

PAGE FIVE

67D - DETROIT BEING AT LAS VEGAS OTHER THAN FOR VISIT TO RESORT AREA
AND FOR RELAXATION. INFO DEVELOPED [REDACTED]
DESERT INN HOTEL INSURANCE FUND HAS SHORTAGE OF ABOUT QUARTER
MILLION DOLLARS. THE GROUP PRESENTLY IN LAS VEGAS REPORTEDLY
HERE TO FORCE ACCOUNTING OF SHORTAGE AND HAVE GIVEN DESERT INN
UNTIL TWENTYFIRST INSTANT TO MAKE UP SHORTAGE. EFFORTS TO
IDENTIFY EXACT TYPE OF INSURANCE FUND INVOLVED PRESENTLY BEING
MADE. NO OTHER INFORMATION DEVELOPED THUS FAR AT LAS VEGAS INDICATING
ANOTHER PURPOSE OF ABOVE INDIVIDUALS AT LAS VEGAS. HOWEVER, IN
VIEW OF OTHER INDIVIDUALS KNOWN TO BE IN LAS VEGAS AND INFO
RE POSSIBLE MEETING, ALL OFFICES IDENTIFY THOSE LISTED FROM YOUR
AREA. ATTEMPT TO ASCERTAIN THROUGH CI AND LOGICAL SOURCES IF
IN LAS VEGAS FOR ANY PURPOSE OTHER THAN VACATION. CHICAGO
ASCERTAIN IF SAMUEL GIANCANA, MURRAY HUMPHREYS, OR OTHER PROMINENT
CHICAGO TOP HOODLUMS ARE OUT OF CITY OR IN LAS VEGAS. PHOENIX
NOTE DETROIT ADVISED PETE LICAVOLI RECENTLY LEFT [REDACTED]
[REDACTED] PHOENIX VERIFY LICAVOLI-S PRESENCE AND BE ALERT FOR
APPEARANCE ANY INDIVIDUAL LISTED HEREIN. JACKSONVILLE NOTE
RELIABILITY OF [REDACTED] UNKNOWN TO [REDACTED] OR SALT
LAKE CITY DIVISION. JACKSONVILLE IMMEDIATELY CONTACT [REDACTED]
END PAGE FOUR

67C
67D

PAGE IVE

PAGE SIX

SECURE ALL ADDITIONAL INFORMATION HIS POSSESSION REGARDING POSSIBLE MEETING. MIAMI IN ADDITION TO IDENTIFYING THOSE LISTED YOUR AREA CONTACT SOURCES RE POSSIBLE MEETING AND ANY OTHER REASON THEREFOR EXCEPT THAT NOTED ABOVE. IT IS NOTED NO DEFINITE CONNECTIONS HAVE BEEN ESTABLISHED BETWEEN INDIVIDUALS FROM DETROIT, NEW YORK, TOLEDO, AND MIAMI AREA. FISUR BEING CONDUCTED ON INDIVIDUALS WHERE POSSIBLE. EVERY EFFORT BEING MADE BY SALT LAKE CITY TO ASCERTAIN IDENTITY OF ANY OTHER INDIVIDUALS ARRIVING WHO MIGHT BE CONNECTED. END AND ACK

WA 12-13 AM OK FBI WA JAL

CH XX CG OK FBI CG TJF

DE OK FBI DE PAM

MM OK FBI MM WGS

OK OK FBI JK EE

TU DISCOVTVM

BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

NOV 19 1960

TELETYPE

Mr. Tolson	_____
Mr. Mohr	_____
Mr. Parsons	_____
Mr. Belmont	_____
Mr. Callahan	_____
Mr. DeLoach	_____
Mr. Malone	_____
Mr. McGuire	_____
Mr. Rosen	_____
Mr. Tamm	_____
Mr. Trotter	_____
Mr. W.C. Sullivan	_____
Tele. Room	_____
Mr. Ingram	_____
Miss Gandy	_____

URGENT 11-19-60 3-01 M MST CG
 TO DIRECTOR, FBI AND SAC-S CLEVELAND, CINCINNATI, DETROIT
 NEW YORK, AND PHOENIX
 FROM SAC, SALT LAKE CITY 94-284 2P
 MORRIS BARNEY DALITZ, AKA, AR, OO SALT LAKE CITY. RE SALT LAKE
 CITY TEL TO DIRECTOR EIGHTEEN INSTANT, SALT LAKE CITY TEL TO
 CINCINNATI AND CINCINNATI TEL TO SALT LAKE CITY EIGHTEEN INSTANT
 ENTITLED THOMAS VIOLA, FUGITIVE, UFAC, MURDER, OO CINCINNATI.
 FOR INFORMATION BUREAU AND ALL OFFICES AS PREVIOUSLY NOTED,
 CONFIDENTIAL INFORMANT ADVISED INDIVIDUAL [REDACTED]
 [REDACTED] IT WAS THOUGHT
 INDIVIDUAL WITH [REDACTED] MIGHT BE SUBJECT VIOLA. [REDACTED] LOCATED
 NINETEEN INSTANT LAS VEGAS AND IT WAS ASCERTAINED INDIVIDUAL
 WITH HIM IS [REDACTED]
 [REDACTED] ADMITTED KNOWING VIOLA BUT DENIED
 KNOWING HIS WHEREABOUTS. BOTH CLAIMED ARRIVED LAS VEGAS BY
 AIR FEW DAYS AGO FOR VACATION. BOTH ADMITTED WERE EX-CONVICTS
 AND HAD NOT REGISTERED WITH CLARK COUNTY SO AS EX-FELONS. SO
 PROMPTLY NOTIFIED. [REDACTED] VOLUNTARILY APPEARED

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miz

b7c

[REDACTED]

[REDACTED]

REC-55

92-388-58 p80

63 DEC 1 1960

12 NOV 23 1960

COMM. DIV. TEL.

EX-101

CLARK COUNTY SO FOLLOWING INTERVIEW, REGISTERED AS EX-FELONS
AND WERE FINGERPRINTED AND PHOTOGRAPHED. [REDACTED] PETE
LICAVOLI PRESENTLY IN TUCSON, ARIZONA [REDACTED]

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[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] THIS POSSIBLY IDENTICAL WITH [REDACTED]
CI ADVISED SUBJECT DALITZ DEPARTED LAS VEGAS EIGHTEEN INSTANT
AND WHEREABOUTS UNKNOWN AT THIS TIME. EFFORTS BEING MADE TO
DETERMINE SAME. PHOENIX AT TUCSON BE ALERT FOR APPEARANCE OF
DALITZ OR OTHER INDIVIDUALS LISTED SU TEL EIGHTEEN INSTANT IN
TUCSON AREA. ATTEMPT TO DETERMINE [REDACTED] IN
TOUCH WITH [REDACTED] TUCSON AREA. NO INFORMATION
DEVELOPED TO DATE TO DEFINITELY ESTABLISH TOP HOODLUM MEETING
TO BE HELD LAS VEGAS. INVESTIGATION CONTINUING. AM CC FURNISHED
MIAMI, CHICAGO, AND LOS ANGELES.

b7C }

END

WA 7-05 PM OK FBI WA DA

CV OK FBI CV GEN

CI OK FBI CI-PAO

DE OK FBI DE DTR

NY OK FBI NY AGE

PX WK FBI PX WES

TU DISCVQMMV

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

NOV 20 1960

TELETYPE

Mr. Tolson	_____
Mr. Mohr	_____
Mr. Parsons	_____
Mr. Belmont	_____
Mr. Callahan	_____
Mr. DeLoach	_____
Mr. Malone	_____
Mr. McGuire	_____
Mr. Rosen	_____
Mr. Tamm	_____
Mr. Trotter	_____
Mr. W.C. Sullivan	_____
Tele. Room	_____
Mr. Ingram	_____
Miss Gandy	_____

URGENT 11-20-60 2-50 PM MST GJK

TO DIRECTOR, FBI /92-3068/ AND SAC, SALT LAKE CITY /92-284
FROM SAC, PHOENIX /92-157/ 1 P

b7c-

MORRIS BARNEY DALITZ, AKA., AR. OO SU. FOR INFORMATION BUREAU
AND SALT LAKE CITY PETE LICAVOLI HAS BEEN IN CONTACT WITH

[REDACTED]

[REDACTED]

[REDACTED] A TUCSON ATTORNEY. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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LICAVOLI DID NOT FURTHER IDENTIFY [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] LICAVOLI USING PUBLIC TELEPHONE
BOOTH FOR ALL TELEPHONE CALLS. SU AT LAS VEGAS ATTEMPT TO

IDENTIFY [REDACTED] EX-109 92-3068-59

END SEC-46 12 NOV 1960

WA 4-52 PM OK FBI WA DA

SU OK FBI SU GKB

DISC

51 NOV 29 1960

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CRIM ED TEL

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

NOV 19 1960

11-19-60 TELETYPE 8:46 AM

JNH

Mr. Tolson	_____
Mr. Mohr	_____
Mr. Parsons	_____
Mr. Belmont	_____
Mr. Callahan	_____
Mr. DeLoach	_____
Mr. Malone	_____
Mr. McGee	_____
Mr. Rosen	_____
Mr. Tamm	_____
Mr. Trotter	_____
Mr. W.C. Sullivan	_____
Tele. Room	_____
Mr. Ingram	_____
Miss Gandy	_____

URGENT
TO DIRECTOR, FBI /92-3068/ AND SAC-S SALT LAKE CITY /92-254/,
CHICAGO /92-410/ AND DETROIT

FROM SAC, PHOENIX /92-157/ 1P

MORRIS BARNEY DALITZ, AKA, AR, OO-SU. RE SUTEL TO DIRECTOR
NOVEMBER EIGHTEEN LAST. LICAVOLI ARRIVED PHOENIX FROM CG SIXTEENTH
INSTANT, AND DEPARTED FOR TUCSON SEVENTEENTH WHERE HE IS REG-
ISTERED AT THE RAMADA INN HOTEL. [REDACTED]

[REDACTED] WAS NOT BEEN SEEN IN TUCSON TO
DATE. [REDACTED]

[REDACTED] EXACT
DATE DEPARTURE FROM TUCSON NOT YET DETERMINED. [REDACTED]

[REDACTED] PHYSICAL SURVEILLANCE
MEANWHILE FOUR BEING PLACED IN LICAVOLI
AT TUCSON. [REDACTED]

[REDACTED] PRESENCE IN TUCSON KNOWN TO POLICE OFFICIALS [REDACTED]
[REDACTED] FOR FUTHER INFO DETROIT SALT LAKE AND BUREAU, [REDACTED]

END AND ACK IN ORD PLS

WA 10-51 AM OK FBIVA RA H

SU OK FBI SU CCK

CG CG 1 NOV 29 1960

DE OK FBI DE OKD

EX-105

REC-16

92-3068-60

12 NOV 23 1960

CHINA/TEL

-67C

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b7D

NK
ALC

FEDERAL BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

NOV 19 1960

TELETYPE

Mr. Tolson	_____
Mr. Mohr	_____
Mr. Parsons	_____
Mr. Belmont	_____
Mr. Callahan	_____
Mr. DeLoach	_____
Mr. Malone	_____
Mr. M. Guite	_____
Mr. Rosen	_____
Mr. Tamm	_____
Mr. Trotter	_____
Mr. W.C. Sullivan	_____
Tele. Room	_____
Mr. Ingram	_____
Miss Gandy	_____

b7c-
[Redacted]

URGENT 11-19-60 10-18 AM RJL
TO DIRECTOR, FBI AND SAC, SALT LAKE CITY /92-284/
FROM SAC, CHICAGO /92-466/ 1P

MORRIS BARNEY DALITZ, AKA. AR., OO.. SALT LAKE CITY RE URTEL TO
DIRECTOR, NOV. EIGHTEEN LAST [Redacted]

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[Handwritten marks]

[Redacted] CHICAGO TOP HOODLUMS
MURRAY HUMPHREYS, SAM GIANCANA, [Redacted] ALONG WITH FORMER TOP
HOODLUM [Redacted] WERE IN CHICAGO YESTERDAY. [Redacted]

[Redacted] BUREAU AGENTS OBSERVED GIANCANA [Redacted] IN ST.
CLAIR HOTEL IN CHICAGO AT NOON YESTERDAY. CHICAGO TOP HOODLUM TONY
ACCARDO WAS ALSO IN CHICAGO YESTERDAY AND APPEARED IN COURT. FOR
DEFENDING IN HIS INCOME FRAUD TRIAL. NO INFO DEVELOPED THAT ANY
CHICAGO TOP HOODLUMS ARE OUT OF CITY OR THAT ANY INTEND TO TRAVEL
TO LAS VEGAS IN NEAR FUTURE.

END AND ACK PLS.

11-20 AM OK FBI WA RAM

OK FBI SU CCK

51 NOV 29 1960

REC-46

12 NOV 23 1960

EX-102

cc [Redacted]

92-3068-61
[Handwritten marks]
CRIM INTEL

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

NOV 21 1960

TELETYPE

Mr. Tolson	_____
Mr. Mohr	_____
Mr. Parsons	_____
Mr. Belmont	_____
Mr. Callahan	_____
Mr. DeLoach	_____
Mr. Malone	_____
Mr. Mason	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Mr. W.C. Sullivan	_____
Tele. Room	_____
Mr. Ingram	_____
Miss Gandy	_____

URGENT 11/21/60 6-05 PM MST GKB
 TO DIRECTOR, FBI /92-3068/ AND SAC, PHOENIX /92-157/
 FROM SAC, SALT LAKE CITY /94-284/ 1-P
 MORRIS BARNEY DALITZ, AKA., AR, OO - SALT LAKE CITY. RE PHOENIX
 TEL TWENTIETH INSTANT. CI, LAS VEGAS, NEVADA, ADVISED [REDACTED] 3-1

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[REDACTED]

[REDACTED] DESERT INN HOTEL ON NINETEENTH INSTANT.

CI FURTHER ADVISED [REDACTED]

[REDACTED] UNKNOWN AT THIS TIME. IT DOES NOT
 APPEAR FEASIBLE TO MAKE OPEN INQUIRY AT THIS TIME [REDACTED]

[REDACTED]

[REDACTED] PHOENIX ADVISE SALT LAKE CITY NAME OF PETE LICAVOLI-S

[REDACTED] ALSO ADVISE IF [REDACTED]

[REDACTED] IN LAS VEGAS AND IF KNOWN WHERE RESIDING. AM COPIES
 TO DETROIT AND CLEVELAND.

END AND ACK IN ORDER PLS.

NA 8-05 PM OK FBI NA DA

PX OK FBI PX GES

TU DISC

NOV 21 1960

REC-82

92-3068-62

12 NOV 25 1960

63 NOV 30 1960

CRIM INTL

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[REDACTED] and stressed the importance of this information. He added that from conversation he has heard it is apparent that people with lesser assignments in the rackets at the present time such as [REDACTED] and others will be permitted to fall by the wayside when they are no longer needed. He said that it is his impression that the new interests in the various cities will be jointly owned, for example, new real estate developments in Arizona or another western state would be a joint venture on the part of top hoodlums from New York, Chicago, Detroit, Cleveland, and elsewhere. He said that certain Jewish hoodlums would participate as a "necessary evil."

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[REDACTED] said that he knew of no meetings of top hoodlums having been held or being planned in Las Vegas. He was of the opinion that [REDACTED] are undoubtedly friends of [REDACTED] ET AL, and may have planned their vacations at Las Vegas at the same time, but would not be apt to attend a top level meeting.

[REDACTED] said there is a possibility, although he has no knowledge of such as a fact, that the young sons of the top hoodlums are also going into the fruit and produce business as one of their new legitimate enterprises. He said that he is not acquainted with [REDACTED] or [REDACTED] and is unable to identify [REDACTED]

[REDACTED] said that it is generally conceded that MOE DALITZ owns the Desert Inn. There is no doubt in his mind that Sicilian hoodlums from Cleveland also own a piece of the Desert Inn and he has suspected [REDACTED] and possibly [REDACTED] may have some financial interest but has no definite knowledge of this.

It is to be noted that the automobile of [REDACTED] was observed in the vicinity of the wedding of the daughter of PETER LICAVOLI 10/12/60 to [REDACTED]

b7C {

UNITED STATES GOVERNMENT

Memorandum

Tolson	_____
Mohr	_____
Parsons	_____
Belmont	_____
Callahan	_____
DeLoach	_____
Malone	_____
McGuire	_____
Rosen	_____
Tamm	_____
Trotter	_____
W.C. Sullivan	_____
Tele. Room	_____
Ingram	_____
Gandy	_____

TO : Mr. Rosen

DATE: 11/21/60

67C- FROM :

[Redacted Name]

SUBJECT: MORRIS BARNEY DALITZ, aka.
Moe Dalitz
ANTI-RACKETEERING

ee *13-1*

PURPOSE

To set forth information concerning presence of several hoodlums in Las Vegas from various parts of the country from the period 11/3/60 through 11/17/60.

BACKGROUND

Dalitz, a national top hoodlum of the Salt Lake City Office, is currently heading a group that is operating the Desert Inn as well as the Stardust Hotel in Las Vegas. This group was recently denied an application to take over the Riviera Hotel at Las Vegas on the basis that same would tend to establish a monopoly in the gambling business.

Starting on 11/3/60 and continuing at various times through 11/17/60, several hoodlums of varying degrees of stature in the underworld from Detroit, New York, Cleveland and Los Angeles registered at the Desert Inn. Agents at Las Vegas, through informants, surveillances and other means, are attempting to determine, if any, the significance of these hoodlums being at the Desert Inn.

Information was developed on 11/18/60 that the Desert Inn insurance fund has a shortage of about \$250,000. It was reported that the group of hoodlums recently in Las Vegas were there to force an accounting of this shortage and had given Desert Inn until 11/21/60 to make up the shortage. Efforts are continuing to identify this particular insurance fund and to verify its connection with the presence of hoodlums at Las Vegas. No other information has been developed thus far to indicate any other purpose of above-mentioned individuals being at Las Vegas. Dalitz himself was absent from Las Vegas from 11/3/60 to 11/10/60 to attend the funeral of his father in Detroit.

ACTION:

REC-26 **92-3068-64**

Appropriate offices have been instructed to determine the identity of those individuals who are believed ~~to be~~ **NOV 28 1960** in Las Vegas and ascertain through informants and sources the nature of their interest there. The Bureau is following ~~this matter~~ **NOV 28 1960** closely.

57 DEC 2 1960 258
IRD:swb:rgb
(5)

R *rgb* *TS* *Sam A* *V. EWC* *11-23* **CRIME HOTEL** *JD*

FBI

DATE:

Transmit the following in PLAIN TEXT
(Type in plain text or code)

VIA AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (92-3068)
FROM: SAC, SALT LAKE CITY (92-284)
RE: MORRIS BARNEY DALITZ, aka
AR
OO: Salt Lake City

Remytels 11/18-19/60.

[redacted] Las Vegas, Nevada, advised SA [redacted] 11/21/60, that he had a conversation with [redacted]

[redacted] stated that [redacted] had departed hotel about three days prior, as well as [redacted] lost heavily gambling while in Las Vegas.

[redacted] were good customers and he considered them as being good friends. He stated that sole purpose of their visit was for purpose of gambling and "chasing women". He said [redacted] had lost nearly \$20,000.00 since being in Las Vegas. He stated he did not know [redacted] but did know his father. [redacted] said only other person he knew of from Detroit in the Desert Inn was [redacted] He did not know any other people from Detroit area listed in previous communications.

67C
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- ③ - Bureau
- 1 - Detroit
- 1 - Chicago
- 1 - Cleveland
- 1 - Jacksonville
- 1 - Miami
- 1 - New York
- 1 - Phoenix
- 4 - Salt Lake City
- (1 - 92-251)

REC-50

92-3068-65

16 NOV 28 1960

CRIM/INTEL

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MBP:bb
(14)

APPROVED: [Signature] SENT _____ M PER _____
Special Agent In Charge
51 DEC 1 1960
c c - WicR

SU 92-284

67C
67D

[redacted] according to [redacted], was very upset by fact that [redacted] had come into Las Vegas and had not registered as ex-felons. In presence of [redacted] he spoke very sternly [redacted], [redacted] stay at Desert Inn without registering as ex-felons. He said by doing so, it brought heat on [redacted] and others, and might lose the Desert Inn some good customers, referring to [redacted] and others.

[redacted] in answer to a direct question by [redacted] denied that there was to be or had been any meeting of any type held in Las Vegas. [redacted] said he had not heard of any meeting to be held, and that even if such an event was to be held, it certainly would not be held in Las Vegas, because it would bring so much heat and public attention on Las Vegas and would result in unfavorable publicity.

[redacted] stated, after talking with [redacted] it was his opinion that none of the individuals had, in fact, been in Las Vegas for any meeting. He said he had not noted anything in his talk with [redacted] which indicated any connection between the persons between Detroit, Miami, New York and Toledo.

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67D >

[redacted] that Subject DALITZ returned to Las Vegas on night of 11/19/60. CI stated DALITZ had possibly been in Seattle, Washington, but was unable to verify same.

Investigation at Las Vegas continuing.

BLAYLOCK

FBI

Date: 11/23/60

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI
FROM: SAC, JACKSONVILLE (92-133)
SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OC: SALT LAKE CITY

Re Salt Lake City teletype to Bureau, Chicago, Cleveland, Detroit, Miami, Jacksonville, Los Angeles, Phoenix and New York dated 11/18/60.

On 11/21/60, [redacted] Florida Sheriff's Bureau, Tallahassee, Florida, (referred to in referenced communication as [redacted], advised that on 11/18/60, he received a telephone call from [redacted] Clark County SO, Las Vegas, Nevada, in which [redacted] asked what information the Florida Sheriff's Bureau had re [redacted] [redacted] said he had nothing in files at Tallahassee [redacted] so he placed call to Dade County SO, and was advised "by one of his sources in that office," that one [redacted] possibly identical with [redacted]

[redacted] stated further his source [redacted] advised that one [redacted]

- RUC
- ③ Bureau
- 1-Chicago (Info)
- 1-Cleveland (Info)
- 1-Detroit (Info)
- 2-Miami
- 1-Los Angeles (Info)
- 1-Phoenix (Info)
- 1-New York (Info)
- 1-Jacksonville
- GDM-eak

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REC-30
EX-127

92-3068-66

NOV 25 1960

[Handwritten signature]
FBI JACKSONVILLE

(12) Approved: *[Signature]* Special Agent in Charge

Sent _____ M

57 DEC 2 1960 255

allegedly to "hold a meeting."

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He said that in calling this information back to [REDACTED] he conjectured that reason for Miami group being at Las Vegas was for a vacation inasmuch as "I got this impression from my source [REDACTED] said this source also told him that [REDACTED] was possibly identical with [REDACTED] is possibly identical with [REDACTED]. These individuals believed employed by [REDACTED] advised the files of the Florida Sheriff's Bureau contained no pertinent information re any of these individuals and that all the information he furnished to [REDACTED] he received from his "contact" at Dade County SO. He said was unable to develop any information re one [REDACTED] through his source whom he declined to identify further.

The above is being furnished the Bureau and all offices receiving copy of referenced communication.

Miami, if not already done, contact Dade County SO at Miami and attempt to develop pertinent information requested referenced communication through that source.

F B I

Date: Nov 23 1960

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI
FROM: SAC, SALT LAKE CITY (94-284)
RE: MORRIS BARNEY DALITZ, aka
AR
(OO: SALT LAKE CITY)

REC-59
1-1-
J/10

Re Salt Lake City teletype dated 11/18/60 and Bureau teletype to Salt Lake City dated 11/21/60.

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No information developed at Las Vegas, Nevada that a meeting was held. [REDACTED]

[REDACTED] all checked out of Desert Inn Hotel early morning of 11/22/60.

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Concerning shortage of money of insurance fund mentioned in Salt Lake City teletype 11/18/60, [REDACTED] Clark County Sheriff's Office, advised SA [REDACTED] 11/22/60, that he had received information that an alleged shortage existed in The First Southern Corporation, an insurance agency in Las Vegas. Shortage alleged to be

B

P.

- 3 - Bureau
- 1 - Chicago
- 1 - Cleveland
- 1 - Detroit
- 1 - Miami
- 1 - Jacksonville
- 1 - Los Angeles
- 1 - New York
- 1 - Phoenix
- 4 - Salt Lake City 1321

REC-1 92-3068-67

NOV 30 1960

MBP:jec
(15)

5 DEC 7 1960

C. C. Wick

Approved: [Signature] Sent _____ M Per _____
Special Agent in Charge

SU 94-284

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approximately \$250,000.00. [REDACTED] stated that articles of incorporation for the ~~First Southern Corporation~~ were filed 11/4/57. M. WILLIAM DEUTSCH listed as President, RUBY KOLOD listed as Vice President and E. C. DEECH listed as Secretary. [REDACTED] he received information that subject DALITZ, RUBY KOLOD, [REDACTED] and others all own stock in the First Southern Corporation. DALITZ and KOLOD are license holders at the Desert Inn Hotel. [REDACTED] subject of Top Hoodlum case, Salt Lake City Division, is not a license holder, but is employed at the Desert Inn. [REDACTED] stated that so far as he could ascertain, there is no connection between the Desert Inn Hotel and the First Southern Corporation, except that some of stockholders, ie, DALITZ and KOLOD, own stock in hotel and the insurance company.

[REDACTED] stated that no official complaint relative to the shortage has been received by the Sheriff's Office. He stated in his opinion, there was no connection between appearance of the various individuals in Las Vegas over weekend of 11/19-20/60 and shortage in the insurance company, that it was merely a coincidence.

Salt Lake City will remain alert for further information relative to the shortage which might indicate activity on part of officials of the Desert Inn Hotel.

BLAYLOCK

FEDERAL BUREAU OF INVESTIGATION

Reporting Office SALT LAKE CITY	Office of Origin SALT LAKE CITY	Date 12/21/60	Investigative Period 10/25/60 - 12/13/60
TITLE OF CASE MORRIS BARNEY DALITZ, aka.		Report made by [REDACTED] -67C	Typed By: plw
		CHARACTER OF CASE A-R	

~~SECRET~~

REFERENCE: Report of SA [REDACTED] dated 11/3/60, -67C at Salt Lake City.

- P -

INFORMANTS:

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[REDACTED]

Approved <i>[Signature]</i>	Special Agent In Charge	Do not write in spaces below	
Copies made: 3 - Bureau (92-3068) 2 - Salt Lake City (94-284)		92-3068-68	REC-46
		13 DEC 27 1960	EX-1

CC [Signature] 4700
DEC 30 1 03 PM '60
100 destroyed
8-20-62 Rgw

CRIM. INTEL.
STAT. SECT.

SU 94-284



INFORMANT COVERAGE

The following informants are in a position to furnish information concerning the activities, associates, and contacts of subject:



LEADS:

THE SALT LAKE CITY DIVISION

AT LAS VEGAS, NEVADA: Continue to follow and report activities of subject.

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b7D

- B* -

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

67C- Report of: [REDACTED] Office: Salt Lake City, Utah
Date: 12/21/60
Field Office File No.: Salt Lake City 94-284 Bureau File No.: 92-3088-6
Title: MORRIS BARNEY DALITZ

Character: ANTI-RACKETEERING

Synopsis: DALITZ is an executive of the Desert Inn and Stardust Hotels, Las Vegas, Nevada, and he resides at the Desert Inn. He has two cars registered in his name in Nevada and has a unlisted telephone at the hotel. Subject has been in contact with individuals in various parts of the country. Informants are of the opinion he no longer has gambling interests in Kentucky, however, he is still closely associated at Las Vegas with [REDACTED] and GEORGE GORDON, who do reportedly have an interest in these establishments. DALITZ and his associates have not taken over full control of the Riviera Hotel, Las Vegas, but a representative does participate in the "count." DALITZ receives income from companies in the Detroit area, but he is not listed as an actual owner of these companies. Subject frequently makes brief visits to various parts of the country. SUBJECT IS KNOWN TO HAVE REGISTERED SEVEN GUNS WITH THE CLARK COUNTY, NEVADA, SHERIFF'S OFFICE, LAS VEGAS, NEVADA, AND THEREFORE, SHOULD BE CONSIDERED ARMED AND DANGEROUS.

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DETAILS:

EMPLOYMENT

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[REDACTED] that DALITZ is an executive of the Desert Inn and Stardust Hotels, Las Vegas, Nevada, and is the dominant figure associated with the operation of these hotels.

RESIDENCE

[REDACTED] that DALITZ resides at the Desert Inn Hotel, Las Vegas, with his wife, AVERILL.

AUTOMOBILES

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[REDACTED] Clark County Sheriff's Office, Las Vegas, Nevada, advised on December 13, 1960, that a 1959 Lincoln, Nevada license C-3424, is registered to H. B. DALITZ, Desert Inn Hotel, as is a 1960 Ford Station Wagon, Nevada license C-3425.

Both of these vehicles have been observed parked adjacent to the Desert Inn Hotel.

TELEPHONE

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[REDACTED] that DALITZ utilizes the telephone facilities of the Desert Inn Hotel, but also has a private unlisted phone at the hotel. The number of this phone is Dudley 2-7825.

ASSOCIATES

[REDACTED] that subject had recently visited New York City, at which time he stayed at the Hotel Pierre, 60th Street and Fifth Avenue. While at the hotel, he made long distance telephone calls to Market 2-2555, Newark, New Jersey; and RE 1-8828, in Newark.

SU 94-284

[REDACTED] advised Redwood 1-8828 is a special unpublished telephone number listed to A. ZWILLMAN, 50 Beverly Road, West Orange, New Jersey.

ABNER LONGIE ZWILLMAN, now deceased, reportedly controlled many of the rackets in New Jersey prior to his death. [REDACTED] resides at the above address.

[REDACTED] advised Market 2-2555 is listed to Kessler, Kessler and Harrington, Lawyers, 80 Mulberry Street, Newark, New Jersey. This is a well known firm of Newark lawyers.

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[REDACTED]
Inn Hotel

[REDACTED] was at the Desert

[REDACTED] reportedly a wealthy oil man, is a close personal friend of D.LITZ, and is given "top priority" at the hotel.

[REDACTED]
New York City attorney.

ROY/COHN,

[REDACTED] COHN became well known as counsel for the Senate Investigating Committee.

[REDACTED] is a known associate of several of the top hoodlums who operate in the Chicago area.

ACTIVITIES

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[REDACTED] advised in about July, 1950, that as of that time, there were no "syndicated interests" in gambling in Northern Kentucky, with the exception of what was sometimes referred to as the "Cleveland Syndicate." According to this informant, as of that time, the interests of this syndicate in gambling in Northern Kentucky were not nearly so large as was generally supposed, particularly, it was not so large as had been reported in the past. He said that the principal members of this group were MAURICE KLEINMAN, ALFRED POLIZZI [REDACTED] LOUIS ROTHKOPF, MORRIS DALITZ, commonly known as Moe Davis, all of Cleveland, Ohio, and SAM TUCKER, who until a short time before July, 1950, had been manager of the Beverly Hills Country Club in Southgate, Kentucky, but had moved to Las Vegas, Nevada.

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He advised that these men, and those associated with them were interested not only in gambling, but had widespread financial interests throughout the country in such things as hotels, taxicabs, laundries. He indicated also that it was his belief that these men were no longer primarily interested in gambling, but as most of them got their financial starts from gambling operations, they had many commitments and friends who formerly had been associated with them, and to whom they felt indebted, and in that manner, were drawn into the gambling ventures throughout the country. He indicated that it was the policy of these "syndicated interests" not to own or control gambling enterprises in their entirety, but to see that the major part of the ownership was centered in local people and that where talent was available, they desired the establishments to be run and managed by local personnel.

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[REDACTED] that insofar as he knew, none of the original Cleveland group, formerly referred to as the "Cleveland Syndicate," any longer had financial interests in gambling establishments in Northern Kentucky.

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Specifically, [REDACTED] this informant advised that to the best of his knowledge, MORRIS BARNEY DALITZ no longer had financial interests in the Beverly Hill Country Club or any of the other clubs in Northern Kentucky. He said DALITZ had disposed of these interests approximately five years prior to that time.

A check of appropriate real estate records at Newport, Kentucky, failed to locate any holdings for DALITZ in Campbell, Kentucky, as of May, 1953.

From financial statements filed by the Beverly Hills Country Club in connection with its 1957 operation indicate that partners in the County Club Enterprises a concern which controls the gambling operations at the Beverly Hills Country Club, were MARION BRINK, Dixie Highway, Covington, Kentucky; MITCHELL MEYER, 6602 East Farm Acres Drive, Cincinnati, Ohio; SAMUEL SCHRAEDER, Hook Road, Newport, Kentucky; GEORGE GORDON, 3877 Lyndall Road, University Heights, Ohio; ALFRED GOLTSMAN, 2441 Overlook Road, Cleveland Heights, Ohio; HARRY POTTER, 36 Greenwood Avenue, Fort Thomas, Kentucky; A. YALE COHEN, 4082 Lambert Road, Cleveland Heights, Ohio; and JOHN CROFT, 6335 Fair Oaks Drive, Cincinnati, Ohio.

The same individuals were listed as partners during 1955 and 1956, with the exception of A. YALE COHEN.

From the financial statements (for the year 1957), it was ascertained that GEORGE GORDON of University Heights, Ohio, had a twenty per cent plus ownership of the Beverly Hills Country Club (Country Club Enterprises), and listed income of \$74,686.00 therefrom. He also had a ten per cent interest in the Yorkshire Club (522 Club), from which he noted receiving \$31,659.54 as income. ALFRED GOLTSMAN, Cleveland Heights, Ohio, had a twenty per cent plus interest in the Beverly Hills Country Club (Country Club Enterprises), with an income of \$74,686.00. He also had a ten per cent interest in the Yorkshire Club (522 Club), and reported an income from that source as \$31,659.54. A. YALE COHEN, Cleveland Heights, Ohio, showed a four per cent interest in the Beverly Hills Country Club (Country Club Enterprises), with a reported income of \$15,192.28. Total income for the Beverly Hills Country Club for 1957 was shown as \$368,170.68.

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From the above, it appears that three individuals, GEORGE GORDON, ALFRED GOLTSMAN, and A. YALE COHEN, all of the Cleveland, Ohio, vicinity, have interests in the Beverly Hillis Country Club and the Yorkshire Club. It could not be definitely determined from information obtained from the above source whether this income in fact represented investments of these men, or whether they could be "fronts" for investments of other individuals.

[REDACTED] that GEORGE GORDON was sort of a traveling representative for interests represented by MORRIS B. DALITZ, et al. The informant did not know whether or not GORDON himself had financial interests in the Beverly Hillis Country Club, or would only represent financial interests of others.

[REDACTED] that gambling in the Cleveland area was "tightening up" and was not as lucrative as it has been prior to the first of that year. He said that [REDACTED] whom he described as a "Lieutenant" of GEORGE GORDON, was moving his entire family to Las Vegas, Nevada, stating that he was unable to make a living out of gambling in Cleveland, Ohio.

On May 15, 1958, [REDACTED] registered with the Sheriff's Office, Las Vegas, Nevada, as an ex-con. He stated he had been arrested and convicted in Cleveland in 1933 for "shooting with intent to kill." He was sentenced to one to twenty years and served seven years in the Columbus State Prison, Columbus, Ohio. He was released in April, 1942.

[REDACTED] is presently employed as [REDACTED] Stardust Hotel, Las Vegas, which hotel is operated by DALITZ and his associates.

[REDACTED] advised GEORGE GORDON is frequently in and out of Las Vegas. While in Las Vegas, he stays at the Desert Inn Hotel, where he is in frequent contact with DALITZ and other Desert Inn owners. When he is out of town he travels usually to Los Angeles, Miami, Cleveland, Detroit, and Chicago. He is regularly in contact with the hotel while he is on the road.

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As previously reported, the application of DALITZ and his associates to purchase an interest in the Riviera Hotel, Las Vegas, was rejected by the Nevada Gaming Commission because of a policy against "monopolistic growth." Disregarding the board ruling, employees of the Desert Inn and Stardust Hotels moved into the Riviera and reportedly took over operations.

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[REDACTED], that while key personnel of the Desert Inn Hotel have moved into the Riviera Hotel, DALITZ and his group have not as yet taken over full control of the Riviera. While this was probably their original intention, they decided this was not the propitious time to make their move in view of the pressure put on them by the Nevada Gaming Control Board and the unfavorable publicity which appeared in the local newspapers. Their primary objective now is to protect the \$285,000.00 loan the Desert Inn group made to the Riviera. A representative from the Desert Inn participates in the count at the conclusion of each shift. This is usually one of the Desert Inn men who are at the Riviera; however, on occasion DALITZ and other Desert Inn owners have been observed coming out of the counting room.

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[REDACTED]
He feels the recent move by the Desert Inn group to secure control of gambling in Southern Nevada has had a detrimental effect on the gambling industry and will eventually discredit gambling in the state.

[REDACTED] knows this group well [REDACTED]. They are greedy to the point where their singular purpose is controlling the industry and making as much money as possible. At the present time, at both the Desert Inn and the Stardust Hotels, which is operated by this same group, they are hiring dealers with less than one year's experience. They secure these employees for \$5.00 a day less than they can hire older dealers; however, it means the older dealers are being let go and they are forced to accept employment in less desirable locations. With these people, friendship, loyalty and ability mean nothing where money is concerned.

LEGITIMATE BUSINESS

As previously reported, DALITZ receives income on a regular basis from U. S. Industrial Glove Corporation, Detroit, Michigan, and from the Michigan U. S. Industrial Glove and Laundry Company, Detroit, Michigan. He also received interest income from the Bernardine Realty Company, Detroit.

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[REDACTED]
concerning the Michigan U. S. Industrial Glove and Laundry Company, Inc., 7350-7370 Roselawn Avenue, Detroit, was obtained from [REDACTED] by SA [REDACTED]. The following is information set forth in this report:

Louis Dalitz - Pres & Treas Jack Hertsberg V.P.
Walter Gorges - Sec

DIRECTORS: The Officers

RATING: --

STARTED: 1926 PAYMENTS: Discount-Prompt-Slow
NET WORTH: \$140,393 (12-31-58) SALES: \$1,000,000

HISTORY

INCORPORATED: Under Michigan laws on September 13, 1926 as Michigan Industrial Laundry. Present name adopted April 1, 1959.

Authorized Capital Stock: 2,500 shares of common stock, par value \$20 per share. Present authorized capital adopted April 23, 1959, retroactive to April 1, 1959.

Outstanding Capital Stock: 2,400 shares of the former preferred and 5,000 shares of common at December 31, 1958.

Retroactive to April 1, 1958, three related companies, U. S. Industrial Glove Company, Michigan Modern Land Company and Milco Sales Co. were merged with the subject in a statutory merger and the former corporations dissolved. In 1958 a former subsidiary, Colonial Laundry, Inc. was merged with the parent.

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Headquarters were formerly maintained at 617 Hendrie Avenue, moved to the captioned address April, 1959, because of condemnation of the Hendrie property for expressway purposes.

MANAGEMENT & CONTROL: Louis Dalitz, born 1897, married. Partner in Detroit Supply System, 1920-24; active in Michigan Overall Cleaners, 1925-26. The President of Michigan Industrial Laundry, Inc. 1925-59; President and subsequently President and Treasurer of this company since 1926-. Also formerly President of Colonial Laundry Company, a wholly-owned subsidiary of Michigan Industrial Laundry, Inc. He is principal stockholder.

67D - Jack Hertsberg, born 1906, married, brother-in-law of Louis Dalitz. Most of his working years has been associated with Ypsilanti Iron & Metal Co., jobbers of scrap metal and structural steel. Ypsilanti, Mich. Employed by his father in that business and following the death of his father in 1944 became partner in a business with his brother Lee Hertsberg. Also, formerly a partner in Harris & Hertsberg Company, local scrap dealers until 1954 when operations were discontinued and creditors reportedly paid in full. Financial statement on Ypsilanti Iron & Metal Co. [REDACTED] reported to be no inter-company transactions. Vice President of this company 1959-.

Walter Gorges, born 1909, married. Employed Standard Products Co., Cleveland, Ohio 1938-50; associated with Ainsworth Manufacturing Co. plant at Marysville, Mich., latterly as plant manager 1950-59; employed U. S. Industrial Glove Company, 1959-; Secretary of this corporation 1959-.

OPERATION- LOCATION

Products: Operations are divided into two divisions, Michigan Industrial Laundry Div. and U. S. Industrial Glove Div.; Michigan Industrial Laundry Div. rents industrial garments and wiping cloths while U. S. Industrial Glove Div. reconditions and processes industrial protective materials, including clothing and gloves.

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Distribution. To industrial accounts.

Number of Accounts: Over 3,500

Territory: Principally Metropolitan Detroit, although some services and sales are provided throughout the Great Lakes area.

Terms: Cash and 30 day terms.

Seasons: Fairly steady, although some industrial rentals fluctuate with industrial production and employment.

Employees: 145, including 14 route men.

Branches: Pick up and delivery branches are maintained at Lansing and Saginaw, Mich.

Facilities-Location: Owns the property comprising two buildings. The main building is a one-story industrial laundry providing some 15,000 sq. ft. of floor space. The adjoining building at 9370 Roselawn, is a one and two story brick building providing an additional 10,000 sq. ft.

FINANCIAL INFORMATION:

This corporation, formed in 1926, represented a consolidation of Michigan Modern Overall Cleaners and Michigan Overall Cleaners which had been started in 1925. During 1959 three related companies were merged with the subject. The company has been under the management of Louis Daritz from the beginning and has become an important factor in its line in this area. Detailed operating figures have not been furnished, but volume is estimated at more than \$1 million annually. Available figures in outside quarters have indicated profitable operations in most years prior to 1957. During 1957 and 1958 net worth dropped more than 50% in the aggregate. In the absence of operating figures and other data, the reason for this sharp drop is not determined.

The unfavorable drop is reflected in the following statement summaries, prepared from figures on file with the Michigan Corporation & Securities Commission:

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	<u>Dec 31 1956</u>	<u>Dec 31 1957</u>	<u>Dec 31 1958</u>
Current Assets	\$ 115,664	\$ 100,191	\$ 55,601
Current Liabilities	205,257	106,230	265,309
Net Working Capital (D)	89,587	6,037	210,008
Tangible Net Worth	308,454	234,308	140,393

(D) Deficit.

The statement of December 31, 1958 followed the merger of the three related companies by some seven months. Colonial Laundry, Inc., a subsidiary was also merged with the parent. Its principal assets, real estate, were largely responsible for increase in that item of some \$36,000 to \$227,000, at the 1958 year end. About January, 1959 \$78,000 was received from the sale of that property. There were several changes in items of assets and liabilities in that statement as compared with the previous year. These included complete elimination of investments, except \$1,000 as against nearly \$100,000 carried the previous year. There was still a large amount of loans receivable from affiliated companies. These aggregated \$111,000 and details are not disclosed. Total debt rose considerably and only a small part was listed as regular trade accounts payable. There were accounts payable for seasonal purchases believed to represent trade acceptance notes. There were also equipment notes payable of some \$20,000 and amounts due officers of \$46,000. A mortgage payable of \$111,219 covered certain of the properties owned by the merged companies. Part of that liability has been reportedly retired with the sale of the Hendrie Street property.

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[REDACTED] a large volume continues to be handled. Services are performed mostly for cash which relieves the necessity of extensive outside support. Inventories continue to be moderate and collection of accounts receivable is reported to be generally satisfactory.

SU 94-284

TRADE INVESTIGATION July 27 1960:

	<u>HIGH CREDIT</u>	<u>OWE</u>	<u>PAST DUE</u>	<u>TERMS OF SALE</u>	<u>PAYMENTS</u>
1.	\$ 100			1010-30	Disc
2.	3,000	2,000			Ppt
3.	1,000	Current		10prox	Ppt
4.	400	50		30	Ppt to Slow
5.	50			10EOM	Slow 2-3 m
6.	50			30	Slow 50

BANKING RELATIONS

An account is maintained at one local bank where balances range from three to four figure amounts. Loans have been extended on a secured basis to purchase equipment up to small five figures and accommodation has also been extended on an unsecured basis for working capital support. Obligations have been retired as agreed with relations favorable.

8-18-60 (456 193) 13NW

With regard to the U. S. Industrial Glove

67D { Corporation [REDACTED]

[REDACTED] The address of this company was listed as 9350 Roselawn, Detroit. The president is LOUIS DALITZ. ARTHUR J. HASS was the secretary. WILLIAM L. SMITH was listed as vice-president and treasurer of this company. This company was started in 1945, but was actually chartered under the laws of Michigan September 14, 1948, using the name of Inglasco, Incorporated, with a capital of \$50,000.00. On November 22, 1948, the name of this company was changed to Industrial Glove Corporation and continued under this name until May 16, 1949, when the name was changed to U. S. Industrial Glove Corporation. The operation of this company consisted in the handling of gloves, safety equipment and coats. It furnishes gloves and this equipment to industrial concerns in the Detroit area and had approximately 800 active accounts.

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With regard to WILLIAM L. SMITH [REDACTED] [REDACTED] he was born in 1898, is married, and resided in Detroit. He graduated from the University of Detroit in Detroit and since 1930 has been associated with LOUIS DALITZ and has been controller of U. S. Industrial Glove Corporation and its related companies. It is to be noted LOUIS DALITZ is a brother of the subject.

ARTHUR J. HASS [REDACTED] [REDACTED] was born 1910, is married, and resides in Detroit. He has been a long time employee of U. S. Industrial Glove Corporation and its related companies since about 1950.

With regard to the Bernardine Realty Company, Incorporated, the following information has been obtained:

On October 11, 1960, there was no record [REDACTED] [REDACTED] with regard to the Bernardine Realty Company. There is also no record of this company in the Detroit indices.

On October 31, 1960, records of the Michigan Corporation and Securities Commission disclosed a record of Bernardine Realty Company, 14240 Fort Street, Wyandotte, Michigan, (suburb of Detroit). These records disclosed that the date of record of this company is February 21, 1946, to February 21, 1976. On May 10, 1960, JACK CINNAMON was listed as the agent, common stock was \$55,000.00, preferred stock \$45,000.00. The president of the company is JACK CINNAMON, resided 13243 Argle, Southgate, Michigan, suburb adjacent to Wyandotte, Michigan. The vice-president is BERNARDINE CINNAMON, same address. Another officer was listed as being MARY R. PARADISO, 2801 South Fort Street, Wyandotte. This company was listed as being in good standing. Records of the Michigan Corporation and Securities Commission disclosed that this company is not listed as a real estate company. It is not listed in the Detroit telephone or city directories. There is no record of this company listed in the indices of the Detroit Office.

Records of the Wayne County Clerk of Court checked November 4, 1960, had no information regarding the Bernardine Realty Company of either spelling.

It was observed on November 4, 1960, that the address [REDACTED]

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On the same date [REDACTED] Wyandotte Police Department, were interviewed with regard to Bernardine Realty Company and [REDACTED] Neither had ever heard of the Bernardine Realty Company. Both are acquainted with [REDACTED] and are familiar with activities of the subject in the Detroit area many years ago.

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[REDACTED]

Records of the Wyandotte Police Department disclosed [REDACTED]

[REDACTED]

Both [REDACTED] stated that for many years [REDACTED] has been known to associate with Detroit gamblers. About four years ago, it was suspected that bookmaking was taking place [REDACTED] which is actually operated by [REDACTED]

According to [REDACTED]

[REDACTED], no criminal record with Wyandotte Police Department. There is no information in the Detroit indices regarding [REDACTED]

SU 94-284

As previously reported, DALITZ [REDACTED]

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TRAVEL

[REDACTED] has advised on several occasions that DALITZ frequently travels to Los Angeles, Detroit, and other parts of the country for brief visits. In early November, 1960, he went to Detroit for several days where he attended the funeral of his father.

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According to [REDACTED] DALITZ was in Los Angeles for several days in the early part of December, 1960. He was accompanied by his wife, and informant believes he made the trip to do holiday shopping.

[REDACTED] has advised that he also frequently flies to his ranch in Gunlock, Utah, where he goes to relax. This ranch is located in a remote area in Southern Utah.



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

MORRIS BARNEY DALITZ,
also known as;
ANTI-RACKETEERING

Salt Lake City, Utah-
December 21, 1960

b7c- Reference is made to the report of Special
Agent [REDACTED] dated December 21, 1960, at Salt
Lake City, Utah.

Informants referred to in referenced report
have furnished reliable information in the past.

This document contains neither recommendations
nor conclusions of any kind. It is the property of the FBI,
and is a loan to your agency; it and/or its contents are
not to be distributed outside your agency.

SAC, Salt Lake City (94-284)

1-24-61

Director, FBI (92-3068)

MORRIS BARNEY DALITZ, aka
ANTI-RACKETEERING

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Enclosed herewith is a copy of the Federal Income Tax Return filed in 1959 [redacted] in care of Wilbur Clark's Desert Inn, Las Vegas, Nevada.

This return should be reviewed by your office for any possible leads relative to your investigation. In the event any unrecorded income is brought to your attention the Internal Revenue Service should be so advised.

This information has been furnished by the Internal Revenue Service on a confidential basis and it should not be divulged.. If any of the information from this return is incorporated in a report or any other Bureau communication, the source should be protected.

Enclosure

MG:mac mac
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MAILED 27
JAN 24 1961
COMM-FBI

FEC-44

92-3068-69

JAN 25 1961

- Tolson _____
- Mohr _____
- Parsons _____
- Belmont _____
- Callahan _____
- DeLoach _____
- Malone _____
- McGuire _____
- Rosen _____
- Tamm _____
- Trotter _____
- W.C. Sullivan _____
- Tele. Room _____

51 JAN 30 1961

TELETYPE UNIT

PLAIN TEXT

1-9-61

TELETYPE

URGENT

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TO SAC SALT LAKE CITY

FROM DIRECTOR FBI

MORRIS BARNEY DALITZ, AKA, AR. REURTEL NOV. EIGHTEEN
LAST. SUTEL SUMMARY OF FINAL RESULTS YOUR INQUIRY RE
REPORTED HOODLUM MEETING LAS VEGAS. INCLUDE BRIEF
SUMMARY PERTINENT IDENTIFYING DATA FURNISHED BY
AUXILIARY OFFICES REGARDING HOODLUMS AT LAS VEGAS AT
TIME. ALSO IDENTIFY ORIGINAL SOURCE THAT FURNISHED REPORT
OF POSSIBLE MEETING.

TRD:BM

(3) *bm*

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REC-9 92-3068-70

COPIES DESTROYED
MAY 23 1972

- Tolson _____
- Mohr _____
- Parsons _____
- Belmont _____
- Callahan _____
- DeLoach _____
- Malone _____
- McGuire _____
- Rosen _____
- Tamm _____
- Trotter _____
- W.C. Sullivan _____
- Tele. Room _____
- Ingram _____
- Gandy _____

FEDERAL BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

19 JAN 31 1961

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TELETYPE

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MAIL ROOM TELETYPE UNIT

TELETYPE

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

JAN 3 1961

TELETYPE

Mr. Tolson	_____
Mr. Belmont	_____
Mr. DeLoach	_____
Mr. Mohr	_____
Mr. Parsons	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Mr. Tele. Room	_____
Mr. Holloman	_____
Miss Gandy	_____

URGENT 1-31-61 5 4-50 PM MST GPF

TO DIRECTOR, FBI

FROM SAC, SALT LAKE CITY 94-284

MORRIS BARNEY DALITZ, AR, OO-SU. RE SALT LAKE CITY TEL, NOVEMBER EIGHTEEN, SIXTY, AND BUTEL THIRTY INSTANT. PERTINENT INFORMATION RE INDIVIDUALS LISTED SALT LAKE CITY TEL NOVEMBER EIGHTEEN, SIXTY, AS FOLLOWS. [REDACTED] IS DETROIT TH. [REDACTED]

[REDACTED] IS SON OF PROMINENT PROHIBITION ERA HOODLUM [REDACTED]
[REDACTED] IS SON IN LAW OF NEW YORK TH [REDACTED]
[REDACTED] DETERMINED TO BE EMPLOYEE OF DESERT INN HOTEL, LAS VEGAS, CURRENTLY RESIDES LAS VEGAS. [REDACTED] APPEARS TO BE IDENTICAL WITH [REDACTED]

[REDACTED] APPEARS TO BE IDENTICAL WITH [REDACTED]
[REDACTED] FROM DETROIT AREA. NO PERTINENT INFORMATION DEVELOPED [REDACTED]
[REDACTED] IS SON OF PROHIBITION ERA HOODLUM [REDACTED]

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94-284-68-71

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[REDACTED] APPEARS TO BE POSSIBLY IDENTICAL WITH [REDACTED]

[REDACTED]
ASSOCIATE OF JAMES RIDDLE HOFFA, TEAMSTERS UNION PRESIDENT. [REDACTED]

[REDACTED] IDENTIFIED BY LOS ANGELES

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AS BEING POSSIBLY IDENTICAL WITH [REDACTED]

[REDACTED] FORMERLY FROM CLEVELAND, OHIO. [REDACTED]

[REDACTED] OPERATES A WIRE SERVICE FOR BOOKMAKERS IN LOS ANGELES AREA.

[REDACTED] IS

PROMINENT BUSINESSMAN. [REDACTED]

[REDACTED] IS

ATTORNEY IN DETROIT ASSOCIATED WITH [REDACTED]

[REDACTED] IS SON

OF NY TH [REDACTED]

NEW YORK ADVISED NO INFORMATION IDENTIFIABLE WITH [REDACTED]

[REDACTED]
[REDACTED] CROSS INDEX STREET GUIDE FOR GREATER NEW YORK AREA REFLECTS ALL ADDRESSES LISTED BY ABOVE NAMED PERSONS FROM NEW YORK AREA FICTITIOUS. [REDACTED] IS OLD TIME HOODLUM FROM TOLEDO, OHIO, AREA AND IS ACQUAINTANCE OF PETE LICAVOLI. [REDACTED] IS EX-CON OF TOLEDO, OHIO, AREA [REDACTED]

[REDACTED] MIAMI ADVISED AS FOLLOWS CONCERNING [REDACTED]

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[REDACTED]
[REDACTED]
[REDACTED]
AND ASSOCIATES WERE IN LAS VEGAS IN CONNECTION WITH SALE OF NEW FRONTIER HOTEL. [REDACTED]

[REDACTED]
[REDACTED]
AND AN ASSOCIATE OF [REDACTED] MIAMI INFORMANT STATES HE KNEW OF NO CONNECTION BETWEEN DETROIT GROUPS STAYING AT DESERT INN IN LAS VEGAS [REDACTED] IS ACQUAINTANCE OF [REDACTED]

[REDACTED] WHO IS CLOSE TO DETROIT GROUP. NO INFORMATION DEVELOPED CONCERNING [REDACTED] OTHER THAN HE IS ASSOCIATE OF [REDACTED]

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AS A RESULT OF INVESTIGATION CONDUCTED BY SALT LAKE CITY, NO INFORMATION DEVELOPED WHICH INDICATES THES INDIVIDUALS WERE CONNECTED WITH OR IN LAS VEGAS FOR A MEETING. INFORMATION DEVELOPED AUXILIARY OFFICES INDICATES VARIOUS GROUPS IN LAS VEGAS FOR GAMBLING AND VACATION. AS SET FORTH IN RE SALT LAKE CITY TEL INFORMATION REGARDING POSSIBLE MEETING TO BE HELD IN LAS VEGAS WAS RECEIVED BY [REDACTED] CLARK COUNTY SO, LAS VEGAS, FROM [REDACTED] FLORIDA SHERIFFS BUREAU, TALLAHASSEE, FLORIDA.

LINE TWO WORD FIVE THESE

END ACK

7-02 PM OK FBI WA WS

TUDIS

REC'D FBI
JUL 1 1951

1 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

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AIRTEL

AIR MAIL

TO: DIRECTOR, FBI (92-3182)
 FROM: SAC, LOS ANGELES (92-177)
 RE: [REDACTED]
 AR
 OO: CHICAGO

67C-

Re Chicago airtels to the Bureau, 1/24, 25 and 31/61, and Bureau airtel to Chicago, 1/26/61.

Re Salt Lake City teletype to Los Angeles, dated 1/16/61, captioned "MORRIS B. DALITZ, AR" in which Los Angeles was advised that DALITZ, a top hoodlum national, had been away from Las Vegas, Nevada, for several days [REDACTED]

67C
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[REDACTED] Salt Lake City advised that [REDACTED] Desert Inn Hotel, Las Vegas, [REDACTED] at the Racquet Club, Palm Springs, and on the same date, JOHN DREW, SU-TH [REDACTED]

[REDACTED] Salt Lake City teletype continued to the effect that [REDACTED] reportedly acting as front man to work out a deal in Las Vegas for Chicago hoodlums to invest in Las Vegas gambling casinos.

67C-

Intensive investigation was conducted at Palm Springs in an effort to locate [REDACTED] without success.

- ⑤ - Bureau
- ② - 92-3068
- 2 - Chicago (92-373)
- 2 - Salt Lake City (94-284)
- 1 - New York
- 4 - Los Angeles
- (2 - 92-143)

JMB:ba
(14)

263

92-3068-

NOT RECORDED
FEB 8 1961

57 FEB 13 1961

LA 92-177

On 1/30/61, records of CHARLES FARRELL's Racquet Club, Palm Springs, were checked for the month of January, 1961. No information was located to indicate [redacted] had been there during that period. These records indicate that

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[redacted] Records indicate that [redacted] was a guest of [redacted].

[redacted] from Chicago, Illinois and of late, Los Angeles, California, and [redacted] has had considerable to do with union activities in Chicago.

b7c
b7D

[redacted]

[redacted]

[redacted] had no recollection of any guest at the Racquet Club using the name [redacted] and was unable to identify a photograph of [redacted]

[redacted] as being a relative of [redacted] had been closely associated [redacted] Units 63, 64 and 65 had been occupied from 1/2 through 4/61 by JACK ENTRATTER, who is well known to the Salt Lake City and Los Angeles Offices as having an interest in Las Vegas hotels. ENTRATTER had as his guests [redacted]

264

LA 92-177

[REDACTED]
[REDACTED]
[REDACTED] were guests at the hotel during the period 3/22 through 29/59.
[REDACTED]
[REDACTED]

67C
67D

[REDACTED] had no recollection of [REDACTED] visiting at the Racquet Club at that or any other time.

[REDACTED] had been at poolside at the Racquet Club spending the major portion of the day but that he did not stay overnight. [REDACTED] no information as to where [REDACTED] might have stayed if he did remain at Palm Springs overnight, 1/30/51.

Suitable pretext telephone calls were made on 1/31 and 2/1/61 to the following major hotels in Palm Springs in an effort to locate [REDACTED] with negative results:

67C-

El Mirador
1150 North Indian Avenue

Ambassador Hotel
640 North Indian Avenue

Biltmore Hotel
1000 East Palm Canyon Drive

Crestview Hotel
950 North Indian Avenue

Ocotillo Lodge
1111 East Palm Canyon Drive

LA 92-177

Desi Arnez Western Hills Hotel
Indian Wells, California

67C { It was determined that HARRY KARL, well known shoe manufacturer and close associate [REDACTED] owns a residential dwelling at 670 West Stevens, Palm Springs. Frequent checks were made of the KARL residence on 1/31 and 2/1/61 in an effort to determine whether [REDACTED] might be at that address, however, no automobiles were noted which would indicate either were at the residence at that time.

With reference to MOE DALITZ, telephone FIreside 6-6144 is subscribed to by the Desi Arnez Western Hills Hotel, Indian Wells, California.

67C { [REDACTED] DALITZ had registered as a guest at the hotel on 1/30/61 visiting Palm Springs for the Pro-Am Golf Tournament which was to be held at Palm Springs from 2/1 through 5/61.

67C
67D { DALITZ was accompanied by [REDACTED] golf professional [REDACTED] and an individual named [REDACTED] all of Las Vegas, together with an unknown male described [REDACTED] as a building contractor from Las Vegas. [REDACTED] stated that DALITZ had last been a guest at this hotel five to six weeks ago and was not a guest on 1/14/61, recalling that the last time DALITZ was a guest at the hotel he had participated in a golf tournament which [REDACTED] referred to as either a Senior Tournament or another Pro-Am Tournament.

The program and scheduling for the Pro-Am Tournament currently underway in Palm Springs lists MOE DALITZ playing in a foursome accompanied by BERNIE SOLOMON, SYD JAMES and professional LIONEL HEBERT.

With reference to ~~JOHN DREW~~, the records of Western

LA 92-177

Airlines, Palm Springs, reflect that one Mr. DREW who appeared to be a guest of the El Mirador Hotel which hotel was given as a contact spot, held reservations on Western Flight 308 on 1/16/61, traveling to Los Angeles from Palm Springs, with continuing space on Flight 14, same date, from Los Angeles to Las Vegas. However, the records indicate that Mr. DREW was "a no show."

On 1/19/61, a Mr. DREW made reservations on Western Airlines for two individuals on Flight 20 for 1/20/61 traveling from Palm Springs to Las Vegas and it appears from available records that DREW actually made this trip.

Records of Bonanza Airlines, Palm Springs, reflect that one J. C. DREW who gave the Desert Inn Hotel, Palm Springs, as a contact, flew from Palm Springs to Phoenix, Arizona, on 1/16/61.

JOHN DREW, according to sources at Western Airlines, was scheduled to fly to Las Vegas and return to Palm Springs on the night of 2/1/61; however, DREW was "a no show." DREW was shown as a guest at the El Mirador Hotel on 2/1/61.

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With reference to travel by [REDACTED] made reservations to travel via Western Airlines Flight 308 on 1/15/61 from Palm Springs to Los Angeles and there is no indication in the records of Western Airlines [REDACTED] did not accomplish such travel.

Pretext telephone call on 1/31/61, determined that [REDACTED] was at his residence at [REDACTED]

With reference to all of the individuals mentioned in this communication, the following automobile rental agencies were contacted on 1/30/61 at Palm Springs without developing information that automobiles had been rented to any of them:

LA 92-177

National Rent-A-Car
Municipal Airport
[REDACTED]

Hertz Rent-A-Car
Municipal Airport
[REDACTED]

Avis Rent-A-Car
1090 North Palm Canyon Drive
[REDACTED]

Suitable pretext telephone calls were placed to the Beverly Hilton, Beverly Wilshire and the Beverly Hills Hotels on 2/2/61, however, no information was developed to indicate [REDACTED] under his true name or known aliases, was at any of these hotels or had been in recent weeks.

[REDACTED] had not observed any out of state cars at [REDACTED] address and [REDACTED] no information indicating [REDACTED] or his wife had visited with [REDACTED] recently.

On 2/2/61, a stop was placed with [REDACTED] Western Airlines, Palm Springs, requesting that should [REDACTED] make reservations to leave Palm Springs over the week end of 2/3-5/61, the Los Angeles Office would be immediately so advised.

No inquiries were made at the El Mirador Hotel in view of the fact that [REDACTED] a close associate of well known gamblers and it was not felt that an open contact was warranted [REDACTED] was not deemed advisable regarding MOE DALITZ in view of his close association with DALITZ, it being noted [REDACTED]

LA 92-177

Additional information developed by the Los Angeles Office regarding the above mentioned individuals, will be immediately furnished to all interested offices.

2/3/61

AIRTEL

AIRMAIL

I

67C-

TO: DIRECTOR, FBI (92-3182)
FROM: SAC, LOS ANGELES (92-177)
RE: [REDACTED]
AR
OO: CHICAGO

Reyaairtel to Bureau 2/2/61 captioned as above and setting forth information concerning SU investigation re "**EMILIS B. DALITZ, AR.**"

The following additional information of possible interest to Chicago and Salt Lake City:

[REDACTED]

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[REDACTED] FBI, although alert for information concerning [REDACTED] of anyone resembling [REDACTED] was unable to develop any information indicating [REDACTED] to be in contact with [REDACTED]

67C-

SA [REDACTED] on 2/2/61 under appropriate pretext examined list of guests at El Mirador Hotel, Palm Springs. He was able to determine JAMES [REDACTED] of Las Vegas, Nevada, checked in

- P -

- ④ - Bureau (1 - 92-3068)
- 2 - Chicago (92-373)
- 1 - New York (Info)
- 1 - Salt Lake City (92-234) (Info)
- 3 - Los Angeles (1 - 92-243)

mbj:ngj
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52 FEB 9 1961

92-3068-

NOT RECORDED
18 FEB 8 1961

92-3182-97
ORIGINAL FILED IN

LA 98-177

at the El Mirador 1/3/61 for an indefinite stay in Bungalow No. 510. It is to be noted this is next to the bungalow occupied by [REDACTED]

SA [REDACTED] was not able to ascertain the checkout date for DICK but did determine DICK returned to the hotel on 1/18/61 and checked out 1/19/61. On this latter stay at the hotel, DICK occupied rooms in the hotel numbers 214 and 215.

Hotel El Mirador records reflected WILBUR and HAROLD CLARK, Las Vegas, Nevada, stayed at the El Mirador Hotel 1/10 and 11/61.

El Mirador records reflected one [REDACTED] of San Francisco, California, checked into the El Mirador 1/9/61, occupying room number 163. Records available to SA [REDACTED] fail to reflect a checkout time; however, it was noted room 163 was next rented 1/13/61. From information available to SA [REDACTED] it is not known whether [REDACTED] mentioned is identical to [REDACTED]

Efforts are being made to develop further information on a discreet basis at the El Mirador Hotel, Palm Springs, in an effort to further identify [REDACTED] mentioned above.

67C

FEDERAL BUREAU OF INVESTIGATION

Reporting Office SALT LAKE CITY	Office of Origin SALT LAKE CITY	Date 2/13/61	Investigative Period 1/1/61 - 2/3/61
TITLE OF CASE MORRIS BARNEY DALITZ, aka		Report made by [REDACTED]	Typed By chl
		CHARACTER OF CASE A-R	

XXXXXXXX

67C - REFERENCE: Report of SA [REDACTED] dated 12/21/60 at Salt Lake City.

- P -

INFORMANTS

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[REDACTED] contacted by SA [REDACTED]
[REDACTED] contacted by SA [REDACTED]

INFORMANT COVERAGE

The following informants are in a position to furnish information concerning the activities, associates, and contacts of subject:

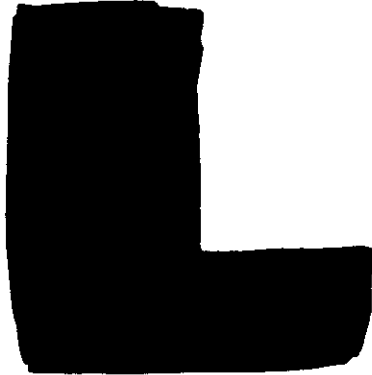
*1 cc destroyed
8-20-63 Jw*

Approved <i>[Signature]</i>	Special Agent In Charge	Do not write in spaces below	
Copies made: 3 - Bureau (92-3068) 2 - Salt Lake City (94-284)		92-3068-72	REC-72
<i>copy sent to [unclear] 2/13/61</i>		6 FEB 13 1961	EX-114

57 FEB 24 1961

SU 94-284

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LEADS

SALT LAKE CITY

AT LAS VEGAS, NEVADA

Continue to follow and report activities of subject.
(Leads previously set out by airtel to Chicago and other
offices to secure details of subject's finances.)

- B* -
COVER PAGE

**UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION**

Copy to:

b7C

Report of:

[REDACTED]

Office: Salt Lake City, Utah

Date:

2/13/61

Field Office File No.:

94-284

Bureau File No.: 92-3068-72

Title:

MORRIS BARNEY DALITZ

Character:

ANTI-RACKETEERING

Synopsis:

b7C {

DALITZ is an executive of the Desert Inn and Stardust Hotels, Las Vegas, Nevada, and he resides at the Desert Inn Hotel. Subject has been in contact with [REDACTED] Chicago hoodlums and JAMES HOFFA, President of the Teamsters Union. He is reported to have an interest in the Star Investment Company, Las Vegas, which company is constructing a housing development and a golf course. He was elected chief barker of local Variety Tent 39, but resigned because of a "hate campaign" launched against him by HERMAN MILTON GREENSPUN, Editor and Publisher of the Las Vegas Sun, a daily newspaper. DALITZ and his associates lease the Stardust Hotel from JOHN (Jake the Barber) FACTOR, for \$100,000 per month. The Star Investment Company is borrowing \$615,000 from a pension fund in Chicago, Illinois. SUBJECT IS KNOWN TO HAVE REGISTERED SEVEN GUNS WITH THE CLARK COUNTY, NEVADA SHERIFF'S OFFICE, AND SHOULD BE CONSIDERED ARMED AND DANGEROUS.

- P -

DETAILS:EMPLOYMENTb2
b7D

[REDACTED] that DALITZ is an executive of the Desert Inn and Stardust Hotels, Las Vegas, Nevada, and is the dominant figure associated with the operation of these hotels.

RESIDENCE

[REDACTED] that DALITZ and his wife AVERILL, reside at the Desert Inn Hotel, Las Vegas.

SU 94-284

ASSOCIATES

[REDACTED] advised on several occasions during January, 1961, that during this period DALITZ was in frequent contact with [REDACTED]

[REDACTED] closely associated with many of the hoodlums who operate out of Chicago, Illinois, and Los Angeles, California.

[REDACTED] that DALITZ had recently been in contact with JAMES HOFFA, President of the Teamsters Union, at Washington, D. C. [REDACTED]

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b7D

ACTIVITIES

The Las Vegas, Nevada, press reported on January 1, 1961, that the previous night a Cessna 210 had crashed near Searchlight, Nevada, killing the pilot, DANNY DELLING, and a passenger, MAX YODER. The Star Investment Company, Las Vegas, was reported to be the owner of the plane and DELLING and YODER were identified as employees of this company.

[REDACTED] that on New Years Eve, a few hours after the plane crashed, an Agent from the Civil Aeronautics Administration contacted the Desert Inn Hotel and advised he was attempting to secure information regarding the Star Investment Company, since he had been advised by the widow of DELLING that this company was connected with the hotel and the plane was the property of the Desert Inn. [REDACTED]

[REDACTED] contact MOE DALITZ "who knew about the company". DALITZ wanted full details as to who was making the inquiry, but when he learned of the plane crash he admitted he knew about the company and that the plane belonged to the hotel. He also remarked that the pilot did not have permission to take the plane and he had probably been drinking.

b7C-

[REDACTED], Alamo Airways, Las Vegas, advised the Cessna had been parked at McCarran Field

275

SU 94-284

and was the property of MORRIS DALITZ and his associates, although it was in the name of the Star Investment Company. It was purchased about two months ago for about \$21,000 and it was insured for this amount by Harley Harmon Insurance Company.

67C-

[REDACTED] stated the plane had been used to transport DALITZ and his associates from Las Vegas to his ranch at Gunlock, Utah. To his knowledge it had been used only for this purpose.

He said preliminary investigation at the crash site indicated the plane had been operating at full throttle and level flight when it hit high tension wires and crashed. There was no indication the plane had not been functioning normally.

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[REDACTED] advised that the Star Investment Company is constructing a housing tract near Las Vegas known as Paradise Palms. The individuals who are ostensibly constructing these homes are [REDACTED] a close associate of DALITZ and an [REDACTED]. A new golf course is presently being constructed adjacent to this development and this course is to be owned and operated by the Stardust Hotel, of which DALITZ and his associates are principal owners. Purchasers of Paradise Palms homes are to be given memberships in this golf club.

According to news releases on January 3, 1961, the bodies of YODER and DELLING were removed to California on January 2, 1961, without authorization and without death certificates. They were shipped to San Bernardino for cremation.

Searchlight Coroner JACK DILLON was extremely critical of the way the matter was handled and indicated he had intended to hold an inquest. He charged the Sunset Mortuary, Las Vegas, shipped the bodies without a release or a death certificate from the coroner. He stated he was going to consult District Attorney JOHN MENDOZA and possibly have the bodies returned. A later news account indicated MENDOZA had determined that since there was no evidence of homicide, the bodies could not be returned.

SU 94-284

On January 18, 1961, an article appeared in the Las Vegas Sun, a daily Las Vegas newspaper. This reflected DALITZ had resigned as chief barker of the local Variety Club Tent 39, a position he had just recently accepted. No explanation was given as to why DALITZ had resigned.

On January 19, 1961, an article appeared in the Review Journal, also a daily Las Vegas newspaper. This quoted DALITZ as saying he resigned because of a "hate campaign" being launched against him by HERMAN MILTON GREENSPUN, Editor and Publisher of the Las Vegas Sun. Subject indicated he resigned so as not to endanger Variety or the many other charities with which he is associated in the Las Vegas area. He said he made the decision to "save Variety the embarrassment of being attacked" as he had been attacked by GREENSPUN.

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67D } [REDACTED] that the difficulty between DALITZ and GREENSPUN arose when State Engineer EDWIN A. MUTH approved water rights for DALITZ and his associates, to water an 18 hole golf course. This course is being constructed by the Stardust Hotel, adjacent to the Paradise Palms housing subdivision. DALITZ and his group also have a financial interest in this subdivision.

GREENSPUN recently completed construction of an 18 hole course located further out in the valley away from Las Vegas. This course will be at a disadvantage when the new Stardust Hotel course is completed. GREENSPUN contended the State Engineer would not permit him to drill for water to service his course and he was forced to pipe it in from an independent source several miles away. The application of the Stardust Hotel to drill wells for water was denied in November, 1960, and then approved on January 6, 1961.

Articles appearing in the Las Vegas Sun have inferred that the Desert Inn group probably "got to" the officials responsible for issuing the water permit.

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67D } [REDACTED] that according to court order the creditors of the Stardust Hotel, Las Vegas, are due to be paid off on February 15, 1961. [REDACTED]

67D { [REDACTED] The hotel is owned [REDACTED]

SU 94-284

by JOHN (Jake the Barber) FACTOR and is leased by DALITZ and his associate for \$100,000 per month.

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FACTOR has been negotiating with groups from both Chicago and New York to secure this money; however, nothing has been finalized to date. FACTOR will have no problem raising the money since the Stardust has a valuation of between twelve and 15 million dollars.

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Once the property is clear, FACTOR will then be free to dispose of the hotel as he pleases. [REDACTED] is very close to both FACTOR and DALITZ. [REDACTED] has been in frequent contact with DALITZ and also with FACTOR in Los Angeles. If a deal is worked out to dispose of the hotel it will probably be arranged by [REDACTED]. Both FACTOR and DALITZ would have to agree to the terms since the Desert Inn group has a long term lease on the property, which with options runs for 30 years.

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(
FACTOR and DALITZ, while friendly on the surface, actually dislike each other intensely. [REDACTED]

[REDACTED] Consequently they are not likely to do each other any favors.

LEGITIMATE BUSINESS

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67D >
[REDACTED] that the Star Investment Company, Las Vegas, was securing a loan from the Central States, Southeast & Southwest Area Pension Fund, 29 East Madison Street, Chicago, Illinois. This loan is for \$615,000.00 and is to be used to construct an 18-hole golf course and club house. Principal payments are to commence on November 1, 1961, or when the golf course is completed, whichever shall occur first.

SU 94-284

b7D {

[REDACTED] the Star Investment Company
[REDACTED]



*In Reply, Please Refer to
File No.*

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Salt Lake City, Utah

February 13, 1961

MORRIS BARNEY DALITZ
ANTI-RACKETEERING

67C- [REDACTED] Reference is made to the report of Special Agent [REDACTED] dated February 13, 1961, at Salt Lake City, Utah.

Informants referred to in referenced report have furnished reliable information in the past.

This document contains neither recommendations nor conclusions of any kind. It is the property of the FBI and is a loan to your agency; it and/or its contents are not to be distributed outside your agency.

F B I

Date: 2/24/61

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (92-3068)
FROM: SAC, LAS VEGAS (87-101)
RE: MORRIS BARNEY DALITZ
AR
OO: Las Vegas

ReBuairtel to New York dated 2/15/61.

DALITZ is still out of Las Vegas, having left town sometime after 2/17/61. The vehicles Subject normally utilizes are parked at the Desert Inn Hotel, where he resides. Agents have checked airlines but have been unable to determine how he left the city.

Subject frequently takes short trips to Palm Springs or Beverly Hills, California, for rest and business. [redacted] is of the opinion DALITZ is in one of these cities.

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67D

3 - Bureau (AM)
2 - Las Vegas
RBT:FR
(5)

REC-93

92-3068-73

EX 104

25 FEB 28 1961

AIRTEL

50 MAR 2 1961 F266

Approved: [Signature] Sent _____ M Per _____
Special Agent in Charge
Wick

FBI

Date: 2/14/61

Transmit the following in PLAIN TEXT

(Type in plain text or code)

Via AIRTEL AIR MAIL

(Priority or Method of Mailing)

TO: DIRECTOR, FBI (92-3068)

FROM: SAC, LAS VEGAS ()

RE: MORRIS BARNEY DALITZ
AR
(OO:LAS VEGAS)

Re Bureau airtel to New York, dated 2/1/61, captioned "CRIMINAL INTELLIGENCE PROGRAM."

DALITZ is not at the present time the subject of a substantive case and no process local, state or federal is outstanding for him.

Relative to the possibility of developing a violation against DALITZ in a White Slave Traffic Act, Labor Management Relations Act, Extortion, Bribery, and Conspiracy Matters, it is well known to DALITZ, as well as other casino owners with criminal backgrounds, that the Nevada State Gaming Control Board is constantly probing into their background and activities, which could easily result in losing their license to do business in Nevada if they became involved in open violations of the law. For this reason, these hoodlums discourage open violations of the law and individuals who visit in Las Vegas are meticulous in keeping themselves clean in the State of Nevada. Vulnerable areas wherein there is a possibility of establishing a violation against DALITZ under statutes within the Bureau's jurisdiction will be discussed later in this airtel.

This office has for some time received information without corroboration from Confidential Informants and other

- c.
- 3 - Bureau (AM) (RM)
- 1 - Chicago (AM) (RM) (92-410)
- 1 - Los Angeles (92-143) (AM) (RM)
- 1 - Miami (92-201) (AM) (RM)
- 3 - Las Vegas

EB 16 1961

92-3068-74

CONFIDENTIAL

Approved: JCP:j1/dzw
Special Agent in Charge

Sent _____ M Per _____

SU 94-284

sources to the effect that DALITZ and associates represented outside money in their hotel and gambling operations in Las Vegas, Nevada. Investigation to corroborate this has, on the whole, been unproductive as far as obtaining admissible evidence to this effect.

Information furnished by [redacted] concerning the Chicago Syndicate's SAM GIANCANA and associates; Miami's "JOHN KING" and "AL" has removed all doubt as to whether or not undisclosed hoodlum interests have money invested in the gambling operation of the "Cleveland group" which is headed by MORRIS BARNEY DALITZ in Las Vegas, Nevada.

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The Chicago Criminal Syndicate, as indicated by [redacted] consisting primarily of SAMUEL M. GIANCANA [redacted] MURRAY LLEWELYN HUMPHREYS and TONY ACCARDO, and Miami hoodlums [redacted] and ALFRED POLIZZI, owns a large percentage of and exert almost complete control on the operations of the "Cleveland group" in Las Vegas. This operations consists principally of the hotel and gambling casinos at the Desert Inn and Stardust Hotels and very likely the Riviera Hotel, an equally plush hotel in Las Vegas.

To attempt to break down the percentage of ownership of this operation based on information furnished by [redacted] at this time would be pure speculation, but Chicago Informant leaves no doubt that the individuals listed above control a substantial amount of this operation financially and exert almost complete control over the activities of the "Cleveland group" in Las Vegas.

In Chicago airtel of 1/10/61, Informant reported "They've got the book there, KLEINMAN had, and he made a fortune on the thing, he finally gave us 50 percent of it."

SU Informant has advised that KLEINMAN fronting for the "Cleveland group" controls the Santa Anita Turf Club located in Las Vegas. [redacted]

67C }
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that the Santa Anita Turf Club is an extremely lucrative booking operation.

SU 94-284

KING and AL referred to on page two of Chicago airtel of 1/11/61 and on page four of Chicago airtel of 1/9/61 are most likely identical with [REDACTED] and ALFRED POLIZZI.

[REDACTED] has been described as a close associate of MORRIS BARNEY DALITZ as well as a close associate of ALFRED POLIZZI. [REDACTED] has lived at Miami Beach, Florida, for many years. He was formerly a leader of the old "Mayfield Road Gang" in Ohio and is presently a Top Hoodlum of the Miami Office.

ALFRED POLIZZI has resided in Miami Beach, Florida, for many years where he is carried as a Top Hoodlum by the Miami Office. He has been for years closely associated with MORRIS BARNEY DALITZ. He is presently in the contracting business in Florida. In the 1930's he was one of the leaders of the "Mayfield Road Gang" in Cleveland and was considered a very powerful figure among the Italian element in Cleveland. He is known to have been closely associated with DALITZ and [REDACTED] for many years.

Chicago Informant on several occasions mentions JOHN DREW [REDACTED] It is felt that these individuals might be of particular significance in this investigation.

DREW is an owner of record of five percent of the Stardust Hotel in Las Vegas. He originates from Chicago, Illinois, where he had the reputation as being a "CAPONE" man. DREW, in the past, was reported to have represented ANTHONY ARCARDO of Chicago, Illinois, in a gambling casino, the Golden Hotel in Reno, Nevada. According to Chicago Informant [REDACTED] DREW set up the deal regarding the Stardust and Desert Inn Hotels for Chicago in Las Vegas.

[REDACTED] Top Hoodlum Las Vegas Division, mentioned by [REDACTED] as being associated with Chicago Syndicate, has been a long-time resident of Chicago, Illinois. Prior to World War II he was a book-maker in that city. [REDACTED]

67C

[REDACTED] could very possibly be a runner for the Chicago Syndicate. He resides in Las Vegas and makes frequent trips to Chicago.

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67C

[REDACTED] mentioned several times by Chicago Informant [REDACTED] as being closely associated with the Chicago Syndicate, formerly owned an interest in [REDACTED] but is no longer allowed to operate in Nevada because of his hoodlum associations. [REDACTED] was closely associated with [REDACTED] having known him for a number of years in the Chicago area. [REDACTED] is possibly a Top Hoodlum from the Los Angeles Office. It could be of particular significance in future investigation inasmuch [REDACTED] could be a runner for the Chicago Syndicate. He resides in California but still spends time in Las Vegas and Chicago.

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GEORGE GORDON is a Top Hoodlum of the Las Vegas Office. He has been a close associate of DALITZ, KLEINMAN and TUCKER for several years. He was employed at the Desert Inn Hotel; however, approximately two years ago he sold his home in Las Vegas and since that time has spent most of his time in a travel status. GORDON makes regular visits to Los Angeles, Miami, Kentucky, Chicago, and other parts of the country.

[REDACTED] He could very possibly be used as a runner.

For the purposes of clarity, there follows a brief discussion of "Cleveland group", "Off the Top" or "Skimming", points and percent, Desert Inn Hotel, Stardust Hotel, and Riviera Hotel:

"CLEVELAND GROUP"

SU 94-284

67C }
67D }
The "Cleveland group" of Las Vegas is headed by MORRIS BARNEY DALITZ. DALITZ came to Las Vegas in 1960 with associates from Cleveland, Ohio, where they reportedly engaged in illegal gambling operations. Credit bureau records and other similar sources in Las Vegas refer to DALITZ and associates as the "Cleveland Syndicate," "Cleveland Mob" and others, but according to [REDACTED] Clark County Sheriff's Office, DALITZ and associates have become commonly known as the "Cleveland group".

According to credit bureau records of Las Vegas, the "Cleveland group" came to Las Vegas in 1960 to operate Wilbur Clark's Desert Inn, a plush Las Vegas hotel and gambling casino located in the famous "Strip" area of Las Vegas. This group also operates the equally elaborate Stardust Hotel, a plush hotel and gambling casino located on "The Strip" in Las Vegas.

Recently the "Cleveland group" applied for a license to operate the Riviera Hotel, a plush hotel and gambling casino located on the "Strip" in Las Vegas, but were declined a license by the Nevada Gaming Control Board because it would tend to create a monopoly in the gambling industry in Nevada.

67D {
[REDACTED]
Informant believed that the "Cleveland group" would then get their cut from money "skipped from the top of gambling receipts." [REDACTED] the "Cleveland group" took over the operation of the Riviera Hotel.

SU 94-284

Informant pointed out that [REDACTED]

JOHNNY DREW, former casino manager of the Stardust, was reported to be in charge of the Riviera Casino.

SU Informant furnished the following information concerning the operation of the "Cleveland group" in Nevada:

The "Cleveland group's" operation of Wilbur Clark's Desert Inn and the Stardust Hotels represents the most lucrative gambling operation in the State of Nevada. They know the gambling business and conduct it in a business-like and expert manner. Since their existence depends on their good behavior, Informant states that they are not engaged in any illegal operation in Nevada other than taking money from the top or "skimming from the top."

MORRIS BARNEY DALITZ is presently married to AVRILL NIGGE, the former secretary to the late JAKE FRIEDMAN, former president and majority stockholder in the Sands Hotel, Las Vegas. DALITZ was born on 12/24/1899 in Boston, Massachusetts. He resides in Las Vegas, Nevada.

[REDACTED] furnished the following information concerning DALITZ:

DALITZ was reputed to be a member of the notorious "Purple Gang" of Detroit, Michigan, which gang controlled a considerable amount of the criminal activities in Detroit and Toledo, Ohio. However, when interviewed at one time by Bureau Agents, DALITZ denied his connection with the "Purple Gang" although he admitted he attended grammar school with [REDACTED] brothers who later became members of the "Purple Gang" and DALITZ continued this association by trading in bootleg whiskey with him and with other members of that notorious gang during the Prohibition Era. DALITZ advised Bureau Agents that about

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25 years ago he left Detroit, Michigan, for Akron, Ohio, where he was engaged in the bootleg alcohol business before he moved to Cleveland, Ohio, where he engaged in the bootleg alcohol business before he moved to Cleveland, Ohio, where he continued his bootlegging activities on a large scale, and subsequently muscled his way into gambling, pinball, slot machine, and other rackets.

[REDACTED] DALITZ became the leader of a powerful criminal mob which was referred to by the Cleveland Police Department and the Cleveland press as the "Mayfield Road Gang". This gang comprised of DALITZ and fourteen other known hoodlums, had powerful political connections and as a result thereof controlled gambling policy and number rackets in the vicinity of Cleveland.

The racing news service at one time was also controlled by DALITZ and his associates.

[REDACTED] the activities of DALITZ during the 1930's brought him in close contact with LOUIS BUCHALTER-JACOB SHAPIRO mob in New York City; ABE LONGY ZWILLMAN, hoodlum in Newark, New Jersey; the CAPONE mob at Chicago; and [REDACTED] a hoodlum and racketeer in Detroit, Michigan. During a Grand Jury investigation in 1939, which was inquiring into persons responsible for the harboring of BUCHALTER and SHAPIRO during the time they were federal fugitives, [REDACTED] were subpoenaed as witnesses. Informant continued that DALITZ and associates had numerous interests in Ohio and Kentucky area.

[REDACTED] advised that DALITZ was at one time interested in the River Downs Race Track, Detroit, Michigan, and the Coney Island Dog Track located in California and Ohio. According to this informant, DALITZ was also interested in a dog track in Dayton, Kentucky, with two of his associates, ALFRED P. POLIZZI and [REDACTED] both notorious leaders of the "Mayfield Road Gang" in Cleveland, Ohio.

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In July, 1946, MORRIS BARNEY DALITZ advised Bureau Agents that he had enlisted in the U. S. Army on 6/29/42 and served until the middle of June, 1945, when he was placed on a reserve duty as a First Lieutenant. He stated that while he was in the Army he maintained a financial interest with four other partners, namely MORRIS KLEINMAN, LOUIS ROTHKOPF, aka., LOU RODY, SAM TUCKER, and [REDACTED] in the operation of Suite 281, Hollenden Hotel, Cleveland, Ohio, which was considered to be the headquarters of the Cleveland gambling syndicate. DALITZ during this interview admitted that while serving in the U. S. Army, MORRIS KLEINMAN, during his absence, was in charge and probably had made arrangements to finance other gambling establishments in Cleveland and elsewhere, the names of which were unknown to him at that time.

The following individuals are associated with DALITZ in his Las Vegas operations. The information set forth hereafter was obtained from the records of the Clark County Sheriff's Office and also from the Cleveland Office in June, 1958:

MORRIS KLEINMAN
FBI No. 731 237

KLEINMAN was born 9/19/1897 at Cleveland, Ohio. He was formerly a millionaire rum runner and owner of large gambling clubs in and around Cleveland, Ohio.

KLEINMAN was arrested on 11/27/33 by the U. S. Marshal, Cleveland, Ohio, and convicted of income tax evasion, receiving a sentence of four years plus a fifteen thousand dollar fine. He was paroled 9/1/36.

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KLEINMAN has for many years been closely associated with DALITZ. In view of information furnished [REDACTED] relative to Chicago Syndicate's meeting with [REDACTED] and relative to KLEINMAN's control of the "book" in Las Vegas, it appears that his position within the "Cleveland group" should be re-evaluated. Based on this information, it appears that he has more authority than it was felt he had at one time.

SU Informant has advised that KLEINMAN is on an equal basis with DALITZ and shares the administrative responsibilities with him; however, DALITZ is still considered to be the head of the "Cleveland group".

SAMUEL A. TUCKER

TUCKER has been closely associated for many years with DALITZ and MORRIS KLEINMAN and particularly closely associated with KLEINMAN. Both KLEINMAN and TUCKER were active in smuggling liquor from Canada during Prohibition and afterward were closely associated in gambling operations. TUCKER is considered by SU Informant to be third man in control of the "Cleveland group".

The following additional individuals are considered part of the "Cleveland group:"

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[REDACTED]

THOMAS J. MC GINTY

[REDACTED]

CORNELIUS J. JONES

WILBUR CLARK.

CLARK, of course, is the world renown hotel and casino operator. He originally came from San Diego, California, where he operated and dealt in card rooms. CLARK started construction of Wilbur Clark's Desert Inn and sought financial help from DALITZ when he, CLARK, ran out of funds. CLARK is publicly acknowledged as the manager of the Desert Inn, but according to reliable source, CLARK has nothing to say.

In summary concerning the "Cleveland group", DALITZ, KLEINMAN, et al, have associates considered to be connected with the hoodlum element throughout the United

SU 94-284

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States. Based on information furnished by [REDACTED] the extent of the "Cleveland group's" control in Las Vegas, Nevada, would appear to be very limited.

Chicago reported this very graphically on page 13 of their airtel dated 1/10/61 where a member of their hoodlum syndicate in Chicago remarked "MOE DALITZ doesn't have any authority."

"OFF THE TOP" OR "SKIMMING"

The terms "off the top" or "skimming" from the top are synonymous. SU Informant defines "skimming" as that practice of taking money from gambling receipts prior to the time this money is turned over to auditors as part of gambling receipts. This enables the group to do two things:

1. This money can be used to pay off an individual or individuals who have invested money in the operation but who are not owners of record.
2. This furnishes the top echelon a source of tax-free money, quite possibly the existence of which are unknown to stockholders, to be used as the top echelon so desires.

According to SU Informant a very simple way to pay off hidden interests in a particular operation is to allow the representative of this interest or interests to win at the gambling tables.

SU Informant advised that the Internal Revenue Service is aware of this practice but has not as yet been able to do anything to counteract it inasmuch as they cannot penetrate the top echelon of these gambling groups. Only the most trusted employees take part in the "first count" of receipts at which the "skimming" takes place.

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According to the above informant, gamblers in the State of Nevada "skim" approximately 33 percent from the total gambling winnings. Last year in Nevada, gamblers set an all-time record in winnings during that year, dragging \$200,127,146.00 across legal card and dice tables and through coin chutes of 13,000 slot machines. Of this the state collected \$9,857,534.00. It is interesting to note that according to SU Informant, who is in an excellent position to know, the actual winnings during 1960 should have been reported in excess of \$266,000,000.00.

"POINTS AND PERCENT"

The terms "points or percent" in describing how much interest an individual might have in a particular gambling establishment is incorrectly used synonymously by hoodlums and individuals in the gambling industry. They do not mean the same thing; for example, an individual has ten percent of a particular establishment, he would, under ordinary circumstances, have one-tenth. On the other hand, if this individual had ten points of this establishment and there were only seventy outstanding points, he would have one-seventh, or 14.2 percent. This usage of words can be very misleading. An individual indicates he has five percent of an organization and in reality he has five points of a possible fifty. His amount of interest in this particular establishment is greatly understated.

WILBUR CLARK'S DESERT INN HOTEL

Wilbur Clark's Desert Inn Hotel, a plush Las Vegas hotel and gambling casino, is located on the "Strip" in Las Vegas. The Desert Inn consists of a hotel of 238 rooms of ultra-modern design, a swimming pool shaped as a chuck-a-luck cage, and every type of gambling game is played in the casino. There are three bars, a dining room, dining room and showroom, and a coffee shop.

CLARK came to Las Vegas from San Diego, California, in 1944 where he purchased an interest in the El Rancho

SU 94-284

Vegas Hotel. In 1946 he sold this interest and subsequently started construction of the present Desert Inn. During course of construction of the Desert Inn CLARK ran out of money and finally received financial backing in 1949 from the "Cleveland group."

After the entrance of DALITZ, KLEINMAN, et al, into the Desert Inn picture, the new corporation became Desert Inn, Incorporated, with the following officers:

President	WILBUR CLARK
Vice-President	MORRIS KLEINMAN
Secretary	ALLARD ROEN
Treasurer	MOE B. DALITZ
Directors	CORNELIUS J. JONES SAMUEL A. TUCKER.

On 12/29/52, WILBUR CLARK, together with MORRIS B. DALITZ and associates, became the principals in the Desert Inn Country Club Estates, Incorporated, which includes an eighteen-hole golf course comprising of 127 acres and 33 acres of home sites divided into lots 126 feet by 125 feet.

In December, 1959, Wilbur Clark's Desert Inn was sold to the Desert Inn Associates for ten million dollars. The Desert Inn Associates is a partnership between LAWRENCE A. WEIN and WILLIAM F. PURCELL, with offices in New York City. The Desert Inn Operating Company, which consists of the "Cleveland group", holder of a long-term lease on the properties, continued to possess and operate all facilities and is presently functioning in that manner.

62- [REDACTED] This, no doubt, is the sale referred to by [REDACTED] in Chicago airtel of 1/10/61 on page nine,

SU 94-284

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wherein [REDACTED] and HUMPHREYS discuss the fact that "when they sold the DI we're entitled to five points."

It is difficult at this time to accurately break down the true percentage of ownership of the Desert Inn Hotel; however, there appears to be no question that Chicago Syndicate and the two individuals from Miami, Florida, control a large percentage of the hotel and have almost complete control of its operation, although DALITZ seems to be given a free hand in the physical operation of the hotel and gambling casino.

STARDUST HOTEL

The Stardust Hotel was built by JAKE "THE BARBER" FACTOR at a cost of approximately fifteen million dollars. It is a plush hotel located in the "Strip" area of Las Vegas. It had its formal opening on July 2, 1958. At that time, the "Cleveland group" had leased the casino of the Stardust Hotel. At the present time they operate the casino and the hotel on a lease basis from JAKE FACTOR.

[REDACTED]

according to court order, the creditors of the Stardust Hotel, Las Vegas, are due to be paid off on 2/15/61. This will require approximately one million dollars in fresh money. The hotel, as previously stated, is owned by JAKE "THE BARBER" FACTOR and is leased by DALITZ and his associates for \$100,000.00 a month.

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[REDACTED]

FACTOR has been negotiating with the groups from Chicago and New York to secure this money. However, nothing has been finalized to date. FACTOR will have no problem raising the money since the Stardust Hotel has a valuation of between twelve and sixteen million dollars.

Once the property is clear, FACTOR will then be free to dispose of the hotel as he pleases. [REDACTED] who is closely associated with Chicago hoodlums, is very close to both FACTOR and DALITZ. [REDACTED] has been in frequent contact with DALITZ and FACTOR. [REDACTED] if there is a deal worked out to dispose of the hotel, it will probably be arranged by [REDACTED] Both FACTOR and DALITZ would have to agree to the terms since the Desert Inn group has a long-term lease on the property and options to run for thirty years.

SU 94-284

FACTOR and DALITZ, while friendly on the surface, actually dislike each other intensely

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Consequently, they are not likely to do each other by favors.

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I believe the above is particularly significant in view of information furnished by [redacted] in Chicago airtel of 12/15/60 on page five, wherein HUMPHREYS and [redacted] discuss the possibility concerning the Stardust Hotel and stated that he, most likely referring to SAM STANCANA, "wants to buy it and make a capital gain on his side of the fence and we'd be in on it legit. See, now I talk to him about [redacted] going in heading this deal, he said, so he figures if we can get FACTOR to take his money out of it, 11 million, we turn around and sell it for 6 million, two to the heavy manipulation and these we get to use [redacted] as our broker."

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It would seem from the above conversation that the Chicago group after removing FACTOR would actually sell the property to themselves through a legitimate front, which is believed to be [redacted] investment broker, Chicago, Illinois.

It is noted that JOHN DREW, previously mentioned, close associate of Chicago hoodlum syndicate, is a five per cent owner of record in the Stardust Hotel.

RIVIERA HOTEL

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[redacted] has proved quite conclusively that the Chicago Syndicate, as well as the "Cleveland group," has obtained some type of financial interest and control in the Riviera Hotel. During the fall of 1960, the "Cleveland group" applied for a license to operate the Riviera Hotel

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but were declined a license by the Nevada Gaming Control Board because it would tend to create a monopoly in the gambling industry in Nevada. However, as pointed out earlier in this airtel, key personnel of the "Cleveland group" were placed in command positions in the hotel [REDACTED]

Based on information furnished by informants and developed through investigation in the Criminal Intelligence Program, the possibility of establishing a violation against DALITZ over which the FBI has jurisdiction would seem to be in the following areas:

INTERSTATE TRANSPORTATION OF STOLEN PROPERTY

As previously mentioned, the "Cleveland group," headed by MORRIS B. DALITZ, follow the practice of "skimming from the top" of gambling receipts so that they can pay off undisclosed interests as well as have tax-free money to use as they so desire. This money which is "Skimmed" is either stolen and/or embezzled from the corporation and subsequently transported interstate for disbursement among Chicago Syndicate hoodlums or the two individuals in Miami, Florida. It would appear that if this could be proven, DALITZ and associates violate the ITSP statute when they take and transport this money, and the Chicago and Miami hoodlums violate it when they receive this money.

Obviously the investigative problem of proving that the money transported from Nevada to Illinois and Florida is corporation money stolen and/or embezzled and transported in amounts adding to or in excess of \$5,000.00 is extremely difficult. This would necessitate vigorous imaginative investigation to solve this problem. However, it is felt that with a legitimate complaint alleging violation of the ITSP statute, a more direct approach could be taken to the problem than is taken under investigations conducted in the Criminal Intelligence Program.

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There follows a list of general observations to be considered in an investigation of DALITZ under the ITSP Statute:

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1. Close physical surveillance of individuals such as JOHN DREW, [REDACTED] or GEORGE GORDON, to identify "runners" or "carriers" of monies from Nevada to the outside interest. After "runners" have been identified, their method of carrying money determined, their itineraries known, then the investigative problem as to identifying the money and determining its ultimate destination would have to be resolved.
2. In addition to the physical surveillance of individuals close to DALITZ, our efforts would have to be increased in order to establish secure misur or tesur coverage at logical locations.

The Bureau is fully aware of the problems presented, especially in Las Vegas, by coverage of this type. Surveillances have established that the principal hoodlums in Las Vegas hold business conferences at an "executive table" detached and removed from any office and located at the edge of the gambling casino in the Desert Inn Hotel. This area and removal nature of the table do not lend themselves to the usual misur coverage.

3. Close and continuous discreet surveillance of DALITZ on his trips from Las Vegas to determine his contacts with the hoodlum associates, particularly the Chicago hoodlum syndicate, the Cleveland hoodlum syndicate, and the Miami hoodlum syndicate, so that this information may sometime be used as a lever against DALITZ for possible prosecution for perjury or furnishing false information. This will be discussed later in this airtel.

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4. The possibility of developing a live informant among the Top Hoodlums who has sufficient stature in their ranks is and has been one of our principal objectives. We have attempted to get close to DALITZ with live informant coverage. We are presently exploiting leads in opportunities to interview top members of the hoodlum element on matters that have no apparent conflict or interest to them. This was done recently in Las Vegas when it was noted there were several out of state hoodlums who had checked in at the Desert Inn Hotel.

We have informants who furnish excellent information relative to travel, location, identity of hoodlums, but we have not been able to penetrate the higher echelon on the "Cleveland group."

5. The complete financial structure of the Desert Inn and Stardust Hotels, as well as individual investments of DALITZ, KLEINMAN, TUCKER, et al, will have to be thoroughly investigated.

6. One possible source of information regarding the true profits of the Desert Inn and Stardust which would be of particular significance in the ITSP investigation may come as a result of a recently instituted procedure by the Nevada Gaming Control Board, which is now making spot checks and audits of winnings on games and slot machines by twenty-four hour observation at various times and seasons. If the profits reported by the casinos in the past do not approach those apparent to the Board in an audit, the casinos will then be asked to explain.

Liaison has been established with the Board to be advised in instances where their audits indicate the casino operators have not been reporting profits accurately.

PERJURY

As a result of investigation conducted toward establishing a violation on the part of DALITZ under the ITSP Statute, it is logical to assume that sometime in the future a Federal Grand Jury might convene in Las Vegas, Nevada, to hear evidence concerning DALITZ' violation of this statute. In this event, DALITZ is placed in a precarious position.

If DALITZ chooses to tell the truth to admit that he is a front for outside hoodlum interests in the gambling industry in the State of Nevada, he will immediately lose his license to operate in this industry. If he chooses to stand on his constitutional right and not testify because of possible self-incrimination, he will also lose his right to do business as a licensed gambler in the State of Nevada because his right to have this license is based solely on his good behavior and if he contends that there is a possible chance of self-incrimination then the Nevada Gaming Control Board would have a perfect right to suspend DALITZ' license. If he chose to lie, which he would be forced to do, he would be committing perjury and could be prosecuted for this act of perjury. That is why it is so important at this time to obtain admissible evidence of DALITZ' association with Chicago and Miami hoodlum elements.

It is pointed out that under the Nevada Gaming Control laws, DALITZ cannot admit association with Chicago hoodlum syndicate and continue business in the State of Nevada.

*Can we
do something
here on
perjury?*

FURNISHING FALSE INFORMATION (SEC. 1001, TITLE 18, U. S. CODE)

In the course of the ITSP violation, it is also logical to assume that DALITZ and/or associates could very possibly violate the criminal section of 1001. Of course, success in proceeding against DALITZ under the perjury or 1001 would depend upon the successful investigation under the ITSP Statute.

SU 94-284

[REDACTED]

DALITZ and associates are victims of the greed of the Chicago Crime Syndicate and Miami's [REDACTED] and ALFRED POLIZZI. [REDACTED]

[REDACTED] information furnished by Salt Lake City informants and information developed through investigation of DALITZ under the Criminal Intelligence Program and through information furnished by [REDACTED]

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[REDACTED]

successful prosecution could be had against them. It is realized that information from [REDACTED] is extremely sensitive and every means to protect this source should be taken. However, it is felt that much can be done using the information furnished by the Chicago informant without divulging this sensitive source. [REDACTED]

[REDACTED]

[REDACTED] at that time said that DALITZ was a physical coward.

[REDACTED]

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Nevada State Gambling laws require that every stockholder in a gambling corporation be licensed and prohibits undisclosed interest from participating in a gambling corporation. To do so means loss of license and great financial loss. In many instances licenses are denied by the Gaming Control Board because of background and criminal associates of applicants. If it were known that the Cleveland group merely fronted for hoodlums, their license would be immediately revoked.

[REDACTED]

67D It is pointed out that in DALITZ' recent application to the Nevada Gaming Control Board for license to operate the Riviera Hotel in Las Vegas, Nevada, he noted a net worth in excess of \$2,000,000.00. This fortune is centered primarily in his Nevada gambling operations. [REDACTED]

VIOLATIONS OF LAWS UNDER JURISDICTION OF OTHER FEDERAL AGENCIES OR STATE AGENCIES

Internal Revenue Laws

[REDACTED] advised that the Internal Revenue Service is aware of the practice of the "Cleveland group" in "skimming" money from the top of their gambling winnings, but has not as yet been able to do anything to counteract it inasmuch as they cannot penetrate the top echelon on the "Cleveland group." Informant pointed out that only the most trusted employees take part in the "first count" of receipts, at which time the "skimming" takes place. Informant advised that he was of the opinion

SU 94-284

that the Internal Revenue did not have the personnel, the equipment, or the investigative experience to conduct a successful investigation of an outfit like the "Cleveland group."

STATE VIOLATIONS

The "Cleveland group," headed by MOE DALITZ, commit two clear-cut violations of Nevada State law:

1. They violate the state gambling laws by representing undisclosed interests in the gambling industry in the State of Nevada.
2. They violate state tax laws when they "skim" gambling winnings and do not pay state gambling tax on these winnings. It is not believed the State Gaming Control Board has the personnel or the investigative experience to attack the "Cleveland group" on the above violations; although they have excellent personnel, on an individual basis they are hampered on many occasions by lack of time, political interference, and lack of funds.

SUMMARY

I feel that every effort should be made to establish a federal violation over which this Bureau has jurisdiction against DALITZ. I do not feel that the Internal Revenue Service, or the State of Nevada can or will accomplish prosecution of DALITZ regardless of how much information or assistance we make available to them. I think that we can be of immeasurable assistance to Chicago in their investigation concerning GIANCANA, HUMPHREYS, [REDACTED] and to Los Angeles and Miami in the prosecution of their hoodlums.

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SU 94-284

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[REDACTED] could effect the conviction of several hoodlums listed in referenced Bureau airtel.
[REDACTED]

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A separate case under the ITSP classification is being opened concerning DALITZ. Every resource at our disposal will be used toward fulfilling our objective, which is the subsequent prosecution of DALITZ.

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INFORMATION FROM [REDACTED] IF UTILIZED SHOULD BE CAREFULLY PARAPHRASED IN ORDER TO FURTHER PROTECT THE IDENTITY OF THIS SOURCE. THIS INFORMATION IS NOT TO BE DISSEMINATED WITHOUT BUREAU AUTHORITY.

DALITZ IS KNOWN TO HAVE REGISTERED SEVEN GUNS WITH THE CLARK COUNTY, NEVADA SHERIFF'S OFFICE, AND THEREFORE, SHOULD BE CONSIDERED ARMED AND DANGEROUS.

WILLIAMS

F B I

Date: 2/27/61

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (92-3068)
FROM: SAC, LAS VEGAS (87-401)
RE: MORRIS BARNEY DALITZ
AR
(OO: LAS VEGAS)

Re Bureau airtel dated 2/15/61.

[redacted] advised subject returned to the Desert Inn Hotel, Las Vegas, Nevada, on 2/22/61. Shortly after his return he was observed in intense conversation with GEORGE GORDON, LV TH, who is reported to be a runner for the Desert Inn Hotel.

He then checked out of the hotel and it was subsequently determined he caught a flight to Cincinnati.

[redacted] that DALITZ departed Las Vegas for Chicago aboard United Airlines Flight 214, at 2:25 AM, 2/22/61. He was accompanied by [redacted] Fremont Hotel, Las Vegas.

[redacted] Cleveland and Las Vegas sources have advised [redacted]

[redacted] GORDON was also on this same flight as was a [redacted] is unknown but is known to have been at the DALITZ residence prior to the flight.

3 - Bureau
3 - Las Vegas
(1-94-284)

REC: jec (6)

REC 112 92-3068-75

7 MAR 2 1961

Approved: 51 MAR 7 1961 Special Agent in Charge

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Per _____

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[REDACTED], who is reportedly a go-between between the Chicago Syndicate and DALITZ and his associates.

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DALITZ and [REDACTED] left Chicago on United Airlines Flight which departed Chicago at 7:05 PM, 2/22/61. It is possible the trip to Chicago was related to negotiations with the Chicago group for them to take over an interest in the Fremont Hotel. This information has been furnished previously by the Chicago Office.

Above has been furnished to Chicago with appropriate leads.

WILLIAMS

FBI

Date: 2/27/61

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

REC-113

TO: DIRECTOR, FBI (92-3068)
FROM: SAC, LAS VEGAS (LV 87-101)
RE: MORRIS BARNEY DALITZ
AR
OO:Las Vegas

Rebuairtel dated 2/15/61.

[REDACTED] that DALITZ is presently at the Desert Inn, Las Vegas, Nevada. On February 23, 1961, DALITZ called Lieutenant Governor ROX BULL at Carson City, Nevada, and talked for three minutes.

CI advised that [REDACTED] of ARNER "LONGIE" ZWILLMAN of New Jersey, is staying at the DALITZ residence.

[REDACTED] the DALITZ residence, which is located on the grounds of the Desert Inn Hotel.

Several individuals were recommended by DALITZ for non-resident memberships in the Desert Inn Country Club. Amongst those recommended were [REDACTED]

Chicago identify [REDACTED]

P

- 3 - Bureau
- 1 - Newark (Information)
- 2 - Chicago
- 2 - Las Vegas

Rt:bsj
(8)

REC-113

92-3068-76

25 MAR 2 1961

CRIM INDEX

50 MAR 7 1961

Approved: CC Wick Special Agent in Charge Sent _____ M Per _____

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Handwritten initials

F B I

Date: 2/24/61

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (92-3068)
FROM: SAC, LAS VEGAS (87-101)
RE: MORRIS BARNEY DALITZ
A-R
(OO:LAS VEGAS)

Re Bureau airtel to New York, dated 2/15/61,
captioned "Criminal Intelligence Program."

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b7D

[REDACTED] that DALITZ left
Las Vegas over the past week end and his present whereabouts
is unknown.

Investigation is being conducted to determine his
whereabouts.

WILLIAMS

WJ

- P -

- 3 - Bureau (AM)
- 3 - Las Vegas
(2 - 87-101)
(1 - 94-234)

RET:ps
(6)

REC-66

92-3068-77

FEB 28 1961

~~WILLIAMS~~

EST. SEC. [Signature]
CRIM/INTEL

50 MAR 7 1961

Approved: _____ Sent _____ M Per _____

Wick Special Agent in Charge

OFFICE MEMORANDUM - UNITED STATES GOVERNMENT

To: Director, FBI Date: 2/24/61

From: SAC, Salt Lake City (94-284)

Subject: MORRIS BARNEY DALITZ, AKA
AR

Bufile # 92-3068 92-3067 FD 217 SU 3/7/61 Hg

Due to the opening of the Las Vegas Office, the following changes in the above case have been made:

A. Location of File

- (xx) Entire file sent to Las Vegas herewith.
- () File sent to Las Vegas, except one copy of the following serials.
- () File retained in Salt Lake City but one copy of following serials sent to Las Vegas.

Report of SA _____
 Dated _____ at _____

Report of SA _____
 Dated _____ at _____

Report of SA _____
 Dated _____ at _____

Report of SA _____
 Dated _____ at _____

B. Office of Origin

- () Salt Lake City
- (xx) Las Vegas
- () Other Office as shown in file

C. Status, SU Office

- () Pending
- (xx) RUC 92-3068

- 1 - Bureau
- 1 - Las Vegas (Encls. 7) 92-461
- 1 - Salt Lake City (33-1371)
- 1 - (see attached page)
- 1 - _____
- 1 - _____

RECORDED
MAR 2 1961

CONFIDENTIAL

~~57 MAR 3 1961~~ MAR 7 1961 Hg

LV 92-461

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- 1 - Houston 92-160
- 1 - Cincinnati 92-199
- 1 - Louisville 92-253
- 1 - Dallas 92-267

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(20)

FEDERAL BUREAU OF INVESTIGATION

Reporting Office LAS VEGAS	Office of Origin LAS VEGAS	Date 3/3/61	Investigative Period 2/3 - 3/1/61
TITLE OF CASE MORRIS BARNEY DALITZ, aka		Report made by [REDACTED] -67C	Typed By: hsl
CHARACTER OF CASE ANTI - RACKETEERING			

XXXXX

REFERENCE: Report of SA [REDACTED] dated 2/13/61 -67C at Salt Lake City.

- P -

INFORMANT

b2 {
b7D {

[REDACTED]

Orally to SA [REDACTED] -67C

LEADS

Leads have been set out to various offices in daily artels to Bureau and consequently will not be restated in bi-weekly reports.

LAS VEGAS

AT LAS VEGAS, NEVADA. Continue to follow and report activities of subject.

Approved: <i>[Signature]</i> Special Agent In Charge	Do not write in spaces below		
Copies made: (3) - Bureau (92-3068) (REGISTERED) 2 - Las Vegas (92-461) <i>1cc destroyed 8-20-62 by [initials]</i> <i>Copy sent to [unclear] on 1-4-61</i>	92-3068-	78	REC-44
	MAR 6 1961		EX-114
	<i>[Handwritten signature/initials]</i>		

- A* -
COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

Report of: **b7C-** [REDACTED]
Date: 3/3/61

Office: Las Vegas, Nevada

Field Office File No.: 92-461

Bureau File No.: 92-3068

Title: MORRIS BARNEY DALITZ

Character: ANTI - RACKETEERING

Synopsis:

b7C-

DALITZ is an executive of the Desert Inn and Stardust Hotels, Las Vegas, Nevada, and he resides on the grounds of the hotel. DALITZ has been in contact with and is acquainted with individuals in various parts of the country. On 2/22/61, he made trip to Chicago, Illinois, with [REDACTED] the Fremont Hotel. The Star Investment Company, in which company DALITZ has an interest, filed incorporation papers at Carson City, Nevada on 1/25/61. He was not listed as a director of this company. In December, 1960, he stayed for several days at the Beverly Hills Hotel, Beverly Hills, California. SUBJECT HAS SEVEN GUNS REGISTERED WITH THE CLARK COUNTY, NEVADA, SHERIFF'S OFFICE, AND SHOULD BE CONSIDERED ARMED AND DANGEROUS.

- P -

DETAILS:AT LAS VEGAS, NEVADAEMPLOYMENT**b2
b7D**

[REDACTED] that DALITZ is an executive of the Desert Inn and Stardust Hotels, Las Vegas, Nevada, and is the dominant figure associated with the operation of these hotels.

LV 92-461

RESIDENCE

[REDACTED], that DALITZ and his wife, AVERILL, reside on the grounds of the Desert Inn Hotel, Las Vegas, Nevada.

ASSOCIATES

[REDACTED] has previously advised that DALITZ has been in contact with [REDACTED] at St. George, Utah.

On January 31, 1961, [REDACTED] St. George, Utah, advised that he was personally acquainted with [REDACTED]

[REDACTED] is considered a substantial individual and [REDACTED] is of the opinion [REDACTED] obtained employment at the Desert Inn Ranch through friendship with [REDACTED]

[REDACTED] DALITZ attempted to contact [REDACTED] at Chicago, Illinois.

[REDACTED] closely associated with many of the hoodlums who operate out of Chicago, Illinois, and Los Angeles, California.

[REDACTED] of ABNER "LONGIE" ZWILLMAN of New Jersey, is staying at the DALITZ residence. [REDACTED]

[REDACTED] is still at the DALITZ residence [REDACTED]

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LV 92-461

[REDACTED]

[REDACTED] that several individuals were recommended by DALITZ for non-resident memberships in the Desert Inn Country Club. Among those recommended were [REDACTED]

[REDACTED]

ACTIVITIES

[REDACTED] that DALITZ departed Las Vegas for Chicago aboard United Airlines Flight 214, at 2:25 a.m., February 22, 1961. He was accompanied by [REDACTED] Fremont Hotel, Las Vegas. [REDACTED] Cleveland and Las Vegas sources have advised [REDACTED]

[REDACTED]

GEORGE GORDON, a reported "runner" for the Desert Inn Hotel, was also on this same flight as was a [REDACTED] [REDACTED] is unknown but is known to have been at the DALITZ residence prior to the flight.

[REDACTED]

DALITZ and [REDACTED] left Chicago on a flight scheduled to leave Chicago at 7:05 p.m., February 22, 1961.

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LV 92-461

By communication dated February 24, 1961, the Chicago Office advised there is no listing for GL 1-6964. The same listing reflects [REDACTED]

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[REDACTED] Chicago indices are negative for [REDACTED] and no Chicago hoodlums are known by Chicago to utilize the alias of [REDACTED]

b2
b7D >

[REDACTED] DALITZ has an interest in the Star Investment Company or the Star Development Company, Las Vegas. As previously reported, this company is now in the process of securing a loan from the Central States, Southeast and Southwest Area Pension Fund, Chicago, Illinois. This money is to be used to construct a golf course adjacent to a tract of homes being constructed by the Star Development Company.

Articles of Incorporation for the Star Investment Company, Incorporated, filed in Carson City, Nevada, on January 25, 1961, reflect the directors of the company are LEE R. ROSE, NANCY J. BLACKWELL, and GERALDINE H. NEWMAN, all of 116 South Fourth Street, Las Vegas. This is the office of Attorneys MORSE and GRAVES, which firm filed the incorporation papers. The stock was to consist of 200 shares of no par value. Officers of the corporation were not listed.

Records, Credit Bureau of Southern Nevada, Incorporated, Las Vegas, were reviewed on February 28, 1961, by [REDACTED]

b7C {

[REDACTED] There is no record for [REDACTED]

TRAVEL

The following investigation was conducted by SA [REDACTED]

LV 92-461

[REDACTED] Beverly Hills Hotel, Beverly Hills, California, advised on January 30, 1961 that Mr. and Mrs. M. B. DALITZ and Mr. and Mrs. WILBUR CLARK stayed in adjoining two-bedroom suites at the hotel from December 1, 1960 to December 7, 1960. They were registered from the Desert Inn, Las Vegas, Nevada. The following telephone calls were charged to DALITZ:

b7c
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Los Angeles	December 3, 1960	[REDACTED]
Las Vegas	December 1, 1960	DU 2-6000 (also called December 2 and 5, 1960)
	December 5, 1960	[REDACTED]
	December 6, 1960	HU 2-2000

According to [REDACTED] the CLARKs and the DALITZes frequently stay at the Beverly Hills Hotel. Mrs. DALITZ and Mrs. CLARK spent a few days there starting January 11, 1961. Mrs. DALITZ was there also in September, 1960 with the CLARKs.

b7c {

Records of the General Telephone Company, Santa Monica, California, show that telephone [REDACTED] and is a non-published number. It is believed this person is the motion picture actress.



*In Reply, Please Refer to
File No.*

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada

March 3, 1961

MORRIS BARNEY DALITZ
ANTI - RACKETEERING

67C {

Reference is made to the report of SA [REDACTED] [REDACTED] dated as above at Las Vegas, Nevada.

Informant referred to in referenced report has furnished reliable information in the past.

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

NA
W

FBI

Date: 3/3/61

Mr. Tolson	
Mr. DeLoach	
Mr. Mohr	
Mr. Bishop	
Mr. Casper	
Mr. Callahan	
Mr. Conrad	
Mr. Felt	
Mr. Gale	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Miss Holmes	
Miss Gandy	

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (92-3068)

FROM: SAC, LAS VEGAS (92-461)

RE: MORRIS BARNEY DALITZ
AR

[REDACTED] 167C

REC-114
EX-114

OO: Las Vegas
ReBuairtel dated 2/15/61, captioned "CRIMINAL INTELLIGENCE PROGRAM."

DALITZ has remained in Las Vegas, since his return from Chicago, Illinois, on 2/22/61, and it is not expected he will leave this area until after the FULLMER-ROBINSON championship fight to be held at Las Vegas on 3/4/61.

ABNER "LONGIE" ZWILLMAN, is still staying at the DALITZ residence.

[REDACTED]

[REDACTED]

[REDACTED] accompanied DALITZ when he flew to Chicago and back on 2/22/61.

[REDACTED]

- 3 - Bureau (AIR MAIL)
- 2 - New York (AIR MAIL)
- 2 - Detroit (AIR MAIL)
- 2 - Los Angeles (AIR MAIL)
- 2 - Las Vegas

REC-84 92-3068-79
EX-114
12 MAR 7 1961

RBT/hsl
(11)

CRIM

Approved: 66 MAR 10 1961
Special Agent in Charge

Sent _____ M Per _____

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b7D

LV 92-461

In response to an inquiry by the Las Vegas Office, Los Angeles advised that DALITZ and WILBUR CLARK, President of the Deset Inn Hotel, and Las Vegas TH, frequently stay at the Beverly Hills Hotel, Beverly Hills, California. DALITZ and his wife were there for about one week in early December, 1960 and Mrs. DALITZ has stayed at the hotel on two occasions since that time.

67C { On 12/3/60, a call to [REDACTED] was charged to DALITZ. This number is listed to [REDACTED], believed to be the motion picture actress.

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67D > [REDACTED] DALITZ has an interest in the Star Investment Company or the Star Development Company, Las Vegas. This company is now in the process of securing a loan of \$65,000 from the "Central States, Southeast and Southwest Areas Pension Fund," Chicago, Illinois. (Chicago previously requested to identify this fund.) The money is to be used to construct a golf course, located adjacent to a tract of homes being constructed by this company.

Articles of Incorporation for the Star Investment Company, Incorporated, filed in Carson City, Nevada, on 1/25/61, reflect the directors of the company are LEE B. ROSE, NANCY J. BLACKWELL, and GERALDINE H. NEWMAN, all of 116 South Fourth Street, Las Vegas. This is the office of Attorneys MORSE and GRAVES, which firm filed the incorporation papers. The stock was to consist of 200 shares of stock of no par value. Officers of the corporation were not listed.

Credit bureau records reveal that [REDACTED]

67C { There is no record for [REDACTED]

Additional investigation is being conducted by Las Vegas regarding the Star Investment Company.

New York City, at New York City, will identify subscribers to [REDACTED]

Detroit identify [REDACTED]

Los Angeles identify [REDACTED]

N/A
4m

FBI

Date: 3/3/61

Mr. Tolson
Mr. DeLoach
Mr. Mohr
Mr. Bishop
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. Felt
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (92-3068)
FROM: SAC, LAS VEGAS (92-461)
RE: MORRIS BARNEY DALITZ
AR

[Redacted] b7c

OO: Las Vegas
ReBuairtel dated 2/15/61, captioned "CRIMINAL INTELLIGENCE PROGRAM".

DALITZ was observed at the Desert Inn Hotel, Las Vegas on 3/1/61.

[Redacted]

[Redacted] MC GINTY is one of the owners of the Desert Inn Hotel, who along with SAM TUCKER, another owner, spends a considerable amount of time in FLORIDA.

Q

Detroit is requested to identify [Redacted]

92-3068-80

- 3 - Bureau (AIR MAIL)
- 2 - Detroit (AIR MAIL)
- 2 - Las Vegas

REC-33

EX 103

RBT/hsl
(7)

C Wick

CRIMY WDFL

50 MAR 9 1961

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

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b7D
L
b7c

SAC, Las Vegas

3/19/61

Director, FBI

MORRIS BARNEY DALITZ, aka.
ANTI-RACKETEERING

b7c-

Re: SA [redacted] 3/3/61 at Las Vegas.

Re:rep indicates that [redacted] that subject and others departed the previous day for Chicago. Dalitz, according to your report [redacted]

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This report also states that one of those on the same plane was a man who had been at the Dalitz residence earlier. This individual, according to your report, has still not been fully identified. Also on that same plane was George Gordon, whom you referred to as a reported "runner" for the Desert Inn.

It is possible that there was more than a casual significance to the fact that this group was traveling on the same plane. It would appear advisable that you make every effort to establish such relations with this informant as to be made aware of the movements of subject sufficiently in advance to enable your office to afford full and productive coverage of his activities.

TRD:nad/rap
(4)

raf

L

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

57 MAR 15 1961

MAILED 10
MAR 10 1961
COMM-FBI

REC-68

92-3068-81

19 MAR 13

MAIL ROOM TELETYPE UNIT

31

F B I

Date: 3/7/61

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

Mr. Tolson	
Mr. DeLoach	
Mr. Mohr	
Mr. Bishop	
Mr. Casper	
Mr. Callahan	
Mr. Conrad	
Mr. Felt	
Mr. Gale	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Miss Holmes	
Miss Gandy	

[Handwritten signature]

TO: DIRECTOR, FBI (92-3068)
 FROM: SAC, LAS VEGAS (92-461)
 RE: MORRIS BARNEY DALITZ
 AR
 (OO: Las Vegas)

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ReBUairtel dated 2/15/61, captioned "Criminal Intelligence Program."

[Redacted]
[Redacted] advised as follows on 3/3/61:

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[Redacted] the DALITZ ranch, which is located approximately 20 miles from Gunlock, Utah. This is in a remote area, and the ranch itself can be reached only by air or by a single dirt road leading from Gunlock to the ranch.

A modern airstrip has been constructed three miles from the ranch, and this can handle planes of considerable size. The ranch house and buildings have been modernized and approximately 20 people can be accomodated overnight. DALITZ has 3000 acres at the present time; however, he is presently negotiating to purchase additional acreage from an Indian tribe, and if he is successful he will then have approximately 30,000 acres. He runs 400 head of beef cattle and raises his own feed for these and his other stock. He owns the cattle jointly with *[Redacted]* who is a local rancher and hunting guide. *[Redacted]* is a long-time resident of the area and is a reputable, reliable individual.

b7C

P
 3 - Bureau
 2 - Las Vegas

RBT:nlw

(5) [Redacted]

92-3068-82

17 MAR 14 1961

Approved: _____ Sent _____ M Per _____
 Special Agent in Charge

LV - 92-461

67C { There is one phone at the ranch and this is a single line running to [REDACTED] If DALITZ desires to get a message out, he calls [REDACTED] who then relays the message to Las Vegas.

DALITZ was alone at the ranch for approximately one week prior to 2/22/61. He drove from Las Vegas in a station wagon he owns, and he keeps an outfitted jeep at the farm for his use while he is there. He enjoys living in the open and will take off for two or three days at a time, at which time he sleeps outside and travels by horseback or jeep.

67C
67D
L

[REDACTED]

92-3068-83 IN THIS FILE SKIPPED DURING
SERIALIZATION.

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11-20-64
t

Handwritten initials and scribbles

F B I

Date: 3/9/61

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

REC-50

Handwritten initials

TO: DIRECTOR, FBI (92-3068)
FROM: SAC, LAS VEGAS (92-461)
RE: MORRIS BARNEY DALITZ, aka.,
AR
(OO: Las Vegas)

Rebuairtel dated 2/15/61, captioned "Criminal Intelligence Program."

DALITZ was observed by Agents at the Fuller-Robinson championship fight on 3/4/61. He was also observed at the Desert Inn Hotel, Las Vegas, on 3/6/61. [REDACTED] who is reported to be the front man and bodyguard for SAMUEL GIANCANA, has been in Las Vegas for several days. On 3/4/61, [REDACTED] was observed on the grounds of the Desert Inn. On one occasion he passed by DALITZ; however, neither showed any signs of being acquainted.

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[REDACTED]

LOUISIANA

[REDACTED] ROY COHN, New York City Attorney. CI has previously advised that [REDACTED] may have a personal interest in COHN.

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- 3 - Bureau
- 2 - Los Angeles
- 2 - New Orleans
- 2 - Las Vegas (92-461)

RBT/bsj
(9)

REC-CC

92-3068-84

15
MAR 21 1961

AIRTEL

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

LV 92-461

b7c-f

Los Angeles is requested to identify [REDACTED]
and New Orleans is requested to search indices on [REDACTED]

SUBJECT HAS REGISTERED SEVEN GUNS WITH THE CLARK
COUNTY SHERIFF'S OFFICE AND CONSEQUENTLY, SHOULD BE CONSIDERED
ARMED AND DANGEROUS.

3/14/61

AIRTEL

TO: SAC, Las Vegas (92-461)
FROM: Director, FBI (92-3068) - 84

MORRIS BARNEY DALITZ, aka.
AR

Reurairtel 3/9/61.

Reinterview informant for specific details concerning possible personal interest [redacted] has in Roy Cohn, New York attorney. You should follow this matter closely and keep the Bureau fully and promptly advised.

67C-

FRD:svb
(4)

svb

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Tele. Room _____
Ingram _____
Gandy _____

MAILED 81
MAR 14 1961
COMM-FBI

60 MAR 21 1961

MAIL ROOM TELETYPE UNIT

37

F B I

Date: 3/15/61

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI
FROM: SAC, LAS VEGAS
RE: MORRIS BARNEY DALITZ
AR
(OO: Las Vegas)

Rebuairtel dated 2/15/61, captioned "Criminal Intelligence Program".

[REDACTED] DALITZ was at his ranch in Gunlock, Utah, 3/11/61 and 3/12/61. He drove to the ranch accompanied by his wife, AVERILL. Subject returned to Las Vegas late 3/12/61, and has been observed at the Desert Inn Hotel, Las Vegas, since that date.

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[REDACTED]
[REDACTED] ROY COHN, New York attorney.

COHN has handled several legal matters for DALITZ and his associates in the past.

WILBUR CLARK, Las Vegas, TH, and President of Wilbur Clark's Desert Inn, suffered a stroke in Chicago on 3/10/61. This is the third stroke suffered by CLARK during recent months, and DALITZ and the other hotel owners are concerned. CLARK

P

- ② - Bureau (92-3068)
- 2 - Detroit
- 2 - Las Vegas (92-461)

RBT/bsj
(6)

EX-114

REC-62

92-3068-85

MAR 17 1961

Approved: _____ Sent _____ M

Special Agent in Charge

5 MAR 23 1961

325

LV 92-461

has little voice in the operation of the Desert Inn; however, he is a prominent figurehead and the hotel received considerable favorable publicity as a result of his activities. CLARK is being urged to postpone some of his recent ventures and also to dispose of some of his present holdings. This includes the Diplomat Apartments, which is owned by CLARK and located at Las Vegas.

San Francisco advised by communication dated 3/6/61, that DALITZ registered at the Pebble Beach Lodge, Pebble Beach, California, on 1/16/61, and remained until 1/23/61. According to San Francisco sources, he has frequently stayed at the lodge, since 1956, and in January, he was there as a participant in the Bing Crosby Golf Tournament.

b7c-

Detroit, identify [REDACTED]

SUBJECT HAS REGISTERED SEVEN GUNS WITH THE CLARK COUNTY SHERIFF'S OFFICE AND CONSEQUENTLY SHOULD BE CONSIDERED ARMED AND DANGEROUS.