,000 and \$25,000" but explains
that it is rather difficult for him
to fix what part of the money he
handles is income, what part work-
ing capital of various gambling
resorts. He admitted:

"I could raise as high as \$50,-
000 on short notice, I guess."

The Halpern report gives Lu-
ciano's age as 38 years, 5 months,
voices the suspicion that he is not
an American citizen through any
formal application, and cites 25
arrests in 20 years, the first being
for drug peddling in 1916.

Luciano in Solitary Cell

Vice Czar and Aids Start Sing Sing Terms Segregated From Other Convicts

Charles (Lucky) Luciano, gambler and boss racketeer, and six of his henchmen were behind the bars of solitary confinement cells at Sing Sing today, getting their introduction to the discipline and monotony they will experience during the long prison terms imposed on them for compulsory prostitution.

The seven convicted leaders of a New York vice ring were segregated in the isolation building at the prison last night soon after they arrived at Ossining under a guard of ten deputy sheriffs, five detectives and three New York Central Railroad policemen.

Fearing that the prisoners would start fighting among themselves unless they were separated, prison officials decided to lock them in solitary confinement for a time to drive all ideas of vengeance out of their minds and to cool the animosity that boiled up in the gang during the trial. The prisoners will be subjected to ordinary prison routine only after the keepers have concluded that it will be safe to let them mingle with other convicts.

Luciano is New 92,168.

For the next few days at least the prisoners' activities will be confined to pacing their narrow cells and getting a few minutes of exercise

each twenty-four hours. They will be fed in their cells. They will be able to communicate with no one.

All seven of them protested their innocence again when they exchanged their names for numbers, surrendered all their personal belongings at the prison office and went through the other routine of registration. Luciano became prisoner 92,168, a designation he will bear for the next thirty to fifty years, with the opportunity for some time off for good behavior.

Departure Guarded.

"Why, I'm innocent," he proclaimed when he was asked the usual question. And each of the others made the same reply in turn.

The six who began their sentences with him were Thomas Pennochio, 25 years; David Bettillo, 25 to 40 years; James Frederico, 25 years; Jack Ellenstein, 4 to 8 years; Abe Wahrman, 15 to 30 years, and Ralph Liguori, 7½ years. Pennochio had \$15 with him; Frederico had 95 cents. The rest had

amounts between those two figures.

Their departure for Sing Sing was guarded by heavy details of the police. For three hours after Supreme Court Justice Philip J. McCook had imposed sentence they sat in Tombs prison while clerks made out the commitment papers. They were bundled into a sheriff's van and driven to Grand Central Terminal. The van was surrounded by motorcycle police and followed and preceded by detectives in automobiles.

A crowd estimated at 1,500 stood along the curb of Forty-fifth street watching the prisoners being led into the station about 4 P. M. The seven were handcuffed to detectives and deputy sheriffs and surrounded by other guards.

At about the same time George Morton Levy, counsel for Luciano, told reporters he would appeal the case. He said he thought the record of the trial would show sufficient errors to justify the appeal.

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LUCANIA SENTENCED TO 30 TO 50 YEARS; COURT WARNS RING

**Retaliation Against Witnesses
Will Result in Maximum
Terms, McCook Says.**

GANG GOES TO SING SING

**9 Aides in Vice Syndicate Get
Severe Sentences—Police
Guard Court Room.**

Sternly warning them that any attempt at retaliation against any of the State's witnesses would result in their being forced to serve their maximum sentences, Supreme Court Justice Philip J. McCook imposed long terms in State prison yesterday on the principal figures in the city's \$12,000,000 a year vice ring. The courtroom was heavily guarded by detectives and uniformed policemen as he spoke.

Charles (Lucky Luciano) Lucania, overlord of the ring and the man who, according to the police, ordered the murder of Arthur (Dutch Schultz) Flegenheimer last Fall in order to take over his manifold rackets, received the most severe sentence of all. He maintained his stolidity as Justice McCook imposed sentence of from thirty to fifty years' imprisonment.

Aides Get Heavy Sentences
David Batillo, his chief lieutenant, was sentenced to from twenty-five to forty years, while Thomas Pannochio, treasurer of the ring, and James Frederico, its field manager, received flat sentences of twenty-five years as third offenders, after each had admitted two previous felony convictions.

Abe Wahrman, strong-arm man for the syndicate, was sentenced to from fifteen to thirty years, while Ralph Agnori, whose function was to hold up disorderly houses whose proprietors had refused to enter the combination, received the relatively light sentence of from seven and a half to fifteen years because of his youth, Justice McCook explained.

The sentencing of three other members of the ring, Jesse Jacobs, chief of the division for hauling out arrested prostitutes; Meyer Barkman, his assistant, and Benny Spiller, loan shark for operators of disorderly houses, was postponed until July 1 at the request of Thomas E. Dewey, special rackets' prosecutor.

It was understood that Mr. Dewey hoped to get further information from this trio that would aid him in his investigations, already under way, into various industrial and other rackets.

Bookers Get Lighter Terms

Four bookers of women into disorderly houses, who had pleaded guilty, received lesser sentences than the principals. Jack Ellenstein, who originally went on trial with Lucania and his co-defendants, but pleaded guilty after the prosecution had rested, was sentenced to from four to eight years. Ballitzer and Al Weiner, who turned State's evidence, received from two to four years, while David Marcus, who likewise testified for the prosecution but was caught in a lie on the stand, was sentenced to from three to six years.

Lucania and six of his co-defendants arrived at the prison gates in taxicabs, after having made the train trip to Ossining in the custody of ten deputy sheriffs, five New York policemen and three New York Central Railroad officers. They were put into solitary confinement at once.

Prison officials explained they believed the trial had bred animosity

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among the convicted gang, but that serious fights might occur if they were released together. The seven will be kept in military confinement until the authorities feel it is safe to allow them to mingle with other prisoners. The men will get their meals in their cells and will have very limited periods of exercise.

Luciano surrendered \$199.40 at the prison office. When asked the routine question as to what prompted his crime, he replied he was innocent of the charge on which he had been sentenced. The other six also maintained innocence. Penocchio had \$15 with him, Ellenstein, \$3; Liguori, \$4.98; Beglio, \$2; Frederico, 85 cents, and Wahrman, \$22.18.

In recognition of the underworld importance of Lucania the police took extraordinary precautions before and during the arraignments. Deputy Chief Inspector Edward A. Bracken and Inspector Louis Costuma had five sergeants, forty patrolmen and six mounted men outside the building, where they kept all passers-by moving.

Within the court room and in the corridors outside Detective Captain Bernard Dowd had a score of detectives and an extra detail of court attendants was also on hand. Only reporters and other persons having business in the court room were permitted inside, but about a dozen relatives of the men being sentenced gathered in the rotunda in the court house. Battilo's wife, Penocchio's wife and brother, Jacob's wife and mother and Liguori's mother and sister were among them, all showing obvious signs of strain.

Defense Motions Are Denied

Before the sentence was pronounced counsel for the various defendants made numerous motions for a new trial, all of which Justice McCook denied. Lorenzo P. Carlino, counsel for Liguori, said that he had received information that Jurors Stephen Gerard Smith and Norbert G. Gagnon had received communications during the trial, which had resulted in police guards being placed over their homes and business places.

This state of affairs became known to the other jurors, he said, with the result that the jury was influenced in its deliberations. He asked for a postponement of sentence until testimony could be taken and used as the basis for a motion for a new trial. Justice McCook refused his motion, whereupon Mr. Carlino asked him to state for the record that he had ordered a police guard over the homes of the jurors. "The court has nothing to say about that," Justice McCook replied.

George Morton Levy, counsel for Lucania, moved unsuccessfully for a new trial on the ground that the verdict was against the weight of the evidence. He also attacked without success the constitutionality of the statute permitting the joinder of a series of crimes in one indictment. This was enacted at the request of Mr. Dewey last Spring and was used for the first time at this trial.

Lucania Is Outwardly Calm

Lucania, almost surrounded by detectives and court attachés, was called to the bar at 10:50 A. M. He was neatly dressed in a bluish-gray suit, white shirt and black tie. His features, always sullen, looked slightly more haggard than before his conviction, but he was outwardly calm.

When the clerk asked him whether he had anything to say before sentence was imposed he leaned over and held a whispered consultation with his lawyer. Then he straightened up and in a clear, low voice said:

"Your Honor, I have nothing to

say outside the fact that I want to say again I am innocent."

Before sentencing him, Justice McCook at this point addressed his warning to all the defendants that any attempt at vengeance on the witnesses who had testified against them would be held against them. He said:

"The evidence upon the trial and reliable information since received have convinced the court that these defendants will be responsible for any injury which the people's witnesses might hereafter, by reason of their testimony, suffer. Let the record show that should any witness for the people be injured or harassed, the court will request the parole authorities to retain in prison the defendants against whom such witness testified, for the maximum terms of the sentences now about to be imposed."

Court Denounces Prisoner

Justice McCook then turned directly to Lucania, who was standing with his weight on one foot and one shoulder drooped.

"An intelligent, courageous and discriminating jury has found you guilty of heading a conspiracy or combination to commit these crimes, which operated widely in New York and extended into neighboring counties," he said. "This makes you responsible, in law and morals, for every foul and cruel deed, with accompanying elements of extortion, performed by the band of codefendants whose records and characters will shortly be discussed."

"I am not here to reproach you, but since there appears no excuse for your conduct or hope for your rehabilitation, to extend adequate punishment."

Justice McCook explained that for purposes of sentence he had divided the sixty-two counts on which Lucania was convicted into three groups. The sentences on the counts in each group would run concurrently, he explained, but the three groups of sentences were to run consecutively. Then he read off the long list of counts in each group and he added:

"These sentences make a total of from thirty to fifty years in State's prison."

Lucania May Mean Life Sentence
 Lucania is now 35 years old, and is a man with time off for good behavior, or at least equivalent to life imprisonment. His droopy eyelids quivered slightly but he regained control of himself almost immediately and he followed his guards out of the court room with a springy tread.

Thomas Pennocchio, alias Tommy the Bull, a short, stout man dressed in blue and wearing a red necktie, was next. He admitted that he had been convicted of grand larceny in 1909 and of attempted burglary in 1914. Justice McCook excoriated him as "a seller of drugs, a thief and an habitual criminal" before imposing sentence of twenty-five years.

Betillo, a short man in a light green suit, was described by Justice McCook as Lucania's "chief and most ruthless aid" and as "an unprincipled and aggressive egoist." He pointed out that the probation report on Betillo left four years unaccounted for, corresponding roughly with the time he spent in Chicago, where, Mr. Dewey has charged, Betillo was one of Al Capone's lieutenants.

"This, in addition to other matters, makes it unimportant as to whether you have any previous convictions," Justice McCook said as he imposed sentences totaling from twenty-five to forty years. Betillo took it with a twisted smile on his lips.

His Youth Fails to Save Him

Fraterico, a stocky, dark man, chewed gum slowly as Justice McCook observed that he was "the outside agent for the executives" of the ring, and that he was "an incorrigible criminal, and a slow and brutal character." Like Pennocchio, he admitted he was a third offender and accordingly received a flat sentence of twenty-five years.

Abrahamson, a slight, youthful-looking individual who was also chewing gum, was the only one of the principals whose counsel asked

for leniency. David P. Abrahamson, the counsel, said his client was only 22 years old, had no previous convictions against him, and had helped support his family. He asked the court "to put aside all the exhibitionism which has attended this case from the outset."

After Mr. Dewey had intervened to say that the probation report showed Wahrman had been a criminal since he was 15 years old, Justice McCook observed that his youthful appearance and lack of a record were deceptive. He imposed sentence of from fifteen to thirty years.

Lignori, a pale, short young man, was lashed by Justice McCook as "a silly imitator of the racketeers you admire." It was his rôle, the court went on, to "supply the routine violence required by a ring directed by better brains than yours." Because of these considerations and his youth, he was sentenced to seven and a half to fifteen years.

Some Human Qualities Admitted

The bookers, who had been carefully segregated from the other defendants because of the bitter hatred between the two groups since Weiner, Marcus and Balitzer turned State's evidence, were brought before the court next. Justice McCook said that their place of imprisonment had not yet been decided upon, and consequently they would be taken to the West Side jail until it was.

Eisenstein was described by Justice McCook as a former real estate man whose "flabbiness of body and soul" led him to take over the business of Nick Montana. However, Justice McCook said, he did not seem to be "essentially vicious" and there was some hope that he might reform; consequently he was sentenced to from four to eight years.

In sentencing Peter Balitzer, alias Pete Harris, Justice McCook made some observations on criminals of his particular type.

"The psychology of the booker is peculiar," the justice said. "He lacks what is ordinarily called a moral sense, but he seems to make some distinctions of his own. He does not regard it as essentially wrong to give employment to girls at what he and they call their work."

Justice McCook said that the State's witnesses had agreed that Balitzer was "not entirely devoid of human feeling" and consequently he would be let off with a sentence of from two to four years. He imposed a similar sentence on Weiner, explaining that he was showing "some regard for your dulness."

False Testimony Remembered

Marcus testified falsely at the trial that he had never been arrested in Pittsburgh, and the defense promptly disproved this statement. Justice McCook said that while this was not pertinent to the main issue, nevertheless it would affect his sentence, which was from three to six years.

Mr. Levy tried hard to get the court to permit a thirty-day stay of Lucania's sentence to permit the winding up of his affairs here, but Mr. Dewey said that the police had made elaborate arrangements to take him to Sing Sing and that it would be expensive to duplicate them later. Justice McCook denied the motion and left the court.

Mr. Levy told reporters that an appeal would be made and that he believed there were sufficient errors in the record of the trial to result in a reversal.

Heavily guarded, the six principals in the ring were taken to the Tombs prison for three hours while the commitment papers were made out, a clerical task involving considerable work. At 3:57 P. M. they were taken from the Tombs by a force of nine deputy sheriffs and ten detectives, who accompanied them all the way to Sing Sing.

A crowd estimated at more than 1,500 persons had gathered on the Forty-fifth Street side of the Grand Central Terminal, at Vanderbilt Avenue, when the prison van containing the men arrived at 4:10 P. M., with motor cycle policemen preceding it and on either side, and four cars full of detectives and special guards behind.

Lucania and Gang Get Solitary Cells As Prison Caution

Ossining, N. Y., June 18—Charles (Lucky Luciano) Lucania and six of his underlings today were in solitary confinement at Sing Sing, for prison officials felt that hatreds engendered during the bitter trial might break out in serious revolt here.

Until the seven men, sentenced to varying terms yesterday by Supreme Court Justice Philip McCook in Manhattan, slip into the routine of the prison they will not be permitted to mingle with other prisoners, it was said.

Lucky and his cohorts, in the company of ten deputy sheriffs, five picked detectives from the New York force and three New York Central Railroad officers, arrived at the prison gates late last evening. It was past the regular hour for receiving prisoners, but red tape was cut to accept Lucky and his gang.

BROOKLYN DAILY EAGLE

Forwarded by New York City

JUN 19 1936

62-5773-116

FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE	
JUN 19 1936	
NEW YORK OFFICE	
ROUTED TO:	FILE

Mayor Rewards 16 Policemen in Luciano Case

Lines Collegiate-Looking
Squad Up at City Hall to
Praise and Promote Them

Says They Proved a Lot
Including the Fact That
Politicians Shield Crime

Fifteen young policemen and their commanding officer, Acting Captain Bernard Dowd, who were among the investigators whose work resulted in the conviction of Charles Luciano and thirteen of his underlings as operators of the compulsory prostitution racket in this city, received additional compensation and promotion from Mayor F. H. LaGuardia in a ceremony at City Hall yesterday.

Mayor LaGuardia excoriated Luciano, and said that the Luciano gang could not have conducted their activities without the knowledge and complicity of law-enforcement officials. Luciano began serving a term of thirty to fifty years in Sing Sing yesterday with nine of his followers.

"Political protection for gangsters in this town is at an end," the Mayor said, "the policemen, who stood at attention in a single line to his left. Most of them looked like young college men, a fact which was remarked by John A. Lyons, Assistant Chief Inspector in charge of the Detective Bureau, who said that the men had been chosen for this assignment because 'they did not look like cops.'"

Said Mr. LaGuardia: "This demonstrates that the police of the City of New York, when competent and honestly commanded by an honest Commissioner and by an honest head of the Detective Bureau, can cope with any situation. Boys, you have done a nice piece of work."

Criticizing "some who for various reasons seek to belittle this roundup of vice racketeers," the Mayor said that Luciano was "the type of racketeer who depends upon political influence to carry out his dirty business."

Luciano to Politicians
The Mayor said that not many months ago Luciano, to whom he referred constantly as a "gangster," in addition to more numerous secondary racketeers, was conducting a primary campaign in a certain district of the city and "had the citizens of that district in awe and terror." He commended Robert Santangelo, an Assistant District Attorney, who, in the course of the primary campaign, he said, "exposed Luciano."

Mentioning again Luciano's political influence, the Mayor said that if the conviction of Luciano and his associates had occurred in Tokyo "there would have been at least six harikaris."

"Racketeering is a sort of urban banditry," he said. "We are going to stop that in New York. The big shots are being identified to the extent that the very association with some of them is a public record constituting official misconduct."

Thirteen Get Gold Shields

Mayor LaGuardia congratulated each man personally and handed brand new gold detective's shields to thirteen of them.

Police Commissioner Lewis J. Valentine, who presided and had the names of the men to the Mayor, said: "We want every member of our department to know that if men do good work, if their work is of a nature that reflects credit on the department, we are ever ready to recognize it and promote them and, wherever possible, with an increase in pay."

Thomas E. Dewey, special racket prosecutor who obtained the Luciano convictions, told the story of how these policemen had been selected and trained by Inspector Lyons. Most of the men had been chosen directly out of training school, he said.

"In a period of ten months these patrolmen have become not merely detectives but ace detectives," Mr. Dewey said. "I have reason to know that a number of these men have been subjected to the most intense personal embarrassment and have reason to know that there have been enticements held out to them which would have caused weaker men to yield. The strain on them morally has been colossal."

Brennan Gets Special Praise

Mr. Dewey, singled out Detective John J. Brennan, who is attached to the office of District Attorney Samuel J. Pokey in the Bronx, for exceptional commendation. Brennan happened in at Hot Springs, Ark., when Luciano was first arrested and made the first move to obtain the racketeer's extradition to New York.

"Had it not been for his excellent work in Arkansas," Mr. Dewey said, "we might well have lost custody of Luciano."

Those receiving recognition through promotion and addition compensation were:

Additional Compensation, \$500 Annually

Acting Captain Bernard Dowd

Third to Second Grade Detectives

Robert Gilbert Dominick Donato

Patrolmen to Third Grade Detectives

James J. S. Dwyer Hyman Rosenblatt

James F. Haley William J. Gilmartin

John P. Brigallie Edward Mann

Anthony P. Capalbo Joseph J. Regan Jr.

James P. Hughes John J. Whalen

Philip E. Abbate William G. Pihanagan

Abraham Belsky

In Sing Sing Prison Luciano and his colleagues were still in solitary confinement. It was said that they would remain there until the arrival of the four other convicted men.

The sentencing of Thomas Petrovich, who pleaded guilty to compulsory prostitution, was postponed until July 1 by Justice Philip J. McCook in Supreme Court yesterday. Jacob J. Rosenblum, chief assistant to Mr. Mr. Dewey, said in moving for the adjournment that a complete investigation and psychiatric examination would take the rest of the month.

JUN 21 1936

62-5773-117

JUN 21 1936

NEW YORK

[Handwritten signature]

CONVICTION OF LUCIANO HAILED

Crime Prevention Leader Draws Conclusions.

WANTS POLITICS ELIMINATED

Urges Appointing Prosecutor and Police Heads for Life.

The offices of Police Commissioner and District Attorney should be removed from politics by making the positions appointive and for life, and there should be strict enforcement of Police Department rules, the Rev. George Drew Egbert, president of the Society for the Prevention of Crime urged yesterday.

Dr. Egbert, speaking at the First Congregational Church in Flushing, hailed the conviction of Charles Luciano and praised the work of Special Prosecutor Thomas E. Dewey.

"I do not believe the people of New York fully realize the greatness of the victory for law and order that has been won by Mr. Dewey in the conviction and sentence of filthy Luciano and Luciano's filthy gang," he declared. "The racketeer can never entirely be eradicated, but the Luciano conviction has proved that he can be shackled."

Dr. Egbert praised Police Commissioner Valentine, but said that it was disappointing that two District Attorneys in the city had to be superseded, because they were "found so ineffective."

He charged that racketeers had a strangle hold on the police and upon prosecuting officials.

"Too many officials are developed from, and selected because of, membership and activity in local political organizations," he declared. "In which criminals and racketeers are also members."

Dissent Is Declined.

The Rev. John H. McComb, pastor of the Broadway Presbyterian Church, Broadway and 14th street, yesterday in his sermon expressed sympathy for the aims of the fundamentalists led by the Rev. Dr. J. Gresham Machen, but declared that he would not secede from the old church, the Presbyterian Church in the United States of America. The dissenters recently announced that they would found the Presbyterian Church of America.

At the close of the 11 A. M. service, the Rev. Mr. McComb asked the congregation to express its allegiance to him, and he was upheld in his stand by an almost unanimous show of hands by the congregation. There were more than 800 persons present.

Dr. McComb said that the problems faced by all the churches today could be simplified and eventually solved if ministers would devote their time to teaching the word of God.

"The apostles succeeded so amazingly in their work of evangelization because they ceased not to teach and to preach Jesus Christ," Mr. McComb said. "They did not merely preach His ethical teachings, for above all else they dwelt upon His deity; His substitutionary death for sinners; His bodily resurrection; His power to save until the uttermost all who come unto God by him, and His promise to return and establish the glorious kingdom long ago promised Israel."

Little Religious Prejudice.

The Rev. Raymond L. Forman, in his sermon at St. Paul's Methodist Episcopal Church, declared that frequently people label something religious persecution when in reality it is persecution for economic or other reasons.

"That religious prejudice is the most deeply entrenched of all prejudices is a delusion," he said. "Religious prejudice, I have some

to believe, is rare. When you penetrate the layers of other prejudices you will find that the human race is generous and tolerant."

Groping Christians.

The Rev. Dr. Joseph M. M. Gray, chancellor of American University, Washington, D. C., said that the church was "saying it with flowers instead of thundering home the truth" in a sermon at the Collegiate Reformed Church of St. Nicholas, Forty-eighth street and Fifth avenue.

"Christians today are perplexed and groping," he said. "They do not deny religion but are ignoring it, for faith has brought them disaster and suffering. All clear-cut

beliefs have been obscured by the dust of modernism and we can no longer believe in the simple precepts of our fathers. However, Christians can do more than trust—they should keep the securities of their faith intact. Jesus Himself is the truth."

62-5773-118

1/11/36

Luciano Trial Record Printing Bill \$15,000

At a penny a word, printing of the voluminous record of the Charles "Lucky" Luciano vice racket conviction has begun. Approximately 1,500,000 words were spoken in the trial before Supreme Court Justice McCook, with \$15,000 charged for the printing.

62-5773-119

John

Schurman Tells Courts to Query Vice Bondsmen

**Chief Magistrate Intends to
Find Out Who Is Buying
Bail for the Defendants**

Will Inform Prosecution

**Action Follows 2 Convic-
tions in Luciano Inquiry**

Instructions to place bondsmen in vice and gambling cases under oath and to examine them with an aim to determining whether they were employed by a person other than the defendant were issued to all magistrates yesterday by Chief Magistrate Jacob Gould Schurman Jr. The instructions, which follow the conviction of two bondsmen in the Dewey investigation of the Charles Luciano vice ring, will become effective on Wednesday.

Chief Magistrate Schurman's memorandum to magistrates follows:

"Gentlemen:
From and After July 1, 1935, will you be good enough to interrogate under oath, pursuant to Section 554-B of the Code of Criminal Procedure, all persons who appear before you for the purpose of giving bail for defendants in vice cases or in gambling cases along the following lines:

"(A) The relationship, if any, between the bondsmen and the defendant.

Security To Be Questioned

"(B) What security was furnished for the bail bond and by whom.

"(C) By whom the premium for the bond was paid or is to be paid.

"(D) Who requested the bondsmen to execute the bond.

"(E) Who requested the bondsmen to come to court.

"(F) Whether the bondsmen has furnished bail for other defendants in similar cases within a period of one month prior thereto, and if so, in what cases and at whose request.

"If the defendant, instead of giving bail, elects to deposit the sum mentioned in the order of commitment with the magistrate or with the clerk of any magistrate's court, will you be good enough to interrogate under oath, pursuant to Section 554-B of the Code of Criminal Procedure, the person who appears and who offers to make such deposit along the following lines:

"(A) The relationship, if any, between the depositor and the defendant.

"(B) From whom the sum offered to be deposited was obtained.

"(C) Who requested the depositor to come to court.

"(D) Who requested the depositor to make the deposit.

"(E) Whether the person offering the deposit has made other deposits for other defendants in similar cases within a period of one month prior thereto, and if so, in what cases and at whose request.

Minutes To Be Kept

"Please instruct the stenographic reporter in your court to take the minutes of your interrogation.

"If the answers to your questions indicate, in your opinion, that any bondsmen or other person is being employed in such cases by persons other than the defendant, who are interested in vice or gambling, will you please so advise me in writing, and forward to me the stenographic minutes on which your conclusions are based. I shall see that the matter is brought to the attention of the District Attorney having jurisdiction in the premises.

"Yours very truly,

"JACOB GOULD SCHURMAN Jr.

"Chief City Magistrate."

Jesse Jacobs and Meyer Berkman, the two bondsmen convicted in the Luciano case, have not yet been sentenced.

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LUCIANO AND GANG TO BE SEPARATED

Mulrooney to Put Mob in Different Prisons.

ALBANY, June 30 (U. P.).—Edward P. Mulrooney, Correction Commissioner, announced today that the Charles (Lucky) Luciano vice gang members, convicted recently in New York's drive against rackets, would be distributed among Clinton, Attica and Auburn prisons to prevent trouble.

Luciano, who allegedly netted millions of dollars from his vice racket; Ralph Liguori and David Betillo were sent to Clinton Prison.

Thomas Pannocho and Jack Ellenstein were transferred to Attica Prison and James Frederico, Luciano's lieutenant, and Abraham Wahrman to Auburn Prison.

"I think it is better to separate them so they can't cause any trouble in the prisons," Mr. Mulrooney said. "It also will prevent them from getting together and forming some new racket—maybe in the prison."

Luciano, now numbered 92,188, and his gang are in Sing Sing Prison, where they have been held since the convictions.

Mr. Mulrooney said he visited Sing Sing yesterday and "looked over the mob."

"They were out in the exercise court, stripped to the waist and bathing in the sun," he said. "Luciano was walking around, waving his arms, apparently laying down the law to the rest of the boys."

Four other men who pleaded guilty to various charges and testified for the State are also in Sing Sing, but Mr. Mulrooney said he had made no plans as to where he would confine them.

"They are only serving short terms," he said.

The Luciano gang was convicted by special Prosecutor Thomas E. Dewey, who is investigating rackets in New York city.

62-5773-171

PHK

TWO JURIES PROPOSED AS RACKET SMASHERS

Group That Indicted Luciano and His Gang Urges Simultaneous Sitings to Check Underworld Activities.

The task of breaking the hold of racketeers on New York city is so great, with so many ramifications of underworld activities to investigate, that two special grand juries, sitting simultaneously, are needed, the Extraordinary Grand Jury upon whose indictments Charles (Lucky) Luciano and his twelve accomplices in the vice racket were convicted recently, reported today to Supreme Court Justice Philip J. McCook.

By implication the jury, drawn at the order of Gov. Lehman January 24, and composed of substantial business men, asked to be relieved of further duties after five months of night and day work.

Justice McCook is expected to forward the report to the Governor within a day or two, and it is presumed that he will order a new Extraordinary Grand Jury drawn to continue the vice and racketeering inquiry being conducted by Deputy Assistant District Attorney Thomas E. Dewey.

Work Barely Begun.

Smashing of the prostitution racket which earned for its officials between \$10,000,000 and \$12,000,000 a year, is a "landmark in law enforcement," the jury report stated. "The work has barely commenced," it added.

Pointing out that Luciano's conviction is the first of any major criminal in a State court, the jury sees hope that rackets here can be destroyed.

In five months the jury heard more than 500 witnesses, or less than 5 per cent of those examined by Mr. Dewey and his twenty assistants, the report continues in discussing the need for two Grand Juries.

"This jury," the report continues regarding its authors, "has done almost the full-time work of two normal grand juries for five months instead of the usual one month. Despite that fact the prosecutor's need for grand jury time has often been far beyond our power to meet."

"We have sat for a considerable longer period than was anticipated at the time we were impaneled and our sessions on many occasions have been as long as five and six hours. The burden of this work, has, of course, kept us from the conduct of our private affairs."

Can Be Relieved Now.

"The presentation of evidence has now reached such a stage that we believe we can be relieved without injury to any of the various investigations concerning which evidence has been presented."

The present Grand Jury repeated the criticisms made by its predecessor against business men who are victims of racketeers.

"The unwillingness of business

62-5773-122

Jan 18

most to testify truthfully. It has been
 shown to us as well as to the public
 that the witness after
 with obvious possession of
 testimony of importance, has ap-
 peared before us and consistently
 evaded questions and denied knowl-
 edge of extortions and other crimes
 plainly involved in his own business
 affairs.

"If organized commercial rackets
 are to be eradicated in New York,
 business men must learn that their
 testimony is imperative and they
 must give it voluntarily, or the
 prosecutor must be enabled to com-
 pel it by the arduous and time-
 consuming process of establishing
 before the Grand Jury, contempt
 of court by witnesses whose an-
 swers are evasive and contemptu-
 ous."

A Few Criminals at Ten.

"The evidence which we have
 heard more than confirms the re-
 port made by our predecessor
 Grand Jury concerning widespread
 activities largely centralized under
 the control of a few major crim-
 inals, taking in incalculable sums
 of money and preying upon legiti-
 mate and illegitimate business
 alike.

"In the field of illegitimate ac-
 tivities, centralization of power is
 largely achieved by concentration
 of money and power in the hands
 of a few criminals. In invading
 the fields of legitimate business,
 organized crime has most success-
 fully used the device of spurious
 trade association and the seizure of
 previously legitimate trade unions
 or the organization of new pre-
 tended unions.

"In the conviction of Luciano and
 his associates a powerful blow has
 been dealt at this interrelated
 structure of racketeering. Much
 of the structure and many of the
 active executives remain. This
 structure has grown up and has
 appeared impregnable; hence or-
 dinary investigation and prosecu-
 tion by regularly constituted au-
 thorities

Very Inconsequential.

"We have been repeatedly faced
 with evidence that prosecution of
 minor figures or agents in organ-
 ized crime does not even serve to
 interrupt its continued progress."

The report was signed by Throop
 M. Wilder, foreman of the jury;
 G. A. Brauning, acting foreman,
 and Charles H. Darmstadt, secre-
 tary.

Since Mr. Dewey was appointed
 special vice and rackets investiga-
 tor by the Governor last July he
 has been assisted by two Extraordi-
 nary Grand Jurors. The first sat
 five months and indicted thirty-
 eight men as heads of the loan
 shark racket. All were convicted.

The present Grand Jury points out
 that it will have sat six months be-
 fore a new one can be drawn, be-
 cause twenty days must elapse be-
 tween the issuance of a Governor's
 order for a new jury and its im-
 paneling. In the meantime the
 present jury will continue to func-
 tion.

Dannemora to Part Luciano From Gang

By RUSS SYMONTOWNE

The gates of Clinton Prison at Dannemora—Siberia of American prisons—soon will clang behind the unlucky Charlie Luciano, deposed overlord of Manhattan vice.

With dismay Luciano heard the dire tidings in his solitary cell in Sing Sing's "prison within a prison" yesterday.

Since receiving sentence thirteen days ago, Luciano and six of the mobsters who helped him organize his \$12,000,000 counterfeit love racket, have been confined in the segregation building at Sing Sing.

Betillo Moves, Too.

Luciano will be sent to Clinton Prison to serve his 30 to 50-year sentence. In this coldest, bleakest of prisons, the man who once lived at the Waldorf Astoria will have one small consolation. Little Davie Betillo, the only one of the vice mob he admitted knowing, will be sent there too.

Ralph Ligouri, trigger man for the ring, will also go to Dannemora. But Tommy (the Bull) Pennochio, paymaster of vice, will go with Jack Eller to Attica Prison, near Buffalo. Jimmy Fredericks, general manager of the ring, and Little Abie Wehrman, whose specialty was beating recalcitrant madams, will be sent to Auburn.

More Sentences Today.

The saturnine Jesse Jacobs and his timorous stooge, Meyer Berkman, who were the bondsmen for the ring, and Benny Spiller, a lowly bookie, all of whom were found guilty with Luciano, are scheduled to be sentenced by Justice Phillip J. McCook today.

But Special Prosecutor Thomas E. Dewey would not say yesterday whether the trio would be called before the court as scheduled.

It is known that Dewey has been questioning these three, determined to extract from them information on which to prosecute policemen and magistrates' court affidavits who made it possible for



Davie Betillo Charles Luciano
Sent to Dannemora.

the ring to keep its human chattels out of jail.

Dewey turned yesterday toward new rackets. Although he would not admit it, it is probable that he will next tackle Louise (Lepke) Buchhouse and Jake (the Gurrah) Shapiro, whose sinister hold on the garment industry costs manufacturers millions of dollars a year, Dewey aids say.

A preliminary report of the vice Grand Jury yesterday recommended to Gov. Lehman that two grand juries be named to handle the vast volume of Dewey's work. The present Grand Jury, in session five months, asked to be discharged. The report expressed great satisfaction with the conviction of Luciano and handed bouquets to Dewey.

62-5778-128

JUL 1 1936

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JUL 1 1936

RACKET JURY URGES WIDER CRIME WAR

**Holds Organized Gangs Will
Dominate City If Dewey
Drive Is Not Kept Up.**

SUGGESTS IT BE RELIEVED

**Lucania and Associates Are
Sent to Different Prisons
to Prevent Trouble.**

Organized crime will dominate the city unless the present investigation into rackets conducted by Thomas E. Dewey as special prosecutor is continued and, if possible, intensified, the extraordinary grand jury which has been cooperating with him said yesterday in a communication to Supreme Court Justice Philip J. McCook.

Two special grand juries instead of one are imperatively needed to carry on the investigation, the communication declared. Pointing out that its members have served more than five months since they were impaneled Jan. 24 and have heard more than 500 witnesses, the grand jury suggested that it could now be relieved without harm to any of the inquiries now under way.

The grand jury disclosed that during their investigation of the activities of Charles (Lucky Luciano) Lucania, which culminated with his conviction of compulsory prostitution, "evidence touching on his political power and influence" was presented to them, as well as testimony concerning other criminal activities under his direction.

Gratified at Outcome

The prostitution charge made the vehicle by which Lucania and his associates were convicted simply because it was in this field that the case against them was most complete, the grand jury stated. It expressed its gratification at having been instrumental in returning indictments "upon which, for the first time, a leading underworld figure has been tried and convicted in a State court."

The grand jury warned that the work has barely commenced. It declared that the evidence before it more than confirmed the statement of its predecessor grand jury that racketeering under the direction of a few major criminals is costing the community "incalculable sums of money."

"In the field of illegitimate activities centralization of power is largely achieved by concentration of money and power in the hands of a few criminals," the report said. "In invading the fields of legitimate business organized crime has most successfully used the device of the spurious trade association and the seizure of previously legitimate trade unions of the organization of new pretended unions."

Business Men an Obstacle

The unwillingness of many business men to testify truthfully has been a shock, as well as a serious obstacle to progress, the report continued.

"If organized commercial rackets are to be eradicated in New York,"

said the report, "business men must learn that their testimony is imperative and they must give it voluntarily, or the prosecutor must be enabled to compel it by the arduous and time-consuming process of establishing, before the grand jury, contempt of court by witnesses whose answers are evasive or contemptuous."

The grand jury disclosed that it planned to make an additional report containing one further recommendation, but it gave no inkling of the subject involved.

Jesse Jacobs and Meyer Berkman, bondsmen for Lucania's vice ring, and Benny Spiller, a minor figure in the ring, will appear today before Justice McCook for sentence. They were not sentenced with Lucania and the other important figures in the ring two weeks ago in the hope they might furnish assistance to the investigations now under way.

Gang Is Separated

Special to The New York Times.

ALBANY, N. Y., June 30.—Seven members of the Charles (Lucky Luciano) Lucania gang who have been in Sing Sing, with long sentences as leaders in a vice syndicate, have been separated by Commissioner Edward P. Mulrooney of the Commission of Correction, he announced today. This was done so there might be no organized trouble. The seven men were shifted to three prisons.

Since the seven were sent to Sing Sing they have been in isolation cells. They were visited on Monday by Commissioner Mulrooney, who saw Lucania "stripped to the waist, apparently laying down the law to the others."

Lucania, Ralph Liguori and David Betillo have been transferred to Dannemora, Thomas Pennochio and Jack Ellenstein are in Attica Prison, and Joseph Frederico and Abraham Wahrman will serve out their sentences at Auburn.

"This will prevent the gang from getting together," said Commissioner Mulrooney, "and forming some new racket—maybe in prison."

62 5773-124

Boyer
Dolan

Sentence Delayed On Last 3 Aides Of 'Lucky' Lucania

Jacobs, Berkman, Spiller
Penalties Deferred—Seen
as Help in Dewey Quiz

The sentencing of the three remaining members of the Charles (Lucky) Lucania vice combination, scheduled for today, was postponed to July 30 by Justice Philip J. McCook in Supreme Court, Manhattan.

The three men on whom sentence was deferred for another month, are Jesse Jacobs, head of the bonding end of the vice racket, Meyer Berkman, his assistant, and Benny Spiller, one of Lucky's strong arm men. All of them have been convicted of compulsory prostitution.

A fourth man, Thomas Petrovich, also found guilty of compulsory prostitution but not connected with the vice gang, will be sentenced the same day as the three Lucania cohorts.

Gives Time to Dewey

It is believed sentence was delayed for one month in order that Special Prosecutor Thomas E. Dewey's rumored investigation of the hall bonding racket in the city's Magistrates' Courts may be completed.

Justice McCook forwarded to Governor Lehman today a letter he received yesterday from the Lucania grand jury. The letter praised the work of Mr. Dewey and recommended that two grand juries be impaneled to investigate the other rackets.

62-5773-125

Smith

DEFERS SENTENCES OF LUCIANO'S AIDS

McCook Postpones Action in Case of 3 Bondsmen.

The sentencing of three associates of Charles (Lucky) Luciano, the vice overlord, who is now serving an extended term in prison for compulsory prostitution, was postponed today until July 30 by Supreme Court Justice Philip J. McCook.

The three convicted men were part of a group of thirteen who were found guilty of the charges of compulsory prostitution prosecuted by Thomas E. Dewey. Ten of them, including Luciano, were sentenced two weeks ago. Benjamin Spiller, Meyer Berkman and Jesse Jacobs were to have been sentenced today.

No explanation of the postponement of the sentence was offered by Justice McCook or Mr. Dewey, although it was generally inferred on good authority that the purpose served by the postponement was to afford time to obtain additional information regarding vice conditions in the city from the three men. Berkman and Jacobs were employed as bondsmen by Luciano to provide bail for women who had been arrested in police raids.

The sentencing of a fourth man who was convicted of the same charge, but whose activities were entirely separate and distinct from those of the Luciano mob, was also deferred until July 30. He is Thomas Petrovitch, who pleaded guilty to the indictments against him, and who is known, under the fanciful name of Gypsy Tom. He was a booker, and was arrested in Florida.

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put

Exile 'Lucky,' 2 Aides to 'Siberia' of U. S.

Whisked to the "Siberia of America," Dannemora Prison, under the cover of darkness, Charles "Lucky" Luciano, trader in the souls of women, today began serving his 30 to 50-year stretch in the toughest stir in the country.

The sullen, convicted pandarer heard the gates of Dannemora clang behind him as dawn broke.

With him were "Little Davis" Betillo who must serve 25 to 40 years for his tie-up with the compulsory prostitution racket, and Ralph Laguri, who escaped with a mere 17½-year sentence.

The one-time lucky gambler, whose fading fortune left him deep in a prison cell, and his associates were taken from their cells at Sing Sing last night, shackled to armed guards and placed aboard a train for Antwon, N. Y., where Danne-

mora lies, grim and forbidding in the fastness of the Adirondack Mountains.

Although Luciano had been forewarned of his impending removal to another prison, his face dropped and he grew pale as guards gave him the "get ready to move" order.

The leader of the \$12,000,000-a-year vice racket and his confederates were immediately slapped into solitary confinement cells upon their arrival at the prison near the Canadian border.

Guards at Sing Sing reported that Luciano has been greatly depressed since he heard the news that he was to be transferred to another prison.

He had been kept far apart from the rest of his mob at Sing Sing because keepers feared that they might start fighting among themselves.

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**Heidt Denies 2 Charges
In Departmental Trial**

**McNaboe Defends Patrolman,
Witness for Luciano Gang**

Patrolman George A. Heidt, of the Elizabeth Street station, who testified for the defense at the compulsory prostitution trial of Charles Luciano and his nine henchmen, pleaded not guilty yesterday afternoon before Michael A. Lyons, Third Deputy Police Commissioner, to two charges on which he was brought to departmental trial.

Heidt, who has been suspended, was represented by State Senator John J. McNaboe, who asked for an adjournment to become familiar with the case. The trial was continued until next Friday.

The first charge against Heidt was that he gave an unauthorized interview to a newspaper on June 9 concerning confidential police work. The second charge contained six specifications. They concerned alleged gambling by the policeman and his failure to satisfactorily explain deposits of \$74,500 in various savings banks from 1926 to 1933 inclusive. Heidt was charged specifically with having made numerous bets on race horses, with visiting tracks in the city four or five days a week when he was supposed to have been on duty and with having taken part in floating dice games.

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HEIDT IS ACCUSED AT POLICE TRIAL

Cop to Be Asked About Bank Deposits.

The departmental trial of Patrolman George A. Heidt, who was assigned to the staff of Special Prosecutor Thomas E. Dewey and who figured subsequently as a defense witness in the trial of Charles (Lucky) Luciano, was begun today at Police Headquarters before Deputy Commissioner Michael A. Lyons.

Heidt is accused of having bet on horses, frequented race tracks and partaken in crap games without making any arrests among the gamblers with whom he associated. He will be asked to explain also how he acquired bank deposits in excess of his salary.

Another complaint against Heidt, who has been a patrolman for twenty-three years, is that he talked to a newspaper man on June 2, the day after he had been warned against doing so by Chief Inspector John J. Seery.

The first witness today was Benjamin Markowitz, a reporter for an evening newspaper, who testified that he was assigned to interview Heidt on June 9 and that he saw the patrolman at his home at 1 West Thirtieth street.

Markowitz quoted Heidt as saying: "If I talk to you I'll get in bad. I can retire in four years and I would be a fool to talk now."

Heidt saw a photographer on the sidewalk, the witness continued, and asked: "Is that your photographer?"

Markowitz was the reply.

"If you can show me where there are any departmental charges against me that can be sustained I'll buy you and that photographer the best suit of clothes you ever wore," Markowitz quoted Heidt as saying.

Under cross examination Markowitz denied that animosity toward Heidt motivated his testimony. He also said that Heidt knew he was a reporter when he was being interviewed. Markowitz was followed on the stand by four character witnesses for Heidt. They were Deputy Inspectors John L. Lagarone and Patrick Daley; Acting Captain Thomas Murray and a business man who said he knew Heidt for fifteen years—Samuel Savrutina.

The last witness before the luncheon adjournment was Chief Inspector John J. Seery who testified that he had advised Heidt not to submit to interviews on departmental matters.

Assistant Corporation Counsel Benjamin Gold is prosecuting. Heidt is being defended by State Senator John J. McNaboe.

NEW YORK SUN

JUL 10 1935

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JUL 10 1935

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VICE TRIAL WOMAN FOUND NEAR DEATH

Jean Costella Discovered In
Gas-Filled Washington Room
Beaten and Branded.

CRAWLS TO PHONE FOR AID

Lucania's Initials Are Carved
on Body of Self-Styled
Grand Jury Witness.

Special to THE NEW YORK TIMES.

WASHINGTON, July 12. — A young woman who told the police that she was Margaret Louise Bell, alias Jean Costella, and that she had been held for weeks as a witness in the recent trial of Charles (Lucky Luciano) Lucania, the New York racketeer, was found early this morning by the police in a gas-filled apartment at 1,230 New Hampshire Avenue, where she had been beaten, bound and left to die.

The initials "C. L." were carved on the girl's thigh and the figures 3-12 on her abdomen. Police pointed out that the initials were those of Lucania and that the numerals also symbolized his initials, since "C" is the third letter of the alphabet and "L" the twelfth.

The girl was taken to the Emergency Hospital for treatment and then to the women's bureau of the Police Department, where detectives questioned her. An attorney who represented her asked the police to keep her at the women's bureau to guard her from further danger.

The attorney said that the girl told him \$200 had been paid to her by a lawyer for the Lucania case on condition that she would make an affidavit that evidence she had given to Mr. Dewey was "framed." Instead of making the affidavit she fled to Washington, and the attorney said she believed the attack on her was revenge for "witnessing."

Crawled to Telephone

The attorney said he was convinced the girl had been associated with the Lucania gang in New York. There was some skepticism among local police, however, whether her story of how her injuries were inflicted conformed to gangster methods of revenge.

The girl was attacked in her apartment soon after 2 o'clock this morning. The police said that she had been struck on the head but not otherwise badly injured. She was suffering seriously from gas poisoning.

According to the police, the gangsters who attacked her cut one telephone wire from the apartment house switchboard to her apartment, but overlooked a direct wire. The young woman, they said, crawled to the private telephone, pulled the receiver from the hook and called for help.

She came here three weeks ago Friday, she told the police. She declared that she had not testified at the trial of Lucania and the others, but had appeared before the grand jury. She is said to have been one of about eighty girls who were held in New York as possible witnesses in the Lucania trial.

The investigation of vice racketeering and the trial were conducted by Thomas E. Dewey, as special prosecutor. Lucania was sentenced June 18 to a term of thirty to fifty years. Nine of his aides also received long terms.

When the police rushed to the

New Hampshire apartment they found the girl bound and weak from the gas which was pouring from jets which had been opened by her assailants.

The police immediately got in touch with the New York police and two detectives from New York reached here this afternoon to join in the search for the gangsters who had attacked the girl.

The detectives from New York were J. Dwyer and P. Lockwood. They refused to discuss their mission here. Washington police said they were men who had worked on the Lucania case in New York.

After a three-hour conference with Chief Inspector Bernard W. Thompson, Captain of Detectives Ira Keck and Detective Sergeant Robert J. Barrett, the two New York officers left police headquarters hurriedly and went to the Women's Bureau to question the victim of the attack.

The police here were holding the girl under the name of Jean Costella. They said, however, that she had used several aliases, including Margaret Louise Bell, Jean Bell and Jean Arnold.

For some time she remained in seclusion at the apartment she obtained here, but on Saturday night she went to the Hangar Club which is located on the Virginia side of the Potomac River near the Washington Airport.

There, it is said, she told the police she saw an Italian member of the Lucania gang whom she knew only as Joe and hurriedly left the club.

She was followed, and soon after reaching her apartment there was a knock at the door. She told the police that she was struck in the face and that the man then threw her on the floor and tied her feet.

It was then that the man cut the initials and numerals on her body. He dragged her to the kitchen, opened the gas jets of the stove and left her there.

After hearing the girl's story the Washington police expressed the belief that members of the Lucania gang were planning to "silence" dangerous witnesses whose evidence might be damaging if the racketeer obtains a new trial.

At the hospital physicians who examined the wound on the girl expressed the opinion that her assailant had apparently used a nail

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

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NEW YORK FIELD
ROUTED TO: *File*

to scratch the initials and numerals.

Woman Charges Reprisal

By The Associated Press.

WASHINGTON, July 12.—Margaret Louise Bell, red-haired 23-year-old witness against Charles (Lucky) Luciano, convicted New York vice lord, was found in an apartment here today with the initials "C. L." and the numerals "3-12" carved on her thigh and abdomen.

The woman, also known as Jean Costello, told police that she had been beaten, bound and carved by a man she said was a member of the Luciano ring and left to die from gas fumes from four jets he turned on after torturing her.

Police found her semi-conscious, bleeding from her wounds, on the kitchen floor of her apartment after a telephone operator, hearing screams, had notified headquarters that something was wrong.

The woman was taken to Emergency Hospital for treatment and after recovering from the gas was transferred to the police department's woman's bureau for questioning.

Saying she had been a witness at the grand jury investigation of Luciano, Miss Bell told detectives she was certain the attack was a gangland reprisal.

Revenge was advanced as a possible motive when the girl said she had accepted \$500 for a signed statement helpful to Luciano's appeal from his conviction. Before signing the statement, however, she added, she left New York.

She was quick to point out that the initials were those of Luciano and that the "3-12" might correspond to C and L, third and twelfth letters of the alphabet.

Adopting for the time being, at least, her theory, police, who were joined by two detectives from New York, admitted that she had given them the names of the man who cut the lettering into her flesh and that of another she asserted was his accomplice.

Woman's Story to Police

The woman's story, as she told it to Detective Sergeant R. J. Barrett and Hoyle Seacrest, was:

She fled from New York because she feared a reprisal for refusing to sign a statement in New York.

She came to Washington about ten days ago and took lodgings in a small apartment not far from the downtown section.

The statement she refused to sign in New York was to the effect that she had given untrue evidence against Luciano when he was found guilty of being overlord of New York's vice syndicate.

At a night club in near-by Virginia.

Saturday night she recognized a dark-skinned man she knew to be a member of the vice gang. Fearing that he was at the capital to carry out the threats against her, she fled from the night club to her apartment.

Soon after she went to bed, between 2 and 2:30 A. M. today, there was a knock at her door and, fearfully, she opened it. Immediately she was struck in the face by a man and knocked to the floor.

The man then dragged her to the bed, took a knife from a brief case he was carrying, almost tore her nightgown from her body, and slashed the numerals on her stomach. He then ran the knife over her right thigh, carving out initials about three inches square.

The man then turned on four gas stove jets, took her key, stepped from the apartment and locked the door.

Still dazed, she crawled into the living room adjoining the kitchen. She found that the intruder had torn one telephone from the wall, but had overlooked another. Stumbling to this telephone she knocked off the receiver and managed to cry out for help.

Police are investigating a report that two men answering the description given them by Miss Bell left New York by plane at 1:40 P. M. Saturday, making reservations to leave here for the return trip at 4:10 A. M. today.

Policemen W. T. Taft and J. C. Conway, who answered the telephone operator's call in their scout car, said that the kitchen was filled with gas when they entered.

Miss Bell, they said, was stretched out on the floor in a torn nightgown, her legs tied with cord.

Men Here Assigned to the Case

Intimating that a young woman answering the description of the one beaten in Washington was a grand jury witness, but not a trial witness, in the Dewey investigation, Captain Bernard Dowd, head of the New York police working with Special Prosecutor Thomas E. Dewey,

admitted early today that an undercover man was in Washington investigating him. One of Mr. Dewey's assistants. They went by airplane.

It was also learned early today that other members of Mr. Dewey's staff had been assigned to check on the local angles of the case.

At the Woman's House of Detention, where seventy-seven women were held as material witnesses in the Dewey investigation, there was no record that any of the seventy-seven used either of the three names given for the woman in Washington.

Thomas E. Dewey, prosecutor in the rackets inquiry, was reported out of the city yesterday.

At the time of the sentencing of Luciano, Justice Philip J. McCook warned the vice ring against any attempt at retaliation. Should such revenge be attempted, members of the ring sent to prison would be required to serve their maximum sentences, rather than the minimum terms, Justice McCook declared.

In addition to Luciano, who was sentenced to thirty to fifty years, David Betillo, described at the trial as chief lieutenant to Luciano, was sentenced to from twenty-five to forty years. Thomas Pennochio, treasurer of the ring, and James Frederico, its field manager, received flat sentences of twenty-five years each.

Abe Wahrman, described as a strong-arm man for the syndicate, was sentenced to serve from fifteen to thirty years. Ralph Liguori, whose work had been described as that of holding up disorderly houses whose proprietors refused to enter the combination, was sentenced to from seven and a half to fifteen years.

These were the principal figures in the vice phase of the rackets investigation. Others had pleaded guilty earlier and had been sentenced, while sentence of some lesser figures who had stood trial with Luciano, was deferred in the hope that they would give information to the State.

Valentine Is Called for Heidt

Commissioner Says He Approved Charges Filed Against Detective.

Police Commissioner Valentine was called today as the first defense witness at the departmental trial of Patrolman George A. Heidt of the Elizabeth street station, against whom specifications have been filed charging him generally with conduct unbecoming an officer.

Heidt was a detective assigned to Special Prosecutor Thomas E. Dewey's racketeering investigation. He caused a sensation by testifying as a defense witness at the trial of Charles (Lucky) Luciano and presenting evidence damaging to the prosecution. The Commissioner of Accounts undertook an investigation and submitted a report to the Mayor and Police Commissioner, which resulted in the present charges against Heidt.

These charges allege that he fraternized with gamblers, that he himself participated in crap games and placed bets on horses, that between 1928 and 1933 he deposited in his bank account upwards of \$75,000 and that he gave out a newspaper interview on police business in violation of departmental regulations and after he had been specifically warned by his superior officers.

The prosecution conducted by Benjamin Gold, assistant Corporation Counsel, concluded earlier in the day, and State Senator John J. McNaboe, representing Heidt, opened the defense case by calling Commissioner Valentine to the stand.

The Commissioner testified that he had discussed Heidt's case with fellow police officials, including Chief Inspector John J. Seery and Deputy Chief Inspector James McGoe. He declared he gave his official approval to the charges filed against Heidt and refuted Mr. McNaboe's assertion that he, the Commissioner, had been unavailable for testimony on Friday. His testimony today was of a purely formal and official nature.

The last prosecution witness was Frank Altschuler, an accountant in the office of the Commissioner of Accounts. He testified to Heidt's bank balance. Mr. McNaboe asked him whether he had not stated and forged some of the bank statements. Mr. Altschuler hotly denied this.

Mr. McNaboe then submitted a

motion to dismiss before Third Deputy Police Commissioner Michael A. Lyons, presiding at the trial at Police Headquarters. Counsel said that the charges were flimsy and based on hearsay evidence; that Heidt's constitutional rights had been violated and that "he had been deprived of his property" as a result of his having been suspended from the Police Department. Commissioner Lyons denied the motion.

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POLICE PLEDGE ARREST OF MAN WHO BRANDED GIRL IN VICE CASE

Washington Detectives Say
Identity of Avenger Is
Known to Them.

CAPTURE DUE IN 24 HOURS

Bartender Questioned as Escort
of Woman Who Welshed on
Promise to Aid Luciano.

The police were hot on the trail today of the gang avenger who early yesterday slugged and branded Jean Costello, one of the eighty women held as material witnesses during the trial of Charles Luciano, and left her to die in a gas-filled apartment in Washington because she "ran out" on a promise to help free the former vice czar from Dannemora Prison.

Bernard W. Thompson, Chief of Detectives of the District of Columbia, said that the identity of the man who carved the initials "C. L." and the numerals "3-12" on Miss Costello's right thigh and abdomen was known, and predicted an arrest in New York within twenty-four hours. A warrant for the man is being issued, Chief Thompson said.

Milton R. Reeves, 28, a bartender who was with Miss Costello in a Virginia night club Saturday night, was held incommunicado after he told the police that he thought he could identify one of the men involved in the attack.

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See action

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Dewey's Whereabouts Unknown

Paul E. Lockwood and Frank Hogan, assistants to Special Prosecutor Thomas E. Dewey, in Washington investigating the attack, which Washington police are convinced was the work of associates of Luciano. Mr. Dewey's whereabouts could not be learned at his headquarters in the Woolworth Building, but others of his staff were co-operating with the New York police in the hunt for the wanted gangster.

Local police officials were cautious in their comment on the case, but Assistant Chief Inspector John J. Lyons sent three photographs of likely suspects to Washington and kept in contact with the investigation there through one of his own men.

Known also as Margaret Louise Bell, Jean Louis and Jean Arnold, the henna-haired prostitute testified here before the Grand Jury, but did not take the stand at the Luciano trial. Early yesterday, after a telephone operator heard her weak call for help, she was found bound, branded and semi-conscious, in her gas-filled apartment.

Although expressing no definite opinion regarding the girl's story that she was slugged and mutilated by a man associated with the Luciano vice ring, Chief Thompson said that he regarded the case as one of attempted murder.

Got Code Messages in Jail

Miss Costello told the police that while she was in the House of Detention here she received secret code messages through the personal columns of a newspaper giving her suggestions as to how she should testify. She did not say who

coached her, but said that her evidence against Luciano, sentenced on June 18 from thirty to fifty years in jail, was not damaging.

Some weeks ago, she said, after Luciano and nine of his gang had been sent to prison, Luciano's representatives approached her in New York. She said they wanted her to sign an article, intended for publication in a newspaper, picturing the vice lord as "a pretty swell guy" and asserting that he had been framed at the vice trial. Luciano is seeking his freedom through an appeal.

Miss Costello said that she received \$500 to sponsor the affidavit, but then decided not to go through with the bargain. She said that her conscience troubled her and she "didn't want to be unfair to the District Attorney," as Mr. Dewey's office had been "very nice" to her.

Fled to Washington.

But having taken the \$500, she was in a bad spot. Fleeing New York, she went to Washington and took an apartment at 1230 New Hampshire avenue, not far from Pennsylvania avenue, where she lay low for a while.

Early Saturday, however, she telephoned to a physician here, asking the whereabouts of a girl friend. She was not able to reach the doctor, but according to reliable sources the doctor called her back at 2 P. M. on Saturday and told her to be in New York this coming Friday without fail.

Saturday night, according to the woman's story, she went to the Hangar Club, a resort across the Potomac in Virginia. There she saw two Italians from New York's East Side, one of whom she recognized as a collector for the Luciano ring. She knew this man only as Leo. With Leo was a second man, whom the police believe to have been a hired killer, Leo's job being merely to "finger" the victim.

The police quoted Reeves, the bartender companion of Miss Costello, as saying that while he and the girl were seated at a table "Leo" approached and whispered something to the girl. She turned pale and fled from the club, leaving her coat and hat, Reeves said. About three-quarters of an hour later the police received the call which sent them hastening to her apartment.

The girl said she went home immediately and made arrangements for her half brother and a male friend to spend the night in her apartment. Then she prepared for bed.

About 2:30 A. M., she continued, there was a knock on the door, and she opened it because she thought it was her brother and his friend. The man she had seen with Leo walked in and felled her with a blow in the face.

Ripping off her nightgown, the intruder scratched the numerals 3-12 on her abdomen and the letters C. L., four inches tall, on her right thigh.

After binding her hands and feet with twine, the gang avenger dragged her into the kitchen, cut the telephone wires and turned four gas jets in the stove on full. He then walked out, locking the door and taking the key.

responsible for any injury. The people's witnesses might hereafter, by ~~misconduct~~ their testimony, suffer. Let the record show, that should any witness be injured or harassed, the court will request the parole authorities to retain in prison the defendants against whom such witness testified, for the maximum terms of the sentences."

Dewey Suspected Girl.

It was learned today that Mr. Dewey's staff did not use Miss Costello as a witness, because they were "afraid of her." They said she told a rather fantastic story to the Grand Jury, and during the time she was in the House of Detention, she was suspected as forming contact between the gang and the rest of the women witnesses.

After the trial the Costello girl made several calls to Mr. Dewey's office in the Woolworth Building, where she talked with Frank Hogan, one of Mr. Dewey's assistants. She told Mr. Hogan that she was being induced to write a story of how the Dewey staff obtained the evidence on which Luciano was convicted, and that it was to be published to discredit Dewey and his aids before the Court of Appeals.

Mr. Hogan at once asked her to show proof of her story, and when she failed to do so paid no more attention to her. When last seen at the Woolworth Building Miss Costello said that she was going home to one of the Carolinas, and that she intended to visit her half-brother in Washington on the way South.

In certain quarters here it was felt that the attack in Washington might have been staged for publicity to create atmosphere, as Miss Costello was said to be in communication with a newspaper and negotiating with its editors to sell her "inside story" of the Luciano vice ring.

Several points in Miss Costello's story puzzled detectives. One was her statement that her assailant struck her in the face when she opened the door. Chief Thompson said that an examination disclosed no bruises.

Wounded From Gas.

Miss Costello said she was too dazed from the attack and from the gas to remember much of what happened. She managed, however, to get to a private telephone which the gangster had overlooked—a line recently installed—and knocked it over, calling feebly into the instrument.

Detectives who responded to the telephone operator's summons found the girl lying across a bed, practically unconscious. They took her to a hospital, where the cuts on her body were treated. It was said there that the wounds might have been caused by a nail or pin, possibly a nail file.

Miss Costello lost considerable blood and the wounds were painful, but she was able to go to the District of Columbia Women's Bureau yesterday and be questioned by Detectives J. Dwyer and P. Lockwood, sent from New York with one of Mr. Dewey's assistants to assist the Washington police. The girl herself, it is said, was the first to point out that the initials carved on her thigh were those of Luciano. She also called attention to the fact that 3-12 stands for the position of those initials in the alphabet. The branding figures, however, standing for March 12, might have recalled to the victim the date on which she "squealed" to the Grand Jury regarding what she knew of Luciano's \$12,000,000 vice organization.

Detectives said that they had learned that two men answering the descriptions given by Miss Costello left New York by the regular 4:30 P. M. passenger plane for Washington on Saturday and took another plane back here at 4:30 A. M. yesterday.

Police Headquarters Silent.

Police Headquarters here had no comment to make on the girl's story, but acting Capt. Bernard Dowd, in charge of the detectives assigned to aid Prosecutor Dewey, appeared satisfied that the attack victim had been a Grand Jury witness against Luciano and his associates.

The danger of reprisals against witnesses who testified against Luciano was recognized by Supreme Court Justice Philip J. Moore when he sentenced Luciano and his principal co-defendants. Before pronouncing sentence, the court said:

"These defendants will be re-

DEWEY'S MEN QUESTION TWO IN GIRL'S STORY

Neither Under Arrest, but Are
Held for Action at Capital
in Branding Case.

HAVE POLICE RECORDS

Both Admit They Know Jean
Bell, Who Still Denies Her
Story Is Hoax.

Detectives today detained two Brooklyn men who answered Jean Bell's description of principals in her unsubstantiated story of "gang vengeance" mutilation in Washington.

Leo Marmone, of 414 Henry St., and Joseph Silver, of 2241 E. 24th St., were picked up for questioning, but have not been arrested. Both have long police records, but have managed to "beat the rap" on most of the charges.

They were held only on the strength of the girl's description of two men she said figured in her torture Saturday night as a welcher on Charles (Lucky) Luciano's gang. Her lurid tale of travail is doubted by authorities here and in Washington.

Both Men Have Alibis.

Acting Captain Bernard Dowd, who questioned the men, said the pick-ups were made at request of Washington police. Both denied they were in Washington during the week-end. Silver said he would willingly confront his accuser in Washington, but Marmone was angry. Marmone said he was in Boston at the time the girl said she was attacked by a Luciano mobman. Silver, who runs a cigar store on Seventh Ave., near 50th St., said he spent the week-end here "drinking with friends."

Under the name of "Leo Maimone" one of the men was arrested seven times between 1923 and 1936, but never served a day. Four of the charges were robbery, one grand larceny, one vagrancy and one violation

of the Sullivan act. He was dismissed on all the charges except the Sullivan act violation charge and received a suspended sentence in that case.

Both Know Miss Bell.

Silver was arrested twelve times between 1921 and 1933; was convicted five times but served only short sentences.

In 1926 he was sentenced to a short term for theft, then was put on probation, but broke the trust. In 1928 he was sentenced to three years in the Atlanta federal prison for a mail truck robbery.

Both men admitted they knew Jean Bell.

She told Washington officers a New York gangster "put the finger on her" at a night club Satur-

day and that forty-five minutes later another gangster beat her, trussed her and scratched Luciano's initials on her flesh. She has a reputation for telling tall tales.

Doctor Admits Phone Call.

Captain Dowd said he had questioned Dr. Samuel Swetnick, of 260 W. 34th St., who said the girl telephoned him Saturday, bearing out her statement that she had called a New York physician.

The doctor said he didn't recall exactly what the conversation was, but that it was along professional lines.

The girl was questioned fifteen hours yesterday and last night, but denied her story was a hoax. She will be questioned again this afternoon.

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JUL 14 1936

ROUTED TO

Wm J

Two Held Here In Branding of Vice Witness

Pair Mentioned in Story
of Margaret Bell Face
Inquiry in Washington

Both Present an Alibi

Police Continue Their Study
in Face of Hoax Theory

Two men were held yesterday by the New York authorities for the police of Washington, who wanted them in connection with the story of Margaret Louise Bell, a former employee of the Charles Luciano prostitution ring, that she had been bound, scratched with the initials "C. L." and left to die in a gas-filled apartment in Washington on Sunday.

While both New York and Washington authorities were strongly inclined to believe the girl's story a hoax, effort was being made to develop every possible fact which might substantiate it. Washington policemen will arrive this morning to take the two men to the capital for questioning. According to The Associated Press, they are bringing warrants charging assault with intent to kill. Both men have agreed to waive the formalities of extradition.

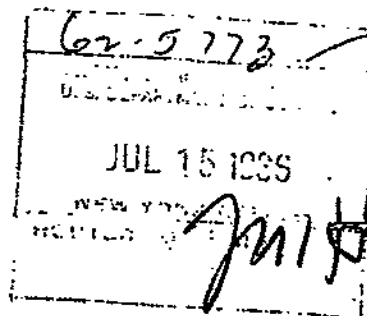
Served Terms for Thefts

The two men were Joseph Silvers, thirty-six years old, of 2241 East Twenty-fourth Street, Brooklyn, and Leo Maimone, thirty-four, of 414 Henry Street, Brooklyn. Silvers, formerly the proprietor of a cigar store in Seventh Avenue near Fifty-first Street, which was a meeting place for members of the Luciano mob, has served several jail terms as a result of automobile thefts, and also did a two-year bit in Atlanta for mail robbery. Maimone also has a record of several arrests, and once received a suspended sentence on a Sullivan law charge.

The girl said she had seen the two men in a Virginia night club, on Saturday night, the day before the attack on her. Maimone told of having gone on a trip to Massachusetts last week end, returning to New York on Sunday, while Silvers said he had been out drinking in various New York resorts on Saturday and Sunday.

Dewey Aids Check Story

Assistants of Special Prosecutor Thomas E. Dewey, who have been used as a material witness but did not use her testimony in obtaining a compulsory prostitution conviction against Luciano, worked both here and in Washington in an effort to check up on every possible angle in her story. The girl was questioned all day in Washington by Bernard Thompson, chief of detectives, in an effort to determine whether her story was true. Steadfastly she denied it was a hoax, even when the police bore down on news from Florida that in two cases she had led Florida police astray with false, lurid stories about supposed murders.



SHOWDOWN IN BRANDING OF GIRL DUE TODAY

Pair Taken to Court for Extradition to Washington

Investigation of the torture yarn told by Jean Bell, 23-year-old prostitute, who claimed gangsters branded her with Charles "Lucky" Luciano's initials, neared a showdown today as two suspects were taken to Federal Court for removal proceedings before their departure for Washington.

In the Capital, where Jean is still being questioned by police regarding the alleged attack of Sunday, when she said she was gassed, bound and slashed, there remained much suspicion that her tale was a hoax. She changed her story five times, Capital police said.

DENY ATTACK

The two suspects, held as fugitives from justice, are Joseph Silvers, of 2241 E. 24th st., and Leo Maimone, of 414 Henry st., both Brooklyn. In the lineup they both denied having attacked the girl.

Maimone said he spent Sunday, the day of the assault, at Revere Beach in Boston, and Silvers asserted he had been with friends in uptown New York that day. Both willingly waived extradition to Washington.

In the Capital Jean suddenly expressed fear that she was about to be killed and asked police to protect her. The police explained they had no intention of releasing her from detention until her story is completely checked.

Her common law husband, Anthony Thompson Costello, 29, of Washington, was released after questioning. Her legal husband, Thomas A. LaRoe, 29, is serving three years at Atlanta for selling narcotics.

"ONE TOUGH BABY."

"She's one tough baby," said Capt. Ira Keck, in Washington. "If she doesn't break when she faces these guys she'll never crack at all."

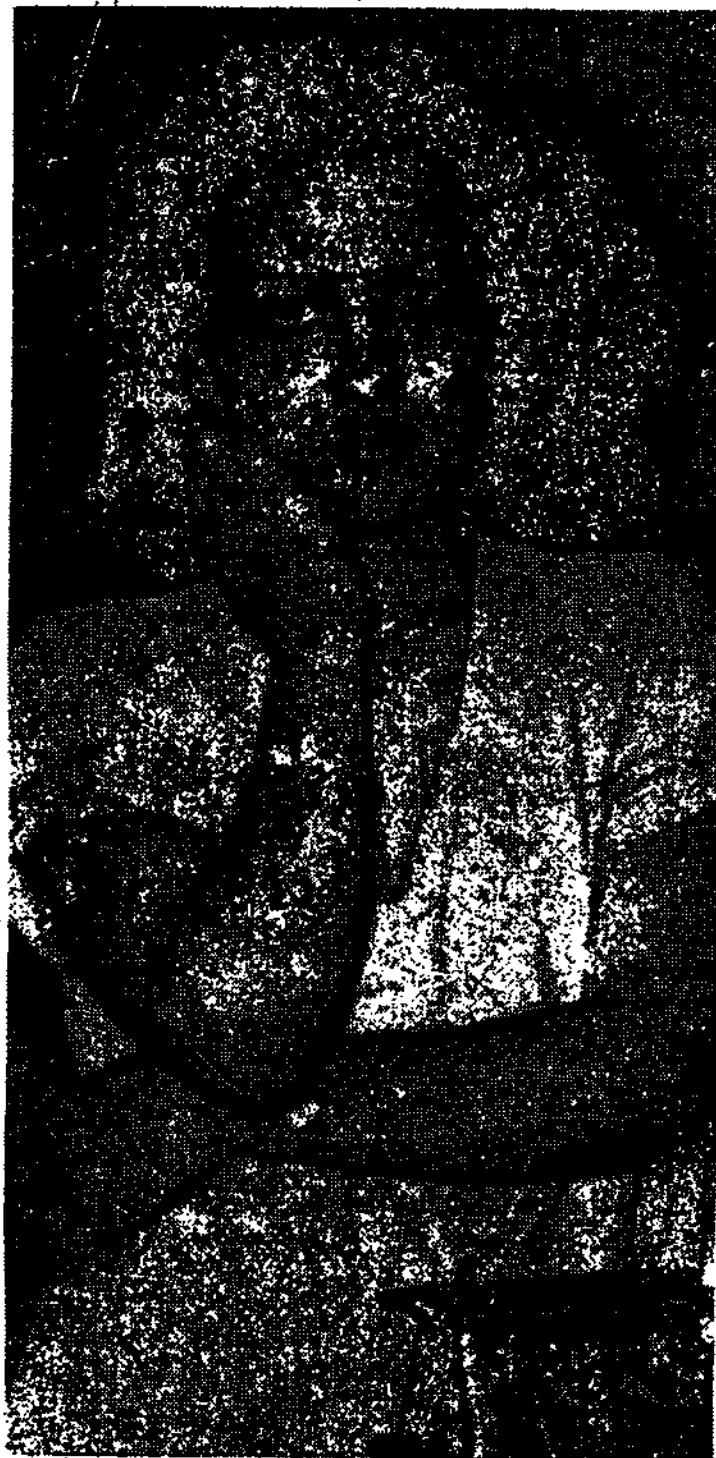
Between grillings, the call girl told a matron at the Woman's House of Detention that she is a "marked woman." She meant that after she is released she faces till further gang vengeance. But he added:

"What difference does it make. I'm a fatalist. I've told the judge. I was afraid before, but I don't care now."

JUL 14 1935

Wm H

ALL SET
~~TO~~ 'BLAST
ALIBIS'



1 Margaret Louise Bell poses in Washington as she awaits the arrival of two suspects in her alleged branding. "I'll face them," she says defiantly, "I'll blast their alibis to Hell!" Picture from International News Photograph Service.

APR 15 1936
NEW YORK
HOLLAND
[Handwritten signature]

Girl-Branding Suspects Are Taken to Capital

Two Seized in Vice Trial Aftermath to Get Speedy Hearing

Joe Silver, of 2241 East Twenty-fourth Street, Brooklyn, and Leo Malmon, of 414 Henry Street, Brooklyn, who were arrested by police Tuesday, departed by train for Washington yesterday, guarded by detectives and members of the United States Marshall's office, charged with unlawfully assaulting Margaret Bell, alias Jean Costello, who claims she was attacked last Sunday in Washington and branded with the initials of Charles Luciano, convicted vice leader.

Both men denied being in Washington last Sunday. Each waived extradition in order to proceed to the capital for an immediate hearing. The removal order was signed by Judge Vincent L. Leibel in Federal Court, who directed the prisoners into the custody of Detectives Frank Bram and Robert Barrett of the Washington metropolitan police.

Washington police, who have reported many inconsistencies in the alleged victim's story from the time she was found bound in her gas-filled apartment, announced yesterday they had received a warrant from Baltimore police charging the young woman with robbery in the alleged theft of \$700 from a World War veteran there on June 29. The complainant was identified by Bernard W. Thompson, chief of Washington detectives, as Phillip R. Davis, a patient at Mount Alto Veterans Hospital in Washington.

62-5773-136

[Handwritten signature]

GIRL'S BRANDING STORY IS SHAKEN

She Fails to Identify Men Taken to Washington.

WASHINGTON, July 16 (U. P.).—Chief of Detectives Bernard W. Thompson promised a "complete expose" today of Margaret Bell's story of an alleged gangland vengeance mutilation.

Miss Bell, former New York vice ring figure of many aliases, told the police who found her in a gas-filled apartment early Sunday that henchmen of Charles (Lucky) Luciano tried to murder her. She failed to identify two men whom she had implicated—Joseph Silver and Leo Maimone—as those allegedly involved in the carving of Luciano's initials—"C. L."—and the numerals "3-12" on her abdomen.

The men were brought here last night from New York by Washington detectives and placed in the police line-up along with five plain clothes men. She said Silver "resembled" one of the two men she blamed for the torture but that she was not positive enough to testify against him.

Silver and Maimone, declaring they had "air-tight" alibis, waived extradition and came to Washington on warrants charging them with assault with intent to kill.

Miss Bell named Silver and Maimone as the men sent out by aids of the former New York vice overlord, Luciano, to "get" her because of her Grand Jury testimony against him. Luciano is now serving a thirty to fifty-year sentence in Clinton Prison at Dannemora, N. Y.

At the police line-up her uncertain identification did not satisfy the police that they had a case against either of the men. Miss Bell said she would not go into court and swear that Silver was the man who attacked her at the Hanger Club a few hours before she alleged to have been attacked.

62-5773-137

Just

Vice Case Girl's Branding Story Is Called Hoax

2 N. Y. Suspects Released as Washington Police Find Charge Groundless

By The Associated Press

WASHINGTON, July 16.—Detective Chief Bernard W. Thompson today termed "absolutely groundless" the story of red-haired Jean Bell that she was mutilated by New York gangsters and left to die in a gas-filled apartment here.

In a statement which Thompson attributed to the girl, she was quoted as saying she did not remember what happened after she returned to her apartment Saturday night because she "may have been doped or intoxicated."

"It is well proved," the statement said, "that in my delirium the marks on my body could have been self-inflicted."

Joe Silvers and Leo Malmone, charged with mutilation of the girl, were released today when they pleaded innocent at their arraignment before United States Commissioner. Release of the men followed failure of the girl to identify them.

Had Accused Suspects

In her first story, the girl told police she suspected Silvers and Malmone of participating in the assault, during which she said the initials "C. L." and the figures "3-12" were carved on her body. She also alleged the symbols represented the initials of Charles Luciano, against whom she once was held as a witness.

Thompson declared the girl's account of this constituted the "greatest indication of falsehood I have ever been confronted with." He added that the girl would be held for authorities at Baltimore, where she has been charged with theft of \$700 from a World War veteran.

He called her story "a weird fabrication of lies concocted in a fanatical desire for publicity."

Dewey Promises Protection

Thomas E. Dewey, special racket prosecutor, after learning that the branding of Jean Bell had been determined a hoax, announced that his promise to protect witnesses in his investigations had been and would continue to be performed.

Mr. Dewey's statement follows:

"After exhaustive investigation it has now been established that the alleged branding of the girl, Jean Bell, was a hoax invented and perpetrated by her.

"While this girl was never a witness for the people, this was the first hint of any violence to an alleged witness in the investigation and it proved to be a fraud.

"When I undertook this investigation, I promised protection to the witnesses for the people, and that promise has been performed. It will continue to be."

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JUL 17 1936

Wm. H. [Signature]

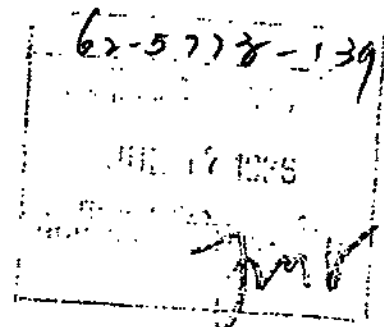
HE LOST \$700 BONUS

Girl Accused as 'Carved'
Faker Must Face Charge.

WASHINGTON, July 17 (A. P.).—Police said today that Jean Bell, twenty-three-year-old entertainer whom they accuse of faking a story of mutilation here by New York gangsters, would be arraigned tomorrow on a fugitive warrant from Baltimore charging that she stole \$700 of bonus money from a war veteran.

The robbery charge was made by Phillip R. Davis, a patient at Mount Alto Veterans' Hospital here, who said he was victimized during a party in a Baltimore hotel on June 22.

A police judge must decide whether she is to be returned to Maryland.



Luciano 'Torture Girl' To Face Court Today

WASHINGTON, July 18.—Margaret Louise Bell, 23, whose "torture" story involving aides of Charles "Lucky" Luciano, deposed New York vice lord, was denounced by police as a "weird fabrication," will be arraigned today for extradition to Baltimore.

She is charged with stealing \$700 in bonus money from a World War veteran.

JUL 18 1936

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FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE	
JUL 18 1936	
NEW YORK OFFICE	
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'BRANDED' GIRL TO BE ARRAIGNED

WASHINGTON, July 17 (US). —Margaret Louise Bell, 23, whose "torture" story involving aides of Charles "Lucky" Luciano, deposed New York vice lord, was denounced by police as a "fabrication," will be arraigned tomorrow for extradition to Baltimore. She is charged with stealing \$700 in bonus money from a World War veteran there.

Police here closed their six-day investigation when the girl failed to identify two men who she said had beaten and branded her with the initials "C. I."

JUL 18 1936

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Gay Sails to Escape Luciano Spotlight

By LEE MORTIMER.

Gay Orlova is going away to forget it all. When the Rex sails today at noon, Charlie "Lucky's" former girl friend will be one of the 14 American chorus girls on board destined to appear at the Palm Beach Casino in Cannes under the direction of Paul Florenz.

In order to escape the fearsome notoriety occasioned when she was mentioned in the recent trial of Charles Luciano on charges of



(Murray Korman photo)

GAY ORLOVA.

New looks, new lands, new hope.

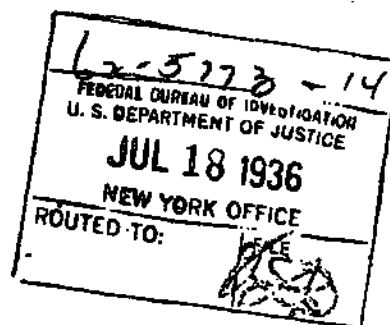
compulsory prostitution she has changed her name to Dolores

Dolores, and her once blonde hair is now black.

Several other former Earl Carroll girls are in the troupe, but neither this nor any other company appearing in Europe is sponsored by Carroll. The continent has become Earl Carroll conscious this year, however, that three European spots are advertising shows directed by the Broadway producer. He is interested in none of them and has engaged French counsel to end the unauthorized use of his name.

NEW YORK DAILY MIRROR

JUL 18 1936



Branded Woman Linked to Theft of War Bonus

Grand Jury Names Jean Bell in Larceny Presentment

BALTIMORE, July 23 (AP).—A grand jury returned a larceny presentment today against Jean Bell, who recently reported to Washington police she had been attacked and "branded" by men she believed to be members of the Charles ("Lucky") Luciano vice gang of New York.

The charge in the presentment is that she robbed Philip R. Davis, a World War veteran, now in the Mount Alto Hospital, Washington, of \$700 while they were at a hotel here. The presentment, in effect, is a recommendation that a bill of indictment be drawn for the jury to act upon. Usually, under the Maryland law, the indictment follows as a matter of course.

Davis came here to testify before the grand jury. He said the money he lost was his bonus. The Washington police have been holding the woman pending the action of the grand jury here.

62-5773-143

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U. S. DEPARTMENT OF JUSTICE

JUL 23 1936

NEW YORK OFFICE

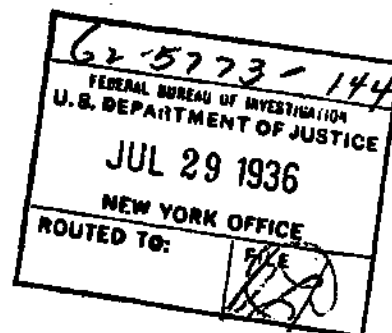
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SENTENCING DELAYED AGAIN IN VICE CASE

The three members of the vice ring which controlled organized prostitution in New York who have not been sentenced yet apparently have decided to disclose more about the inner working of the ring.

This was indicated today when it was announced at the office of Special Prosecutor Dewey that the sentencing of the three men, scheduled for tomorrow, has been postponed indefinitely.

The men are Jesse Jacobs and Meyer Berkman, bondsmen for prostitutes, and Benny Spiller, an underling in the syndicate. It appeared from the prosecutor's announcement that the three had hopes of drawing lighter sentences if they decided to talk now.



4 in Vice Ring Stay in Tombs

McCook Delays Sentences Till Sept. 9 at Dewey's Request

Sentence of the four remaining convicted defendants of the vice ring of Charles ("Lucky") Luciano was postponed yesterday by Justice Philip J. McCook, of the Supreme Court, until September 9 at the request of Thomas E. Dewey, special rackets prosecutor.

The four defendants, who have been held in the Tombs while their sentences have been deferred three times, are James Jacobs, Meyer Berkman, Benny Spiller and Thomas Petrovitch. They were convicted recently of charges of compulsory prostitution, with Luciano and ten of his henchmen, who are now serving prison terms. Luciano was sentenced to serve from thirty to fifty years in Sing Sing prison.

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JUL 30 1936	
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Probe Route Of Luciano In Saratoga

(Saratoga Springs News)

Saratoga Springs, Aug. 2.—Four of Thomas E. Dewey's ace investigators have been assigned to this Summertime capitol of horse-racing to look into complaints that Lucky Luciano controls Saratoga Springs more thoroughly from his cell in Dannemora than he did before Dewey sent him away for chain-store prostitution.

Dewey's men were told that Luciano, after going to Dannemora, sent \$100,000 here to be split among certain officials so that his local establishment—the Chicago Club—could continue in operation.

It is one of the most notorious spots in Saratoga and is open day and night.

Favored in Dannemora?

They hear here that Luciano is specially favored in Dannemora. He is allowed to transact his busi-

(Continued on page 34, col. 3)



Special Prosecutor Dewey.
After Saratoga racketeers.

ness activities, the local wise boys will tell you, and is due for a party almost any day now.

Dewey's men were told that a local political boss has a piece of several of the most profitable gambling palaces. He has, to be seen in order to open up a place, they were informed. Current prices are said to be \$25,000 on the line before the doors open.

The Dewey agents have been informed that every gambling game, even in the swankiest places, is crooked; that the roulette wheel,

which get the bulk of the play, are all "juiced"—wired to push buttons in the floor operated by experts.

\$300,000 in One Night

They'll tell you that you have about the same chance, on stud, poker, craps, bird cage, dice or any other form of contribution to the coffers of the big shots.

A multi-millionaire oil man, whose name is a household word, is reported to have dropped \$300,000 in one night.

Other pictures, pages 22 and 23

62-5773	
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FIRST DEWEY JURY QUITS AMID PRAISE

**Selection of Two New Panels
Goes On—Two Absentees
Fined \$250 Each**

In a shower of verbal bouquets the extraordinary Grand Jury which has worked for six months with Special Prosecutor Dewey in the racket investigation wound up its affairs today.

Meanwhile, the selection of two new Grand Juries to carry on the work went forward.

Supreme Court Justice McCook, presiding over the selection of one of the new Grand Juries, slapped a \$250 fine on two talesmen who failed to show up.

Two-Thirds Loath to Serve

And Supreme Court Justice Pecora, presiding over the selection of the other, deplored the fact that two-thirds of the panel of 100 immediately asked to be excused from the inconvenient duty.

The old Grand Jury handed up a four-page report to Justice McCook which the Justice glanced through and said would be "considered further." It was not immediately made public.

Throop Wilder, foreman of the Grand Jury, told the court that events had shown the accuracy of its presentment to Governor Lehman some time ago that there is a great deal of work still to be done and two grand juries will be necessary to do it.

Praised by Dewey

Mr. Dewey declared that "this Extraordinary Grand Jury has made one of the most extraordinary contributions ever made in the history of the State."

In six months it has done the

work of sixteen or eighteen normal grand juries, he remarked. And he considered it notable that three of its members had never missed a single session.

As for Foreman Wilder, Mr. Dewey said he was equipped for any post in the American diplomatic service after his six months' service in such a difficult job—he always turned up a quorum.

Moreover, much of its work will not come to fruition for many months, he said.

Lehman Sends Thanks

Justice McCook read a letter from Governor Lehman which he received three weeks ago, which the Governor had asked be read to the Grand Jury when it was discharged.

The letter warmly praised the Grand Jury for its work and officially conveyed the Governor's thanks. The Governor was impressed by the industry of the members in devoting five and six hours a day to the work of the jury.

Justice McCook said there was little he could add to what the Governor and Mr. Dewey had said, but he echoed their sentiments. He had asked the commissioner of jurors to excuse any member from jury service for the next three years, he announced.

Asks Copies of Tribute

It was a love feast, everybody thanking everybody else. Mr. Dewey suggested that a transcript of the occasion be made for each of the Grand Jurors "so they could show it to their children."

Mr. Wilder thought it was an excellent idea.

The men called for service on the Grand Jury who were fined are Jacob Katzenstein, an engineer, of 168 West Eighty-sixth Street, and Edward J. Walter, a merchant, of 375 Park Avenue.

Justice Pecora, regretting the lack of public spirit shown by many talesmen, promised that everything possible would be done to lighten the burden of the grand jurors.

Will Permit Absences

He pointed out that sixteen of twenty-three members constitutes

a quorum and "absences will be tolerated."

Jacob J. Rosenblum, first assistant to Mr. Dewey, examined the talesmen before Justice McCook, and William B. Herlands, another assistant, conducted the examination before Justice Pecora.

Mr. Rosenblum said he would bring Jack Morganbesser, president of the Lurting Live Poultry Company of Flushing, before Justice McCook later in the day on a citation of contempt lodged by the Grand Jury which disbands today.

The charge against Morganbesser is that his answers to questions before the Grand Jury were evasive, particularly those having to do with mysterious payments noted on his check stubs. His answers obstructed the work of the Grand Jury in inquiring into the live poultry racket, it was charged.

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

AUG 5 1936

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LUCIANO GETS WRIT TO FIGHT FOR FREEDOM

Will Appear in Court Aug. 24;
Lawyer Asserts New Law
Didn't Apply in Vice Trial

PLATTSBURG, N. Y., Aug. 11 (AP).—Charles (Lucky) Luciano, recently sent to prison for at least 30 years as New York City's No. 1 vice overlord, charged today that his conviction under a newly amended criminal law was unconstitutional, and won a hearing on a writ of habeas corpus.

James Noonan, Albany lawyer, who gained freedom for the late "Dutch" Schultz when the government tried to convict the Bronx beer baron for income tax evasion, appeared for Luciano.

State Law Attacked

Noonan went to the office of County Judge Thomas F. Croake just as the courthouse was closing and presented his petition for a writ.

The petition contended that the new State law permitting a prosecutor to consolidate indictments against prisoners did not become effective until April 9, 1936, whereas the 90 counts in the indictment against Luciano involved acts which occurred between April 23, 1934, and Jan. 31, 1935.

Therefore Noonan argued that the law is ex post facto, and unconstitutional so far as his client is concerned.

Judge Croake gave the petition careful consideration, then granted it, at the same time directing Warden Thomas Murphy of Clinton Prison at Dannemora, the notorious "Siberia" of convicts, to produce Luciano in Clinton County Court here on Aug. 24.

Sheriff Serves Writ

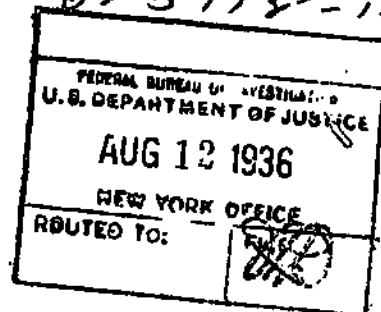
Sheriff Rudolph La Chapelle went to Dannemora, about 18 miles away, and served the court order personally on the Warden.

Officials said Luciano was working in the prison laundry.

What the State plans to do was not immediately disclosed.

Luciano was convicted on 62 of 90 counts in an indictment for compulsory prostitution in connection with a huge chain of disorderly houses in the New York City area.

At the office of Special Prosecutor Dewey, belief was expressed that the writ was granted as a matter of course in order to bring about a hearing on the issues involved. No papers had been served last night on Mr. Dewey.



Lucania, Vice Lord, Wins a Hearing in Fight for Freedom

**Counsel, in Surprise Move,
Challenges Law Under
Which He Was Convicted**

Plattsburg, N. Y., Aug. 12 (AP)—Charging that the law under which he was convicted is unconstitutional, Charles (Lucky) Lucania, New York City vice overlord, won a hearing on a writ of habeas corpus in a surprise move before County Judge Thomas F. Croake here. He is serving a sentence of 35 years for compulsory prostitution.

Judge Croake granted the hearing late yesterday and a short time later Sheriff Rudolph LaChapelle served the court order on Warden Thomas Murphy of Clinton Prison at nearby Dannemora, calling for the appearance of Lucania here Aug. 24.

The petition for the hearing was presented by James Noonan, Albany attorney who gained freedom for the late Dutch Schultz when the Government tried to convict the Bronx beer baron for income tax evasion.

The petition presented to Judge Croake by Noonan contended that the new State law permitting a prosecutor to consolidate indictments against prisoners did not become effective until April 9, 1935, whereas the 90 counts in the indictment against Lucania, also known as Luciano, involved acts which occurred prior to that date.

Noonan argued that the law, therefore, is ex post facto and unconstitutional so far as his client is concerned.

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LUCIANO GETS DELAY

The Appellate Division yesterday extended to Feb. 1 the time for filing records in the appeal of Lucky Luciano, vice king, and his associates. A hearing will be held Feb. 15.

NEW YORK DAILY NEWS

DEC 16 1936

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DEC 16 1936	
NEW YORK	FILE
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Saturday

By JAMES L. KILGALLEN,
International News Service Staff
Correspondent.

DETROIT, March 11.—Gov. Frank Murphy today announced a "hands off" and "watchful waiting" policy in the strike of 85,000 workers in the Chrysler, Hudson and other automobile plants.

He arrived here this morning from Florida where he cut off his vacation. He remained in Detroit only an hour. He took a train for Lansing.

The Governor, who played a leading role in the settlement of the recent General Motors strike, said he had talked to both sides from Florida by phone and that he was not asked to intervene.

SHUNS INTERVENTION.

"I ought not to be asked to intervene," he declared.

"I should not be brought into it unless there is no other way of settling the strike."

Gov. Murphy said he expected "a satisfactory conclusion" to the Chrysler strike.

"If negotiations continue too long, or a situation develops requiring action by me, I will be available," the Governor asserted.

Commenting on the action of the Chrysler Corporation in seeking a court injunction to oust the strikers who hold the plants, Governor Murphy said:

"The Chrysler Corporation, in pursuing its rights through the courts, is following one of the peaceful means that ought to be encouraged."

"However, this problem is complicated by very deep roots along other than legal lines."

LABOR CRISIS.

Between 85,000 and 90,000 automobile workers are on strike. A big department store is closed by a "sit down" strike. A rash of smaller strikes is breaking out all over the city. Detroit today was in the throes of a labor crisis the like of which has never before confronted "the motor capital of the world."

The situation was so involved and uncertain that the best anyone could do was to conjecture what might happen.

Negotiations between the Chrysler Corporation and the United Automobile Workers reached a stage as a result of the action of the company in instituting proceedings designed to oust



Mrs. Anna Sheehan, a free woman, faces the future. "I'm very happy to be going home with the children," she said simply, following her acquittal in the killing of her husband.

Mrs. Sheehan Freed in Killing of Husband

By DOROTHY KILGALLEN

Mrs. Anna Sheehan again took up the burden of living today, a heavy burden despite the fact that freedom went with it.

After hearing her story of how she accidentally stabbed her husband to death at a New Year's Eve party, a Queens County Court jury acquitted her on a charge of first-degree manslaughter.

Blurring out her straits in a

of constant debt of struggling to make ends meet on an elevator starter's salary of \$30 a week, so impressed Assistant District Attorney J. Irwin Shapiro that he made a plea for leniency in submitting her case to the jurors.

She told how she gave Joseph \$5 a week for carfare and cigarettes. The remaining \$25 went for clothing, food and doctor bills for a family of five.

It was these debts

Wanted to Silence Her

Grief-stricken Victoria Redwood dramatically related today how slayers of her husband, Norman Redwood, tried in vain to kill her directly after his assassination because she knew too much.

In an exclusive interview with the Evening Journal, the first she has granted since Prosecutor Joel J. Breslin, Jr., silenced her. Mrs. Redwood cried:

"The man or men who killed Norman ran to the front door and attempted to break it in to kill me. They feared I knew too much about them and Norman's dealings with them. They wanted to silence me."

DEEPLY MOVED.

Deeply moved by her tragic memories, Mrs. Redwood bolted from her chair and, with her right hand raised, shouted out the names of the men she accused of being responsible for the leader's murder.

"I have nothing left to live for and I expect to die," she sobbed. "But before I die they will be dead first."

She collapsed in a chair and wept bitterly, her grey-streaked head bowed on her arms. It was some time before she could continue with the narrative of what happened that night of Feb. 11, when Redwood drove home to meet his death.

TELLS STORY.

The interview took place in the neat living room of the Redwood home, at 1130 Laurelton Blvd., Teaneck, N. J. Mrs. Redwood, in a striped bathrobe, was calm at first but as she went deeper and deeper into her story she was greatly affected.

"I was preparing supper in the kitchen when Norman telephoned me that night. It was about 6:15, I remember, and when I picked up the receiver he said:

"I'm coming home to eat with you. I'll be home in an hour."

"I've just been to the store and I'll have a good supper ready and waiting for you," I said.

"He told me that was fine and said good-bye. It was the last time we ever were to speak together."

HAND OF GOD.

"Amos and Andy were standing off on the rug

1 strikers who have taken over
the Chrysler plants in the De-
lit area.

JUST ANSWER COURT.

On Saturday the issue will come
a head when union officials
show cause before Circuit
Judge Campbell why the strikers
could not be forced to evacuate
the Chrysler plants, which they
have seized.

The Hudson Motor Car Com-
pany flatly broke off relations with
the union when they spurned the
demand that the U. A. W. be re-
cognized as the sole bargaining
agency for the employees.

J. M. PACT NEAR.

A bright spot was the indica-
tion that General Motors Corpora-
tion would sign an agreement
day with the union agreeing
upon a minimum hourly wage, one
of the big stumbling blocks in the
cent 44-day G. M. strike.

Union demands for complete
recognition of the U. A. W. as
the exclusive bargaining agency
for automotive workers in the
Chrysler and Hudson plants held
the strike settlement negotiations.
The filing of the injunction
sued negotiations with Chrysler.
Chrysler officials, however, agreed
to meet again with union officials
to relations between both sides
are considerably strained.
Strikers have organized a form
military police patrols in the
vicinity of the Chrysler and Hud-
son plants. The patrols visit
lawns and beer gardens and any
men who seem to be drink-
ing are ordered to return to their
meas.

Illness Halts Aldermen

The scheduled meeting of the
Paving Fund Commission was ad-
journed until Tuesday because of
illness of Alderman Cunning-
ham.

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confused burst of words, she
rushed upstairs to embrace her
children, John, 7; Billie, 4, and
Joe, 2, and to proclaim her happi-
ness at the verdict.

Yet she seemed far from happy
as she prepared to take her brood
home to the flat at 445 W. 48th
st., where she had not been since
her husband's death after the fatal party
at the Kennedy apartment.

For ahead of her lay almost as
much wretchedness as she left be-
hind in the courtroom. She has
no money and no job. Johnny
needs an operation for a rupture.
Her husband left the scantiest
of insurance, and funeral expenses
have not yet been paid.

But if the 36-year-old mother's
happiness found a certain ex-
pression, the jubilation of the
children more than made up for
it. The two older children
screamed with glee:

"Ma's going to get us our
breakfast again."

PRUNES, JOE'S IDEA.

And Joe, cherubic in his snow-
suit, cried out something that
sounded like "prunes."

The verdict was returned at
12:20 a. m. after the jury had
been out 6 hours and 7 minutes.
Twice the 12 then returned to the
courtroom—the first time to in-
spect the death knife and other
exhibits; the second time to ask
Judge Colden to re-define the
legal meaning of self-defense.

Mrs. Sheehan was highly nerv-
ous when she was brought into
the courtroom to hear the ver-
dict. She was hatless, her eyes
were red and her hair was dis-
arrayed.

Then the words were pro-
nounced that freed her.

Upstairs, she shivered, as if
with cold, and said:

"I'm very happy that I'm
going to be home again with
the children. Yes, I was pretty
scared. I kept pacing the
floor. I couldn't imagine what
it meant—the jury being out
so long."

"I don't know just what I'm
going to do now. I'll look for a
job, I guess. I need to be a sales-
woman."

GREETED BY FRIENDS.

The tragic-eyed mother was con-
gratulated enthusiastically by
friends, some of whom had at-
tended the party in Flushing where
a bitter quarrel over \$2 ended in
Joseph Sheehan's death.

The trial was one of the most
not on record in Queens County
having opened Tuesday. Her story

ended the back-
ground. Last New Year's
and her husband tried to
their worries by attending a party
in the home of Mr. and Mrs. Tracy
Kennedy at 185-19 Horace Hard-
ing Blvd., Flushing.

It was the first time she had
been out of the house New Year's
Eve since she married Joe. She was
then 35. Upstairs in the Ken-
nedy apartment building was a bar
and grill. The Kennedys and the
Sheehans visited it.

GAVE HUSBAND \$1.

Mrs. Sheehan gave her husband
a dollar to buy a round of drinks.
Later he wanted another dollar,
she said, but she had only 50 cents.
The rest was upstairs in the Ken-
nedy apartment.

At about 3 a. m., she related, she
returned upstairs with Joe. He
demanded \$2 more to buy drinks.
They went into the kitchen. Mrs.
Sheehan continued:

"He started to call me names.
He said I was making a sucker
of him because I wouldn't give
him money. He picked up a
glass."

HE DROPPED KNIFE

SEEKS NEW TRIAL

SEEKS NEW TRIAL

when I heard the first
side. I thought it was the
backfire—and just then there
was a tremendous clatter at the
front door.

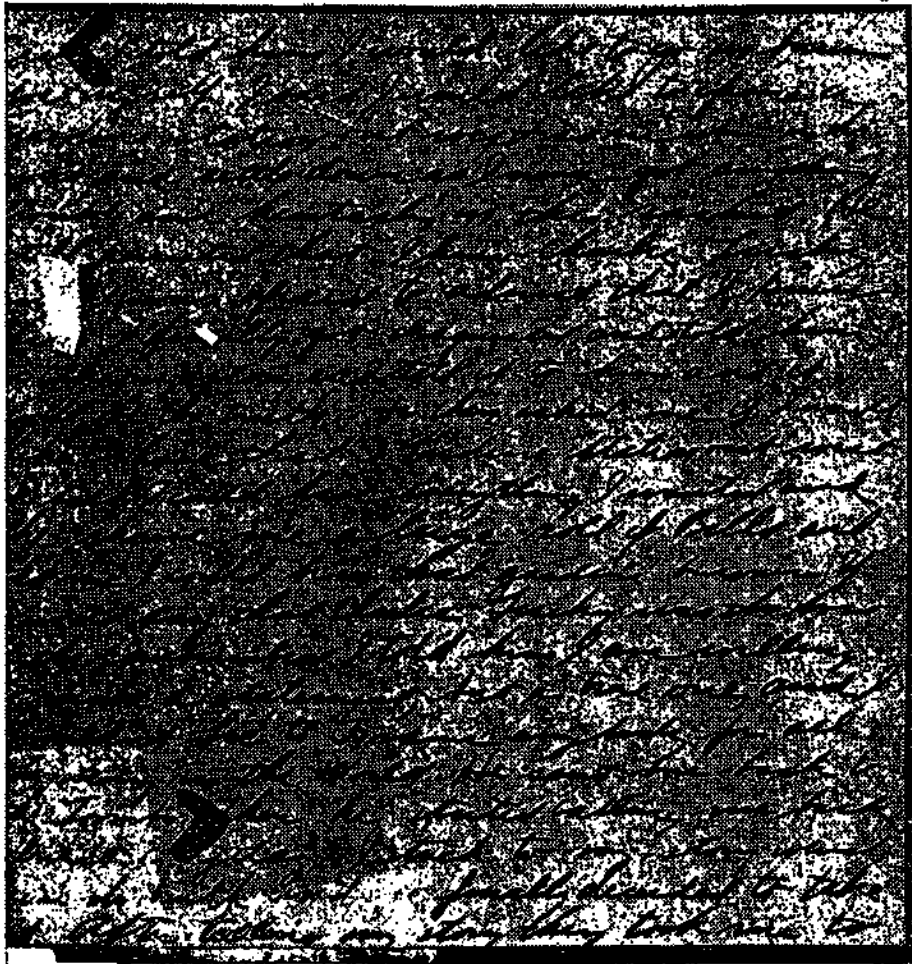
"I thought Norman might be
at the door, with his arms as
full as he couldn't open it, so I left
the kitchen. The uproar in-
creased and it dawned on me
that whoever was there was try-
ing to force his way in."

"Our two cocker spaniels
rushed by me like mad and
began barking wildly. I was
thunderstruck. Some unseen
force—and I believe it now to

THAT STRA



Vice Drama Stirred by 'Lucky'



FACSIMILE OF PETER BALITZER'S NOTE TO JUSTICE McCOOK

Bolstering Luciano's fight for a new trial is this letter from Peter Balitzer, Mildred's husband, to Supreme Court Justice McCook. Balitzer, now in Sing Sing, wrote: "He (Gelb) told me I could be in that gasol... business if I would say Charlie Lucky was the boss..."

SOL GELB—DEWEY'S AIDE

"While Gelb was speaking to him," said Balitzer, Dewey's dynamic assistant flashed a roll of bills before him and told him he could have anything he wanted,



Sign Confessions That They Lied to Save Themselves

couple of times, she admits, from a distance in a restaurant. When she testified that a girl named Betty Cook introduced them, she did this because, she says, Cole told her to "use that name or any other."

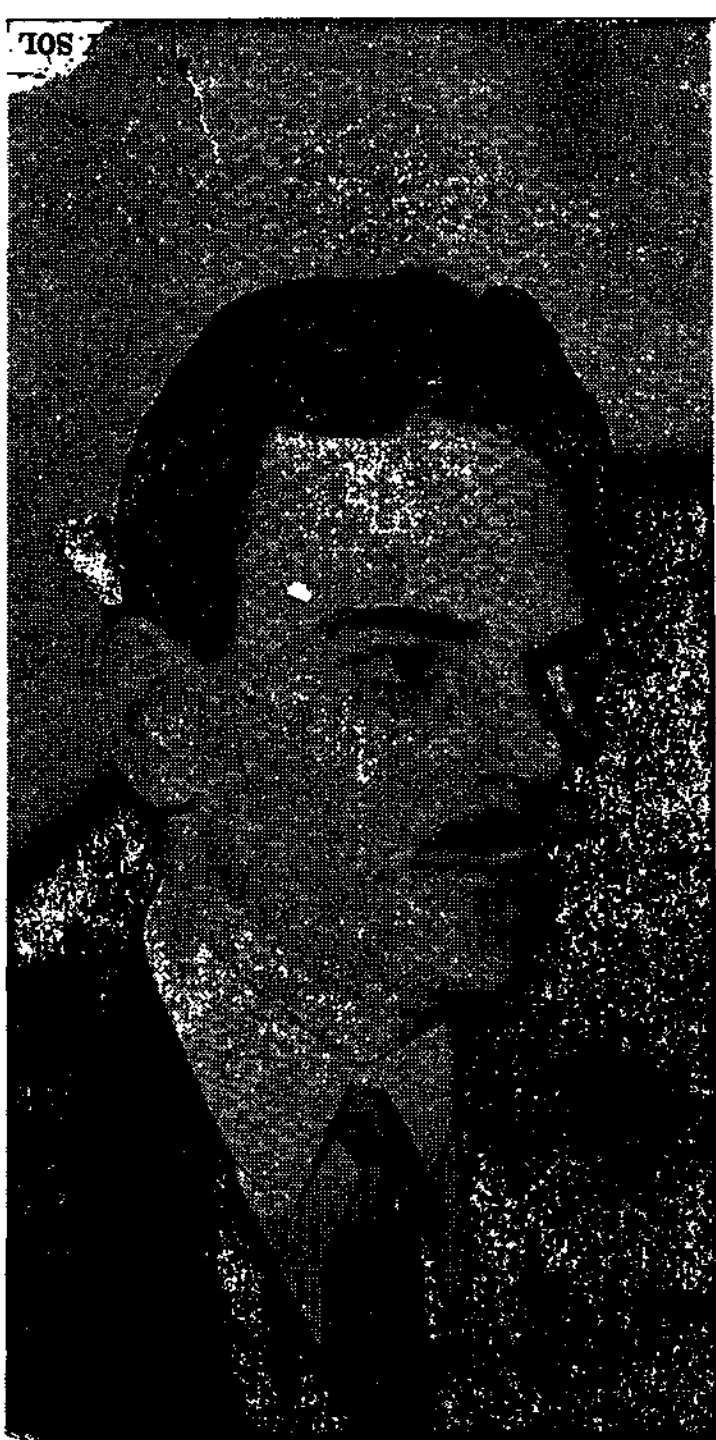
'REHEARSED HER.'

Before she testified, Nancy says, Dewey's men rehearsed her. They gave her the testimony she was to swear to on a sheet of paper. Thelma Jordan had one, too. She and Thelma, says Nancy, rehearsed together.

"I was told after I was taken before the Grand Jury and testified that I was going to be sent to Europe after the case was over. When Lucky was convicted Thelma Jordan and I did go. Dewey's office got our passports."

The two gals got to Liverpool and then to London. They wrote to Cole, Nancy states, for more dough and by golly, it was sent to them. Then they cabled for more and by golly, again it came.

This time they were ordered home and not to start a racket with the prosecutor's office. Like



THOMAS E. DEWEY
ice Trial Defendants Before Justice McCook.

don't get a penny or a promise of
ie for coming clean.

"I am doing this," said Fie,
to right a wrong. I did not
expect him to be found guilty or
o receive such a terrible
sentence."

You may remember the sensa-
on Nancy Presser caused at the
ial when she testified she knew
ucky so well she often went to
a partment at the Waldorf and
ie Barbizon-Plaza.

ALL LIES!

Nancy swears she never laid
ies on Lucky until the trial and
ie never was in the Waldorf in
er life.

"I did not know Lucky had an
apartment at the Waldorf," she
declares, "until Mr. Dewey's as-
istant, Mr. Cole, told me."

"But Mr. Cole said," Nancy
swears, "You have, too. It's
39-D, and you know it."

"I told him, 'God Almighty, I
do not know the man. I have
never been in the Waldorf in
my life.'"

Nancy testified that she heard
Lucky tell the others that he was
taking over the vice racket and
was going to organize it. He was
going to put the madams on a
salary, bond them and the girls
and raise the scale of prices.
Every word of this was a lie, she
asserts.

She was arrested for street
walking, Nancy told court, and
Dewey's men went right after
them. They questioned her for
24 hours at a stretch. She
wouldn't talk until they locked up
her sweetheart, Ralph Liquori.
When they promised to let him go

Sign Confessions That They Lied to Save Themselves

couple of times, she admits, from
a distance in a restaurant. When
she testified that a girl named
Betty Cook introduced them, she
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'REHEARSED HER.'

Before she testified, Nancy says,
Dewey's men rehearsed her. They
gave her the testimony she was
to swear to on a sheet of paper.
Thelma Jordan had one, too. She
and Thelma, says Nancy, rehearsed
together.

She testified she saw Lucky in
Keene's restaurant, said Nancy,
because Cole told her she had to.
Lucky, he told her, was in the
habit of going there with the vice
mob.

EUROPE TRIP.

She denied her testimony that
she visited Lucky at the Barbizon-
Plaza and that he spoke to her
about bonding the madams. Cole
told her, she says, that Lucky
lived there and that the manager
of the hotel had identified her
as one of Lucky's visitors. This
was all false, she swears.

Says Nancy:

"I was sitting one day in Mr.
Cole's office drinking and talk-
ing. They insisted they had to
have bonding conversation
against Charlie. I was so tired
of denying these lies that I said
I would agree to testify to such
a conversation.

"I was told after I was taken
before the Grand Jury and testi-
fied that I was going to be sent
to Europe after the case was
over. When Lucky was convicted
Thelma Jordan and I did go.
Dewey's office got our pas-
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The two gals got to Liverpool
and then to London. They wrote
to Cole, Nancy states, for more
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them. Then they cabled for more
and by golly, again it came.

This time they were ordered
home and not to start a racket
with the prosecutor's office. Like
good little gals they came home.
Dewey's office arranged for the

Well, sir, they landed here with
out a dime, got into a taxi and
went to Dewey's office. They tol
the driver to wait for them an
sure enough, one of Dewey's me
went downstairs and bailed the
out.

GOT \$10.

Cole staked them to \$10, Nap
says, and they went to an hotel.
Next day they put the bee on him
for \$10 more and got it. After
that this was the daily routine.
Just see old King Cole and a
ten bucks.

After awhile, Nancy says, h
conscience began to bother h
She got in touch with Ralph
Liquori's brother and then with
man named McArthur.

McArthur turned out to
G-man McCarthy. He and Dun
were running a detective agency
together.

Went to McCarthy's Office and Made the Confession

She went with McCarthy to
Conboy's office and made the
confession that was given to Jus-
tice McCook today.

Pete Ballizer's story that he was
shown a large roll of bills by As-
sistant Prosecutor Gelb, who he
says was trying to get him to tes-
tify against Lucky, was contained
in a hand-written letter by Ballizer
to his lawyer, Morris F. Cantor.

The letter, said it over to Con-
boy and Polakoff, who submitted
it to Justice McCook.

"I want you to know," wrote
Ballizer from Sing Sing, "some
other facts about the case. You
can show this letter to who you
think it should be shown. My
only purpose is to tell the truth,
because I know one of the de-
fendants in our case was
framed up."

Ballizer told how he was taken
to Dewey's office after being ar-
rested in Philadelphia and shown
statements made by witnesses
against him.

Gelb had the statements and
Ballizer wrote that he saw they
had him.

He said Gelb brought in his

him to tear up my story. So
I went back to the Tombs.

"He had my wife in his offi
and asked me if she knew him.
I told him as far as I kn
she did not. He asked me wh
I would like to do when I g
out. I said I would like to
a gas station in the West.
I never got anything but hear
aches in this racket.

"He still persisted that I kn
Charlie Lucky and that I w
afraid to admit it. I got di
gusted. He asked me if I wou
like that gas station.

"He said I could have every
thing I wanted, and he showe
me a large roll of bills an
told me I could be in that g
business if I would say th
Charlie Lucky was the boss o
the combination.

"I told him I wouldn't lie t
frame anybody for all the mon
in the world. He sent me bac
to the Tombs, but called me
back every day.

"I stuck to my story, whic
was the truth, and they final
decided to take it. I told it t
the Grand Jury."

LUCIANO VI FRAMED, G

NEW YORK EVENING JOURNAL

APR 11 1937

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LUCIANO MOVE

Convict's Counsel to Submit Motion for Re-trial

Counsel for Charles (Lucky) Luciano, who is serving a fifty-year sentence in Clinton Prison at Dannemora for conspiracy and compulsory prostitution, took steps today to obtain a new trial for the former vice leader.

Moses Polakoff, chief counsel for Luciano when Luciano and others were prosecuted by Special Prosecutor Thomas E. Dewey before Supreme Court Justice Philip J. McCook and a jury, refused to discuss reports that the new trial is being sought because important women witnesses against Luciano had recanted their testimony and signed affidavits which warrant Luciano's having another chance to clear himself.

The step taken by Mr. Polakoff today was the filing with Justice Cook of a formal notice that Luciano will submit a motion for a new trial. Mr. Dewey will have five days in which to reply to the notice, after which the argument on the application for a new trial likely will be held before Justice McCook.

Many witnesses testified last year that Luciano was at the head of a gang that did a big business in organized vice. Three of the prominent witnesses were Nancy Presser, Mildred Harris Ballizer and Cokie Ego Brown.

NEW YORK SUN

APR 1 1935

62-5773-152, etc.

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LUCIANO APPEALS AGAIN FOR LIBERTY

3 of 4 Chief Witnesses Against Convicted Vice Czar Say Testimony Was Lie

Backed by affidavits from three women that they lied when they named Charles (Lucky) Luciano head of commercialized vice in New York City, Luciano's attorneys today opened a new fight for his freedom.

Moses Polakoff, his chief attorney, filed with Supreme Court Justice McCook a motion for an application for a hearing on March 18 of an application for a new trial on the ground that the three women gave perjured testimony.

Attached to the papers were affidavits made by Nancy Presser, Cokey Flo Brown and Mildred Balitzer, three of the four witnesses who furnished testimony that Luciano was the head of the vice ring.

Threatened, They Say

They all said that they gave false evidence after members of Special Prosecutor Thomas E. Dewey's staff had threatened them with imprisonment unless they implicated Luciano.

In a fourth affidavit another underworld witness, Helen Horvath, alias Helen Kelly, backed up their assertions.

Mr. Dewey, however, was undisturbed by the new turn the case had taken. He laughed and pointed out that after the trial all underworld

witnesses were Justice McCook and Dewey that their testimony was true.

Can't Reassemble Witnesses

If Luciano gets a new trial on the basis of the new affidavits, he will go scot free, for Mr. Dewey has repeatedly said it would be impossible to assemble again the 100 witnesses who testified for him, except those now serving prison terms.

In filing the motion for a hearing, Mr. Polakoff revealed that Joseph P. Dunn, former special agent in charge of the Federal Bureau of Investigation, office in San Francisco, and Joseph P. McCarthy, former supervisor under Melvin Purvis in Chicago, both of whom service recently, have been investigating the case for Luciano.

Nancy Presser, who at the time of the trial was a blonde, said that Luciano was her part-time sweetheart and that he confided in her his ambition to run the city's houses of prostitution on a chain-store basis.

Cokey Flo, a thin brunette and a drug addict, said that as the sweetheart of Jimmy Frederico, convicted of being the business manager of the syndicate, she attended conferences at which Luciano gave orders to his subordinates.

Mrs. Balitzer, wife of Pete Harris, notorious booker, said that she and her husband wanted to get out of the racket but Luciano wouldn't let them.

NEW YORK POST

MAR 11 1937

62-5773-153

Luciano Will Ask Freedom Today

Three Vice Witnesses Recant; Fight for New Trial Seen

Counsel for Charles "Lucky" Luciano, sentenced to Dannemora for 30 years as a result of Special Prosecutor Dewey's vice drive last Spring, will make a formal application to free their client before Supreme Court Justice McCook today.

Three of the chief witnesses among the 100 or more who testified for the State were reported last night to have recanted, and to have furnished affidavits that form the basis for the fight to grant Luciano a new trial.

Moses Polakoff, chief of counsel for the former vice overlord, refused to comment on the report.

Three women were among those whose testimony was considered most damaging to Luciano.

Blonde Nancy Presser, 24, testified Luciano had confided to her his ambition to dominate the city's vice trade. "Cokey" Flo Brown told the jury she had heard him order his strong-arm men to force reluctant disorderly house keepers to pay bonding fees.

A third key witness was Mildred Harris Baltzer, who said that she and her husband, Pete Harris, wanted to go straight but were blocked by Luciano.

NEW YORK AMERICAN

Continued on Page One

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JP

Dewey Attacks

Luciano Claim of Frame-Up

128 Affidavits Hit Vice Girls' Story—
Big Fund Charged

Armed with three statements dug out of a bank vault, Special Prosecutor Dewey today was planning to hot off a bomb under the defense drive to gain a new trial for Charles (Lucky) Luciano.

Delving into safety deposit boxes of the Irving Trust Co., the aggressive racket prosecutor, it was learned, expects to produce affidavits sworn to five months ago by the very women whose statements form the basis for the new Luciano move.

In connection with affidavits made out by 128 witnesses, Dewey bluntly charged that a "corruption fund" of more than \$100,000 had been raised to sway witnesses who testified against Luciano.

MADE AFFIDAVITS.

Back in October, it was asserted, Mildred Harris Baltzer, Nancy Presser and Cokey Flo Brown made out affidavits swearing they had been approached in an effort to bribe or intimidate them into repudiating damning testimony at Lucky's vice trial.

At that time, it will be pointed out, they spurned suggestions they recant their stories on the stand. Now—five months later—they have changed their minds. The deduction, as Dewey hopes to establish, is clear.

But if the affidavits represent any real menace to the new trial move, they failed to worry Moses Polakoff, chief of the Luciano defense counsel. He told the Evening Journal:

"Whether Mr. Dewey has additional affidavits or not means nothing to me. It is entirely personal with him. I also have affidavits and will produce them at the proper time and place. As far as the motion (for a new trial) is concerned, we will argue that in court."

BY TURN

While the formal motion for a new trial due to be presented before Supreme Court Justice McCook on Tuesday, Polakoff emphasized that he had affidavits not only from witnesses at the trial, but from persons who wanted to be witnesses and were rebuffed.

These statements, the attorney declared, were taken during the trial and shortly after it ended. Every one of them, he said, was made voluntarily.

He insisted he was not interested in the affidavits because they were in no way connected with duress or bribery.

GETS NEW OFFERS.

Only yesterday, he asserted, several persons came forward voluntarily to make additional affidavits.

The defense attorney was located at Leon and Eddie's engaged in unruffled enjoyment of an evening out. Asked about a proposal the entire Luciano trial be aired, the lawyer said:

"As far as any investigation of the last trial is concerned, we would welcome it with open hearts. We feel that both the defense and the prosecution should be examined at one and the same time by a neutral body."

The hard-hitting racket prosecutor passed over the Luciano defense move with this formal statement:

"Over the last nine months, witnesses in the Luciano trial have complained to my office of efforts to intimidate them by threats of murder into giving false statements of recantation and false charges against the lawyers on my staff.

"They have also reported offers of large bribes and regular supplies of narcotics.

"Among those who reported such offers were Nancy Presser, Mildred Harris Baltzer and Flo Brown.

"There are, in all, 128 affidavits from witnesses in the vaults of the Irving Trust Co. More than \$100,000 was offered for the corruption of witnesses used by the People in this case."

Dewey was reported to be ready to demand a thorough-going Grand Jury investigation of the manner in which the recanting affidavits were obtained from the vice witnesses.

WOMEN USED.

The statements by Nancy, Mildred and Cokey Flo were reportedly made to two former G-Men, Joseph E. P. Dunn and Joseph P. McCarthy.

McCarthy, it was said, took the girls to the office of Francis W. M. Adams, former Assistant U. S. Attorney and now associated with Martin Conboy. The latter, it was reported, has been retained by Lucky to help fight for his appeal.

Should Luciano be granted a new trial, his release from grim Dannemora Prison where he is serving a 30 to 50-year term, would virtually be assured.

Dewey himself has stated that it would be impossible to round up again all the witnesses who put Lucky on the spot at his first trial.

The three women in their sworn statements accused Dewey of threats, bribery and torture to get them to tell fictitious stories about their association with the supposed rear of the chainstore vice racket.

Nancy Presser, who had told of enjoying the personal favors of Lucky, declared Dewey sent her and another witness to Europe after the trial. The prosecutor was prompt to admit this. He explained:

"Nancy Presser and Thelma Jordan reported to my office after the trial that they had been threatened with murder and said it was necessary for them to leave the United States for their personal safety.

"I, accordingly, asked a number of public-spirited citizens to raise money to get these two witnesses out of the country. They were away three months.

"No public funds were raised for this purpose, although I would have regarded it as proper so to use them."

NEW YORK EVENING JOURNAL

Forwarded by New York Times

MAR 12 1937

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ART

Dewey Sounds Bribe Warning In Luciano Plea

Says He Has Affidavits of
Attempts to Force Wit-
nesses to Change Stories

Defense Asks New Trial

3 Women Who Aided Prose-
cution Recant in Petition

An application by counsel for Charles ("Lucky") Luciano for a new trial for the convicted vice racketeer on the ground that three of the state's star witnesses had recanted testimony they gave at his trial last summer was countered swiftly yesterday by Thomas E. Dewey, special rackets prosecutor, with threats of drastic action against persons alleged to have bribed and intimidated witnesses in an attempt to release Luciano from prison.

The petition for a retrial was filed yesterday with Justice Philip J. McCook, of the Supreme Court, by Moses Polakoff, attorney to Luciano, who is serving a thirty-to-fifty-year sentence in Clinton prison, in Dannemora. Mr. Dewey has until Tuesday to file his answer. Accompanying the petition were affidavits by three prostitutes that they had testified falsely at the Luciano trial under threat of prosecution by Mr. Dewey's office.

The three recanting witnesses were Nancy Presser, former sweetheart of Luciano; Mrs. Mildred Balitzer, drug addict and wife of Peter Balitzer, who is serving a prison term of two to four years after turning state's evidence at the trial, and Florence Brown, whose addiction to morphine brought her the unwelcome title of "Cockey Flo," a former sweetheart of James Frederick, convicted general manager of Ladd and his vice syndicate.

Dewey Denies Charges
Emphatically denying charges of Polakoff's petition that Mr. Dewey's assistants had drugged and intimidated witnesses, the special prosecutor revealed yesterday that when the trial had ended all of the state's witnesses had appeared before Justice McCook and affirmed the correctness of their testimony.

"I have known for many months," he asserted, "of attempts to provide drugs for drug addicts, and to bribe and intimidate witnesses in the Luciano trial into giving false affidavits. I am in possession of a large number of affidavits to this effect, and they will be presented to the court. Other appropriate action also will be taken."

For many months, Mr. Dewey disclosed, his two extraordinary grand juries have been hearing evidence of tampering with witnesses for the state at the Luciano trial. They have heard from the victims themselves, he said, evidence of bribery, intimidation and attempts of subornation of perjury. Whether indictments will be returned by the grand juries in the matter Mr. Dewey would not say.

Lives of Two Threatened

When his assistants revealed yesterday that several of the state's witnesses had come to the prosecutor's offices to complain of efforts made to force them to recant testimony they gave on the witness stand at the Luciano trial, Mr. Dewey admitted sending two witnesses on a journey to Europe after their lives had been threatened.

The two were "Cockey Flo" and Thelma Jordan, a prostitute who testified at the trial that she had been a friend of Benny Spiller, loan shark, one of the eight defendants convicted with Luciano. Both were given passports and \$200 in cash. They remained in Europe for two months, returning here last September 29. The funds for their trip were provided by "public-spirited citizens" whom Mr. Dewey refused to identify. "No public funds were used for this purpose," the special prosecutor said, "although I would have regarded it as proper so to use them."

N. Y. HERALD-TRIBUNE

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MAR 12 1937

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AVT

Dewey to Seek Delay for New Luciano Trial

Must File Answer on Tuesday to Charge 3 Girls Lied

Special Prosecutor Thomas E. Dewey will ask the courts to delay action on Charles "Lucky" Luciano's new bid for freedom. He asks for time to make a thorough investigation of three witnesses who have recanted their testimony against the man.

The prosecutor must file a formal answer Tuesday, but it was reliably learned today, he will ask that further action be put off until he has completed his work in the restaurant racket trial.

UPSETS DEWEY

Dewey was openly disturbed by the sudden turn of events which found three of the important witnesses in the vice case allegedly signing affidavits to the effect they lied when they appeared against Luciano.

He hinted at revelations which would provide real sensations. He spoke of a mysterious \$100,000 "corruption fund" circulated through the underworld.

HINTS SENSATION

Several persons in addition to Luciano will find themselves in hot water, the prosecutor hinted. An aide declared Dewey would "meet fire with fire" and his investigation would produce statements "more sensational than anything the defense can offer."

Moses Polakoff, lawyer for Luciano, met this assertion with a challenge to Dewey to make the fullest probe possible.

He produced the affidavits of the witnesses in his formal application for a new trial for Luciano.

WOMEN GUARDED

Polakoff said that the three women are in New York and are under guard of one of two investigators formerly connected with the Federal government who have been retained as defense investigators.

Dewey, nevertheless, promised to "blow the lid off" various ramifications of the vice racket. He has affidavits of 128 witnesses to corroborate his statement that a \$100,000 "corruption fund" has been gathered around New York.

'TAMPERING' HINT

The special prosecutor also has affidavit signed by Mildred Harris Balitzer, Nancy Prosser and Cokey Flo Brown. In these they stated as far back as October that they had been asked to repudiate their testimony.

Those affidavits, Dewey revealed, were secreted in a bank vault until Luciano's counsel applied for a new trial.

The girls had told the prosecution that efforts were made to bribe or intimidate them in the October plea that they recanted, according to charges.

They stood by their original statements at that time, however, Dewey asserted.

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DEWEY MAPS FIGHT ON LUCIANO

ASSERTS HE HAS PROOF OF THREATS

Special Prosecutor Dewey yesterday began attempting to shape Charles (Lucky) Luciano's application for a new trial into a boomerang.

He intends to produce in court about 150 affidavits signed by witnesses in the vice trial of last year, which, he explained, set forth how they have been threatened and offered bribes to induce them to say they perjured themselves at the trial.

With these Dewey hopes to weaken the force of the affidavits gathered by Luciano's attorneys in which some of the prosecutor's most important witnesses say they did not tell the truth on the stand.

Jury Gets Evidence

The boomerang is expected to come from the Extraordinary Grand Jury, where evidence of tampering with witnesses has been introduced. It is understood the names of some of those making threats to women witnesses after the trial are known to Dewey's staff.

The case will not be ~~heard~~ Tuesday as expected, for Dewey will ask a postponement of argument on the motion for a new trial, using the restaurant racketeering trial as a reason. The latter, it is believed, will be ended by Easter and soon afterward the various affidavits will be produced before Supreme Court Justice McCook who will hear the motion.

Dewey indicated yesterday that his only worry in the matter is what effect the girls' stories of threats and promises from him might have on the public mind. He pointed out that 90 per cent of the charges made in the affidavits had been admitted by him in his opening address to the Luciano jury. At that time he said he had promised all the prostitutes and madams immunity if they would tell the truth.

Sent Girls to Europe

The story of sending two girls to Europe was new, he admitted, but he repeated yesterday that this had been done because the girls told him their lives had been threatened. The cost was only \$900, he said, for the girls were required to travel third class. He still refused to name the "public-spirited citizens" who had put up this money.

Moses Polakoff, attorney for Luciano, said he would welcome an investigation and suggested Dewey's office be investigated on the strength of the affidavits he has submitted.

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[Handwritten signature]

'LUCKY' MAY QUIT JAIL

Lawyer Seeks New Trial Here

Charles "Lucky" Luciano soon may leave Dannemora Prison to pay a brief visit to this city, where he formerly headed the profitable vice racket.

This was announced here yesterday by Moses Polakoff, his attorney, who, in moving for a new trial before Supreme Court Justice McCook last week submitted affidavits by three witnesses in which they repudiated testimony which helped send Luciano to prison for from 35 to 50 years.

Polakoff said it would be necessary to obtain a writ of habeas corpus to have Luciano brought from prison under guard to Justice McCook's courtroom when the motion for the new trial is argued in the near future.

The attorney declared he wanted Luciano here in person because Nancy Presser, Thelma Jordan and "Cokey Flo" Brown, who testified against him, but recanted at ask, would appear in court to see him.

Special Prosecutor Dewey has charged the affidavits by the

women were "obtained by coercion and bribery."

Polakoff said he was ready to have them in court, in the presence of Luciano, to deny this charge.

Polakoff declared he would demand of Prosecutor Dewey the names of the citizens who, according to the prosecutor, had paid the expenses of a trip to Europe for two of the women after Luciano was convicted.

NEW YORK AMERICAN

Supplementary to the New York Times

MAR 15 1937

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MAR 15 1937	
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LUCIANO HEARING CASE AFTER RACKET TRIAL

Charles (Lucky) Luciano will have another day in court two weeks after the end of the restaurant racket trial now being heard before Justice McCook.

Luciano, under sentence of thirty to fifty years as vice lord of New York, offered the court affidavits through his attorney, Moses Polakoff, claiming that he was convicted on the basis of perjured testimony. He asked for a new trial. It was on this motion that Justice McCook ruled today.

THE NEW YORK POST

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Lucky's Fan Dance Sweetie Sued by Kissless Hubby

Gay Orlova, shapely Russian fan dancer, who proclaimed she was the beloved of Charles (Lucky) Luciano and then wept that it was making her "notorious," yesterday grabbed some fresh publicity that she probably won't relish either.

A young theatre usher with whom she eloped as "a big joke" returned to plague her with a suit for annulment.

When Lucky, who failed to express any enthusiasm about Gay's affection for him, was sent up for fifty years for compulsory prostitution, the weeping dancer announced she was going away to "forget it all."

It is a sad tale of boyish trust shattered that her kissless husband, Edward W. F. Finn, described "in papers filed by his attorney, Kalman Efron, of 295 Madison Ave

Finn said that he and Luciano's self-styled sweetie were married on March 1, 1934, when he was an usher and she a dancer in Earl Carroll's "Murder at the Vanities." After the elopement, which broke up two days later, Gay explained to friends that it was a practical joke.

But it was no joke to young Finn—or so he says. His complaint charges:

"Despite all my pleadings she steadfastly declined to be more than a wife in name. Our marriage was loveless."



Gay Orlova—Sued by kissless hubby

NEW YORK DAILY NEWS

~~Wanted by the FBI~~

MAR 29 1937

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FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE	
MAR 2 1937	
NEW YORK OFFICE	
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	<i>WFM</i>

Luciano Serves Brief on Dewey

Charles "Lucky" Luciano, convicted as the city's vice czar, moved yesterday to set aside the sentence of 30 to 50 years he is serving in Dannemora prison.

Through counsel, he served on Special Prosecutor Dewey a copy of a 184-page brief which requests the Appellate Division to reverse his conviction and dismiss the 30-count indictment charging him with conspiracy and compulsory prostitution.

APR 7 - 1937

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APR 7 1937

NEW YORK

WPM

WARRANT FOR LUCIANO

State Files Second Complaint for Tax Evasion.

A second warrant for the arrest of Charles (Lucky) Luciano, now serving from thirty to fifty years in Clinton Prison at Dannemora for compulsory prostitution, will be filed soon with the warden, according to State Tax Commissioner Mark Graves.

Charging evasion of State income tax payment in Albany county, "it was obtained to 'plug up any possible loopholes for the racketeer,'" Commissioner Graves said.

The first warrant was issued here, charging tax evasion in New York city as Luciano's place of residence.

Special Prosecutor Thomas E. Dewey uncovered a large-scale vice ring in the city last year and convicted Luciano as its leader in a trial before Supreme Court Justice Philip J. McCook and a blue ribbon jury.

NEW YORK SUN

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APR 13 1937

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FEDERAL BUREAU OF INVESTIGATION	U.S. DEPARTMENT OF JUSTICE
APR 13 1937	
NEW YORK OFFICE	
ROUTED TO:	FILE

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LUCIANO PLEA CALLED FRAUD

Dewey Brands as Perjurious
Affidavit Filed in Move to
Reopen Vice Case.

Special Prosecutor Thomas E. Dewey today charged that the applications of two lawyers for a new trial of the Charles (Lucky) Luciano vice case, based on affidavits from prostitutes that they had testified falsely for the State, were a fraud on the court.

The affidavits, according to one of the accused lawyers, were prepared in the law office of Martin Conboy, former United States Attorney, when Luciano retained to appeal his conviction.

One affidavit, Mr. Dewey told Supreme Court Justice Philip J. McCook in a hearing on a motion for a new trial, was "perjurious from beginning to end."

Charges Camouflage.

The lawyers who filed the affidavits are Moses Polakoff, counsel for Luciano, and Lorenzo Carlinio, counsel for Ralph Liguori, another vice defendant.

What was to have been a hearing on the defense charges of bias in the trial changed suddenly when Justice McCook sternly declared that the District Attorney has produced evidence that these applications by

the defense for a new trial are based on the court.

Mr. Polakoff leaped to his feet, shouting:—"These sensational charges are a mere camouflage to hide the real issues." Mr. Carlinio joined him, calling the hearing a "star chamber proceeding."

Mr. Polakoff, his face florid with emotion, recalled to Justice McCook that he had produced testimony about the conduct of the special prosecutor, but that the Court had failed to take any action.

Charges Prejudice.

"I think Your Honor's very conduct shows bias and prejudice," Mr. Polakoff charged. "I am ready to take the stand and be sworn. In fact, I demand it, although I believe these proceedings are highly irregular."

Mr. Dewey then asked Mr. Polakoff when he had last seen "Cockey Flo" Brown and Mildred Harris, two of the prostitutes who have repudiated their damaging testimony against Luciano during the vice trial. The lawyer said he last saw them on March 8, 1937.

Q. (By Mr. Dewey) You have not seen them since. A. No.

Q. Where are they now? A. I refuse to answer. This is an effort of the District Attorney to learn the whereabouts of my witnesses so that they can harass them. I am ready to produce them in court when the time comes.

Justice McCook ordered Mr. Polakoff to tell where the witnesses were and the attorney said the last he knew was that they were in Hartford, Conn., in the custody of Joe McCarthy, a former government investigator now in Polakoff's employ.

Communicates by Phone.

Q. Where is McCarthy now? A. I don't know exactly. The last time I knew he was either in Connecticut or Massachusetts, with Joseph G. Dunn, another special investigator also from my office.

Q. How do you communicate with them? A. McCarthy telephones me occasionally.

Mr. Polakoff then said that the retracting affidavits signed by the prostitutes were prepared and sworn to in the office of Mr. Conboy.

Q. Have you been paying money to these women? A. Oh, yes, since they have been our witnesses I have been paying their expenses. They told McCarthy if they were not taken out of town, they would be arrested by Dewey and miserably treated. They wanted protection.

Q. How did you learn these prostitutes were dope addicts. A. McCarthy told me.

Q. You have provided funds for their dope. A. Yes, sir.

Mr. Polakoff then was excused from the stand and Mr. Carlinio was called.

Refuses to Take Stand.

Mr. Carlinio had been conferring with Mr. Barra while Mr. Polakoff was on the stand, and when he walked before the bench Mr. Barra spoke for him, "more as a friend than counsel," he said.

"This proceeding is unwarranted in law, highly improper and un-American," declared Mr. Barra. "We do not think we should be stampeded, and therefore refuse to participate in these proceedings. This is a high-handed piece of business."

"Mr. Carlinio will take the stand," ordered Justice McCook.

"On advice of counsel, I refuse to do so," asserted Mr. Carlinio. "I will stand on my Constitutional rights."

Justice McCook was silent for a tense moment.

"Have you anything to say, Mr. Dewey?" he asked.

"Only that the affidavit filed by Mr. Carlinio was perjurious from beginning to end," the special prosecutor said.

Welcomes Investigation.

Mr. Polakoff then injected:—

"We welcome a full and impartial investigation of the District Attorney's charges. In fact, I am going to demand it. Not from Your Honor, but from the Governor of this State or the Extraordinary Grand Jury. My records are an open book. This is going to be a dog fight, Your Honor."

Justice McCook reminded him there would be no such display.

"Yes, it will be," shouted Mr. Polakoff, and the Court declared just as emphatically, "It will not."

Justice McCook then fixed Friday morning for the hearing on the motion of the defense for a new trial.

"Do you want 'Cockey Flo' and Mildred Harris here for the hearing?" Mr. Polakoff asked the court. He was advised that he would be given ample notice whether the prostitutes should be present.

"I'll do everything to prevent Mr. Dewey from getting these witnesses in his power," Mr. Polakoff declared as the preliminary inquiry ended.

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Dewey Charges Perjury in 3 Luciano Pleas

**Tells Court Recantations
by State's Star Wit-
nesses Are Fraudulent**

He Assails Two Lawyers

**Vice Racketeer's Move for
New Trial Hits a Snag**

Special Prosecutor Thomas E. Dewey, at a preliminary hearing in Supreme Court yesterday, accused two lawyers seeking a new trial for Charles (Lucky) Luciano of deliberately attempting to defraud the court in offering perjured affidavits by three of the state's star witnesses recanting testimony they gave at the trial of the convicted vice racketeer and his eight henchmen last summer.

The lawyers, Moses Polakoff, counsel to Luciano, who is serving a thirty-to-fifty-year sentence in Clinton Prison, in Dannemora, and Lorenzo O. Carlino, counsel to Ralph Ligouri, convicted collector for the racketeer, were ordered to attend the hearing by Justice Philip J. McCook to answer Mr. Dewey's charges before the Justice decides whether to grant Luciano a new trial on Friday. The action is independent of the motion for appeal of the racketeer's conviction, which the Appellate Division will hear on May 17.

When the court told the two defense attorneys why they were called to the hearing yesterday, Carlino invoked his constitutional rights and refused to take the stand. His counsel, Caesar Barra, called the proceeding "a high-handed piece of business and un-American." Polakoff rose and denounced Mr. Dewey's charges as attempts to hide the real issue. He charged Justice McCook with bias and unfairness, and threatened to ask Governor Herbert H. Lehman for an impartial investigation of the matter by the extraordinary grand jury.

"This is going to be a dog fight, your honor!" he shouted.

"Not in this court!" the justice answered grimly.

"Yes, in this court!" the attorney concluded, abruptly sitting down.

Three Recant Testimony

The three recanting affidavits, filed by three prostitutes, who said they had testified falsely at Luciano's trial under threat of prosecution by Mr. Dewey's office, were made by Nancy Presser, former sweetheart of Luciano; Mrs. Mildred Ballizer,

late Caesar Barra's, and Florence ("Cookey Flo") Brown, a former sweetheart of James Frederick, convicted general manager of Luciano's syndicate.

On the basis of these affidavits the defense is seeking a new trial, contending that the three women testified falsely at the trial because they had just undergone a cure for their addiction to narcotics and were intimidated into testifying against Luciano. The affidavit submitted by Carlino contended that the trial jurors had not reviewed the evidence fairly because they were told of alleged threats made against them and their families. It set forth further that Mr. Dewey had communicated irregularly with the jury.

After the objections of Polakoff and Carlino had been stilled yesterday, Mr. Dewey offered to the court his affidavits answering the petition for a new trial and charging the two lawyers with perpetrating a fraud upon the court. The special prosecutor's exhibit totaled 565 pages of affidavits from sixty-five "reputable" persons.

Dewey Accuses Lawyers

"The moving papers reek with perjury and are unworthy of belief," Mr. Dewey wrote. "They contain a great quantity of irrelevant material which concerns no honest purpose for this motion for a new trial. The conclusion seems inescapable. That these moving papers were prepared with the knowledge of the defense that this case was built upon perjured evidence and was fought with the knowledge of the persons offering these affidavits."

"The moving affidavit by Lorenzo Carlino appears on the basis of these affidavits to be almost wholly perjurious and to be wilfully so. It appears to be a deliberate attempt to defraud and deceive the court."

All members of the jury which heard the evidence at the Luciano trial gave Mr. Dewey affidavits denying that they or their families had received any threats of reprisals for their part in the case. They denied further that Mr. Dewey had made them pay for a dinner he invited them to attend at the Princeton Club after the trial. The dinner, they said, was given for Mr. Dewey by them.

The fraud allegedly perpetrated by the lawyers was discovered, Mr. Dewey said, through a chance remark made by Peter Harris in Sing Sing prison to the effect that his wife and "Cookey Flo" Brown had been given a narcotics cure by the defense at the Charles E. Towns Hospital, 293 Central Park West.

Short time before they signed their recanting affidavits. That discovery, the special prosecutor said, made him urge the court to decide whether the entire proceeding for a new trial was a fraud with regard to the condition of the three witnesses when they signed the affidavits.

Cites Fear of Reprisals

Calling the defense contention that the sole desire of the state at the Luciano trial was to "get" Luciano, Mr. Dewey pointed out that all witnesses testified voluntarily under promise that they would be protected from reprisals from the underworld. He asserted that three of the convicted vice racketeers were known for their acts of violence and that almost every witness at the trial was thoroughly frightened at the prospect of reprisals for testifying against the ring.

Mr. Dewey rested his case and his charges of fraud upon the discovery that two of the recanting witnesses had been treated for narcotics before signing the affidavits for the defense lawyers, saying:

"This motion by the defense is based in a large part, as shown by the moving papers, upon the theory that each of the three recanting witnesses was in bad physical and mental condition, was subject to suggestion and was utterly unreliable because each of them, having at one time been a narcotic addict, had taken the cure shortly before the trial and her testimony was unworthy of belief."

At the hearing yesterday Polakoff testified that the affidavits of the three recanting women witnesses had been signed in the office of Martin Conboy, former United States Attorney, who is handling Luciano's appeal.

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WHD

PERJURY IS CHARGED TO LUCANIA COUNSEL

Dewey Also Accuses Another
Lawyer in Move to Get New
Trials for Vice Ring Heads

JURORS DENY THREATS

Prosecutor Files Affidavits,
Saying Papers in Case
'Reek' With Untruths

Supreme Court Justice Philip J. McCook began an inquiry yesterday into charges by Thomas E. Dewey, special prosecutor of rackets, that two well-known criminal lawyers had deliberately offered perjured evidence in support of their efforts to get a new trial for Charles (Lucky) Luciano, Lucania and Ralph Ligouri, one of his henchmen.

Heatedly challenging the legality of the proceedings, Moses Polakoff, counsel for Lucania, immediately accused Justice McCook of "bias and prejudice," while Lorenzo Carlini, attorney for Ligouri, refused to take the stand when ordered to do so by Justice McCook, explaining that he was invoking constitutional rights.

In support of his application for a new trial for Lucania, now serving from thirty to fifty years for compulsory prostitution, Mr. Polakoff filed with Justice McCook last March affidavits by Nancy Presser, Mildred Harris Balitzer and Florence "Cokey Flo" Brown recanting the testimony they had given against him.

Jurors Said to Have Been Afraid

Mr. Carlini filed an affidavit in which he said that Edward Blake, one of the jurors, had told him that the jury was in great fear because of threats made to three of its members during the trial. The lawyer's affidavit said that Mr. Blake was reluctant to sign an affidavit to this effect, but had said he was prepared to testify.

Justice McCook, who through his secretary had ordered the two lawyers on Monday night to appear before him yesterday morning, opened the proceedings by announcing that Mr. Dewey "has produced evidence that these applications by the defense for a new trial are a fraud on the court."

Mr. Polakoff, although maintaining that the proceedings were "highly irregular," said that he was ready to take the stand. Mr. Dewey cross-examined him, bringing out that Miss Brown and Mrs. Balitzer were in Hartford, Conn., under the charge of Joseph McCarthy, a former government investigator now working for the defense.

Admits Paying Women

"Have you been paying money to these women?" Mr. Dewey demanded.

"Oh, yes," Mr. Polakoff replied. "Since they have been our witnesses I have been paying their expenses. They told McCarthy if they were not taken out of town they would be arrested by Dewey and miserably treated. They wanted protection."

Mr. Polakoff was excused and Mr. Carlini, who had been conferring with Caesar Barra, another defense lawyer at the trial, was again directed by Justice McCook to take the stand.

"On advice of counsel I will refuse to do so," Mr. Carlini replied. "I will stand on my constitutional rights."

Justice McCook turned to Mr. Dewey and inquired whether the special prosecutor had anything to say.

"Only that the affidavit filed by Mr. Carlini was perjurious from beginning to end," Mr. Dewey said.

"We welcome a full and impartial investigation of the District Attorney's charges," Mr. Polakoff said.

Mr. Polakoff said: "In fact, I am going to demand it, not from your Honor but from the Governor of this State or the grand jury. This is going to be a dogfight, your Honor."

Justice McCook said that nothing of the sort would take place in his courtroom and directed that argument on the motion for a new trial should be made before him Friday.

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Mr. Dewey Files 25 Affidavits

Mr. Dewey meanwhile had run with the court sixty-five affidavits filling some 565 typewritten pages accompanied by photostatic record of numerous documents. Mr. Dewey himself made one of the affidavits in which he asserted that "the moving papers reek with perjury and are unworthy of belief."

"The conclusion seems inescapable," Mr. Dewey's affidavit went on, "that these moving papers were prepared with the knowledge of the defense; that this case was built upon perjured evidence and was done with the knowledge of the persons offering these affidavits. This fraud was discovered only after an exhaustive inquiry."

Mr. Dewey said that he had learned from an inmate of Sing Sing prison that Pete Harris, husband of the Balitzer woman, who is now in Sing Sing as a member of the vice ring, had casually remarked that his wife and the Brown woman were being taken care of by the defense and were receiving treatment for drug addiction at Town's Hospital, 293 Central Park West.

Mr. Dewey charged that police investigation disclosed that "Jo-Jo" Weintraub, an admitted procurer who was a State witness at the trial, had paid \$400 to cover two weeks' treatment of the two women, and that they were taken from the hospital where they were undergoing the drug cure to make their recanting affidavits.

Jurors Deny Threats

All twelve members of the jury made affidavits which were offered by Mr. Dewey, declaring that neither they nor any member of their families had ever received any threats in connection with the trial. Mr. Blake, the juror cited by Mr. Carino as his authority, denied that he had ever made such a statement. He said that Mr. Carino tried to get him to sign an affidavit to this effect, but that he refused.

Mr. Dewey presented affidavits by two social workers for the Church Mission of Health, who said that Nancy Presser and Thelma Jordan, another witness, had told them that they were in fear of death or torture and that they would recant their testimony rather than suffer torture such as they had seen inflicted on other girls by the vice ring.

He also filed a stenographic transcript of an examination of the three women at the Women's House of Detention on June 8, two days after the close of the trial by Justice McCook, who made it a point to interview each of the women witnesses to see what could be done to rehabilitate them. At this time each of the women said she had told the truth at the trial and had received no promises or inducements from the prosecution.

LUCIANO MAKES PLEA FOR TRIAL

Attorney in Vice Case Says Testimony Was False.

BLAMES PROMISES BY DEWEY

He Denies That Defense Paid for Affidavits by Witnesses.

An attorney representing Charles (Lucky) Luciano, who is serving a sentence of from thirty to fifty years for taking part in compulsory prostitution, pleaded for a new trial today before Supreme Court Justice Philip J. McCook.

"Your Honor, Charles Luciano was convicted on the testimony of witnesses who certainly must be regarded as questionable in so far as truthfulness is concerned," said the attorney, Moses Polakoff. "If Luciano was guilty of the crime charged he should serve every day of his sentence, but if he was convicted on perjured testimony he should have a new trial and a fair one."

Mr. Polakoff's manner was in marked contrast to his actions earlier in the week when he and Lorenzo C. Carlino, counsel for Ralph Liguori, convicted with Luciano, were summarily ordered before Justice McCook. This was in a preliminary proceeding on the allegation of Special Prosecutor Thomas E. Dewey that they had submitted perjurious affidavits in support of their pleas for new trials. Action on Mr. Dewey's accusation is pending.

Asks Judge to Withdraw.

In that proceeding both Polakoff and Carlino accused Justice McCook of prejudice. Polakoff took the witness stand and under oath defended himself, but Carlino, resting upon his constitutional rights, refused to be sworn.

Carlino renewed his belligerent attitude today and moved that Justice McCook withdraw and allow an appeal to be made before another judge. The motion was denied.

It is the defense contention that Casey, Brown, Nancy Presser, Mildred Harris Baltzer and other prostitutes testified falsely in Luciano's trial because of fear or because of promises made by Mr. Dewey and his assistants. These women, the defense sets forth, have since signed affidavits that their testimony was false. Mr. Dewey charges that the affidavits were obtained through illegal inducements.

Polakoff told the court today that he had accepted the affidavits in good faith. They had been offered voluntarily, he said, after investigations by reputable persons, among them two former Department of Justice agents, Joseph Dunn and Joseph McCarthy.

Explains Reason for Inquiry.

The investigation of Nancy Presser and the others began after a State's witness, Helen Kelly, had written a letter saying that the girls wished to recant their testimony, Polakoff said.

"If they testified falsely at the trial, as they say they did," Polakoff said, "Luciano is entitled to a new trial as he was convicted solely on their testimony."

When he said he "took no exception" to Justice McCook directing after the trial that steps be taken to rehabilitate the witnesses, some of whom were narcotic addicts, Justice McCook remarked: "Well, you had better not take exception!"

Polakoff said he could not say whether Mr. Dewey acted properly in sending two of the women to Europe after the trial in order that they might escape the dangers which they felt they faced because of their stand against Luciano and his organization.

Denies Paying for Affidavits.

"I won't make an issue of it," he said. "I would like to point out, however, that, in his summation to the jury, the prosecutor ridiculed our allegation that some of the witnesses had been promised trips abroad by asking 'who is going to pay for the trip? Me?'"

Polakoff denied that the defense had paid the women for their affidavits other than to take care of their expenses incidental to their executing the documents.

The attorney stressed Mildred Harris Baltzer's trial testimony that she had not been promised immunity if she testified against Luciano and said he had proof that Carlino, one of Mr. Dewey's assistants, wrote her a letter promising her immunity when she testified before the Grand Jury which indicted Luciano.

It is about time that this court realizes that every lawyer opposing Mr. Dewey is not a scoundrel," Polakoff said in conclusion. "It is time this court realizes that every defense witness is not a scoundrel."

Takes Up Jurors' Action.

Carlino began by taking up the subject of his own affidavit in which he asserted that Edward Blake, one of the jurors who convicted Luciano and his co-defendants, had attested in an affidavit a few weeks ago that the jurors had been concerned over the safety of their families during the trial. If the jurors had undergone such fears, Carlino argued, they were

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in the frame of mind to render a fair verdict.

Mr. Dewey has already attacked this affidavit by stating that it was replete with perjurious statements. In refutation the prosecutor filed with the court affidavits of each of the twelve jurors who denied generally the charges attributed to Mr. Blake and especially denied the allegation that any of the jurors had had private conferences with Justice McCook during the trial at which Mr. Dewey was present.

Carlino today asked permission of the court to use these twelve affidavits, arguing that they supported the allegations in his affidavit which he said, was based on "information and belief."

Reads From Affidavits.

"You emphasize that it was based on 'information and belief,'" inquired Justice McCook.

"I certainly do," the attorney said.

Carlino read excerpts from the jurors' affidavits and said that they showed clearly in most instances that the jurors had discussed their fears lest harm come to their families or their businesses during the trial. He said that to quell these fears Justice McCook had directed the police to protect the jurors' personal and business interests. The attorney admitted that none of the affidavits stated that Mr. Dewey attended conferences between any jurors and Justice McCook.

Shouts in Attack on Dewey.

"Mr. Dewey in his affidavit charges me with perjury, fraud and attempts to deceive the court!" Carlino suddenly shouted. "The affidavits of the twelve jurors, obtained by him, prove the falsity of Dewey's charges and show that what I say happened did happen."

At that point attorneys representing David Batillo, Abe Wahrman and Thomas (Tommy the Bull) Penocchio, all convicted with Luciano and Liguori, obtained permission to file formal applications for a new trial for their clients.

Mr. Dewey began his opposing argument by describing the basis sought for the new trial as "scandalous."

Carlino ducked at the brush of a refusal in making a motion based solely on the affidavit of a lawyer and the attempt to make an argument out of relatives visiting jurors and telling them that they were nervous over the trial," the prosecutor said in his attack on the Liguori appeal.

Calls Defendant a 'Stooge.'

"Carlino's affidavit is false and perjurious from beginning to end," he asserted. "The hearsay upon which it is based has been thoroughly exploded."

Referring to Luciano, Mr. Dewey said that the "truth had emerged so conclusively" that there could be no question about his guilt.

"Liguori again is acting as a stooge for his friend Luciano as he did during the trial," the prosecutor said, "and now his attorney files a perjurious affidavit."

"It's a He!" shouted Carlino, jumping up.

Carlino was ignored.

Mr. Dewey said there could be no question but what Cokey Flo and the other prostitutes who testified against Luciano had testified truthfully. The fact that although weakened by heroin, "the gangster's destructive drug," they had not broken down under hours of "nauseating cross-examination" proved this, he said.

The prosecutor said that the recanting affidavits signed by the women were the result of the "trail of fear, drugs and money" which had overtaken them since the trial. He then outlined in great detail the events which, he said, had led to their refuting their original testimony.

Luciano Faces Deportation on Prison Release

While a battery of expensive lawyers were battling yesterday for his release from prison, Charles (Lucky) Luciano saw his hopes of freedom blasted by a deportation warrant.

Evidence against the vice racketeer gathered by a board of review of the Immigration Bureau last Jan. 18 was grounds for the warrant.

It was signed in Washington yesterday by L. Paul Winnings, chairman of the review board. It directs that the droopy-eyed boss of the brothels be shipped away to his native Italy the moment he sets foot out of Dannemora Prison where he is serving thirty to fifty years for compulsory prostitution.

The review board, which made its report to the Department of Labor, found Lucky to be an undesirable alien on three of the charges brought against him at the sensational vice trial last May.

Despite his heated denials, the reviewers were convinced that the swarthy gangster had lashed houses of prostitution, assisted in prostitution and received the earnings of the women who plied their trade under his ruthless domination.

Lucky, who came to this country in 1906, has but one court of appeal—the Federal Court, but chance of escaping the deportation order through that source is virtually nil. Cases in which the

Federal Court has voided a deportation warrant are almost unheard of, the Labor Department pointed out.

At a hearing yesterday before Supreme Court Justice Philip J. McCook, the reputed confessions of three women vice trial witnesses that they had lied on the witness stand were attacked by Special Rackets Prosecutor Thomas E. Dewey.

Justice McCook granted the attorneys until Tuesday to file briefs.

NEW YORK DAILY NEWS

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'Inside Story' of Vice Probe:

Dewey Tells How He Trapped Lucky

Girls' Fear of Luciano Led to His Undoing

How the investigating fingers of Special Prosecutor Dewey came to clutch Charles "Lucky" Luciano was told completely yesterday for the first time; some of it from papers filed by Dewey in opposing a new trial.

Parts of this dramatic tale, though only in documentary form, were supplied by Dewey last week as he fought the efforts of attorneys in behalf of New York's vice overlord, who is now serving from 30 to 50 years in Dannemora Prison.

But Dewey's papers did not tell the full story.

The story begins on the night of Jan. 31, 1936, when every available plainclothesman in the city was called to Police Headquarters. None knew why he was there. Orders had been kept secret that there might be no tip-off.

At about midnight they were turned loose in pairs to raid some 50 or more known houses of prostitution and to storm hang-outs where bookers, procurers and other criminals were known to gather.

Preliminary Steps

It was Dewey's first blast against organized prostitution.

A few weeks after he had organized his hard-working cops



THOMAS E. DEWEY
Tells 'Inside Story'

of young men and women to attack New York's rackets, he began to receive confidential information that prostitution in New York in the preceding three years had become almost wholly controlled by a single syndicate of gunmen and narcotic peddlers.

Before that time, the industry had been directed by four or five big bookers, and many lesser ones, working independently of each other. **Ed**

Woman Lawyer Aids

Then, Dewey was informed—and he began this investigation without knowing a thing about the business—these bookers were forced into a single combination under the domination of gamblers. Their fees had to be paid to those higher up. It was a structure for those who reaped the benefits.

Essentially, the undercover information showed, the setup was used as well for the distribution of narcotics on a tremendous scale.

By some fortunate intuition, Dewey turned over this part of his many-sided investigation to Mrs. Eunice H. Carter, a young Negro lawyer. With the help of detectives and tips, she prepared a list of gunmen and narcotic peddlers said to be mixed up in the vice racket. She also had ready for her superior a list of apartments rented to the madams.

Raids Arranged

Word of the investigation was spread into the underworld. The men who organized the syndicate were getting ready to flee the city. Action had to be taken quickly. The raids were arranged.

Every detective had been told to telephone Dewey's number when his work was done. Then he was told to deliver his arrests at the Woolworth Building. Almost 100 women in evening dress or negligees were taken downtown. With them were about 20 men known to have something to do with the business.

Twenty lawyers were waiting to question them, but the smoothest of those 20 could not get one incriminating admission from the girls.

It was learned later that every one of them had been schooled in perjury by a disbarred lawyer.

They were not "ladies of the

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"evening," they insisted. They were innocent and harmless business girls, manicurists, waitresses or visitors to the city who had been quietly playing bridge or engaged in social conversation when the police broke in on them.

The bookers and their bosses were no more communicative, except for David Marcus. No one ever has understood why this booker naively admitted his business in that first hour of questioning. But he did. And he admitted he was working for a syndicate.

Some of the girls were freed that night. The interviewer could not be certain about their professions, and rather than hold one innocent girl, many were allowed to leave.

But 80 arrested that and the succeeding night were held in high ball as material witnesses. They were brought back to the Woolworth Building time and again for questioning.

Gradually, one at a time, they admitted their business. Dewey had told them he was not interested in prosecuting them, that he wanted to get the men who were living from their earnings.

Every important figure in the case, save Luciano, had been arrested. No attention had been paid to him because no one in the Dewey office knew he was at the top of the syndicate.

Suspicion Grows

Then came a strange and totally unexpected development which pointed directly at Lucky. As the women in the House of Detention weakened under the daily examinations, they began to admit their place in the social structure. But they would do no more than that. They would not agree to go before the Grand Jury and testify against their bosses. They were asked why, as Dewey's aids promised them protection against gangland.

First one, and then another told just why. In effect, they all said this:

"You have most of the men, but you haven't got Luciano. We would not dare testify against any of them with Lucky still here."

That wasn't evidence. Dewey could not go before the Grand Jury without more than that. He began, then, searching definitely for information against the vice czar, and he found it.

Luciano Accused

Pete Ballizer, a booker, was married to Mildred Harris, a madam. They decided, talking to each other, that their one chance was to "come clean." They declared flatly that Luciano was the man on top.

Al Weiner, a booker whose father was in Sing Sing for following the same profession, added his information. He had seen them get his father and he knew they could get him. His one chance to escape was to turn State's evidence.

Dewey told Justice McCook:

"Prior to Feb. 1 my office was in possession of no evidence against Luciano and had heard nothing but indefinite rumors as to his command of the prostitution racket."

Before he went before the Grand Jury, he said, he did not even know where the man was, and was not interested in finding him.

In commenting on the charge he told the witnesses to talk against Luciano, Dewey declared:

"That is sheer nonsense."

Then he added:

"Every witness who gave testimony involving Luciano did so voluntarily, with absolutely no promises of any kind except immunity and protection from underworld characters."

So the ominous figure of the heavy-lidded, saturnine Lucky emerged from the darkness. It was almost two months after the Feb. 1 raids that Dewey had enough evidence to go before the grand jury.

So, up in Dannemora, serving his 30 to 50-year-term, Luciano can know that it was the girls' fear of him and his henchmen that finally led them to testify.

LUCIANO ALIBI WIN NEW DELAY?

As lawyers for Charles (Lucky) Luciano continued their battle to win him a new vice trial, three men convicted with him last year had their sentences again postponed in Supreme Court yesterday.

The three were Jesse Jacobs and Meyer Berkman, bondsmen for vice victims, and Benny Spiller, loan shark for the ring. Leniency shown them so far was reported in exchange for assisting Special Prosecutor Dewey.

Justice McCook fixed the tentative date of May 24 for sentencing of the trio.

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CHIEF OF VICE RING

Berkman, Convicted With Lucania, Gets Suspended Sentence

Meyer Berkman, convicted of compulsory prostitution with the Charles (Lucky Luciano) Lucania gang, received a suspended sentence yesterday from Supreme Court Justice Philip J. McCook. The court indicated that leniency had been granted because probation officers had reported that Berkman was "essentially not a vicious person." After sentencing Berkman to prison for a term of two to five years, Justice McCook announced suspension of the sentence. He remarked that Berkman had played a minor part with the Lucania gang and said he had suspended the sentence after Berkman had agreed to return to New York within ten days if his testimony should be needed by Special Prosecutor Thomas E. Dewey, who obtained the conviction of the Lucania gang. Berkman, who is 40 years old and not quite five feet tall, had spent sixteen months in jail since he was arrested on Jan. 1, 1933.

INDEXED by
B J E

THE NEW YORK TIMES

Forwarded by New York Office

MAY 25 1937

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LUCIANO PLEA DUE TUESDAY

Argument in the appeal of Charles (Lucky) Luciano, now serving 30 to 60 years on a compulsory prostitution charge, was set yesterday for next Tuesday by the Appellate Division.

Special Prosecutor Dewey told the court he was ready to proceed. Six separate appeals are listed.

NEW YORK AMERICAN

Reprinted by New York Times

JUN 5 - 1937

62-5773-172

W

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

WBM:EL

New York, N. Y.
July 6, 1937

MEMORANDUM FOR SPECIAL AGENT IN CHARGE

[redacted]
[redacted], he claimed to have heard the following:

Special Prosecutor THOMAS DEWEY understands that the politicians have been strong enough to arrange for a new trial for LUCKY LUCIANO. DEWEY is very fearful of unsuccessful prosecution if a new trial is granted. DEWEY is supposed to have had a 2 1/2 hour visit with Dr. MENAS S. GREGORY for the purpose of having the various prostitute witnesses declared mentally incompetent. Dr. GREGORY is supposed to have told DEWEY he would examine the witnesses but that he would be absolutely fair in his findings; that if they were incompetent, he would so report; that if they were not, he would not declare them mentally incompetent; that he, GREGORY had absolutely no use for LUCIANO and would prefer to see him remain in jail, but he, GREGORY, never had submitted, and did not intend to start now, false reports on his examinations.

WBM
W. B. MORAN,
Special Agent.

62-5773-173

Ly

807 U.S. Court House
Foley Square
New York, N. Y.

RE: PE

July 7, 1937.

Mr. J. Edgar Hoover,
Federal Bureau of Investigation,
Washington, D. C.

~~PERSONAL AND CONFIDENTIAL~~

Dear Mr. Hoover:

The following is a copy of memorandum dated July 6, 1937,
prepared by Special Agent W. E. Martin:

he claimed to have heard the following:

b7D

Special Prosecutor THOMAS DENEY understands that the politicians have been strong enough to arrange for a new trial for LUGRY LUCIANO. DENEY is very fearful of unsuccessful prosecution if a new trial is granted. DENEY is supposed to have had a 2 1/2 hour visit with Dr. WILLIAM S. GREGORY for the purpose of having the various prostitute witnesses declared mentally incompetent. Dr. Gregory is supposed to have told DENEY he would examine the witnesses but that he would be absolutely fair in his findings; that if they were incompetent, he would so report; that if they were not, he would not declare them mentally incompetent; and that he, Gregory, had absolutely no use for Luciano and would prefer to see him remain in jail, but he, Gregory, never had submitted, and did not intend to start now, false reports on his examinations.

b7D

The above is for your information.

Sincerely yours,

R. WHITLEY
Special Agent in Charge

62-1772-176

LUCIANO VERDICT UPHELD BY COURT

Montana Wins New Trial in Other Vice Conviction.

The conviction of Charles (Lucky) Luciano and five co-defendants in a recent spectacular vice prosecution in New York city was upheld by the Appellate Division today, but the conviction and sentence of Nicholas Montana in another vice case was reversed.

The court voted unanimously for affirmance of the Luciano conviction, although Associate Justice Untermyer wrote a long opinion calling the sentences of the defendants excessive and saying that they should be reduced.

In the Montana case three Associate Justices of the Appellate Division voted for reversal while two voted for affirmance. The majority of the court held that Montana had not had a fair trial even if the evidence introduced in court showed at least a prima facie case that he was guilty.

In his opinion on the Luciano appeal, Justice Untermyer said that the trial justice should hold an open cross-examination of State witnesses who were supposed to have recanted their testimony. He voted that Luciano's motion for a new trial should be reconsidered. In that Associate Justice Cohn concurred.

Justice Untermyer said: "I con-
curred in the affirmance of the judg-

ment on all the defendants except in my opinion the sentences are excessive and, under the authority vested in us by section 543 of the code of criminal procedure, should be reduced.

"I am further of the opinion that the new evidence, consisting of the recantation of three of the four principal witnesses against the defendant Luciano and of the statement tending to show that the fourth principal witness was false in a material particular, was of such importance as to require the trial justice, in the exercise of his discretion, to compel the production of those witnesses for examination and cross-examination under oath in open court. I accordingly vote to modify the order denying the motion for a new trial in this respect as to the defendant Luciano."

Presiding Justice Martin and Associate Justices Dore and Callahan voted for affirmance.

The defendants convicted of compulsory prostitution with Luciano were Thomas Pennochio, David Betillo, James Frederico, Abraham Wahrman and Ralph Liquori.

In the prevailing opinion in the Montana decision Associate Justice Glennon declared that General Sessions Judge Collins, who presided at the Montana trial, apparently had concluded that Montana was guilty and had permitted his feelings against the defendant "to guide him in the conduct of the trial."

Montana was sentenced on January 8, 1936, to twenty-five years in State prison for knowingly receiving money for procuring a woman. He was a second offender, having previously been convicted of first degree grand larceny.

It took the trial jury only thirty minutes to find him guilty on December 9, 1935. In remanding him to the Tombs to await sentence, Judge Collins said:

"The voice of justice has spoken; you could not have arrived at any other verdict."

Associate Justices O'Malley and Untermyer concurred in the opinion reversing the conviction. Presiding Justice Martin and Associate Justice Dore dissented.

NEW YORK SUN

Entered as Second-Class Matter, July 1, 1937

JUL 16 1937

62-5773-176

JUL 16 1937

NEW YORK OFFICE
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LUCANIA CONVICTION UPHELD ON APPEAL

At Same Time Cardozo Closes
One Way to Supreme Court
by Ruling in Another Case

MONTANA WINS NEW TRIAL

Opinion Criticizes Collins for
Conduct of Trial on Charge
of Vice Racketeering

The conviction of Charles (Lucky Luciano) Lucania was upheld yesterday in a unanimous decision by the Appellate Division while United States Supreme Court Justice Benjamin N. Cardozo closed one of the routes by which Lucania's case might have been taken to that court.

The Appellate Division handed down a decision in another vice case, reversing the conviction of Nicholas Montana, found guilty in General Sessions in December, 1935, of procuring. In this reversal the higher court was split three to two, the majority holding that although the evidence showed Montana guilty, he had not received a fair trial at the hands of Judge Cornelius F. Collins.

The affirmance of the Lucania conviction, and of the other defendants tried with him and also found guilty, was another victory for Special Prosecutor Thomas E. Dewey. The Montana case was tried by Charles Pilatsky, Assistant District Attorney, of the office of District Attorney William C. Dodge.

Sentence Called Excessive

There was no opinion written in the Lucania case on the unanimous vote to affirm the conviction and sentence, but Justice Irving Untermyer handed down a statement for the record in which he termed the forty-year sentence given Lucania by Supreme Court Justice Philip M. McCook excessive, and suggested an appeal hearing on recanted testimony.

Following the conviction, Moses Rosenthal, counsel for Lucania, filed affidavits in which Nancy Preston, Mildred Harris Balitzer and Florence (Coke) Brown recanted their testimony against the lord and racketeer, and demanded a new trial. This Justice McCook refused after receiving affidavits from Mr. Dewey, which charged that the woman had changed their stories under pressure. He described the recanting statements as "poisonously false."

Justice Untermyer's statement said:

"I concur in the affirmance of the judgments as to all the defendants except that in my opinion the sentences are excessive, and under the authority vested in us by Section 543 of the Code of Criminal Procedure should be reduced."

"I am further of the opinion that the new evidence consisting of the recantation of three of the four principal witnesses against the defendant Lucania and of the state-

ment tending to show that the testimony of the fourth principal witness was false in a material particular was of such importance as to require the trial justice, in the exercise of his discretion, to compel the production of those witnesses for examination under oath in open court.

Votes to Modify Order

"I accordingly vote to modify the order denying the motion for a new trial in this respect as to the defendant Lucania."

With respect to the new trial, Justice Cohn voted with Justice Untermyer.

Convicted with Lucania were Thomas Pennochio, David Betillo, James Frederico, Abraham Wahrman and Ralph Lignori.

The appeal brief in the Lucania case contained a claim that the laws of 1935 which permitted joint trial of a number of crimes of the same general nature when the same group of defendants were involved were unconstitutional. It was on this point, but in another case, that Justice Cardozo refused to permit the matter to be taken to the United States Supreme Court.

Irving Epstein and John J. Williams, two of the seven men convicted in the restaurant racket case, another of Mr. Dewey's major victories in his drive against rackets, had appealed to Justice Cardozo for permission to bring the case before the highest court.

He heard argument, with Epstein and Williams represented by the firm of Goldstein & Goldstein, at his home in White Plains last Tuesday, and in a brief statement yesterday he said:

"I find the applicants' grievance"

THE NEW YORK TIMES

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62-5723-17

U.S. DEPARTMENT OF JUSTICE

JUL 17 1937

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to be unsubstantial under Beasell vs. Ohio, 269 U. S., 187, and disallow the appeal."

Epstein and Williams, through their attorneys, had attacked the constitutionality of the "joinder statute," which has also become known as the "Dewey law," in the State courts before taking it to Justice Cardoso. Although Lucania was tried half a year before the restaurant racket, his attorneys had made no special point of their attack upon the joinder statute and moved their entire appeal along at one time.

Upheld by State Court

David Goldstein, counsel for Epstein and Williams, preferred to seek a quick determination of the point, and took it immediately to the Court of Appeals where, on June 2, a unanimous decision, with an opinion written by Judge Edward R. Finch, upheld the joinder as legal.

Thus, in this one aspect, Lucania's appeal was decided in advance of its presentation to the higher courts.

The majority opinion in the Montana case was written by Justice Edward J. Glennon. Montana was tried on a charge of procuring in June, 1936, and was acquitted by a jury. He was brought to trial on another count, but similar case, in November, 1936, and on the fifteenth of that month a jury disagreed.

Assistant District Attorney Platsky moved for another trial almost immediately, and on Dec. 8 Montana was convicted. He has since been serving a twenty-five-year sentence in Sing Sing.

Judge Collins's conduct of the case was subjected to severe criticism in the majority opinion. Justice Glennon wrote:

"The defendant contends, and properly so, that he did not receive a fair trial. It is proper to say, after reading the record, that the judge presiding had reached the conclusion at the outset, or prior thereto, that the defendant was guilty of the offense with which he was charged, and as a consequence

permitted his feelings against the defendant to guide him in the conduct of the trial.

Evidence Called Improper

"Over the objection of counsel for the defendant, the people were permitted to establish as part of their direct proof testimony which might indicate that the defendant was guilty of over 200 separate and distinct violations of the statute. Some of this improper evidence was detailed at length. While this evidence would not have been sufficient in and of itself to prove the commission of a crime or crimes, still it must have damned the defendant in the eyes of the jury in such a way that, even though it did not believe him guilty of the crime charged, it would not permit him to escape.

"We do not deem it necessary to set forth at length the other errors which indicate that this defendant was not accorded a fair trial. It is commendable for a judge presiding at a trial to ask questions in order to bring out the facts or to clarify the testimony; still, it seems to us that it was entirely unnecessary for the court to ask over 1,350 questions in a case involving a trial covering a few days, and also to make comments which were not only prejudicial to the defendant but also to the witnesses who were called by him.

"We realize that the charge contained in the indictment is a serious one. We also appreciate the fact that the jurors who are selected to pass upon the guilt or innocence of the accused may be influenced readily by the attitude of the judge presiding at the trial. The mere charge, in and of itself, is almost sufficient to create a prejudice in the lay mind against the defendant. We may believe that the evidence adduced against him was sufficient to indicate his guilt beyond all reasonable doubt. However, guilty or innocent, he was entitled to a fair trial."

In the dissenting opinion Presiding Justice Francis Martin held that, although the conduct of the court was open to criticism, the evidence proved Montana's guilt, and voted to affirm the conviction.

U. S. DEPARTMENT OF JUSTICE

JUL 17 1937

NEW YORK OFFICE

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LUCIANO LIRED SENT AWAY BY U.S.

**Authorities Rule Russian Fan Dancer
Lost Her Citizenship When
Marriage Was Annulled.**

A Russian chorus girl named Gay Orlova, who once was the object of a deep admiration by Charles (Lucky) Luciano, was on her way back to Europe aboard the Normandie today, with the fans that she waves in front of her limbs which she dances in night clubs.

She arrived on the Normandie on Monday from Paris, where she had been dancing, but her visit here was limited to a few fanless turns around the French Line pier.

Immigration authorities spotted her and escorted her over to Ellis Island, where she stayed with an unaccustomed lack of elegance until she was taken aboard the Normandie yesterday.

She wasn't, to be sure, deported. The whole trouble, it seems, was that she is no longer a citizen of this country.

The immigration people took the view that she lost her citizenship a few weeks ago when Edward W. P. Lynn obtained an annulment of their marriage.

62-553-127 imp

FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE	
AUG 19 1937	
NEW YORK OFFICE	
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CLIPPING FROM
NEW YORK WORLD-TELEGRAM

DATED AUG 19 1937

FORWARDED BY NEW YORK DIVISION

**Luciano Bondamen's
Sentencing Is Delayed**

Sentencing of Jesse Jacobs, convicted bondsman of the Charles (Lucky) Luciano vice ring, and Benny Spiller, his assistant, was adjourned today to November 30 before Justice McCook in the Supreme Court, it was announced at the office of Special Prosecutor Thomas E. Dewey.

At the last adjournment it was reported that the two men were assisting Mr. Dewey's office in its investigation of the bonding of prostitutes by the ring.

62-5573-178

U. S. DEPARTMENT OF JUSTICE	
SEP 20 1937	
NEW YORK OFFICE	
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CLIPPING FROM
NEW YORK SUN

DATE: SEP 29 1937

FORWARDED TO NEW YORK DIVISION

APPEAL SET FOR LUCIANO

ALBANY, Oct. 19 (UP).—The Court of Appeals today scheduled arguments in the appeal of Charles Luciano, New York City vice racketeer, for the week beginning Nov. 29.

Luciano, serving a 40-year sentence for compulsory prostitution, challenged constitutionality of a 1936 law permitting joining of in-

65-5713-17 *File*

FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE	
OCT 20 1937	
NEW YORK OFFICE	
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CLIPPING FROM
NEW YORK DAILY NEWS

DATE: OCT 20 1937

FORWARDED BY NEW YORK DIVISION

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ORDERED REINSTATED

Appellate Division Reverses Department Ruling Against Witness for Lucania

Patrolman George A. Heidt, who was dismissed from the police force after he appeared as a witness for the defense in the trial of Charles (Lucky Luciano) Lucania on vice charges, was ordered reinstated yesterday by the Appellate Division in a unanimous ruling. The dismissal had been based on charges that Heidt had failed to explain bank deposits of \$74,500 made during eight years when his salary had ranged from \$2,800 to \$3,200 a year.

The court also ordered the department to remit a fine of ten days' pay which had been imposed because he had granted a newspaper interview about a police matter. The interview dealt with the other departmental charges then in preparation against the patrolman.

The opinion of the court, delivered by Justice Edward J. Glennon, was that the policeman's talk with a newspaper man "did not tend to defeat the ends of justice."

There were originally six counts in the charges on which the ouster was based. Five of these alleged that Heidt frequented race tracks and gambling establishments, placed bets there and failed to take police action against them. All were dismissed by Harold Fowler, Deputy Police Commissioner, after the departmental trial. The sixth count concerned the bank deposits.

Justice Glennon said that Mrs. Heidt had received money from her mother during the period in question and asserted that there was nothing in the evidence tending to show that the bank deposits or withdrawals were not legitimate.

When informed of the decision reinstating Patrolman Heidt, Commissioner Valentine said: "I have no comment to make."

62-5723-180
DEC 18 1937
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Clipping from
NEW YORK TIMES

DATE: DEC 18 1937

FORWARDED BY NEW YORK DIVISION

LUCIANO APPEAL FILED IN ALBANY

Counsel Seeks to Free Him From Vice Case Term.

ALBANY, Jan. 18 (U. P.).—Counsel for Charles (Lucky) Luciano appealed to the State's highest court today to free the New York city racketeer from a sentence of thirty to fifty years for compulsory prostitution.

[The court briefs spell the name "Lucania," although it is generally spelled "Luciano" in New York city.]

Martin Conboy presented briefs to the Court of Appeals asking reversal of Lucania's conviction and dismissal of the indictment of sixty-two counts on which he was tried. Lucania is serving the sentence at Clinton Prison, Dannemora.

District Attorney Dewey of New York, who as a special rackets prosecutor convicted Lucania, was scheduled to appear in opposition to the appeal. He filed papers with the court denying that any of the points raised by Mr. Conboy constituted grounds for reversal of the conviction.

Mr. Conboy contended that "there was but little testimony" against Lucania and that it was "so inconclusive as to make any substantial errors committed in the course of the trial prejudicial" to his client.

He charged that "confusion tending to mislead the jury" was created in the trial of Lucania and eight others for a "large number of separate crimes," and that these conditions rendered any error prejudicial. He charged that Supreme Court Justice McCook had made errors in the conduct of the trial which should serve as the basis for reversal.

62-513-187/ky

RECEIVED U. S. DEPARTMENT OF JUSTICE JAN 18 1933 MAILED TO: [Signature]
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Clipping from
NEW YORK SUN

DATE: JAN 18 1933

FORWARDED BY NEW YORK DIVISION

APPEAL OF LUCANIA FOUGHT BY DEWEY

Prosecutor Tells Albany Court
Loss of Witnesses Makes
a Retrial Impossible

DEFENSE CHARGES ERROR

Thomas Marro Indicted Here
on Prostitution Accusation
—Held in \$25,000 Bond

Special to THE NEW YORK TIMES.

ALBANY, Jan. 18.—District Attorney Thomas E. Dewey, who, as a special racket prosecutor, obtained the conviction of Charles (Lucky) Lucania and eight of his henchmen on charges of compulsory prostitution, told six judges of the Court of Appeals today that "the case never can be retried," adding: "It is in this court for the first and last time."

Speaking in a low voice in a crowded court room after counsel for Lucania and five others who are appealing long prison terms had made their plea for reversal of the convictions, Mr. Dewey said:

"The witnesses for both sides comprised as fine a collection of pimps, thieves, prostitutes and criminals as was ever gathered under one roof. They could never be found again. The case is here for the first and last time."

Conboy Charges Trial Errors

Martin Conboy, counsel for Lucania, took almost two hours in a detailed recitation of alleged errors in the conduct of the trial before Supreme Court Justice Philip J. McCook. The errors, he contended, were such that, coupled with what he called "paucity of testimony against Lucania," they constituted prejudice against him. He declared the Court of Appeals would be fully justified in ordering the convictions reversed and the sixty-two-count indictments dismissed.

Mr. Dewey had only started to discuss the points that Mr. Conboy raised when the closing hour of 8 P. M. was reached and court adjourned until tomorrow at 2 P. M. Mr. Dewey, who had spoken for a few minutes more than an hour,

said he was about half way through his argument.

The small court room was jammed. Every seat was filled and standing seats occupied every available bit of floor space. Among the spectators were a group of legislators and a number of law students and young lawyers, virtually all of whom were attracted by the appearance of Mr. Dewey.

In his argument, Mr. Dewey said there was "no doubt" that the crimes in the indictment were committed. "The only issue that has been raised, it seems to me, is whether the prosecutor and his staff were suborning perjury in presenting their case," he said smilingly.

That the case may be appealed to the Supreme Court was seen in the point raised by Mr. Conboy that the 1936 law permitting the joining of offenses in one indictment, under which Lucania was convicted, was ex post facto, and thereby outlawed by the Federal Constitution.

Thomas Marro Indicted

While Mr. Dewey was arguing before the Court of Appeals in Albany yesterday to sustain the conviction and sentencing of the Lucania vice ring, Thomas Marro, 59 years old, who gave the address 471 Central Park West, was indicted on a like charge by the New York County grand jury.

The bill, containing three felony counts, alleging compulsory prostitution, resulted from an investigation by Mr. Dewey's office on a recent "tip." It was said, that Marro, who has the police aliases Tomaso Male and Thomas Rossi, operated vice resorts on lower Second Avenue and in Greenwich Village at the same time in April last.

Marro, who was said to have been released from prison a few years ago, after serving twenty-five years for a bank hold-up, was arrested near the Central Park West address on a bench warrant soon after the indictment was handed up to Judge James G. Wallace in General Sessions.

Late in the afternoon he was arraigned before General Sessions Judge Saul S. Streit in his chambers in the Criminal Courts Building, and at the request of an Assistant District Attorney, his bail was fixed at \$25,000, pending pleading on the indictment today. Marro was unable to furnish bond and was committed to the Tombs.

Details of the evidence against him were guarded by the District Attorney's office, but the indictment revealed that three young women, referred to under the fictitious names of Rose Marie Doe, Marie Doe and Valerie Poe, probably were the principal witnesses against him in the grand jury investigation.

62-57737-82
JAN 19 1933
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Clipping from
NEW YORK TIMES

DATE: JAN 19 1933

FORWARDED BY NEW YORK DIVISION

Dewey Fights Luciano Appeal

Argues Against Move for Reversal of the Conviction of Vice Gang.

ALBANY, Jan. 19 (A. P.).—New York County District Attorney Thomas E. Dewey went before the Court of Appeals today to complete his defense of the convictions of Charles (Lucky) Luciano and five henchmen.

The defendants, convicted on compulsory prostitution charges when Mr. Dewey was serving as special rackets prosecutor in New York city, appealed to the State's highest tribunal in an effort to gain a new trial.

Mr. Dewey answered the appeal in part yesterday, protesting that opposing counsel, in describing testimony against the men as insufficient for conviction, were submitting "magnificent understatements."

"The case is a simple one," he said. "No substantial question is involved. The defendants have had a fair trial and the verdict was completely supported by the evidence."

"In a trial which lasted as long as this, it is impossible that all error can be avoided. Those that were made can be disregarded as technical."

Earlier, Martin Conboy, elderly counsel for Luciano, told a crowded courtroom that "the method of trial by which a number of defendants were tried together for a large number of separate crimes created unwarranted confusion tending to mislead the jury."

Mr. Conboy listed twenty-three points on which he based his appeal for a new trial and described methods by which Mr. Dewey obtained the conviction of Luciano and the other defendants, the first major figures to be convicted in his drive to organize crime in New York city.

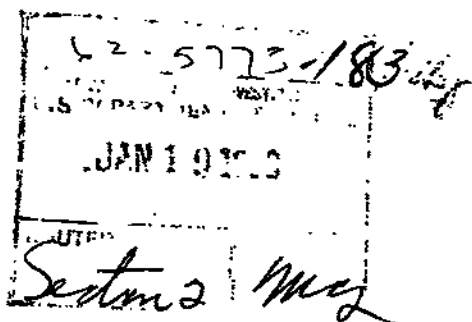
Counsel for the other defendants sought reversal of convictions on grounds that "prejudicial errors

were committed during the trial and that testimony of witnesses with criminal records was insufficient to establish proof of guilt.

The court's usual procedure is to reserve decision.

Convicted with Luciano, who is serving a term of thirty to fifty years, were:

Thomas (The Bull) Pennochio, twenty-five years; David (Little Davy) Betillo, twenty-five to forty years; James Frederico, twenty-five years; Ralph Liguori, seven and a half to fifteen years, and Abe Wahrman, fifteen to thirty years.



Clipping from
NEW YORK SUN

DATE: JAN 19 1933

FORWARDED BY NEW YORK DIVISION

DEWEY ATTACKS LUCANIA APPEAL

Prosecutor Tells Albany Court
Convicted Man Received
'Even Handed Justice'

Special to THE NEW YORK TIMES.
ALBANY, Jan. 19.—Thomas E. Dewey, District Attorney of New York County, completing his argument against the appeal of Charles (Lucky) Lucania and five of his henchmen from compulsory prostitution convictions, said today that there was no evidence in the case which would warrant a reversal of the convictions by the Court of Appeals.

In a fifty-five-minute address to the court, Mr. Dewey, who yesterday outlined the vice combination his activities as special racket prosecutor helped to break, said he believed Lucania and eight others who were convicted received "even-handed justice," and said that Supreme Court Justice Philip J. McCook had used "scrupulous fairness" in handling the case. Three who were convicted did not appeal.

Martin Conboy, counsel for Lucania, had based much of his appeal on alleged errors committed by Justice McCook, stating that these prejudiced the fair trial of Lucania, who is now serving a thirty to fifty year sentence in Clinton Prison, at Dannemora.

In his closing remarks Mr. Dewey said that Justice McCook "leaned over backward," and urged the court, by reading the records of the four weeks' trial, to "see how rigidly the prosecution was held down, while to what lengths the defense was permitted to go."

Responding to specific charges of unfairness and error in the conduct of the trial, the District Attorney said his charge that Lucania had "the underworld on call" was an "understatement," and that Lucania's credibility as a witness was "a little less than worthless."

Answering criticism of his opening address to the jury, Mr. Dewey said he regarded it not only as his privilege but his duty to advise the jury of the defects of his own case.

Mr. Conboy gave a brief rebuttal when the District Attorney concluded, and at the end there was a sharp interchange over whether two witnesses held in the House of Detention were held "incommunicado." The point arose in Mr. Conboy's charge that Mr. Dewey had withheld the witnesses, refusing to permit them to be interviewed by counsel for Lucania and others preparatory to being called for the defense.

Mr. Dewey sought to correct Mr. Conboy's assertion that the witnesses were held incommunicado, explaining that they were taken out to movies and on shopping tours.

"Well, they were held incommunicado as far as we were concerned," Mr. Conboy replied.

A feature of the court session was the appearance of both Mr. Dewey and Hiram C. Todd, a contemporary special prosecutor. Mr. Todd was slated to appear in the appeal of Fred J. Hull from a first-degree murder conviction for the slaying of Samuel Druksman in a Brooklyn warehouse. The court did not reach the Hull case today.

62-5723-18740
JAN 20 1935
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Clipping from
NEW YORK TIMES

DATE: JAN 20 1935

FORWARDED BY NEW YORK DIVISION

DEFENDER OF LUCIANO IS POLICEMAN AGAIN

**Heidt, Dismissed Over \$74,500
Bank Deposits, Reinstated
After Court Victory**

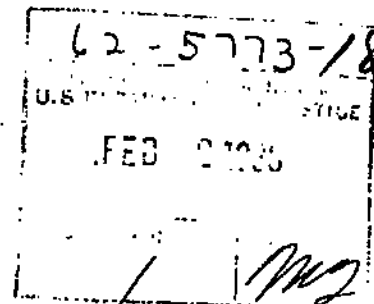
Patrolman George A. Heidt, who had appeared as a defense witness at the vice trial of Charles (Lucky) Luciano and later was dismissed from the Police Department for failure to explain satisfactorily bank deposits of \$74,500 in eight years, was reinstated yesterday by Commissioner Valentine.

The Commissioner's action was in compliance with a unanimous decision of the Appellate Division of the Supreme Court dated Dec. 17, which held that there was nothing to show that the bank deposits or withdrawals were not legitimate.

The court also ordered the department to remit a fine of ten days' pay imposed because Heidt had granted a newspaper interview about a police matter.

As a result of his reinstatement Heidt, who was suspended on June 20, 1936, and dismissed six weeks later, will receive about \$4,800 in back pay.

Heidt explained that his bank account included gambling winnings and a legacy to his wife. He had been a detective during the eight years he accumulated the \$74,500, whose salary was \$3,200 a year.



Clipping from
NEW YORK TIMES

DATE: FEB 21 1938

FORWARDED BY NEW YORK DIVISION

Wife Accused of Mailing Narcotics to Luciano Aid

Frederico's Package Opened by Auburn Prison Keeper

SYRACUSE, March 29 (P).—Arrest of Mrs. Lillian Frederico on a charge of sending narcotics from Brooklyn to Auburn Prison, where her husband, James Frederico, is serving a twenty-five-year sentence for his part in the Charles ("Lucky") Luciano compulsory prostitution syndicate, was revealed here today by narcotics agents.

In Brooklyn, James D. Saver, Assistant United States Attorney, said that Mrs. Frederico had been released under \$5,000 bail and that the case would be presented to a Federal grand jury there.

Thomas Saver, a Federal narcotics agent, cousin of the Federal attorney, and R. M. Weisman, of the New York State Board of Narcotics Control, began the investigation five months ago. Mrs. Frederico was arrested in her Brooklyn home, 53 Bushwick Avenue, February 17 by members of the Brooklyn narcotics squad. Mr. Saver said Mrs. Frederico pleaded innocent to a charge of violating the Harrison narcotics act.

James Saver said the narcotics were sent to the prison concealed in a can of cocoa mailed from the Bushwick Avenue postoffice branch and were discovered when opened November 17, the next day, in the apartment of the principal keeper at Auburn.

CLIPPING FROM
NEW YORK HERALD TRIBUNE

DATE **MAR 30 1936**

FORWARDED BY NEW YORK DIVISION

Loose Ends in the Luciano Case

Prosecutor Dewey can be proud that he prepared so watertight a case against Pimp-master Charles Luciano that it has stood up all the way to the Court of Appeals.

The highest court in New York has just upheld the thirty-to-fifty-year sentence meted out to the master of the metropolitan procurers. The sentence was attacked by Luciano's appeal on grounds so flimsy and technical as not to merit restatement.

The sentence against Luciano is a just one, probably. Charlie's methods were not nice. But the action of the Court of Appeals inspired us to go through our back editorials on the famous vice trials. We found a couple of interesting things.

Here's what we wrote on June 19, 1936: "Does any one seriously believe that Luciano was able to secure immunity from jail for every one of his hundreds of girls throughout the entire year 1935 without political aid? Will Mr. Dewey finish his splendid job in the Luciano case by finding out and revealing who protected Luciano?"

We'd still like, some day, to have those questions answered. We don't think the case will be finished until they are.

Clipping from
NEW YORK POST

DATE: APR 15 1936

~~FORWARDED BY NEW YORK DIVISION~~

LUCIANO FAILS AGAIN

Court of Appeals Refuses to Hear Plea Reargued.

ALBANY, June 3 (A. P.)—The Court of Appeals refused today to hear the re-argument of the appeal of Charles (Lucky) Luciano from a sentence of from thirty to fifty years imprisonment for compulsory prostitution.

Luciano and five of his henchmen were convicted in New York more than two years ago as a result of the vice drive conducted by Special Prosecutor (now District Attorney) Thomas E. Dewey.

Their appeals were denied in April.

After refusing to go over the matter again today the court recessed until July 7, when it will attempt to clean up the calendar of cases which have been argued since January.

62-5772-188	
F. B. I.	
JUN 3 1938	
N. Y. C.	
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Clipping from
NEW YORK SUN

DATE: JUN 3 1938

~~FORWARDED BY NEW YORK DIVISION~~

LUCANIA SENTENCE AGAIN IS AFFIRMED

Court of Appeals Denies New
Motion for a Reargument
Over Conviction

RULING HITS EIGHT AIDES

Plea Was Based on Refusal
to Let Defense Interview
Woman Witness

Special to THE NEW YORK TIMES.
ALBANY, June 2.—The Court of Appeals today reaffirmed its decision upholding the conviction of Charles (Lucky Luciano) Lucania and his henchmen on charges of compulsory prostitution when it denied a motion for reargument of the racketeer's appeal.

As is customary with motions, the decision was announced without word of whether the judges acted unanimously. There was no opinion.

Lucania's conviction was upheld by the court in a decision April 12. The court had the case under consideration since January. Lucania is now serving a thirty to fifty year sentence in Clinton prison and eight aides convicted with him also are in prison. Five appealed with him, but only Lucania's counsel pressed the appeal in the motion for reargument.

Moses Polakoff acted as Lucania's counsel in the reargument motion, although on the plea to the Court of Appeals Martin Conboy argued the case.

District Attorney Thomas E. Dewey, who obtained Lucania's conviction while acting as a special rackets prosecutor, successfully opposed both moves.

Mr. Polakoff based his reargument motion on charges that the defense had been unable to question a witness, Peggy Weil or Wild, who was held by the prosecution. Failure of the trial court to require the prosecution to permit defense attorneys to question the witness before placing her on the stand was assailed as prejudicial error.

Mr. Polakoff also contended that this failure to obtain the witness constituted violation of Lucania's

right to "due process of law," guaranteed by the Federal Constitution.

This made the second time the question of the Federal Constitution had been raised. Mr. Conboy had attacked the constitutionality of the so-called Dewey law which permits joinder of offenses in one indictment. This law previously had been upheld by the Court of Appeals and the United States Supreme Court had refused to review the decision.

It was expected the Federal question was raised for the second time to obtain further grounds for a Supreme Court review of the case.

The Court of Appeals recessed today until July 7, when the judges will meet for one day to hand down decisions and then recess until Oct. 2.

62-5773-189

F. B. I.	
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CLIPPING FROM
NEW YORK TIMES

DATE JUN 4 1938

FORWARDED BY NEW YORK DIVISION

LUCANIA LOSES PLEA TO GET OUT OF PRISON

Executive Clemency His Only Recourse, Court Holds

Charles (Lucky Luciano) Lucania, former New York vice overlord, yesterday lost his plea for suspension of two remaining sentences of ten to fifteen years each, so that he would be eligible for parole soon on the ten to twenty-year sentence he is now serving in Great Meadows Prison. Supreme Court Justice Philip J. McCook, denying Lucania's application, found that the arguments presented to him were "far from justifying the court in granting the present application."

Justice McCook suggested that Lucania's only recourse was a plea at some later date for Executive clemency. He made this suggestion after hearing the plea of attorneys that Lucania was rendering to "high military authorities" some unspecified but important war service.

"The authorities have been interviewed, privately, in the public interest," Justice McCook said. "As a result, the court is able to conclude that the defendant probably attempted to assist them, and possibly with some success. If the defendant is assisting the authorities and he continues to do so, and remains a model prisoner, executive clemency may become appropriate at some future date."

Governor Dewey, to whom such a plea would have to be made, prosecuted Lucania during his term as District Attorney and obtained the three sentences on charges of compulsory prostitution.

The court's reference to Lucania as a model prisoner was based on reports from wardens of three prisons in which he has been incarcerated. Justice McCook said the record was "such that he might well receive credit for it," but pointed out that in "law and morals" Lucania was responsible for every "moral and extortionate crime" performed by him and his associates.

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

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FEB 17 1943

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CLIPPING FROM THE
N. Y. TIMES
DATE FEB 11 1943
FORWARDED BY N. Y. DIVISION

Luciano Says He Is Aiding War From Cell, Asks Easing of Term

Charles ("Lucky") Luciano, convicted overlord of vice rackets in New York, has been aiding the war effort in some mysterious fashion from his prison cell and has been consulted by Army and Navy intelligence officers, it was disclosed yesterday.

The disclosure came when application was made yesterday before Justice Philip F. McCook in Supreme Court to suspend two ten-to-fifteen-year sentences still hanging over the former gangster. Luciano is serving a ten-to-twenty-year sentence and would ordinarily complete the other prison terms. Justice McCook reserved decision on the application.

The exact nature of Luciano's aid remained secret. It was learned, however, that intelligence officers have questioned him about his former associates in the enterprises in which he was once engaged.

That the former vice-syndicate operator has been useful was indi-

cated as a colonel assigned to the Judge Advocate General's Department. If Justice McCook was not on the bench, Luciano's only recourse would be to appeal to Governor Dewey for commutation of sentence or a pardon.

If favorable action were taken on his application, Luciano might, with other favorable factors, be released from prison in June. He has served two-thirds of the minimum time of his first sentence and the Parole Commission could certify his release under strict supervision.

In the application before Justice McCook, Mr. Wolf said that Luciano has "given affirmative indications of a repentant spirit and has been co-operative in the war effort."

Justice McCook permitted introduction of a letter from John A. Lyons, Commissioner of Correction, in which it was indicated that Luciano's behavior had been good. Stanley Fuld, head of the appeals bureau of the office of District Attorney Frank S. Hogan, opposed the application.

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- Mr. Egan
- Mr. Gurnea
- Mr. Hendon
- Mr. R. Lynch
- Mr. T. Lynch
- Mr. Coffey
- Mr. McCabe
- Mr. Callahan
- Mr. Ryan
- Mr. Wind
- Mr. Cook
- Miss Tate
- Property Clerk

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FEB 11 1943

CLIPPING FROM THE
N.Y. HERALD TRIBUNE
DATED FEB 9 1943
FORWARDED BY N.Y. DIVISION

'Lucky' Luciano to Be Paroled and Deported

Albany, Jan. 2 (AP)—Gov. Thomas E. Dewey will parole for deportation Charles (Lucky) Luciano, whom he sent to prison almost ten years ago as public enemy No. 1 and "king" of a \$12,000,000 vice ring, reliable sources said today.

Dewey, who as special New York City prosecutor sent the burly racketeer to jail on 62 counts of compulsory prostitution, will act as soon as he completes a study of a report from the State Parole Board, it was said. The black-haired and sullen-faced gang leader had been sentenced to serve one term of from 10 to 20 years and two terms of 10 to 15.

Others on List

Luciano's name, according to reports, heads a list of several prisoners on the Governor's first deportation calendar since the war. He will be returned to Italy. Others are from Russia, China and England.

For nine and a half years, Luciano, once feared by the underworld, has been a "model prisoner" at Dannemora and Great Meadows prisons where he worked in the laundry. One prison official told the United Press that Luciano is "a man who knows how to serve time." The gangster, who made application for commutation, was reported to

to have aided the country's war effort by divulging important military information on Sicily.

Luciano was the first "big time" racketeer to fall in Dewey's drive to clean up New York City before he became Governor. Police picked the racketeer up at Hat Springs, Ark., in 1936 and brought him to New York for trial before a special "blue ribbon" grand jury.

Born in Italy

He was born in Italy Nov. 11, 1897, and migrated to this country with his parents when he was 9 years old. It didn't take him long to become entangled with the law and at 14 he was sent to the Brooklyn Trust School when he quit school in the sixth grade.

Luciano gained the nickname "Lucky" on the night of Oct. 16, 1929, when he survived a gangland "ride" to Staten Island. His rise in the underworld was rapid. At one time he was head of the notorious Unione Siciliana, formerly an Al Capone outfit. He lived in New York's best hotels after working his way into profitable industrial rackets and the policy slip game.

The racketeer's police record was long and varied, but he usually was behind prison bars. In 1916 he was sent to prison for possessing a

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

JAN 2 1940

NEW YORK FIELD OFFICE

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BROOKLYN EAGLE

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LUCKY LUCIANO TO BE DEPORTED

Albany, Jan. 3 (A. P.).—Charles (Lucky) Luciano, former New York vice overlord, is slated to receive a commutation of his prison sentence today from Gov. Dewey, who prosecuted him, so that he may be deported. Luciano is one of six imprisoned alien felons on the Governor's deportation calendar, the first such in this State since 1924.

He was convicted in 1936 of compulsory prostitution charges and sentenced to serve from thirty to fifty years. He is confined at Great Meadow Prison.

Now 47, Luciano was at the height of power as a racketeer whose specialty was organizing prostitution syndicates into a big business, when Dewey obtained his conviction.

In applying for commutation last May, Luciano's attorney said he had given the United States Army Intelligence information that proved valuable in the invasion of Sicily. Luciano will be deported to his native Italy.

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

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CLIPPING FROM THE
N. Y. SUN

DATED 1/3/46
FORWARDED BY N. Y. DIVISION

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Charles (Lucky) Luciano, former vice overlord who has been in prison for nine years, was taken to Sing Sing yesterday from Great Meadow Prison to await deportation to Italy. Luciano was serving 30 to 40 years for compulsory prostitution. Gov. Dewey paroled him for deportation because of "valuable services rendered Military Intelligence during the war."

62-5773-19480

Luciano Sing Sing, Is Being Deported to Italy

Former Vice Leader in City Is Taken to Ellis Island

Special to the Herald Tribune

SING SING PRISON, N. Y., Feb.

3.—Charles Luciano, who as Lucky Luciano was sentenced almost ten years ago for being overlord of organized vice in New York City, left here today in the custody of two Federal Bureau of Immigration agents on his way to Ellis Island, the last stop of his deportation to Italy.

Luciano was ordered released and deported Jan. 3 by Governor Thomas E. Dewey as a result of Luciano's appeal for clemency on the ground that he had aided the armed services in the war with Italy. The commutation provides that if Luciano ever returns to the United States he will be regarded as an escaped convict and forced to serve the remainder of his three consecutive prison terms totaling a minimum of thirty years and a maximum of fifty.

Luciano was arrested in Warren William E. Snyder's office by immigration agents James Seena and Thomas Scanlon.

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CLIPPING FROM THE
N. Y. HERALD TRIBUNE

DATED 2/3/46
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Luciano Seeks Writ To Leave Cuban Camp

By the Associated Press.
 HAVANA, March 3.—Charles (Lucky) Luciano, seeking his release from a Cuban immigration camp, was scheduled to appear before the Audiencia Court of Appeals in Havana today for hearing on his application for a writ of habeas corpus.
 Luciano, who came to Cuba last fall after being deported to Italy by the United States, has been held in the camp since Feb. 22, when he was arrested by Cuban authorities to await deportation. President Grau San Martin signed a deportation decree last week.
 Yesterday Interior Minister Alfredo Pequeno told the Cuban people in a radio address that Luciano was "an international criminal, narcotics peddler and white slavery czar in the United States" and as such was unwelcome in Cuba.

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CLIPPING FROM THE
 N. Y. *New York Times*
 DATED 3-3-47
 FORWARDED BY N. Y. DIVISION

Rush to Deport Luciano Aides

By RAY RICHARDS

N. Y. Journal-American, Washington Bureau

WASHINGTON, March 2. —

Nearly a score of Lucky Luciano's top narcotic mobsters will be kicked out of the country immediately after a series of arrests starting next week.

Warrants are being issued in half a dozen cities by the U. S. Immigration Service.

Immunity provided through bills introduced by obliging Congressmen at the request of powerful constituents, usually criminal lawyers, apparently ended when the House Immigration Committee gave the go sign to the Immigration Service Thursday.

WARRANTS FOR THREE

Warrants were issued at once for Sylvestro Carrola of New Orleans and Giovanni Schillaco and Joseph Pelligrino of New York.

Immigration Commissioner Hugo Carusi said a warrant is being prepared for "Big Shot Sam" Valente of Albany and Troy, N. Y., declared by Narcotics Bureau authorities to be the up-State agent of Luciano's "107th st. mob" of Manhattan, the general staff of the revived Mafia.

Other known members of the Luciano syndicate who have been protected by Congressmen from existing deportation orders year after year will be tapped by Immigration agents and taken to detention stations to await ships, Carusi said.

Orders for the swift moves were issued personally by Attorney General Clark.

ACT ON HEARST EXPOSE

The action springs from a letter from the House Immigration Committee asking Clark to disregard henceforth any pending "special" bills to stay deportation of convicted alien criminals.

The committee wrote the letter as the result of an exposure by the Hearst newspapers of the manner in which the Immigration Service has withheld deportation, on a vague principle of "Congressional courtesy," while the "relief" bills were pending.

By means of these bills some deportations have been stayed as long as 20 years.

Sen. Alexander Wiley, chairman of the Senate Judiciary Committee, said he would call his group into session today to vote action identical with that of the House committee.

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N. Y. *Journal-American*
DATED 3-3-47
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'Lucky' Luciano Appeal In Cuban Court Today



HAVANA, March 3.—Interior Minister Alfredo Pequeno told the Cuban people yesterday that Charles (Lucky) Luciano was "an international criminal, narcotics peddler and white slavery czar in the U. S. A."

In the *National Hour* a weekly radio broadcast sponsored by the government, Pequeno declared that "we repudiate any attempt to transform our country into a den of vice."

The former New York underworld overlord is under order to appear today before the Court of Appeals in Havana for a hearing on his application for a writ of habeas corpus to free him from a Cuban immigration camp.

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Lucky Puts Plea To Cuban Court

HAVANA, March 3 (AP).—Charles (Lucky) Luciano, seeking his release from a Cuban immigration camp, was scheduled to appear before the Audience Court of Appeals in Havana today for hearing on his application for a writ of habeas corpus.

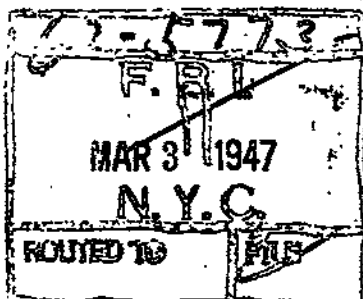
Luciano, who came to Cuba last Feb. after being deported to Italy by the United States, has been held in the camp since Feb. 2, when he was arrested by Cuban authorities to await deportation. President San Martin signed a deportation decree last week.

Luciano Due In Havana Court Today

HAVANA, March 4 (INS).—Charles "Lucky" Luciano was scheduled to appear today at a court hearing on a habeas corpus appeal charging the Cuban Government's deportation proceedings against him are illegal.

The Court of Appeals ruled the former New York vice king must be present despite his reported assertion that Jose Alfonso Gomez Suarez, leftist Cuban lawyer, initiated the appeal without his consent.

previous order to
appear was
for Minister P.



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Brought to Court

By the United Press

HAVANA, March 4.—Charles (Lucky) Luciano must appear before the criminal branch of Havana or a lower court today or his legal battle to avoid deportation probably will become more snarled than it is.

A new writ of habeas corpus was issued last night ordering Interior Minister Alfredo Pequeno to produce Luciano for this hearing or be cited for contempt.

Mr. Pequeno told the court yesterday that Luciano had written him requesting that he should not be disturbed in the Tiscornia immigration station, where he is awaiting deportation. The court overruled the explanation and issued the new writ.

[The writ was obtained by an attorney who said he was acting for a woman who had befriended the former New Yorker, the Associated Press reported.]

Sources close to Mr. Pequeno indicated that he would again refuse to produce Luciano. If he does, it appeared likely that the court will hold him in contempt and Luciano's deportation case would be held up indefinitely.

Luciano's lawyer, Jose Alfonso Suarez, told the court he wanted to drop the fight, and Luciano wrote Mr. Pequeno that he didn't want Mr. Suarez for his lawyer. But the court refused to let Mr. Suarez be dropped from the case.

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With Tangles Lucky Ouster

Havana, March 3 (U.P.)—The criminal branch of the Havana lower court tonight issued a new writ of habeas corpus ordering Interior Minister Alfredo Pequeno to produce Charles (Lucky) Luciano at a hearing at 9 A. M. tomorrow.

Pequeno deliberately ignored a writ issued Saturday instructing him to present the former New York vice chief for a review of his case today.

The court overruled an explanation by Pequeno that Luciano had written him requesting that he not be "disturbed" in the Ticornia immigration station where he is awaiting deportation.

Sources close to Pequeno indicated that he will again refuse to produce Luciano. If he does it appeared likely that the court may hold him in contempt. Any such order will probably hold up Luciano's deportation.

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 N. Y. News
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Luciano Is Ordered To Appear in Court

Havana, March 4 (A. P.).—Charles (Lucky) Luciano was directed to appear before the Audiencia Court of Appeals today so that it might write a formal legal ending to an application for a writ of habeas corpus filed in his behalf. Luciano, who is being detained at an immigration camp here pending deportation to Italy, was scheduled for a hearing on the application yesterday, but failed to appear, saying he desired no writ.

The court, however, refused to close the matter and insisted that Luciano appear so that the case of the war-time attorney

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LUCIANO

He Spurns Writ Hearing but the Cubans Want to Close Case

HAVANA, March 3 (AP)—The
 Audiencia Court of Appeals insisted
 today that Charles (Lucky) Luc-
 ano, former New York gangster,
 appear before it tomorrow to argue
 for his freedom.

The court sat this morning, ex-
 pecting that Luciano, who is de-
 tained in an immigration camp
 here pending deportation to Italy,
 would participate in a hearing for
 a writ of habeas corpus filed by
 friends in his behalf.

He failed to appear, then sent
 word that he desired no writ and
 that he was "perfectly happy and
 well treated at Tiscornia Camp,
 although somewhat ill."

The court said, however, that
 Luciano would have to appear so
 that the case might be closed in
 a legal manner. It also demanded
 that Alfredo Pequeno, Minister of
 the Interior, appear to argue
 against the writ.

A shipping agent Jorge Barrena,
 said meanwhile, that the Govern-
 ment had asked for a reservation
 for Luciano aboard the Turkish
 ship, which will leave Ha-
 vana about March 12 for Genoa.

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N. Y. *Times*

DATED *3-4-47*

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NO CHANCE Be Released in Cuba

HAVANA, March 15. — Charles Luciano, former New York vice overlord, failed to appear today at a scheduled habeas corpus hearing and thus spurned any chance he might have had of obtaining a writ releasing him from detention pending his deportation to Italy. Luciano sent a communication to the Cuban Court of Appeals saying he did not desire habeas corpus proceedings and was "perfectly happy and well treated at Pinar del Rio Camp, although somewhat ill." The camp, Cuba's only maximum security prison, is across the bay from Havana. The Cuban government, acting on an expulsion order signed by President Ramon Grau San Martin, went ahead with plans to deport the one-time racketeer to Italy, where he was born. Jorge Ballester, shipping agent, said the government had reserved a first-class cabin for him aboard the Turkish ship Bakir. The vessel is due here on March 8 from Philadelphia and will sail three or four days later for Genoa. The cost of the passage will be covered by a \$500 bond deposited by Luciano when he entered this country from Italy last fall.

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CLIPPING FROM THE
 N. Y. *Journal of Commerce*
 DATED 3-8-47
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His Way From Cuba

Unless the Cuban Government lets him fly the coop at his own expense, Lucky Luciano will be deported to Italy on the Turkish vessel Bakir, due in Havana from Philadelphia Mar. 8 and scheduled to sail for Genoa Mar. 11 or 12.

Luciano's self-appointed lawyer, appearing yesterday before the Cuban Court of Appeals, asked that the onetime New York gangster be allowed to leave Cuba voluntarily and at his own expense. This would permit him to go to Argentina, which country he has a visa.

Luciano failed to show up at the habeas corpus hearing, thus abandoning any hope of getting out of confinement pending deportation. Instead he sent the court a letter saying he was "perfectly happy and well treated" and asking it to forget the whole matter.

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N. Y. Post

DATED 3-4-47
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Legislators Speak Key To Lucky's Release

Staff Correspondence

ALBANY, Mar. 6.—At least two legislators are to get at the bottom of the circumstances surrounding Gov. Dewey's commutation of Charles (Lucky) Luciano's 30 to 50 year prison sentence.

Democratic Assemblymen Owen McGovern and Harry Gittelson of New York City charged yesterday that Dewey's action in the Luciano case wasn't exactly according to Hoyle. They said the Dewey Administration had denied them access to the Luciano case files. McGovern recently introduced a resolution calling for an investigation of the State Parole Board and the Luciano case in particular.

Meantime in Havana, the Cuban government has completed arrangements for Luciano's deportation to Italy on March 8 or 9. Immigration authorities refused for the third straight day to produce Luciano in Court for a hearing on his application for a habeas corpus writ.

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MAR 6 1947	
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Cuba to Put the Boot To Lucky by Sunday

Havana, March 5 (AP).—Charles (Lucky) Luciano will be reported to Italy Saturday or Sunday on the steam ship, pending a habeas corpus writ issued by the lower court.

Havana, Interior Minister Alfredo Pequeno said today.

For the third consecutive day, Pequeno ignored an offer to produce Luciano in court. He also ignored a court summons to appear himself and explain his previous refusal to present Luciano on Monday and yesterday.

The court today issued a fourth summons for the former gangster to be present at 9 A. M. tomorrow.

An reporter argued that the court could order Pequeno's arrest, he was ordered from the Presidential Palace after conferring with President Ramon Grau San Martin and said he would not present Luciano in court under any circumstances.

Dewey Assailed

On Luciano Parole

Albany, March 5 (AP).—Two Democratic legislators charged today that Gov. Dewey violated "customary practice" in commuting the 30-to-50-year prison sentences of ex-vice lord Charles Luciano, reportedly to Italy 12 months ago after serving about 10 years.

Assemblyman Owen McGivern of New York City and Harry Gittelson of Brooklyn said that the Dewey Administration had denied them access to the files on Luciano, and asserted that Dewey's "defeating silence" made the affair a major mystery.

Republican Assemblyman Harry A. Rosen replied: "Mr. McGivern is attempting to make a mountain out of a mole-hill. He is trying to make you reply."

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MAR 6 1947	
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CLIPPING FROM THE

N. Y. *News*
DATED *3-6-47*
FORWARDED BY N. Y. DIVISION

NEW YORK

Deepens in Costello Lucky on Ellis Island

Frank Costello, Ellis Island, Charles La...
... deeper and...
... the farther you...
... in because, as

the current Collier's says, he has great political power (which no politician in New York will deny)?

Did he get in because of a guard's mistake? Did he bluff his way in? Did Federal agents knowingly let him in?

Lucky Gets Out 11 Years Early

This is what PM has been able to find out, following up the current Collier's series of articles on Costello by Herbert Asbury.

Early on Feb. 2, 1948, Luciano was taken out of Sing Sing on orders of Governor Dewey. Luciano had been sentenced in 1937 to a 30-year term for racketeering. He was not eligible for parole in 1937. But on Dewey's say-so, Luciano was hurriedly released from prison so that he could depart.

Dewey said at the time without committing himself. Understood Luciano had given valuable aid to the armed forces in their invasion of Italy and Sicily. The armed forces later said this was a lot of nonsense.

Launch

Or Ferryboat?

Anyway, Luciano was taken to Ellis Island on Feb. 2, 1948. The Collier's article says he was "rushed" to the island in a private launch.

W. Frank Watkins, New York District Director of the Immigration and Naturalization Service, denies

... according to my recollection,



Joe Adonis
Taking Over for Costello?

said Watkins to PM Friday night, "Luciano went over to Ellis Island in the ferryboat. It might have been after hours and we had to use a launch, but my best recollection is that he went over in the ferry. We don't love those fellows, you know."

One of the key figures in the confusion surrounding "Lo's" trip to Ellis Island is Luciano's "witness," Moses Polakoff, who told last Friday that he had not seen nor heard from nor represented Luciano since he saw him on Ellis Island Feb. 2, 1948.

Asks Permission

To See Lucky

On Feb. 1, 1948, Polakoff telephoned the Immigration Bureau and, on the ground that Luciano would soon be deported, asked permission to visit Luciano next day with members of Luciano's family. Although Feb. 2—Saturday was not a normal visiting day, approval was given.

Polakoff says he thought, at the time he arranged for the visit, that some of Luciano's relatives would show up. However, none did.

Polakoff says that he himself went over with an unidentified

Ad.

In New B.

Joe Adonis, Brown... mentioned in Collier's as a gangster Frank Costello's prince, is now reported to have taken over the Democratic chair in that borough. He is to be attempting to put the island under Borough President Joe Cashmore who, though to an extent in disfavor with Ma O'Dwyer, has the Mayor's divided support in any quarrel with criminals.

Luciano friend, and that he his friend went to the Ellis Island ferryboat house, having passed guard, where Costello showed came up to them, and said he on his way to see Luciano.

Doesn't Know How Costello Got In

Polakoff says he didn't know Costello was passed or how gangster got on the boat or was invited to the island. He did that Costello, after having him, was with him down with Luciano — also made plain, in the or more guards.

However, said nothing whatever about Costello on Luciano and his tion that the ning a visit.

When Watkins this statement marked:

"Our information was taken for Luciano accompanied by three relatives. The Imm passed the attorney accompanying men to

Denies Costello Was Favored

Watkins denied in the Collier's article that he got favored treatment on Ellis Island. The bags that were taken over for Luciano, said Watkins, were thoroughly examined. Luciano was deported carrying \$50 in American currency, income allowed, plus \$2500 in others' checks, although the time permitted him to carry unlimited amount of the latter.

Collier's intimates that Gov. Dewey freed Luciano because Costello's political power; does Costello also exercise influence in Federal Government? Or did Immigration guard just make mistakes?

F. B. I.

APR 5 1947

N. Y. C.

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Daily News

Data on Lucky

ROME, April 16 (AP).—The Italian government was authoritatively reported today to have asked the FBI for its dossier on the so-called Charles "Lucky" Luciano.

It wants to determine from the dossier whether the ex-New York vice king is "dangerous to society."

The Interior Ministry also was reported to be interested in ex-New York's John Salasano, former Department employee, who was reported to have been in a known landing at Caserta in a known with unauthorized diplomatic plates.

APR 16 1935
N.Y.C.
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Walter Winchell in New York

Notes of a Newspaperman

Louisville, Ky. April 15, 1947: Walter Winchell, Daily Mirror, N. Y.: Kirsten Flagstad sang here tonight at Louisville Memorial Auditorium. Reporters and photographers were barred completely from the building. George Engler (of Consolidated Concerts Corp., RCA Bldg., N. Y.) is her manager. He left instructions as follows: "Do not allow any radio or newspapermen in here. If they try—have them thrown out." Flagstad saw the press at her hotel, but refused to discuss anything but her singing.

"Two hundred people were at the concert—meeting capacity of auditorium is around 1,500. Most of the patrons were detectives and policemen placed around the auditorium to guard Flagstad. Last week posters bearing her picture were outlined with red paint and marked with swastikas and worded 'Nazi'."

"When told this information was for New York, a clerk at the auditorium remarked: 'If it gets to Winchell, tell him I think he and all newspapermen are loaves.' It concluded with newsmen being asked to leave quietly. Richard G. Staples, Reporter Radio Station WKRW, INS, Louisville office."

This should be of interest to the gentlemen on the Budget Appropriations Committee with Presidential ambitions... In the Fall of 1943 a craved merchant seaman, who'd been sending threatening letters to FDR, was captured by two "human targets," agents of the U. S. Secret Service, in a 42nd St. hotel... The cigar box he carried contained a bottle of cologne fluid, a mass of wires and a small black box. Examination revealed enough ultra-glycine to blow up a kind of Manhattan... The man's room was searched... In it was a brand new dress officer's uniform... Flagstad was to wear it and dress the White House and blow himself and FDR to pieces... But for the timely intervention of the two "human targets," he would have been successful.

The seaman (we are informed) is now confined to a hospital for the criminally insane at Matteawan, N. Y... We mention it now because the penny-wise and pound-foolish Budget Committee has decided that the President has too much protection... They've slashed the Secret Service Appropriation to \$100,000—70 trained agents (human targets and mostly all veterans) were given their walking papers with the compliments of a "grateful" nation... Hurr.

Has so long ago one of the "boys" (who had long been identified with the Capone syndicate in Chicago) decided he would open a bank... As a kid he sold newspapers outside of one of the big banks on La Salle St... To him the scene of achievement was the president... He left his office every 4 p. m. and stepped into his chauffeur-driven car... The newsboy, via the syndicate route, came into the bank, and having enough salted away he promoted his own bank... He played the role of the banker in the chauffeur-piloted office... But when he applied to the controller of currency for his charter he got with an unexpected rebuttal... Uncle Sam had been watching his career for quite some time and, knowing his background, advised him he could own a bank, but could not be identified with it in any official capacity... He has the bank today, but his name does not appear on its list of officers or directors.

The mystery figure of the telephone strike is C. F. Craig, a vice-president of the A. T. & T. He sits in a room in the Carlton (Washington) holding all the strings, but none of the reporters has ever seen him. He holds mysterious conferences with Secretary Schweikert, but apparently they are held by the light of the moon at midnight... Hurr.

Long from a New York ass's office: "The Charlie Lucky does not ask you said that estimates say he would get the medal. The fact, they say, I would think that this let you out of any direct responsibility for the statement. It was common knowledge that the Albany underworld and even with her legitimate citizens up there that Lucky was not in jail for almost two years before his release. He was in the hands of some U. S. military intelligence group and operating from a chicken farm outside Albany. It is rather ridiculous to assume that U. S. intelligence would attempt to invade Sicily without first enlisting the aid of the U. S. branch of the Mafia, isn't it? He was and is international president of that benevolent organization. And Charlie (in the end) was the perfect man to make a 'trade' with. Which is more than I seem able to do with Winchell these days. It is even more ridiculous to assume that Dewey, who hated Lucky more than any other hoodlum (and who put him away for 33 years), would pardon him after only nine years, for no reason at all... Search back in the files and you will find a sheet quote from Dewey in the effect: 'I (Dewey) understand he is being pardoned for some alleged aid he gave the military forces during the war... Then, after everybody thinks that Lucky gave anybody any help, the World-Telly ran an exchange with a Navy Captain, who said that Lucky definitely worked for anti-submarine defense concerning N. Y. shipping... This was obviously a cover-up... Why, may I ask, was a Navy Commander's name on Lucky's papers? Huh-huh-huh... I doubt if Navy brass helps to parole unless instructed to do so. I can't help it if the Daily doesn't like you. They don't like me, too... Also, how your colleagues pointed out how smutt it was of you to get shot by reporting it? The paragraph prevented from happening in the dark!"

Agent of the German Secret Service and U. S. (Winchell) is now working as a press agent in recent issues of two magazines... "N. Y.'s newest... will go up on that W. 20th St. ... Margaret Goodman... Home (Dulles) ... and ..."

64-3222
F. B. I.
APR 18 1947
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Sinatra's Associates With Capone Cousins Led to Luciano Visit



CHARLES FISCHETTI

Capone Kin Who Were Hosts to Frank Sinatra



ROCCO FISCHETTI

Editor's note: Lee Mortimer, motion picture critic of the New York Daily Mirror, has credited his barbed comments on Frankie Sinatra's left-wing and underworld associations with being the cause for "The Voice's" attack on him at a Hollywood night club.

LOS ANGELES, April 12.—Frankie Sinatra, like the proverbial politician, has some strange bedfellows. Take the Fischetti brothers of Chicago and Miami, for example.



The Fischetti brothers are nice people, cousins of the late Al Capone, which certainly should entitle them to at least a "dilatatory downy" listing in the blue book of the underworld.

Moreover, they're friends of Frankie and Frankie is indebted to them, he says.

When he visited Florida, they entertained him royally. When the entertainment began to get a little dull, they planned the Cuban junk where Frankie got mixed up socially with Charles "Lucky" Luciano.

The brothers—there are three of them: Charles, Rocco and Joseph—live in a magnificent penthouse on Lakeshore Drive overlooking Lake Michigan in one of Chicago's most fashionable sections. The late William Hale Thompson, mayor of Chicago, occupied an apartment in the same building.

Dean of the Fischetti clan and Frankie's host at Miami is Charles. Charles was a prominent member of the old Capone syndicate and now, at 47, reigns in power and wealth he never dreamed of when he was a bodyguard and chauffeur for the notorious "Scarface" Al.

POLITICIAN . . . Frank Sinatra dabbled in other fields besides crooning during the war years. He addresses the "Broadway" committee for Roosevelt.

He was also a member of the "Boyz n' the City" committee for Roosevelt.

The Chicago Crime Commission, in the meticulous manner of such bodies, says that Charles Fischetti was graduated to his job as Al's trusted lieutenant after serving his apprenticeship as an "alky cooker" during prohibition days.

Enjoys Immunity from Conviction

Fischetti, apparently taking a leaf from Capone's book of experience, pays his income taxes, and so hasn't run afoul of the Treasury Department.

And elsewhere he seems to have enjoyed an immunity against conviction, although picked up many times over the years for questioning.

Only once did he ever slip up. That was in 1933 when he foolishly let himself get caught carrying a concealed weapon. He was fined \$500 and sentenced to a year in jail, but a higher court reversed the sentence.

Once he was arrested in connection with the murder of Sidney Mawer. At another time, called as a witness in the gangland slaying of Frank Capone, he flatly told the coroner's jury:

"I refuse to talk," and he never did.

His brothers Rocco and Joseph have a clean record, marked only by Rocco's being fined \$5 for disturbance in 1923—and little items like that blemish many a family.

Lucky Freed With Warning

Palermo, Sicily, May 14 (AP).—A Palermo commission set Charles (Lucky) Luciano free today with a warning to behave himself.

Luciano was ordered by the decision, known in Italian jurisprudence as a "diffada" action, to avoid activities here that would draw attention to himself. The former gangster had been held under arrest since his arrival in Genoa April 11, after his deportation from Cuba.

44-419

FBI
MAY 27 1947
N.Y.C.
ROUTED TO <i>MM</i>

News
62-5775-34 *News* 5/17/47

Palermo Cops See Bad Luck in Lucky

Rome, May 8 (AP).—A dispatch to the newspaper Momento-Sera today said Charles (Lucky) Luciano, ex-time New York vice chief, would come up for a hearing in Palermo May 14 on complaint of Palermo police headquarters. The police held that his presence was

"prejudicial to the national interests," the dispatch said.

- SEC. 1
- SEC. 2
- SEC. 3
- SEC. 4
- SEC. 5
- SEC. 6
- SEC. 7
- SEC. 8
- SEC. 9
- SEC. 11
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- NIGHT SUPERVISOR
- PROPERTY CLERK
- TRAINING UNIT

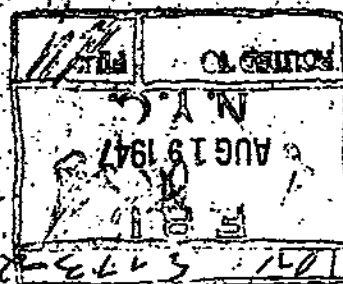
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F. B. I.	
MAY 9 1947	
N. Y. C.	
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- ☐ Scented Shampoo, 4 fl. oz. 28c
- ☐ Special Shampoo for dry hair, 4 fl. oz. 34c ☐ 2 for 44c
- ☐ Formula V, pint. 59c
- ☐ Hair Lotion for Oily Hair, 8 fl. oz. 68c
- ☐ Scalp and Hair Lotion, 8 fl. oz. 68c ☐ 2 for 1.02
- ☐ Hair Wave Lotion, pint. 54c
- ☐ Solid Brilliantine, 2 oz. av. 49c
- ☐ Tincture of Green Soap Shampoo, 8 fl. oz. 47c
- ☐ Castile Shampoo, quart. 78c
- ☐ Lig. Petrolatum, 8 fl. oz. 37c ☐ 2 for 69c
- ☐ Pine Tar Shampoo, 8 fl. oz. 38c
- ☐ Professional Nylon Hair Brush 64c

Dental Preparations

- ☐ Toothbrushes, professional, oval, stuffed, round: (hard or medium). 3 for 84c
- ☐ Concentrated Mouth Wash, 8 fl. oz. 48c
- ☐ Tooth Powder, 16 oz. av. 41c
- ☐ Amber Mouth Wash, 1/2 gal. 58c
- ☐ Alkalizing Tooth Paste, giant tube 38c
- ☐ Mint Tooth Paste, giant tube 38c
- ☐ Oval Toothbrush, 16c ☐ 3 for 44c
- ☐ Flavored Sodium Peroxide, 5 oz. 33c
- ☐ Denture Cleanser, 5 oz. av. 33c

Shaving Preparations

- ☐ After-Shave Lotion, 6 fl. oz. 31c
- ☐ After-Shave Lotion, Lavender, 6 fl. oz. 59c
- ☐ Talcum for Men, 4 oz. av. 9c ☐ 2 for 14c
- ☐ Mentholated Shave Cream, jar, 5 1/2 oz. av. 44c

- ☐ Brushless Shave Cream, 15 1/2 oz. av.
- ☐ Dry & Normal Shave Cream, 5 oz. av.
- ☐ Easy Run Shave Cream, tube
- ☐ Quick Lather Shave Cream, 4 1/2 oz. av.
- ☐ Shaving Bowl
- ☐ Saybrook's Stainless Steel (double-edge), 10 for

- ☐ Double-edge Blades, regul.

Sanitary Preparations

- ☐ Absorbent Cotton, sterile
- ☐ Adhesive Plaster, 2x5
- ☐ Folding Travel Syringe
- ☐ Callous salve, 1/2 oz. av.

Nursery Preparations

- ☐ Nursery Skin Cream, 3 1/2
- ☐ Nursery Mineral Oil, 8 fl.
- ☐ Antiseptic Baby Oil, quart
- ☐ Nursery Talc, 8 oz. av.

Vitamin Products

- ☐ Cod Liver Oil, 8 fl. oz.
- ☐ Halibut Liver Oil, 60 cc.
- ☐ Extramel, 1 lb.
- ☐ Vitascintals (9 vitamins)
- ☐ Viosterol in Oil, 60 cc.
- ☐ Vitamin C, 100 mg., 40's
- ☐ Dicalcium Wafers, 60's
- ☐ Riboflavin, 2 mg., 100's
- ☐ S.Y. Tablets 100's
- ☐ Multich-min Emulsion, 3

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Don't Look

New Yorkers are prone to regard forest fires and earthquakes as remote from their immediate worries as New Zealand, since their hamlet is an island where such spectacles are not on display. Even the idea that United Nations may not return here for further slugging matches seems slightly foreign to them. However, a casual stroll through the canyons of midtown always reveals plenty of native disturbances.

Hal Freeman, the advertising executive, and his pretty wife Annette, were dining at the Drake. The ever aloof Noel Coward crossed the room and said to Mrs. Freeman: "Don't tell me, I remember now. It was in Toronto in 1938." Coward accepted the baffled Mr. Freeman's invitation to some wine and continued to Mrs. Freeman: "My but you are looking well."

When Coward returned to his own table after an amusing, if somewhat strained 10 minutes, the Freeman's laughed heartily at the mistake. Neither of them had ever before met Coward.

Rock Bottom.

Graham Wheeler stopped off on his way to Washington from a government assignment in the Palau Islands. Observing a fancy menu in midtown, he whistled at the prices and remarked that this

an all-the-way amendment of this kind that doesn't naively hamstring its own major aim.

Our advice on Proposed Amendment No. 4 is NO.

It's too much to hope for, of course, but Washington could do worse than declare a speechless day.

Mayor Frank About Polluted Beaches.

The recent plain, frank statement by Mayor William O'Dwyer that the waters at Coney Island, South Beach, and many other of the city's bathing beaches are "absolutely unsafe for anybody to go into," completely bears out what the World-Telegram reported last summer after its annual survey of beaches in the metropolitan area.

Yet at that time, when articles by staff writer Murray Davis revealed that Coney Island waters showed, in Ekroth Laboratories tests, a coliform bacteria count as high as 2400 per 100 ccs., Dr. Samuel A. Frant, deputy health commissioner, took it upon himself to dispute the report and declare:

"We know that no sewage empties into water at or adjacent to Coney Island, Brighton Beach, Manhattan Beach, South Beach or Orchard Beach."

In flat contradiction of this, the Mayor now points out dangerous sewage pollution at some of these very beaches, as did the World-Telegram, to show the urgent need for more sewage disposal plants.

Mayor O'Dwyer would do well to infuse some of his frankness in this matter into other city officials. Too many think that whenever unpleasant conditions and facts confront them their first official duty is to deny, cover up and conceal.

OCT 28 1947

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