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FEDERAL BUREAU OF INVESTIGATION

Reporting Office CHICAGO	Office of Origin CHICAGO	Date 10/17/58	Investigative Period 9/4, 5, 8, 12, 14, 17-21, 23-25, 28-29, 30; 10/1, 3, 4, 9, 10
TITLE OF CASE SAMUEL M. GIANCANA, was.		Report made by FRANK L. MELLOTT	Typed fe
		CHARACTER OF CASE ANTI - RACKETEERING	
Synopsis:			

Information set out regarding following associates of subject: FRANK EULO, ROCCO EULO, CHARLES NICOLETTI, ROCKY PRANO, MIKE SABATINO and PASQUALE STELLA. Subject identified as probably identical with gambling "boss" who told Kane County, Illinois, jukebox operator he and associates were bringing books and slots into county and expressed view to jukebox operator he should "go along" with them. When operator did not acquiesce, he was first pressured by gambling boss' subordinates to get out of business and then threatened with fatal or crippling beating with baseball bat. No action taken by local officials. No interstate character. Subject identified in 1954, by ABRAHAM TEITELBAUM, former CAPONE family tax attorney, as being "boss" of corrupt union officials. Information developed that subject owns Americana Motel, Stone Park, Illinois, and Villa Venice, large restaurant and lounge northwest of Chicago. Subject reportedly was in Cuba during hearings of Senate Select Committee and returned to celebrate conclusion of hearings at Villa Venice with other leaders of crime syndicate. Informant advised that

Approved <i>[Signature]</i>	Special Agent in Charge	Do not write in spaces below	
Copies made 2 - Bureau (92-3171) 2 - Chicago (92-349)		92-3171-25	
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STAT. SECT.

ANDREW AITKEN, then Chief of Detectives, Chicago Police Department, advised in 1952, that the PAUL ROSS gang, formerly very active in armed robberies, was again active in local robberies, burglaries and hijackings. Detective AITKEN furnished a list of associates of PAUL ROSS. Included in this list is the name PASQUALE STELLA, 1234 South 50th Court, Cicero.

CRIMINAL ACTIVITIES

Gambling and Extortion

Mr. BERNARD POSS, 503 South Fourth Street, Aurora, operator of the Valley Music Company, 164 North Farnsworth, Aurora, advised SAs PAUL B. FRANKFURT and HOWARD A. CARLSON on August 12, 1958, that he has been in the jukebox business for approximately twenty years. He commented that he operates about 250 jukeboxes at the present time. Mr. POSS furnished the following information regarding efforts by the crime syndicate to "muscle" into Kane County:

Shortly before Labor Day, 1956, ROCKY PRANO called on him in person at his office, and said that his "boss" wanted to see him at his office. PRANO did not say who his boss was or why he wanted to see him. Thereafter on the Thursday before Labor Day, 1956, he drove to the Moose Lodge in Naperville (where he has a jukebox), and met ROCKY PRANO and drove in PRANO's car to the Lilac Lodge on Wolf and Cermak Roads. u

He said they went into the Lilac Lodge and had a drink but noted there were scarcely any customers at the bar, and the parking lot was empty. POSS said that PRANO felt sure his boss would be along shortly; however, POSS stated he became uneasy because this did not appear to be an office to him, and after their drink went out and sat in PRANO's car.

POSS stated that suddenly three men appeared alongside the car, two obviously bodyguards for the third individual, who was a little man wearing dark glasses, smooth face, and in the middle forties or early fifties. POSS stated he did not hear any order to drive, but PRANO started to drive the car away and when POSS asked about driving away he said that was an order from the boss.

POSS stated they drove around various roads including York Road where he had heard gangsters had been "taken for a ride". POSS stated this made him still more uneasy, and he decided to give the appearance of "going along" with any suggestions they would make. He said the "boss" asked him how many jukeboxes he had, and POSS told him and then was told by the boss, "We're going to make you a lot of money with books and slots." He said in order to stall them off he told them he could not give them a definite answer then as he was going to the lakes for three days and for them to see him upon his return next Tuesday to discuss the matter further. He said that he was not harmed on the ride and was returned to his automobile.

Upon returning to Aurora, he immediately called Sheriff HOWARD KELLETT and told him of his recent ride, and asked advice as to how to cope with the situation. Between them it was decided to tell the "musclemen" that he had a silent partner who would not go for their deal and that, therefore, it was all off. At this point, Mr. POSS was shown several photographs and he picked out the photograph of SAM GIANCANA as closely resembling the "boss" when he was taken on a ride. He said PRANO did return to his office and was advised as stated above. He stated that after this he was visited by RALPH KELLY of Elgin, Illinois, who told him he hated to do this but it was an order that he, POSS, get out of business.

Shortly thereafter CLARENCE LAMBERT, 75 South Chestnut, Aurora, came to his home with a similar type message. POSS stated he had made no effort to go out of business and had no further trouble until several weeks later when he began receiving anonymous phone calls. POSS stated that although he could not prove who the caller was he felt sure it was ROCKY PRANO, as he recognized his voice. In these phone calls he was told they had found out that he did not have a silent partner, and that if he did not go out of business they would break both of his legs with a baseball bat, and if he lived he would be a cripple for life. One of these threatening calls was received by his wife after which she became hysterical and it was necessary for him to send her to Florida for three or four weeks to recuperate.

Mr. POSS stated that he continued in business despite these threats. The next step against him was the destruction of some of his equipment at the following locations:

Half Moon Tavern, Route 64, second tavern west of city limits of St. Charles;

Club Moderne, Alternate 30, two miles east of Geneva;

Peter De King, Jr., Route 25, Aurora Avenue, North of Aurora.

At these locations two men entered with one wielding a gun and one an ax. While the location owners were menaced with the gun their equipment was demolished with an ax, resulting in a total loss of one pool game, one shuffle alley, and three pin ball machines. He said at the Half Moon Tavern this incident was witnessed by the wife of BERNARD BAILEY, who owned the tavern at that time, and by BAILEY's partner, HARRY, last name unknown, and his wife. At the Club Moderne only the wife of STANLEY PATEK was a witness to the axing. At Peter De King's tavern, he was not certain as to the witnesses. He was of the opinion that the damage done to these machines was over a period of about ten days during early 1957. He specifically recalled that the damage to PETER DE KING was done on a Sunday night.

POSS stated he knew PRANO under the name of ROCKY MARTEL until the time of his arrest, when he used the name of PRANO. He stated he had also used the name of ROCKY BARTEL.

POSS further added that at the time of his ride, frequent references were made to the fact that "they" had invested heavily in the county and he has told this to the State's Attorney, the local judge, and the Kane County Grand Jury, but no action has been taken.

POSS stated that he has been subpoenaed by the Senate Select Committee, and while he is not happy about appearing before it, especially on television, he will testify reluctantly to the events as related above.

POSS further stated that he does not purchase any of his jukeboxes or records from out of the state.

CRIMINAL INFORMANT COVERAGE

The following criminal informants are currently in a position to furnish information relative to the subject:

CG 6132-C
CG 5951-C
CG 6215-C
PCI JOYCE LANE
PCI HENDERSON L. WILLIAMS
PCI MICHAEL J. GALLAGHER
PCI IRENE TOERROSS
PCI PAUL TIMRECH

The above criminal informants and potential criminal informants are being contacted on a regular basis with the objective of securing information of value relative to the Top Hoodlum Program. Attention is being directed to securing additional informant coverage through the above informants as well as through file reviews to ascertain whether informants furnishing information in the past will be of assistance under this program to furnish accurate information concerning GIANCANA's movements, associates, and activities. In addition, background and current data regarding those persons contacting the subject is being obtained, with a view of interviewing them for the purpose of developing them as PCIs. u

INFORMANTS

T-1 is PCI DOMINICK A. SCALZETTI, who furnished information to SA JOHN R. PHILLIPS, Jr. on 5/11/56.

T-2 is Records of Central Investigation Bureau, New York City Police Department, a New York City investigative agency.

T-3 is NY 169-C.

T-4 is CG 6215-C who furnished information to SA ROBERT L. BAKER on 9/11/58. The "prominent Chicago gambler" referred to by this informant is JOE EPSTEIN, well-known and powerful Chicago gambler.

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INFORMANTS (cont.)

T-5 is IRVING HORNSTEIN, who was contacted by SAs BENJAMIN G. HELSEL, Jr. and BRADNER C. RIGGS on 8/4/58.

T-6 is FRANK G. ANGER, President, Chicago National Bank, contacted by SA FRANK L. MELLOTT on 10/9 and 10/58.

T-7 is STANLEY FLETCHER, Vice-President and Secretary, Chicago National Bank, contacted by SA FRANK L. MELLOTT on 10/9/58.

T-8 is REUBEN D. BECKETT, Attorney, Chicago National Bank, contacted by SA FRANK L. MELLOTT on 10/9/58.

T-6, 7, and 8 were interviewed jointly, at their request, due to the sensitive nature of trust agreements. u

T-9 is PCI MICHAEL J. GALLAGHER, contacted 9/30/58, by SA FRANK L. MELLOTT.

T-10 is CG 6231-C contacted 8/17, 19, and 20/58, by SA RAYMOND A. CONNOLLY.

T-11 is RICHARD SINCLAIR, Investigator, Senate Select Committee.

T-12 is NELSON A. LOCKE, who was contacted by SA FRANK L. MELLOTT on 9/10, 22 and 10/6/58.

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