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SAMUEL M GIANCANA

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RE: SAMUEL GIANCANA

World Wide Distributors 2328-32 North Western Avenue Chicago, Illinois

It is pointed out that a highly placed informant in Chicago who has furnished reliable information in the past, advised during the winter of 1961-1962 that Samuel M. Giancana conferred with Edward Vogel, mentioned elsewhere in this report, concerning the purchases made by Vogel of juke box and other coin operated machines in consonance with the operation of the Apex Amusement Company. Giancana instructed Vogel according to this informant, that hereinafter all of his machines were to be purchased from Joel Stern of the World Wide Distributors Company.

A source, of information who has furnished reliable information in the past advised on September 28, 1961, of the following information: 4

On September 9, 1961, the source ran into Joel Stern while having lunch at the Americans Motel. Joel Stern is the owner of Worldwide Music, Incorporated, Chicago, Illinois. This firm has the Seeburg distributorship in Chicago, Illinois. Stern recently purchased the Century Distributing Corporation of Gary, Indiana, from Anthony Pinelli.

The source related that Stern was objecting to the fact that since be had purchased Century Distributing Corporation, the source had moved into 11 of his locations where Stern had record playing machines and the source had persuaded the owners of the establishments to do business with a new jukebox firm owned by the informant. Stern was objecting because at the time he purchased Century Distributing Company these spots were part of the agreement. Stern attempted to intimidate informant into returning the spots to him. Stern stated that he had a "clout" meaning influence in Chicago that extended over into Lake County. claimed that his "clout" was San Moony Giancana. professed ignorance as to the identity of Giancana and told Stern that he did not care what type of a "clout" that Stern had. Informant told Stern that he did not intend to move his jukeboxes from the 11 establishments he had taken away from Stern. The source told Stern that he had approximately

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\$28,000 invested in jukeboxes and could not afford to give up any of the stops since these were his livelihood. Informant continued that he had verbally ordered 30 jukebox machines, 1961 models, from A. M. I. in Grand Rapids, Michigan. Informant pointed out that actually he has only purchased 13 of the 1961 A. M. I. models, however, has verbally agreed to attempt to order 30 machines in order to get a special price.

By way of background, the source pointed out that he and his brother entered the jukebox distributorship after they had learned that Anthony Pinelli had sold the Century Distributing Corporation to Stern. Since entering the business, they have been able to obtain 11 stops from Stern. At the present time they have a total of 13 stops in which they have A. M. I. recording machines. Besides Stern and the informant's outfit, the biggest distributor of jukeboxes in Lake County is the Welbourn-Schacki partnership.

The source stated that sometime after this contact with Stern be was contacted by Anthony "Nino" Gruttaduro. Gruttaduro indicated to informant that he had been on a trip to California to see his uncle, Tony Pinelli and had not returned until the night of September 9, 1961. Gruttaduro informed informant that his uncle, Tony Pinelli had informed him to tell informant to pull out of the ll jukebox stops he had taken away from Joel Stern and to return the stops to Stern. Gruttaduro told informant that Pinelli had informed him Stern still owed Pinelli \$25,000 for the sale of Century Distributing Company. Pinelli stated that Stern would not give him the \$25,000 until informant returned the 11 jukebox stops he had taken away from Stern. Gruttaduro indicated that there would be an offer to buy informant out. The source told Gruttaduro that he had too much money invested in the jukeboxes at the present time and that it was his livelihood. He also pointed out to Gruttaduro that it was Gruttaduro who gave him the idea to go into the jukebox business after informant learned that Pinelli had sold out to Stern. Informant also told Gruttaduro that Grattaduro had previously informed him that Pinelli had obtained all of the money due him for the sale of the company and informant entered the jukebox business assuming that Pinelli had been paid in full and had no further interest in Century Distributing Company. Gruttaduro indicated that

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Tony Pinelli would be in Gary, Indiana within the next two weeks and would contact informant concerning the matter. The source felt that he would be contacted by Pinelli and some type of pressure exerted on him to return the 11 stops. 4

The source related that at the present time he has no intention of turning the 11 stops over to Stern. L

The source stated that Joel Stern is in his late 20's or early 30's. He is a white, male, approximately 6'l", 175 pounds. He is good looking with dark curly hair, and a very neat dresser. Stern's father died approximately two or three years ago and left Stern with the Worldwide Music, Incorporated Company. Stern has a brother who is a doctor. W

The maintenance man for the jukeboxes operated by Century Distributing Corporation is an individual by the name of Harry Newman, who was employed by the Worldwide Music Corporation in Chicago. Newman can be located through Gary telephone number 8821953. Newman services the jukebox machines in the Gary area for Joel Stern.

On September 29, 1961, Detective Sergeant Richard Cowan, Freeport, Illinois Police Department advised Special Agent Bradner C. Riggs as follows: W

On September 15, 1961, one Leonard Micon, representing Worldwide Distributors, 2330 North Western Avenue, Chicago, Illinois, telephone number Everglade 4-2300, appeared at the office of the Mayor of Freeport, Illinois.

It should be noted that during the year 1961 the Freeport City Council passed an ordinance which materially affected the placing of juke boxes and affected the income on those already placed.

In his contact with the Mayor of Freeport, and in the presence of Sergeant Cowan, Micon pointed out that the above mentioned ordinance was having a depressing effect on the income of Joseph Perotti, owner of the Freeport Music Company, principal jukebox distributor in Freeport, Illinois.