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TO : DIRECTOR, FBI (66-254²-11-9)

FROM : SAC, CHICAGO (137-4143)

SUBJECT: TOP ECHELON CRIMINAL INFORMANT PROGRAM (TECIP)

REC 22 7/11

*me advised
9/1/67*

Re Chicago airtel, 12/13/66.

A. Summary of Significant Information and Development in TECIP

1. CG 6855-C-TE

CG 6855-C-TE on 1/15/67 furnished information that WILLIAM MESSINO's wife is divorcing MESSINO and that MESSINO has moved into apartment number 8 in the building he owns at 426 Wesley, Oak Park, Illinois. The CTE advised that MESSINO's girlfriend, ALICE IRWIN, is presently hiding out in Florida for fear of receiving a subpoena to testify in the current local kidnapping, assault, and extortion case against MESSINO, presently on trial in local court.

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The CTE on 1/19/67 furnished information that PASQUALE "BUCK" CLEMENTI, local "juice" loan operator, works for WILLIAM "POTATOES" DADDANO. The CTE stated CLEMENTI, DADDANO, and possibly other hoodlums are leaving for Florida within the next two or three days.

2. CG 6884-C-TE

On 1/17/67 informant advised he had had a meeting with JACK CERONE at Armond's Restaurant on 1/13/67. Informant learned at this meeting CERONE was sending an envelope two inches thick to local Judge STARK.

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C. C. Wick

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

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Room 602. The envelope was given to a bailiff introduced as AL CYEENEY (phonetic). CERONE indicated to source this was a monthly envelope and that if he got in trouble he would arrange for his case to be brought before Judge STARK.

Informant also advised the bookmaking operation of JACK CERONE won \$18,000 from customers placing sports bets. Of this amount about \$4,500 was from the Green Bay - Kansas City Chiefs Super Bowl contest. Source stated the game closed with Kansas City a thirteen point underdog. As all customers took Kansas City and Green Bay won thirty-five to ten, all of the customers lost.

Informant has every reason to believe he will be given a "good job" by CERONE if CERONE is satisfied with his work.

3. CG 7049-PC and CG 6890-C-TE

As the Bureau is aware, both of these sources have furnished information concerning gambling activities of the SAM BATTAGLIA group in Melrose Park, Illinois. As a result of this information, the following gambling raids were made by state and county law enforcement offices who received information concerning these activities from the Chicago Office:

On the early morning of 1/16/67, RICHARD DERRICO, one of the key operators, was observed entering the gambling location at 2413 West Lake Street. Since this gambling location is also a large scale horse and sports bookmaking operation during the day, all information regarding this location was furnished to Sergeant MICHAEL O'MARA, Cook County Sheriff's Police, who raided premises at 1:00 p.m. on 1/16/67. Entry was gained to the gambling room by smashing through two front doors, one barricaded with two reinforcement bars, revealing professional casino type setup in back game room, including kidney shaped poker table with elevated platform for dealer, smaller poker table,

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as well as professional cloth covers for tables. Arrested was RICHARD JOSEPH DERRICO, who was charged as gambling keeper. Confiscated were numerous race horse bet slips recovered from DERRICO's person, as well as volumes of other race horse and sports betting slips, scratch sheets, ledger sheets used for pro football betting, sports parlay cards, numerous decks of cards and dice, two poker tables and miscellaneous gambling paraphernalia, all valued at \$2,000. DERRICO admitted to Bureau Agents gambling activities as evidenced by bet slips found on his person but denied large scale casino type operation at this location. No indication of any interstate activity. Additional records discovered at site of raid included names, addresses and phone numbers of numerous hoodlums within SAM BATTAGLIA group.

Sergeant O'MARA expressed great satisfaction over results of raid, especially in view of the fact this was the third successful gambling raid within city limits of Melrose Park, Illinois, in the past three days. O'MARA in news release gave the FBI credit for another significant raid in hoodlum stronghold of BATTAGLIA group.

Information regarding the GUY CERVONE gambling operation at 2111 West Lake, Melrose Park, Illinois, was furnished to JOSEPH WOODS, Cook County Sheriff, who at 11:30 p.m., 1/13/67, led a detail of his men. The raiding party smashed through heavily barricaded rear and front doors simultaneously to gain entry to the first floor premises. Individuals were observed gambling in two rooms. Eleven persons were arrested including WILLIAM DEL PERCIO, ELMER DEL PERCIO, GERALD NARGIE and ANGEL PACHECO, all of whom are part of the SAM BATTAGLIA hoodlum gang. ELMER DEL PERCIO was charged as gambling keeper. Over one thousand dollars in cash, plus gambling paraphernalia valued in excess of \$3,000 was confiscated.

Information regarding the gambling operation at Square Deal Auto Wreckers, owned by JOE DOM SCACCIA, was furnished at 11:30 p.m., 1/13/67, to JOHN NEWBOLD, Chief of Crime Section, Illinois Sheriff's Police, who led a raid with his men on Square Deal. They smashed through the front door to gain entry to the gambling room located in the center of a composite structure, revealing plush gambling

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den with after hours bar, along with dozens of decks of playing cards, card table, records of race horse bets, scratch sheets, slot machine, and miscellaneous gambling paraphernalia, all valued at \$1,000. SCACCIA was charged as keeper of a gambling house. Four others on the scene were released because of lack of evidence. Records seized disclosed that this location obviously functioned as a bookmaking operation during the day.

WOODS and NEWBOLD in news releases gave full credit to the FBI for initiating a successful raid which is receiving excellent coverage in the Chicago news media due to notorious reputation of Melrose Park as a hoodlum stronghold and this being the first raid conducted by Sheriff WOODS.

4. CG 6688-PC

On 1/16/67 informant advised that his business had expanded at a faster rate than he anticipated, which resulted in him becoming involved in a financial crises to meet expansion needs. He said that his position was such that unless he could come up with \$15,000 immediately business would fail. As a result, he got together with AL WAINER, who has backed him financially in the past, who took him to an individual informant did not name (however, indicated to be "MILWAUKEE PHIL" ALDERISIO) to borrow the \$15,000 on "juice". Informant said that he figured that it would be a very short term loan and that while he knew it was poor judgment on his part to become so involved, he felt that it was the best way to overcome his difficulty. He went on to say that almost immediately thereafter, the person who lent him the money demanded a share of the business. Informant claims that he became very distressed over his situation and actually contemplated going on a "score" in an effort to raise the money in order to pay the \$15,000 debt. He then got together with JIMMY CATUARA and the two of them went to see the individual. Informant demanded to be released from the obligation which resulted in a violent argument. The person picked up a chair and threatened to hit the informant with it. After an exchange

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of threats, the informant left and contacted other friends of his high in the syndicate. Informant claims that he is in the process of settling the matter although he is paying two per cent weekly on the loan of \$15,000; however, he expects to get the full \$15,000 paid by approximately 1/20/67, at which time he will be released from this obligation.

Informant advised that prior to the time he went into prison, he had been operating a "juice" venture backed by AL WAINER. He said that they lost approximately \$80,000 in this venture. He explained that because he had to go to prison, he was unable to enforce collections and the people that were supposed to take care of the collections for him failed him. He said that GUS RUVINO took him for \$10,000. He said that he had collected some of the money including a large amount from "NICK THE GREEK" (believed to be NICK KOKENAS). He added that he took MARSHALL CAIFANO with him to see NICK, which resulted in NICK paying up.

5. CG 7049-PC

Informant mentioned that "TEETS" BATTAGLIA is now the real boss of the outfit. He described him as the "tightest guy" he has ever come across. Informant said BATTAGLIA is "loaded" and yet about three weeks ago he chased a small time gambler half way through Melrose Park and beat the guy up just because he owed him \$320. He said BATTAGLIA watches all gambling games in this area very close and nobody gets away with anything. He said that he is also a great guy to utilize free labor on his farm. There are always small time hoods who are looking for favors and trying to get in good with BATTAGLIA. He said these punks often get "sucked" into performing sizeable jobs for BATTAGLIA, thinking that they are going to gain his favor. Informant said none of these guys are ever recognized by BATTAGLIA, who regards them as "dopes". Informant said BATTAGLIA chooses to avoid any publicity, and since GIANCANA fled to Mexico and wants out of the organization, BATTAGLIA knows any heat will be focused on him. BATTAGLIA goes out of his way to keep his name from being used. He

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also dislikes being used as an arbiter in an argument. Whenever there is trouble between some members of the outfit, they are steered to NICK PALERMO and CHARLES NICOLETTI, who generally settle the dispute without any further reference to BATTAGLIA.

BATTAGLIA's chauffeur, "JOSE", is also rising in the outfit in the western suburbs, and like JOHN TARRARA (phonetic) is a coming member of the top circle in the Melrose Park area. TARRARA got his clout from his prior association with "PAUL THE WAITER" RICCA. BOBBY DOER is also a leading syndicate hoodlum and in control of several profitable enterprises for the outfit in the western suburban area.

The Charm Club, which had been controlled by DOER, has been closed and operations are moving from this site to the Old Chicken House on North Avenue in Melrose Park. This place has been remodeled and is now called the Country Pub. They are having a grand opening 1/19 or 20/67, and no doubt this will become a hangout for syndicate members. While this place was being remodeled, BOBBY DOER was constantly checking on its progress. It has become known that once operations start at the Country Pub, DOER will be in complete control and probably will use this as his hangout.

Informant said that discussions among members of the syndicate concerning JOE SHINE are amusing. Some say he is being persecuted and others say he is nothing but a "stupe". The outfit, according to one source, would like to "throw him a bone", but every time he shows up with something the "Government" is on top of him. In a recent discussion by several local characters concerning SHINE, it was said that SHINE has no future in the Melrose Park area and the outfit cannot see where he can fit in. They also plan to do nothing about it.

Word has gotten around town that the syndicate has given up on Strangers in the Night. Word has gotten around to sell the club building and all, and salvage what they can. There have been no offers coming to informant's attention, but the building has been observed by informant

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daily and appears to be abandoned. Informant said the syndicate has a quarter of a million dollars standing in that building and it is costing them money everyday.

The informant said ~~Mayor CARSON~~ is in Florida and would like to stay in Florida until his two remaining years expire as Mayor of Melrose Park. CARSON wants "out" the worst way but the outfit has told him that he has enjoyed their profits and he can stick with their troubles until his term runs out. His probable successor from talk around Melrose Park is ~~Attorney LOUIS NICHOLS~~. *166*

Informant stated that one of the most profitable deals involving the police and a few politicians at the present time is a judicial setup at Oak Park, Illinois. Informant stated under the new judicial system the magistrate court in Oak Park handles all cases from a number of surrounding towns, including Melrose Park. Whenever a felony charge is brought to the attention of the judge and states attorney in charge of this court, a lot of wheeling and dealing goes on. The judge's name was recalled as CONFIST (phonetic), and the states attorney's name is ROMAN. Wherever these two can do it, they will attempt to reduce a felony charge to a misdemeanor and shake down the defendants involved. This is generally done through the attorney representing the defendant. The informant said that one police officer told him the only way he could be sure that a felony rap would be approved by the Oak Park Court and sent to the Grand Jury at 26th and California was to threaten ROMAN or the judge with publicity. This police officer also told him the only other way it has worked to satisfaction is for the police officer to tell ROMAN or the judge that he has a personal interest in this case and plead that it be presented to the Grand Jury for indictment. If ROMAN or the judge feel there will be any trouble, they will avert this.

Informant said concerning recent robberies in the area, namely the robbery of a National Tea Store on West Madison Street in Chicago and the Armored Express job at North Riverside, Illinois, that the individuals involved could well be part of the six member gang that hit the

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U. S. Bargain Town Center in Melrose Park. These individuals were named as:

JOSEPH LOMBARDI, JR.
MARIO DE ANGELIS
FRANK DE ROSA, JR.
GUY CERVONE
JOHN DE MARIA
ANTHONY SCUDIERO

One of the reasons informant suspects these individuals is that he has received word that they are very active and that they are doing so with the full cooperation and consent of BOBBY DOER. From his personal knowledge, informant said, he knows that LOMBARDI and DE ANGELIS are loaded with money and are spreading it all over. He has seen them in frequent contact with DOER in recent weeks, and DOER has continually made a check through a police department contact known to the informant concerning the above individuals to see if any "heat" is on them. Informant said that his contact on the police department was discussing the activity of these men, that they were making money, that the modus operandi used at the National Tea Store was similar to the U. S. Bargain Town in Melrose Park, and that if there was a weak link in this gang it was FRANK DE ROSA, JR. Informant said that if this police officer from the Melrose Park Police Department is on the level, he will grab DE ROSA and try and break him down. However, informant said this is hardly possible as no police officer can do this on his own in Melrose Park.

Informant stated that the word has gotten around that BOBBY DOER has to clear any holdup activity in the Melrose Park area.

Informant stated that a week or two ago he was having coffee in a restaurant on Mannheim Road. He noticed in the restaurant several guys, holdup men and burglars, and they were talking in "swearing" terms about "THE GREEK". He overheard their discussion and heard them use the name SCHANG. He then realized that they were talking about PAT SCHANG, whom they consider to be a possible Government

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witness in the case involving WILLIE DADDANO, JOHN VARELLI, ROCKY INFELICE, MIKE D'ALESSIO, all top hoodlums, and other hoodlums involved in a federal indictment charging them with the theft of silver and photographic material from interstate shipments (Chicago files 15-26351, 15-26968, 15-26263 and 15-25085). Informant gathered from listening to these "characters" that any one of them would do anything possible to locate SCHANG and kill him. It was informant's opinion that there is no contract letter out, as such. Informant said, however, that it is understood by all members of the criminal outfit not only in Melrose Park but anywhere in this area, that there is a good price on SCHANG's head, that anyone able to do anything about SCHANG's demise would be well rewarded, and that there is no doubt that efforts are being made by any number of individuals on their own and collectibly to find SCHANG and kill him.

Informant stated that he has heard from some individuals that if SCHANG is caught, he will not be given the benefit of a quick demise. The individuals discussing SCHANG said that they would return him to this area and torture him to death, thereby making an example of him. Informant stated that from his own knowledge and discussion with "these people", they have definitely been hurt by the breaking up of the silver hijacking gang, which resulted in the indictment of eighteen individuals actively engaged in criminal activities in the Chicago area. He stated that the crushing blow concerning criminal activity was the arrest of WILLIE DADDANO, who was regarded as untouchable. Informant stated this seemed to shake their confidence, and where there had been hijackings, robberies, and wholesale thefts on a weekly basis prior to this wholesale arrest, activity has slowed down to an occasional job. Informant stated that should any information come to his attention concerning inquiries on PAT SCHANG, he will so advise. One person contacted on this matter by informant said he had heard SCHANG was "on the street and in some town in Wisconsin". Informant stated SCHANG's whereabouts is of daily concern to a number of individuals.

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6. CG 7051-PC

On 1/16/67 informant was discussing "MILWAUKEE PHIL" ALDERISIO. He stated that he had known ALDERISIO for many years. He went on to say that it was a mystery to him how ALDERISIO ever advanced in the criminal organization in Chicago. He said that ALDERISIO is an uncouth, savage, rough individual, whom he considers anything but brilliant. He said, however, that apparently ALDERISIO either has a lot of money himself at the present time, or is being backed by people who do. He mentioned that he had seen ALDERISIO in recent months and that ALDERISIO had offered to invest money with the informant in any type venture the informant desired. (It is to be noted that the informant is a man of considerable wealth.) Informant told ALDERISIO that he would not be interested. Informant stated that ALDERISIO told him that he was desirous of putting his money into legitimate enterprises. Informant said that it is his opinion that the outfit would have no control over money invested by ALDERISIO and it was strictly his own undertaking. He pointed out that since the decline of prostitution, other vice and gambling, that apparently members of the outfit are more or less operating on their own and trying to make it legitimate. He said in the old days it was easy for them to muscle in on gambling and other illegitimate operations and the money derived from these activities would go back into the syndicate.

Informant stated it appeared to him that MARSHALL KORSHAK was a cinch to be elected Treasurer of the City of Chicago. He said that although he had given a party for KORSHAK for fund raising purposes during the recent election, he did not intend to do it during this contest.

Informant displayed a silver star that he had pinned to his billfold. The star represented him as an investigator for the Illinois State Legislature. He said that he had received this star from someone presently in the Legislature that he helped elect.

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7. CG 6443-C-TE

Informant advised on 1/13/67 that ~~CHARLES--~~
~~SIRAGUSA~~, former Chief of the Federal Bureau of Narcotics,
New York, and currently Director of the Illinois Crime
Commission, State of Illinois, approached JOHN D'ARCO,
former Alderman, 1st Ward, Chicago, incumbent Ward
Committeeman, and alleged "tool" of the Chicago crime
syndicate, requesting his approval, sanction, and backing
for SIRAGUSA's candidacy as 1st Ward Alderman in the
forth coming Aldermanic election in Chicago.

D'ARCO reportedly contacted unidentified persons
and told SIRAGUSA that he would not be considered as an
Aldermanic candidate and strongly advised against his
filing.

It is noted that the incumbent 1st Ward
Alderman DON PARILLO has again filed his petition and will
run. SIRAGUSA did not file.

8. CG 6498-C-TE (Former)

Informant advised he has learned ~~RICHARD CAIN~~, 1 CC
former Chief Investigator, Cook County Sheriff's Office,
telephonically contacted ~~RICHARD B. OGILVIE~~, his former
employer, now President, ~~Cook County Board of Commissioners~~, 1 CC
and advised he had just returned to Chicago from a lengthy
trip "to San Francisco". CAIN stated he wanted to meet
with OGILVIE 1/13/67 on a very important matter. When
OGILVIE refused to meet with CAIN, CAIN told him it was
important for the Republican Party that ~~JOHN WANER~~,
Republican candidate for Mayor, Chicago, be put in touch
with CAIN, since CAIN has important information which 1 CC
WANER can use to defeat Mayor RICHARD J. DALEY. CAIN
indicated he wanted to "trade" the information for "a favor".

Since it is known that CAIN has just returned
from a stay with GIANCANA in Mexico, it is possible that
he is carrying a message regarding a bribe to be used
by WANER for campaign purposes or does, in fact, have
information given him by GIANCANA which can be used against

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DALEY. In any event, it would definitely appear CAIN is performing a task for the Chicago hoodlum group. Attention in this regard is directed to information provided by a confidential source that Chicago group through intermediary offered campaign funds to BENJAMIN ADAMOWSKI when he ran for Mayor against DALEY. It is also noted that since it is known CAIN recently associating with PETER GRANATA, tool of Chicago group in Illinois Legislature, he may be being used in political area by the Chicago group.

CAIN is known to have been divorced by his Mexican wife and now living with HARRIET BLAKE, singer who appeared some time ago at the College Inn of the Sherman House. Number furnished by CTE (Former) where CAIN can be reached 1/13/67, is listed to HARRIET BLAKE, 5436 North Central Avenue, Chicago.

CTE (Former) advised that ANTHONY G. GIROLAMI, Democratic Ward Committeeman, 28th Ward, Chicago, finds himself in a poor position in that his protege, ANGELO PROVENZANO, present Alderman, has refused to run for re-election. Chicago hoodlum group instrumental in having JOSEPH JAMBRONE file for that Aldermanic office. JAMBRONE's connections with the Chicago group is so well known in the 28th Ward that no candidate could be found to run against him except three Negroes. As a result, JAMBRONE is a definite favorite to win. GIROLAMI feels this will be a blow against law enforcement in view of JAMBRONE's obvious close association with such highly placed Chicago hoodlums as JACK CERONE, JOSEPH GAGLIANO and WILLIAM MESSINA. On the other hand, GIROLAMI will lose face with Mayor DALEY and lose power in the Ward if a Negro candidate should beat JAMBRONE. GIROLAMI's recourse is to "drag feet" while pretending to assist JAMBRONE's campaign.

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B. Penetration of the LCN

1. CG 6933-C-TE

Informant advised he visited ROCCO PRANNO, prominent Chicago hoodlum presently confined in Federal Penitentiary, Terre Haute, Indiana, on 1/15/67, with Mrs. PRANNO. PRANNO, who was confined with GIANCANA in Cook County Jail when GIANCANA was released 5/31/66, told CTE that GIANCANA is completely disgusted with his circumstances at time of release. PRANNO related GIANCANA's morale completely shattered, and GIANCANA told him he intended to completely disassociate himself from organized crime and "go to an island and relax for the rest of his life". PRANNO stated GIANCANA is convinced the Government would call him back before the Federal Grand Jury and continue intensive efforts to reconfine him. PRANNO told CTE that GIANCANA felt the Government would always focus primary investigative efforts on the leader of organized crime and GIANCANA did not desire to spend any more time in confinement. GIANCANA made obscene comments about his associates and stated he intended to "Leave everything behind. They can have everything I got."

PRANNO informed CTE that the feeling is that GIANCANA may have "flipped" over to the side of the FBI upon his release, since GIANCANA has not been subpoenaed back before the Federal Grand Jury or in any other way subjected to any type of prosecutive action. PRANNO feels GIANCANA must have made some type of "deal" with the Government in return for this consideration.

PRANNO told the informant that when GIANCANA left the County Jail, he gave PRANNO his watch and ring. PRANNO said that when he arrived at the Terre Haute Penitentiary, he was wearing the wristwatch, which was contrary to prison rules. Immediately, other inmates "beefed", claiming that because PRANNO was a top syndicate man from Chicago, he could get special privileges. The wristwatch was taken away from PRANNO. PRANNO told the informant that it had been difficult for him to overcome

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the reputation that he has in the penitentiary. Because he is considered to be a Chicago syndicate figure, many of the inmates have attempted to surround him, do special favors and so forth. This includes Doctor BRUNI, who allegedly has syndicate connections in Chicago. PRANNO told him that such attention works to his disadvantage and causes prison officials to keep a closer watch on him. At the present time PRANNO's main contacts are a couple of minor hoodlums who are in Terre Haute on lesser charges.

PRANNO told the informant that he is thoroughly disgusted with his attorney, RICHARD DEVINE. He stated emphatically to the informant that he was "sold out by his own people". DEVINE's services were arranged for by "MILWAUKEE PHIL" ALDERISIO. PRANNO told the informant that after he was sentenced to fifteen years, he threatened DEVINE that he would kill him and told him that he had done the job of a fourteen year old kid. He further told DEVINE that on appeal matters he intended to have a stenographer in court so he could be sure of what DEVINE said and cautioned him that it had better be right.

In the presence of the informant, Mrs. PRANNO told her husband that MIKE MARINO had been visiting her quite often and seemingly asking questions concerning PRANNO which aroused her suspicions. (It is to be noted that CG 6933-C-TE has advised that it is his opinion that MARINO is acting as a scout for the outfit relative to PRANNO.) PRANNO told his wife that the next time MARINO showed up, she should spit in his face and tell him that he told her to do it.

PRANNO told the informant that he was aware of that fact that JOE SHINE was getting into trouble with the Government. He said the outfit is doing the same to SHINE that they did to him. He said further that he understands the "beefers" for the Government in this case are SEIDLER, BILL DE VITTO, and the contractor. Although PRANNO hates SHINE, he declared that he would never testify against him and said that if he gets involved in the matter he is going to take the 5th Amendment.

