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FEDERAL BUREAU OF INVESTIGATION

ALPHONSE CAPONE

PART 1 OF 11

BUFILE NUMBERS:

62-20034, 62-24153, AND 62-27268

SUBJECT Capone, Alphonse

FILE NUMBER 62-20034

SECTION NUMBER _____

SERIALS 1-2

TOTAL PAGES 6

PAGES RELEASED 6

PAGES WITHHELD 0

EXEMPTION(S) USED -

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JAMES H. DAVIS, CLERK

United States Senate

COMMITTEE ON COMMERCE

2

June 20, 1928.

Mr. J. Edgar Hoover, Director,
 Bureau of Investigation,
 Department of Justice.

My dear Mr. Hoover:

If in order for you to furnish, I would be glad to have resume of any record on file concerning Al Capone - recently known as the Chicago Gangster.

Capone is now residing at Miami or Miami Beach, Florida.

Very truly yours,

Amear W. Fletcher

62 - *w*

RECORDED & INDEXED

JUN 22 1928

62-20034-1	
BUREAU OF INVESTIGATION	
JUN 21 1928 A. M.	
DEPARTMENT OF JUSTICE	
Div. Two	FIB

6-21-28

62-6310-303-307-316-37-421-509

231

WFB:FMS
62-30084-1

RECORDED

JUN 22 1928

Hon. Duncan W. Fletcher,
United States Senate,
Washington, D. C.

My dear Senator:

I am in receipt of your letter of June 20, in which you request that there be furnished to you a review of any record on file concerning one Al Capone, reportedly known as the Chicago "Gangster."

A search has been made of the Bureau's files and the only information found therein concerning Al Capone is, that in December, 1925, some inquiry was made by the Bureau with a view to locating the whereabouts of Al Capone, inasmuch as it had been reported that a relative of Capone, who was acting as chauffeur for him, might be able to furnish some information concerning Martin J. Durkin, who was wanted for the murder of Special Agent W. C. Shanahan of this Bureau. It was subsequently ascertained that Capone's chauffeur had no information concerning him.

There is also found in the files a report to the effect that one Alfred Capone, at Chicago, was a defendant in a civil suit instituted by the Government for damage to a mail truck.

No references to the name of Al Capone other than the above are found in the Bureau's files.

With best wishes, I am

Very truly yours,

Director.



[Handwritten signature]

[Handwritten initials]

62-20034-2

RECORDED & INDEXED

MAR 2 - 1930

February 21, 1930

MEMORANDUM FOR ASSISTANT ATTORNEY GENERAL

I am attaching hereto a letter directed to the President by Mrs. M. V. Williams of Buffalo, New York, in which the writer complains of the incarceration of her son, Donald, by "Al Capone" at Miami, Florida.

This does not appear to be a matter falling within the investigative jurisdiction of the Bureau and I am therefore forwarding Mrs. Williams's letter to you for such action or reply as you may deem appropriate.

Very truly yours,

Director.

Enc. 459908

Vertical handwritten notes on the left margin, including "Katharine" and other illegible text.

045-2-2-1930

BUREAU FILES DIVISION
MAILED
FEB 23 1931
A.M.
DEPT. OF JUSTICE

From
 ASSISTANT CHIEF CLERK
 to

OFFICIAL INDICATED BELOW BY CHECK-MARK **LIVED**

Attorney General _____	Mr. Gardner _____
Solicitor General _____	Mr. Caldwell _____
Asst. to the Attorney General _____	Mr. Allison _____
Asst. Attorney General Zisson _____	Mr. Sornborger _____
Asst. Attorney General Richardson _____	Mr. Robb _____
Asst. Attorney General Youngquist _____	Mr. Bodholdt _____
Asst. Attorney General Rugg _____	Mr. Goetz _____
Asst. Attorney General _____	Mr. Kearney _____
Asst. Attorney General _____	Miss Fitzgerald _____
Mr. Hoover _____	Miss Waddle _____
Mr. Bates _____	

INVESTIGATION
 FEB 24 1931 AM
 DIV. 2

*Mrs. M. V. Malman
 memo. Waddle
 2/26/31
 TB*

MEMORANDUM **62-20034-2**

RECORDED

MAR 2 - 1930

FEB 27 1931
 FILE
TH m

President Hoover

Dear Sir:

OFFICE OF THE
RECEIVED
FEB 29 1931
ATTORNEY GENERAL

Al Capone has my son

imprisoned in his place at
Miami Florida will you

please send some of our
soldiers to please bring

Donald home, Donald is an

American citizen was in

here in Buffalo and was

kidnapped by Communists

not only Donald but also

his sister William. He

please help me

... exchange
for them.

... help me. I
know ... has done
nothing ... Mr. Lee
... that he is
... place.

... Mother

... Williams

... Hampshire

... my.

SUBJECT Capone, Alphonse
FILE NUMBER 62-24153
SECTION NUMBER _____
SERIALS 1-57
TOTAL PAGES 215
PAGES RELEASED 212
PAGES WITHHELD 3
EXEMPTION(S) USED b7D

September 15, 1930.

21/3

Memorandum of telephone call from Mr. Richey, White House.

Mr. Richey said that Mr. Ralph Merritt, of California, was on his way over to the Department from the White House, to see Mr. Hoover, and suggested that it would be worth while for Mr. Hoover to talk to him.

Mr. Hoover said he would be glad to see Mr. Merritt.

Did.

HWC

RECORDED & INDEXED

62-24153-1	
SEP 17 1930 A.M.	
Mr. One	FILE

SEP 17 1930

*Memo for
the Files
9/16/30
JWH*

JOHN EDGAR HOOVER
DIRECTOR

U. S. Department of Justice
Bureau of Investigation
Washington, D. C.

September 16, 1930.

62-MS

MEMORANDUM FOR THE FILES.

Mr. Richey, Secretary to the President, called by telephone on the 15th. and said that Mr. Ralph Merritt, of California, would call to see me about a matter which he was desirous of submitting for the Bureau's consideration. Mr. Merritt called and stated that he was actively connected with the Grape Growers Association of California. He stated that the Farm Board had made extensive loans to this industry and that a Mr. Cann was the head of the industry, administering the funds advanced by the Farm Board. He said that Mr. Cann had been in receipt of several anonymous communications, as well as numerous 'phone calls, from alleged racketeer interests threatening his life if he continued to carry out his program. He stated that Mr. Cann had been informed that he should not come to New York or Chicago and if he did so he would be killed. Mr. Merritt wanted to know whether there was some protection the Department of Justice could furnish Mr. Cann in view of his semi-official status in administering the funds advanced as a loan by the Farm Board. I informed Mr. Merritt that off-hand I did not know of any law warranting any action being taken but suggested that he submit the entire matter to the representatives of the Farm Loan Board and if they thought it was possible to do so they might submit the matter to the Department of Justice, inquiring whether it was a matter falling within the jurisdiction of the Department and whether protection could be furnished Mr. Cann in the capacity he was serving.

Mr. Merritt left saying he would submit the matter to the Farm Loan Bureau.

Very truly yours,
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62-24153-1
SEP 17 1930
Director
FILE

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Merritt
SEP 18 1930

September 17, 1930.

62-24153

Memorandum of telephone call to Mr. Ralph Merritt.

Mr. Merritt said a mistake had been made in addressing the letter to Mr. Dodge instead of Mr. Dodds. That the Farm Board had written it and it is now on the desk of Mr. Dodds, Assistant Attorney General.

Mr. Hoover said he had made inquiry late yesterday but had been advised that the letter was not yet in. Mr. Merritt said it was not sent over until late yesterday. Mr. Merritt said that when a conclusion is reached he will be very glad to come over and see Mr. Hoover. Mr. Hoover said Mr. Dodds would not be in town until tomorrow but that he will talk to him tomorrow morning, and will more than likely give Mr. Merritt a ring.

HWG

Enc. 1

RECORDED & INDEXED

SEP 19 1930

62-24153-2
SEP 18
RECORDED

3

September 18, 1930.

SEP 22 1930
n
3-1114

Memorandum of telephone call from Mrs. Willebrandt.

Mrs. Willebrandt said that Mr. Teague of the Federal Farm Board has been talking to her and has given her information concerning the holding up of cars in the Chicago yards by racketeers. Mrs. Willebrandt asked if it appears from the facts that the Board has disclosed - if the racketeers are holding up cars, and going thru the yards at Chicago - can the Bureau post men there to check up on it. Mr. Hoover said he thought it outrageous * * - Mrs. Willebrandt interrupted to say that she is not interested at all in the protection of the man (the man who disburses the Loan) personally.

DEPT. OF INVESTIGATION
SEP 22 1930

Mrs. Willebrandt says that Mr. Teague has the Chief Auctioneer of the Railroad yards here. She asked if the Bureau could not act if Mr. Hoover is given the story. She asked if it does not fall within the Bureau's work. Mrs. Willebrandt said that of course if the Federal Government steps in and makes the racketeers lose that much more money they will be all the more dangerous to the man.

Mr. Hoover suggested that Mrs. Willebrandt have Mr. Teague come over this morning and see Mr. Dodds. Mrs. Willebrandt said that while Mr. Teague was talking to her Mr. Dodds and Mr. Merritt were in conference. Mr. Dodds was very much interested but did not have the later information which is more complete. Mr. Dodds suggested that men be assigned to the Farm Board and paid by them, but it is thought that this will not be as practical. The racketeers keep the cars in a tie up so long that the ice melts and the contents of the cars are spoiled.

Mrs. Willebrandt said she has the name of the Capone Racketeer who is in charge of the yards. They insist on being paid from \$5 to \$100 per car before they will release them. Mrs. Willebrandt says there will be such a long delay if they do as Mr. Dodds suggests. Mrs. Willebrandt said she would give Mr. Hoover the details which Mr. Teague had given her. She said she wished to have the man see Mr. Hoover. Mr. Hoover said Mr. Dodds was the one he should see and talk to and that he would arrange while Mrs. Willebrandt holds the phone for a conference. (Called Mr. Dodds)

Mr. Dodds said he would see the men right away and Mr. Hoover said he would go in with them. Mrs. Willebrandt said all the assurance she desired was that Mr. Hoover would take care of the matter.

Mr. Hoover said he would be so glad to be able to get Capone in some way. ~~James~~ has not yet tried the case he has. Mrs. Willebrandt said she thought all ~~James~~ needs is for someone to back him, and he would do much more than he has.

Memorandum to
Mr. Hoover
9-23-30
1114

RECORDED & INDEXED

62-24153-3

Mrs. Willebrandt gave the names of the men from Chicago as Manny Schreiber; Uhrgang, and Mills. Mills is head of the Auctioneer's

DEPT. OF INVESTIGATION
Nathan
Three

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120 JUL 27 1964

SEP 24 1930

Mrs. Willebrandt said that these men are very shy of talking to anyone but Mr. Teague. Mrs. Willebrandt said she would try to have the men "rounded up". That they were with Mr. Teague fifteen minutes ago. Mr. Hoover said he would talk to Mr. Dodds before they arrive.

Memorandum of telephone call from Mr. Teague.

Mr. Teague said he had talked with Mrs. Willebrandt and that the men are to return to his office at 12:30. He cannot get in touch with them until then. They will come in to see Mr. Hoover then. Mr. Teague will call Mr. Hoover and let him know. Mr. Hoover suggested that Mr. Teague call Mr. Dodds and let him know when they are coming over.

Mrs. Willebrandt telephoned to ask if Mr. Teague had gotten in touch with Mr. Hoover.

ENC

Abner A. Conn

My Director, California Textile Institute
Chair Ex. Comm. Fruit Products Inc
85 Second Street
San Francisco

Home address

525 Hillborough Blvd.
Hillborough Calif.

Mr. Mark Adamson - ~~Mr. Adamson~~ will see him Thursday
morning.

Mr. Ferraro - shot six weeks ago

Call Mr. Deane -

Mr. Deane will get list of names of buyers - call lead

[Handwritten signature]

U. S. Department of Justice
Bureau of Investigation
Washington, D. C.

September 23, 1930.

RECORDED & INDEXED

MEMORANDUM FOR THE DIRECTOR

SEP 24 1930

62-24153-4	
SEP 23 1930 INVESTIGATION	
SLR 24	30 A M
Nathan	FILE

At 2 o'clock on the afternoon of the 20th instant I attended a conference in the office of Mr. Nugent Dodds, when there were present Mr. Dodds, Mr. Oseas of Mr. O'Brian's Division, Mr. Donald D. Conn, Managing Director of the California Vineyardists Association, Chairman, Ex-Commissioner of the Fruit Industries, Inc., 85 Second Street, San Francisco, and Mr. Merritt, formerly Managing Director of the Sunkist Orange Co. and now associated with Mr. Conn. The discussion first revolved about the question as to the power of this Department under the statutes to assign an Agent of the Bureau to the Farm Loan Board for such work as the Farm Loan Board might direct, presumably in connection with the protection of the person of Mr. Conn, whose life has been threatened by the gangsters of Chicago. Not having any very definite idea as to what the matter was all about, I requested Mr. Conn to relate the story which he did and which was in substance about as follows:

For several years back it seems that the gangsters of Chicago and New York particularly have levied tribute against the grape growers and shippers of juice grapes in the form of an assessment against each carload of grapes coming into Chicago and also in the form of an assessment of 3¢ against each lug or crate of grapes sold at the Chicago Freight Yards from the cars. Mr. Conn stated that they had endeavored to combat this practice which led to a depression of the grape market and in his efforts to ascertain exactly what was going on, he placed a gangster by the name of Joe Ferrera, one of the Capone group, on his payroll and ascertained the facts with regard to this racket which is designed to permit the gangsters to buy in the grapes arriving at Chicago at practically their own price because of the fact that they destroy the market for the grapes. He stated that the Chicago Police were absolutely under the domination of the gangs; that during the grape shipping season while the carloads of grapes were on the tracks at Chicago, the police invariably conducted numerous raids particularly in the foreign section of Chicago seizing and destroying small lots of home made wine and intimidating the foreign populace so that they would not go to the freight yards to purchase grapes and manufacture wine for their own consumption. He stated further that the gangsters employed several men to warn the foreign element at the freight yards to be careful as the police and Prohibition Department were active in searching out those who purchased grapes to manufacture wine. He stated further that Ferrera had given him the information relative to the persons behind this racket. Ferrera's employment with Conn, of course, was supposed to be unknown to Capone but apparently they learned something of his double dealing because a few months back Ferrera and his companion were shot and

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62-24153

killed at Chicago, and since that time Conn himself has received several communications warning him to discontinue his activities for the grape growers. On one occasion 2 gangsters made a personal call on him in his hotel room at Chicago and again warned him not to return to Chicago. Mr. Conn stated that there is no doubt but what the Capone crowd know of his connection with Ferrera and therefore are out to "get" him.

When Mr. Dodds observed that Mr. Irrgang had called on him the day before, Mr. Conn immediately stated that Irrgang was tied up hand and fist with the Airello-Moran gang and that Irrgang has not only been fully informed of all the circumstances with regard to this racket but has himself been a party to it; that now apparently the only reason he is complaining is because in addition to the \$20 assessment against each car, which Irrgang himself has participated in, the Moran gang is adding a \$30 assessment, making \$50 in all and, of course, Irrgang is now squealing because the shoe is on the other foot. He stated that Messrs. Mills and Godding, who accompanied Mr. Irrgang to the office of Mr. Dodds, the day before, and had previously been in conference with Mr. Teague of the Farm Board, were henchmen of Irrgang, fully acquainted with all of the facts and parties to them. Mr. Conn did, however, state that Irrgang's facts were correct and that the Department might look with profit to Irrgang for his side of the story. Mr. Conn was particularly anxious to have the Department and Bureau place Agents in the freight yards at Chicago for the purpose of observing the actual payment of the 3¢ lug assessment on all persons buying grapes. There is no doubt in my mind but what his real purpose was, and in fact he admitted the same, to make a display of force on the part of the Federal Government in order to enhance the price of his grapes and obtain a better net therefor. In fact, he stated, that on the thousands of carloads of grapes which had recently been shipped to the East from California, no shipper had yet made any profit in fact practically all of them had lost money on grapes shipped to the East; and that they would continue to lose money unless something were done to break up the activities of the gangsters particularly in Chicago. Mr. Merritt endeavored to argue that the Department had a right under the law to assign a man or men to the Farm Board for any use that they might desire to make of them. Mr. Dodds, Mr. Oseas and the writer combatted that contention and it was therefore dismissed. Mr. Merritt, however, argued that the government and particularly the Farm Board had a property interest in the life and person of Mr. Conn inasmuch as he, Mr. Conn, had been designated after careful selection to disburse a million dollars for the Farm Board in alleviating the conditions in the grape industry. He related the fact that although the Farm Board had seen fit to take over four hundred thousand tons of grapes out of the market in order to take up the surplus by diverting these grapes to the making of medicinal wine for which Mr. Doran of the Treasury Department had issued a special permit, nevertheless, the retail price of grapes in the East this year is lower than ever before, and the Farm Board's plan, of course, will prove an absolute failure unless drastic action is taken.

Mr. Dodds asked Mr. Conn for names of persons who would be in a position to supply the Bureau and Department with facts relative to the assessment against the carloads of grapes and also relative to the tribute exacted against each lug at the freight yards. Mr. Conn stated that he would be glad to place the Agents of the Bureau in touch with a Mr. Mark Adamson, one of the receivers of carload lots of grapes at Chicago, in open competition with Charles Irrgang, the complainant, who had been to the Department the day before. Mr. Conn stated, however, that he was satisfied that Mr. Adamson would not give the Bureau Agents any information in the absence of his, Mr. Conn's, help and insistence and he suggested that if the Agents might meet him at Chicago on Thursday morning of this week, he would put them in touch with Mr. Adamson and would urge Mr. Adamson to disclose such facts as were in his possession. Mr. Dodds and Mr. Oseas agreed that this action at least might be taken and consequently it was arranged that Mr. Conn would advise Mr. Dodds or the writer on Wednesday morning, the 24th instant, of his reservation to Chicago, he expecting to arrive in that city on Thursday morning, the 25th instant. It was further agreed that the Bureau would arrange to assign 2 Agents to meet Mr. Conn on the train a short distance out of Chicago and proceed with him to a point where they might interview Mr. Adamson. Mr. Conn is to be in Chicago between trains only $1\frac{1}{2}$ hours, consequently, it will be only possible for him to see Adamson for a short time, introduce the Agents to Adamson and do what he can to urge Adamson to disclose the facts.

It was also agreed that the Chicago office of the Bureau would immediately assign Agents to interview Mr. Charles W. Irrgang who had previously called at the Department, for the purpose of obtaining a complete statement from him and also interview Mr. Godding and Mr. Mills who accompanied Mr. Irrgang to the Department. The Chicago office was advised by telephone to have Irrgang interviewed on Monday morning and was also advised generally of the desire of the Bureau to have 2 Agents meet Mr. Conn on Thursday morning. Further telephonic instructions will be issued to the Chicago office when Mr. Conn had advised of his train reservation.

With regard to the situation at New York, it appears that the price on grapes is more or less controlled by an alleged conspiracy on the part of the Truckers Union, it appearing that the Union has increased its price for trucking grapes from 3¢ to 10¢ per lug during the past year. The 10¢ lug charge is a prohibitive charge, apparently out of all reason, and is really an assessment in another form. It was agreed that the New York situation might wait until we ascertain just what the facts are at Chicago. It was pointed out by Mr. Conn and Mr. Merritt that there are only three big markets for grapes in the East, the same being Chicago, New York and Pittsburgh, and that practically 90% of all grapes shipped from California went into these markets and by far the larger percentage to Chicago. The question of jurisdiction of the Department in entering into the investigation at all was discussed at some length between Mr. Dodds and Mr. Oseas and Mr. Oseas was of the opinion that the jurisdiction even at best is doubtful, however, he agreed that a preliminary investigation should be made in an effort to determine the jurisdiction. The writer vigorously objected to any plan which might place Agents of the Bureau as ob-

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servers in the freight yards at Chicago and stated that the Bureau was not accustomed to assigning its Agents to police work of this type. Mr. Oseas and Mr. Dodds supported the writer in that contention and it was agreed that that plan would not be adopted. Mr. Conn promised to obtain a list of the buyers of carload lots of grapes in order that the Bureau may interview said buyers for the purpose of ascertaining the facts with regard to the payment of a levy on one occasion of \$20 and on another occasion of \$30.

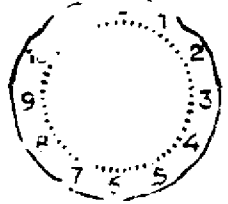
Respectfully,



V. W. Hughes.

U. S. Department of Justice
Bureau of Investigation

P. O. Box 1405
Chicago, Illinois



SEP 24 1930

62-24153-11	
BUREAU OF INVESTIGATION	
September 22, 1930	
SEP 26 1930 A	
Div. Three	FILE

RECORDED & INDEXED
SEP 26 1930

Director
Bureau of Investigation
Department of Justice
Washington, D. C.

RE: Complaint Concerning Alleged Payment
of Tribute to Racketeers by Buyers of
Juice Grapes in Chicago, Illinois.
Anti-Trust Matter.

Dear Sir:

Confirming telephone conversation of this date made by Special Agent R. N. Butterworth of the Chicago Bureau office to the Anti Trust Division of the Bureau of Investigation at Washington, D. C., in which the substance of this letter was telephoned, the following data is submitted:

Special Agents R. N. Butterworth and Albert Miller interviewed Charles W. Irrgang and C. R. Godding who supplied the following information concerning tribute paid to racketeers and gangsters by buyers of juice grapes in Chicago, Illinois: Charles W. Irrgang, 169 South Water Market, Chicago, Illinois, stated that in 1929 Joe Ferrara, a notorious gangster of Chicago, Illinois, representing the Diello-Moran Gang, conducted a "racket" in which tribute was collected on all juice grapes sold on the Chicago and Northwestern "juice grape track" at Clinton Street, Chicago, Illinois. The tribute varied and was paid by the buyers to the racketeers. The first week of October 1929, Joe Ferrara stopped the auctioning of cars at the Chicago and Northwestern Railroad track and insisted that all juice grapes auctioned be sold at the Chicago Produce Terminal track, 27th & Ashland Avenue, Chicago, Illinois. The United States Fruit Auction Company agreed with Ferrara to pay \$20.00 a car from the auction's funds on all cars auctioned at the Chicago and Northwestern "juice grape track" and the racketeers agreed not to interfere with the auctioning of juice grapes at the other three distributing points in Chicago, Illinois, where grapes are unloaded on the railroads. The United States Fruit Auction Company paid \$1300 to Joe Ferrara by check at the end of the season of 1929 for the cars of juice grapes auctioned at the Chicago and Northwestern track at \$20 a car.

On the other one thousand cars sold at the Chicago and Northwestern track at Clinton Street, Chicago, Illinois, Ferrara obtained from 5¢ to 30¢ a lug as tribute from the buyers before he allowed the cars to be opened. Most of the juice grape buyers in Chicago are composed of

comes to
Mr. B. Brown
Mr. W. W. ...
5-25-30 mt

Rowland
1207
see 26-11678
see 26-130260

barbers, boot-blacks and peddlers, who purchase a car of juice grapes and resell it in small lots. Tony Butch was bodyguard of Joe Ferrara in 1929 and both of these men were shot in the Spring of 1930, Ferrara being killed and Butch seriously wounded. Butch subsequently fled to Milwaukee, Wisconsin, where he has been in hiding up until a short time ago when he returned to Chicago, Illinois.

Mr. Irrgang stated that the line-up for 1930 of the racketeers for the sale of juice grapes at the Chicago and Northwestern track is in charge of Ted Newberry who is allied with the Al Capone gang and furnishes the money to buy the grapes. Manny Schrieber, of the Fruit and Produce Company, Chicago, Illinois, has been put in charge of this "racket," and Tony Butch has been brought from Milwaukee, Wisconsin, to work with Schrieber. Schrieber's "muscle man" is Tony Romano, a racketeer who represents Newberry and Schrieber in the intimidation of juice grape buyers and has charge of the gun men.

On September 12, 1930, three gun men in a Buick Sedan visited the Produce Terminal track at 27th & Ashland Avenue, Chicago, Illinois, for the purpose of intimidating the buyers, and on September 16, 1930, two other gun men came to this track in a Lincoln Sedan, showing their guns, and told Sam Grey and his partner Dave (last name unknown) that the gun men represented Manny Schrieber and that these buyers would hear more about this matter later. On September 19, 1930, Mr. Irrgang returned from the auction at 27th & Ashland Avenue, Chicago, with Manny Schrieber and Tony Romano, and on this trip Schrieber told Irrgang that Schrieber had taken Ferrara's place in the juice grape racket and that Schrieber would later see Irrgang to make a deal on the cars of juice grapes auctioned at the railroad tracks in Chicago, Illinois.

On September 21, 1930, Mark T. Adamson, a Chicago fruit broker, who handled the Ferrara juice grape purchases in 1929 on a joint account of Adamson and Ferrara, and Manny Schrieber talked to Perry Stern, assistant to Irrgang and an auctioneer in the United States Fruit Auction Company at the Atcheson, Topeka and Santa Fe track on 21st and Archer Streets, Chicago, Illinois. Mr. Schrieber stated to Mr. Stern that the representatives of the juice grape growers from California were coming into Chicago and selling juice grapes at lower prices than the market price and that these representatives would be prevented from doing this after Schrieber had organized the juice grape market. On the same afternoon at the Chicago and Northwestern juice grape track, Tony Romano told Perry Stern substantially the statement as given by Schrieber to Perry Stern.

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It was known in Chicago, Illinois, on September 19, 1930, that Mr. Irrgang, Mr. Mills and Mr. Godding were in Washington for the purpose of discussing the juice grape matter because Mark T. Adams on September 19, asked Joseph P. Scanlan, the representative of the California Fruit Growers Exchange in Chicago, while they were standing in the lobby of the Produce Exchange Building, whether Irrgang, Godding and Mills had accomplished anything by their visit to Washington, D. C. On September 20, 1930, Mr. Irrgang stated he was informed by Mr. Hal Pitt, the assistant to Mr. Scanlan, that Mark T. Adams knew that Messrs. Irrgang, Mills and Godding had been in Washington, D. C., and further stated that the appointment of these gentlemen with Mr. Teague of the U. S. Farm Loan Board at Washington, D. C. was made by Mr. Joseph P. Scanlan of Chicago, Illinois.

Mr. Irrgang stated that on September 21, 1930, Tony Romano talked with Perry Stern, the assistant of Mr. Irrgang, at the Clinton Street yard of the Chicago and Northwestern Railroad, and that Mr. Romano made the following remark: "Give my regards to Irrgang. He should have seen us before going to Washington and will regret it."

Mr. Irrgang stated that Mr. Larry Archer of the American Fruit Growers, Inc., located in the Produce Exchange Building, Chicago, Illinois, had informed him that Newberry of the Al Capone gang had appointed Manny Schrieber to collect tribute in connection with the juice grape racket this year as was conducted last year by Joe Ferrara on behalf of the Acillo-Moran gang.

Mr. Irrgang stated that the juice grape cars are received in Chicago on the following tracks:

- First, Atchison, Topeka & Santa Fe, Chicago, Illinois, 21st Street and Archer Avenue.
- Second, Chicago and Northwestern, Clinton Street near Kinzie Street, Chicago, Ill.
- Third, Chicago Produce Terminal, 27th & Ashland Ave., Chicago, Ill.
- Fourth, Rock Island, Taylor Street to 16th, South Chicago, Illinois.

During 1929 five thousand cars of juice grapes were unloaded in Chicago, Illinois, and of this number eleven hundred cars were unloaded at the Chicago and Northwestern track, thirteen hundred and sixty cars at the Chicago Produce Terminal track and the remaining cars were split between the Rock Island Railroad and the Atchison, Topeka and Santa Fe Railroad juice grape tracks.

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Mr. Irrgang stated that there is a surplus of grapes this year and that 400,000 tons have been left on the vines, having been purchased by the Farm Loan Board, to be used as by products.

Mr. Irrgang also stated that Mark T. Adamson, of the Produce Exchange Building, Chicago, Illinois, was a very close friend of Joe Ferrara and was lined up with him and will probably be connected with Mamy Schrieber in the buying of grapes this year.

Mr. E. E. Mills, 1425 South Racine Avenue, Chicago, Illinois, treasurer of the U. S. Fruit Auction Company, Chicago, Illinois, is out of Chicago at the present time and will not be back until Wednesday, September 24, 1930, when he will be interviewed by Agents of the Chicago Bureau office.

Mr. C. R. Godding, 66 South Water Market, Chicago, Illinois, secretary of the U. S. Fruit Auction Company, which is the auction in which the juice grape cars are sold, stated that he accompanied Mr. E. E. Mills and Mr. Charles Irrgang to Washington, D. C., on September 17, 1930, and that on September 18, 1930, these gentlemen had a conference with Mr. Teague of the Farm Loan Board in the morning, and in the afternoon had a conference with Mr. Dodd of the Criminal Division of the Department of Justice. Mr. Godding stated that Mr. Irrgang at these conferences did most of the talking as Mr. Irrgang was more familiar with the matter of the racket in the juice grape business in Chicago, Illinois.

Mr. Godding verified the data furnished by Mr. Irrgang, as reflected in this letter, concerning the payment by the U. S. Fruit Auction Company of \$20 a car to Joe Ferrara on the juice grapes sold by this auction at the Chicago and Northwestern juice grape track during 1929 and added that he and Mr. Mills do not know the details of the other facts set forth in this letter as shown by Mr. Irrgang, except as they have been informed of them by Mr. Irrgang. Mr. Godding stated that the U. S. Fruit Auction Company was incorporated in 1926 in Chicago under the laws of the State of Illinois, with a capital stock of \$250,000, \$190,000 of which has been paid in. 51% of the issued stock of the U. S. Fruit Auction Company is owned by the Chicago Auction Company and the Independent Fruit Auction Company, of which the Independent Fruit Auction Company owns 60% of the 51%, and the Chicago Auction Company owns 40% of the 51%, the remaining 49% of the U. S. Fruit Auction Company being owned by individuals interested in the fruit and produce business.

18

The officers of the U. S. Fruit Auction Company are as follows:

F. E. ~~Mellis~~, President.
C. W. ~~Irrgang~~, Vice-President.
E. E. ~~Mills~~, Treasurer.
C. R. ~~Godding~~, Secretary.

These officers compose the Board of Directors with Victor Elting, a Chicago attorney.

The Fruit Auction Sales Company is engaged in the business of auctioning of table grapes and other fruit in broken car lots. The company was incorporated in 1927 under the laws of the State of Illinois, with an authorized capital stock of \$300,000, of which 60% is owned by the Chicago Auction Company and 40% by the Independent Fruit Auction Company.

The officers of the Fruit Auction Sales Company are as follows:

C. R. Godding, President.
C. W. Irrgang, Vice-President and General Manager.
E. E. Mills, Treasurer.
W. B. ~~Clore~~, Secretary.

These officers compose the Board of Directors with Frank Cuneo of Chicago, Illinois, added.

Mr. Godding stated that the Chicago Auction Company and the Independent Fruit Auction Company were formerly in business in Chicago, Illinois, and incorporated the Fruit Auction Sales Company and the U. S. Fruit Auction Company to handle all sales of fruit on the auctions in Chicago, Illinois.

Very truly yours,

F. X. Fay
F. X. FAY

Acting Special Agent in Charge

The following information was received telephonically from Agent Battersworth at Chicago, Ill.

Charles V. Urganz, stated that in 1929 Joe Ferrara, representing the Aiello-Moran gang, obtained a racket on all juice grapes sold at the Northwestern Track on Clinton Street, Chicago. The first week of October, 1929, Ferrara stopped the auctioning of cars at this track, and insisted that all juice grapes mentioned be sold at the Chicago Terminal Track, 27th and Ashland Avenue. The United States Fruit Auction Company agreed to pay \$30.00 from the auction fund on all cars auctioned at the Northwestern Track if the racketeers did not interfere with the sales as to the auction on the other three tracks in Chicago. The auction company paid \$1300 to Joe Ferrara at the end of the season in 1929 on the cars auctioned at the Northwestern Track at \$30.00 a car. On the other 1,000 cars sold at the Northwestern Track, Ferrara obtained five cents a lug and up from the buyers of the grapes before the cars were opened at the track. The juice grapes buyers are barbers, bootblacks and peddlers who buy a car and resell it in small lots. Tony Bucca was body guard for Ferrara and both were shot this Spring, Ferrara being killed and Bucca wounded. Bucca subsequently returned to Milwaukee where he has been in hiding up until recently.

Line Up The line up for 1930 on the sale of juice grapes at the Northwestern Track is in charge of Mr. Newberry, who represents the Al Capone gang and furnishes the money to pay the juice grapes to the buyers. Manny Schrieber, of the Schrieber Produce Exchange has been put in charge of this racket and Tony Bucca has been brought from Milwaukee to work with Schrieber. Schrieber is muscle man for Tony Romano, who represents Mr. Newberry and Schrieber in intimidating the buyers and also has charge of the gunmen. On September 12, 1930, three gunmen, in a Buick Sedan, visited the Terminal Track at 27th and Ashland Avenue to intimidate the buyers, and on September 15, 1930, two other gunmen came to the Tracks in a Lincoln Sedan, and told Sam Grey and his partner, Dave, last name unknown, that the gunmen represented Manny Schrieber, and that the buyers would hear from them later. Recently, Urganz returned from the Auction at 27th and Ashland Avenue with Schrieber and Tony Romano in Schrieber's car, and Schrieber told Urganz that he, Schrieber, was taking Ferrara's place and would see Bucca later to make a deal on the cars auctioned at the Railroad Tracks. On September 21, 1930, Mark F. Adamson, a Chicago broker, who handled Ferrara's purchases of grapes in 1929, on a joint account of Adamson with Manny Schrieber, saw Mr. Perry Stern at the S. F. & S. F. Track, 21st Street, Chicago, and Schrieber said that the representative

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SEP 26 1930

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SEP 26 1930	
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DEPT. OF JUSTICE
DIV. THREE

of the juice grapes growers in California was coming to Chicago and selling juice grapes at lower prices and that these representatives would be prevented from doing this after Schrieber has reorganized the market. On the same afternoon, Tony Romagnolo, sold Perry, Mr. Bucca's Assistant, the same thing at the Northwestern track. It was known in Chicago that Stern, Mills and Goding were in Washington on the grapes matter on September 19th, because Mark Adamson called Joseph P. Scanlon, representative of the California Fruit Growers Exchange at Chicago on September 19th, in the lobby of the Produce Exchange Building, if Stern, Mills and Goding had accomplished anything in Washington. On September 20, Schrieber was informed that Mark Adamson knew they had been in Washington, D. C. The appointment with Mr. Teague of the U. S. Farm Board to see the Chicago men was made by Mr. Scanlon. On September 21, 1930, Tony Romagnolo talked with Stern, Assistant to Mr. Uhrang, of the Northwestern Railroad, saying, "Give my regards to Uhrang. He should have been up before going to Washington, and will regret it."

VWH:KPS:AM

September 23, 1930.

MEMORANDUM FOR ASSISTANT TO THE ATTORNEY GENERAL O'BRIEN

62-24153

With reference to the complaints of Charles W. Irrgang and Donald D. Conn in connection with interference with interstate transportation and sale of juice grapes by Chicago racketeers, there is transmitted herewith for your information, a copy of a memorandum of a telephone call received from Special Agent Butterworth of the Chicago office on the 22nd instant. Mr. Godding and Mr. Mills are also to be interviewed by Agents of the Chicago office.

Very truly yours,

Director.

Inc. 189567.

Chicago 211

RECORDED & INDEXED

62-24153-5	
BUREAU OF INVESTIGATION	
SEP 24 930 A. M.	
DEPARTMENT	JUSTICE
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BUREAU FILES DIVISION
MAILED
SEP 23 1930
P. M.
DEPT. OF JUSTICE

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VWE:AM

September 23, 1930.

MEMORANDUM FOR MR. NUGENT DODDS, ACTING HEAD, ORIGINAL DIVISION

With reference to the complaints of Charles W. Irrgang and Donald D. Conn in connection with interference with interstate transportation and sale of juice grapes by Chicago racketeers, there is transmitted herewith for your information, a copy of a memorandum of a telephone call received from Special Agent Butterworth of the Chicago office on the 22nd instant. Mr. Godding and Mr. Mills are also to be interviewed by Agents of the Chicago office.

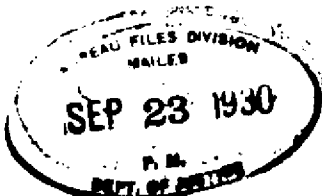
Very truly yours,

Director.

Inc. 159731.

RECORDED

62-24153-6	
BUREAU OF INVESTIGATION	
SEP 24 1930 A. M.	
DEPARTMENT OF JUSTICE	
	FILE



Department of Justice

TELEGRAM RECEIVED

CHICAGO ILL.
SEPTEMBER 25, 1930

DIRECTOR
BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
WASHINGTON D.C.

JUICES GRAPE INVESTIGATION ANTI TRUST E E MILLS INTERVIEWED TODAY
STATED BELIEVES DONALD CONN REPRESENTATIVE CALIFORNIA VINEYARDISTS
ASSOCIATION NOTIFIED MARK ADAMSON WORKING WITH MANVY SCHRIEBER
ON GRAPE RACKET OF AUCTION DELEGATION WASHINGTON VISIT SEPTEMBER
EIGHTEENTH STOP CONN WAS FRIENDLY WITH FERREIRA LAST YEAR WHEN
FERREIRA EXACTED TRIBUTE FROM CHICAGO JUICES GRAPE BUYERS MILLS DOUBTS
CONN TRUSTWORTHY MILLS SAID AUCTION INTENDS CONFINING ACTIVITIES
THIS YEAR AUCTIONING JUICES GRAPE AT OWN TRACK IRRIGAND TRACING
CHECK PAID FERREIRA LAST YEAR BY AUCTION

FAY ACTING.

Rec'd and Decoded
9-25-30
4:55 pm. WTG.

RECORDED & INDEXED
SEP 26 1930

62-24153-7	
BUREAU OF INVESTIGATION	
SEP 25 930 A.M.	FILE
FILE	FILE



Mr. Hughes:

Please watch this carefully. I suspect we may be drawn into an unworthy cause. We surely don't want to lend our resources to one group of racketeers against another group.

7/25/30 J. E. D. O.

W
YER:KOD:AM

September 24, 1930.

62-24153-7

RECORDED & INDEXED

SEP 26 1930

MEMORANDUM FOR MR. NOGENT DODDS, ACTING HEAD, CRIMINAL DIVISION

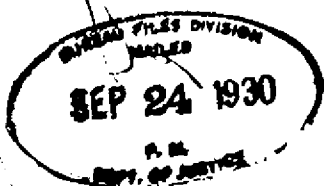
In connection with an investigation being conducted by the Chicago office of this Bureau with regard to interference with interstate transportation and sale of juice grapes by Chicago racketeers, there is transmitted herewith a copy of a telegram received from the Chicago office under date of September 23, 1930.

Very truly yours,

Inc. 139863.

Director.

62-24153



FBI:EPG:AM

September 24, 1930.

62-24153-7

RECORDED & INDEXED

SEP 26 1930

MEMORANDUM FOR ASSISTANT TO THE ATTORNEY GENERAL O'BRIEN

In connection with an investigation being conducted by the Chicago office of this Bureau with regard to the interference with interstate transportation and sale of juice grapes by Chicago racketeers, there is transmitted herewith a copy of a telegram received from the Chicago office under date of September 23, 1930.

Very truly yours,

Director.

Enc. 139544.

62-24153

BUREAU FILES DIVISION
MAILED
SEP 24 1930

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VWH:AM

September 25, 1930.

MEMORANDUM FOR ASSISTANT TO THE ATTORNEY GENERAL O'NEILL

For your further information in connection with the complaint of interference with the interstate shipment of juice grapes from California by gangsters of Chicago, there is inclosed herewith a copy of a letter addressed to this office by the Acting Agent in Charge of the Chicago office of the Bureau under date of September 22nd, relating in detail the results of interviews with Messrs. Charles W. Irrgang and C. R. Godding.

Very truly yours,

Director.

Inc. 189590.

62-24153

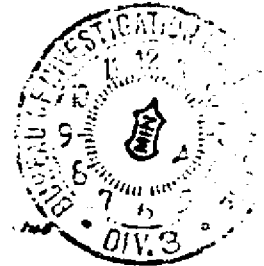
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BUREAU OF INVESTIGATION	
SEP 25 1930 P. M.	
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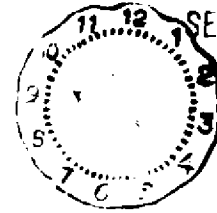
JOHN EDGAR HOOVER
DIRECTOR

U. S. Department of Justice
Bureau of Investigation
Washington, D. C.

RECEIVED



September 25, 1930.



SEP 26 1930 PM

SEP 25 1930

Handwritten initials and scribbles.

MEMORANDUM FOR THE DIRECTOR

Supplementing my memorandum of the 23rd instant in connection with the investigation of the activities of persons interested in the marketing of juice grapes, I desire to advise that Mr. Donald Conn's secretary called this office yesterday and gave Mr. Conn's reservation on the Liberty Limited train to Chicago, leaving Washington yesterday afternoon, as previously arranged. When the reservation was checked with the railroad, it was found that both the car number and time of departure were wrong, consequently, Mr. Conn was again called at the Carlton Hotel and his secretary when advised of the erroneous information, corrected the same and stated that Mr. Conn was leaving Washington yesterday at 3:25 on Train #59, Pennsylvania Railroad, known as the Liberty Limited, occupying drawing room "A" in Car #16.

On receipt of this information the Chicago office was advised by telephone to have Special Agents Butterworth and Miller board this train at Gary, Ind. this morning, it being due to arrive there at 8:16, to contact Mr. Conn and proceed with him to Chicago and to meet Mr. Mark Adamson who Mr. Conn states can give details with regard to the general allegations previously made by him, Mr. Conn.

In talking with Chicago, Acting Agent in Charge Fay advised that Mr. Irrgang had called his office yesterday and had suggested that Mr. Charles Smith of the DeJuria Fruit Dealers at Chicago ~~who~~ could give additional information. Incidentally, Irrgang also stated that he understood that Mark Adamson was organizing a grape juice association which would have for its object preventing independent dealers from buying grapes at the freight yards at Chicago. Agents Butterworth and Miller are, of course, in possession of all the information supplied by Mr. Irrgang, Mr. Mills and Mr. Godding and they are under instructions not to divulge that information to Mr. Conn or to Mr. Adamson and to collect such facts from these two men as they may desire to volunteer. Upon receipt of the reports covering interviews with Mark Adamson and the further interview with Charles Smith, which was authorized by me, the Department should be able to definitely determine whether there is a violation of the Federal laws involved and whether the investigation should proceed.

62-24153-9

RECORDED & INDEXED
Respectfully,
SEP 26 1930

Handwritten signature of V. W. Hughes.

V. W. Hughes.

SEP 25 1930 P. M.
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Handwritten initials and numbers.

Bureau
copy to Mr. Johnson

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RECEIVED
September 24, 1934



Re: Telephone from Chicago,

URGENT FOR MR. CUMMIS

62-24153

U. S. Attorney Johnson reported by telephone this morning that the President of some Chamber of Commerce had called his attention to the violation of the Sherman Act by the racketeers operating on grape shipments. Johnson undertook an investigation, had not gotten far, and wished directions given to the local Special Agents to assist him.

Mr. O'Brien told him that this matter had already been reported here by a member of the Farm Board, that the Department was not yet clear whether the facts justified its intervention, and that a confidential investigation had already been ordered and was now in progress. The Department desired to avoid all publicity. On the surface it appeared as if this racket was a local matter.

Mr. Johnson replied that racketeering of interstate trade was involved and that the State officials had no adequate force to make an investigation. He will await further word from the Department. If he is called upon to act he will undertake to get the cooperation of the local officials.

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SEP 25 1934
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J. L. O'B.

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VWH:AM

September 25, 1930.

62-24153-11

RECORDED & INDEXED
SEP 26 1930

MEMORANDUM FOR MR. SUGENT DODDS, ACTING HEAD, CRIMINAL DIVISION

For your further information in connection with the complaint of interference with the interstate shipment of juice grapes from California by gangsters of Chicago, there is inclosed herewith a copy of a letter addressed to this office by the Acting Agent in Charge of the Chicago office of this Bureau under date of September 22nd, relating in detail the results of interviews with Messrs. Charles W. Irrgang and C. H. Godding.

Very truly yours,

Director.

Ins. 189570.

62-24153

MA

RECORD FILE DIVISION
MAILED
SEP 25 1930

JOHN EDGAR HOOVER
DIRECTOR

U. S. Department of Justice
Bureau of Investigation
Washington, D. C.

September 25, 1930.

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62-24153

MEMORANDUM FOR THE DIRECTOR

A further conference was had with Mr. Oseas of Mr. O'Brian's Division this afternoon relative to the grape growers' association case. Mr. Oseas stated that from the information received to date, he was unable to determine whether the Federal Government would have jurisdiction and whether there had actually been any restraint of interstate commerce.

Inasmuch as I was awaiting word from the Chicago office of the Bureau relative to the interview with Mr. Conn this morning, I called Chicago by telephone and Agent Butterworth advised that he had met Mr. Conn at Ft. Wayne, Ind. and had ample opportunity to talk with him and get his point of view; that upon arriving at Chicago they had met Mr. Mark Adamson but had not gone into any detail on the case at that time, Adamson requesting that the interview be deferred until this afternoon at 2 o'clock, and Agent Butterworth was then awaiting a call from Adamson.

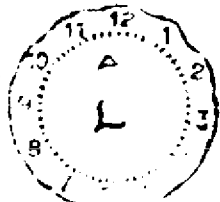
Agent Butterworth was instructed to immediately endeavor to obtain detailed facts with regard to the shipment, movement and sale of the juice grapes in question, that is, to determine whether said carload lots of grapes were shipped on consignment or whether they were shipped on a straight order bill of lading, whether the cars subsequently sold by the brokers and auctioneers at Chicago had been purchased outright by said brokers and auctioneers or whether the brokers and auctioneers were acting for the shippers. Agent Butterworth was also told to immediately ascertain just how the restraints were enforced, how the money was paid, the percentage of carload lots sold by auction as opposed to those received by the broker and sold privately; also, to endeavor to ascertain the reason for the imposition of an assessment of \$20 against carload lots at certain freight yards and the imposition of a 5% to 30% lug charge against the grapes at other freight yards.

Mr. Oseas feels that if this information can be definitely obtained and forwarded, he will then be in a position to determine whether there have been any restraints on interstate commerce.

Respectfully,

V. W. Hughes
V. W. Hughes.

62-24153-12
BUREAU OF INVESTIGATION
SEP 27 1930 A.M.
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Nathan
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SEP 26 30

SEP 29 1930

FEDERAL FARM BOARD
WASHINGTON

C. C. TEAGUE
MEMBER

September 30, 1930.

Mr. J. Edgar Hoover,
Director, Bureau of Investigation,
U. S. Department of Justice,
Washington, D.C.

Dear Mr. Hoover:

In reference to the investigation which you are carrying on of the situation that is prevailing in Chicago, pertaining to the distribution of grapes in that market, Mr. H. J. ~~Eustace~~, Chief, Bureau of Markets for the State of California, was in Chicago recently and sent me two letters from there which I am enclosing herewith.

I thought perhaps you might care to have your men see the parties mentioned in these letters.

Very truly yours,

C. C. Teague,
Member, Federal Farm Board.

RECEIVED

Enclosures
OCT 1 1930 AM

62-24153

Handwritten notes:
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W. J. ...
K. J. ...
...

RECORDED & INDEXED

Handwritten notes:
Letter written
11/1/30

62-24153-13
BUREAU OF INVESTIGATION
OCT 1 530 A. M.
DEPARTMENT OF JUSTICE
Mr. Tamm

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COPIES DESTROYED
120 JUL 27 1964

PALMER HOUSE

CHICAGO

My dear Mr Teague,

Since reading the enclosed letter I have seen more people and I believe that if you could make a quick quiet-trip out here - alone and call on a few people - Mr V. C. Tugyaast - (whose card I enclose -) and he would get a few men in his office and talk things over, it would be a splendid thing to do.

Get a first-hand picture for yourself and get some of the important men to support the grape plan as they will do when they understand it - directly from

O O

PALMER HOUSE

CHICAGO

you. If you ^v can come
may I suggest - you call on
Mr L. C. Weber of American Fruit -
Groves. - in addition to Metzger.

Emphasize the desirability
of your coming alone and
quietly and get a direct
impression for your self.

Cordially yours.

Eustace

A.S. I am taking the liberty to
send this to your hotel - as
it will be just as well not to
go to your office

PALMER HOUSE

CHICAGO

September 25, 1930.

Hon. C. C. Teague,
Mayflower Hotel,
Washington, D. C.

My dear Mr. Teague:

I have been spending some time in the South Water Market here in Chicago, and have talked with a number of people, some of whom I know personally, and have for many years, and this gangster business is particularly bad on the Northwestern tracks. It seems the gangsters price is \$50.00 per car, which means that the growers are losing just this amount. The whole racket seems to be confined particularly to this one yard, and people who are in a position to know say that it may extend to other yards. They have attempted to get the buyers in line on the other yards already, but so far have failed.

If you could possibly take the time to come to Chicago and look it over at first hand, it would be worth your time. It is quite essential, however, that you come out here unannounced and do not appear at first in any of the places where you would be recognized. I would suggest that you see the young man whose card I enclose, a member of a well known brokerage house, and I can guarantee in absolutely every way that he would have some of the juice grape buyers come into his office and give you the facts, with their ideas as to how the matter could be handled.

They tell me this morning that the demand for juice grapes is better, but prices are unchanged and net around \$30.00 to \$40.00 per ton.

Yours very truly,

EE:L

H. Justice

over 35

October 4, 1930.

~~62-24153-15~~

62-24153-13 ✓

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. O'BRIEN.

RECORDED

There is enclosed herewith photostatic copy of a letter addressed to your office by Mr. C. C. Teague, Member of the Federal Farm Board, under date of September 20, 1930, together with photostatic copies of its two enclosures addressed to Mr. Teague by Mr. H. J. Eustace, the latter communications suggesting certain interviews at Chicago with further reference to the complaint received by this Department of a possible violation of the Antitrust Laws on the part of certain gangsters in the city of Chicago alleged to have interfered with the interstate shipment and subsequent distribution of Juice grapes.

I am replying to Mr. Teague's letter, advising him that his communication, with its enclosures, has been transmitted to you, and that I shall be guided by your advice as to what, if any, further investigation should be made. I shall appreciate, therefore, receiving your views regarding the wisdom of conducting these additional interviews.

There is also enclosed herewith, a copy of the report of Special Agent R. H. Butterworth, of the Chicago Office of the Bureau of Investigation, dated October 2, 1930, and entitled: MANNY SCHRAIBERG; TONY ROMANO (Juice Grape Investigation) Antitrust Matter, which has attached an original cancelled check made payable to Joe Farrar in the sum of \$1360.00 and signed by Charles W. Irgang and G. R. Godding. There is further enclosed, a catalogue of "California Grapes To Be Sold At Auction By United States Fruit Auction Company of Chicago". No doubt, you will want to consider the facts disclosed by the report of Agent Butterworth before advising with regard to the further investigation of this case in line with the letters received from Mr. Teague. You will note in the report of Agent Butterworth that the investigation has been suspended, pending further instructions. At your convenience, please advise what, if any, further investigation you desire, and whether the persons mentioned by Mr. Eustace in his letter to Mr. Teague should be interviewed.

Very truly yours,

BUREAU FILES DIVISION
MAILED
OCT 4 1930
P. M. [Signature]

WVA

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62-24153-13

October 4, 1930.

RECORDED

OCT 6 1930

Honorable C. G. Teague,
Member, Federal Farm Board,
Washington, D.C.

Dear Mr. Teague:

I wish to acknowledge receipt of your communication of the 30th ultimo, enclosing two letters sent to you by Mr. H. J. Eustace, Chief, Bureau of Markets for the State of California, with reference to the distribution of juice grapes in the Chicago market.

I am referring the letters to Mr. O'Brien, the Assistant to the Attorney General, who has this matter in hand, and shall be very glad to conduct additional interviews as suggested by Mr. Eustace, if Mr. O'Brien so desired.

Very truly yours,

Director.

WJA

U.S. DEPARTMENT OF JUSTICE
OCT 4 1930

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R

VH:AM

OCTOBER 8, 1930.

H. H. GREGG
BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
FEDERAL BUILDING
CHICAGO ILL.

ADVISE WHEN REPORT GRAPE GROWERS CASE MAY BE EXPECTED EXPEDITE

JOHN EDGAR HOOVER
DIRECTOR

62-24153

RECORDED

62-24153-14	
BUREAU OF INVESTIGATION	
OCT 8 1930 A M	
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OCT 2 1930 PM



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PATRON

WESTERN UNION

SERVICE	
DL	= Day Letter
NM	= Night Message
ML	= Night Letter
LOO	= Deferred Cable
NYL	= Cable Night Letter
WLT	= Washed Letter

CLASS OF SERVICE
 This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is STANDARD TIME.
 A. C. WELLSVILLE, Chief Western-Union
 REC'D at Commercial Nat'l Bank Bldg., 14th & G Sts., N. W. Washington, D. C. ALWAYS

OCT 3 39418

CC673 9 COLLECT=CHICAGO ILL 2 352P
 DIRECTOR, BUREAU OF INVESTIGATION=
 DEPARTMENT OF JUSTICE WASHINGTON DC=
 RETEL REPORT GRAPE GROWERS CASE IN MAIL TONIGHT=
 FAY ACTING.

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RECORDED

OCT 3 1930

62-24153-15
 BUREAU OF INVESTIGATION
 OCT 3 10 A. M.
 DEPT. OF JUSTICE

19/2/30
 5:55 PM
 W9-

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

39

THIS CASE ORIGINATED AT CHICAGO, ILLINOIS

REPORT MADE AT: Chicago, Illinois	DATE WHEN MADE: Oct. 2nd, 1930	PERIOD FOR WHICH MADE: 9/23 to 25/1930	REPORT MADE BY: R. N. BUTTERWORTH - BK
--------------------------------------	-----------------------------------	---	---

Changed to:
MANNY SCHRAIBER
TONY ROMANO
JUICE GRAPE INVESTIGATION

SYNOPSIS: Investigation discloses that title on all lots of juice grapes sold on private sale or at auctions in Chicago remains in the shipper until purchase price is paid. Cancelled check for \$1360.00, dated Dec. 10, 1929, drawn on U. S. Fruit Auction Company and payable to Tony Ferrara was obtained from Auction Company. E. H. Irgang alleges that attempt by Subjects to exact a tribute of \$20.00 a car from buyers has been made recently. U. S. Fruit Auction Company collects 1% commission on gross sales of juice grapes from shippers and also collects three cents a package additional from buyers as a terminal charge. Descriptions of Subjects submitted. W. W. McFarland, President, Brokers' Division of the American Fruit and Vegetable Shippers Association sent a telegram to the Farm Loan Board protesting against terminal charge by Auction Company. Mark T. Johnson alleges that attempt to collect tribute has been stopped. Chicago office of Bureau requests instructions as to whether further information is desired.

REFERENCE: Letter to the Bureau dated September 22, 1930 and telegram to the Bureau late September 25, 1930.

DETAILS: AT CHICAGO, ILLINOIS.

APPROVED AND FORWARDED: F. X. Fay SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES 62-24153-16	RECORDED AND INDEXED: OCT 4 1930
COPIES OF THIS REPORT FURNISHED TO: 3- Bureau 3- Chicago	BUREAU OF INVESTIGATION OCT 4 1930 A.M. DEPARTMENT OF JUSTICE	CHECKED OFF: OCT 9 1930 JACKETED:
	ROUTED TO: Div. Three	

Agent interviewed Charles E. Irrgang, 1425 S. Racine Ave., Chicago, Illinois, on September 22, 1930. He stated that the efforts of Mark T. Admson, a Chicago fruit broker, are being made to form a juice grape sellers' association composed of juice grape buyers and Chicago brokers handling juice grapes in Chicago. That the object of this association will be to shut out independent fruit growers from selling juice grapes on track in Chicago, Illinois. Mr. Irrgang stated that the brokers in Chicago handling juice grapes are as follows:

- | | | |
|----------------------------|---------------------|---------------|
| Mark T. Admson & Company, | 1425 S. Racine Ave. | Chicago, Ill. |
| Fry Brokerage Company, | 1440 S. Racine Ave. | Chicago, Ill. |
| J. H. Twitchell, | 1425 S. Racine Ave. | Chicago, Ill. |
| Riley & McFarland Company, | 1425 S. Racine Ave. | Chicago, Ill. |

He stated that these brokers controlled about 90% of the juice grapes sold privately in the Chicago market.

Mr. Irrgang further stated that Mr. Perry Stern, one of his assistants in the U. S. Fruit Auction Company, on September 22, 1930, had talked with a salesman of the Fry Brokerage Company and this salesman stated to Mr. Stern, as follows: "I don't know how far the forming of the association has gone, but the scheme is slowly going forward. The association will stop the grape growers in California from sending representatives to Chicago, Illinois and selling their grapes on track."

Mr. Irrgang stated that a brother-in-law of Joe Ferrara, who was killed in a "gang" war in Chicago, Illinois in the Spring of 1930, and who was in charge of the exacting of tribute at the Chicago and North Western Railway tracks from buyers of juice grapes during 1929, had applied for a position at the Chicago Produce Terminal freight track which is controlled by the Chicago auction companies, and that he, Mr. Irrgang, who is general manager of the Chicago Auction Company, had employed this man to work on the juice grape track of the Chicago Produce Terminal. Mr. Irrgang stated that he did not know the name of Ferrara's brother-in-law, but would obtain it and notify Agent of this man's correct name and address. Mr. Irrgang stated that this man told him that the Aiello-Morav Gang have all been driven out of Chicago, Illinois or killed; that the Capone Gang now controls the "juice grape racket" in Chicago, Illinois and that at the Chicago and North Western Railway's "juice grape" track the racketeers have established a price of \$50.00 a car which is to be exacted from all buyers on that track by Subject MANNY SCHRAIBERG before the car will be allowed to be opened. Mr. Irrgang advised Agent that Mr. Charles. W. Smith

who is manager of the DiGiorgio Fruit Corporation, 1125 N. Racine Avenue, should be interviewed by Agent to obtain information from Mr. Smith regarding the juice grape racket in Chicago, Illinois.

Agent interviewed Mr. W. E. Mills of Mills Bros., 1125 N. Racine Avenue, Chicago, Illinois, who stated that he is treasurer and director of the U. S. Fruit Auction Company, and that all questions presented to him regarding this Auction Company are referred by him to Mr. Charles W. Irrgang, vice-president and general manager of the Auction Company.

Mr. Mills stated that he accompanied by Charles W. Irrgang and C. H. Godding, secretary of the U. S. Fruit Auction Company, proceeded to Washington, D. C. on September 17, 1930 via Pennsylvania Railroad arriving in Washington on the morning of September 18, 1930, that while in Washington they had a conference with Mr. C. C. Teague of the Farm Loan Board about 10 A. M. September 18, 1930, and in the afternoon of the same date they conferred with Mr. Dodd, Assistant to the Attorney General in charge of criminal cases; that this delegation from the Fruit Auction Company returned to Chicago, Illinois on the afternoon of September 18, 1930 via Pennsylvania Railroad; that Mr. Irrgang attended an auction at noon on September 18, 1930, and returned from this auction at 27th and Ashland Avenue to the South Water Market with Subjects MANNY SCHRAIBERG and TONY ROMANO in Schraiberg's automobile.

Mr. Mills stated that Donald D. Conn, representative of the Chicago Vineyardists' Association, San Francisco, California was in Washington, D. C. during the visit of the Chicago delegation from the Auction Company and Mr. Mills believes that Mr. S. G. Teague of the Farm Loan Board may have informed Mr. Conn of the Chicago delegation of the Auction Company's visit to Washington, D. C., and that Mr. Conn notified Mark T. Adamson that the Auction Company representatives were in Washington to confer with Mr. Teague. Mr. Mills stated that he believes that Mr. Conn is not to be trusted in the juice grape investigation because when Mr. Conn visits Chicago he always contacts with Mark T. Adamson, a Chicago broker, who has been linked up in 1929 with Joe Ferrara who conducted the juice grape racket at the Chicago and North Western Railway tracks and who is now believed by Mr. Mills and the other officers of the Auction Company to have the same connection with Subjects in this case. Mr. Mills stated that he believes that Adamson is in close touch with Mr. Conn and that Adamson has notified the Subjects in this case regarding the Auction Company's delegation's visit to Washington, because Joseph P. Scanlon, the representative of the Southern California Fruit Exchange, informed Mr. Mills upon his (Mills')

return from Washington that Mack T. Almsen had told Mr. Scanlon that La Rae Mills had been in Washington to consult Mr. Ferrara.

Mr. Mills stated that early in 1930 the Fruit Auction Company agreed to pay Joe Ferrara \$20.00 per car for all cars of juice grapes that had been sold at the auction on the Chicago and North Western Railway "juice grape" track and that the Auction Company had agreed not to sell any more grapes on that track during 1930 in consideration of this agreement; not to sell any more juice grapes at the North Western Railway track, Mr. Mills stated that Ferrara had promised not to interfere with buyers at the other three tracks in Chicago, Ill. where juice grape cars were opened and sold to buyers at retail. Mr. Mills stated that no juice grape cars were sold by the Auction Company at the Chicago and North Western tracks after this agreement was made with Joe Ferrara, and that at the end of the season the Auction Company paid a check of \$3500.00 on 50 cars at a rate of \$20.00 per car for all cars which had been auctioned by the Auction Company at the Chicago and North Western tracks, prior to the making of this arrangement by the Auction Company with Joe Ferrara. Mr. Mills stated that the U. S. Fruit Auction Company have arrangements with the Chicago and North Western Railway, the Rock Island Railroad and the Santa Fe Railway whereby juice grape cars can be transferred from the yards of these various railroads to the Chicago Produce Terminal in Chicago, which is operated by the Auction Company to be sold at auction and afterwards returned to the railroad yard of the company for unloading; that the Santa Fe Railway also has an arrangement by which juice grapes may be auctioned at the Santa Fe yard instead of sending it to the Chicago Produce Terminal to be sold by the Auction Company.

Mr. Mills stated that this year during the juice grape season, that the Auction Company intends to conduct auctions of juice grapes in carload lots only at the Chicago Produce Terminal, at 27th and Ashland Ave. Chicago, Illinois.

Mr. Mills stated that a car of juice grapes contains some 1040 to 1200 lugs or packages.

Mr. Mills gave Agent the following information on the sales of the situation which he had received from the Pioneer Fruit Company, Los Angeles, Cal. which company Mr. Mills represents in Chicago, Ill.

It would not be fair to say that the California Grape Control Board has a set-up representing better than 50% of the total production in California. All growers are to pay a 10% increase on the grapes to the Control Board as stabilizing the market for both table and raisin grapes. With this 10% plus the 10% from the Government, the Control Board is now buying 20% of the surplus seedless and Sultanas. This is what is supposed to be the surplus for the season of 1930. Not prices being set by the Control Board, etc. and fallers.

Sultanas	\$ 5.00 per ton for substandard quality	6.00	50% substandard quality
		7.00	standard quality
100% substandard Muscats and Thompsons	\$ 4.00 per ton	4.00	
75%		5.00	
50%		6.00	
25%		7.00	
Standard and better		8.00	

The above prices are net to the grower on the vine as he does not have to pay picking charges or other assessments made by California Vineyardists Association. Might add for your information that there is considerable difference between a net price on the vine and a U. S. No. 1 grade as the grower who picks his grapes takes all changes on rain, weather conditions, etc.

The Control Board is now buying from 30,000 to 40,000 tons of Black Juice Grapes at \$17.50 per ton f.o.b. different points in California. This price includes the stabilization dues and C. V. A. assessments. Thus the net to the growers is practically \$15.00 per ton.

The surplus bought by the Control Board will be mainly used by the Associated Fruit Industries for Grape Concentrates, Jellies, etc., and is not supposed to compete in any way with the fresh grapes shipped to eastern markets. It is figured over you take into consideration the amount of grapes being bought by the Grape Control Board, that eastern shipments this year will not exceed the light shipments of 1929, and is estimated by varieties as follows:

Thompson Seedless	-	Not to exceed	5,000 cars
Muscats	-	"	8,000 "
Tokays	-	"	7,000 "
Emperors	-	"	5,000 "
Black Juice	-	"	25,000 "
Malagas	-	"	5,000 "
TOTAL			55,000 cars

at this particular time, the whole plan is to function fairly well. However, it is being large and they will have to wait about another week to find out the exact control this organization will have over the handling of grape and eastern shipment.

In view of the fact that there is a total shortage of cars in California will probably be about 14,000 cars less than the year 1935, and 1,000 or 2,000 cars less than last year.

During the balance of the investigation contained in this report Agent was accompanied by Special Agent Albert Miller of the Chicago office of the Bureau.

Agents re-interviewed Mr. E. E. Mills of Mills Bros. at his office at 1440 South Racine Avenue, Chicago, Illinois, for the purpose of ascertaining who owned title to juice grape cars sold in the Chicago market, either by public sale or auction. Mr. Mills stated that in all cases of private sale or by auction, that the title remains in the hands of the shipper until the car is sold; that when the shipper in California delivers the car to the railroad he retains the bill of lading and that this bill of lading is not delivered to the buyer of the juice grapes unless there is a question of recovery from the railroad for damages to the contents of the car. Mr. Mills further stated that the following is an example of how a shipment is handled on a freight car of juice grapes:

Frank H. Buck Company, San Francisco, Cal., a shipper of juice grapes, ships a car in the name of Frank H. Buck Company care of Mills Bros. Chicago, Illinois, representative for Frank H. Buck Company. Frank H. Buck Company has on file with all railroads shipping fruit from California, a blanket order for the said railroad to deliver cars routed over its line to the representative of Frank H. Buck Company in the various cities. The juice grape car shipped by Frank H. Buck Company on arrival at Chicago, Illinois is handled by Mills Bros. in accordance with instructions received by telegram from Frank H. Buck Company. According to these orders Mills Bros. either sells the car in the Chicago market or diverts it to another city. When the car is sold by Mills Bros. in Chicago, Illinois, Mills Bros. deducts the freight, loading and other charges from the purchase price and deposits Mills Bros. check for the balance in the checking account, in a Chicago bank, of Frank H. Buck Company. The cars sold by Mills Bros. are not opened except for inspection until the purchase price has been paid to Mills Bros.

Mr. Mills stated that the U. S. Fruit Auction Company charges 1 1/2% on the gross purchase price received on each car of juice grapes

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and this percentage is deducted from the purchase price paid by the buyer; that the Auction Company also charges the shipper a percentage on all juice grapes sold by the Auction Company and that this is a Terminal Charge for handling the goods.

Agents again interviewed Mr. Charles J. Irrgang and ascertain from him the title of Juice Grape cars sold in California. Mr. Irrgang stated that in private sales of juice grape cars in California bills the car to his representative in Chicago in the name of the shipper; that the bill of lading is in the name of the shipper; that the shipper gives the railroads a blanket order to deliver all cars sent by the shipper to the shipper's representative in Chicago, who has the right to sell it or divert it according to orders received from the shipper; that after the car is sold by the representative he pays the freight and other charges, deducts his brokerage fee and remits the balance of the purchase price to the shipper in California, either by wire or by draft to the shipper's credit in a Chicago bank.

When a juice grape car is placed for sale at the U. S. Fruit Auction Company for auction, the car is consigned to the U. S. Fruit Auction Company by the representative of the shipper the day before the car is to be auctioned, and immediately after the sale is consummated on the auction, a delivery order is given by the Auction Company to the buyer. After the purchase price has been paid by the buyer to the Auction Company, the Auction Company on receipt of the purchase price from the buyer, deducts the freight and other charges, such as icing, demurrage, etc. and deducts the auction charge of 1% for selling the car, and then draws up a check for the remainder of the purchase price, either in the name of the shipper's representative or to the shipper, according to the instructions received when the car was placed on sale at the auction. Mr. Irrgang stated that while the cars are consigned to the Auction Company for sale, yet the title to the contents in the car remains at all times in the shipper and that the Auction Company is governed in remitting the proceeds from the sale by the order received from the shipper on each car. Mr. Irrgang gave the following as an example of selling a car of juice grapes at the U. S. Fruit Auction Company:

Frank H. Buck Company, Mills Bros. representative consigns a car to the Auction Company for account of the shipper. When the car is sold at the auction the auction officials make out a check to Frank H. Buck Company, Mills Bros. representative. The check is delivered to Mills Bros. by the Auction Company and Mills Bros. deposits it to the account of Frank H. Buck Company in a Chicago bank.

Mr. Irrgang stated that 60 cars of juice grapes have already been sold by the U. S. Fruit Auction Company up to Sept. 25, 1930 and that all of these sales have been made at the Chicago Produce Terminal track, 27th and Ashland Ave. Chicago, Illinois. Mr. Irrgang

Further stated that the juice grapes are produced by shipping to California direct to the Pacific coast, where they are sold on arrival at the market, and that the shipper on the Pacific coast is the grower and that he is the one who actually sells the grapes and his representative may be seen at the market, where the grapes are sold at private sale or by public auction.

Mr. Irving gave a check for \$100,000.00 payable to the order of Joe Ferrara, dated the 1st day of August, 1930, signed by the U. S. Fruit Marketing Company by Charles W. Irving, Vice President and by G. E. Godding, Treasurer-Secretary, and stated that this check was paid to Joe Ferrara as tribute for 20 cars of juice grapes at \$50 a car which were sold by the U. S. Fruit Marketing Company at the Chicago and North Western Railway tracks in 1930. This check has been photostated to the Chicago office of the Bureau and the original and three photostatic copies are enclosed with Bureau copies of this report, entitled EXHIBIT "A".

Agents according to instructions from the Bureau, met Mr. Donald D. Conn on September 26, 1930 at Fort Wayne, Indiana, on the Liberty Limited of the Pennsylvania Railroad and accompanied Mr. Conn and his assistant, A. J. Day, from Fort Wayne, Indiana to Chicago, Illinois, interviewing Mr. Conn enroute.

Mr. Conn stated that he is the representative of the California Vineyardists' Association and the Fruit Industries, Ltd., with offices at San Francisco, California. Mr. Conn stated that the juice grape crop is raised by the following growers:

California Vineyardists' Association, consisting of about 12700 grower members and 250 shipper members, who together control about 70% of the juice grape crop in the United States.

San Joaquin Growers-Shippers Association, consisting of about 1,000 grower members, who control about 10% of the crop.

California Fruit Exchange, consisting of about 1,000 grower members, who control approximately 5% of the crop.

The remaining 15% of the juice grape crop is raised by various independent juice grape growers in California. The principal ones consisting of the following growers:

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| A. J. Lucas, Cucamongo, Cal. | 700 Acres |
| Ben Arkalian, Fresno, Cal. and Lerdo, Cal. | 3000 " |
| K. Arkalian, Fresno, Cal. | 3000 " |
| Tracy Waldron, Fresno, Cal. | 1000 " |

The most important shippers and growers of juice grapes belonging to the California Vineyardists' Association are:

John E. Walsh, General American Fruit Co., Los Angeles, Calif.
Pepper Fruit Company, Pepper, near Los Angeles, Calif.
G. E. Ferrara, 1241, Calif. Packing Commission, Los Angeles, Calif.
Pacific Fruit Exchange, 211, San Francisco, Calif.
Earl Fruit Company, San Francisco, Calif.
DiGiorgio Fruit Company, San Francisco, Calif.

Mr. Conn stated that the California Vineyardists' Association controls about 75% of the juice grapes sold in Chicago.

Mr. Conn stated that while he represents the California Vineyardists' Association and the Fruit Industries, Ltd., that all salary is paid by the State Chamber of Commerce of California, with an office at San Francisco, Cal., and that the Fruit Industries, Ltd. is owned by the United States Farm Loan Board; that the Fruit Industries, Ltd. have offices at 85 Second Street, San Francisco, Cal.; that Mrs. Mabel Willebrandt, with an office in the Investment Building, Washington, D. C., is general counsel of the Fruit Industries, Ltd.; that the general sales agent of the Company is Hugh Adams, Pure Oil Building, 200 E. Wacker Drive, Chicago, Illinois and that the office manager of this Company is L. H. Fisher, with an office in the Pure Oil Building, 200 E. Wacker Drive, Chicago, Illinois. Mr. Conn stated that his home is at 325 Hillsboro, San Mateo, California, telephone number San Mateo 1269, and if it is necessary to make an appointment with him, that a telegram sent to L. G. Godt, marked "Personal" to the office of the Fruit Industries, Ltd., 82 Second Street, San Francisco, California, will be forwarded to him by Mr. Godt and arrangements made whereby Mr. Conn may be interviewed.

Mr. Conn stated that he is not on friendly terms with the U. S. Fruit Auction Company at Chicago, Illinois, which Company handles the juice grapes sold by auction in Chicago, and stated that the Terminal charge of 3% is charged by the Auction Company on all juice grapes sold on auction is unnecessary and that this amount should go to the shipper instead of the Auction Company in Chicago, Illinois, and that if the growers could obtain the proceeds of this Terminal charge they would be enabled to make a profit on all cars sent to the Chicago auction. Mr. Conn stated that he was a very close friend of Joe Ferrara who operated in Chicago in 1929 on the juice grape market and who was killed by gangsters or racketeers in 1930. Mr. Conn stated that as far as he knows Joe Ferrara was reliable and honest in all of his dealings.

Mr. Conn stated that he had received information that a lot of juice grapes on the Chicago market by private sale in 1929 and that Adams, of the well known and large firm known as the "Juice Grape racket" in Chicago at the present time, Mr. Conn upon his arrival in Chicago, telephoned to Mr. Adams to meet him (Conn) at the Chicago and North Western Railway station at 10:30 A.M. at which time Mr. Conn's train was from California. Agents accompanied Mr. Conn to the Chicago and North Western Railway station and were introduced by Mr. Conn to Mark T. Adamson, who was advised by Mr. Conn to allow Agents to interview him (Adamson) concerning the "juice grape racket" in Chicago, Illinois at the present time. Mr. Conn before leaving Chicago, stated to Agents that he does not know what connection Adamson has with the racketeers in juice grapes in Chicago, or who the racketeers are who are trying to gain control of the "juice grapes" on track, but said that as far as he is of the racket that the proposed racket is controlled by the Al Capone Gang.

Agents made an appointment with Mr. Mark T. Adamson to have a conference with Mr. Adamson in the Produce Exchange Building, 1425 S. Racine Avenue, Chicago, on September 26, 1930.

Agents interviewed Mr. Adamson at his office in the above mentioned building on September 26, 1930 and asked Mr. Adamson whether there was an association in Chicago, Illinois of the buyers and brokers of juice grapes. Mr. Adamson stated that there is a Brokers' Division of the American Fruit and Vegetable Shippers Association, of which W. W. McFarland of Riley-McFarland Company, is the president and J. H. Twitchell is the secretary and treasurer. He stated that the brokers composing this Division are as follows:

- J. W. Cain Company, Chicago, Ill.
- Fry Brokerage Company
- E. S. Rittenhouse
- H. E. Robinson
- McCarthy Bros.
- Riley-McFarland Company
- Mark T. Adamson Company
- Carroll Bragg Brokerage Co.
- Frank Cleary
- H. D. Boehmer
- C. F. Olson,

Mr. Adamson stated that this Association sent a telegram to the Farm Loan Board under McFarland's signature, complaining about the Terminal charge made by the U. S. Fruit Auction Company on juice grapes sold by the Chicago auction.

Mr. Adamson obtained from Mr. [redacted] the [redacted] Division of the [redacted] [redacted] copy of this telegram which is as follows:

American Fruit & Vegetable Shippers Assn.
Chicago, Ill.
Chicago, Ill. 8/16/30

Mr. C. E. Teague,
Member, Federal Farm Board
Washington, D. C.

We are an organization composed of the principal [redacted] tributors of grapes in the Chicago territory representing large California growers and shippers who for months past have been endeavoring to secure for our growers and shippers equal rights on an authorized public teamtrack of the Chicago Produce Terminal which terminal is controlled by the Santa Fe and Illinois Central Railroads on which special privileges have been granted to private interests operating as an auction company of which Charles Irrgang, Edward Mills and Charles Godding are the dominating factors refusing equal privileges to our members unless they pay private in the form of terminal and auction charges amounting to forty or fifty dollars per car which we are trying to save for our California growers. If your Board desires to assist California grape interests we respectfully suggest that you investigate this feature in which you will have our fullest cooperation.

W. W. McFarland, President
CHICAGO BROKERS DIVISION OF THE AMERICAN FRUIT & VEGETABLE SHIPPERS ASSN.

Mr. Adamson gave Agents the following history regarding the juice grape business in Chicago: He stated that before the South Water Market moved to its present location in 1925 that the juice grape business in Chicago was purely a peddling proposition on track; that the intention of the [redacted] of the South Water Market was that all cars sold on auction were to be made at the Chicago Produce Terminal track at 27th and Ashland Avenue, and an agreement was made whereby only owners of a unit in the South Water Market Trust would be eligible to unload cars on this track; that three brokers, namely Mark T. Adamson Company, McCaffrey Bros. and Myer Shuman and Company were permitted to buy units in the South Water Market Trust and were to be the only brokers allowed

to unload cars at the Chicago Produce Terminal tracks; that in 1926 the U. S. Fruit Auction Company was organized in Illinois for the purpose of making sales by auction in Chicago, Illinois, and all other places where such auctions were handled at the Chicago Produce Terminal tracks. In September 1926, and the other three tracks in Chicago, Illinois, closed for the opening of the grape season, and after the formation of the U. S. Fruit Auction Company, a charge of 1% of the gross sales to be paid by the shipper was made on all cars of juice grapes sold by the Auction Company, and in addition to this charge a Terminal charge of 3¢ a package was levied on the Auction Company, which was paid by the buyer. Mr. Adamson stated that every car is sold on auction that the Auction Company gives the buyer an invoice showing the price of the car, with a Terminal charge of 3¢ a package added, and that the Auction Company performs no duty in payment of this terminal charge. Mr. Adamson stated that if the Auction Company was prevented from charging a Terminal charge of 3¢ a package on grapes sold on auction that this amount would go for the benefit of the shipper.

Mr. Adamson stated that he believes that Subject TONY ROMANO represents the Al Capone Gang in the attempt to close the Chicago and North Western Railway track to buyers of juice grapes unless they pay a tribute to the racketeer; that Subject MANNY SCHRAIBERG, who has an office on the 10th floor of the Produce Exchange Building, 1425 S. Racine Avenue, Chicago, Illinois, has been placed in charge of the juice grape racket in Chicago and that he is assisted by Subject ROMANO. Mr. Adamson stated he had been informed that ROMANO had been interrogated at the Chicago and North Western Railway Juice Grape Track on Sept. 25, 1930 by investigators from the State Attorney's Office in Chicago, Illinois, who were accompanied by police detectives of the Chicago Police Department, and an investigator of the Chicago and North Western Railway, regarding the alleged juice grape racket operating on the Chicago and North Western Railway track. Mr. Adamson stated that in 1929 Joe Farrara was the largest juice grape buyer in Chicago, Illinois, but Mr. Adamson emphatically denied that Joe Farrara had intimidated any juice grape buyers at the Chicago and North Western Railway track in 1929 or had received any tribute through the juice grape racket. Mr. Adamson stated that he and Joe Farrara operated a joint account in 1929 for the buying of juice grape cars which were opened at the Chicago and North Western Railway track and peddled out to buyers. Mr. Adamson stated that in 1929 he also sold cars for the Chicago shipper at private sales and that the peddling of grapes from these cars had never been interfered with by Joe Farrara and that buyers had not been intimidated in any way in purchasing grapes from cars not owned by Farrara. Mr. Adamson stated that Joe Farrara had a brother-in-law named Dominick DeMore who was married to Farrara's sister and that Dominick DeMore supplied the money for Farrara to purchase the juice grapes in 1929; that Vincent DeMore, brother of Dominick DeMore, was also interested in the sale of juice grapes at the Chicago and North Western track, but

had no money involved in the deal; that Tony Formare was also partner of Ferrara's in his grape deals and was in company with Ferrara when he was killed in June, 1930 in Chicago, Illinois. Mr. Adamson stated that in 1930 Jim Ferrara or his associates did not start any tribute from any buyers at the Chicago and North Western Railway track or on any other of the three tracks on which juice grapes were sold in Chicago, Illinois and that the juice grape market was open to all buyers.

Mr. Adamson stated that Subject ROMANO has never attempted, as far as he, Adamson, knows to intimidate buyers at the Chicago and North Western Railway track in 1930. He stated that Subject SCHREIBERG had visited him and had suggested that a juice grape racket be established at the tracks in Chicago where juice grapes were unloaded. Mr. Adamson stated that he was much opposed to this proposition and prepared a "fake" telegram dated Sept. 10, 1930, supposed to have been sent from Washington, D. C. by Mr. Donald D. Conn to Mark T. Adamson at Chicago, Illinois, and another telegram (fake), dated Sept. 10, 1930, supposed to have been sent from Los Angeles, Cal. by T. H. Pepper of the Pepper Fruit Company to Mark T. Adamson at Chicago, which telegrams are as follows:

COPY

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Washington, D. C.
Sept. 10 11 1930

Mark T. Adamson, Personal
Mark T. Adamson Co.
Chicago, Ills.

Clearing House Control Board wire they are advised there is organization started in Chicago to control purchase and sale of all juice grapes. Do you know anything about this deal or people connected with it. You are aware Federal Government through Farm Board has already put approximately eighteen million dollars into grape relief program through Federal Control Board and are working on plan to put in additional eight to ten million. We cannot tolerate any organization interfering with free sale and movement of grapes in Chicago or any other markets and if necessary the entire power of United States Government will be used to combat any such organization. If you know people connected with this organization, you will do them favor by conveying this information to them.

(sgd) Donald D. Conn.

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Mark T. Adamson
c/o Mark T. Adamson Co.
Chicago, Ill.

An informed you are connected with some organization for the control of purchase and sale of grapes in Chicago STOP I cannot and will not have any representative who has any business that takes preference over mine STOP Must insist that you as well as all other representatives give me one hundred percent loyalty in time and service STOP Does want dictate to you how to run your business, but certainly can dictate how you shall handle my business, Cannot see how you can give me honest representation if you are connected with organization which is buying my shipments as well as shipments of other shippers STOP Must have immediate answer advising whether my information is correct, also whether you prefer continue your connection with this new organization or handle my business, because frankly, Mark, you cannot do both, whatever your decision is, will be satisfactory to me, but want definite answer immediately

(sig) W. E. Pepper 225

Mr. Adamson stated that he exhibited these two fake telegraphs to Subjects SCHWARTZBERG and ROMANO and told them that if they persisted in their efforts to establish a juice grape racket in Chicago, Illinois they would get into serious trouble with the United States Government, Subjects in this case asked him for copies of these telegrams so that they might take this matter up with their headquarters and Mr. Adamson stated that he made copies of both telegrams which were given to Subjects and that since that time Subjects have not made any effort to establish a juice grape racket at the Chicago and North Western Railway yards at Clinton Street, Chicago, Illinois.

In regard to the title of juice grape cars, Mr. Adamson stated that the cars from the Pepper Fruit Company for which Mark T. Adamson Company is the broker and representative in Chicago, are billed by the Pepper Fruit Company to the Pepper Fruit Company, Chicago, Ill, Mark T. Adamson Company, representative; that when the juice grape cars are sold that Adamson pays the freight and other charges, deducting his \$25.00 brokerage commission and makes out Mark T. Adamson Company's check to the Pepper Fruit Company, which is deposited in a Chicago bank.

to Pepper's Agency that the bank T. Adams Company had made deposits to this account but cannot withdraw by checks therefrom. Mr. Adams stated that about 80% of all the fruit juice bottles sold at private sale in Chicago, Illinois are made in this bank.

DESCRIPTIONS:

The following descriptions of subjects and Tony Tornatore were furnished by Mr. Adams:

Name:	Tony Romano.	Manay Behrberg
Age:	35 years.	40 years.
Height:	5'7"	5'8"
Weight:	190 lbs.	150 lbs.
Build:	heavy.	medium
Eyes:	black - squinted.	dark
Hair:	black	black
Complexion:	dark	very dark
Marital status:	married	married, two children
Occupation:	operates soft drink parlor, at corner of Wells and Erie Sts. Chicago, Ill.	fruit and vegetable broker lives in vicinity of Logan Square, Chicago.
Nationality:	American citizen, speaks good English.	American citizen, speaks good English, was born in Chicago, Ill.
Relatives:	brother, Frank Romano, formerly employed in Internal Revenue Bureau, Chicago, Illinois, has two brothers operating drug stores in Chicago; father operated a saloon in Chicago before prohibition.	Drives big Cadillac car, with wire wheels painted white.
Criminal record:	arrested when a woman was shot in a restaurant at the corner of Wells and North Ave. Chicago, identified the killer, and Tony Romano released.	

Name: Tony Tornatore, alias Tony Bush.
Age: 22 years.
Height: 6'
Weight: 200 lbs.
Build: heavy.
Eyes: dark, squinted
Mustache: smooth face.
Hair: dark brown
Marital status: single.

was killed and, from 1929, immediately left the army and is unknown. Therefore, the name in the Chicago Police files is likely Phil Smith.

Agents interviewed Mr. Charles W. Irrgang, who stated that on Sept. 25, 1930, an individual whose first name is unknown to Mr. Irrgang, and who is a juice grape peddler at the Chicago and North Western Railway tracks, while in Mr. [Smith's] office stated that a buyer at the Chicago and North Western track had told Phil that if he wanted to peddle grapes at the Chicago and North Western track that he (Phil) would have to pay the grapes at the price set by the racketeer; that if this gang of racketeers purchased grapes at \$1.00 a lug that they would charge him \$1.00 a lug, and also told Phil that the buyers of juice grapes at the North Pe and Rock Island delivery tracks would have to purchase their grapes from the racketeer and that the gangsters would not allow cars to be opened unless the buyer had previously paid \$50.00 a car to the gang. Mr. Smith said that Phil further informed him that while he (Phil) was in the office of a Chicago broker that he heard a conversation in which a buyer stated that he had received \$75.00 profit on a year's worth of juice grapes and out of this \$75.00 had been obliged to give \$50.00 to the "Creek" representing the juice grape racket. Mr. Smith stated he would attempt to ask this man known as "Phil" again and find out his last name so that "Phil" might be interviewed in this matter. Mr. Smith further stated his firm has not sold any cars of juice grapes at the Chicago and North Western track in 1930 because they fear that if they sell any cars there that personal violence will be done to their employees by the racketeers operating at that track. He stated if he had any cars arriving on the Chicago and North Western Railway juice grape track that he diverts them to the Chicago Produce Terminal where they are sold at auction, and if necessary, then they are diverted back to the Chicago and North Western track for distribution.

Mr. Charles W. Irrgang gave Agents a copy of a catalog on California grapes to be held by the U. S. Fruit Auction Company, dated Sept. 25, 1930 at the Produce Terminal, 27th and Ashland Ave., Chicago, Illinois. This catalog is attached to the Bureau copies of this report and marked EXHIBIT "B".

Agent R. N. Butterworth in 1929 made an investigation of the Minneapolis and St. Paul Fruit Auctions and in that investigation, entitled - GAMBLE-ROBINSON COMPANY ET AL, Agent Butterworth interviewed Mr. E. E. Mills and Mr. Charles W. Irrgang of the Chicago Fruit Auction Sales Company regarding the method of operating the auction in the sales of fruits and vegetables in Chicago. The method of selling juice grapes

on the U. S. Fruit Auction Company is the same as that used in selling
melons. The U. S. Fruit Auction Company is the same as that used in selling
the U. S. Fruit Auction Company is the same as that used in selling
grapes. Reference to this report is made in the report on the
method of operation of the U. S. Fruit Auction Company.

It is requested that the U. S. Fruit Auction Company
be requested to be the same as that used in selling
grapes.

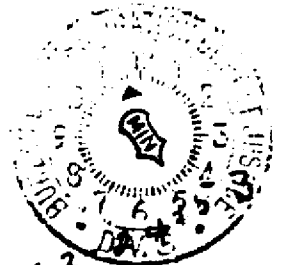
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U. S. Department of Justice

Bureau of Investigation

P. O. Box No. 1405,
CHICAGO, ILL.

RECEIVED



62
OCT 6 1930 AM

October 3, 1930.

Director,
Bureau of Investigation,
Department of Justice,
Washington, D. C.

RE: MANNY SCHRAIBER;
TONY ROMANO;
JUICE TRAPE INVESTIGATION
ANTI-TRUST MATTER

Dear Sir:

With reference to the above entitled case,
it is respectfully requested that this office be advised if
it is the Bureau's desire to have further investigations
conducted in this district.

Very truly yours,

F. X. Fay

F. X. FAY,
Acting Special Agent in Charge.

RNB-mk

60-166.

*For Tony Romano
C. 3-1002*

*Attache
10/8/30
MHA*

RECORDED

OCT 10 1930

62-24153-17		
OCT 6 1930		
Div. Three		

*ack
10-8-30*

51

United States Fruit Auction Company
27TH AND ASHLAND AVE.

Number
628

CHICAGO, DEC 10 1932

\$1360

Paid to the order of

John Smith

THREE THOUSAND SIX HUNDRED DOLLARS



Dollars

TO THE
Continental and Commercial National Bank
OF CHICAGO
Chicago, Illinois. (2-3)

Charles J. ...
BY *M. ...*

United States Fruit Auction Company

VICE PRES.

TREASURER
SECRETARY

United States Fruit Auction Company
27TH AND ASHLAND AVE.

Number
628

CHICAGO, DEC 10 1932

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John Smith

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Continental and Commercial National Bank
OF CHICAGO
Chicago, Illinois. (2-3)

Charles J. ...
BY *M. ...*

United States Fruit Auction Company

VICE PRES.

TREASURER
SECRETARY

ENCLOSURE

October 4, 1930.

MEMORANDUM FOR MR. HUGHET BOBBS,
Acting Chief, Criminal Division.

62-24153

For your information, in connection with the complaint received in the Department concerning possible violation of the Antitrust Law on the part of gangsters at Chicago in interfering with the interstate shipment of juice grapes, there is enclosed herewith, copy of a report of Special Agent R. M. Bitterworth of the Chicago Office, under date of October 2, 1930, to which there is attached a photostatic copy of a check in the sum of \$1560.00, made payable to Joe Farrar, and signed by Charles W. Irrgang and C. R. Godding. A copy of this report and enclosures have been transmitted to Mr. O'Brien, the Assistant to the Attorney General, and no further investigation will be made pending his instructions.

Very truly yours,

Director.

Encl. #643361.

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BUREAU FILES DIVISION
MAILED
OCT. 4 1930
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62-24153-18
BUREAU OF INVESTIGATION
OCT 6 1930 A. M.
D. E.

October 8, 1930.

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OCT 10 1930
VWH:AMW
62-94153-17
Agent in Charge,
P. O. Box 1405,
Chicago, Ill.

Dear Sir:

Confirming telephonic instructions of the 8th instant, it is desired that further efforts be made to obtain from Mr. Charles W. Irrgang, the reason for the complaint made by him to the Department and later to Agents Butterworth and Miller of your office, with regard to the interstate shipment and sale of juice grapes.

A review of the report of Agent Butterworth, dated October 2, 1930, reveals only that an assessment of \$50.00 will be placed on each carload of grapes coming to the North Western Railway Trask. It does not appear that any actual assessment has yet taken place. It also seems that Mr. Irrgang is apprehensive as to the duties of the association which, he claims, are now being performed by Mark T. Adamson, but on the other hand, it does not appear that this organization has been consummated. It is, of course, entirely possible that some action has taken place since the original interview with Mr. Irrgang, in view of the fact that this is a great shipping season and no doubt a large number of carloads have been received since the original interview.

The Department is curious to know why the North Western Railway Terminal should be discriminated against in the matter of the shipping and sale of juice grapes. From the report of Agent Butterworth, it appears that that terminal is the only one where assessments have been made against carloads and where the assessment of \$50.00 appears to be made. The Department would like to have sufficient facts at hand to be able to determine why this particular terminal is used for the purpose of these assessments, rather than the several other terminals used by the grape shippers and brokers. It is desired that these matters be given your immediate attention and that a report be submitted at the earliest practicable date.

Very truly yours,
Director.

BUREAU FILES DIVISION
MAILED
OCT 8 1930
P. M.
RECORDED

61

No. 1
 THIS CASE ORIGINATED AT **CHICAGO, ILLINOIS**

REPORT MADE AT: Chicago, Illinois	DATE WHEN MADE: Oct. 7, 1930	PERIOD FOR WHICH MADE: Oct. 8, 1930	REPORT MADE BY: ALBERT MILLER
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MANNY SCHRAIBERG TOMY ROMANO GRAPES GRAPE INVESTIGATION	ALBERT MILLER
--	----------------------

SYNOPSIS OF FACTS:

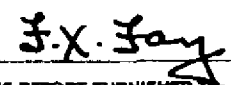
Charles W. Irrgang has not returned into the deal on behalf of his company with Washington in Chicago this year to pay them any tribute on juice grapes sold at auction; claims that Subjects Schraiberg and Romano or their agents are collecting \$50 and upward per day from juice grape peddlers at Chicago & North Western Railway terminal, but cannot submit names of anyone paying said tribute; claims reason similar activity has not spread to other juice grape tracks is because news of recent trip to Washington, D. C. by himself and others and news of possible investigation by the Government has become known to gangsters. Chicago office requests instructions as to further investigation.

REFERENCE: Report of Special Agent E. W. Butterworth, dated at Chicago, Illinois, October 2, 1930.

DETAILS: AT CHICAGO, ILLINOIS.

The following investigation was conducted in pursuance to a telephone conversation on October 8, 1930, between Vincent Hughes of Division #3 of this Bureau and Frank X. Fay, Acting Special Agent in Charge of this Bureau office.

Agent interviewed Charles W. Irrgang at 169 South Water Market, Chicago, Illinois. Mr. Irrgang stated the only definite data he could submit relative to the activities of the racketeers and gangsters

APPROVED AND FORWARDED:  SPECIAL AGENT IN CHARGE	62-24153-19 BUREAU OF INVESTIGATION OCT 9 1930 A.M. DEPARTMENT OF JUSTICE	RECORDED AND INDEXED: OCT 9 1930 CHECKED OFF: OCT 15 1930 JACKETED:
COPIES OF THIS REPORT FURNISHED TO: 3- Bureau 3- Chicago 10-11-30	ROUTED TO: Div. Three	FILE

in Chicago, Illinois, in connection with the sale of grapes which directly affected the business of the companies in which he is interested. The above information was submitted to this Bureau and Special Agent Butcherworth herebefore, and at this point Mr. Irrgang reported substantially the same data which is reflected in paragraphs 2 and 3 on page 2 of letter dated at Chicago, Illinois, May 22, 1930 from the Chicago Bureau Office to the Director, and also the data which is reflected in the last paragraph on page 2 of the report of Special Agent E. W. Butcherworth, dated at Chicago, Illinois, May 22, 1930.

Mr. Irrgang further stated that as a result of not having made any deal with Subject Schraiberg and Romano (who told Mr. Irrgang that they have taken the place of Joe Ferrara in the juice grape racket, as representatives of the Al Capone (gang) and that because of intimidation by Subjects Schraiberg and Romano or their agents of small dealers who are peddlers of juice grapes, they are not selling as many cars of juice grapes at the auction at the Produce Terminal track, located at 27th and Ashland Avenue as they would sell under normal conditions.

Mr. Irrgang stated that Subjects Schraiberg and Romano are seen daily at the Chicago & North Western Railway juice grape track and their latest activity is that it is reported that they have made a deal with some of the more influential juice grape peddlers to permit these peddlers to open the juice grape cars on track and peddle juice grapes out of the cars fully upon the payment to them of a \$500 tribute for the entire season. This arrangement applies to peddlers who handle from 25 to 100 cars in the juice grape season. Smaller peddlers are obliged to pay Subjects Schraiberg and Romano or their agents the sum of \$50 per car as tribute. Mr. Irrgang stated that the foregoing information comes to him second and third handed and he is not in a position at this time to submit any names or addresses of juice grape peddlers who have actually paid the above named tribute, nor the names and addresses of any persons who have submitted this information.

Mr. Irrgang stated that on Friday, October 3, 1930, an Italian peddler of juice grapes by the name of Frank Zambardi (whose home address may be 945 W. Leanington Ave. Chicago, Illinois) called at his office and wanted to arrange to purchase juice grapes from the Produce Terminal juice grape track (27th and Ashland Ave.) and submitted as his reasons that these men (meaning Subjects Schraiberg and Romano or their agents) were demanding \$50 per car from everyone opening cars

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at the Chicago & North Western Railway juice grape track, and he did not want to open any cars on the Chicago & North Western juice grape track this year under these conditions.

Mr. Irrgang reiterated that he knows the \$50 and upward per car is being paid as tribute to Subjects Schraiberg and Romano or their agents; that he has obtained this information only from indirect reports and that he cannot submit the names of any car peddlers who have actually paid such tribute.

Mr. Irrgang stated that the reason the racketeers and gangsters appear to confine their activities to the Chicago and North Western Railway juice grape track is because in the past years the Aiello-Moran Gang concentrated all of their efforts at this particular juice grape track; that it was Joe Ferrara's idea last year to organize the buyers at the other juice grape terminals in Chicago this year, but that he was killed before he could carry this plan into execution. In view of this situation, late in August or early in September of this year the Al Capone Gang placed Ted Newberry in direct charge of the juice grape racket under whom Subjects Schraiberg and Romano formulated plans to organize all of the juice grape tracks by "strong arm and muscling methods". However, due to the fact that information regarding the recent trip to Washington, D. C. by the officials of the U. S. Fruit Auction Company of Chicago (Messrs. Irrgang, Mills and Godding) had leaked out and had reached the Al Capone interests, and that information of a possible Government investigation had reached them, they have temporarily abandoned the plans to expand their activities to the juice grape tracks other than the Chicago and North Western Terminal and are concentrating all of their activities to the latter terminal for the time being.

Mr. Irrgang stated that if a proper interview could be had with a Mr. Butell, who is an employee of the Chicago and North Western Railway in charge of the grapes at the Chicago and North Western Terminal and if he would talk, he could give valuable information, as Mr. Irrgang feels that he (Butell) must be in full possession of all the facts relative to the activities of the racketeers in collecting tribute at the Chicago and North Western Terminal in the past years and knows what has occurred at this terminal this year. Mr. Irrgang is of the opinion that Mr. Butell could submit the names of peddlers who have been obliged to pay the \$50 and upward as tribute. Mr. Irrgang stated he knows Mr. Fred Sargent, President of the Chicago and North Western Railway Company and that Mr. H. Beyers, Vice President of the Chicago and North Western Railway Company (in charge of traffic) are anxious and desirous to clean up this situation on the Chicago and North Western Railway Terminal, and that if they were interviewed they would instruct their employee, Mr. Butell who is cognizant of all that is transpiring at the Chicago

and North Western juice grape track, to ...
Mr. Irrgang stated that on ...
the officials of the Chicago, Milwaukee, St. Paul & Pacific Railroad sent their representative, Mr. Casey, to the city ...
of traffic, to see him. Mr. Casey informed Mr. Irrgang that ...
Thomas Proctor, Vice President of the Chicago, Milwaukee, St. Paul & Pacific Railroad desired to make an appointment with Mr. Irrgang with a view to discussing the situation regarding the giving of assistance to them to permit the opening and peddling of juice grapes out of cars on their rails, which are adjacent to the Chicago and North Western juice grape tracks. Mr. Irrgang stated that Mr. Casey had informed him that the Chicago, Milwaukee, St. Paul and Pacific Railroad had expended over \$100,000.00 to construct a set of fine concrete tracks to be used for the peddling of grapes, but that the Gang (meaning the racketeers and gunmen) at the Chicago and North Western juice grape tracks had prohibited this from being accomplished. Mr. Irrgang stated that he had requested Mr. Casey to furnish him with the names and addresses, and instances of alleged interferences on the part of the racketeers and gunmen, but that Mr. Casey stated that this was impossible because of the fear of the Italians who have been intimidated to give any information.

It is requested that the Bureau issue instructions as to further investigation desired in this case.

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October 11, 1930.

OCT 15 1930

MEMORANDUM FOR MR. EUGENE DOUGLASS, ACTING HEAD,
CRIMINAL DIVISION

In connection with the so-called Juice Grape Investigation at Chicago, there is inclosed herewith a copy of the report of Special Agent Albert Miller dated October 7, 1930, at Chicago, entitled MANNY SCHRAIBERG, TONY ROMANO, JUICE GRAPE INVESTIGATION.

A copy of this report has been forwarded to Mr. O'Brien, the Assistant to the Attorney General, and further investigation will be dependent upon his advice.

Very truly yours,

Director.

Incl. #139905

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BUREAU FILES DIVISION
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OCT 11 1930
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October 11, 1930.

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OCT 15 1930

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. CUNNINGHAM

Attention: Mr. Coss

With further reference to the JUICE GRAPE INVESTIGATION at Chicago, there is inclosed herewith, for your information, a copy of the report of Special Agent Albert Miller, dated October 7, 1930, entitled MANNY SCHRAIBER, TONY ROMANO, JUICE GRAPE INVESTIGATION.

The data included in this report was collected as a result of telephone conversation with the Chicago office on October 6, following advise received from Mr. Coss. It will be noted that apparently the Chicago & North Western Railway terminal was selected by the so-called racketeers as a place of operation. The racketeers were intending, no doubt, to later extend their operations to the other terminals.

It will be appreciated if you will advise whether you desire any further inquiry made, either in connection with the letter received from Mr. Teague, member of the Farm Board, which was sent to you recently, or in connection with the matter as disclosed in the reports of Agent Butterworth and Albert Miller.

Very truly yours,

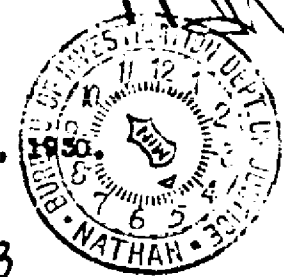
Director.

Incl. # 139902

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BUREAU FILES DIVISION
MAILED
OCT 11 1930
F. B.
DEPT. OF JUSTICE

6



October 11, 1930

62 24153

OCT 13 1930 PM

Memorandum re telephone call from Mr. Richey.

Mr. Richey said this man Smith I gave you; we got information from Chicago that he is more or less responsible for the raising; just got a call from Chicago and you might want to let your people know to put a spot on it; thought maybe your people might be able to get a line on it; they are going to break it on Tuesday; tell your boys to be careful the President is going to make a statement to the press.

Mr. Hoover said he has already taken care of the matter.

MO'B.

62-24153-20

INVESTIGATION

OCT 15 1930

OCT 14 1930

Nathan

65

PATRONS ARE REQUESTED TO FAVOR THE COMPANY BY CRITICISM AND SUGGESTION CONCERNING ITS SERVICE 1901-8

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

WESTERN UNION

NEWCOMB CARLTON, PRESIDENT

J. C. WELLES, FIRST VICE-PRESIDENT

SIGNS

- DL = Day Letter
- NM = Night Message
- NL = Night Letter
- LOC = Deferred Cable
- NLT = Cable Night Letter
- WLT = Week-End Letter

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is STANDARD TIME.

Received at 1416 K St., N. W. Phone National 7100 Br. 80

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W134 21 GOVT COLLECT=BD CHICAGO ILL 15 152P

VINCENT HUGHES=

DEPARTMENT OF JUSTICE=

PLEASE OBTAIN FROM TEAGUE AND WIRE CORRECT NAME AND

ADDRESS OF TAGGART REFERRED TO IN EUSTACE LETTER RE JUICE

GRAPES=

OSEAS.

RECORDED & INDEXED

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WHA

62-24153-21
BUREAU OF INVESTIGATION
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DEPARTMENT OF JUSTICE
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WESTERN UNION MESSENGERS ARE AVAILABLE FOR THE DELIVERY OF NOTES AND PACKAGES

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OCTOBER 16 1930

OCT 16 1930

H H CLEGG
BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
FEDERAL BUILDING
CHICAGO ILLINOIS

ADVISE SPECIAL ASSISTANT ORIAS TRACER NOT IN TOWN HIS OFFICE
HAS WIRE MUSTACHE IN CALIFORNIA FOR CORRECT ADDRESS TRACER
STOP MUSTACHE LETTER GIVES INITIALS V S TRACER WILL WIRE
TOMORROW MORNING UPON RECEIPT WORD FROM TRACER OFFICE

JOHN EDGAR HOOVER DIRECTOR

62-24153-3

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FBI:MEP

October 16 1930

H H CLEGG
BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
FEDERAL BUILDING
CHICAGO ILL

ADVISE OSKAS V O TAGGART EMPLOYED WITH FRY BROKERAGE COMPANY RACING TRACK IN
FOURTEENTH PLACE CHICAGO IN SOUTH WATER MARKET NEIGHBORHOOD

JOHN EDGAR HOOVER DIRECTOR

62-2453



NOV 16 1930

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FEDERAL BUREAU OF INVESTIGATION

62-2453-22	
BUREAU OF INVESTIGATION	
OCT 16 1930 A.M.	
DEPT. OF JUSTICE	FILE

WHE:AM

October 15, 1980

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. O'BRIAN

62-24153

Pursuant to your request for the assignment of Agents to assist Mr. Ocas at Chicago on the Juice Grapes Investigation, I desire to advise that Special Agent D. DiLillo of the Pittsburgh office of this Bureau has been ordered to immediately proceed to Chicago and will meet Mr. Ocas there today. Arrangements have also been made with the Chicago office to have available two Agents additional to Agent DiLillo for the service desired by Mr. Ocas. Special Agent Albert Miller, who has previously made investigation of the case, will also be available to inform Mr. Ocas of any additional developments.

Very truly yours,

Director

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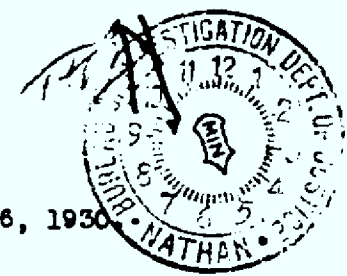
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U. S. DEPARTMENT OF JUSTICE

72

JOHN EDGAR HOOVER
DIRECTOR

U. S. Department of Justice
Bureau of Investigation
Washington, D. C.

RECEIVED



October 16, 1930

MEMORANDUM FOR THE DIRECTOR

OCT 17 1930 AM

On the afternoon of the 15th instant, a telegram was received by the writer from Special Assistant to the Attorney General Oseas at Chicago, requesting that contact be made with the office of Mr. Teague, member of the Farm Board for the purpose of ascertaining the correct name and address of one Mr. Taggart, mentioned in a letter addressed Mr. Teague by Mr. Eustace, which letter had been forwarded to the Bureau some days ago by Mr. Teague.

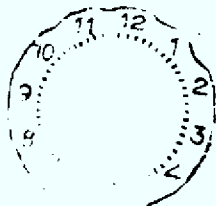
62-24153

I communicated with Mr. Teague's office and ascertained that he was out of town but learned through his Secretary that he probably had no personal knowledge of the address of Mr. Taggart. His Secretary, however, agreed to telegraph Mr. Eustace in Calif. and to advise this office promptly upon receipt of a reply. In the meantime, a telegram was forwarded to the Chicago office, advising that Taggart's initials were V. C. and that efforts were being made to learn his address.

This morning Mr. Teague's office called by telephone and stated that a reply had been received from Mr. Eustace, stating that Mr. Taggart's correct name was V. C. Taggart and that he was employed by the Fry Brokerage Company on Racine Avenue, 14th Place, Chicago in the south water market neighborhood. This information was promptly telegraphed to the Chicago office.

Respectfully,

V. W. Hughes.



OCT 16 1930

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U. S. Department of Justice
Bureau of Investigation
Washington, D. C.

October 20, 1930.

MEMORANDUM FOR THE DIRECTOR

The attached letter from the Chicago office in the matter of MANNY SCHRAIBERG, TONY ROMANO, JUICE GRAPE INVESTIGATION, describes the plan of investigation tentatively adopted at the time Mr. Oseas was at Chicago. This morning Agent Fay called me by long distance and advised that Agents Little and Miller had conferred with Charles Irrgang and perfected arrangements whereby a carload of grapes would be "knocked down" to Agent DiLillo under an assumed name. This transaction would require no transfer of money. However, Irrgang would furnish a cashier's check for \$600 to be used by DiLillo to pay the freight on the car amounting to 500 odd dollars and to defray the expected racket charge of \$50.00. The returns of sales will be placed in the bank by Agent Fay and later surrendered to Mr. Irrgang.

Upon receipt of information from Agent Fay, I advised Mr. Oseas, who in turn later saw Mr. O'Brian and has now requested that we proceed with the investigation as planned. Consequently, I have prepared the attached wire authorizing the Chicago office to proceed.

Agent Fay has been advised that the Bureau is desirous of having Agent DiLillo return to his headquarters at the very earliest practicable date.

Respectfully,

V. W. Hughes

V. W. Hughes.

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[Signature]*

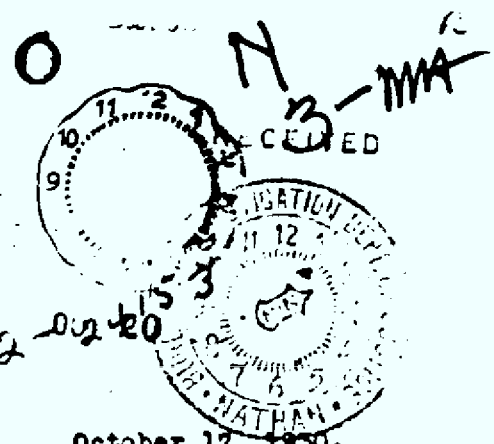
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U. S. Department of Justice
Bureau of Investigation

P. O. Box No. 1405,
CHICAGO, ILL.



October 17, 1930.

OCT 20 1930 AM

Director,
Bureau of Investigation,
Department of Justice,
Washington, D. C.

RE: MANNY SCHRAIBERG; TONY ROMANO;
JUICE GRAPE INVESTIGATION;
ANTI-TRUST MATTER

Dear Sir:-

Pursuant to telephonic instructions received from Mr. Vincent Hughes on October 13th and 14th, 1930, Agents Albert Miller, M. T. Little and D. DiLillo conferred with Special Assistant to the Attorney General, Mr. I. B. Oseas, who arrived at the Chicago Bureau Office on the morning of October 15, 1930 at 9 A. M. The investigation conducted by Mr. Oseas and the above named Agents will be covered in the form of a report which will be submitted shortly.

During Mr. Oseas' visit he informed the writer that he desired Agents Little and Miller to interview approximately twenty persons, all located in the city of Chicago, and engaged in various phases of the juice grape business, and such other persons having useful information, which interviews with the foregoing may disclose. It was Mr. Oseas' idea to obtain, if possible, signed statements from all persons interviewed, and he was informed that the Chicago Bureau Office would make every effort to comply with this request.

As a result of the conference had by Mr. Oseas with Mr. Charles Irrgang, Mr. Oseas decided that Agent DiLillo could be used to advantage in conducting an under-cover investigation. The present plan is to have Agent DiLillo purchase a carload of grapes and sell them at the juice grape terminal of the Chicago & North Western Railway. It is expected that shortly after Agent DiLillo becomes engaged in the above business he will be approached and either requested to discontinue or contribute a certain amount of money for the privilege of conducting his juice grape business at the North Western Railway terminal. Mr. Oseas suggested that prior to the entrance of Agent DiLillo into this business that he (DiLillo) visit the various terminals where juice grapes are being sold and also the Auction for the purpose of becoming acquainted with the

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manner in which the juice grape business is conducted. Mr. Oseas also requested that Mr. DiLillo should not become engaged in the juice grape business until October 20, 1930, at the earliest, as he (Oseas) wanted to talk this matter over with the officials of this Bureau.

Mr. Oseas had no definite suggestion as to the manner in which Agent DiLillo's business would be financed. However, he stated in substance that Mr. Irrgang would finance this proposition, but had no information as to the details concerning same. Mr. Oseas was also undecided as to whether it would be best to have Agent DiLillo deal directly with Mr. Irrgang, or through an intermediary.

On the afternoon of October 17, 1930, the writer had a telephonic conversation with Mr. Charles Irrgang, at which time the latter informed the writer that he had knowledge that Agent DiLillo was the man who would be used under cover in this investigation. This would seem to indicate that since the writer's conversation with Mr. Oseas, the latter has informed Mr. Irrgang as to the identity of the man to be assigned under cover. While talking to Mr. Irrgang definite information was obtained concerning the manner in which Agent DiLillo would operate. Mr. Irrgang suggested that Agent DiLillo should "get next to one of the boys buying grapes at the Auction and request him to purchase a carload for him" (DiLillo). Mr. Irrgang stated that possibly it would be necessary to pay a small fee for this service, - probably fifteen to twenty-five dollars. He informed the writer that carloads of juice grapes were selling for approximately \$1,000. He stated that he was ready and willing to furnish the necessary financial backing for Agent DiLillo's business venture, and related that the money obtained by Agent DiLillo, as a result of his selling a carload of grapes, could be delivered to an agent of this office, and in turn given to Mr. Irrgang. Mr. Irrgang stated that he was not interested as to whether or not the juice grapes could be sold at a profit by Agent DiLillo.

At the time the writer conferred with Mr. Oseas, prior to his departure from Chicago, Illinois, he stated he expected to return to Chicago about November 5th or 6th, 1930. He requested that he be immediately notified when Agent DiLillo enters the juice grape business, and further, that he be kept advised as to any unusual events which may arise therefrom. The writer advised Mr. Oseas that the Bureau would be promptly advised should any unusual developments occur in this connection.

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Mr. Oseas also suggested that, if possible, Agent DiLillo pay tribute on two or three occasions, as demanded, and suggested that corroboration, if possible, be obtained in all instances where Agent DiLillo is approached by any person or persons engaged in interfering with the sale of juice grapes at the North Western terminal. At this time it is the intention of the writer to have Agents DiLillo and Palmora (the latter, it being advised, will report to this office for assignment on October 18, 1930) go into the juice grape business on a partnership basis in an effort to obtain the corroboration desired by Mr. Oseas.

The substance of the foregoing information was related to Mr. Vincent Hughes by long distance telephone on the afternoon of October 17, 1930, and as per instructions received at that time, this office will suggested that Mr. Irrgang draw a check in the amount necessary for the purchase of a carload of juice grapes, which will in turn be converted by this office into a cashier's check and used at the time the carload of juice grapes is purchased. Mr. Irrgang's check will be drawn in a sufficiently large amount to include the fee which may be charged by the person purchasing the juice grapes for Agent DiLillo, and also to cover the \$50 tribute, which it is thought may be requested. Both of the latter transactions, of course, will have to be paid in cash, and this cash will be obtained as change at the time the cashier's check above mentioned is tendered in payment for the carload of juice grapes. Inasmuch as Mr. Oseas desires that Agent DiLillo pay tribute, if possible, on two or three occasions, the foregoing procedure will be repeated as often as is necessary. It is also Mr. Oseas' idea to pass marked money at the time the last tribute is exacted and immediately thereafter have the person or persons exacting such tribute taken into custody. Nothing definite, of course, can be decided upon this phase of the case at the present time, as it is not known what circumstances will arise in the course of the investigation. However, you may rest assured that the Bureau will in no way be embarrassed by the action taken by the Agents assigned to this matter.

Agents DiLillo and Palmora will be duly impressed with the fact that they are to do nothing which may form the basis for a defense of entrapment at a subsequent date.

77

- 4 -

The writer has endeavored to lay before you the present status of the foregoing investigation and if anything in the aforementioned plan of procedure does not meet with the approval of the Bureau, or if the Bureau desires to issue further instructions with respect to the conduct of this investigation, same will be greatly appreciated by this office. This office will endeavor to keep the Bureau constantly informed as to further developments, as they arise, in this investigation.

Very truly yours,

F. X. Fay

F. X. FAY,
Acting Special Agent in Charge.

FXF-mk

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RECORDED

OCT 21 1930

OCT 21 1930 PM

OCT 22 1930

H. H. CLEGG
BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
FEDERAL BUILDING
CHICAGO ILLINOIS

YOUR
PLAN DESCRIBED/LETTER SEVENTEEN AND PHONE CONVERSATION WITH HUGHES TODAY APPROVED

JOHN EDGAR HOOVER DIRECTOR

62-24153
MS

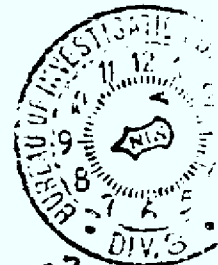
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RT9

U. S. Department of Justice
Bureau of Investigation

CHICAGO, ILLINOIS
P. O. Box 1405

RECEIVED



October 17, 1930

62-24153
OCT 20 1930

*W
D*

DIRECTOR,
Bureau of Investigation,
Department of Justice,
Washington, D. C.

Dear Sir: Manny Schraiberg; Tony Romano; Juice
Grape Investigation- Anti Trust

There are transmitted herewith two
photostatic copies of editorial page of the Pacific
Rural Press, San Francisco, California, dated October
11, 1930.

Attention is respectfully invited to
the editorial appearing under the caption "Chicago
Racketeering and California" and to the statements
therein contained which relate to the investigation
now in progress in this office in connection with the
above entitled matter. The enclosures are submitted
for the attention of the Department.

Very truly yours,

F. X. Fay
F. X. FAY, Acting
Special Agent in Charge

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OCT 24 1930

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PACIFIC RURAL PRESS

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CALIFORNIA FARMER

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Chicago Racketeering and California

"THE return Al Capone, says, to give the public a talk a lot of trouble," remarked the California man.

"Yes, the poor Jacobs, he's got 'em bad 'n' good," harked in his neighbor.

"Do bein' 'Poor and Chicago'?"

"And the Social Party took to introduction of deal 'n' deal."

"I've got it appears that racketeering in California is a Joe Nathan for California."

"Because the racketeers pay a toll of \$200 on every \$1000 they pay toll in the second year."

And likely the drayage tolls also include some racketeering charges.

And doubtless there are many tolls other than these.

Seems to need a little attention, does it not?

THE Chicago Daily News of September 22 has a very interesting study about Al Capone and his racketeering government of Chicago.

The article uses many names, both of racketeers and of their lawyers and collateral associates.

It intimates that racketeers drink with racketeers for whom the police are looking, and apparently the police include the racketeers cannot see the racketeers well enough to identify them.

Men roam the city with food for racketeers, while evidently the new paper men meet them on the street and talk so freely.

Here is a little of the News article. With we had space to reproduce all of it.

The main source of revenue is the beer and liquor business.

Take Conkack, for instance. The booze in that city has been for a while of his doing, a man with a fine, fine blowing, but a bad temper. Heed with a cop in the day when they both had rather than Johnny for his New York dwellers in the city downtown hotel, the anatomy of entering a city and for getting the good deal which he is often made his wealth.

Conkack has his associates, his wife and her up on their neighbors. There has been and who has a good deal. He has a good deal of money. He has a good deal of money. He has a good deal of money.

Also he has Harry, a racketeer. This is a Capone's brother, once living in Long Beach, California. His present representative for the booze Harry and his gang are opposed by the racketeers, the control of the booze property. Just when they are a little for a racketeer, they can't see the way with different racketeers to a racketeer. They are about with the racketeer of a racketeer, with effort, a racketeer is rarely supported by a brass band marching down a busy street.

They do much racketeering, a racketeer, they do all the racketeering. Racketeers, they do all the racketeering. Racketeers, they do all the racketeering. Racketeers, they do all the racketeering.

CHARLES POWELL, one of many times had racketeering, was first spotted in Chicago when the racketeer, with more money than he could handle, was seen in the city. He had a good deal of money. He had a good deal of money. He had a good deal of money.

canned good.

Good luck to the racketeer.

Henry Heblom, formerly of the State Market Office, once made inquiry about this racketeer and a lot of racketeers among racketeers of the Middle West.

"If you do it you will make the racketeer a racketeer," racketeer says.

Possibly, but whom are we trying to please, the racketeer or racketeer?

Perhaps racketeer, the racketeer racketeer, racketeer racketeer, racketeer racketeer.

Be, racketeer racketeer.

Light Needed on Fish and Game Policies

ACCORDING to the California Fish and Game Commission, the state's fish and game policies are in need of a complete re-examination.

The commission, in its report, says that the state's fish and game policies are in need of a complete re-examination.

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California

WHAT follows. At Chicago, seems to give the Chicagoans a lot of trouble," remarks the California.

"Yes, the poor boob, he's got 'em but don't know 'em but he'll be."

"He has? You old Cl again?"

And California turns back to introspection of real affairs.

And yet it appears that racketeering in Chicago is a local affair for California.

Increases the racketeers' exact a toll of \$40 on every car of grapes sold in the second largest market in the country.

Because grapes are used for wine making, the racketeers probably figure that California will do its growing in private.

And perhaps they don't care if California does, but now the racketeers are bigger than Chicago in power and they may think they are better than any more state.

For the \$50 toll on every car of grapes is assessed and collected if you want to get along without a little trouble of the racketeering with you pay it.

Of course, the money is collected off the buyer of the grapes, but that means that the private city of the Post paid the bill. The private party of the first part is always the farmer, "as a thing, he's only a boob."

AND the racketeers' toll is not the only one in Chicago, the toll city.

There is a \$60 switching charge in Chicago which hits many grapes.

Grapes come into that city over many lines. They are yarded by themselves. If they are sold and switched back to the same railroad over which they came in, well and good, but if it is necessary to switch them to some other line for convenience, the \$60 switch depends on the car. H. J. LaFace, the market chief of California observes these things in a trip around the markets in Chicago.

Just why the \$60 switching charge for grapes, while other fruits and vegetables pay only \$12.50 a car, no one seems to know. Seemingly no one has troubled much to protest. It would appear to be time to raise a question here.

Obviously, tolls like this find their way back to the grower in the price the buyer is willing to pay.

A toll of \$50 for the racketeers, plus a possible \$60 switching charge is \$110 per car.

Pretty heavy toll in the toll city of Chicago.

each of the grapes. (Price of an hour's work is \$1.00.) They were found with the contents of a broken barrel with other fruit concentrated in a small space of by a bare hand reaching down a busy street.

They are such a disturbing way necessary and have caused the confusion Monday. They were probably in the hoop Monday and then for the police don't.

CHARLES ROWELL, has said many things that racketeering will be stopped in Chicago when the "good" citizens want peace more than they want honey. So long as they demand the liberty of a drunk they will have the "honey" of the racket.

Perhaps most of us have thought of it as a local problem. But it is more than that.

If the racketeers exact toll on grapes, how long will it be before they demand it on other fruits and vegetables?

What started out to be a question of one law for farmers and to be general laws, now. Or rather a local problem, it graduates into an economic one.

Racketeering is inherently in booze, prostitution and gambling, the illegal things, but the appetite of growing crime is insatiable.

It is said that in Chicago it is a cheat and a deal, not "lay it on the line" come one and sprinkle it all over the clothes of his customers and bring him to time.

The practice of "muckin' in" grows.

Where will it stop and when and how?

FROM time to time the paper has made a point once or twice since long that there are other markets in the United States, besides New York, Chicago, Philadelphia and Boston.

There is a market beyond Padunkville, the market of the farmer.

This year we for it have sold a lot of peaches on the sidelines of the country for home canning. But no one took the problem up.

We might sell table grapes that way if we tried.

We could probably sell a world of dried fruit in 10 and 20 pound boxes to the farmer, of that country if we set out to do it in an intensive way, but we do not do it.

There are a world of farm cooperatives in this country that might take a carload of one farm products if the thing were pushed. Such a project would not have to pay so many tolls as Chicago exacts.

P. E. Laney, of the Sutter Cooperative Growers, is sending a man into the Middle West small towns to try this very thing in the matter of

grapes to get into the Chicago market.

It is the main question of the day in the city and state, the question of the question whether the market is to be a market for the farmer or for the grower and the city. The grower is the main question of the day in the city and state.

Protection is only a question of time. A farmer's price for grapes is only a question of time, but it will not be a question of time for the grower. It is a question of time for the grower, but it is a question of time for the grower.

It has been claimed many times that the grower is the main question of the day in the city and state, but it is a question of time for the grower.

If it is true, the grower is the main question of the day in the city and state, but it is a question of time for the grower.

The market is to be a market for the farmer or for the grower.

Murder—Official and Unofficial.

SOME how it is a fact that a murder has been committed in the city of Chicago, Illinois, and the name of the murderer is known.

It is not a fact that a murder has been committed in the city of Chicago, Illinois, and the name of the murderer is known. It is not a fact that a murder has been committed in the city of Chicago, Illinois, and the name of the murderer is known.

About the same time a murder has been committed in the city of Chicago, Illinois, and the name of the murderer is known. It is not a fact that a murder has been committed in the city of Chicago, Illinois, and the name of the murderer is known.

One of the murderers was a woman, and the other was a man, and the name of the murderer is known.

The name of the murderer is known, and the name of the murderer is known, and the name of the murderer is known.

The name of the murderer is known, and the name of the murderer is known, and the name of the murderer is known.

The name of the murderer is known, and the name of the murderer is known, and the name of the murderer is known.

However, it is a fact that a murder has been committed in the city of Chicago, Illinois, and the name of the murderer is known. It is not a fact that a murder has been committed in the city of Chicago, Illinois, and the name of the murderer is known.

One of the murderers was a woman, and the other was a man, and the name of the murderer is known. It is not a fact that a murder has been committed in the city of Chicago, Illinois, and the name of the murderer is known.

62-24153-26

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OCT 24 1930

October 21, 1930.

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. O'BRIEN

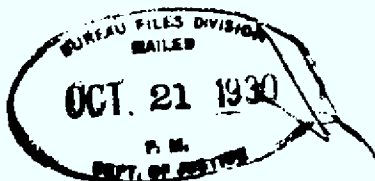
Attention: Mr. Ocaso.

This will confirm the delivery on October 20th to Mr. Ocaso of a copy of a letter addressed to this office by Agent F. K. Fay, Acting Special Agent in Charge of the Chicago Bureau office, under date of October 17th, together with a photostatic copy of an editorial from the Pacific Rural Press of October 11th referring to the racketeering in the grape industry at Chicago.

Very truly yours,

Director.

me



JOHN EDGAR HOOVER
DIRECTOR

U. S. Department of Justice
Bureau of Investigation
Washington, D. C.

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October 14, 1930.

MEMORANDUM FOR THE DIRECTOR

OCT 15 1930 AM

With further reference to the request of Mr. O'Brian made to the writer on the 13th instant to have Special Agents assigned to cover the Northwestern Railroad Yards at Chicago under cover for the purpose of observing the activities of the gangsters there in collecting tribute from purchasers of grapes, I desire to advise that arrangements have been made to have Special Agent D. DiLillo of the Pittsburgh office at Chicago on the morning of the 15th instant to meet Mr. Oseas of Mr. O'Brian's division who is leaving this afternoon for Chicago. The Chicago office has been advised to have present tomorrow morning Special Agents Little and Scanlon as well as Agent Albert Miller. Mr. Oseas desires to obtain certain additional information from Agent Miller who has previously investigated the case and he may probably use either Agent Scanlon or Agent Little with Agent DiLillo in the Northwestern Railroad Yards.

Mr. Oseas plans to have the work in the railroad yards continued for only several days because it is believed that by that time he will be able to ascertain just what is going on at the yards. However, in all probability, he will want the Agents to assist him in making some additional interviews and Agent Albert Miller no doubt will be used for that purpose.

Inv. On:

Respectfully,

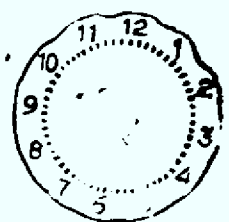
V. W. Hughes

V. W. Hughes.

62-24153-27

OCT 20 1930

*Chicago
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1557*



OCT 15 1930

Please see that the work in the yards does not extend beyond the period of one week & that the agents on it are then returned to their offices. We don't want another Sopolski - Poultry case affair.

62-24153-27

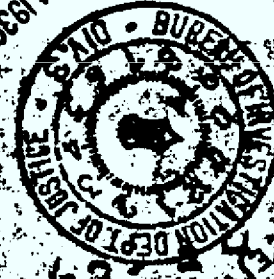
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October 15, 1930.

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OCT 21 1930



Agent in Charge,
P. O. Box 1406,
Chicago, Illinois.

Dear Sir:

With further reference to the investigation of the Juice
Grape situation at Chicago, I desire that you write promptly upon
receipt of this letter, advising of all developments to date.

Pursuant to request of Mr. Cozas by telephone on the
afternoon of the 15th instant, Special Agent Palmora of New York
has been instructed to immediately proceed to Chicago, and will
arrive there on the morning of the 18th instant. He is to be used,
of course, to accompany Special Agent DeLille. It should be borne
in mind that both Special Agent DeLille and Special Agent Palmora
are not to remain in Chicago indefinitely on this case. They are
assigned there solely to conduct under cover investigation at the
Railroad Yards, and it is not contemplated that they should remain
at Chicago, ~~primarily~~ in view of the fact that Special Agents Miller
and Butterworth at your office are familiar with the case to date,
and perhaps by this date Agents Scanlan and Little are also prob-
ably fully informed.

I will, of course, confer with Mr. Cozas upon his return
to the Department tomorrow, but desire that you keep carefully in
mind the fact that Special Agents DeLille and Palmora are to be
released at the earliest practicable date, and should not perform
any work other than that which specifically requires their type
so that the Agents of your office may continue the matter when
they are released.

Very truly yours,

Director.



dy

JMS

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JOHN EDGAR HOOVER
DIRECTOR

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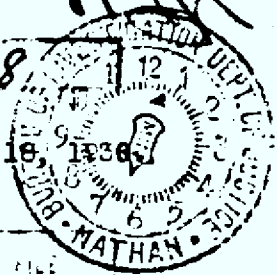
U. S. Department of Justice
Bureau of Investigation
Washington, D. C.

62-24153-28

OCT 20 1936

RECORDED
OCT 21 1936

October 18, 1936



MEMORANDUM FOR THE DIRECTOR

Noted
OCT 21 1936 4:50 PM

With further reference to the JUICE GRAPE INVESTIGATION at Chicago, I desire to advise that this morning I had a conference with Mr. Oseas who left Chicago yesterday. Mr. Oseas stated there is no doubt whatever that there is a racket in the juice grape industry at Chicago, that it is controlled absolutely by certain gangsters, that the greater part of the shipment of grapes from the West Coast is routed to the tracks of the Northwestern Railroad, where the disposition of the grapes is entirely under the dominion of Italians. Mr. Oseas stated that he personally visited these tracks on Thursday of last week when there were 160 odd carloads of grapes being sold, that among the many hundreds of people, both sellers and purchasers, he did not see a half dozen persons of other than Italian origin, and had, therefore, concluded that it would be utterly impracticable for anyone other than an Italian to attempt to learn what was going on.

He stated further that he had conferred several times and at length with CHARLES IRRGANG who made the original complaint to the Department, and had discussed ways and means of ascertaining the facts in an effort to take some action. Irrgang advised that it would be utterly impossible to expect any persons engaged in the racket to talk; that several weeks ago a raid had been made by the State's Attorney's office on the Northwestern Railroad tracks and a considerable number of the vendors of grapes had been arrested and interrogated but nothing was learned from any of them. They do not refuse to talk but they know nothing concerning a racket when they are interrogated.

Mr. Oseas stated that Irrgang volunteered to furnish the funds for an Agent of this Bureau to enter into the grape business; that is, to actually purchase a carload of grapes through his (Irrgang's) auction, then to move that car to the Northwestern Railroad tracks for sale by retail by our Agent. Mr. Oseas stated that after discussing the matter with Irrgang and with the Agents at the Chicago office, he had concluded this was the only means of obtaining any information of value and tentative plans had been made along these lines.

Mr. Oseas stated further that he had interviewed the President of the Northwestern Railroad who lent a very sympathetic ear to the complaint and stated that it had been on his suggestion that the raid was made by the State's Attorney's office several weeks before but that the raid had been absolutely futile so far as results were concerned. The President of the Railroad arranged that Mr. Oseas

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would have a conference with the Railroad official in charge of the unloading of the tracks where the grapes are sold. This official talked freely apparently to Mr. Oseas and stated that he knew that the business was absolutely under the dominion of the racketeers but could offer no evidence to support that statement, other than circumstances at the tracks. Mr. Oseas stated that in view of the absolute dominion exercised by the racketeers, it could hardly be expected that anyone would voluntarily testify against them. It had been our impression that the racketeers had confined their activities to the tracks of the Northwestern Railroad and while Mr. Oseas ~~formed~~ ^{confirmed} that impression, it was found that the reason for this was that no one would buy from the other tracks so apparently the racketeers have brought about a condition which permits of the purchase of grapes only at the Northwestern tracks where they do have absolute sway.

I inquired of Mr. Oseas what the plans were with regard to the handling of the money which might be furnished for Agent Di Lillo to make the purchase of grapes and account for the return of sales. He stated that that had not been definitely decided upon and requested me to notify the Chicago office to have the Agent see Irrgang again on Monday and perfect these plans. He stated that arrangements had been made to have a further conference with Irrgang after Agent DiLillo had learned something about the grape business at Chicago; that DiLillo has now had Thursday, Friday and Saturday and will have tomorrow, Sunday, one of the biggest days in the grape business at Chicago, to have observed generally how the business was conducted and consequently it would be in order to again see Irrgang and complete their plans. However, DiLillo has not seen Irrgang to date and Mr. Oseas stated that the Agents at Chicago, Agent Fay particularly, had felt that it would be wise not to have Irrgang meet DiLillo or to know DiLillo in any way. I concurred in this view because I believe it would be better for all parties concerned for DiLillo not to deal directly with Irrgang.

Mr. Oseas is to see Mr. O'Brian on Monday morning (Mr. O'Brian is not at the Department today) and will acquaint him with the plans. In the meantime, I have called Agent Fay at the Chicago office, suggesting that Agents Miller and Little see Irrgang on Monday morning and perfect the plans previously discussed but that they should take no action until they had called this office by telephone and had received ^{approval} ~~approval~~ to act. It is contemplated that as soon as they call this office on Monday, Mr. O'Brian will be fully informed and can then state whether he desires to have the plans proceed.

Respectfully,



V. W. Hughes.

TELEPHONE CONVERSATION BETWEEN MR. HUGHES AND
MR. FAY, ACTING AGENT IN CHARGE OF THE CHICAGO
OFFICE, ON OCTOBER 17, 1930.

Mr. Fay. "Mr. Oseas and Mr. Irrgang had quite a conference concerning the juice grape matter. Mr. DiLillo is going into the grape business. He is to bid for a carload of grapes and the carload will be knocked down to him, after which he is to go to the Northwestern Terminal and endeavor to dispose of that carload of grapes. I asked Mr. Oseas how the arrangements could be carried out to buy these grapes and he said he would take that up with you tomorrow when he gets to Washington. The carload of grapes will cost \$1,000.00. Mr. Oseas stated he thought it would be better for Agent DiLillo to associate himself with a man in the grape business and request him to bid for the carload, even though it might be necessary to pay him a \$15.00 or \$25.00 commission, after which DiLillo can go down to the track himself and sell the grapes."

Mr. Hughes. "How are the grapes to be purchased?"

Mr. Fay. "I imagine in cash."

Mr. Hughes. "I think by check would be better."

Mr. Fay. "The only thing is, Mr. Hughes, that he may buy through a second party."

Mr. Hughes. "Yes, I understand the check proposition. Well, of course, that check could be taken to the bank and exchanged for a cashier's check."

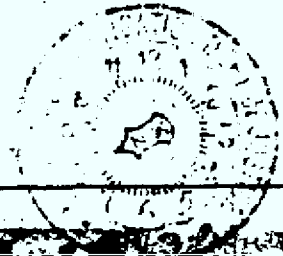
Mr. Fay. "Mr. Oseas wants DiLillo to do nothing so far as going into the actual business is concerned until Monday. That will give you an opportunity to talk to Oseas. I thought I would give you this in the meantime."

Mr. Hughes. "I am glad you did."

Mr. Fay. "In the meantime DiLillo is going out and familiarizing himself with the grape business in general, so that when he goes into it he will know something about it."

Mr. Hughes. "I will get in touch with Oseas and will call you up afterward."

RECEIVED



Form No. 1

THIS CASE ORIGINATED AT

CHICAGO.

REPORT MADE AT Chicago, Illinois	DATE WHEN MADE Oct. 22, 1930	PERIOD FOR WHICH MADE 12/15 - 20/1930	REPORT MADE BY ARTHUR M. WILSON
TITLE MANNY SCHRAIBER; TONY ROMANO; JUICE GRAPE INVESTIGATION.			CHARACTER OF CASE ANTI TRUST MATTER

SYNOPSIS OF FACTS

Mr. I. E. Ocas, Special Assistant to the Attorney General, in conference in Chicago with Agents conducting this investigation, recommends plan of procedure by which undercover investigation will be conducted to determine, if possible, the identity of the parties who are alleged to be collecting tribute from juice grape purchasers at the Chicago and North Western Railway tracks in Chicago, and endeavor to obtain evidence sufficient for an indictment. Officials of the C. & N. W. Ry. interviewed and promise full cooperation; Officials of C. M. St. P. & P. RR. interviewed but express no interest in this matter. C. W. Irrgang, complainant, will furnish carload of juice grapes and defray all expenses necessary to effectuate sale of a carload of grapes by Agents DILillo and Palmera on C. & N. W. juice grape tracks, Leads Chicago.

REFERENCE:

Letter from Acting Special Agent in Charge, F. X. Fay, Chicago, dated Oct. 27, 1930 and Bureau letter dated Oct. 12, 1930.

DO NOT WRITE IN THESE SPACES

APPROVED AND FORWARDED: <i>F. X. Fay</i> SPECIAL AGENT IN CHARGE	62-24153-29	RECORDED AND INDEXED: OCT 25 1930
COPIES OF THIS REPORT FURNISHED TO: 3- Bureau 3- Chicago	BUREAU OF INVESTIGATION OCT 25 1930 A.M. DEPARTMENT OF JUSTICE	OCT 25 1930 JACKETED:
	ROUTED TO: Mr. Egan	<i>m</i>

62-24153-30

DETAILS: AT CHICAGO, ILLINOIS

This is a brief report of Special Agents J. F. Little and Albert Miller.

Pursuant to instructions received by Acting Special Agent in Charge F. X. Fay on October 13, 1930 from Mr. Vincent Hughes by long distance telephone, Agent Miller inspected the Chicago and North Western Railway Company's juice grape track on the morning of Oct. 14, 1930 from 7 AM. to 8 AM. and observed that no colored help are employed, purchase grapes or congregate at the said juice grape track. All of the peddlers of juice grapes, purchasers and employees at the said track appear to be Italians and are roughly dressed.

On October 15, 1930, Mr. L. B. Ocas, Special Assistant to the Attorney General, arrived at the Chicago Bureau Office and as per instructions from Mr. Vincent Hughes to Acting Special Agent in Charge F. X. Fay, Agents DiLillo and Little, together with this Agent, conferred with Mr. Ocas and plans for the further investigation of this case were considered and outlined by Mr. Ocas. Mr. Ocas stated, particularly, that it would be well at this time to obtain a written statement from Mr. Charles W. Irrgang of 189 South Water Market and from his assistant, Mr. Perry Stern, setting forth in detail all information known to them and the basis of their complaint; that V. C. Taggart, in care of SheFry Brokerage Company, Chicago, Illinois, be interviewed; that, if possible, the names of some of the peddlers who purchase juice grapes at the Chicago and North Western terminal be obtained, either from Mr. Irrgang or from other important commission brokers. Mr. Ocas also requested that all pending leads be investigated and that in the event any new leads develop they also be investigated.

This Agent accompanied Mr. Ocas and met Mr. Fred W. Sargent, President of the Chicago and North Western Railway Company, located in room 1400, Daily News Building. Mr. Ocas explained that the purpose of his visit was to obtain the cooperation of Mr. Sargent in arranging an interview with Mr. F. S. Heutel, Assistant Claim Agent of the Chicago and North Western Railway Company, who is alleged to have definite knowledge of overt acts committed by Subjects and others at the Chicago and North Western Railway's juice grape track. Mr. Ocas also requested the Chicago and North Western Railway Company to cooperate with this Bureau in any investigation undertaken in order to obtain evidence of

the alleged racket at the Chicago and North Western Railway's juice grape track. Mr. Sargent assured Mr. Ocas that the officials and employees of the Chicago and North Western Railway Company would render full and complete cooperation in this matter, and Mr. William Walliser, Vice President in Charge of Personnel and Mr. W. C. Johnson, Freight Claim Agent, were called in by Mr. Sargent and were introduced to Mr. Ocas and this Agent. Mr. Sargent instructed Mr. Walliser and Mr. Johnson to extend their fullest cooperation in the matter under investigation, and a general discussion occurred in which it was brought out that Mr. Sargent and Mr. Walliser, also Mr. Johnson, had heard rumors of the existence of the alleged juice grape racket at their Clinton Street tracks, but they could not furnish any definite data. Mr. Sargent instructed Mr. Walliser and Mr. Johnson to arrange a meeting of several of their employees, including F. C. Beutel, in order that Mr. Ocas might interview them. It was also brought out at this conference that the Chicago and North Western Railway Company now have two of their private uniformed men patrolling the Chicago and North Western Railway's juice grape track.

In accordance with arrangements made by Mr. W. C. Johnson, Freight Claim Agent, Mr. Ocas and Agent called at room 1212, Daily News Building, where in addition to Mr. Johnson, the following employees of the Chicago and North Western Railway Company were present:

- | | |
|----------------|-----------------------|
| E. A. Dickson | Special Agent |
| M. J. Gebhardt | |
| W. A. Jeffery | Inspector of Police |
| F. C. Beutel | Assistant Claim Agent |

Later Mr. B. W. Hoops, Assistant Freight Traffic Manager and Mr. William Walliser, Vice President in Charge of Personnel, joined the conference. Mr. Johnson requested Special Agent E. A. Dickson to explain to Mr. Ocas and this Agent the scope of a recent investigation which the Chicago and North Western Railway Company had conducted jointly with Sergeants Harry Larson and William Brady, officers of the State's Attorney's office, both of whom work under Lieutenant William V. Staul.

Special Agent Dickson explained briefly what had occurred recently at the Chicago and North Western Railway's juice grape track, where several independent Italian peddlers, who were suspected of having been "shaken down" or approached by Subjects Schraiberg and Romano, were subpoenaed to the State's Attorney's office and questioned, but were subsequently released after they denied any knowledge of anyone paying

tribute or being approached for tribute by anyone. The copy book of the reports which were submitted by Special Agent Dickson of the Chicago and North Western Railway Company to W. F. Dinnane, Chief Special Agent of the Chicago and North Western Railway Company, were obtained by this Agent from the latter. Mr. Dinnane explained that Special Agent Dickson was the author of the said reports and that he (Dinnane) submitted copies of these reports to this Agent with the strict understanding that the contents of the said information contained therein is to be considered strictly confidential. Photostatic copies of said reports are marked "Exhibits A" and "B" and are attached to this report.

Mr. Beutel was questioned by Mr. Deas as to his knowledge of any concrete evidence of any peddlers or buyers of juice grapes paying tribute to Messrs. Schraiberg and Romano or their agents. Mr. Beutel stated that while it was generally rumored that tribute was being paid to Subjects Schraiberg and Romano, he had no definite knowledge of anyone actually paying such tributes. He stated that Subjects Schraiberg and Romano are seen at the Chicago and North Western Railway's juice grape track daily, and that while Subject Schraiberg actually does purchase and sell grapes, it appears that Subject Romano seems to be merely "hanging around" the juice grape track. Mr. Beutel stated that on September 23rd, 1930, Subjects Schraiberg and Romano appeared at the Chicago and North Western juice grape track in Subject Schraiberg's Lincoln automobile and that while Subjects Schraiberg and Romano were mingling among the crowd of peddlers and buyers, he (Beutel) observed a man in the Lincoln car with a gun protruding from his belt. Mr. Beutel could not see the man's face, nor did he recognize him from the manner of his dress. Mr. Beutel was of the opinion that the said man with the gun was "a drunk" Subjects Schraiberg and Romano had picked up. The Chicago and North Western Railway representatives present at this conference were of the opinion that the juice grape racket of collecting tribute from the peddlers had been broken up since the recent raid by the State's Attorney's office and they were also of the opinion that it would not recur again this season.

The matter was discussed as to the possibility of placing a special agent of this Bureau, who had a knowledge of the Italian language, in some position as an under cover operator at the Chicago and North Western Railway's juice grape track, either as an employee of the Railway or otherwise, but the Chicago and North Western Railway representatives stated they did not believe this could be accomplished successfully at this time. However, another plan of action along this line was determined upon. All of the representatives of the Chicago and North Western Railway Company at this conference promised their fullest cooperation in the matter under investigation.

Mr. W. C. Johnson made arrangements to take Mr. O'Neal on the following day to the four various juice grape tracks located in Chicago in order that Mr. O'Neal might observe the relationship and the layout of the several juice grape tracks in question. On Oct. 16, 1930 Mr. O'Neal accompanied Mr. W. C. Johnson, Freight Claim Agent of the Chicago and North Western, on a tour of the juice grape tracks, and upon his return Mr. O'Neal dictated the following memorandum:

"Pursuant to arrangements made the day before I met Mr. W. C. Johnson, Freight Claim Agent of the Chicago & Northwestern Railroad Company, at his office, on October 16, 1930 at 9 o'clock a.m. Mr. Johnson first took me to the office of Mr. W. F. Dinnen, Chief Special Agent, with whom I discussed the situation in a general way. He also promised us full cooperation.

Mr. Johnson stated to Mr. Dinnen in my presence, that this inquiry was with the cooperation of the president, and that the railroad was to cooperate in every way. Mr. Johnson and I were first driven to the grape juice track of the Chicago & Northwestern Railroad. There we met Mr. F. E. Beutel, Assistant Claim Agent. In order that I might see Mr. Schraiberg, one of the alleged racketeers, Mr. Beutel took us over to a lunch wagon where Schraiberg was eating. Beutel stated that Schraiberg's bodyguard was there at the time, but I did not notice him. There were about 133 cars of grapes on the track. The track stretched for several blocks in three or four lanes. Every car is open for inspection. The buyer's trucks drove up to the cars for loading, and as nearly as I could determine every car was in charge of one or more Italians, and we stopped to look at them, and a number of them offered to sell us grapes.

I had previously requested that Mr. Johnson let me have the names of the consignees of all the cars on the Chicago and Northwestern tracks for the past two weeks. Mr. Johnson made this request of Mr. Beutel, and Mr. Beutel stated freely that there was no doubt that all of the grapes on that track were controlled by Mark T. Adanson.

In this connection Mr. Beutel stated that a short time before he had been with Mark T. Adanson when an Italian whose name he then mentioned, asked to buy some grapes. Adanson asked whether he had seen Romano. When the man said he had not, Adanson sent him to Romano. Thereafter Adanson turned to Beutel and said: "We have a new corporation working this year, and I get all the business on the Northwestern track". Beutel also said that Romano had told him that if the Northwestern interfered with what they were doing, that they (Schraiberg and Romano) would then transfer all of

their business to the Chicago, Milwaukee, St. Paul and Pacific R. R. tracks, which immediately adjoin the Northwestern. Beutel had disclaimed any knowledge of the situation, and said that all regulatory work was done by the railroad police. Romano then told him to give that message to the police from him. Beutel had given the message to Dixon, who had then stated [I think he said he Romano, but I am not sure], that the investigation previously conducted had been by direction of the State's Attorney, and that they had no control over it.

I discussed with Beutel and Johnson the statement made by Irrgang, that if he did try to sell grapes at all on the Northwestern track, there would either be a riot or no one would bid for the grapes. Mr. Johnson said that that was precisely what had happened one day last year when Irrgang had tried to sell there; there was not a single bid. The Chicago & Northwestern yard at this point is not particularly inviting. It is paved in brick. The paving has holes in a good many places. At the car drives the boards are loose. After the rain of last night the walk was very muddy. Immediately adjoining these tracks are the newly built runways of the St. Paul R. R. They were built especially as juice grape tracks. They are laid out in concrete and are beautifully white and clean. At the time of my visit the Northwestern was loaded almost to capacity. Mr. Beutel said that he had room for perhaps 33 cars more. There was not a single grape car open on the St. Paul tracks. Mr. Beutel also took occasion to state that it required great diplomacy for him to work at these yards, and that he had already been shot at once.

From that point Mr. Johnson took me to their Wood Street Yards, and explained the way the grapes come in at those yards, and that brokers will sell at those yards to Italians, who, thereafter, have their aim switched to the Clinton Street Yards for peddling.

Mr. Johnson also took me to the produce terminal track near the Santa Fe Yards and showed me the location of the Auction track and the location of the cars for peddling there.

It was arranged with Mr. Beutel that he is to call at my office at 10:00 o'clock tomorrow morning, October 17, 1930.

At Mr. Ocas' request Mr. Charles W. Irrgang of 169 South Water Market, was asked by telephone to call at the Federal Building, where Mr. Ocas interviewed him in the presence of this agent as to the details of his complaint. Mr. Irrgang stated he was certain that the \$50 per car was still being paid at the Chicago and Northwestern Railway's juice grape track as tribute, but he could not submit the names of any of the peddlers who have paid such tribute or who have been approached for payment of tribute. Mr. Irrgang stated that the

news that the Government was investigating the matter had apparently reached Subjects Schraiberg and Romano and their agents, and this had doubtlessly deterred them from extending similar activities to the other juice grape tracks. At this point Special Agent DiLillo was called into the conference and he was introduced to Mr. Irrgang. The matter was also discussed then as to the possibility of placing Special Agent DiLillo as an under cover agent at the Chicago and North Western Railway juice grape track, either as an employee or as a peddler of juice grapes, and Mr. Irrgang thought such a plan would furnish evidence of the existence of this alleged racket very quickly. Mr. Oseas left this matter open during this interview with Mr. Irrgang, and Special Agent DiLillo was requested by Mr. Oseas to spend the next several days around the produce terminal and the Chicago and North Western Railway juice grape track in order to become familiar with the manner in which juice grapes are bought and sold by peddlers and the public.

On October 26, 1939, Mr. R. C. Archer, manager of the Chicago office of the American Fruit Growers' Exchange, 1435 South Racine Avenue, was interviewed by Mr. Oseas in the presence of Agents Miller and Little, who stated substantially as follows, concerning the matter of the practices prevailing in the terminals at Chicago with reference to the sale and marketing of juice grapes: Several years ago the Chicago and North Western juice grape yards insofar as the sale of juice grapes on those tracks was concerned was in the hands of Joe Aiello, a well known gangster of Chicago, and his aids. Many carloads of grapes were sold to Aiello direct,-- all of the buyers or peddlers doing business on the North Western track had to pay to Aiello or his representatives, a certain amount of money, ranging from \$25 to \$50 for the privilege of selling grapes on the Chicago and North Western track. In one sense of the word, this racket, in Mr. Archer's opinion, was a good thing, for one of the results thereof was to exclude independent growers from marketing their grapes at the Chicago and North Western track in competition with growers whose representatives in Chicago did business direct with Aiello and his gang and were under the protection of that gang. Following the regime of Joe Aiello about 1928, Joe Ferrara assumed control of the juice grape situation on the Chicago and North Western tracks and retained control of the juice grape market on those tracks until Ferrara was shot and killed in June 1930. Following Ferrara's death, Tony Romano called to see Mr. Archer and told him that he (Romano) would in the future have charge of the North Western tracks and that he represented Al Capone. Mr. Archer stated he has heard from other reliable sources, which he did not care to disclose, that Tony Romano and his partner, Manny Schraiberg, as well as Fred King and Nathan Rubin, are all members of the Capone gang. Schraiberg, Romano and Rubin all hold themselves out to be representatives of the Northern Fruit and Produce Co.,

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the S. Water Market, and have in their possession, according to Mr. Archer, printed business cards with the name of the above company, listing their names and with their names as representatives thereof.

The visit of Subject Romano to Mr. Archer occurred early in September of this year. He told Mr. Archer that he and his gang wanted to work with him and that it would be their purpose not to allow anyone to come in and sell their grapes except via a grade in line with competitors. Romano stated he desired to purchase grapes from Mr. Archer and that Freddie King and Manny Schraiberg would do all of the buying. Shortly after the visit of Romano, Mr. Irrgang reported to Mr. Archer that there were some "strong armed men" who came to the terminal yards with guns and threatened a number of the Jewish boys who operated at the terminal yards and told them that if they did not leave that yard and go over to one that was closely adjacent they would be killed. This action, according to Mr. Archer, represented an effort to divert carloads of grapes from the Auction. Mr. Archer stated that it is his understanding that Mr. Irrgang and certain other officials made a trip to Washington, D. C. to lay this matter before the Federal Farm Loan Board, and it is Mr. Archer's opinion that since this visit took place no further efforts towards intimidating buyers have been made by Subjects or their assistants.

Concerning the matter of the exaction of a tribute of from \$25 to \$50 per car from peddlers of juice grapes on the tracks of the Chicago and North Western Railway, Mr. Archer stated he has frequently heard that such a situation does in fact exist, but all of his information has come to him in an indirect way and he could not furnish the name of a single individual or peddler who had so stated to him or would be willing to testify that he had been approached and requested or forced to pay money to Subjects for the privilege of selling grapes on the Chicago and North Western tracks. It was Mr. Archer's belief that peddlers are operating at present rather freely on the Chicago and North Western tracks and that no efforts are, for the present at least, being made to collect tribute from them or to prohibit them from marketing grapes on these tracks. Mr. Archer furnished the names of the following persons who purchase grapes through the American Fruit Growers' Exchange and sell them at the terminals in Chicago:

Carl Catone, who sells his grapes on the North Western tracks; Andrew Catone, who markets his grapes on the tracks of the Santa Fe Railroad; Charlie Barbare, who markets his grapes on the C. R. I. & P. R. R. tracks; Sam Russo and Vincent DiMori, both of whom market their grapes on the North Western tracks.

Mr. Archer stated that the last named individuals had no office address so far as he was aware, and transacted all of their business at the terminal yards.

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Mr. Archer stated also that Jay Wells and a party by the name of Tourano (first name unknown) who are independent growers and shippers, also market their grapes in the Chicago terminals. There is also a man by the name of Lachman, an independent grower who markets his grapes on the tracks of the Rock Island and Santa Fe railroads, and is described by Mr. Archer as the "worst crook in the business".

It was Mr. Archer's information that Mark F. Adams, broker, sells grapes on all of the tracks, but does the majority of his selling on the tracks of the Santa Fe and North Western.

Mr. Archer stated that the gross profits accruing to a peddler on a car of juice grapes would amount to approximately \$100, out of which must be deducted demurrage and all incidental expenses, so that in the event a peddler were forced to pay a tribute of \$50 to a gangster for protection, the net profit which would remain from the sale of a carload of juice grapes would be very small. Mr. Archer confirmed information already of record in this case, that the reason for the removal of the Auction conducted by Mr. Irrgang from the tracks of the North Western Railway to the present site of the Auction was brought about through the efforts of Joe Ferrara in causing a buyers' strike.

On October 17, 1930 Mr. F. C. Bental, Assistant Claim Agent of the Chicago and North Western Railway, was interviewed by Mr. Oseas in the presence of these Agents and Mr. Bental was questioned at length by Mr. Oseas concerning the methods employed in marketing a car of juice grapes on the tracks of the Chicago and North Western Railway juice grape track. A copy of the statement furnished by Mr. Bental and signed by him is attached to each copy of this report, marked Exhibit "C".

On the morning of October 19, 1930, Mr. Oseas conferred with Mr. H. A. Scandritt of the Chicago, Milwaukee, St. Paul & Pacific Railroad, with particular reference to the juice grape situation as it exists on the tracks of the last named Railroad. Mr. Oseas stated that Mr. Scandritt frankly admitted that his Company had constructed a new juice grape track adjacent to the tracks of the Chicago and North Western Railway, for the use of peddlers and buyers in the marketing of grapes reaching Chicago via the rails of the Milwaukee Railroad, but that in spite of the superior equipment and facilities afforded by the Milwaukee Railroad, as compared with those of the North Western Railway, practically all of the business is at present being conducted on the tracks of the Chicago and North Western Railway. Mr. Oseas stated also that Mr. Scandritt did not appear to be interested in removing the source of the trouble and intimated that so long as his Company received its line haul from California they were not concerned with whether or not the peddlers and buyers of grapes used the tracks of the Milwaukee in Chicago to market their juice grapes. Mr. Scandritt stated to Mr. Oseas that

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if desired he would have prepared and furnished to this office, a statement showing the movement of grapes via the Milwaukee Railroad consigned to the Chicago market for the entire season of 1930.

On October 17, 1930 this office was advised by Mr. Charles W. Irrgang over the telephone that he had received information to the effect that a press dispatch in a California newspaper contained information concerning the instant investigation, and on the same date the article in question, which is an editorial entitled "CHICAGO RACKETEERING AND CALIFORNIA" appearing on the editorial page of the PACIFIC RURAL PRESS, San Francisco, Cal., dated Oct. 11, 1930, was handed to Agents by Mr. Irrgang and photostatic copies thereof are attached hereto, marked Exhibit "D".

Pursuant to instructions received via long distance telephone on October 18, 1930 from Mr. Vincent Hughes, Washington, D. C., on October 20, 1930 Agents contacted Mr. Irrgang and obtained the details of the plan under which Agents DiLillo and Palmera are to engage in the sale of a carload of juice grapes on the track of the Chicago and North Western Railway. Mr. Irrgang suggested the following plan:

He will select a carload of excellent quality White Muscat grapes and he will set this car apart from other cars on the Auction tracks, and at one of the auctions held at 1 P.M. on each day, with the exception of Saturdays and Sundays, will sell the car publicly to one Joe Roman, (name to be used by Agent DiLillo). Agent DiLillo will not be present at the Auction but the transaction will be duly recorded by Mr. Irrgang on the Auction books and a bill of sale will be prepared covering this purchase in the name of Joe Roman and handed by Mr. Irrgang to a representative of this office. Mr. Irrgang will have drawn a cashier's check for \$500 to defray the freight charges on the carload of grapes, which will amount to between \$500 and \$575, the balance of the check to be used for incidental expenses, including the payment of tribute, if and when demanded, and such other incidental expenses, as the hiring of laborers to assist in loading the grapes from the car to the trucks. The cashier's check will be converted into cash and the freight charges will be paid by Agent DiLillo direct to the cashier of the Chicago and North Western Railway Company on the juice grape track of that Company, thereafter the car will immediately be opened by Agents DiLillo and Palmera and the sale of the grapes in the car will commence. It is anticipated that prior to, or shortly after the car is opened, the last named Agents will be approached by Subjects or their representatives and a tribute demanded. Should no tribute be sought, the carload of grapes will be sold to retail buyers and another car purchased in the same manner as above outlined.

Should demand be made for a tribute, the same will be paid by Agent DiLillo and all information possible with respect to the identity of the parties and the general scheme of collection, which has been employed by Subjects and their agents will, if possible, be ascertained. Mr. O'Connell suggested even though tribute is exacted and paid at the time of the purchase and sale of the first carload of grapes, it would be advisable to purchase and sell two or three additional carloads of grapes and make payment of tribute two or three times, as demanded, and upon payment of the last tribute, suitable arrangements will be made whereby the money which is passed in payment of the tribute will be marked for identification and the party or parties collecting same taken into custody, in accordance with arrangements which will be perfected as soon as definite course of action in that respect may be outlined.

It should be noted that Mr. Irrgang has stated that he is interested solely in assisting the Bureau in obtaining information of value in this investigation and is not concerned with obtaining a profit on the grapes sold by him to Agents DiLillo and Palmora and in turn sold in retail trade by them to purchasers from the cars. A record will be kept by the last named Agents of all monies collected by them as a result of the retail sales of grapes from day to day, as well as all expenditures made in the course of their business and at the conclusion of each day's sales the money collected during that day will be turned in by them to the Agent in Charge of this office for deposit in a joint account which will be opened by Agents Miller and Little at the National Bank of the Republic of Chicago. The money collected from the sale of the grapes from the car will be paid over to Mr. Irrgang by check from this joint account each day or after the sale of a carload of grapes has been completed, in whichever manner preferred by Mr. Irrgang.

The following investigation has been made by Agent DiLillo to date. In accordance with suggestions made by Special Assistant to the Attorney General, Mr. I. H. O'Connell, Agent DiLillo on October 16, 17 and 18, 1930 visited the Chicago produce terminal at 27th and Ashland Aves., and the Chicago and North Western produce tracks at the Clinton and Kinzie Streets yard, for the purpose of acquainting himself with the procedure used in the buying and in the selling of juice grapes. Agent DiLillo ascertained at the Chicago produce terminal that the juice grapes sold at auction are divided into lots, each lot representing a particular railroad car duly identified in a pamphlet prepared and distributed by the

auctioneer and identified by the initials of the railroads and the car numbers.

At the auction sale Agent DiLillo noticed that the majority of the buyers were of Jewish abstraction. Italians, however, were seen about and were observed making bids. Agent DiLillo engaged in casual conversations with a number of Italians and learned that the juice grape market in Chicago was very good during the season of 1930, that at present, however, the demand for juice grapes has somewhat reduced due to the fact that the season is almost over, but that nevertheless the less grapes are sold at a profit of about \$100 per carload. Agent DiLillo expressed his intentions to various persons interviewed as engaging in the juice grape business in Chicago. No intimations whatsoever were made to Agent DiLillo that the market in Chicago was infested by the racketeers but that the buying and selling of such a commodity as juice grapes is being conducted freely without any interferences.

Agent DiLillo also visited the Santa Fe Railroad tracks in the vicinity of the Chicago Produce Terminal where a large business is being done in the retail of grapes. Agent DiLillo noticed that persons engaged in the said business in the locality just given, are mostly Jewish and Italian. Inquiries made there brought out the fact that no interferences with the free movement of grapes are occurring on the tracks of the Santa Fe railroad.

At the team track of the Chicago and North Western Railway Company, in the vicinity of Clinton and Kinzie Streets, Agent DiLillo found that the juice grape business there is being conducted by Italians entirely. A number of persons were approached by Agent DiLillo and asked if an outsider could engage in a similar business in the given location. Agent DiLillo was invariably informed that "this is a free country and if you have the necessary money you can do almost everything you want to". Agent DiLillo did not question the meaning of this statement, inasmuch as at the time the inquiries were made, no definite plan had been formulated as to what action was to be taken in that matter.

From inquiries made by Agent DiLillo outside of the team tracks herein referred to, it appears, however, that there was a "gang" engaged in exacting tribute from persons who are in the grape business on team tracks. Information was secured that Ercole Liberatore, who was at one time engaged in a similar business in Chicago, had to discontinue the same due to the pressure brought about by "a gang" demanding of him sums of money for one reason or another. Ercole Liberatore, who is well known to one of Agent DiLillo's acquaintances in Chicago, could not be located.

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UNDEVELOPED LEADS.

CHICAGO. This office will follow up the line of the sale of grapes by Agents Willie and Palmer, as directed by the Bureau.

This office will attempt to locate and interview, if possible, obtain signed statements from the following individuals, all of whom are believed to be purchasers and vendors of juice grapes on the various railroad juice grape tracks at the Chicago terminal, none of whom have permanent office or residence addresses in Chicago, so far as is known: Carl Catone, Sam Russo and Vicent DiMori, all of whom are alleged to sell grapes on the tracks of the Chicago and North Western; also Andrew Catone, who sells grapes on the Santa Fe tracks and Charlie Barbare, who may be located on the track of the Rock Island Railroad; also Joe Calle and Mr. Lashenier and Mr. Tourman, the last three being independent growers and shippers who may be located on either the Rock Island or the Santa Fe tracks; also Nick Pandaleo, A. Martini, Ray Feliello and his brother (first name unknown), as well as Carlo Skitona, independent growers and dealers, who may be found on any of the terminal juice grape tracks.

This office will also interview Mr. V. D. Taggart; re-interview Charles W. Smith, manager of the DiGiorgio Fruit Company, 1425 S. Racine Avenue, and through Smith endeavor to locate and obtain a statement from the party named "Phil", a juice grape peddler on the Chicago and North Western Railway's juice grape track, who is referred to on page 16 in the report of Special Agent Buttersworth, dated Oct. 2, 1930; also obtain from Mr. Charles W. Irrgang, complainant in this case, a signed statement covering all the facts material to this investigation. Mr. Perry Stern, Assistant to Mr. Irrgang, will likewise be interviewed and a statement taken from him.

PENDING

MEMORANDUM

Chicago, Illinois,
September 29th, 1930.

"Reporting on partial investigation of grape situation at Clinton St. team track relative to consignees being compelled to contribute for privilege of selling from cars.

We were advised that any person having a car of grapes on track for sale, are forced to make arrangements with an alleged racketeer named Tony Romano who is running a lunch room and soft drink parlor at one of the corners of Wells and Erie Sts.

Associated with Romano is a Walter Shraiberg who has an office in the Produce Traders Bldg. on South Water Market, phone Canal 2829, 1425 So. Racine Avenue, residence phone Keystone 1548, address not given and suppressed in phone book. There is an H. M. Shraiberg given in phone book at same business address.

It would appear from what was told us, after fixing with Romano, grape sellers are compelled to sell or buy through Mark Adamson located at 1425 So. Racine Ave. Adamson receiving the O.K. from Romano. None of the men having cars at Clinton St. would talk, or offer any evidence because of fear. All that we gathered was with the understanding no mention would be made of where information was obtained.

Sergt. Larson and his partner from the States Attorney's office and assigned to Rackets, is now working on this case. In the event they develop anything you will be advised. A man from California with whom some trouble was expected has arrived and has been permitted to do business without interference thus far. We know a conference between Adamson and Romano was held in the morning of September 27th, 1930 and from what we could learn, this crowd has decided they better not force an issue at this time. Our latest information is that matter is being brought to the attention of Asst. States Attorney Mueller for any action he desires to take.

On Friday, Sept. 28th, 1930 at time Sergt. Larson, his partner, Special Agent M. J. Gebhardt and the writer went to Clinton St. to look situation over, some unknown party evidently got in touch with Romano and Shraiberg, as they came to yard within a very short time after we arrived. Romano was in auto bearing Illinois license #1-179-449 belonging, so we found, to Walter Shraiberg for a Cadillac. This is make of car license was on. Address given as South Water Market. From the above we figured Romano, etal had someone at the yard to keep in touch should anything turn up. Larson conversed with Romano and Shraiberg for sometime but did not reveal the conversation. Neither man was armed."

Exhibit "A"

MEMORANDUM

Chicago, Illinois,
October 15th, 1930.

"Reporting further in the grape situation at Clinton St. team track. With the assistance of Asst. States Attorney Donald L. Thompson, Sergts. Harry Larsen and Wm Brady of the States Attorneys office, the following listed men were brought before Mr. Thompson and questioned relative to the alleged activities of Romano and Shraiberg.

Pietro Surdo, 612 North Green St., Chicago, Ill.
Angelo Marteno, residence Oakland, California
Tom Pallela, Modesto, California
Sam Romano, 2102 Kostner Avenue
John Rizzo, 1645 Melrose Street
Charley LaPresto, 624 North Monticello Avenue
Roy Pallela, a brother of Tom, Modesto, California
Nick Pantaleo, Modesto, California.

All made statements in writing in the presence of the gentlemen mentioned above and M. J. Gebhardt, John Barth and the writer of this office.

In these statements they fail to implicate the men under investigation with anything that would be concrete evidence to present before the Grand Jury.

On October 7th, 1930 Walter Shraiberg was brought before Mr. Thompson and made a statement in which he denied having any connection whatsoever with a racket or an attempt to extort money from any of the men handling grapes at our team track. Volunteering that he intended to take up with the Chief Special Agent the matter of an investigator who he claimed was the instigator of this investigation and have this man discharged from the service of the C&NW Ry. (this refers to me.)

Shraiberg, Tony Romano and a man named Rubin are in the produce business and I have been given to understand that Shraiberg and Ruben conduct a firm known as the Northern Fruit & Produce Co., with an office at 1423 South Racine Avenue, phone Roosevelt 3156.

In the handling of this matter by Sergts. Larsen and Brady and with the assistance of Mr. Thompson of the States Attorneys office, it would appear from all outward evidence, that all attempts to organize or collect from the men on the team track handling grapes at Clinton St. has been eliminated at least for this year."

Exhibit 'B'

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Q. They handle the juice grapes the same as the other grapes, is that instead of going through a commission house, they have their own business?

A. They pay no brokerage.

Q. Is there a fixed brokerage charge?

A. I believe it is \$25.00 per car. The brokerage charge isn't always \$25.00. Sometimes they turn it over for a profit of a nickel a lug. A broker will sell the same car two or three times at a profit of a nickel.

Q. A nickel a lug?

A. A nickel a lug.

Q. How do the shippers' representatives fit into this picture, I mean, people like Fry - they represent independent people, don't they?

A. No, there may be various shippers, and they act as their agents.

Q. Just like any other broker?

A. Just like any other broker.

Q. Do the brokers ever sell the grapes at auction?

A. They would rather not.

Q. They have to stand the auction charges themselves?

A. I think that possibly the shipper pays that.

Q. After grapes arrive on the Northwestern tracks, there is an extra charge for switching the car down to the auction tracks?

A. No.

Q. Is that true generally, that switching from all tracks to the auction tracks is free of charge?

A. Yes.

Q. And from the auction tracks to the tracks of the various lines for peddling?

A. Yes.

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Q. How did Irrgang come to start the auction business?

A. I don't know exactly. He has been engaged in the auction business for a number of years, and I also understand that at one time he went out to California and bought up a lot of grapes to be shipped in order to start this auction, and I suppose because he was in the auction business; I don't know any particular reason.

Q. In general - let's get to the atmosphere at the bank. Was it pretty well understood that Joe Ferrara was there?

A. Yes, that was the understanding.

Q. Joe Ferrara was a buyer of juice grapes?

A. A buyer of grapes.

Q. And he was financing other buyers?

A. Yes.

Q. Now, going back to the beginning, how long has this been going on?

A. I think maybe the last 4 or 5 years.

Q. In the past, has Irrgang been able to sell at the Northwestern track?

A. He sold there one year.

Q. Which year was that?

A. I believe it was 1928.

Q. That is three years ago. And did he get away with it?

A. They started in, and then there was something come up between Ferrara and Irrgang and Ferrara told all the peddlers ~~that~~ not to buy from the auction.

Q. Was that the incident Mr. Johnson, your Freight Claim Agent was telling us about?

A. Yes.

Q. Thereafter did Mr. Irrgang confine his activities to the auction track?

A. Yes.

Q. Now, that was 1928. Last year did he sell on the Northwestern tracks?

A. No, last year he didn't sell.

Q. Didn't he sell some last year at the Northwestern?

A. I don't believe he did. I am sure he didn't in 1928.

Q. I thought he made some attempt last year. Your memory is that he didn't sell any there?

A. Yes, that is my recollection right now. I am pretty sure that is right.

Q. All right, you can check that up later. Now, while Ferraro was active, Schraiberg and Romano weren't in the business?

A. No, this is the first year that they were ever there.

Q. Was Schraiberg in the business at all before this year?

A. I don't believe that Schraiberg was. I hadn't ever heard of him.

Q. And Romano appears to be a partner of Schraiberg's.

A. As far as I know. I don't know positively, but from what I got, Tony Romano, Fred King, and a fellow named Rubin are partners.

Q. Let's take King. I've heard his name recently. Isn't he an Italian?

A. Yes. That isn't his right name, his father goes under the name of King.

Q. Does he hang around the tracks?

A. Yes, he is running the gang. He has charge of the peddlers for Romano.

Q. Do Romano and Schraiberg finance peddlers just the same as Ferraro did?

A. That's my understanding. In fact, Tony Romano told me he had \$20,000 invested in this grape deal and he wasn't going to let anybody steal it.

Q. Whose money?

A. His money.

Q. What is Romano's background? Who was he?

A. Well, I know only what I hear, that he is a bootlegger, has a soft drink restaurant or cafe at Erie and Wells Streets, I understand that he has a liquor route.

Q. For which mob? Which gang?

A. Ted Newberry.

Q. He claims this connection?

A. He does claim this connection.

Q. He told you this?

A. He hasn't told me, but others. He told another party, and this party told me.

Q. Who is Roy Palella?

A. Palella is one of the Palella Brothers, that are handling grapes on all tracks now. He said he'd pay nothing, or wouldn't let Romano stop him from making an honest living by peddling grapes.

Q. Well, how much do you know about the details of this outfit? Do you know how it works?

A. No, I don't. About this new outfit I don't know much. First I heard was the start of the grape season this year. Several of the independent peddlers came around and said that they didn't know whether or not they would be able to peddle grapes on Clinton Street. There was one fellow by the name of Pete Serdo came over and said that these fellows had visited him at his home.

Q. Who had visited him?

A. Romano and Schraiberg and these fellows. I don't know just the exact parties, but that outfit. I told him that he couldn't peddle any grapes on Clinton Street unless he went along with them, and he would have to join the association and make a payment, I believe of \$1,000. and that all grapes would have to be purchased on an O.K. from Romano from Mark Adamson.

Q. That would be sometime around September?

A. Around September 11. And about that time I happened to be in Mark Adamson's office and talked over some things with him, and Pete Serdo was there. Mark said to Pete "You better go over to Tony. You know I can't sell you anything till you see him". Adamson went on and said

There's going to be a new association on Clinton Street this year. The new outfit is not going to let these Italian independent people come in and handle their own stuff. We are going to tell them to ship to Pittsburgh or New York or some place. All grapes that are peddled on Clinton Street will be bought through Romano.

Q. That was in September?

A. Yes.

Q. That reminds me, in connection with that request I made of you yesterday for the names of all who are handling the Clinton Street grapes, can you give me that data for the entire season?

A. I am going to do that. I'll give you a copy of their track sheets. You will find a blank card now and then, and they belong to Nick Pantaleo. He asked us not to show his name. He didn't give any reason, but he asked us not to do it, and we complied with this request.

Q. These track sheets will be the best indication of what's been happening - if Adamson virtually controls the Clinton Street business?

A. I think that he started and nobody came down except the Palellis and a man by the name of Martini from California. He also came in and told us he didn't know whether he would have any more cars come in. He didn't come right out and say he had been approached or threatened, but we know that Romano talked to him.

Q. Well, are they the only ones that Romano talked to?

A. One of our brokerage salesmen said something about not being able to sell. He has an office. His name is Flood. I don't know his first name.

Q. Since then has that plan been made good? Are other people being allowed to sell?

A. Yes, they are. I think that for some reason they have given up for this year, but they have made the remark that there would only be about seven or eight people allowed to peddle on Clinton Street next year.

Where does Palella buy from?

A. I don't know. He buys from the Victory Fruit Company, and several others. He buys and resells, or peddles them. He does a lot of fruit business, also to city or town customers, and sometimes to customers here. He has feet of five men.

Q. Was he an office on South Water Market?

A. No. He handles watermelons and other things during season. And I would say for the Palella Brothers that I think they are two of the finest fellows in the business.

Q. Do the others handle other fruits?

A. Yes, most of them do.

Q. Don't they peddle vegetables on the same plan down there as at the Northwestern tracks?

A. Well, to a certain extent, and on the C. & E. L. tracks.

Q. Have you any other fruit business at the C. & E. W. tracks?

A. No, we don't.

Q. Your trade then, is confined to grapes?

A. Yes.

Q. I wonder why?

A. Lots of money in it. The way they intended it to work, is for the different peddlers to join this association for \$1,000, and to make the box, and they would have to buy all grapes through Adamsen. For example, the shipper's price was 90¢, Adamsen would ask from 95¢ to \$1.25, saying that you have to peddle them for \$1.35, so 1924.

Q. They would fix the retail price?

A. Yes.

Q. Has that been done?

A. That was what they were going to try to do.

Q. If I tried to buy grapes now, they would quote me various prices, no fixed price?

A. Yes.

Q. Due to variation in grades?

A. Yes. You might get a different price due to different grades. But their intention was to absolutely fix the retail price.

Q. You don't think that's been done?

A. No, something stopped them - maybe this investigation.

Q. You don't think there's any "shaking down" at the present time? That the peddlers are perfectly free?

A. I wouldn't say that. I would say that I know some of them won't give it, or haven't given anything, I am pretty sure.

Q. Do you know the names of any who have definitely given?

A. No, I don't.

Q. Have any of them ever complained to you about having to pay, or being approached and asked to pay?

A. Not to pay, but to have to go along with the association. This Romano is pretty smooth. He wouldn't demand money. He'd tell them this is to pay membership fees.

Q. Well, aside from the names you have mentioned, you couldn't say any more have been approached?

A. I believe Carl B. Cuttone.

Q. Is he an independent?

A. Yes.

Q. Is that his brother, A. Skitone?

A. No, that is Cuttone. This is Skitone. Then A. Martini was talked to,

Think Pandelias was talked to.

Q. Who were the ones who wouldn't pay anything?

A. Palella brothers.

Q. Have they an office?

A. Palella brothers? No.

Q. Most of these peddlers have their offices in their homes, don't they?

A. Yes, never have any records.

Q. Where do they make their headquarters? Their homes?

A. Homes, relatives, or friends.

Q. Are any of these California people shipping now?

A. They all are.

Q. Well then, as far as eliminating the California people goes, that phase seems to have been dropped very definitely?

A. For the present, yes.

Q. And from your observation, you couldn't say they ever attempted to keep up the retail price.

A. Not at the present time.

Q. Then, all that Schraiberg and Roman are doing at the present time, as far as you can say, is conducting a legitimate grape business?

A. Yes.

Q. That seems awfully doubtful to me, does it to you?

A. It does to me.

Q. Think a legitimate business has enough in it to satisfy those birds?

A. No, I don't.

Q. At a guess, what would you say the value is now?

A. I think it's in the hundreds.

Q. They are just there, getting on the ground, getting ready to start it next year?

A. Yes.

Q. Have they ever muscled in on any other business except this juice grape business?

A. Not that I know. I never saw them before. - Schralberg I never met before, Romano I never met before. I knew King before, him and his father.

Q. In what connection did this threat of Romano's to give all the business to the St. Paul road come out?

A. I understand that the State's Attorney's men went down there one day and picked up those fellows, searched them for arms, then some subpoenas were issued for some of those peddlers, and the next day Tony came up to me and said, "I understand that the Northwestern has made a complaint about me over to the State's Attorney's office." I said "How do you know?" He said "I have a way of getting that information." I said "I don't think the Northwestern has made a complaint about anybody." He said "They are, and I am being persecuted." I said "That is a matter that should be handled by our police department." He said "I have no way to convey this message to your police department, and if the Northwestern don't quit persecuting me, and calling me a muscle man, I will take this business all over to the St. Paul tracks. I have been offered a bonus to go over there." I did convey the message to our police department and they told me that the Northwestern was not investigating him, but if the State's Attorney's office asked for records and information our police department would cooperate with them.

Q. Have they ever tried this expedient, that if the Northwestern was a bit laggard in settling a claim, they would go over to the Milwaukee tracks, which are adjacent to the Clinton Street tracks?

A. No. I settled practically all the claims, and this has never been done. I always dealt with Ferrara on the claim proposition, and he would say "Whatever you do

is all right with me. I was always fair with him, and all of them. The first year I went over there. In 1925, several attempts were made to kidnap me, but they didn't get by with it. Then I was told, "Well, we'll get somebody else on the track here". They made complaints about me through a broker, tried to get me moved off the track, but it never worked. In the last four or five years they have never even made a proposition.

Q. At the time you were shot at, in what connection was that?

A. Well, we were closing up the cars, and I heard some shots on the crossing, saw a man running down the other side of the string of cars, threw my flash light, told him to halt. I saw the officers coming, but the minute I said "Halt", he shot at me.

Q. That has nothing to do with any of their activities?

A. No, I don't believe it did.

Q. Just an ordinary car thief?

A. No, they shot a man on the crossing.

Q. Is this fruit auction company confined to the sale of juice grapes? I understood they handled fruits and vegetables.

A. No, I think it's a separate concern. The United States Fruit Grape Auction. ~~Irving~~ is the auctioneer and I guess the main officer. I understand, in fact, I know that some peddlers from Clinton Street have gone over and bought grapes and peddled them.

Q. No objection to that, is there?

A. No, there doesn't appear to be.

Q. If they were to keep Irving off the Northwestern, I shouldn't think it very effective when the peddlers can go over there, buy the grapes, and have the cars put on your tracks. How do they gain anything by keeping Irving away?

A. Well, of course their main argument is that if the auction is in the same place where the peddlers trade, buyers will hear the carload market price and are not willing to pay any more.

Q. They don't know if the cars are brought in from somewhere else?

A. That's it. If no auction is held on the loading track they can't make the difference. I think that's one reason.

Q. And if there's an auction, the temptation to let someone else bid are going to bid anyway?

A. Yes.

Q. This may keep the price to the shipper down?

A. Either up or down, according to supply or demand.

Q. Well, I think that probably Adamsen is splitting with somebody?

A. It looks that way, he must be.

Q. Is Adamsen the only broker?

A. Well, Schreiber and Rubin.

Q. Any other?

A. I don't think so. The other tracks, as I understand it, are not all Italian, the way with the Northwesterns. I think they're mixed, some Jews.

Q. You think that's one reason why they worked the Northwesterns first?

A. It seems this north side gang were a little tougher. I guess they thought they could get control.

Q. Oh, I see, it's a question of locality? Are they under the domination of this gang?

A. Yes, I think Ferrase was with the Altilos but Newberry is Capone. There might be a pact between them now.

Q. Newberry is recently Capone, isn't he?

A. Yes.

Q. I suppose they're linked up with the bootlegging trade?

A. There isn't any question about that.

Q. Of course, that's not the point right now. I wonder whether someone doesn't control all the track sheets.

A. The Italians make their own logs. There's quite a little bookkeeping about those track sheets. I will get you a copy from the first time the cars come over, up to the present time. I'll keep a copy to the end of the season for you.

Q. I wish you would. It may be possible that nothing will happen this season. It may be they're lying low waiting for next season.

A. That's the way I have it figured out now.

Q. Was King hooked up with Ferrara?

A. No. He was simply a peddler, although I have been told that Mr. King did pay Ferrara some money.

Q. Along with others?

A. Probably along with others.

Q. In this financing arrangement that they have, do these Italians pay for the use of the money, or do they go it on shares?

A. I think they hire some of those fellows by the week. The main ones probably split the profits. Ferrara used to work that way. Sometimes he would buy a car for a fellow, and split the profit.

Q. Have the Italians any secret organizations?

A. Yes. They won't talk. They'd deny that they told it to me. The two Paletta brothers belong to the Masons.

I, F. C. Beutel, Assistant Claim Agent of the Chicago and North-Western Railway Company have read the foregoing statement, consisting of 13 typewritten pages, containing questions by Mr. J. B. Opeas, Special Assistant to the Attorney General, and the answers thereto made by me on October 17, 1930, and the same were made willingly, without threat or promise of reward, or immunity, and are true to the best of my knowledge.

Witnesses:
Albert Miller.

M. J. Little
Special Agents, Bur. of Invest., Dept. of Justice

F. C. Beutel
F. C. Beutel.

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STATEMENT OF MR. F. C. SEVELL, ASSISTANT CLAIM AGENT,
CHICAGO AND NORTHWESTERN RAILWAY COMPANY.

Question (by Mr. Goss) Mr. Sevell, I should like to give you a general outline of the juice grape situation as it exists in the Chicago terminals, and in this connection, describe exactly the method of handling a carload of juice grapes received in Chicago by the Chicago and Northwestern Railway.

Answer. Well, the grapes arrive at what is known as our Wood Street yard and the consignee is notified, and usually the broker takes out some interested party, shows him the car, and if satisfactory, the deal is made. The car is then re-consigned to our Clinton Street yard for peddling purposes. Of course there are some shipments made by the shipper to himself at Chicago.

Q. How much is done that way?

A. Well, I think around 12 or 15% of cars received at Clinton Street, and I would say that at least 25% of the cars are handled that way.

Q. They are what are known as the Independents?

A. Independent shippers and receivers?

Q. Who would you say are the larger independent shippers?

A. Well, there is Nick Pantalao, A. Martini is another, A. Skilton is another. And then there is this class of trader where Independents like Palalla Brothers may have a connection with a grower in California, and enter into a contract for 25 or 30 cars; and there is a man by the name of Sam Romano who has some one in California ship to him direct, also Trotti and Deture, and sometimes brokers or their representatives go to California, buy the grapes, and ship them in, and they are handled as they arrive here.

Q. These independent people have regular offices in Chicago?

A. I don't believe that any of them have regular offices. You find them on the tracks.

Q. Is that business largely a cash business?

A. Practically a cash business entirely.

Exhibit "C"

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Chicago Racketeering and California

"THIS fellow Al Capone, seems to give the
Chicago folk a lot of trouble," remarks the
Californian.

"Yes, the poor boob, he's got 'em buffaloed,"
chimes in his neighbor.

"Ho hum, Poor old Chicago."

And California turns back to introspection of
local affairs.

And yet, it appears that racketeering in Chi-
cago is a local affair for California.

Because the racketeers exact a toll of \$50 on
every car of grapes sold in the second largest
market in the country.

Because grapes are used for wine making, the
racketeers probably figure that California will
do its growling in private.

And mayhap they don't care if California does

And likely the drayage tolls also include some
racketeering charges.

And doubtless there are many tolls other than
these.

Seems to need a little attention, does it not?

THE Chicago Daily News of September 22 has
a very interesting story about Al Capone and
his racketeering government of Chicago.

The article uses many names, both of racket-
eers and of their lawyers and collateral assist-
ants.

It intimates that policemen drink with racket-
eers for whom the police are looking, and ap-
parently the booze is such as the policemen
cannot see the racketeers well enough to identi-
fy them.

Men scour the city with looking for racketeers,
while evidently the newspaper men meet them
on the street and talk to them.

Here is a little of the News article. Wish we
had space to reproduce all of it:

The main source of revenue is the beer and
booze business.

Jake Gusiek, supplying the loop district, is the
main beer boss. Jake got his start as a watch
boy in a lawdy house and became allied with Ca-
pone in the days when they both took orders from
Johnny Torrio. Now he dwells in state at a
downtown hotel, has ambitions of entering soci-
ety and forgetting the sordid details which have
given him his wealth.

Gusiek has his miniature breweries and his
up-an-alley distilleries where his beer and whis-
key are made. He has brewers and distillers. He
has his roughneck crews who deliver the whisky
and beer.

And he has Harry ("Greasy Thumb") Gusiek,
his brother, and Hymie ("Loud Mouth") Levin,
as his personal representatives for the loop.
Harry and Hymie, accompanied by their gorillas,
make the rounds of the loop regularly. Even
when they buy a drink for a policeman, he
can't see them with sufficient distinctness to ar-
rest them. They move about with the caution
of a five-ton truck, with efforts at concealment
scarcely surpassed by a brass band marching
down a busy street.

They do such soliciting as is necessary and
they do all the collecting. Monday finds them
regularly in the loop. Monday finds them—but
the police don't.

CHESTER ROWELL has said many times that
racketeering will be stopped in Chicago when
the "good" citizens want peace more than they
want booze. So long as they demand the liberty
of a drink they will have the "license" of the
racket.

Perhaps most of us have thought of it as a
local problem. But it is more than that.

If the racketeers exact toll on grapes how long
will it be before they demand it on other fruits
and vegetables?

canned goods.

Good luck to the endeavor.

Henry Holson, formerly of the State Market
Office, once made inquiry along this line and found
a lot of response among cooperatives of the Mid-
dle West.

"If you do it you will make the middleman
fore," some one says.

Possibly. But whom are we trying to please, the
middleman or ourselves?

Perhaps we could give the middleman his reg-
ular cut and do it with his cooperation.

Has anybody tried?

Light Needed on Fish and Game Policies

A COMMITTEE of the legislature has been in-
vestigating the Fish and Game Commission.

The murmuring is that sportsmanship is not
as high as it might be.

Meanwhile the Farm Bureau has been causing
the Fish and Game Commission annoyance by de-
manding to know when they propose to do some-
thing about deer damage. The last legislature
gave them authority to protect farmers who have
heavy crop damage from deer, but the game com-
mission has produced nothing more substantial
than explanations.

A subscriber writes from Oroville. He wants to
have a bird refuge but he charges that he gets
no help from the commission and less from the
sportsmen.

We do not profess to know anything about the
merits of his case, but he describes something
which seems to indicate a need and something
which stirs the heart. Observe the picture as he
paints it. Quail and doves feeding in his field.
Look out of the breakfast window and see them.
Signs posted on his place to keep out hunters,
but hunters not keeping out.

If the mission of the commission is to protect
wild life, the question arises as to whether a
case such as this need describes should not have
an active and effective support of the commission.

Protection should be a two-way thing. Sport-
smen must be protected against unlawful depreda-
tions by wild life. By the same token it should
have effective rights in protecting wild life.
Producers want to make a refuge of their fields
for such creatures.

It has been charged many times that the com-
mission policies do not make good faith show
anything.

If this is true, the public deserves to
know. If it is not true, the public deserves to
have the facts known.

The matter ought to have

Chicago in power and they may think they are bigger than any mere state.

So the \$50 toll on every car of grapes is enforced and collected. If you want to get along without a little trouble of the racketeering variety you pay it.

Of course the money is collected off the buyer of the grapes, but that means that the paying party of the first part pays the bill. The paying party of the first part is always the farmer. "Thank him, he's only a boob."

AND the racketeer's toll is not the only one in Chicago, the toll city.

There is a \$60 switching charge in Chicago which hits many grapes.

Grapes come into that city over many lines. They are yarded by themselves. If they are sold and switched back to the same railroad over which they came in, well and good, but if it is necessary to switch them to some other line for convenience, the \$60 swat depends on the car. H. S. Buntaca, the market chief of California observes these things in a trip around the markets in Chicago.

Just why the \$60 switching charge for grapes, while other fruits and vegetables pay only \$12.50 a car, no one seems to know. Seemingly no one has troubled much to protest. It would appear to be time to raise a question here.

Obviously, tolls like this find their way back to the grower in the price the buyer is willing to pay.

A toll of \$50 for the racketeers, plus a possible \$60 switching charge is \$110 per car.

Pretty heavy toll in the toll city of Chicago.

Exhibit "D"

turned out to be general lawlessness. Originally a moral problem, it graduates into an economic one.

Racketeering vests originally in booze, prostitution and gambling—the illegal things—but the appetite of growing crime is insatiable.

It is said that in Chicago if a cleaner and dyer does not "lay it on the line" some one may sprinkle acid over the clothes of his customers and bring him to time.

The practice of "muscling in" grows.

Where will it stop and when and how?

FROM time to time this paper has made a nuisance of itself suggesting that there are other markets in the United States besides New York, Chicago, Philadelphia and Boston.

There is a market beyond Podunkville—the market of the farmer.

This year we might have sold a lot of peaches on the sidings of the country for home canning. But no one took the problem up.

We might sell table grapes that way if we tried.

We could probably sell a world of dried fruits in 10 and 20 pound boxes to the farmers of this country if we set out to do it in an intensive way, but we do not do it.

There are a world of farm cooperatives in this country that might take a carload of our farm products if the thing were pushed. Such a project would not have to pay so many tolls as Chicago exacts.

F. E. Laney, of the Sutter Cooperative Growers, is sending a man into the Middle West small towns to try this very thing in the matter of

Unofficial.

SOME time ago a prizefighter "murdered" another prizefighter in San Francisco. Did it for money.

It was not called murder in the newspapers, but the victim is just as dead as if his assailant had clubbed him with a gas pipe instead of his fists.

About the same time two men and a woman descended upon a recluse in a Bay county and clubbed him to death. Did it for his money. One of these men was a prizefighter, according to the newspapers.

One of the prizefighters was exonerated.

The other has a good chance of having his neck stretched.

The main difference seems to be that one of these murders had the sanction and sponsorship of the State.

The San Francisco grand jury is investigating the state-sponsored murder. Don't try holding your breath until it fixes responsibility.

The San Francisco News indulges in some post talk in its editorial page. It says:

"However, everyone seems to agree that the boxing business is not, at present, honest and decent, which is fairly convincing evidence that the State Athletic Commission is not doing the job for which it was created. And that, if true, is a condition that should not be tolerated. The job may be too difficult for any commission to handle properly, or the present commission may not be competent, but, at any rate, there's something seriously wrong.

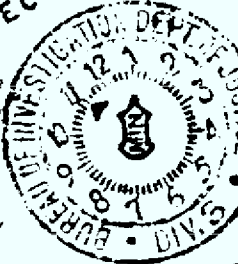
"One of the commissioners, Charles F. Traugott, has been talking mysteriously about being 'propositioned.' But he refuses, by advice of counsel, to be specific, and he apparently has no intention

THIS CASE ORIGINATED AT **Chicago, Illinois**

REPORT MADE AT: Chicago, Illinois	DATE WHEN MADE: Oct. 23, 1930	PERIOD FOR WHICH MADE: Oct. 21-23, 1930	REPORT MADE BY: ALBERT MILLER	EM
TITLE: MANNY SCHRAIBERG; TONY ROMANO; JUICE GRAPE INVESTIGATION			CHARACTER OF CASE: ANAL TRUST MATTER	

SYNOPSIS OF FACTS:

RECEIVED



Two checks in the amount of \$700. received by Agents from Charles W. Irrgang and deposited in joint checking account in the National Bank of Republic, subject to checks of Agents Little and this Agent. Freight car number WRI9295 "sold" at auction to Joe Roman (Agent DiLillo) who with Agent Palmere will pay freight on same out of money received from Mr. Irrgang, amounting to \$616.24, and who will peddle said grapes at the juice grape track and await developments as to demand for payment of tribute. Duplicate team track sheets furnished by F. C. Beutel, Assistant Claim Agent for attention of Mr. Oseas. V. C. Taggart and employees of Fry Brokerage Company interviewed, who could only submit hearsay evidence of rumors of collection of tribute at C. & N.W. tracks. Lead Chicago.

- P -

REFERENCE:

report of this Agent dated Chicago, Illinois, 10-22-30 and telegram from Director dated 10-20-30.

DETAILS:

AT CHICAGO, ILLINOIS.

DETAILS:

This is a joint report of Agent M. T. Little and this Agent.

In accordance with reference telegram Agents Little and this Agent contacted Mr. Charles W. Irrgang on the morning of 10-21-30, who handed Agents check number 375 in the amount of \$600. drawn on the Commerce Trust Savings Bank, dated 10-21-30, payable to the order of Charles W. Irrgang and signed by the United States Fruit Auction Company, by Charles W. Irrgang,

DO NOT WRITE IN THESE SPACES

APPROVED AND FORWARDED: <i>J. X. Fay</i> SPECIAL AGENT IN CHARGE	RECORDED AND INDEXED: 1001 4
COPIES OF THIS REPORT FURNISHED TO: ③ - Bureau 3 - Chicago <i>Copy to [unclear]</i>	CHECKED OFF: OCT 30 1930 ACCEPTED: 119
BUREAU OF INVESTIGATION DEPARTMENT OF JUSTICE	

President, E. E. Mills, Secretary-Treasurer, and approved by J. C. Rocca bearing the endorsement of Charles E. Irrgang. The said check is to be used in paying the freight charges and the tribute, if demanded, on a carload of juice grapes in accordance with outline submitted to the Director in letter from this office dated October 17, 1930 and in accordance with telephone conversation had by Acting S.A.C. Fay with Mr. Vincent Hughes on 10-20-30. The said check was taken to the Chicago Bureau Office and in accordance with instructions of Acting S.A.C. Fay same was deposited for collection in a joint checking account started in the National Bank of the Republic of Chicago on 10-21-30. Said funds are subject to withdrawal on order either of Agent Little or this Agent.

Later in the day, Agents learned by telephone from F. C. Rocca financial representative of Mr. Irrgang (Lafayette 9000) that the freight car of juice grapes "knocked down" at the auction in the name of Joe Roman (alias used by Agent D. DiLillo in this investigation) was car number WRK9295 - a car of white muscat juice grapes of excellent quality. Mr. Irrgang informed that the price of juice grapes had improved a little, and that the price of the juice grapes in the above described car would be \$1.00 per lug, and he stated that it would be well to start selling the said grapes at either \$1.10 or \$1.25 per lug in order to insure rapid movement.

Agents DiLillo and Palmera ascertained that the freight on the said car of juice grapes amounted to \$512.24. Therefore, with the approval of Acting S.A.C. Fay Agents Little and this Agent contacted Mr. Irrgang again and secured another check in the amount of \$100. Dated 10-22-30, which check has been deposited in the joint account of Agents Little and this Agent.

Agent telephoned to F. D. Beutel, Assistant Chief Agent of the C. & N. W. Railway, who called at the Chicago Bureau Office on 10-22-30 and Mr. Beutel examined the typewritten statement of questions which had been propounded to him by Mr. E. B. O'Connell, Special Assistant to the Attorney General, and his answers to the same, which was written up in the form of a statement, and after examining the same and making a few minor corrections, he signed the same in the presence of Agents Little and this Agent. This statement is attached to the reference report as "Exhibit C".

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In accordance with the request of Mr. W. J. Oseas, Mr. Deutel handed Agents duplicate copies of C. & N. W. team track sheets showing daily receipts by that company of grapes for the period from September 11, 1930 through and including 10-21-30. These sheets, Mr. Deutel explained, reflect total receipts of cars each day on the juice grape tracks of the C. & N. W. Railway and include different commodities in addition to grapes, such as other fruits and vegetables, hay, etc. On some of the sheets the space under the word "consignee" is blank, and Mr. Deutel advised that the blank spaces represent shipments of the juice grapes consigned to Nick Pantaleo at Modesto, California, to himself at the C. & N. W. team track. These spaces were left blank, Mr. Deutel explained, in accordance with specific request by Nick Pantaleo for the reason, as Mr. Deutel believes, that Pantaleo did not desire his competitors to know exactly how many cars were consigned to him in Chicago. These sheets are hereto attached to this report for the attention of the Department, and cover period of 14 days.

Agent communicated with Mr. Charles W. Smith, manager of the DiGorgio Fruit Company of 1425 S. Racine Avenue, Chicago, Illinois, by telephone. Mr. Smith advised that he has not been able to learn the identity or the address of "Phil" referred to on page 16 in report of Special Agent R. N. Butterworth dated Chicago, Illinois, 10-2-30, and in the event Mr. Smith does learn of the identity of "Phil" he will communicate with this office.

Agent interviewed Mr. Larry Archer, Chicago representative of the American Fruit Growers Exchange, 1425 S. Racine, by telephone. Mr. Archer had previously advised Mr. Oseas and these Agents that he had a carload of juice grapes placed on the C.M. St. P. and P. railroad juice grape tracks for the purpose of being sold to juice grape peddlers. Mr. Archer stated that his men on the juice grape tracks received several offers of 80 and 85 cents per lug for the said grapes from various peddlers, which would amount to approximately \$15. per ton below the present market price of juice grapes. No further offers were received, and after leaving the car of juice grapes on the Milwaukee tracks for two days the same was diverted to Pittsburgh, Pa. Mr. Archer stated that the reason the said car was not switched to the C. & N. W. juice grape tracks for sale there was because it would cost their company between \$60 and \$70 as a switching charge, whereas to ship it through to Pittsburgh, Pa. would only cost them approximately \$10. for icing.

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On 10-21-30 Agents interviewed Mr. V. S. Taggart, partner, and Paul Bennely, and James Flood, salesman of the Fry Brokerage Company at 1440 S. Racine Avenue. Mr. Taggart stated that he is familiar with the juice grape situation as it prevails now and for the past four or five years in the Chicago district, and confirmed what has been heretofore stated by Mr. Irrgang and others interviewed, namely, that he, Mr. Taggart, has received indirect information to the effect that Subjects, with Fred King and Nathan Rubin, are engaged in a "racket" on the tracks of the Northwestern railway at present under which grape peddlers are forced to pay tribute of \$50 per car to Subjects and their representatives. Mr. Taggart could furnish no names of individuals who could likely furnish direct information in this regard. However, Mr. Taggart stated that prior to the commencement of the juice grape shipping season this fall Mark T. Adamson, a commission broker, 1425 S. Racine Avenue, heretofore mentioned in reports in this case, made the statement to Mr. Taggart that he, Adamson, had contacted directly with Al Capone and that arrangements had been made between him and Capone whereby Adamson would head a "corporation" which would completely control the marketing of juice grapes on the tracks of the C. & N.W. Railway. Mr. Taggart stated it was his impression that Adamson was intoxicated at the time he made this statement and he did not "take much stock" in Adamson's recitals.

Mr. Taggart stated that Subjects and their association are operating some kind of organized racket on the C. & N.W. tracks at present, and it is his opinion one of the methods of operation of this gang is to distribute the business of grape buying by peddlers under the domination of this gang to certain of the brokers in addition to Mark Adamson. In this manner, peace is preserved amongst the brokers even though the free contract between buyers and brokers is interfered with and the progress of the business on the Northwestern tracks is handled by Mark T. Adamson. In support of this, Mr. Taggart stated that his company has during the present season received numerous orders for grapes from one John Bizzo, amounting to approximately a carload a day and that in other seasons, this man conducted only a very small business and purchased none of his grapes from the Fry Brokerage Company. Mr. Taggart further stated he has received from various sources, which he could not recall, information to the effect that Frank Raia and Amatore Dejoia (addresses unknown) have been forced by the gang on the Northwestern tracks to leave those tracks and that Raia is now conducting his business on the tracks of the Chicago, Rock Island, and Pacific

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Railway, and DeJioia is located on the tracks of the Rock Island and Santa Fe. Mr. Taggart stated that in the season of 1935 a party of DeJioia's, whose first name is Frank and whose last name and address are unknown, was shot three times while resisting efforts of Ferrara and his gang to eject him from the Northwestern tracks. With respect to Ferrara, Mr. Taggart stated that there was no question but that he was a lieutenant of Joe Aiello, inasmuch as checks signed by Aiello were frequently received by the Fry Brokerage Company in payment of carloads of juice grapes delivered direct to Ferrara. Mr. Taggart furnished to Agents the names of the principal buyers of juice grapes who purchase their grapes from the Fry Brokerage Company. The local addresses for these buyers were unknown to Mr. Taggart, their names being as follows:

Tony Spalle - Santa Fe tracks
Mike Vinci - "
Joe Scardini - "
Charlie Barbara - Rock Island tracks
Vincent Damora - Northwestern tracks
Carl LaSalle - "
Galla Brothers - "

Mr. Taggart stated that the Fry Brokerage Company is the Chicago representative for the following California grape growers and shippers: Nehls and Huhner, Fresno, California; Federal Fruit Distributors, Fresno, California; D. H. Felton, Lodi, California; William Pats, Ontario, California; L. K. Small Company, Los Angeles, California; G. J. Jave Fruit Company, Fresno, California; Marshall Mueller, Lodi, California; E. J. Foley and Company, Fresno, California.

Mr. Taggart stated he would not be willing to make any written statement or complaint in regard to the juice grape situation which would contain any names of individuals, but that he would in the very near future prepare and submit to this office a statement outlining the situation as the same is known to him, omitting names, however, but setting forth the manner in which the activities of the various gangs have affected the business of the Fry Brokerage Company during the past several years. Mr. Taggart indicated that inasmuch as his company sells juice grapes at present to members of the gang controlled by Subjects, it would not be "good business" for it to become known that he is actively engaged in transmitting information to the Government in connection with the instant investigation.

Mr. Paul Donnelly, sales representative of the Fry Brokerage Company, and who conducts the business of that company on the tracks of the Rock Island and Santa Fe railroads, was present during the interview above set forth. Mr. Teggart had confirmed statements made by Mr. Teggart. Mr. Donnelly could not furnish any specific instances where demand for tribute had been made or money paid. He affirmed that this practice is doubtless in existence at the present time on the tracks of the Northwestern railway, and stated that early in the present season some efforts had been made by Subjects to put into effect the same general scheme on the tracks of the Santa Fe and the Rock Island railroads, but had met with such strong opposition from independent buyers and peddlers that it had been abandoned, for the present at least.

James Flood, sales representative of the Fry Brokerage Company on the tracks of the Northwestern railway was interviewed also by Agents. While Mr. Flood is in daily contact with the buyers and peddlers on the Northwestern tracks, and is familiar with the conditions prevailing on those tracks, and while stating that he has likewise heard rumors of the racket now in progress, he could furnish no specific names or cite instances in which tribute had been demanded and collected, except that in one instance during the past season a man known to Mr. Flood only as Frank, but who is believed to be a partner of DeJioia, told Flood that he had been forced to pay \$50 per carload to Subjects for the privilege of selling grapes on the Northwestern track. It is Mr. Flood's opinion, however, that this informant and his partner DeJioia are in league with Schraiberg and Romano, and could not be trusted in any way to furnish information in regard to the racket. Mr. Flood stated further that Fred King informed him recently that the "gang" had blown up. Mr. Flood stated that he has never observed any strong arm methods on the Northwestern tracks, and so far as he has been able to discover, Romano and Schraiberg are simply engaged in buying and selling carloads of juice grapes. Mr. Flood stated that Mark T. Adamson controls nearly all of the brokerage business on the Northwestern tracks and that his representative on those tracks is Bill Reardon. Mr. Flood added that the firm of Palella Brothers do a large business on the Northwestern tracks and purchase practically all of their supply from Mark Adamson, and that while Palella Brothers could doubtless furnish information concerning the racket, if one exists, and had earlier in the season made a complaint with respect to the existence of the alleged racket, nevertheless it was Mr. Flood's opinion that Palella brothers were now directly allied with Mark T. Adamson, and with Subjects Schraiberg and Romano and would not cooperate with the Government in their work, in fact, would attempt to block efforts to obtain information.

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UNDEVELOPED LEADS:

The CHICAGO Office will carry out leads set forth in previous report, but in this connection interviews will not be had with the Italian juice grape buyers and sellers until such time as the sale of grapes by Agents DiLillo and Palmara shall have been completed. For the reason that it is believed that any interview had with Italian dealers or peddlers at this time will have the effect of putting the Subjects and their Agents, as well as Italian peddlers, on notice that the Government is engaged in investigation.

- Pending -

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VH:MP
62-24153-22

October 28, 1930

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, Mr. O'Neil

Attention: Mr. Coas.

62-2415

For your further information in connection with the investigation entitled MARY SCHRAIBER; TONY ROMANO; CHIEF CHIEF INVESTIGATION, there are enclosed herewith copies of two reports made by Special Agent Albert Miller at Chicago, dated October 22nd and 23, 1930, respectively.

Attached to the October 22nd report are Exhibits A to C as described in the report.

Attached to the October 23rd report will be found 24 duplicate torn track sheets furnished by F. C. Bental, Assistant Claim Agent of the Northwestern Railroad as requested by Mr. Coas.

Very truly yours,

Director.

Incl. 425500.

RECORDED

62-24153-31	
BUREAU OF INVESTIGATION	
OCT 29 930 A. M.	
TELETYPE	NOTICE
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BUREAU FILES DIVISION
MAILED
OCT 28 1930
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DIV. OF INVESTIGATION

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62-8412-300

October 28, 1930

RECORDED

OCT 30 1930

MEMORANDUM FOR MR. ROBERT BOES, Acting Head,
Criminal Division.

For your further information in connection with the investigation entitled MANNY SCHRAIBER, TONY ROMANO, JUICE GRAPE INVESTIGATION, Antitrust Matter, there are enclosed herewith copies of two reports of Special Agent Albert Miller, dated October 22nd and 23rd, respectively.

Very truly yours,

Incl. 420010.

Director.

BUREAU FILED DIVISION
MAILED
OCT 28 1930
A. C.

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17

Form No. 1

THIS CASE ORIGINATED AT

CHICAGO.

REPORT MADE AT: Chicago, Illinois	DATE WHEN MADE: Oct. 25, 1930	PERIOD FOR WHICH MADE: 10/21 to 27/1930	REPORT MADE BY: ALBERT MILLER
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TITLE: WANNY SCHRATNER; TOM ROMANO; JUICE GRAPE INVESTIGATION	CHARACTER OF CASE: ANTI TRUST MATTER
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SYNOPSIS OF FACTS:

Carload of juice grapes sold by Agents DiLillo and Palmora for a total amount of \$228.25, representing a loss of \$104.95. Observations of Agents DiLillo and Palmora made during sale of said grapes set forth in detail herein. No threats of any kind or solicitations for tribute made to Agents by any parties. Signed statement obtained from Pezzy Stern, Asst. to C. W. Irrgang and attached hereto as Exhibit "A". Summary of monies received and disbursed in connection with the sale of the carload of grapes set forth herein. Signed statement furnished by Mr. Irrgang and attached hereto as Exhibit "B".



REFERENCE:

Report of Special Agent Albert Miller, Chicago, Ill., October 23, 1930.

DETAILS:

DETAILS:

AT CHICAGO, ILLINOIS.

This is a joint report on behalf of Special Agents D. DiLillo, W. R. Palmora, M. T. Little and Albert Miller.

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APPROVED AND FORWARDED: J. X. Fay SPECIAL AGENT IN CHARGE	RECORDED AND INDEXED: 62-24153-32 OCT 28 1930
COPIES OF THIS REPORT FURNISHED TO: 3 - Bureau 3 - Chicago copy 6 Bureau 10-31-30	BUREAU OF INVESTIGATION OCT 31 1930 A.M. DEPARTMENT OF JUSTICE CHECKED OFF: NOV 4 1930 JACKETED: ROUTED TO: Div. Three FILE m

COPIES DESTROYED
120 JUL 27 1964

The following investigation has been conducted by Agents DiLillo and Palmera:

On October 21, 1930 Agents were informed by Agents Miller and Little that, in accordance with pre-arrangements made by them, Charles W. Irrgang of the U. S. Fruit Auction Company had sold at auction to Joe Roman (the assumed name of Agent DiLillo), a carload of juice grapes, the car being initialed and numbered UHX-2295, known as Lot #7 and containing 1040 lugs of "Muscats" at \$1.05 per lug, or a total of \$1092.00, including freight charges in the amount of \$416.24, to be paid by the purchaser at the time of release. The said total shipment did not include, however, the amount of \$31.00, representing "terminal charges".

Agents were also informed that they received a draft from Mr. Irrgang in the amount of \$600.00, a full description of which will be given by Agents Miller and Little, so as to pay the freight charges at the time the car was released, and also to pay whatever tribute would be demanded by any of the persons operating in the juice grape racket on the Chicago and North Western Railway team tracks on Clinton Street, Chicago. Mr. Irrgang made it understood that the freight charges to be paid on the carload of juice grapes herein described would amount to from \$550.00 to \$575.00. The freight car was to be transferred from the tracks of the U. S. Fruit Auction Company to the team tracks of the Chicago and North Western Railway at the location herein given.

Upon the suggestion made by Mr. Irrgang and conveyed to Agents by Agent Miller, Agents DiLillo and Palmera, as Joe Roman and Giorgio Ruscitto, called at the freight office of the Chicago and North Western Railway Company and informed Mr. Schultz that Roman had purchased a carload of juice grapes which would, as he said, arrive at the Clinton Street freight station the following day. Agent DiLillo begged of Mr. Schultz to place the car in a conspicuous position so as to facilitate the business venture. Mr. Schultz informed Agent DiLillo that he could favor no one and that Agent DiLillo was to be satisfied with the position in which the car arrived.

On the morning of October 22, 1930 Agents again called upon Mr. Schultz, who, after examining his records, stated that the car had not yet arrived. When asked as to the approximate date on which the car would arrive, Schultz said it would be possibly within the next two or three days, as the car would, in all possibility, come to Chicago via Joliet, Illinois.

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Notwithstanding the information received from Schultz, Agents visited the team tracks and located the car. It was numbered and initialed WNR-2800, was assigned to Joe Roman and was placed on track #4. The finding was brought to the attention of Mr. Schultz, who stated that he would not release the car unless Joe Roman exhibited either a bill of sale, a release order or a bill of lading with the transfer. As Agents were not supplied with any of the said papers, Mr. Irrgang having stated they were not necessary, the car was not released.

The bill of sale and the release were subsequently secured by Agent Little at the office of Mr. Irrgang and were turned over to Agents. The release was signed by Frank Roman.

On the afternoon of October 23, 1930 Agents returned to the freight office of the Chicago and North Western Railway on Clinton Street and again attempted to have the car released to them, to no avail. It was then found that the freight charges to be paid amounted to \$616.24 instead of \$550 or \$575.

Out of the draft in the amount of \$600, furnished by Mr. Irrgang, Agent DiLillo was furnished with \$590.00, which amount did not cover the payment of the freight charges and the expected demand of a \$50 tribute.

Agent Miller, therefore, again contacted with Mr. Irrgang, who furnished an additional draft in the amount of \$100, a more complete description of which will be given by Agent Miller. Out of the latter draft Agent DiLillo was furnished with \$75 on October 23, 1930.

On October 23, 1930 the car of juice grapes was finally released to Agents upon payment of freight charges in the amount of \$616.24, which amount was paid to Mr. Schultz in the presence of Agent Palmora and a Chicago and North Western Railway employee, who was addressed by Schultz as "Fred". "Fred" accompanied Agents to the car located on track #4. The car was found consigned to a Pacific Fruit Express Company car numbered 22311, consigned to one Joe Caruso, Chicago, and directly opposite to a car consigned to Calogero Cutillo, also Chicago. The latter mentioned car contained the same quality of Muscats ("Tiger" Brand, produced by the Mahoney Fruit Company, Belton, California) as those sold to Agents. This latter mentioned car was in charge of one of Cutillo's nephews, also named Cutillo (first name not known). The car consigned to Joe Caruso, on the other hand, was in charge of a short, red headed Sicilian whose name is believed to be Salerno.

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Salerno, young Cuttillo and a third Sicilian, whose name could not be learned, assisted Agents in opening and repacking, as well as the displaying of the grapes for sale. The grapes did not appear to Agent DiLillo to be of the first quality due to their color and the lack of sugar. Agent DiLillo remarked to Agent Palermo at the time that \$1.05 per lug was an excessive price. Salerno, Cuttillo and the third Sicilian also stated, then and there, that the grapes were not of the first quality, adding that in all possibility they would not sell at more than \$1.06 per lug retail. When they were advised, upon request, that the grapes cost \$1.05 per lug, plus 3 cents per lug for auctioneer's fees, they stated that the auctioneer had played "a dirty trick" on Agents and that the Agents would, no doubt, lose money on the deal. They estimated that Agents would lose from \$50 to \$100 on the entire car of juiced grapes. A most amiable spirit existed between Agents, Salerno, Cuttillo and others throughout the entire day. These persons honestly sought customers for Agents' grapes, and merely to show that they suspected nothing of Agents' presence at the yards it is well to state here that Cuttillo invited Agents - if they had any more money left - to go with him in the restaurant and liquor business. Calogere Cuttillo, who had five carloads of grapes to be sold, was not later and sympathized with Agents in the bad buy they had made, adding that he too had made a similar bad purchase.

It was during a conversation with young Cuttillo that the latter voluntarily warned Agents as follows: "Do not pay anything to anyone, not even ten cents worth of graft". During a conversation later had with Salerno, he was asked if all the persons there engaged in the grape business were Italians. Salerno replied in the affirmative, adding however, that there was only one Jew who was in partnership with an Italian. Very shortly after a man who answered Subject Romano's description chanced to pass by, whereupon Salerno stated, "There goes the Italian who is in partnership with the Jew". Subject Romano was looking at all vendors on the platform, and though he observed Agents he did not approach nor speak to them. Subject Romano again passed by in a Ford automobile with a younger man, but only looked on.

About twenty persons stopped, looked, handled and tasted the grapes on display, but no one made a purchase, stating that \$1.10 per lug, the price agreed upon to be demanded, was too much. It is to be noted here that no buyers were had by Cuttillo for the identical quality of grapes which he was selling across the platform.

The findings of the day were, during the evening of October 23, 1930, brought to the attention of Acting Special Agent in Charge Frank X. Fay and Agents Miller and Little. Agent Miller

communicated by telephone with Charles W. Irrgang who suggested that the price of the juice grapes, namely \$1.10 per lug, be raised to \$1.20 about 2 P. M. of Saturday, October 25, 1930 and that subsequently it be dropped to \$1.00 at 12:00.

On October 24, 1930 at 7:30 P. M., car No. 2222 was located between cars initialed and numbered PFR-2221 and PFR-11637, the former was consigned to Joe Caruso, while the latter, bearing no tag, was in charge of a man named Napolitano, meaning a man from Naples, the correct name unknown. Car initialed and numbered PFR-2221 was immediately followed by car initialed and numbered MDT-22316, in charge of Anthony Mirabelle. Directly opposite to car numbered and initialed WIX-9295 - Agents' car - was located a Union Refrigerator Transit Company car number 66609, in charge of Philip Morozzo who claimed ownership of the contents of same. The grapes sold by Morozzo were produced by the Fresno Grape Exchange of Fresno, California. Car initialed and numbered PFR-2221 had only a few lugs, which lugs were taken away in a truck bearing the name of Joe Caruso.

Philip Morozzo examined the Muscats contained in the car belonging to Agents and described them as being of a very poor quality. He stated that they were too green, that they were sour, that the berries were rather small and that instead of containing 25% sugar, they only contained 22% sugar. When informed, upon request, as to where Agents purchased the grapes, Morozzo stated that they (Agents) had not been given a square deal; that the grape auctioneers are not interested in the welfare of the grape buyers, and suggested that, being inexperienced in the grape business, Agents should have paid a sum of money to some confident person and instructed him to buy for them, the most salable grapes. It is well to note at this point that the latter suggestion by Morozzo had been advanced by Mr. Irrgang when the investigation was in its inception. Mr. Irrgang, however, for a reason unknown changed his mind and sold the car of grapes to Roman (Agent Dilillo) without giving the latter the opportunity to examine the same.

The comments, as to the poor quality of grapes sold by Agents, made by Morozzo were reiterated by one Rocca who stated that he knows the Rocca employed by "the German" of the U. S. Fruit Auction Company, but that he is not related to him. He also stated that a man must watch "the German" very closely; that "the German" is the most important factor in the auction, having invested his money in it. The German, according to Rocca, may do anything to further his interests. As to the Rocca employed by "the German", the Rocca at the yards stated "he is honest, but he does not amount to much in the auction, he being merely "the German's" bookkeeper".

Subject Romano was seen passing the car three times, always followed by another man, possibly his bodyguard. Approximately forty people visited the car of juice grapes, handled the grapes and tasted some, but left without purchasing, or even asking the price. No sales were made on October 24th during the time the car was kept open, that is from 7:30 AM. to 3 PM.

On the morning of October 25, 1930 at 7:30 AM Agents' car was located between cars initialled and numbered MVT-22316 and PFE-11637, in charge of Anthony Mirabelle and the Napolitano, respectively. Car initialled and numbered PFE-11637 was followed by car initialled and numbered Santa Fe-19209, in charge of a Piedmontese, meaning a man from Piedmont, Italy, whose name could not be learned. Directly opposite Agents' car was located car initialled and numbered PFE-11722, which was opened at about 7:30 PM. by a short, young Sicilian. It was a new shipment of Malaga grapes which arrived during the night. The Malaga grapes were of fine quality, so much so, that the persons unfamiliar with grapes bought the same as Muscats. The vendor had no fixed price and sold the Malagas from 90 cents to \$1.15 per lug. The grapes moved so fast that at 11 AM. he had sold about one half of the car.

At 11:30 AM. Subject Romano followed by his escort, walked through the platform in a westerly direction. Subject Romano was observed by the short young Sicilian in charge of the car, No. PFE-11722, who appeared to be much disgusted by Subject Romano's presence. Subject Romano again walked past the platform, going towards the east. He stopped in front of car PFE-11637 and spoke to the Napolitano. The latter was observed by Agent DiLillo handing Subject Romano a certain amount of money and a white paper. The money and the white paper were pocketed by Subject Romano who proceeded in an easterly direction. The short Sicilian who with Agent DiLillo saw the passing of the money remarked that the Napolitano was working for Subject Romano.

At 12:15 PM, Subject Romano followed by his escort again approached car PFE-11722, directly opposite to Agents' car. He stopped right in front of it and yelled "Who is handling this car?" The short Sicilian man pointed to another person, also a Sicilian, standing nearby, whereupon Subject Romano and his escort entered the car and invited the owner into the same, taking him to the further corner so that they could not be seen or heard. Five minutes later Subject Romano's escort left the car and ran in an easterly direction returning soon after with a tough looking customer followed by a third Sicilian whose name it was subsequently learned was Aspano. Subject Romano's escort and the tough looking man entered the car. Aspano remained outside.

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In the meantime Anthony Mirabelle, who was near the car, inquired as to what was going on in the same and upon being informed of Agents' ignorance on the matter he volunteered the information that the man who entered the car was Romano, a known man, and who, was had interests in the farm. Mirabelle added that possibly something wrong had occurred and concluded, "We will know it some day".

Subject Romano and his associates were evidently talking to the owner of the car in the far corner of same, while the third man kept the people away from the entrance. A fifth man then came up, evidently looking for someone. He was told by Mirabelle that the person he was looking for was in the car. The man entered the car. It is not known whether the fifth man was looking for Romano or the owner of the car.

Subject Romano and his party left the car about one hour later and went away. The owner of the car also came out with the fear of God painted over his face. He was questioned by Mirabelle in the presence of Agents as to what had occurred but he did not reply one word.

Subject Romano passed by Agents' car and locked in on several different occasions and at 4 PM. he again stopped and spoke for a few minutes with the owner of car initialled and numbered PFE-11722, and, thereafter, with the Napolitano. By that time Agents had been successful in making a sale of 105 lugs of juice grapes at \$1.00 per lug. The money secured from the sale of the 105 lugs of grapes in question was on the evening of October 25, 1930 turned over to Acting Special Agent in Charge Frank L. Fay.

A conference was had with Mr. Fay and Agents Miller and Little, who conferred by telephone with Mr. Irrgang concerning an offer made by one Russo, a grape vendor on the team tracks of the Chicago and North Western Railway Company to Agents to buy the entire car at a loss of \$100 to \$150. Agents were advised to accept the offer should it be repeated.

On the morning of October 26, 1930 at 7:55 AM. Agents' car was found in the identical position as on the previous day with reference to the other cars hereinbefore mentioned.

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It was found, upon arrival at the yard, that car initialled and numbered PFB-11722 contained a padlock and a key. The car had not been opened. At about 10:30 AM. Subject Romano appeared with the owner of the car whose name was subsequently learned to be A. Scaduta, 1810 Frontier Ave. Chicago. It was noticed that while Scaduta broke the seal Subject Romano opened the padlock. Subject Romano was followed right along by his escort and by Aspiano. From the time that the car was opened to about 12:30 PM. Subject Romano was almost continuously in and about the car in question. His escort and Aspiano were with him. It was noticed that the grapes moved very fast and that new grapes of different qualities were substituted for those sold. Subject Aspiano was continuously in Agents' presence but never spoke to them. His escort was at times leaning against Agents' car, but never said a word to them. The most communicative of the trio was Aspiano, who was engaged in conversation with Agent Palmira as to the grape business, told Agent his name and also gave Scaduta's name. Scaduta's address was copied from a truck seen on many occasions in the vicinity of car PFB-11722.

Subject Romano observed Agents doing considerable business and taking in quite a large amount of money. He did not appear to be disturbed or upset about the matter, merely looking on and saying nothing. While in conversation with a man unknown to Agents Romano was heard by Agent Palmira to say "Some S. B. around here are selling for a dollar or less". It is unknown as to whether he had reference to Agents who were at that time selling grapes at \$1.00 and \$1.05. Agents sold 25 cases of grapes at \$1.00 per case, from 7:35 AM. to 12:30 PM; also during that time, 34 cases at \$1.05; 80 cases at \$1.05 and 125 cases at \$1.00, or a total of 237 cases at a total sum of \$293.85. The said amount of money was on October 26, 1930 turned over to Acting Special Agent in Charge Frank X. Fay.

On the morning of October 27, 1930 at 7:30 AM. Agents' car was located between a car initialled and numbered MDT-22516, in charge of Anthony Mirabelle, and American Refrigerator Transp. Co. #19155, the latter containing seedless grapes. The location of Agents' car was very poor inasmuch as it was out of the beaten path. Due to the situation, Agents conferred by telephone with Acting Special Agent in Charge Frank X. Fay who suggested that they do the best they could. In the meantime a railway employee who approached Agents to collect demurrage charges for Saturday, October 25th and Monday, Oct. 27th (no charges for Sunday), inquired as to the business conditions and upon being informed that they were not so promising he suggested that the entire lot be sold to some dealer.

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Agent DiLillo requested him to bring Agent [redacted] about he had a [redacted] who would purchase the entire lot. About one half hour later Subject Romano and another Italian man, unknown to Agents, called upon Agent DiLillo and stated that the railway employee had told him that Agent would sell the balance of the juice grapes to some dealer. He stated that he was a dealer and would contemplate purchasing the balance of the grapes if they were satisfactory. With Agents DiLillo and [redacted] Subject Romano and his companion entered the car. Subject Romano examined the grapes, tasted them, squeezed them, handled them and finally said that Agents were badly stung and offered to buy the balance of the grapes at 30 cents per lug. Agents objected to the price, whereupon he stated that he could throw a nickel more in and make the price 35 cents per lug. He explained that the grapes were bad, but that he had various cars of grapes on the tracks; that he would divide the grapes purchased from Agents among his other cars and thus sell them with the better grapes; his offer was again rejected and he went away. He returned shortly, however, stating that he would pay 45 cents per lug for the grapes. He was, however, discouraged by his companion who said that 45 cents per lug was too much. Subject Romano did suggest that Agents think the matter over and give him a reply by 4 PM. In the meantime Agents made two sales of 75 lugs at 30 cents per lug and 36 lugs at 35 cents per lug, respectively for a total of 111 lugs for \$113.40.

Anthony Mirabelle who had seen Agents confer with Tony Romano inquired as to what Romano wanted of Agents. It was explained that Agents decided to sell the remaining 580 lugs of grapes to one dealer and informed Mirabelle that Subject Romano had offered only 45 cents per lug. Mirabelle informed Agents that Tony Romano is a millionaire engaged in a liquor and gambling business and that this was the first year he appeared on the juice grape tracks as a grape vendor; that he is an "S. B." and no grapes should be sold to him at 45 cents per lug. Anthony Mirabelle further stated that he knew of a man who could buy the grapes at a more reasonable price and introduced Agents to Joe Caruso who has been dealing in grapes for many years. Joe Caruso at first offered Agents 75 cents per lug for their grapes, but finally, subsequent to some dickering, stated that he would buy the 580 lugs of grapes for not more than 30 cents per lug. The sale was consummated, the bill of sale which Agent DiLillo, as Joe Roman, received from the U. S. Fruit Auction Company was turned over to Mirabelle, who for Caruso, paid Agents the amount of \$418.00, representing the sale price of the 580 lugs of grapes. The said money was turned over to Special Agent Albert Miller, together with the amount of \$113.40 secured from individual sales effected during the morning of October 27, 1930.

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From the \$665.00 in currency received from Agent Miller the following disbursements were made by Agent Dilillo:

Oct. 29, 1930	Freight charges	\$11.00
30, 1930	1 hamper	1.00
30, 1930	1 hatchet	1.00
27, 1930	2 days transportation to O.S.W. by Agent Miller	22.00
Total disbursements		\$35.00

Total amount of currency received from Acting Special Agent in Charge F. E. Fay \$665.00
 Amount due Agent Dilillo \$35.00

Resuming the various sales made by Agents Palmera and Dilillo from October 25th to October 27th, 1930, the following is submitted:

Oct. 25, 1930	-	105 lugs	@	\$1.00	\$105.00
26		25 "	"	1.00	25.00
26		23 "	"	1.05	24.15
26		24 "	"	1.05	25.20
26		20 "	"	1.00	20.00
26		20 "	"	1.00	20.00
27		20 "	"	.70	14.00
27		24 "	"	.85	20.40
27		50 "	"	.80	40.00
Total		1041			\$109.65

The difference between the number of cases received (1040) and that of the cases accounted for (1041) is due to the fact that Agents, through error, delivered to one of the buyers 33 cases of grapes instead of 34, receiving payment for 34 cases.

It may be of interest to note that dealers engaged in the grape business for years explained the presence of water and the lack of sugar in Agents' grapes by stating that the vineyards were irrigated too often and that the growth of the said grapes took place in shady fields.

It may be also of interest to note that the apparent failure to show profit in the business venture was not only due to the quality of grapes, but was also due to the fact that Agents had no friends who might have bought from them - as other vendors had - in addition to the fact that Agents' experience in such a line of business was and is limited.

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The following investigation has been conducted by Agents Miller and Little since the reference report was submitted.

On October 24, 1930 Mr. Perry Stern, Assistant to Mr. Charles W. Irrgang of the U. S. Fruit Auction Company, called at the Chicago Bureau office and in response to questions propounded by Agents Miller and Little, set forth in detail in a signed statement hereto attached and marked Exhibit "A", the facts as they are known to Mr. Stern in connection with the marketing of juice grapes at the Chicago terminals. As will be noted from this statement, Mr. Stern was in possession of no first hand information concerning the collection of tribute by Subjects or their representatives from juice grape vendors. Mr. Stern stated that should he at any time become informed of any facts bearing directly upon the investigation now in progress he will communicate same at once to Mr. Irrgang, who will in turn notify this office.

On Sunday morning, October 26, 1930 Agent Little made a trip to the juice grape tracks of the Chicago and North Western Railway Company and the Chicago, Milwaukee, St. Paul and Pacific Railroad Company and found the conditions under which grapes are sold by peddlers from the cars as hereinbefore described. Agent did not observe either of Subjects engaged in any solicitation from peddlers and no business was being conducted on the Milwaukee tracks, all of the activity being confined to the North Western grape tracks. Numerous groups of Italians were actively engaged in the solicitation of prospective buyers and it appeared to be the practice for a group of Italians to immediately surround a prospective buyer as soon as he appeared in the vicinity of the tracks and escort the buyer to the cars owned by the group. Neither of Subjects was observed by this Agent on the tracks during the time of the visit.

On Sunday evening, October 26, 1930, Agents Miller and Little conferred with Mr. Charles W. Irrgang at the Madison Athletic Club, 505 N. Michigan Ave. Chicago, with particular reference to the progress which had been made by Agents DiLillo and Palmera in connection with the sale of the carload of juice grapes furnished by Irrgang through the Auction Company. Agents informed Mr. Irrgang of the fact that Subject Romano had been active in the sale of a carload of juice grapes on Saturday and Sunday, which car was located on a track directly opposite to the car which was then being sold by Agents DiLillo and Palmera. Mr. Irrgang seemed to regard this fact as significant and stated that heretofore Romano has not personally engaged in the sale of juice grapes, leaving such details

to a subordinate. Mr. Irrgang also stated that in view of the fact that P. C. Beutel, Assistant Plain Agent of the Chicago and North Western Railway, has in the past been a close associate and friend of Joe Aiello who was killed in Chicago on Oct. 23, 1930 and was likewise very friendly with Joe Ferraro and is at present in close daily contact with Subject Schraiberg and Romano, it is Mr. Irrgang's opinion that Mr. Beutel could not be trusted with any information pertaining to the under-cover investigation now in progress by this office, and this phase of the matter will be carefully borne in mind and further contact will not be had with Mr. Beutel.

Mr. Irrgang also stated that on October 24, 1930 while he was at the juice grape tracks of the North Western, Subject Schraiberg informed him that he desired to speak to Mr. Irrgang on a confidential matter and to this end requested a private interview. Accordingly Mr. Irrgang stated he informed Mr. Schraiberg that he would see him at his (Irrgang's) office on Tuesday, October 28th. It is Mr. Irrgang's thought that at the conference on Tuesday, Subject Schraiberg will either advance some kind of proposition in connection with the marketing of juice grapes or will definitely threaten Mr. Irrgang and attempt to dictate the part to be played in the future by the Auction Company in connection with the sale of juice grapes. Mr. Irrgang stated he bases his opinion upon the statement made by Schraiberg that the "organization", meaning the Capone gang had instructed Schraiberg "to get rid" of Fred King, one of Schraiberg's lieutenants and that Schraiberg stated he would dismiss King on the morning of Oct. 24, 1930 and that in the future he, Schraiberg would be in complete charge of operations on the North Western tracks for the "organization".

Mr. Irrgang was informed by Agents of the progress made to date in the sale of the carload of juice grapes and recommended that the remainder of the carload be disposed of at whatever price could be obtained and that so soon as the present car had been sold he would supply another car since it is his conviction that Subject Schraiberg or Subject Romano will sooner or later interfere in some manner with Agents DiLillo and Palmara in the sale of juice grapes.

Mr. Irrgang stated that he has received information during the past week to the effect that six carloads of juice grapes were placed on the North Western Railway tracks which cars had been consigned to a brother of Pasquale Prestigiacomo, the last named being a close friend and associate of Joe Aiello and from whose home Aiello emerged on Oct. 23, 1930 to be shot down by machine guns, and that Subject Schraiberg had informed Mr. Irrgang personally that these six cars would be "turned off the track" and no sales would be permitted to take place from those cars.

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Mr. Jurgens reiterated that he and his company are prepared to assist the Bureau in every way in the further conduct of this investigation, and to this end will furnish carloads of grapes and supply whatever financial assistance is required in order to bring about the successful completion of the matter.

The following is a statement of receipts and expenditures of all monies in connection with the sale of the carload of juice grapes by Agents DiLillo and Palmera:

DEPOSITS. In joint checking account of Agents Miller and Little, Trustees, in the National Bank of the Republic in Chicago, Illinois.

Oct. 21, 1930 - Check of U. S. Fruit Auction Co., dated 10/21/1930 \$500.00

Oct. 23, 1930 - Check of U. S. Fruit Auction Co., dated 10/22/1930 100.00

Oct. 27, 1930 - Cash received from Acting Special Agent in Charge, F. X. Fay 398.85

Oct. 27, 1930 - Received from Special Agents DiLillo: Cash 556.40

Cash 41.00

Total \$1670.25

DISBURSEMENTS. From joint checking account of Agents Miller and Little, trustees, of the National Bank of the Republic in Chicago, Illinois.

Oct. 22, 1930 - Cash withdrawn by check and given to Agent DiLillo \$ 290.00

Oct. 23, 1930 - Total 75.00 \$ 665.00

RECAPITULATION.

Total Deposits \$1670.25
Total Withdrawals 665.00
Total Cash in bank 10/27/1930 \$1005.25

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Before arrangements are made for the sale of another parcel of juise grapes, the Bureau will be advised by telephone by the Special Agent in Charge of the progress made to date and further instructions in this connection will be requested.

UNDEVELOPED LEAD.

CHICAGO. Interview will be had with Mr. Irrgang on Tuesday, Oct. 28, 1930, following his conference with Subject Schraiberg. Obtain from Mr. Irrgang a written statement which he is now preparing, setting forth in detail, such acts in connection with the juise grape situation, as are known to Mr. Irrgang personally. Further interviews in connection with leads set forth in reference report will be held in abeyance until such time as the under-cover investigation on this matter shall have been concluded.

ADDENDUM.

Since the foregoing report was dictated, Mr. Charles W. Irrgang, the original complainant in this case, has furnished the Chicago office with a signed statement, consisting of three pages, the original of which is attached hereto, marked Exhibit "B" and photostatic copies thereof are likewise attached to each copy of this report. The statement sets forth such facts as are known to Mr. Irrgang and which bear upon the salient features of this investigation and was furnished at the request of this office.

- PENDING -

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STATEMENT OF MR. PERRY STERN, AUCTIONEER FOR
THE U. S. FRUIT AUCTION COMPANY

QUESTION. Mr. Stern, as you are doubtless familiar with the investigation in regard to the Juice Grape situation in Chicago, which is now in progress, will you please state that you submit such facts as are within your knowledge concerning the sale and marketing of Juice Grapes on the railroad terminals at Chicago, commencing with the year 1928. How long have you been associated with the U. S. Fruit Auction Company?

ANSWER. As an auctioneer, for the last five years, with the auction company as it is now formed, for the last two and a half years.

Q. You are familiar with the situation at the various tracks where Juice grapes are sold?

A. Fairly so, yes.

Q. You are more familiar with the conditions as they prevail inside the Auction Company than on the tracks adjacent to the Auction Company?

A. I am fairly familiar with every track where they are sold in addition to the Auction Company itself.

Q. In connection with the sale of grapes at auction, where has this business been conducted for the past three years?

A. In order to have a proper distribution of the grapes and have liberal supplies on the various tracks sold through auction, we found it necessary to have sales at the various railroad yards and we sold at the Clinton Street Team Track of the Northwestern three times weekly during the Juice grape season in 1928, at the Santa Fe at 21st Street five times weekly and at 27th and Ashland five times weekly, all during the year 1928. In 1929, we sold only at the 27th and Ashland team tracks known as "the Auction Terminal tracks."

Q. Did you sell grapes during the year 1929 on the tracks of the Chicago and Northwestern?

A. No, we did not.

Q. Explain why Juice grapes were not sold on the Northwestern Auction tracks during the season 1929.

A. At one time during 1928 while acting in the same capacity I am now, as assistant to Mr. Irrgang, in the handling of the Juice grapes, we encountered a bit of difficulty down on the Northwestern track. They had what they called a "click", or at least it was so considered, a number of fellows

Exhibit A

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who were very friendly with me and I was very friendly with them, and we discussed the auction with them daily and explained our offerings to them and cars were displayed on their tracks. Every now and then they would complain that our selling on the Northwestern track in the presence of the retail trade would conflict with their business in this way. They thought that by purchasing carload lots at a certain price they were entitled to a certain margin of profit. They thought the retail trade felt that if they could buy a car at \$1.00 per lug their argument was that the retailers also felt they should not pay over \$1.00. Of course, that was our real argument with them. We tried to prove to them that it was not the retailer's business what they were paying and as long as they displayed salesmanship they should get whatever price they asked as long as it was within reason.

Q. Who were the parties?

A. I mean car-load buyers.

Q. And the principal car-load buyers were who?

A. On the Northwestern track, Joe Ferrara was one party. There was a fellow associated with him - first name Tony - Tony Torentino, known as Tony "Butch," Ferrara's party was the heaviest buyer on the track. There was a little fellow by the name of Joey - I don't know his last name - and Joe Caruso, but the heaviest buyer of these was Joe Ferrara. At times it appeared as though Joe Ferrara did the buying for a number of the other independent parties on the track and the impression that it left with one, at least with me, was that Joe wanted to buy in order to eliminate the outside bidding from others and buy at a more reasonable price.

Q. Who was Joe Ferrara particularly known to be allied with?

A. Of course, I never heard it said but it has been known that Ferrara was associated with Tony Lombardo and Joe Aiello, both of whom are now dead.

Q. You did no business at all on the Northwestern Tracks in 1939?

A. No, we did not.

Q. Was that at the request of Ferrara?

A. At one time during 1938, while I was on the Ginton Street team track, or as I arrived on the team track, I saw a gathering of about twelve or fifteen Italians at the intersection. I didn't know just what was going on but I walked over to a sandwich stand and bought a sandwich. Nobody spoke in English but all of it was in Italian but I overheard Irrgang's name mentioned and I overheard the auction mentioned and my name mentioned and it sort of put the fear of God into me because I saw no one inspecting our fruit. We had about fifteen or twenty cars on the track at the time

and the fruit displayed as usual, I took the sandwich and walked into the team track office at Northwestern and sat there for a few minutes until I had both feet on the ground again. I walked on but didn't say anything to me yet. Shortly afterwards, Mr. Irrgang came in and I believe Mr. Frank Nellis was with him at the time. I talked to Mr. Irrgang's car and said, "Mr. Irrgang, I don't know what there is in the air here today but I sense some trouble." He wanted to know what I meant and I said, "I can't explain further except that I fear we are going to be boycotted." He asked for further details and I said I was just as ignorant as he was except that I heard these heated rallies mention these names.

Q. Was Ferrara in the group?

A. Ferrara was in the group and all the other fellows were boys from the track, regular men who operate from the track but enough to make up a group. That day most of the cars, if I remember correctly, were bought there by Jewish dealers from other tracks or bought in by Mr. Nellis. Unless I am mistaken, it was a Friday sale. I didn't show up on the track the following Saturday, contrary to my usual custom, to make the rounds of the tracks every day, Saturdays and Sundays to make sure just how the fruit is moving. That Saturday I just wasn't feeling right. I didn't have enough nerve to show up on the track. Sunday morning, I decided to go down the usual way and I walked down and met Joe Ferrara and exchanged greetings the usual way and wanted to know what was wrong and he said, "Oh, nothing, everything will be all right by Monday." I said, "Joe, I wish you would explain what happened." He said, "The boys don't want you to sell down here." It would interfere with the business. That was the extent of his explanation. But to go a little further, we started to unload a lot of other stuff and he accused me of making the statement to some one that every time I go to the Northwestern Railroad yards I was afraid of being shot and I corrected Joe by saying that I never made such a statement and told this to Joe on my word of honor as a man but did tell him that the statement I made at one time in answer to a question as to where I was going was that I informed the party asking the question that I was going to the "shooting gallery," meaning the Northwestern tracks and explained to Joe the reason I made that statement was because a couple of days ago there was a shooting match on the track and two men were wounded and that phrase of "shooting gallery" was not my own but had been used by some one else.

Q. Had those tracks the reputation for being a bad spot?

A. It has been said that they were controlled for a number of years by the gang.

Q. Had you ever received from Aiello checks in payment for grapes which you sold to Ferrara?

A. Not to my knowledge, although I would not have occasion to see them.

Q. Have you sold any grapes on the Northwestern tracks this year?

A. Yes, we have. In fact, we sold five cars of the same kind yesterday to Sam Russo; two cars on the same day to Joe Caruso. On Thursday, which was yesterday, we sold one car to Joe Baruso and one car to Frank King. We sold some the week before and the week before that.

Q. Did you personally sell those cars?

A. No, Mr. Irrgang. The cars were sold at the terminal yards and diverted to the Northwestern tracks to these buyers.

Q. They were diverted on their orders?

A. Yes.

Q. But no cars had been sold by you or Mr. Irrgang on the Northwestern tracks this year?

A. We did not operate on the Northwestern tracks or any tracks except the Produce Terminal. As far as the Auction Company is concerned, if we felt for a moment that the fruit business was hurt by selling through auction we would immediately quit, but the Auction Company has felt that the auction method is the only way of selling because other commodities have proven a success.

Q. Do you know anything about the arrangements or conditions which prevail on the Northwestern tracks this year?

A. Very little, except that I know, of course, that fellows have made their appearances on the track who have never been there before.

Q. For example?

A. Manny Schraiberg and one other fellow by the name of Tony Romano. Manny, of course, has been very active in other years to my knowledge up to this year and has been quite a factor in the watermelon business. This other party I have never seen in my life up to the time of the grape business and the first time I met him was through Manny. I have known Manny for many years and have always been friendly with him. In fact, it was rather a shock to me that I found he was on the Northwestern tracks and that he was supposed to be a trouble-maker.

Q. Do you know anything about the methods which are alleged to be employed by Schraiberg and Romano?

A. No, I don't know of anything definite. I say that honestly. It has been said that they were going to adjust and levy tribute to a certain amount on each car.

FRUIT AUCTION SALES CO. AUCTIONEERS

CHARLES R. GODDING

President

CHARLES W. THOMAS

Vice-President & Gen. Mgr.

WALLACE B. CLARK

Secretary

E. EDWIN MILLS

Treasurer

1300 N. WATER STREET
CHICAGO, ILLINOIS

October 28, 1930

OFFICE OF THE
GENERAL MANAGER

Department of Justice,
Bureau of Investigation,
Washington, D.C.

Gentlemen:

On Thursday, September 18th, 1930, Mr. Charles R. Godding, Mr. E. Edwin Mills and the writer had an audience with Mr. G. C. Feague of the Federal Farm Board in Washington and presented to him the conditions existing in the past few years on the teamtracks of the grape industry in Chicago. On the same morning we were referred to the Department of Justice and we presented conditions to them as they existed in Chicago, especially on the Clinton Street teamtracks of the Chicago & Northwestern Railway, where approximately one-third of the unloads of the grapes were made in previous years.

The tracks have been virtually under control of a number of persons under the direction of Joseph Ferrara (who has since been murdered) and Tony Tornitani. These two gentlemen had been operating under orders and with the finances furnished by one Joseph Aiello (who has also in the past week been murdered in Chicago). For three years it has been impossible for any free and open selling by growers, receivers, or auction company in this yard. They have had for these number of years a monopoly of the tracks and only those who met with favor with these people were permitted to open and peddle cars. Their practice has been to levy a tribute varying from \$10.00 per car to \$200.00 before permitting a buyer to peddle a car to the public. In some instances they made a season's agreement by certain amounts of money. This has been common practice and known by every one in the industry but nothing concrete could be gathered which would definitely establish such things as time of payment or proofs that would stand in court. The United States Fruit Auction Company being the only outstanding instance where definite payment was demanded.

During the grape season of 1928 the buyers who operated in the Northwestern tracks were prohibited from purchasing at the auction. However, in 1929, in order to

BUREAU OF INVESTIGATION

OCT 28 1930

DEPT. OF JUSTICE
CHICAGO, ILLINOIS

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Exhibit B

(Signature)

FRUIT AUCTION SALES CO. AUCTIONEERS

CHARLES F. GORDON

MANAGER

CHARLES W. HORGAN

VICE-PRES. & GEN. MGR.

WALLACE S. CLONE

BOOKKEEPER

J. EDWIN HILLS

TRUCKER

1230 W. WATSON STREET

CHICAGO, ILL.

OFFICE OF THE
GENERAL MANAGER

Department of Justice - cont.

give the shippers full buying power of the entire market, it was necessary to have some of the buyers at this track purchase cars. We, therefore, held sales for a short period twice weekly within the teamtracks of the Northwestern yards. There was very bitter feeling and many definite threats made to the auction company officials that they would not permit these sales to continue and, on one particular occasion, under the leadership of Ferrara and Ferrisani, the crowd that followed the auctioneers was terrorized, and they prohibited the auction selling to continue, even with threats of guns. The following day, Ferrara agreed if we discontinued selling auction at teamtrack, they would permit their boys to buy from us at our regular selling place in the Chicago Produce Terminal Yards and divert cars from there to the Northwestern teamtrack for sale to the public. For this service, however, they demanded a certain sum of money per car and it was definitely agreed to pay them \$20.00 per car, under the guise of they assuming the credits for this irresponsible lot of buyers who are the sellers to the public of grapes. They purchased last season 40 cars, for which they were paid \$20.00 a car. This money was paid by check, the original of which is in your possession.

After the death of Ferrara and the breaking up of the so-called Aiello gang, it was generally made known that the Al Capone organization had taken charge of the Northwestern tracks and had installed one Manny Schreiber with one Tony Romano as his organizer and the general word was passed out that a charge this season would be \$20.00 per car for anyone not having made previous arrangements with this organization to open and sell cars. Also the word was passed that they were going to organize all other tracks in Chicago on a similar basis, which were the following: The Chicago Produce Terminal peddling yards located at 27th and Ashland Ave., the 21st Street yards of the Santa Fe, and the Rock Island yards at Taylor Street.

On or about September 15th, and again the following Monday, several men in high powered automobiles appeared in the Produce Terminal Yards and advised some of the men there

FRUIT AUCTION SALES CO.

AUCTIONEERS

CHARLES R. GOODING
PRESIDENT

CHARLES W. IRVING
VICE-PRES. & GEN. MGR.

WALLACE B. CLINE
SECRETARY

E. EDWIN MILLS
TREASURER

190 SO. WATER MARKET

CHICAGO, ILL.

OFFICE OF THE
GENERAL MANAGER

Department of Justice - cont.

that they were going to organize that year. When this information reached us we immediately got in touch with Mr. Teague of Washington.

For many years the Division Street beachtracks of the Chicago, Milwaukee & St. Paul were used for the selling of grapes to the public. In the opening last year, the Ferrara men, fully armed, swooped down on these men who were opening these bars and compelled them to close and get rid of same and refused to permit any further business on these tracks, thereby closing up one of the big outlets for grapes. This same railroad at a great expenditure built concrete tracks this season but no cars have been handled there so far.

The matter was placed before Mr. Teague, advising him that the city authorities apparently were helpless in the matter and we hoped that there might be a violation of interstate laws and that we might be able to secure the assistance of the Federal Government in breaking up this condition in Chicago but, as we advised the Department in Washington, it was impossible for us to present anything concrete as most of these transactions were made among the illiterate Italian class who were afraid to put themselves on record, and all that we could get was hearsay evidence, feeling that the Department might be able, with different leads, to secure enough data and information that would show violation of Federal laws.

As this letter is written, the organization is hanging on but has not dared to function openly and as freely as was their intention. The results therefrom are now shown by the larger increase in sales on this particular track, also the investigation which was started has evidently changed their plans for this season of expanding their operations to other tracks.

I might add that we returned from Washington on Friday, September 19th, and this organization knew of our visit and the mission of same in Washington, this information having apparently emanated from Washington.

Very truly yours,

Charles W. Irving

DEPARTMENT OF INVESTIGATION
OCT 29 190

DEPARTMENT OF JUSTICE
CHICAGO, ILLINOIS

I, PERRY STERN, of the U. S. Fruit Auction Company, have read the foregoing statement consisting of nine typewritten pages containing questions by Special Agents M. Pettit and Albert Miller and the answers thereto made by me on October 24, 1930, and the same were made truthfully without threat or promise of reward or penalty and are true to the best of my knowledge.

Perry Stern
PERRY STERN

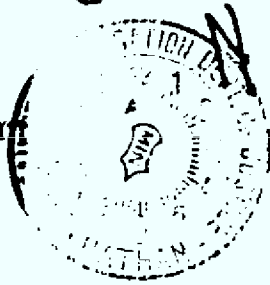
Witnesses:
Albert Miller
M. J. Pettit

JOHN EDGAR HOOVER
DIRECTOR

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U. S. Department of Justice
Bureau of Investigation
Washington, D. C.



October 31, 1930

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MEMORANDUM FOR THE DIRECTOR.

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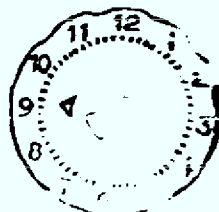
On the afternoon of the 30th instant, Agent Fay of the New York office called by telephone to advise that Mr. Charles Irrgang, who has financed Agents DiLillo and Palmera in the Juice Grape business, had advised that he had received word from Subject Manny Schraiberg and two others who had made certain inducements looking towards a partnership ~~had advised~~ that they were informed that government agents had entered into the grape business; that they were not in any way fearful of the consequences; and Mr. Irrgang stated that he would not finance another car for these Agents; that he would not testify to the facts which he has already disclosed to our Agents; that he would no longer cooperate with the Government, and that he was through. Agent Fay stated that Mr. Irrgang made these statements in no belligerent attitude whatever, but in an attitude clearly indicating, in fact supported by the statement that he was fearful for his life and would under no circumstances have anything more to do with this investigation. In view of this information, I promptly communicated with Mr. Oseas, in Mr. O'Brian's Division, and it was agreed that Agents Palmera and DiLillo would be promptly released from this work in Chicago, and that further investigation would necessarily be suspended until the full facts with regard to the Irrgang statement were received. Agent Fay stated he would place a report in the mails on the night of the 30th instant.

Respectfully,

V. W. Hughes

V. W. Hughes.

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BUREAU OF INVESTIGATION	
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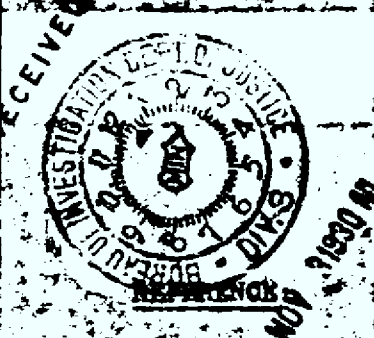
Form No. 1

THIS CASE ORIGINATED AT **CHICAGO.**

REPORT MADE AT Chicago, Illinois	DATE WHEN MADE Oct. 31, 1930	PERIOD FOR WHICH MADE 10/29 to 30/30	REPORT MADE BY ALBERT MILLER
TITLE MARSH SCHRAIBERG TONY ROMANO JUICE GRAPE INVESTIGATION		CHARACTER OF CASE ANTI-TRUST MATTER	

SYNOPSIS OF FACTS:

Chas. W. Irrgang informed that second car of juice grapes selected by Agents DiLillo and Palmer would sell too high, and suggested postponement of sale of grapes until the following day. After conference between Irrgang and Subject Schraiberg, accompanied by two alleged Cypene representatives, Irrgang declined to assist further in instant investigation. Bureau advised by telephone and memorandum. Awaiting Bureau instructions as to further investigations, case is



Report of Special Agent Albert Miller, Chicago, Ill., October 28, 1930 and memorandum dated October 30, 1930.

DETAILS: AT CHICAGO, ILLINOIS.

This is a joint report on behalf of Special Agents M. F. Little, Albert Miller, D. DiLillo and W. A. Palmer.

In view of Agents DiLillo and Palmer having completed the sale of a car of juice grapes at the Chicago & North Western Railway Company's juice grape tracks on October 27, 1930, Acting Special Agent

APPROVED AND FORWARDED: <i>F. X. Fay</i> SPECIAL AGENT IN CHARGE	RECORDED AND INDEXED: NOV 3 1930
COPIES OF THIS REPORT FURNISHED TO: 3- Bureau 3- Chicago	CHECKED OFF: NOV 6 - 1930
ROUTED TO: <i>Mr. B. Quinn</i> <i>11/4/30</i>	JACKETED: 5
DEPARTMENT OF JUSTICE	155

In Charge F. K. Fay communicated with Mr. Vincent Hughes by long distance telephone on October 28, 1930 and briefly outlined the situation concerning this investigation, and requested further instructions. Mr. Hughes instructed that the further under cover investigation by Agents DiLillo and Palmara should be held in abeyance until the Chicago office had learned the result of Mr. Irrgang's contemplated interview with Subject Schraiberg, which was to occur on October 29, 1930. On the evening of the latter date, Mr. Irrgang by telephone informed Agents that Subject Schraiberg had failed to appear for conference. This information was conveyed to Mr. Vincent Hughes by long distance telephone by Acting Special Agent in Charge Fay who was then instructed to have Agents DiLillo and Palmara proceed with the sale of another car of juice grapes in the same manner as heretofore.

Agents Little and Miller contacted with Mr. Irrgang on October 29, 1930 and made arrangements with him to permit Agents DiLillo and Palmara to inspect the cars of juice grapes on the tracks of the Produce Terminal in order that they might select a suitable car of juice grapes. Mr. Irrgang informed that Agents DiLillo and Palmara could select any car of juice grapes which they thought desirable and stated he would have same switched to the Chicago and North Western Railway's juice grape tracks where the said Agents could pay the freight on same on the morning of October 29, 1930 and proceed with the sale of same as heretofore. At this conference Mr. Irrgang informed Agents Miller and Little that he (Irrgang) had met Bill Reardon, sales representative for Mark T. Adamson, broker, on the Chicago & North Western Railway's juice grape tracks on the previous day and that the latter had informed Mr. Irrgang that the "organization" was disgusted with the amount of profit that they had realized through Schraiberg and his assistants this season and that the "organization" had instructed Schraiberg to get rid of Tony Romano and Fred King.

Agents DiLillo and Palmara inspected the cars of juice grapes at the Produce Terminal on October 29, 1930 and selected lot 29 which was a car of Muscats, and informed Mr. Irrgang and Perry Stern, who approached them, of their selection. Mr. Irrgang informed Agents DiLillo and Palmara that the selection which they made was a car of good juice grapes, but that the cost of the same would run very high in comparison with the rest of the juice grape market, and Mr. Irrgang suggested that the matter of obtaining another car of juice grapes be postponed until the following day (October 30, 1930).

Later in the day October 29, 1930, Mr. Irrgang telephoned this office and informed Agent that Subject Schreiberberg had telephoned to him and that he had advised Schreiberberg he would meet him at his (Irrgang's) apartment on the evening of October 30, 1930, in the Madinah Athletic Club. Agents Little and Miller interviewed Mr. Irrgang after this telephone conversation at his apartment and Mr. Irrgang requested that Agents contact him on the following day for details of his interview which was to occur with Subject Schreiberberg.

Agents Little and Miller contacted with Mr. Irrgang at his office on the morning of October 30, 1930, at which time a conference was had. The details of this conference have been furnished to the Bureau under separate cover in the form of a memorandum, dated October 30, 1930, and the recent developments which have occurred were briefly outlined by Acting Special Agent in Charge Fay to Mr. Vincent Hughes by long distance telephone.

The Bureau is respectfully requested to furnish the Chicago Bureau Office with instructions as to further investigations in this matter.

PENDING

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RECORDED

November 4, 1930.

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**MEMORANDUM FOR MR. HUGHEST BODDS
ACTING HEAD OF CRIMINAL DIVISION**

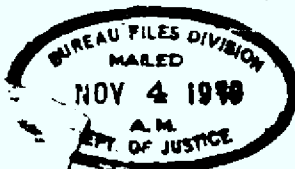
For your further information in connection with the Juice Grape Investigation at Chicago, which is entitled "Manny Schraiberg and Tony Romano", there is enclosed herewith a copy of the report of Special Agent Albert Miller, dated October 31, at Chicago, Illinois, from which you will note that Mr. Charles Irrgang has refused to cooperate further with the Government, and as a consequence, Agents DiLillo and Palmara have been released from the assignment at Chicago.

No further action will be taken in this matter pending additional instructions from the office of the Assistant to the Attorney General.

Very truly yours,

Director.

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RECORDED

November 4, 1930.

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. O'BRIEN

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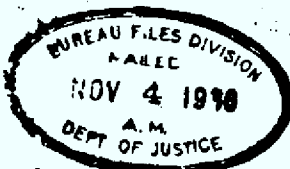
Supplementing my memorandum of the 1st instant with regard to the Juice Grape Investigation, which is entitled "Manny Schraiberg and Tony Romano," there is enclosed herewith, for your further information, a copy of the report of Special Agent Albert Miller of the Chicago office of the Bureau, dated October 31.

As indicated in my memorandum of the 1st instant, the Chicago office has been instructed to take no further action in this case pending receipt of additional instructions. The enclosed report, which contains an inquiry with regard to the advisability of proceeding with the investigation, was, of course, prepared and submitted prior to the time that the instruction to take no further action was issued.

Very truly yours,

Director.

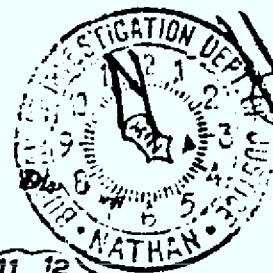
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JOHN EDGAR HOOVER
DIRECTOR

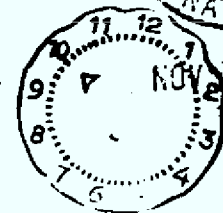
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U. S. Department of Justice
Bureau of Investigation
Washington, D. C.



62-24153

October 29, 1930.



NOV 1 1930 PM

MEMORANDUM FOR THE DIRECTOR:

OCT 30 1930

Agent Fay at the Chicago Office called by telephone yesterday morning to advise that Special Agents DiLillo and Palmera, assigned to the Juice Grape Investigation had succeeded in disposing of a carload of grapes on the Northwestern Railroad tracks at a loss of \$195.00; that no approaches have been made to either of these Agents while working on the railroad tracks, although subject Romano, one of the leading racketeers, had sold grapes from a car placed next to that of the agents, and it was assumed that Romano had performed that work for the purpose of sizing up Palmera and DiLillo, as it has not been his practice to sell grapes but merely to circulate around the cars where they were being sold. DiLillo observed the passing of funds, from one grape vendor to Romano but did not overhear the conversation and does not know the circumstances attendant upon that transfer of funds. Agent DiLillo, however, obtained the number of the car from which these grapes were sold and can identify the vendor when it becomes necessary to do so at a later date.

Agent Fay also advised that subject Manny Schraiberg had communicated with Mr. Charles Irrgang, who is financing the grape business for the Agents, requesting a conference yesterday. Irrgang, of course, had agreed and will advise the Agents promptly upon the conclusion of said conference, the subject thereof.

Agent Fay desired instructions as to whether an additional car of grapes should be purchased and sold. I advised him to make no further arrangements until I had an opportunity to confer with Mr. Oseas of the Department. I conferred with Mr. Oseas, who stated he would like to have the Agents purchase and sell another car of grapes, even though the Agents were under the impression that possibly a leak had occurred and the racketeers were advised of their plans, because he stated that if they suspected anything, the withdrawal of the Agents after the sale of only one carload of grapes would confirm that suspicion and upon the other

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hand, if the racketeers were only suspicious of these Agents, their presence with another carload of grapes might allay that suspicion and they might be approached on the second occasion. In view of this request of Mr. Oseas, I will instruct the Chicago Office to permit the Agents to proceed with the sale of another carload of grapes, unless developments growing out of the conference between Irrgang and Schraiberg make the same impossible. I expect to learn of the results of the conference before the close of business today.

Respectfully,



V. W. Hughes.

WFM:AM

November 2, 1930.

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INVESTIGATION	
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MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL

MR. CORMAN

I desire to confirm the delivery to Mr. Coates on the 31st ultime of a copy of the report of Agent A. Miller of the Chicago office of this Bureau, dated October 30th, and entitled HARRY SCHRAIBERG, TONY ROMANO, Juice Grape Investigation. I also desire to confirm the delivery to Mr. Coates on that date of a copy of a memorandum prepared by Agents M. E. Little and A. Miller at Chicago on October 30th covering information received from Charles Irrgang concerning a conference between Harry Schraiberg and his associates and Irrgang, and relating the statement of Mr. Irrgang to the effect that he wished it definitely understood by this Bureau and the Department at Washington that he would not testify in this case and was not willing that any signed statement made by him be used as evidence; that he would no longer cooperate with the government and would not finance any further operations on the part of the Agents.

When advice of the statement of Mr. Charles Irrgang was received by telephone on October 30th, this office after conferring with Mr. Coates, instructed Special Agents DiLillo and Palmora, who had been working on the case at Chicago, to discontinue it and to return to their respective headquarters. The Bureau is at this time writing the Chicago office instructing that they take no further action pending additional instructions from this office other than to report such developments as may occur.

It is believed that any further investigation along the lines heretofore pursued would be futile. It is believed further that inasmuch as Charles Irrgang originally complained to the Department regarding the activities of the gangsters in Chicago in the grape industry, and knew full well of the character of the persons with whom he was dealing, he should be called upon to present his facts to a grand jury despite his statement to the effect that he will not testify as to any of the information which he has trans-

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mitted orally and in writing to this Department and Bureau. There would seem to be no greater reason for his fear of the gangsters at this time than was present at the time he first complained to the Department. On the other hand, it is possible that the investigation made by the Department and Bureau may have accomplished a more lucrative arrangement for the disposition of grapes by the Chicago section.

Very truly yours,

Director.

The Evening Star, November 4, 1930.

GANGSTER TRAILED TO HOSPITAL, SLAIN

Star 11-4-30

Two Gunmen Walk Into Private Room and Fire Three Shots Into "Ape's" Body.

By the Associated Press.

NEWARK, N. J., November 4.—A racketeer who sought sanctuary in a private room of the Newark General Hospital was tracked down by two gunmen last night and killed in his bed.

Walking by the information desk without a word, the slayers went directly to the room occupied by John Passelli, known in the underworld as "The Ape," and fired three shots, killing him instantly. They then walked out in the confusion and escaped in an automobile.

Passelli, who had been listed at the hospital as Joseph Carno, walked into the institution Sunday with a slight scalp wound and bruise. Hospital attendants said he told them he had fallen from an automobile. His injuries were dressed, but he insisted on staying in the institution, and asked for a private room.

Police said they believed his injuries were received in jumping from a moving automobile when he realized he was being taken for a ride and that his killers, balked in their first attempt, trailed him to the hospital. The police attributed the killing to New York gangsters, saying Passelli had been attempting to cut in on the New York grape racket, by which gangsters levy a tribute on the shipments of grapes.

Doctors and nurses at the hospital were taken to police headquarters to view rogues' gallery picture in an attempt to identify the slayers.

Lead story

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*File Roman
Tony Roman
Franky Schuchman
John
Mort*

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U. S. Department of Justice

Bureau of Investigation

POST OFFICE BOX 1405
CHICAGO, ILLINOIS

62

October 30th, 1930

AIR MAIL.

Director,
Bureau of Investigation
Department of Justice,
Washington, D.C.

RE: TONY ROMANO; MANNY
SCHRAIBERG - 'JUICE
GRAPE INVESTIGATION
ANTI TRUST MATTER.

per

Dear Sir:

Attached hereto you will please find an original and two copies of a memorandum submitted by Special Agent s M. T. Little and Albert Miller of this office, dated October 30th, 1930, relating to a conference had with Mr. Charles W. Irrgang at the latter's office, on said date.

Very truly yours,

F. X. Fay
F. X. FAY

Acting Special Agent in Charge.

Take up to Mr. Little 11/10/30

FXF:JMS

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RECORDED & INDEXED

NOV 5 1930

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BUREAU OF INVESTIGATION	
NOV 4 1930 A.M.	FILE
Div. 3-39	FILE

W.H. Jones

October 30, 1930

MEMORANDUM TO ACTING SPECIAL AGENT IN CHARGE
F. X. FAY

Re: TONY ROMANO; MANNY SCHRAIBERG
JUICE GRAPE INVESTIGATION

At 11:30 A. M. on this date Agents conferred with Mr. Charles W. Irrgang at his office, 169 South Water Market. Mr. Irrgang stated that at 7:30 P. M. on October 29, 1930 Subject Manny Schraiberg called at Mr. Irrgang's apartment at the Medinah Athletic Club and was accompanied by two men whom Schraiberg introduced as Benny Byrne or Byrnes and Mickey Sax or Saxon. After Schraiberg had made certain that Mr. Irrgang's apartment was occupied only by Mr. Irrgang and his wife, he stated that the two men with him were his financial backers, and that it be understood that they were "big shots" in the "organization", meaning the Al Capone organization.

The man named Byrne or Byrnes undertook to act as spokesman and stated flatly to Mr. Irrgang that their purpose in coming to see him was to work out some arrangement in regard to marketing of juice grapes in the various terminals so that the "organization" and the auction company could both profit by such arrangement. Byrnes stated, according to Mr. Irrgang, that he was in possession of records which the Capone organization had obtained in a raid on the former headquarters of Joe Aiello and his gang on North Michigan Avenue, which records showed that up to November 1, 1929 Joe Ferrara had paid in to the Aiello organization a net profit of \$43,500.00, and that the records further indicated that for the entire juice grape shipping season of 1929 a total of between \$100,000.00 and \$110,000.00 had been paid in as profits by Ferrara to Aiello.

Byrnes stated that the organization, believing that Subject Schraiberg was entirely familiar with the juice grape situation, and based upon his representation that large profits were to be obtained in this "racket", had placed the sum of \$100,000.00 in a loop bank to be used to finance the juice grape racket for the season of 1930 but that to date Schraiberg had been unable to show but a small profit to the great disappointment of the Capone gang, and that it was for this reason in particular, that is, to effect some plan whereby larger profits could be guaranteed to the Capone organization, that Byrnes, Schraiberg and Sax had called upon Mr. Irrgang. The last named stated that Byrnes requested Irrgang to suggest a plan whereby the organization and Irrgang could both reap a profit from the sale of juice grapes in the Chicago terminals, and Byrnes stated to Irrgang that for a consideration he was prepared to guarantee that his organization would force every peddler engaged in the sale of juice grapes in the Chicago

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terminals, including those peddlers engaged in business on the Rock Island; the Santa Fe and the Northwestern tracks, to purchase grapes exclusively from Mr. Irrgang and the U. S. Fruit Auction Company.

Mr. Irrgang stated he explained that the juice grape market to date had been unprofitable for all concerned, and that since the season was nearing a close, and in view of the further fact that the prospects for good prices between now and the close of the season were very poor, he did not consider that it would be worth the while of all concerned to agree upon any plan for the remainder of the present season. Mr. Irrgang explained that he did not wish to enter into negotiations with the organization at this time and used the last above argument as a means whereby to postpone any definite arrangements with the Capone organization.

Mr. Irrgang further stated that he went to some pains to point out to Byrnes and his two companions that the Government, while interested in the juice grape situation, was concerned chiefly with the past activities of Joe Farrara and the Aiello organization, and that his, Mr. Irrgang's, trip to Washington was made in connection with the Government investigation which has been in progress for a long period of time and had nothing to do whatever with the situation as it has existed during the present juice grape market. At this point in the conversation Byrnes remarked that the organization has been aware for some time that the Government was conducting an investigation and had reliable information, and that for some time past the Government had opened seven or eight cars of juice grape on the tracks of the Northwestern Railroad. Byrnes stated further, according to Mr. Irrgang, that the organization was fully able to deal, not only with the city Government and the States Attorney's office, but with the Federal Government as well, and stated that even "the Government men at Washington must earn a living".

Mr. Irrgang stated that the three parties above mentioned freely discussed the murders of Tony Farrara and Joe Aiello and rather plainly indicated that both were brought about through the Capone organization. Frequent mention was made by Byrnes of machine guns and millions of dollars in capital and strong arm methods which have in the past been employed, not only on the juice grape tracks but in other rackets in Chicago by the Capone organization, citing these instances as an indication of the great strength and power of the Capone gang.

Mr. Irrgang stated that Byrnes seemed to be fully conversant with the juice grape industry, including the growing of the grapes in California, the shipment of carload shipments to Chicago, and other points of distribution in the East, and cited the fact that 450 carloads of juice

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grapes were being disposed of daily at present in the New York terminals, and in this connection stated that arrangements were now being made by the local organization and a similar organization in New York whereby, commencing with the next 1931 juice grape season, the "racket" in New York would be controlled also by the local Capone organization.

Mr. Irrgang stated further that during the conference the three parties stated that they were preparing to control the juice grape situation in Chicago in its entirety, and that the organization would dictate to the railroads, including the Northwestern Railroad through President Sargent, and the Chairman of the Board, Mr. Marvin Hawitt, Jr., with whom Byrnes stated he had attended school, the terms upon which the railroads would be permitted to switch cars to the various team tracks, and in this connection Byrnes stated that just prior to the killing of Joe Farrara in June of this year, it was understood that Farrara had made arrangements with the Chicago, Milwaukee, St. Paul and Pacific Railroad whereby the Northwestern tracks would be closed to peddlers and the latter forced to do all of their selling from the tracks of the Milwaukee Railroad, and that it was at the request and dictation of Farrara that the new cement juice grape tracks were constructed by the Milwaukee Railroad in anticipation of this year's juice grape business on those tracks.

Mr. Irrgang stated Byrnes informed him that Tony Butch, formerly a member of Aiello gang, is now engaged in a juice grape racket at Milwaukee, Wisconsin, and Rockford, Illinois, and that Tony Butch is "gunning" for Mark Adamson for the reason that Adamson owes him money and will not pay.

Mr. Irrgang stated that no arrangements were made between him and the three parties above named, and at the conclusion of the conference it was understood by those present and stated by Mr. Byrnes that the organization would withdraw entirely from any further participation in the juice grape market for the remainder of the present season, but that Subjects Schraiberg and Romano would be permitted to conduct whatever business they desired for their own personal benefit during the balance of this season.

Mr. Irrgang stated that after his conference with the three parties above named, he became convinced that it would be futile to continue the present investigation, and that he was not willing to furnish any more grapes to be used in an under cover investigation; further that he was frankly concerned with his personal safety and alarmed that should it become known to the Capone organization that he was assisting the Government in this investigation, the penalty for such assistance would be his life. Mr. Irrgang stated he wished it definitely understood by the Bureau and officials in Washington that he would not testify in this case and was not willing that any signed statement made by him be used as evidence in this case.

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Mr. Irrgang stated he would be willing to communicate verbally to any official of the Government the matters hereinabove set forth, but that he would not make any written statement covering his conference with the parties above named.

It was the impression of these agents that Irrgang was badly frightened by the above named parties.

The money now on deposit in the joint account of the writers as trustees, all of which was furnished by the auction company and which includes the proceeds of the sale of the carload of juice grapes, can be returned to the auction company by check whenever desired, according to Mr. Irrgang.

The foregoing will later be incorporated in an investigative report.

Very truly yours,

M. T. Little

M. T. LITTLE
Special Agent

Albert Miller

ALBERT MILLER
Special Agent

MTL:AB
CC-Director

60-166

19

77128

November 3, 1930.

~~62-24153-39~~

62-24153-39

RECORDED

NOV 5

1930

Agent in Charge,
P. O. Box 1408,
Chicago, Ill.

Dear Sir:

Your letter of the 30th ultimo was delivered to this office by Agent Palmer on the afternoon of October 31st and the memorandum of Agents Little and Miller, which was attached thereto, with regard to the Juice Grape investigation, has been carefully noted. I am of the opinion that any further investigation at this time would probably be futile. The matter, however, is being referred to The Assistant to the Attorney General, and of course no further action should be taken by your office in the absence of additional instructions, except that you should advise, of course, of any information which you may hear of covering developments since the conference between Charles Irrgang and Manny Schreiber.

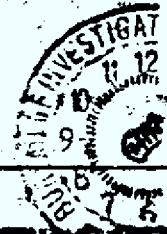
It is desired, however, that you immediately arrange to surrender to Mr. Charles Irrgang all monies which are now held in the joint checking account of Agents Miller and Little at the National Bank of the Republic at Chicago. In other words, the Bureau desires that you promptly surrender to Mr. Irrgang all of the monies that he has advanced and that have been obtained as a result of the sale of grapes by Agents Palmer and Little. It is believed that this money should be surrendered by check, Cashier's or otherwise in order that a permanent record may be had of the transaction.

Very truly yours,

WMO
Director.



RECEIVED



Form No. 1

THIS CASE ORIGINATED AT CHICAGO, ILL.

80-166

REPORT MADE AT: CHICAGO, ILLINOIS	DATE WHEN MADE: Nov. 9, 1930	PERIOD FOR WHICH MADE: Nov. 4, 1930	REPORT MADE BY: HERBERT MILLER
---	--	---	--

TITLE: **MANNY SCHRAIBER
TONY ROMANO
JUICE GRAPE INVESTIGATION**

SYNOPSIS OF FACTS:

check in the amount of \$1,004.31 was delivered to Charles W. Bergang, Vice President of the U. S. Fruit Auction Company, Chicago, Ill., same representing total receipts of all produce used, less expenses incurred. Joint checking account of Agents Little and Miller as trustees of fund in the National Bank of the Republic of Chicago closed. Awaiting instructions from the Bureau as to further investigation, same to

REFERENCE: Report of this agent dated Chicago, Ill. 10-31-30.

DETAILS AT CHICAGO:

DETAILS:

This agent, as one of the joint trustees of the fund used in the under cover investigation in this case, gave check in the amount of \$1,004.31 to Mr. Charles W. Bergang, Vice President of the U. S. Fruit Auction Company at 140 South Water Market, Chicago, Ill., on 11-4-30. The said check represents the original \$700.00 furnished by the U. S. Fruit Auction Company, plus the amount of \$928.35 received for the sale of the carload of juice grapes by Agents Dillie and Palmer, less \$623.74 expended for freight, demurrage and incidentals. The said check for \$1,004.31 issued to the U. S. Fruit Auction Company withdraws all of the funds in the joint trustee account of Agents Little and Miller in the National Bank of the Republic of Chicago, Ill., and the said bank account is therefore being closed.

DO NOT WRITE IN THESE SPACES

APPROVED AND FORWARDED: <i>[Signature]</i>	62-24153-38	RECORDED AND INDEXED NOV 7 1930
COPIES OF THIS REPORT FURNISHED TO: Bureau - 3 Chicago - 3	BUREAU OF INVESTIGATION NOV 7 1930 A M DEPARTMENT OF JUSTICE	CHECKED OFF: JACKETED:
COPIES DESTROYED 120 JUL 27 1964	ROUTED TO: <i>[Signature]</i>	FILE <i>[Signature]</i>

Attached hereto is the original and two photostatic copies of a receipted statement by Charles E. Brown reflecting the receipts and disbursements made in connection with the instant investigation.

The Bureau is requested to furnish the Chicago Bureau Office with instructions as to further investigation desired in this case.

PENDING

RE: CAR LOAD OF JUICE GRAPES SOLD ON C. & N. W. JUICE GRAPE TRACKS.

RECEIPTS

10-21-30,	Check from U. S. Fruit Auction Co.,	\$600.00
10-23-30,	Check from U. S. Fruit Auction Co.,	100.00
	Total sale of car load of grapes.**	<u>928.25</u>
	Total Receipts	\$1628.25

EXPENSES

10-23-30,	Paid to C. & N. W. Ry. Co. for freight,	\$616.24
10-23-30,	Purchase of one hatchet,	.25
10-23-30,	Purchase of one hammer,	1.25
10-27-30,	Paid to C. & N. W. Ry. Co. for Demurrage,	<u>6.00</u>
	Total Expenses	\$623.74

Total Receipts - \$1628.25

Total Expenses - 623.74

\$1004.51 Due U. S. Fruit Auction Company.

**Receipts account one car load of juice grapes:

10-25-30,	105 Lugs	⊙	\$1.00 . . .	\$105.00
10-26-30,	25 "	⊙	1.00 . . .	25.00
10-26-30,	23 "	⊙	1.05 . . .	24.15
10-26-30,	34* "	⊙	1.05 . . .	35.70
10-26-30,	20 "	⊙	1.05 . . .	21.00

VE:AM
62-24153-98

November 10, 1939

RECORDED

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. VEBIAN

For your further information in connection with the Juice Grape investigation at Chicago, entitled MARY SCHRAIBERG and TONY ROMANO, there is inclosed herewith a copy of the report of Special Agent Albert Miller dated November 8, 1939 at Chicago, setting out the account and conviction by Special Agents Miller and Little with Charles W. Irrgang, Vice-President of the U. S. Fruit Packing Co. of Chicago.

Very truly yours,

[Signature]
Director

Inc. 13811.



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FOR ATTENTION OR ACTION

AS INDICATED

RECEIVED
N

Director.....	Room 320
Mr. Nathan.....	" 318
Mr. Tolson.....	" 422
Mr. Baughman.....	" 416
Mr. Appel.....	" 433
Mr. Egan.....	" 419
Mr. Guinane.....	" 419
Mr. Harvey.....	" 420
Miss Matthew.....	" 420
Miss Beahm.....	" 420
Mrs. Peake.....	" 420

NOV 14 1930
Inspectors.....
Division Seven.....
Bureau Files Division.....
Personnel Files Division.....
Local Bureau office.....
Identification Division.....

NOV 14 1930

Washington Post
Nov. 14, 1930.

NOV 14 1930
RECEIVED
INVESTIGATION DEPARTMENT

V. W. Hughes,
Room 418.

75

California Fights Invasion By 'Al' Capone's Gangsters

Law Enforcement Agencies Act After Rumors of Kidnaping Plots and Reports That Chicago Gunmen Have Declared "Grape Juice" War.

Los Angeles, Nov. 12 (A.P.).—Tips on kidnaping plots and newspaper reports that "Scarface Al" Capone, Chicago gang leader, was in Southern California, sent the heads of three law enforcement agencies into a secret conference here today, to plan action against "an invasion by gangsters."

The danger in the situation was outlined by District Attorney Buron Fitts, who said: "It is time to take concerted action against these criminals." Fitts declared that within sixty days, he had obtained "astounding information" from underworld sources.

The reports of Capone's arrival here sent detectives in a vain search for the gangster. On several other occasions he had been reported here but no trace of him was found. Two

years ago, he made a 35-minute visit in Los Angeles, 15 minutes of which was spent in going to a hotel and 15 more in getting back on a train, in custody of police.

The authorities indicated that their campaign to prevent gangsters from gaining a foothold here would be one of scattering the criminals as quickly as their presence is learned.

Today's conference came upon the heels of an alleged plot to kidnap Harry Chandler, owner of the Los Angeles Times. The veteran publisher showed little perturbation over the information, but Fitts assigned 500 detectives to guard him against any attempt to carry out the threat.

Meeting with Fitts at the conference were Chief of Police Roy Stockal and Sheriff William I. Traeger.

Continued on Page 2, Column 2.

CALIFORNIA FIGHTS CAPONE INVASION

Continued from Page 1

Fresno, Calif., Nov. 12 (A.P.).—The Fresno Bee said today that orders had come out from the headquarters of Al ("Scarface") Capone, Chicago gangland chief, that grape concentrates, the new product of the Fruit Industries, Ltd., of California, should not be sold in Chicago, and that death would be the price of disobedience.

It was understood, the Bee said, that gangland's orders were handed down to those in a position to act as selling agents for the new product—a highly concentrated grape juice, capable of fermentation.

Officials of the Fruit Industries, Ltd., the Bee declared, are in Chicago to see what can be done. The concern is part of the Government-sponsored grape-control organization in California.

The newspaper asserted that its information was obtained in Washington, Chicago and San Francisco, and that the Capone order to his henchmen came at a time when the concern was preparing to enter Chicago with the legal grape product after launching a campaign in Milwaukee.

Representatives of Fruit Industries, Ltd., in Washington are said to be consulting with Government authorities on what should be done.

Chicago, Nov. 12 (A.P.).—Chicago branch officials of Fruit Industries, Ltd., of California, said today they had received no threats from "Al" Capone and that their only knowledge of the gangster had been gleaned from newspaper columns. They had heard nothing, they declared, of a report from Fresno that Capone had warned against introduction of their product into Chicago.

L. H. Fisher, the local manager, said the company's product had been on the market for ten years.

(Associated Press.)

Officials of the Department of Justice and Prohibition Bureau said yesterday they had never heard of the reported threat by Chicago gangsters to kill officials of Fruit Industries, Ltd., if they sold grape concentrate there.

NEWSPAPER CLIPPING

INDEXED

NOT RECORDED

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62-24153 62-24153-38X

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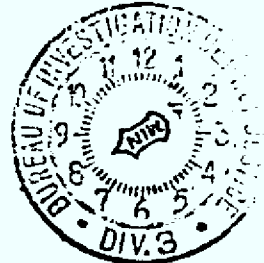
Department of Justice

Office of the Assistant to the Attorney General

Washington

RECEIVED

November 10, 1930



MEMORANDUM FOR MR. HOOVER

Re: JUICE GRAPES

62-241 NOV 11 1930 AM

It is requested that Agents of the Bureau permanently stationed at Chicago keep this matter under general surveillance making reports from time to time of any new developments that they consider relevant. No active investigation is to take place, nor are new witnesses to be interviewed without instructions from this office, but leads should be reported.

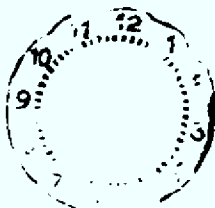
Any information volunteered by Irrgang or others to be received but care should be taken that under no circumstances should the Bureau promise to treat Irrgang's information as confidential.

A resumption of this conspiracy next year may reasonably be expected and it is as a foundation for possible future investigations that this general surveillance is requested.

John Lord O'Brien

JOHN LORD O'BRIAN

The Assistant to the Attorney General



RECORDED

NOV 11 1930

62-24153-39
NOV 11 1930 A M
J.W. LINTON

*Reply
Letter Chicago 11-12-30*

m

177

VFR:ES
62-24185-22

RECORDED
NOV 14 1930

November 12, 1930.

Special Agent in Charge,
Bureau of Investigation,
Box 1405,
Chicago, Illinois.

Dear Sir:

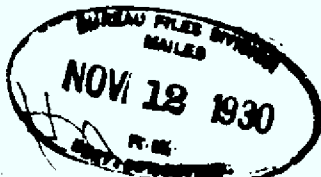
There is enclosed herewith for your information and guidance copy of a memorandum addressed to this office by Mr. John Lord O'Brien, the Assistant to the Attorney General, under date of November 10, with regard to the Juice Grapes investigation entitled TONY ROSARIO and MANNY SCHRAIBERG.

You will note Mr. O'Brien's request that the Bureau keep in touch with developments in this matter, but that no further investigation should be made, nor any additional witnesses interviewed without specific instructions. It is suggested only that Special Agents Little, Miller and Butterworth keep in touch with the general situation in the grape selling industry and report any information which they may feel will be of value to the Department in the event that investigation is made next year.

Very truly yours,

Director.

Enc. #420356.



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VW:ES
62-64187-60

RECORDED

NOV 14 1930

November 12, 1930.

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL,
MR. O'BRIEN.

I wish to acknowledge receipt of your memorandum of the 10th instant suggesting that the Chicago office of the Bureau of Investigation keep in general touch with the situation in the grape industry, in order that the Department may be fully informed in the event a decision is reached to resume the inquiry next year at the time of the grape selling season.

I have instructed the Chicago office to keep in touch with this situation, but to make no further investigation and to conduct no further interviews without specific instructions. I have suggested that Special Agents Little, Miller and Butterworth, who have conducted the investigation, arrange to keep in touch with the general situation and to report any developments which may be of interest.

Very truly yours,

Director.



[Handwritten initials]

[Handwritten signature]

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GRAPE JUICE HUBBUB IS SEEN AS PUBLICITY

Government Believed Goat of Incident Revolving About Capone and Conn.

WAS BUILT UP TO CLIMAX

By CARLISLE BARGERON.

Behind the guarded statements, with which official Washington has sought the last few days to deal with this business of Al Capone's threatening the California "wine growers," is the definite conviction that it is the greatest publicity hoax that has been put over in this country in a long time. And it is beginning to get on the official nerves.

It is, in fact, just about the climax of the harassment the officials have suffered at the hands of that creature of Mrs. Mabel Walker Willebrandt, the California fermentable grape industry.

First, the Farm Board was coaxed into financing it.

Then, on the strength of this and an understanding of the Government's future policy, the wine growers launched upon a bold, nationwide advertising campaign claiming they were under Government protection.

On the question of just what assurance they were given that their grape concentrates would not be molested, Attorney General Mitchell and Prohibition Director Woodcock insist there has been no change in the policy announced more than a year ago that the sale of grape juice and the possession of the fermented product in the home would not be molested. The interpretation of the law was made at that time, incidentally, by Mrs. Willebrandt, then Assistant Attorney General.

But the great difference that has come over the wine growers since the announcement of that policy and the Farm Board's financial support is this:

Formerly they marketed their grape wines intended for wine drinking. Here in Washington you had to know your man before he would come to your house at the end of 21 days and bottle the stuff for you.

Now the concentrates are being marketed through grocery stores, with the very plain intimation in the "National" advertising they are for sale to add water to get wine.

Officials were made apprehensive at the boldness of the advertising at the outset, and now that the wits have begun to make sarcastic references to the hypocrisy of the business, these officials have been kept busy pondering the observations of Government commentators all the way from Plato and Machiavelli down to Calvin Coolidge in order to make just the right kind of public statements on the matter.

Into this delicate situation came the story the other day that Al Capone was out in California demanding that the vineyardists keep out of the Chicago area. He was afraid they would cut too deeply into his beer and "alky" trade.

Sanctions of Drys.

Here was an announcement from the California housewife for all the country to hear that there must be something in that California grape juice if it could compete with Al Capone's beer and alky. And manifestly there must be.

At the same time the story carried a profound thought for the drys. If that grape juice could interfere so greatly with Mr. Capone's trade, well why not, in the end of temperance, let it flourish.

Officials here have no definite explanation of just how the story was planted, but they have their suspicions. And it was, they agree, a master piece of work, the work of a psychologist, one, in fact, who knows every convolution in the mass mind, just what it takes to make each and every one of these convolutions turn over and worm what is affectionately termed a thought.

Apparently, though, the source of the story was not the California housewife. Mr. Willebrandt, who has been what broad with such dry business, Mrs. Willebrandt, says she got it from U. and Dr. A. West, who told her Mr. C. Willebrandt, apparently, was he took the story seriously, because a day or so ago he had received a press dispatch on being sent a telegram in the Department of Justice demanding protection from the Capone racketeers whom, according to the original story, the vineyardists were about to put out of business.

Attorney General Mitchell has not usually told newspapermen in his wide-eyed honesty that he has looked all over the department, even in the private files of the Assistant Attorney General, John Lord O'Brien, who is away, and he can't find that Conn telegram.

All he can find is a complaint several months ago from a Chicago produce merchant who sells apples, cabbages, celery, grapes and green stuff in general, that the racketeers were bothering him. And before the department would do anything in this instance the complaint was withdrawn. There was no suggestion that the apples, cabbage and celery were interfering with Mr. Capone's beer and alky trade. It was presumably simply a case of the man being a victim of the trucking racket which exists in Chicago.

Al's Story "Bank"

Undoubtedly, too, it is held California grapes going into Chicago, or Texas onions, or Georgia potatoes have to pay those excessive trucking rates of the racket.

It is pointed out here that had the Department of Justice not issued just the right kind of statements of the reported Conn telegram, that had it rushed in to give this demanded "protection" then there would have been another peg on which the vineyardists could pin their advertising claim of "Government protection."

Finally, the Capone story, originating in a California newspaper and creating quite a furor the past several days in the—or at, the bank.

REUNION OF THE WASHINGTON POST

NOT RECORDED

INDEXED

62-24153

62-24153-39X

NO. 1

THE
 STATE
 OF
 NEW YORK
 IN SENATE
 JANUARY 15, 1914.
 REPORT
 OF THE
 COMMISSIONERS OF THE LAND OFFICE
 CONCERNING THE
 LANDS BELONGING TO THE STATE.
 PART I.
 GENERAL STATEMENT OF THE LANDS BELONGING TO THE STATE.
 ALBANY: JAMES BROWN PUBLISHING COMPANY, 1914.

The following table shows the amount of land owned by the State of New York, and the amount of land owned by the several counties, as of the 1st day of January, 1914.

County	Acres
Albany	1,234,567
Cattaraugus	2,345,678
Chemung	3,456,789
Chautauque	4,567,890
Columbia	5,678,901
Delaware	6,789,012
Dutchess	7,890,123
Essex	8,901,234
Hamilton	9,012,345
Herk Co.	10,123,456
Montgomery	11,234,567
Nassau	12,345,678
Orleans	13,456,789
Rensselaer	14,567,890
Saratoga	15,678,901
Schoharie	16,789,012
Schoonhoven	17,890,123
Ulster	18,901,234
Warren	19,012,345
Washington	20,123,456
Westchester	21,234,567
Yates	22,345,678
Total	234,567,890



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MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. O'NEILL

For your further information in connection with the JAMES CRAPE INVESTIGATION at CHICAGO, involving MARY SCHRAIBER ET AL, there are inclosed herewith photostatic copies of newspaper clippings taken from the "Chicago Tribune" of November 16th and the "Chicago Daily Tribune" of November 18th.

Very truly yours,

Director.

Ins. 18400.

RECORDED & INDEXED

NOV 20 1931
MAILED
U.S. DEPT. OF JUSTICE

62-24153-40
BUREAU OF INVESTIGATION
NOV 21 1930 A.M.
DEPT. OF JUSTICE
FILE

R 2

**GRAPE GROWERS
DEFY REPORTED
CAPONE THREAT**

**Leader Says They'll Go
On with 'Wine Maker.'**

Donald D. Conn, managing director of Fruit Industries, Ltd., and of the California Vineyardists' association, last night took official cognizance of the reported threats of Al Capone banning the introduction of new grape concentrates into Chicago, with a statement that his organizations would go ahead and "take a chance" with hostile bootleggers and racketeers.

Mr. Conn was reached at the Union League club, where he registered yesterday for a visit before his departure today for San Francisco.

Defiant to Capone.

At the club Mr. Conn was besieged with telephone messages and telegrams from all sections of the country inquiring into the truth of published reports on the west coast that gangsters, supposedly inspired by Capone, had warned officials of Fruit Industries and kindred concerns that their new grape by-product, which ferments into wine, would not be permitted in Chicago and other large centers. Mr. Conn said this fermentation was "legal."

not acquainted with the situation here either as to Capone or other hoodlums.

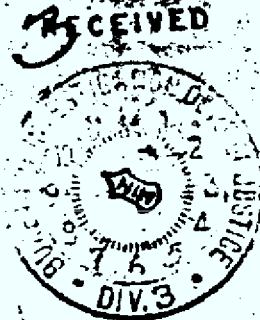
According to L. H. Fisher, Chicago manager of Fruit Industries, his concern had received no warnings from Capone, as stated in a dispatch from Fresno, Cal. The dispatch said that Capone's Chicago headquarters had threatened "to blow the heads off" of persons marketing the concentrates in Chicago. New York hoodlums had issued similar ultimatums in respect to the east, it was reported.

The reported threats created a stir

Div. One



NOV 17 1930



NOV 1 1930 AM

CHICAGO DAILY TRIBUNE

11/15/30.

3

WILL U. S. STOP SALE OF JUICE TO MAKE WINE?

Grape Industry Backed by Farm Board Loan.

[Chicago Tribune Press Service.]

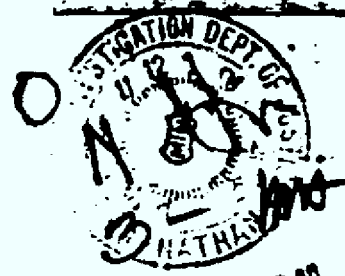
Washington, D. C., Nov. 14.—[Special.]—There was increased speculation today as to whether the department of justice could and would continue its policy of hands off in the case of home made and home fermented wine.

Word came from Milwaukee that the sale of concentrated juice from wine grapes was being continued there, and copies of advertisements in which the federal farm board support of the grape industry was flaunted were received here by prohibition officials. Wets and drys alike began to wonder whether light wines had not already become a fact without the help of any modification of the Volstead act or repeal of the 18th amendment.

They pointed to the situation in which the government finds itself pledged to enforce the prohibition

184

RECEIVED



November 17, 1930.

Memorandum of telephone call from Mr. Dunn, at Chicago.

NOV 26 1930 AM

Mr. Dunn said he was calling about the Grape Juice case. He said that L. W. McCormack, a representative of the National Committee and Ray Benjamin, came in to see him. He told Mr. Dunn that Mr. Benjamin had told him to come to see Mr. Dunn at the Bureau office and he could get all of the information the Bureau has relative to the "shake down".

Mr. Dunn said he told Mr. McCormack that all the files are in Washington at the present time and that the Attorney General would have to release them. Mr. Hoover said that Mr. Dunn did the right thing.

Mr. McCormack told Mr. Dunn that yesterday he had had a personal interview with Al Capone, who gave his personal assurance that his "hoodlums" are not concerned in the racket in any way. Mr. Hoover said it would be a great mistake to deal with anyone who is in personal contact with Al Capone.

Mr. Hoover said he had told the representative of the Grape industry that it would be a great mistake to deal with Al Capone or anyone connected with him.

HWG

62-24153

RECORDED & INDEXED

NOV 26 1930

62-24153-41
NOV 26
MATHIAS
Div. Three

37

185

RECEIVED 3-774

November 18, 1930

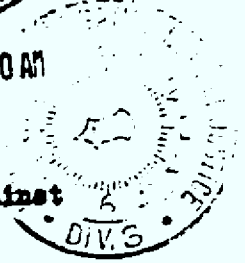


RECEIVED

Memorandum of telephone call from a representative of the United Press service.

NOV 26 1930 AM

The representative wished to learn something about the Fruit Growers of California, appeal for protection against gangsters.



Mr. Hoover suggested that the representative talk with Mr. O'Brian.

NOV 25 1930 AM

HWG

62-24153

RECORDED & INDEXED

DEC 1 1930

3

62-24153-42	
INVESTIGATION	
NOV 26	304 M.
FILE	

Nathan
Nov. 23 1930

186

3-1112

✓ Chicago Daily Tribune
December 4, 1930.
File 60-166.

**WINE MAKING JUICE
INDICTS NINE; GETS
OTHERS U. S. FUNDS**

Los Angeles, Cal., Dec. 3.—[Special.]
—Nine officials of the California Vine-
yard company now awaiting trial
under federal indictment for conspir-
acy to violate the prohibition law by
selling grape wine, today began legal
maneuvers for a novel defense.

Four of the nine indicted, all of
them Los Angeles residents, filed an
amended demand for a bill of par-
ticulars from the United States attor-
ney containing an accusation that the
government has for years condoned
technical infractions of the prohibition
law. The defendants' legal papers
also set up the defense contention that
the government itself has been
financing Fruit Industries, Ltd. (which
has as its attorney Mabel Walker
Willebrandt), which offers a beverage
service identical with that they were
indicted for.

The government farm board loaned
Fruit Industries, Ltd. \$4,000,000
through the grape control board, the
defendants aver, and infer that the
federal money now is engaged in fill-
ing the market from which California
Vineyards company was forcibly de-
tached.



DEC 11 1930



DEC 6 1930

NOT RECORDED

INDEXED

62-24153

62-24153-42X

89

VH:JGP

November 28, 1950.

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL,
MR. O'BRIEN.

For your further information in connection
with the Chicago Juice Grape investigation entitled
TONY ROMANO, et al., there is enclosed herewith copy
of a news clipping from the Chicago Tribune of Thursday,
November 20, 1950.

Very truly yours,

Director.

Incl. #421921.

62-24153

778

RECORDED

62-24153-43	
BUREAU OF INVESTIGATION	
NOV 28 1950 P.M.	
DEPARTMENT OF JUSTICE	

BUREAU FILES DIVISION
MAILED
26 1950

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RECEIVED

CHICAGO DAILY TRIBUNE
November 21, 1930

LEGGE CONSIDERS LOANS TO GRAPE CO-OP ARE LEGAL

NOV 25 1930
Special Investigation
60-166

Declares Dry Enforcers O. K.'d Industry.

[Chicago Tribune From Service.]
Washington, D. C., Nov. 20.—[Special.]—Before giving its financial backing to the grape wine concentrate campaign of the California grape control board, the federal farm board had assurances from the prohibition enforcement agencies that the enterprise was "perfectly legal," Chairman Alexander Legge declared today.

Mr. Legge in his first extended discussion of the concentrate sales, which have caused nationwide interest, discounted a general belief that placing the fermentable wine in the homes is a violation of the spirit, if not the letter, of the dry law.

"The farm board has a clear file on the sales campaign of the grape industry," he said. "I corresponded with everybody in the government about it. I told them we did not want to lend money for any enterprise that would be illegal, and that I wanted to know whether these people were regarded as law violators or not."

Hope to Take Up Surplus.

"The grape people, you know, are planning a lot of by-products. That is one way they hope to take up the surplus. They have enough products to stock a grocery store—jellies, fruits, jams, and such things. And they expect to offer a five cent drink at the drug stores. But they started a little late and they did not get going in time to do much this year." Mr. Legge said he felt certain that

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NOV 24 1930 PM



Calls Guzik Verdict Blow to Gang.

... federal law enforcement agencies in Chicago are being estimated that a concerted campaign against crime. This was announced in Washington yesterday by Attorney General Mitchell in the wake of the government's conviction of John Guzik, liquor smuggler and public enemy in Chicago, in evading the income tax.

The conviction of Guzik was regarded in Washington as the most far-reaching blow so far dealt to the Capone gang. Attorney General Mitchell announced that the federal authorities in Chicago are being supported by the "fortifying and strengthening" of the various federal agencies.

Help Sent from Washington. Assistant Attorney General William J. Froelich has been in Chicago for several weeks assisting United States Attorney George H. S. Johnson to coordinate the several branches of federal service for an assault upon crime in all fronts. The district attorney had not disclosed the purpose of Mr. Froelich's assignment, but it was revealed in Washington by the attorney.

Div. One

NEWS PAPER CLIPPINGS

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189

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AM

WETS COMPARE WINE JUICE, BEER AND THE DRY ACT

Ask Why One Drink Is Legal, Other Not?

(Chicago Tribune From Berlin)
Washington, D. C., Feb. 4.—(Special)—Holding up the advertisement of a California

winery which
tells grape
wineries and
promises to
"bottle the
product in
your home
at the end
of sixty
days. Sen-
ator Milford
Byrdling
(Dem., Md.),
challenged
the senate
today to say
what this



RECORDS



making wine in the cellar is not in contravention of the 18th amendment," he declared. "Do I hear an answer? No. Then I take it that the 18th amendment is being violated with the consent of the senate."

Has \$20,000,000 U. S. Loan.

"Not only that, but this California company is being helped by a \$20,000,000 loan from the Federal Farm Board. In other words, \$20,000,000 of the prohibitionists' money is being used to help wicked snuffers wiggle around the 18th amendment."

"It has come to the point where we have the constitution on the one hand and on the other a violation of it approved by the government and financed from the United States Treasury. That is the sort of hypocrisy that exists under the dry law."

With sarcastic references to the sanctity of wine making in the home and the horrible crime of making four per cent beer, Senators Bingham (Rep., Conn.), Blaine (Wis.), insurgent Republican, and David L. Walsh (Dem., Mass.), three leading wets, helped Senator Tydings' cause along.

Blaine is Sarcastic.

"You call making this wine illegal," said Senator Blaine in a shocked voice. "Why, how can it be when it has been approved by every government and temperance agency, including the President and the W. C. T. U."

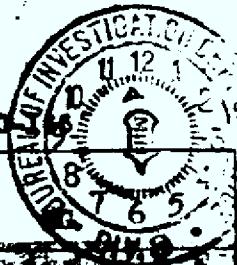
Senator Hawes (Dem., Mo.) assisted by introducing an amendment to the Howell bill to make wire tapping by dry agents unlawful.

"If people who sell bottles and corks and such can be found guilty of conspiracy to violate the dry law," demanded Senator King (Dem., Utah), another wet, "why aren't congress and the farm board guilty of conspiracy for having furnished these grape growers with money?"

"The whole thing goes to show our own congressional hypocrisy," declared Senator Tydings. "If it is right and moral to make twenty per cent wine, then it is right to make twenty per cent anything else, whether it's beer, whisky or gin."

191

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Form No. 1

THIS CASE ORIGINATED AT CHICAGO, ILLINOIS.

CHICAGO FILE NO. 60

REPORT MADE AT: CHICAGO, ILLINOIS	DATE WHEN MADE: 1/30/31	PERIOD FOR WHICH MADE: 1/28/31	REPORT MADE BY: S. N. BUTTERWORTH
TITLE: MANNY SCHRAIBER; TONY ROMANO; JUICE GRAPE INVESTIGATION		CHARACTER OF CASE: ...	

SYNOPSIS OF FACTS: Charles W. Irrgang stated that there have been no new developments in this case at Chicago, Illinois, since November, 1930, and that the final shipment of juice grapes in Chicago, Illinois, has been made for the season of 1930.

REFERENCE: Letter from Director, dated November 18, 1930.

DETAILS: AT CHICAGO, ILLINOIS,
Charles W. Irrgang, Manager of Independent Fruit and Produce Auction Company, 169 South Water Market, Chicago, Illinois, stated that there have been no new developments in this case at Chicago, Illinois, since November, 1930, and that shipment of juice grapes to Chicago, Illinois, has been finished for the season of 1930.

PENDING

APPROVED AND FORWARDED: <i>R. S. Harvey</i> SPECIAL AGENT IN CHARGE	62-24153-44	RECORDED AND INDEXED: FEB 3 1931
COPIES OF THIS REPORT FURNISHED TO: Bureau-5 Chicago-2	BUREAU OF INVESTIGATION DEPARTMENT OF JUSTICE FEB 8 1931 A.M.	CHECKED OFF: FEB 5 - 1931 JACKETED:
<i>How</i>	COPIES: Three	<i>ms</i>

VHE:JCM
62-24183-44

February 4, 1931.

RECORDED
FEB 5 - 1931

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. O'NEAL

For your information, in connection with our investigation entitled: - MANNY SCHEIDBERG, and TONY ROMANO, involving sales of juice grapes at Chicago, there is enclosed herewith, a copy of a report of Special Agent E. W. Bitterworth, made at Chicago, dated January 30, 1931, which indicates there have been no developments since the close of the grape season.

Very truly yours,

Director.

Enc. 43422.

JM
BUREAU FILES DIVISION
MAILED
FEB 4 1931
P. M.
DEPT. OF JUSTICE

H. S. Department of Justice
Bureau of Investigation

P. O. Box 1405,
Chicago, Ill.

April 14, 1931.

62-24153

Director,
Bureau of Investigation,
Department of Justice,
Washington, D. C.

Re: Juice Grape Investigation;
Anti-Trust Matter.

Dear Sir:

All leads have been completed in the above
captioned case.

Instructions are requested as to whether further
investigation is desired in this matter.

Very truly yours,

W. A. McSwain

W. A. McSWAIN
Special Agent in Charge.

HNB:RM
#60-166

RECORDED

62-24153-46

~~62-24153-45~~

*letter
memo - O.P.
4/24/31*

Don. Three

W. I. O.

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WHL/CAB
62-21153 - 46

RECORDED

April 24, 1931.

APR 27 1931

Special Agent in Charge,
Bureau of Investigation,
Box 1495,
Chicago, Illinois.

Dear Sir:

Referring to your letter of the 14th instant relative to the Grape Juice Investigation, your attention is invited to Bureau letter of November 12th, wherein it was suggested that your office keep in touch with the general situation in the grape selling industry and report any information which might be of possible value to the Department, in the event that investigation of this matter is resumed in the coming fall.

In view of the advice contained in the letter of November 12th, it is desired that you carry this case on standing and that you have the Agents make periodic inquiry to determine what, if anything, develops thereon, so that the Department will be advised in the event the matter is again considered during the coming grape selling season.

Very truly yours,

Director.

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MAIL ROOM
APR 24 1931
F. B. I.
DEPT. OF JUSTICE

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REPORT MADE AT: Chicago, Illinois	DATE WHEN MADE: June 5, 1931	PERIOD FOR WHICH MADE: June 2, 1931	REPORT MADE BY: R. N. BUTTERWORTH
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TITLE: MANNY SCRAIBER; TONY CRIMANO; JUICE GRAPE INVESTIGATION	CHARACTER OF CASE: RACKETEERING
---	------------------------------------

SYNOPSIS OF FACTS:

Charles W. Irrgang stated that he has not been approached by anyone relative to payment of tribute to racketeers for protection in selling juice grapes in Chicago during the juice grape season of 1931.

REFERENCE: Bureau letter dated April 24, 1931.

DETAILS: AT CHICAGO, ILLINOIS.

Charles W. Irrgang, manager of the Independent Fruit and Produce Auction Company, 169 South Water Market, Chicago, Illinois, stated he has not been approached by anyone relative to the payment of tribute to racketeers for protection in the sale of juice grapes in Chicago, Illinois for the juice grape season of 1931.

DETAILS: Mr. Irrgang stated that if he receives any information regarding racketeering in the juice grape market in Chicago, Illinois during the coming juice grape season he will immediately notify the Chicago office of Bureau of this information.

PENDING

DO NOT WRITE IN THESE SPACES

APPROVED AND FORWARDED: <i>[Signature]</i> SPECIAL AGENT IN CHARGE	62-24153-47	RECORDED AND INDEXED: JUN 5 1931
COPIES OF THIS REPORT FURNISHED TO: 3- Bureau 2- Chicago	BUREAU OF INVESTIGATION JUN 5 1931 A.M. DEPARTMENT OF JUSTICE	CHECKED OFF: JUN 11 1931 PACKETED:
	ROUTED TO: <i>[Signature]</i>	FILE WUN

1 cc O'Brien 10-9-31

WHE: TLM
62-24153-67

RECORDED June 9, 1931

JUN 11 1931

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. O'BRIEN

In the case entitled MANNY SCHEINBERG et al.
ANTI-TRUST MATTER

there are transmitted herewith copies of the following reports:

<u>Agent</u>	<u>Office</u>	<u>Date</u>
R. E. Butterworth	Chicago	6/3/31

Very truly yours,

Director.



756197

RECEIVED



Form No. 1

THIS CASE ORIGINATED AT

CHICAGO, ILLINOIS

CHICAGO FILE No. 60-166

REPORT MADE AT: Chicago, Illinois	DATE WHEN MADE: July 24, 1931	PERIOD FOR WHICH MADE: July 20, 1931	REPORT MADE BY: A. J. BUTTERWORTH
--------------------------------------	----------------------------------	---	--------------------------------------

TITLE: MANNY SCHRAIBERG; TONY ROMANO; JUICE-GRAPES INVESTIGATION	CHARACTER OF CASE: ANTI-TRUST MATTER
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SYNOPSIS OF FACTS: Charles W. Irrgang stated he has not received any information in regard to plans to conduct racketeering in the juice grape market in Chicago, Illinois for the juice grape season of 1931.

REFERENCE: Report of Special Agent R. E. Butterworth, Chicago, Illinois, June 8, 1931.

DETAILS: AT CHICAGO, ILLINOIS.

Agent interviewed Charles W. Irrgang, Manager of the Independent Fruit and Produce Auction at his office 189 South Water Market, Chicago, Illinois. Mr. Irrgang stated he has not received any information regarding any plans to conduct racketeering in the juice grape market in Chicago, Illinois during the juice grape season of 1931. Mr. Irrgang stated that juice grapes will begin to come into Chicago markets about Sept. 15, 1931, but the juice grape season does not really start before Oct. 1, 1931. Mr. Irrgang stated that Subject Manny Schraiberg is in Chicago, Ill. and attends the sales of watermelons conducted at the railroad terminals. Mr. Irrgang stated that Mark T. Adanson is in financial difficulties; that Adanson left Chicago and is now engaged in a fruit produce business in Toronto, Canada. He stated that he has not seen Tony Romano for several months and does not know anything concerning Romano's activities. Mr. Irrgang stated that if he receives any information tending to show that racketeering will be attempted in the juice grape market this fall he will immediately communicate this information to the Chicago Office of Bureau.

APPROVED AND FORWARDED: <i>[Signature]</i> SPECIAL AGENT IN CHARGE	PENDING	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT FURNISHED TO: 3- Bureau 2- Chicago	67-24153-48 BUREAU OF INVESTIGATION JUL 27 1931 A M DEPARTMENT OF JUSTICE	CHECKED OFF: JUL 28 1931 JUL 31 1931 ACCEPTED: S
ROUTED TO: <i>[Signature]</i> 7/29/31	FILE WJC	

HIC:AMP
62-24153-48

July 29, 1931

RECORDED
JUL 31 1931

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, Mr. C'ERIAN.

In the case entitled MANNY SCHRAIBERG, et al,
Antitrust Matter,

there are transmitted herewith copies of the following reports:

<u>Agent</u>	<u>Office</u>	<u>Date</u>
R. H. Butterworth	Chicago	7/24/31

Very truly yours,

Director.

WC

29 1931
Encl. # 759165.

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RECEIVED



Form No. 1

THIS CASE ORIGINATED AT CHICAGO, ILLINOIS

80-166

REPORT MADE AT: CHICAGO, ILLINOIS	DATE WHEN MADE: Oct. 4, 1931	PERIOD FOR WHICH MADE: Oct. 4, 1931
TITLE: MARVIN SCHWARTZBERG; TONY ROMANO JUICE GRAPE INVESTIGATION		

SYNOPSIS OF FACTS:

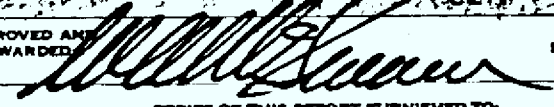
Charles W. Irrgang, Manager, Independent Fruit and Produce Auction Co., Chicago, states that he received no information regarding any proposed racketeering in the sale of juice grapes in Chicago, Ill. during the juice grape season of 1931.

REFERENCE: Report of Special Agent R.N. Butterworth, Chicago, Illinois, dated 7/24/31.

DETAILS: AT CHICAGO, ILLINOIS

Charles W. Irrgang, Manager of the Independent Fruit and Produce Auction Company was interviewed at his office, 369 South Wabash Market, Chicago, Illinois. Mr. Irrgang stated that he has not received any information of any proposed racketeering in the sale of juice grapes in the Chicago markets during the juice grape season of 1931. Mr. Irrgang stated that if he receives any information of attempted racketeering in the sale of juice grapes at Chicago, he will immediately notify the Chicago office.

PENDING

APPROVED AND FORWARDED: 	SPECIAL AGENT IN CHARGE	62-24153-49	RECORDED AND INDEXED: OCT 8 1931
COPIES OF THIS REPORT FURNISHED TO: Bureau - 3 Chicago - 2		BUREAU OF INVESTIGATION OCT 8 1931 A.M. DEPARTMENT OF JUSTICE	CHECKED OFF: OCT 13 1931 JACKETED
ROUTED TO: <i>Dir. 3/10</i>		FILE NC	

O'Brien

10-12-31
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WIC:OM
62-24153-49

RECORDED
OCT 13 1931

October 12, 1931

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL
MR. O'BRIEN

In the case entitled MANNY SCHRAIBERG; TONY ROMANO. SELIG GRAPE INVESTIGATION ANTITRUST MATTERS

there are transmitted herewith copies of the following reports:

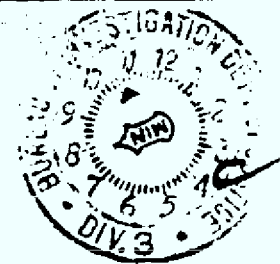
<u>Agent</u>	<u>Office</u>	<u>Date</u>
R. W. Butterworth	Chicago, Illinois	10-6-31

Very truly yours,
For the Director,

ms
Assistant Director.

BUREAU FILES DIVISION
MAILED
OCT 18 1931
A.M.
DEPT OF JUSTICE

Incl. # 736591



Form No. 1

THIS CASE ORIGINATED AT CHICAGO, ILLINOIS

CHICAGO

FILE NO. 80-165

NOV 27 1931

REPORT MADE AT: Chicago, Ill.	DATE WHEN MADE: 11/24/31	PERIOD FOR WHICH MADE: 11/24/31	REPORT MADE BY: R. W. Butterworth - 13
TITLE: MANNY SCHRAIBERG; TONY ROMANO JUICE GRAPE INVESTIGATION		CHARACTER OF CASE: ANTI TRUST MATTER	
SYNOPSIS OF FACTS: <p>Charles W. Irrgang, Manager of the Independent Fruit and Produce Auction Co., Chicago, stated that there has been no racketeering in the sale of juice grapes in Chicago, Illinois during the juice grape season of 1931.</p>			
REFERENCE: <p>Report of Special Agent R. W. Butterworth, Chicago, 10/6/31.</p>			
DETAILS: <p>AT CHICAGO, ILLINOIS</p> <p>Agent interviewed Charles W. Irrgang, Manager of the Independent Fruit and Produce Auction Company, in Mr. Irrgang's office, 159 South Water Market, Chicago, Illinois. Mr. Irrgang stated that the juice grape season for the sale of juice grapes in Chicago, Illinois is nearly over, and that there has been no attempt on the part of racketeers to exact a tribute from purchasers of juice grapes on the juice grape tracks in Chicago, Illinois during the juice grape season of 1931.</p> <p>Mr. Irrgang stated that if any attempts are made by racketeers to intimidate purchasers of juice grapes on the juice grape tracks at Chicago, Illinois during the remainder of the juice grape season of 1931, that he will immediately notify the Chicago office of these acts.</p>			
PENDING			
DO NOT WRITE IN THESE SPACES			
APPROVED AND FORWARDED: 	SPECIAL AGENT IN CHARGE	62-24153-50	RECORDED AND INDEXED: NOV 27 1931
COPIES OF THIS REPORT FURNISHED TO: 3-Bureau 2-Chicago		BUREAU OF INVESTIGATION NOV 27 1931 DEPARTMENT OF JUSTICE	CHECKED OFF: NOV 30 1931 JACKETED:
COPIES DESTROYED 23 AUG 3 1964		ROUTED TO: Dir. Thr.	FILE 40

REPORT MADE AT: CHICAGO, ILLINOIS	DATE WHEN MADE: 1/7/32	PERIOD FOR WHICH MADE: 1/6/32	REPORT MADE BY: E. N. BUTTERWORTH
TITLE: MANNY SCHRAIBER; TONY ROMANO JUICE GRAPE INVESTIGATION		CHARACTER OF CASE: ANTRUST MATTER	

SYNOPSIS OF FACTS:

Charles W. Irrgang, Manager of the Independent Fruit and Produce Auction Company, Chicago, Illinois, stated that the juice grape shipments to Chicago, Illinois, have been completed for the season of 1931. He stated that there has been no racketeering in the sale of juice grapes in Chicago, Illinois, during the juice grape season of 1931.

62-24153
66

REFERENCE:

Report of Special Agent R. N. Butterworth, dated 11/24/31, at Chicago, Illinois.

DETAILS:

AT CHICAGO, ILLINOIS.

Charles W. Irrgang, Manager of the Independent Fruit and Produce Auction Company, Chicago, Illinois, was interviewed and stated that there has been no racketeering in the sale of juice grapes in Chicago, Illinois, during the juice grape season of 1931. Mr. Irrgang stated that shipments of juice grapes to Chicago, Illinois, have been completed for this season, and that no more juice grapes will be sold "on track" until the Fall of 1932.

Instructions are requested as to whether further investigation is desired in this matter.

PENDING

DO NOT WRITE IN THESE SPACES

APPROVED AND FORWARDED: <i>E. P. Quinn</i> Acting SPECIAL AGENT IN CHARGE	62-24153-51	RECORDED AND INDEXED: JAN 9 1932
COPIES OF THIS REPORT FURNISHED TO: Bureau-3 Chicago-2 <i>Letter Chic 1-11-32</i> <i>Chicago & Brian 1-11-32</i>	BUREAU OF INVESTIGATION JAN 9 1932 A.M. DEPARTMENT OF JUSTICE	CHECKED OFF: JAN 12 1932 JACKETED:
	ROUTED TO: <i>W</i>	FILE <i>W</i>

203

WJH:EM
62-24153-51

January 11, 1932.

RECORDED

JAN 12 1932

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL,
MR. O'NEILL,

I desire to invite your attention to the enclosed copy of the report of Special Agent R. W. Butterworth, made at Chicago, January 7, 1932, entitled **MARSHY SCHRAIBER; TONY ROMANO; JUICE GRAPE INVESTIGATION, Antitrust Matter.**

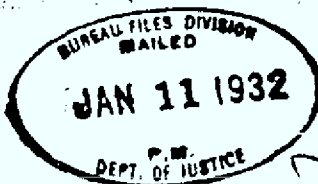
You will recall that considerable inquiry to the charge of racketeering affecting interstate commerce in the juice grape industry was made in the fall of 1930. At your request, the matter has been held open since that original investigation and periodic inquiries have been made by the Agents to determine whether the activities of this group have continued. The enclosed report indicates that there has been no racketeering in this industry at Chicago during the season just closed, at least the original complainant, Charles W. Irving, so states.

In view of this work, the Chicago Office of the Bureau is being instructed to close the matter on its records.

Very truly yours,

Director,

Encl. #703716



VHE:EM
62-24153-51

RECORDED
JAN 12 1932

January 11, 1932.

Special Agent in Charge,
Bureau of Investigation,
Box 1405,
Chicago, Illinois.

Dear Sir:

Acknowledging receipt of the report of Special Agent E. S. Butterworth, dated January 7, 1932, entitled **MANNY SCHRAIBER; TONY ROMANO; JUICE GRAPE INVESTIGATION**, Multirist Matter, you are advised that you should consider this case closed on your records.

Very truly yours,

Director.

BUREAU FILES DIVISION
MAILED
JAN 11 1932
P. M.
DEPT. OF JUSTICE

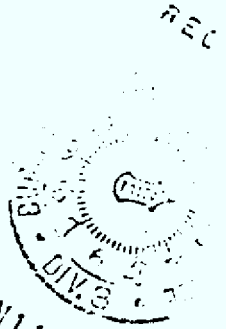
WC

[Handwritten signature]

U. S. Department of Justice
Bureau of Investigation

P. O. BOX 1405,
CHICAGO, ILL.

January 8, 1932.



62-24153-2 PM

11
47

Director,
Bureau of Investigation,
Department of Justice,
Washington, D. C.

Re: MANNY SCHRAIBERG; TONY ROMANO.
JUICE GRAPE INVESTIGATION.
ANTI-TRUST MATTER.

Dear Sir:

Investigation in the above captioned case reflects that the juice grape shipments to Chicago, Illinois, have been completed for the season of 1931 and that no more juice grapes will be sold "on track" until the fall of 1932.

Instructions are requested as to whether further investigation is desired in this matter, which is being carried as inactive in this office under instructions from the Bureau.

Very truly yours,

W. A. McSwain,
Special Agent in Charge.

RNB:HJ
60-166

Comm. by letter
1/11/32
JAN 12 1932

RECORDED
62-24153-52
BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
JAN 12 1932

Department of Justice
Office of the Assistant to the Attorney General
Washington

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RECEIVED
BUREAU OF INVESTIGATION
DEPT. OF JUSTICE
DIVISION ONE
JAN 15 1932 PM

January 14, 1932.

62-24153

MEMORANDUM FOR THE DIRECTOR,
BUREAU OF INVESTIGATION.

Re: Juice Grape Investigation.

Referring to your memorandum of January 11th, no further investigation need be made in connection with this situation, and the case may be marked closed.

John Lord O'Brady
JOHN LORD O'BRLAY,
The Assistant to the Attorney General.

RECORDED
JAN 16 1932

62-24153-53

Div. Three

2-7

Form No. 1

THIS CASE ORIGINATED AT **CHICAGO, ILLINOIS.**

CHICAGO FILE NO. 60-166

REPORT MADE AT CHICAGO, ILL.	DATE WHEN MADE 1-15-32	PERIOD FOR WHICH MADE 1-15-32	CHARACTER OF CASE REPT. INVESTIGATION
TITLE MANNY SCHRAIBER TONY ROSANO JUICE GRAPE INVESTIGATION		CHARACTER OF MATTER REPT. INVESTIGATION	

SYNOPSIS OF FACTS:

On instructions from the Bureau this case is closed.

REFERENCE:

Letter from Bureau dated Nov 11, 1931.

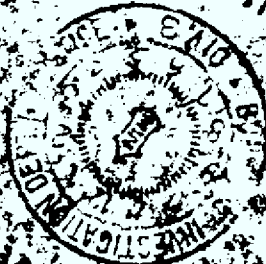
DETAILS:

AT CHICAGO, ILLINOIS.

According to instructions received from the Bureau in letter of reference this matter is closed.

CLOSED.

DETAILS:



DO NOT WRITE IN THESE SPACES

APPROVED AND FORWARDED:

[Signature]
SPECIAL AGENT IN CHARGE

62-24153-54

RECORDED AND INDEXED:
JAN 18 1932

COPIES OF THIS REPORT FURNISHED TO:

Bureau - 3
Chicago - 2

JAN 18 1932 A.M.
BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE

CHECKED OFF:
JAN 19 1932
JACKETED:

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[Signature]

FILE
[Signature]

102

GRAPE ANTITRUST CASE

Bureau File #62-24153.

In the Fall of 1930, an investigation was initiated by the United States Bureau of Investigation of allegations that certain levies had been and were being assessed against purveyors of grapes which arrived in Chicago from California. The grapes in question were of a variety which made them valuable primarily because of the juice that could be extracted from them. The investigation related to charges that racketeers in Chicago, particularly, were making an assessment of \$20 per car load for the grapes which arrived in the Chicago Freight Yards, and an additional assessment of three cents against each lug or crate of grapes sold from the cars in the Freight Yards. The indications were that this practice had led to a depression in the grape market, which was further aggravated by the fact that a rival gang of racketeers was alleged to be planning to assess an additional levy of \$30 per car, thus bringing the total amount of tribute levied by racketeers to the total of \$50 per car.

The fact that this complaint was made and that the Department of Justice had become active in the investigation became known, presumably by some person connected with the complainants. Considerable publicity attended the making of the complaint and the indications that an investigation would be made, which resulted in causing it to be practically impossible to obtain evidence of the actual collection of levies. As a result of the investigations which were made, however, it was agreed by all that the effort made by this Bureau in that case for a time at least caused a discontinuance of the practice.

COPIES DESTROYED

23 AUG 3 1964

NOT RECORDED

62-24153

HL 29

~~SECRET~~

The Trust
Chicago
File No. 24153

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In the Fall of 1936, an investigation was initiated by the United States Bureau of Investigation of allegations that certain levies had been and were being assessed against purveyors of grapes which arrived in Chicago from California. The grapes in question were of a variety which made them valuable primarily because of the juice that could be extracted from them. The investigation related to charges that racketeers in Chicago, particularly, were making an assessment of \$20 per car load for the grapes which arrived in the Chicago Freight Yards, and an additional assessment of three cents against each bag or crate of grapes sold from the cars in the Freight Yards. The indications were that this practice had led to a depression in the grape market, which was further aggravated by the fact that a rival gang of racketeers was alleged to be planning to assess an additional levy of \$30 per car, thus bringing the total amount of tribute levied by racketeers to the total of \$50 per car.

The fact that this complaint was made and that the Department of Justice had become active in the investigation became known, presumably by some person connected with the grape business. Unfavorable publicity attended the making of the complaint and the indications that an investigation would be made, which resulted in causing it to be practically impossible to obtain evidence of the actual collection of levies. As a result of the investigations which were made, however, it was agreed by all that the effort made by this Bureau in that case for a time at least caused a discontinuance of the practice.

NOT RECORDED

62-24153

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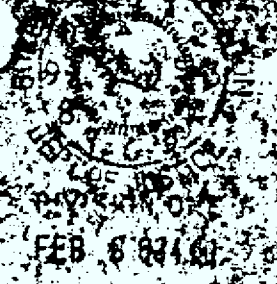
September 27, 1932

62-24153-54 X

Mr. Henry C. W. Lumbardine,
United States Marshal,
Chicago, Illinois.

RECORDED

FEB 7 1934



Dear Sir:

With reference to the present arrangements between your organization, the U. S. Bureau of Investigation, and certain foreign countries cooperating in the international exchange of fingerprint identification data, you are informed that the fingerprints of the person or persons named below, which you transmitted to this Bureau, have been forwarded to the officials at the point or points indicated, with the results specified.

Name	Officials at	Record
Mark F. Adams	[REDACTED]	None

Very truly yours,

Director.

Division of Investigation

62-24153-79

27 211

XXXXXX
XXXXXX
XXXXXX

FEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET

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

- Deleted under exemption(s) b7D with no segregable material available for release to you.
- Information pertained only to a third party with no reference to you or the subject of your request.
- Information pertained only to a third party. Your name is listed in the title only.
- Document(s) originating with the following government agency(ies) _____, was/were forwarded to them for direct response to you.

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

_____ Page(s) withheld for the following reason(s):

For your information: _____

The following number is to be used for reference regarding these pages:
62-24153-54X p 2 ; 55

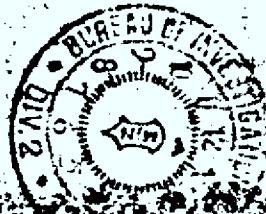
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X FOR THIS PAGE X
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100-2-1

0006735

FEB - 1934 PM



January 31, 1934.

62-24153-55

RECORDED

FEB 7

1934

Special Agent in Charge,
Division of Investigation,
U. S. Department of Justice,
1900 Bankers' Building,
Chicago, Illinois.

Dear Sir:

The Division is in receipt of a request from [redacted] to furnish a disposition on an arrest of Mark T. Addison who was arrested by the United States Marshal in Chicago, Illinois, on September 10, 1932, on a charge of violation of the Proctor Agency Act of 1927. The fingerprint record on this arrest was received in the Division on September 12, 1932.

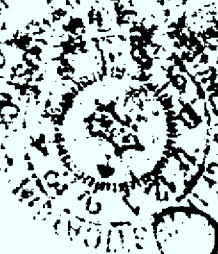
It is requested that you ascertain the disposition of this arrest and advise the Division.

Very truly yours,

Director.

ON

FEB 6 1934



24153-011116100101

2B

U. S. Department of Justice
Bureau of Investigation

1900 Bankers Building,
Chicago, Illinois.

February 7, 1934.

Director,
Division of Investigation,
U.S. Department of Justice,
Washington, D. C.

Dear Sir:

Reference is made to letter dated 1-31-34 from the Division concerning disposition of the case of MARK T. ADAMSON for violation of the Produce Agency Act of 1927.

Mark T. Adamson Company, a corporation, and Mark T. Adamson, its President, were defendants in this case. On January 19, 1933, a plea of not guilty was entered and trial was continued until March 3rd, 1933. On March 3rd, 1933, plea of not guilty was withdrawn and a plea of nolo contendere entered as to each defendant. Mark T. Adamson was fined \$100.00 and no costs on this date and the corporation was fined one dollar and no costs. Both fines were paid the same date.

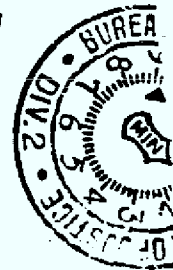
Disposition sheet covering this case is attached.

Very truly yours,

W. A. Smith
W. A. SMITH, Acting
Special Agent in Charge

JRW:GVT

encl.



RECORDED

FEB 15 1934

62-24153-56

FEB 10 1934

FILE

DISPOSITION SHEET

sent to [unclear] 1/11

214

Division of Investigation,
U.S. Department of Justice,
1900 Bankers Building,
Chicago, Illinois.
(Name and address of Contributor)

Date Feb. 7, 1934.

Mr. J. E. Hoover,
Director, Bureau of Investigation,
Department of Justice,
Washington, D. C.

Dear Sir:-

Following are the dispositions of cases on which
fingerprints have been mailed to the Bureau of Investiga-
tion:

Print Number	Name and Alias	Disposition
Fingerprints #3006, submitted by U.S. Marshal, Chicago, 9-12-32.	MARK T. ADAMSON	On March 3, 1933, fined \$100.00 and no costs.

This form to be submitted to the Bureau of Investi-
gation to report dispositions of cases in which prints were
forwarded previously. Dispositions include such information
as advice relative to sentences imposed, fines, discharges
from custody, etc. Several cases may be listed on each sheet.

Very truly yours

W. A. Smith
W. A. SMITH, Acting
Special Agent in Charge.
(Official Title)

62-24153
FEB 10 1934

JRW:GVT

W
EPC:MP.
62-24153.

67D
March 14, 1934.



Dear Sir:

Please refer to your letter of January 22, 1934, requesting a disposition on the arrest of Mark T. Atkinson, whose fingerprints were received by you on September 24, 1932, from this Division.

I have caused an inquiry to be made at Chicago, Illinois, and am now in receipt of advice to the effect that Mark T. Atkinson, U. S. Marshal, Chicago #3006, who was arrested at Chicago, Illinois, for a violation of the Produce Agency Act, was on March 3, 1934, fined \$100, without costs.

Assuring you that it is a pleasure to cooperate with your Department, I am

Very truly yours,

★ MAR 14 10 11 AM '34
P. M.
DIVISION OF INVESTIGATION,
U. S. DEPARTMENT OF JUSTICE

Director.
RECORDED
62-24153-5
DIVISION OF INVESTIGATION
MAR 18 1934 P.M.
U. S. DEPARTMENT OF JUSTICE
FILE

SUBJECT Capone, Alphonse

FILE NUMBER 62-27268

SECTION NUMBER

SERIALS 1-2

TOTAL PAGES 8

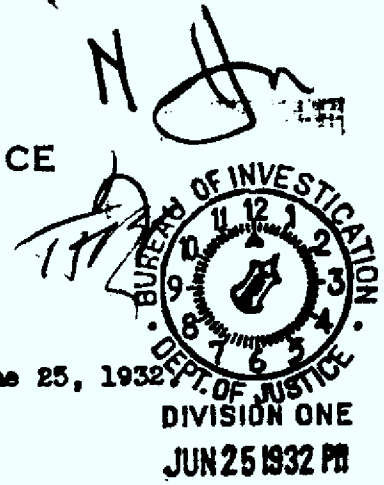
PAGES RELEASED 3

PAGES WITHHELD 5

EXEMPTION(S) USED 0

SANFORD BATES
DIRECTOR

DEPARTMENT OF JUSTICE
BUREAU OF PRISONS
WASHINGTON



June 25, 1932
DIVISION ONE
JUN 25 1932 PM

MEMORANDUM FOR MR. HOOVER:

Attached is a letter from the Warden of the Atlanta Penitentiary concerning Al Capone. While I am inclined to agree with the Warden's conclusion we cannot, of course, leave any stone unturned in this particular case. Will you be good enough to give us the benefit of any comments or suggestions you may have.

[Handwritten Signature]
Acting Director.

RECORDED
&
INDEXED

JUN 30 1932

62-27268-1	
BUREAU OF INVESTIGATION	
JUN 29 1932 A.M.	
DEPARTMENT OF JUSTICE	
NATHAN JUN 29	FILE

[Handwritten notes and signatures]
Handwritten initials and signatures, including 'H.C.' and 'K.H.' with a checkmark.

[Handwritten notes]
Handwritten notes including '6-28-32' and 'IFB'.

18

DEPARTMENT OF JUSTICE
UNITED STATES PENITENTIARY

Atlanta, Georgia.

6
0
P
X

Office of the Warden
June 23, 1932.

Director, Bureau of Prisons,
Department of Justice,
Washington, D. C.

Dear Sir:

I am enclosing herewith photostat copy of letter ad-
dressed to Al Capone, register No. 40886, [redacted]
which was intercepted by the mail censors of this institution.

[redacted]

In the event you should have this investigated.

[redacted]

Yours very truly,

(S) A. C. ADERHOLD
Warden

ACA-T.

62-27268-1

19

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FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

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

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2 Page(s) withheld for the following reason(s):

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For your information: _____

The following number is to be used for reference regarding these pages:

62-27267-1

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X DELETED PAGE(S) X
X NO DUPLICATION FEE X
X FOR THIS PAGE X
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120

No 37611

MAY 9 1932

I hereby certify that on entering the United States Penitentiary, Atlanta, Georgia, on the above date, beside the clothes worn, I had [redacted] in money, and the following articles of value [redacted]

[redacted]

JUN 18 1932

Received the above named articles

10

I stated Penitentiary, Atlanta, Georgia, or his all mail matters and all express and other to be as I am a prisoner in said Penitentiary.

[redacted] sending any money remaining to my credit in or

transmitted to [redacted] whose address [redacted]

Atlanta, Georgia, this day of [redacted]

of [redacted] was read and fully explained by me to the

before he signed the same, and that he

day of [redacted] by signature to said

B. J. [redacted]

United States Penitentiary, Atlanta, Ga.

Nearest Railroad Station

[redacted]

[redacted]

[Large redacted area]

Form JAG 83 10-4-30 3M

Name [redacted]

Respectfully,

myself or imperil it for others, if you accord it to me.

122
62-27263

B&P

62-27268-1

RECORDED

&
INDEXED

June 28, 1932.

JUN 30 1932

MEMORANDUM FOR THE DIRECTOR, BUREAU OF PRISONS.

Attention: Mr. Bennett.

I am in receipt of your memorandum, dated June 23, 1932, attaching a letter from the Warden of the Atlanta Penitentiary, dated June 23, 1932, with its enclosures, one of which was received at the Atlanta Penitentiary addressed to Al Capone.

I am returning the Warden's letter and the enclosures to you herewith, copies of these communications having been forwarded for such action as they may warrant to the Birmingham, Alabama, office of this Bureau, as the Birmingham Office covers the Atlanta district.

Very truly yours,

Director.

Encl. #410136

TFA
BUREAU FILES DIVISION
MAILED

JUN 28 1932

222

2-27268-1
RECORDED

UNCLASSIFIED

SP3:EM

JUN 30 1932

Special Agent in Charge,
United States Bureau of Investigation,
201 Liberty National Life Building,
Birmingham, Alabama.

Dear Sirs:

I am attaching hereto copy of a letter, addressed to the Director, Bureau of Prisons, by the Warden of the United States Penitentiary at Atlanta, under date of June 23, 1932, together with photostatic copies of the enclosures referred to therein, one of which was addressed to Eljapson.

These enclosures are being forwarded to you for such attention as they may warrant.

Very truly yours,

Director.

Encl. #410135

*Atlanta Penitentiary
anonymous mail*

DE-INDEXED
DATE 7-9-57
13

BUREAU FILES DIVISION
MAILED
JUN 25 1932
P.M.
DEPT. OF JUSTICE

U. S. Bureau of Investigation

Department of Justice

201 Liberty National Life Bldg.,
Birmingham, Alabama.
July 12, 1932.

8
ce

Director,
United States Bureau of Investigation,
Washington, D.C.

62-27268

RECEIVED

Dear Sir:

Reference is made to your letter dated June 28th 1932, enclosing photostatic copies of letters, including an anonymous communication addressed to Al Capone at the Atlanta Penitentiary.



Special Agent J.S. Johnson interviewed Warden A.C. Aderhold as to the identity of the individual who wrote the letter in question. Mr. Aderhold stated that he had learned nothing besides the information contained in his original communication to the Bureau of Prisons.

JUL 14 1932 AM

[REDACTED]

Bureau of Prisons

No further action is being taken on this matter here.

Very truly yours,

M. H. Purvis

M.H. PURVIS,
Special Agent in Charge.

MHP-P

RECORDED
&
INDEXED

JUL 18 1932

News Rec of P...
7/16/32

62-27268-2
BUREAU OF INVESTIGATION
JUL 14 1932 A.M.
DEPARTMENT OF JUSTICE
Div. Two
J. H. J. J. J.

TFB:NAH
62-27268-2

July 16, 1932

RECORDED
JUL 18 1932

MEMORANDUM FOR THE DIRECTOR

BUREAU OF PRISONS

Attention Mr. Bennett

With further reference to your memorandum dated June 25, 1932, attaching a letter from the Warden of the Atlanta Penitentiary, with its enclosures, one of which was received at the Atlanta Penitentiary, addressed to Al Capone, I am in receipt of a letter from the Special Agent in Charge at Birmingham, Alabama, advising that Special Agent J. S. Johnson interviewed the Warden of the Atlanta Penitentiary relative to the letter addressed to Capone, and at that time, the Warden stated that [REDACTED]

Bureau of
Prisons

Very truly yours,

Director.

T.F.B.

BUREAU FILES DIVISION
MAILED
JUL 16 1932

J.H.

a

25