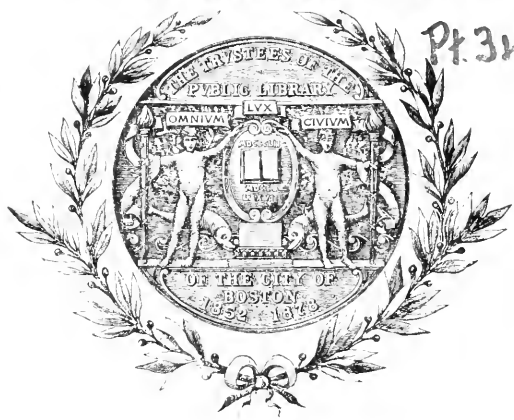


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**INVESTIGATION OF IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD**

HEARINGS

BEFORE THE

SELECT COMMITTEE

**ON IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD**

EIGHTY-FIFTH CONGRESS

SECOND SESSION

PURSUANT TO SENATE RESOLUTIONS 74 AND 221, 85TH CONGRESS

—
NOVEMBER 5, 1957; MAY 9, AUGUST 13, 14, 15, 19, AND 20, 1958

—
PART 37
—

Printed for the use of the Select Committee on Improper Activities in the
Labor or Management Field





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Labor or Management Field**



**UNITED STATES
GOVERNMENT PRINTING OFFICE**

WASHINGTON : 1958

SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR
OR MANAGEMENT FIELD

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RUTH YOUNG WATT, *Chief Clerk*

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INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, NOVEMBER 5, 1957

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Karl E. Mundt, Republican, South Dakota.

Also present: Robert F. Kennedy, chief counsel; P. Kenneth O'Donnell, assistant counsel; Irwin Langenbacher, assistant counsel; Pierre Salinger, investigator; Walter Sheridan, investigator; Carmine S. Bellino, accounting consultant; Ruth Young Watt, chief clerk.

Mr. KENNEDY. Mr. Allen Dorfman.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. DORFMAN. I do.

TESTIMONY OF ALLEN DORFMAN, ACCOMPANIED BY COUNSEL, STANFORD CLINTON

The CHAIRMAN. State your name, your place of residence, and business.

Mr. DORFMAN. Allen Dorfman, 1268 Sheridan Road, Highland Park, Ill.

The CHAIRMAN. Thank you. Let the record show that Mr. Clinton appears as counsel for the witness.

All right, Mr. Kennedy.

Mr. KENNEDY. Mr. Chairman, there has been a subpoena served on Mr. Dorfman for the production of certain records before the committee today. I am asking Mr. Dorfman if he brought those records to the committee.

Mr. DORFMAN. We have part of the records which you have requested, Mr. Kennedy. The other records we have not brought with us simply because your committee has reviewed these records for the past 11 weeks in my office. We didn't feel as though it was necessary to relinquish these records for your personal review without being reviewed in our office.

Mr. KENNEDY. Mr. Chairman, before we go on, this has been a matter of creating a major problem for the committee in its investigation over the period of the past 3 months, an investigation involving the Dorfman. We have not received cooperation. We have tried to get the records on a voluntary basis. We have been trying to work with the Dorfman and get these records.

We have had nothing but stumbling blocks as we have moved along. I would like to have Mr. Bellino recite to the committee what has occurred over the period of the last 3 months in connection with these records, and ask the committee to reach a decision today so that the committee staff could review the records in their own offices.

The CHAIRMAN. Let me ask the witness first, you are perfectly willing to make the records available for inspection and review at your place of business?

Mr. DORFMAN. Yes, sir, and we have done so for the past 11 weeks without any interference whatsoever by anybody in my organization. We have attempted in every manner, shape, or form to cooperate with you.

TESTIMONY OF CARMINE S. BELLINO

The CHAIRMAN. Mr. Bellino, you are the accountant for this committee. Have you been undertaking to secure these records and get the information the committee desires?

Mr. BELLINO. Yes, sir.

Mr. Chairman, we arranged initially when we served a subpoena upon Allen Dorfman to examine the records called for in the subpoena at his office. He said he would be agreeable to provide a room, working space for our men, and provide all the records.

However, when the men began to work, they would be handed certain records. When they would ask for other records, Allen Dorfman or his assistant, Mr. Breen, would say, "We will get them." They would have to wait. We would not get them. We would ask again. It was just a continued delaying tactic throughout.

We found it very unsatisfactory to work. We found that we were jumping from one company—he has so many different companies—that in order to keep going, the men would have to start with one company and then they would be held up from getting further information of that company, and go to another one, and we have maybe 15 or 20 companies under investigation instead of finishing one completely.

We have not been able to get all the records of one single company. We finally endeavored to get together about a week or 10 days ago. Mr. Clinton came down here and he said, "Well, from now on we will put all the records you want in a room, the personal records of Mr. Dorfman and all the companies that you want. They will be ready there at 10 o'clock on Monday morning."

We were there at 10 o'clock that Monday morning, and we asked for the records. The records would come out and we would start looking at the records to see what year they provided, and we would find certain years missing. "Where are the records?"

"Well, they are in the accountant's office."

"We understood they would be here, so we could work on them."

"Well, we will get them."

"Let's get them now."

It was a continued delaying proposition throughout. We found it very unsatisfactory to endeavor to complete our examination in their office and, therefore, we asked that they deliver the records which they were not using, not the current records, but the records up to either December 1955 or December 1956, to our office complete so that we could examine them.

That is what they objected to doing, to deliver any of their records to the office in Chicago.

Mr. KENNEDY. In our investigation that we have made of the Dorfman and companies and unions, have we ever had such obstruction tactics as have been used by Allen Dorfman as we have had in this case?

Mr. BELLINO. I have not seen any such.

Mr. KENNEDY. There is no other company, union, or individual that used the obstruction tactics that Mr. Dorfman has used?

Mr. BELLINO. Yes, sir.

Mr. DORFMAN. Mr. Chairman?

The CHAIRMAN. Just a moment.

Did you say a subpoena was served on Mr. Dorfman?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. To produce records?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. Do we have that subpoena?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. According to the return on the subpoena, it was served on the 22d day of March 1957. It was to produce all the records of the Union Insurance Agency of Illinois, the Union Casualty & Life Insurance Co., now Mount Vernon Life Company of New York, Alro Insurance Agency.

May I inquire if these companies here are incorporated?

Mr. BELLINO. Some of them are. I believe a good number of them are; yes, sir.

Mr. KENNEDY. Mr. Chairman, there have been a number of subpoenas that have been served, and here is the telegram that we sent.

Mr. BELLINO. There were two others in addition to that one, Mr. Chairman.

The CHAIRMAN. We are going to get this settled one way or the other today.

Mr. CLINTON. Mr. Chairman, I think I have a suggestion.

The CHAIRMAN. We will be glad to have it.

Mr. CLINTON. Mr. Chairman, may I say to you—well, I don't want to take issue with Mr. Bellino; I do not agree that is an accurate account. But getting to the main interest that you have as chairman of the committee, my suggestion is that all of the records that can be reached by a subpoena, and we are down now to two sets of records, as I understand it, the Dorfman's personal records and the records of Union Insurance, be deposited in my office, in my library.

I can assure the chairman that the representatives of the committee will have every courtesy, be permitted to work completely undisturbed, and that every document and record to my knowledge that exists or to the knowledge of these people will be produced and delivered there for examination.

Mr. KENNEDY. You said that 2 weeks ago.

Mr. CLINTON. Well, now—now, Mr. Chairman, the fact of the matter is that these investigators have been in there, they have been in there for 11 weeks. They completely examined the records of the Union Insurance Co. and they asked us—

The CHAIRMAN. Have you completed that?

Mr. BELLINO. No, sir.

Mr. KENNEDY. Mr. Chairman, we wouldn't be in there 11 weeks if they cooperated. We keep having to go back.

Mr. DORFMAN. Mr. Chairman?

Mr. CLINTON. Just a moment.

The CHAIRMAN. Let's see if there is a possible solution.

Mr. CLINTON. They asked us at the completion of their examination to make photostats of a number of documents of the Union Insurance Co. We did that at our expense. I think the cost was some \$90. This is not a dispute, Mr. Chairman, I seriously represent to you, about the right of these examiners or investigators to look at these records.

Mr. Bellino has a passion for getting the originals of records, taking possession of them, and not returning them. I have had this experience.

Just a minute.

I have had this experience: They have taken documents and they have kept them 10 or 11 months. I have had their receipt to return in 2 or 3 days. I haven't gotten them back yet. They have lost documents. They have permitted outsiders to look at documents, outside newspapermen to look at documents. All I ask is the protection of the Chair.

Senator MUNDT. Are you talking about the members of the staff when you say "they"?

Mr. CLINTON. I am talking about the members of the staff.

The CHAIRMAN. Who gave documents to newspapermen?

Mr. CLINTON. I can tell you from my own knowledge that the Shefferman records which have been in their possession for months and months have been bandied about by newspapermen from coast to coast, and they have written newspaper articles about what was in those records, and nobody else knew what was in those records except staff people.

The CHAIRMAN. I don't know of such a thing happening.

Mr. CLINTON. I don't know that you do, sir. All I want is a reasonable protection. We are not trying to withhold these records. I have the photostats they asked for here. I assure you they can have a library in my office. It is air conditioned. It is quite comfortable. We are not trying to interfere with any proper examination, but Mr. Bellino wants possession of records, original records. They get lost.

I have a receipt in one instance, Mr. Chairman, where documents were supposed to be returned by Monday. That must be 4 months ago. Then I was told that some of them were lost or mislaid, and haven't been returned to this date. All I want is reasonable protection and reasonable safeguards for these documents.

I want to say to you that I have very carefully interviewed these people. There is a very sharp conflict of what took place over there the 11 weeks they were there. They had as many as four examiners at a time looking at records.

The CHAIRMAN. If we cannot avoid conflict, the only thing to do is to get the records.

Mr. CLINTON. I would suggest my office.

The CHAIRMAN. Of course, I can appreciate that a record might get lost.

Mr. KENNEDY. I don't know what he is talking about.

Mr. CLINTON. I can tell you. I have a receipt, but I haven't got the records back.

The CHAIRMAN. In the volume of records that the committee has to handle, it is not our purpose to lose any records. I am sure the staff is just as careful about that as they possibly can be. For that reason, it is desirable, often, to go to the plant and, therefore, make the records available at the plant so that they can inspect them.

Certainly it is desirable often to get hold of the original documents, the original records. But that is the best way to work it. If it can be worked that way, all right. If we can't, there is just one other way to do it. We have to exercise the power that is reposed in us to get the records that we need.

Mr. CLINTON. May I make this suggestion, Mr. Chairman: That all of the records that have been specified in this last wire be deposited in my library. There won't be a Dorfman around, there won't be an employee of theirs around. They can sit in my library, they can copy, they can use them, they can make photostats of them.

There will be no interference in any way. I promise only to look in occasionally and ask them if there is anything I can do for them.

I am not trying to obstruct, and neither are the Dorfman's. We gave you our assurance when Mr. Dorfman appeared before you in an executive session, I think last April, and we mean to keep it. There have been some personality conflicts between some of these people, I suspect, but there is no desire, sir, to withhold these records or to make it difficult for you to get the information you desire.

The CHAIRMAN. Mr. Clinton, where is your office?

Mr. CLINTON. My office is 134 North LaSalle Street, Chicago, about 4 or 5 blocks from the Federal building.

The CHAIRMAN. Do you have rooms there you can make available to the staff without any interference?

Mr. CLINTON. No interference whatsoever.

The CHAIRMAN. Can you give this committee assurance, and your client give assurance, that all of those records will be placed there?

Mr. CLINTON. I do, sir.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. Mr. Chairman, I had this conversation with Mr. Clinton before, 2 weeks ago—

Mr. CLINTON. Not about my office.

Mr. KENNEDY. If he says it is a personal matter, amongst all of our investigators—for instance, Mr. Uhlmann, who has had many years of experience, according to his memorandum to the committee, says:

At the close of business on August 30, I was convinced that almost no progress was being made in this direction, and concluded any additional time spent in his office in making continued pleas for books, records, et cetera, was simply a waste of public funds. I did not return to the Dorfman office thereafter. The experience was frustrating and consistently discouraging.

We have been there, we have had investigators there, and people who have had experience have gone there day after day after day and Mr. Dorfman has just put them off with every possible stumbling block in the way of this investigation.

Mr. CLINTON. I don't think that is an accurate account, Mr. Chairman.

Senator MUNDT. What makes you think, Mr. Clinton, that with all the investigators we send out, and all the union books and company books and insurance books we look at, that all this controversy should blow up just about Mr. Dorfman?

Mr. CLINTON. Well, Senator Mundt, I have my own private theory. My theory is that when you have 4 investigators in your offices for 11 weeks asking for these records, those records, and after they have seen them, asking for them again the second, third, and fourth time, it might be a situation that would tax the patience of a Job.

There have been personality conflicts. Mr. Bellino is a very efficient and a very effective representative of this committee, but he does not have the most endearing personality in the world.

Mr. KENNEDY. I don't think that was called for at all.

Mr. CLINTON. It is easy to be irritated. I do think that has occurred. But I do represent to you, Senator, that so far as the use of these records is concerned, there isn't going to be any question of Dorfman's. I am not going to sit there and look over Mr. Bellino's or his representatives' shoulders.

My library is there, the records will be there, we will check them off to see that everything that I know that is in existence within the scope of this subpoena, and the last communication, is in my office, available to them. They can come in night or day. I will even give them a key to the office, because I am sure they will not run off with anything.

They can be completely comfortable, completely unrestrained, and I assume be able, without irritation of anybody, to get exactly the information you want.

The CHAIRMAN. How quickly can you have the records there?

Mr. CLINTON. I think we can have them there tomorrow morning, sir.

The CHAIRMAN. Tomorrow morning?

Mr. CLINTON. Yes, sir.

The CHAIRMAN. We will undertake these arrangements for 1 week from today. At that time, I will want a report on them to see how it is operating. The records will be placed in your office, all of the records, with free access to them by this committee's staff.

TESTIMONY OF ALLEN DORFMAN, ACCOMPANIED BY HIS COUNSEL, STANFORD CLINTON—Resumed

Senator MUNDT. I would like to have the acquiescence of Mr. Dorfman in these arrangements, while we have him here, so that we do not find out when we get to Chicago, that Mr. Dorfman says, "That was a nice speech by Mr. Clinton, but I did not say it was all right with me."

Mr. DORFMAN. Senator, I made this speech when I was before your committee in April. I told you you could have all the records that I had that were available.

I would also like to clarify a few things for the record that Mr. Kennedy mentioned.

Senator MUNDT. Before we do that, do I have a confirmation from you that you will follow through on this procedure that Mr. Clinton recommended?

Mr. DORFMAN. Is that the first part of next week, sir?

The CHAIRMAN. That is Tuesday of next week, 1 week from today, when I want a report as to how this is operating.

(The witness conferred with his counsel.)

Senator MUNDT. What is your problem?

Mr. CLINTON. Our problem is this: We have some of the records here and some in Chicago. He was going on to New York. Could we make that Thursday, Mr. Chairman? We will have them there.

The CHAIRMAN. Just a moment.

Mr. CLINTON. We will have them in my office by Thursday.

The CHAIRMAN. You can start getting them in there tomorrow, can you not?

Mr. CLINTON. Yes, sir.

The CHAIRMAN. And you will have them all in there by Thursday morning?

Mr. CLINTON. Yes, sir.

Mr. KENNEDY. This Thursday?

Mr. DORFMAN. This coming Thursday.

The CHAIRMAN. This week?

Mr. DORFMAN. Yes, sir.

The CHAIRMAN. There will be no misunderstanding. It is all on the record.

Senator MUNDT. The day after tomorrow you are talking about?

Mr. DORFMAN. Yes, sir.

Senator MUNDT. On that basis, then, you confirm the arrangements which we were in the process of making with Mr. Clinton?

Mr. DORFMAN. Yes, sir; you will have them all available.

The CHAIRMAN. As I understand now, that includes all of the records covered by the subpoena.

Mr. CLINTON. The subpoena has been modified in subsequent changes, and I assume that is what you have in mind.

Well, anything you want, Mr. Kennedy. Let me know and we will bring it down.

The CHAIRMAN. Here is the subpoena covering it all.

(A document was handed to Counsel Clinton.)

Mr. CLINTON. I have your wire, too.

Now, Mr. Chairman, may I have your thought that when they are through with some of them, we can take them back to the place of business?

The CHAIRMAN. They will be under instructions that when they conclude with a record, they may return it to you unless the original is important from the standpoint of evidence.

Mr. CLINTON. Then we can make a photostatic copy.

The CHAIRMAN. We can do that, so long as the original may be available for any comparison needed.

Mr. KENNEDY. Has he agreed to return these documents?

Mr. CLINTON. Mr. Kennedy, you have been through most of these. Do you want them all over again?

Mr. KENNEDY. Yes, sir.

Mr. CLINTON. Yesterday or the day before you only wanted two.

Mr. KENNEDY. But now these are what we want.

Mr. DORFMAN. This, again, Senator, is every record they have gone through again.

The CHAIRMAN. Let them look at them again. They say they have been interrupted in their work. I do not know. I want to settle this once and for all. If they have been through them once, it would not hurt to see them again if it did not hurt the first time.

Mr. DORFMAN. Can I ask one question? Some of these corporations that you have listed here, I don't have access to these records.

The CHAIRMAN. Will you indicate those that you have no access to right now, for the record?

Mr. DORFMAN. The Flamboyant Hotel in the Virgin Islands.

The CHAIRMAN. No. 1.

Mr. KENNEDY. One second. Do you have any records pertaining to the Flamboyant Hotel, or your investment therein?

Mr. DORFMAN. Well, my investment therein would be picked up in a Windsor investment, which records we will be happy to give you.

Mr. KENNEDY. But you have no records on the Flamboyant Hotel?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. Who has possession of those?

Mr. DORFMAN. Mr. Hein Christensen, in the Virgin Islands.

(The witness conferred with his counsel.)

The CHAIRMAN. Is everything understood?

Mr. CLINTON. I think so, sir.

Mr. KENNEDY. Everything else you can turn over; is that right, Mr. Dorfman?

Mr. DORFMAN. Yes, sir.

Mr. KENNEDY. Are there any other companies in addition to the ones that we have listed that you have an interest in?

Mr. DORFMAN. If there are, I would like to know about them.

Mr. KENNEDY. Would you answer the question?

Mr. DORFMAN. Not to my knowledge there aren't any. There are some on here that are not even in existence.

Mr. KENNEDY. Well, you have records of them.

Mr. DORFMAN. There were never records of them. I don't even know where the names came from.

Mr. KENNEDY. You do not know anything about the companies, what companies are those?

Mr. DORFMAN. Well, Union Insurance Underwriters.

Mr. KENNEDY. You don't know anything about that company?

Mr. DORFMAN. That was a name which was filed for back in 1948, but it was never given to us by the insurance department. I don't know where that came from.

Mr. KENNEDY. What other companies?

Mr. DORFMAN. Some of these companies are not active. Imperial Insurance Agency, Inc., is not active.

Mr. KENNEDY. Where are those books?

Mr. DORFMAN. There are no books and records. It was just a corporate name that was set up for use in the future.

Mr. KENNEDY. Never any books or records for that company?

Mr. DORFMAN. No, sir; none.

Mr. KENNEDY. Were there any corporate stock records?

Mr. DORFMAN. As it pertains to Imperial? Pertaining to Imperial?

Mr. KENNEDY. Yes.

Mr. DORFMAN. No; it was just a name that was set up. We filed for the name.

Wait a minute, we do have a record book.

Mr. CLINTON. If you have it, produce it.

Mr. DORFMAN. Imperial, we might have.

Mr. KENNEDY. Anything else?

Mr. DORFMAN. You have an Amalgamated Insurance Services, Inc., and you have an Amalgamated Insurance Services Agency, Inc. Amalgamated Insurance Services, Inc., is correct. I don't know what Amalgamated Insurance Services Agency is.

Mr. KENNEDY. You do not know that insurance company?

Mr. DORFMAN. No.

Mr. KENNEDY. You have no records of that company?

Mr. DORFMAN. No; I have only one Amalgamated. You have a Business Life Insurance Services, Inc., and a Business Life Agencies, Inc. I only know of a Business Life Insurance Agency, Inc.

Mr. KENNEDY. You do not know any other one?

Mr. DORFMAN. No, sir. You have an Allen Dorfman and a Phillip Goodman. What do you mean by that? What do you mean by Allen Dorfman and Phillip Goodman?

Mr. BELLINO. Did you have a bank account in that name?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. Have you had any bank accounts in that name?

Mr. DORFMAN. No, sir.

(The witness conferred with his counsel.)

Mr. DORFMAN. The only bank account would have been related to the camp.

Mr. KENNEDY. Did you have a bank account in that name?

Mr. DORFMAN. It would have been in the name of the camp.

Mr. KENNEDY. Not in that name?

Mr. DORFMAN. Not Allen Dorfman and Phillip Goodman.

Mr. KENNEDY. What camp was that?

Mr. DORFMAN. Jack-O-Lantern, Inc.

Mr. KENNEDY. Where was that bank account at?

Mr. DORFMAN. The American National, I think.

Senator MUNDT. Was Phillip Goodman a partner in that camp?

Mr. DORFMAN. Yes, sir. You have an Allen M. Dorfman and Robert S. Greenfield. There is no bank account in Allen M. Dorfman and Robert S. Greenfield.

Mr. KENNEDY. Was there ever?

Mr. DORFMAN. No, sir; it would be under Business Life.

Mr. KENNEDY. Where is that bank account?

Mr. DORFMAN. Exchange National Bank.

Mr. KENNEDY. Chase National Bank?

Mr. DORFMAN. Exchange National. I don't recall any such—do you want the bank accounts of all my children?

Mr. KENNEDY. Yes.

(The witness conferred with his counsel.)

Mr. CLINTON. Mr. Chairman, with respect to the Union Insurance Agency, that has about three floors of records, most of them having to do with claims under the insurance policy.

I assume you are not asking for that, Mr. Kennedy?

The CHAIRMAN. Just so they are made available. They need not be delivered.

(The witness conferred with his counsel.)

Mr. CLINTON. I understand, Mr. Chairman, that there is a lot of correspondence here. It would take a truck to carry some of this stuff over there.

Mr. KENNEDY. We can arrange that, if you can't.

Mr. CLINTON. All right. I do not think, Mr. Kennedy, that the great mass of this will be of any interest to you or to the committee; that has to do with matters unrelated to the investigation. Will you designate? We will take you over there.

Mr. KENNEDY. Would you produce everything over there?

Mr. CLINTON. That you desire?

Mr. KENNEDY. Yes.

Mr. CLINTON. Yes, sir, that you specify. There is a vast number of files there. I will be back in Chicago.

Mr. KENNEDY. We specified everything.

Mr. CLINTON. Yes.

Mr. KENNEDY. I do not want to get into a question now. Everything but the claims, let's have that; let's have that over at your office.

Mr. CLINTON. My office is not big enough.

Mr. KENNEDY. Our office is.

Mr. CLINTON. No; it isn't.

Mr. KENNEDY. Then we will get another office. We tried to work it out over the past few months.

Mr. CLINTON. The vast mass of this, if your people look at them, your people will say they are not interested in them.

Mr. KENNEDY. I do not want to ask the investigators to go back up to Mr. Dorfman's office and go through all of this again.

Mr. DORFMAN. Did you ask your investigators what they did not have? I can demonstrate to the committee that they had every single record that we have available or that you have on this subpoena. They have reviewed everything with the exception of the dispute that your committee had with the Internal Revenue Department when they were investigating the union books.

Mr. KENNEDY. Mr. Clinton, what is your other question, just on the correspondence.

Mr. CLINTON. You have here policyholders, correspondence with or pertaining to group policyholders, all correspondence and records, including records relating to receipts and disbursements.

That would take several trucks.

Mr. Chairman, when we were asked to come down here today, what Mr. Kennedy's people seemed to think were significant were only the following—

Mr. KENNEDY. He has a copy of the telegram.

Mr. CLINTON. This is what it says, a simple matter:

All personal records for the period January 1, 1950, to December 31, 1955, inclusive. Also, all cash disbursement books, bank statements, and canceled checks of the Union Insurance Agency of Illinois for the period from January 1, 1950, to December 31, 1955.

It is on the basis of that telegram that we are here today. That stuff would be easily available on Thursday in my office. If Mr. Ken-

nedey is now going to switch his horses and ask for everything listed here, general ledgers, journals, cash receipts, and disbursements, that is truckloads.

The CHAIRMAN. I think I can settle this very quickly. I am going to continue Mr. Dorfman under his present subpoena, subject to returning here next Tuesday, if he is notified to do so. In the meantime, if this is not worked out, we will get the records.

Proceed, accordingly. I hope you can work it out.

Mr. CLINTON. I will try very hard. May I inquire, is Mr. Bellino going to be in Chicago Thursday?

Mr. BELLINO. I don't expect to.

Mr. CLINTON. Is there some representative of the committee with whom I can deal?

Mr. KENNEDY. Yes.

Mr. CLINTON. I will go over with him.

The CHAIRMAN. I am depending on you, Mr. Clinton, to help work this thing out.

Mr. CLINTON. I will try, sir.

The CHAIRMAN. I do not want you to have to bring all these records here. We do not want to have to do that. It should not be necessary. I think with a little spirit of cooperation we can get the records that the committee needs and make them available so that the committee staff can work. That is all I want. But I want to know by next Tuesday that it is being done, that it is working. If it is not working, we will take other measures.

Mr. Dorfman, you will remain under subpoena.

I have another one here. This seems to be a supplement.

Mr. CLINTON. That is his mother?

The CHAIRMAN. No. It is some other companies.

Mr. CLINTON. It doesn't include us?

Mr. KENNEDY. Yes.

The CHAIRMAN. Deliver that to Mr. Dorfman.

Mr. KENNEDY. Are those the only companies that you have an interest in?

Mr. DORFMAN. To the best of my knowledge, you have them all covered.

Mr. KENNEDY. They are all listed there; is that right, Mr. Dorfman?

Mr. DORFMAN. To the best of my knowledge, they are, unless you have something that I don't know about.

Mr. KENNEDY. Do you think it would be possible that you would have an interest in companies that you wouldn't know about, that we would?

Mr. DORFMAN. You have some listed here that I don't know about.

Mr. KENNEDY. You say these are the only companies that you have an interest in?

Mr. DORFMAN. Have you any additional?

Mr. KENNEDY. Don't you know, Mr. Dorfman? You must know. You want to help and cooperate with the committee. You wouldn't want to keep anything hidden.

The CHAIRMAN. Just state whether or not you know if you have any others.

Mr. DORFMAN. To the best of my recollection, you have them all covered here.

Mr. KENNEDY. Will you look at this?

The CHAIRMAN. There are some more, 3 or 4 or 5 others. You may examine that subpoena and see if you have any interest in those companies.

(Document handed the witness.)

(The witness conferred with his counsel.)

Mr. DORFMAN. You got Alro Insurance Agency on the first subpoena, you got Alro Insurance Agency and Alro Agency, Inc. Cadillac Insurance Agency. That is not even in existence.

Mr. KENNEDY. Was it?

Mr. DORFMAN. It never was.

Mr. KENNEDY. It never was? You never had an interest in it?

Mr. DORFMAN. It is my agency. It has been just a name. It is not functioning.

Mr. KENNEDY. You never had any books or records for it?

Mr. DORFMAN. No, sir.

David Probst, general agent, Union Casualty Co.? I have covered that about a dozen times with your investigators. That comes under Allen Dorfman, general agent. For all intents and purposes they are identical companies.

The CHAIRMAN. If they are identical, there is no question about them.

(The witness conferred with his counsel.)

Mr. DORFMAN. Sheridan Lien is another one.

Mr. KENNEDY. It is another one?

Mr. DORFMAN. Yes.

Mr. KENNEDY. Who were the investors in Sheridan Lien?

Mr. DORFMAN. I will be happy to furnish that to the committee.

Mr. KENNEDY. Well, who are they? You must know.

Mr. DORFMAN. Yes, I know. I don't want to make it public.

Mr. KENNEDY. We want the information. It is very important. Who are they?

Mr. DORFMAN. I will be happy to furnish the committee that information.

Mr. KENNEDY. Well, furnish it.

(The witness conferred with his counsel.)

Mr. KENNEDY. Who are they?

Mr. DORFMAN. Mr. Steinberg.

Mr. KENNEDY. Larry Steinberg?

Mr. DORFMAN. No. Robert Steinberg.

Mr. KENNEDY. Where is he?

Mr. DORFMAN. Chicago. He has a brother by the name of Larry Steinberg. Not the same Larry Steinberg you are talking about. And a Harry Steinberg, and Mr. Ritman.

Mr. KENNEDY. What is his first name?

Mr. DORFMAN. Howard.

Mr. KENNEDY. Where is he from?

Mr. DORFMAN. Chicago.

Mr. Sagget, of Chicago.

Mr. KENNEDY. What is his first name?

Mr. DORFMAN. Sam. Mr. Goulding, of Chicago. Park Associates, Chicago. That is an investment group. Mr. Schulman.

Mr. KENNEDY. What is his first name?

Mr. DORFMAN. Theodore.

Mr. KENNEDY. From where?

Mr. DORFMAN. Chicago.

It seems to me there is one other. Mr. Nemerov.

Mr. KENNEDY. What is his first name?

Mr. DORFMAN. Bernie.

Mr. KENNEDY. From where?

Mr. DORFMAN. Minneapolis. I believe that about covers it.

Mr. KENNEDY. That is all?

Mr. DORFMAN. I think that is about it.

Mr. KENNEDY. Nobody from outside Chicago other than Nemerov?

Mr. DORFMAN. No. Everybody else is from Chicago.

Wait a minute. I am sorry. I am sorry. Mr. William Smith, of New York, and Mr. Kunis, of New York.

Mr. KENNEDY. Mr. Kunis? What is his first name?

Mr. DORFMAN. Maxwell.

Mr. KENNEDY. What is William Smith's business?

Mr. DORFMAN. Insurance.

Mr. KENNEDY. What insurance company?

Mr. DORFMAN. Mount Vernon Life Insurance Co.

Mr. KENNEDY. What is his position there?

Mr. DORFMAN. Secretary-treasurer.

Mr. KENNEDY. That company you had forgotten about, I guess, when you looked at the first subpoena?

Mr. DORFMAN. Yes. I saw Sheridan.

The CHAIRMAN. All right. The witness will remain under recognition to reappear next Tuesday if notified to do so, or any time thereafter. In the meantime I trust we will be able to work this out satisfactorily so it can operate smoothly and we can expedite this matter.

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

FRIDAY, MAY 9, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 11 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; John B. Flanagan, investigator; Leo C. Nulty, investigator; Herbert J. Rose, Jr., investigator; Ralph DeCarlo, investigator; and Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will come to order.

Mr. KENNEDY. Mr. Chairman, we want to break in with what we have been doing and call a witness from New York on a different matter.

Mr. Seymour Goodman.

The CHAIRMAN. Be sworn, please.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GOODMAN. I do.

TESTIMONY OF SEYMOUR GOODMAN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. GOODMAN. My name is Seymour Goodman, 413 Parkside Avenue, Brooklyn. I am a principal examiner in the insurance department of the State of New York.

The CHAIRMAN. The State of New York?

Mr. GOODMAN. Yes, sir.

The CHAIRMAN. You waive counsel; do you?

Mr. GOODMAN. I do.

The CHAIRMAN. Mr. Goodman, you have been served with, I believe, four subpoenas, have you, to produce certain records?

Mr. GOODMAN. I have three subpoenas.

The CHAIRMAN. What records do they call for? What company records?

Mr. GOODMAN. One subpoena called for production of a copy of citation and order to show cause in connection with proceedings for revocation of license of Allen Dorfman and Union Insurance Agency of Illinois.

The CHAIRMAN. All right. That was just so I could identify the ones.

Mr. KENNEDY. Identify them by the numbers.

Mr. GOODMAN. The first one is 3208, 3517, and 3746.

The CHAIRMAN. 3517?

Mr. GOODMAN. Right. 3746 and 3208.

Mr. KENNEDY. Do you have 3197?

Mr. GOODMAN. The information subpoenaed there has already been produced.

Mr. KENNEDY. We are all set on that one.

The CHAIRMAN. With respect to these three subpoenas, you have been ordered to produce these records, are you prepared to produce them?

Mr. GOODMAN. May I make a statement, sir?

The CHAIRMAN. Yes.

Mr. GOODMAN. Certain of the information which you have subpoenaed, particularly an unfiled report on examination of an insurance company, there is no authority under the New York insurance law to produce or make available copies of documents other than those which are publicly available.

This unfiled report on examination is a nonpublic document, and there is a serious question as to whether the other documents are public or nonpublic.

The CHAIRMAN. So that we get the record straight, and make the record as it should be, and if any legal complication arises later that can be settled another way, for the purposes of the record and the committee, the chairman, with the approval of the committee, orders you to produce these records.

If you can, you can just make them available to members of the staff. But I wanted a direction given to you at this time. I am not trying to put any pressure on for immediate action, but while you are here the order may be made with the committee in session.

Mr. GOODMAN. May I say in this session, sir, that these records have always been made available to your committee staff in our New York office.

On your direction, I shall be happy to cooperate and make copies available to you.

The CHAIRMAN. Thank you very much.

Are there any further questions?

Mr. KENNEDY. That is all.

The CHAIRMAN. All right. Thank you.

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, AUGUST 13, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the Caucus Room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator John F. Kennedy, Democrat, Massachusetts; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Karl E. Mundt, Republican, South Dakota; and Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; Paul Tierney, assistant counsel; John J. McGovern, assistant counsel; Carmine S. Bellino, accountant; Pierre E. Salinger, investigator; Leo C. Nulty, investigator; James P. Kelly, investigator; Walter J. Sheridan, investigator; James Mundie, investigator; John Flanagan, investigator, GAO; Alfred Vitarelli, investigator, GAO; and Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the committee present at the convening of the session were: Senators McClellan, Ives, and Mundt.)

The CHAIRMAN. Mr. Kennedy, call the first witness.

Mr. KENNEDY. Mr. Payne Ratner.

The CHAIRMAN. You do solemnly swear that the evidence, given before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. RATNER. I do.

TESTIMONY OF PAYNE H. RATNER

The CHAIRMAN. State your name, and your place of residence, and your business or occupation.

Mr. RATNER. Payne H. Ratner, 104 South Brookside Drive, Wichita, Kans., and I am a lawyer.

The CHAIRMAN. Thank you very much. Mr. Kennedy, you may proceed.

Mr. KENNEDY. How long have you been an attorney, Mr. Ratner?

Mr. RATNER. I passed the bar in Iowa in August of 1920, and in Kansas in January of 1921.

Mr. KENNEDY. You have done some work for the Teamsters, have you?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. When were you first retained by the Teamsters?

Mr. RATNER. Late in 1953. I don't recall the exact date, but I think in the late summer or early fall, your staff has all of my records, and they would show.

Mr. KENNEDY. Was it in late 1953?

Mr. RATNER. I think, sir, it was not late in 1953. I think it was in the late summer or early fall of 1953 according to my best recollection.

Mr. KENNEDY. Who first approached you about doing some work for the Teamsters?

Mr. RATNER. Dick Kanner and Barney Baker.

Mr. KENNEDY. They were Teamsters officials?

Mr. RATNER. I don't know whether they were officials. They were Teamsters, yes, sir, and Kanner I think had a fairly responsible job, and I don't know if he had a title.

Mr. KENNEDY. What kind of work did they want you to do?

Mr. RATNER. As I recall, that has been 5 years ago, it was a very casual conversation, but as I recall it was just generally legal work.

Mr. KENNEDY. Is that what you did, just general legal work?

Mr. RATNER. That is what I would call it.

Mr. KENNEDY. Were you working on anything specific at the beginning?

Mr. RATNER. Let me amplify my answer a little bit, if you please, sir. When I met them, they were not apparently authorized to employ me, and they did not employ me. They were brought to my office by some Wichita leaders or business agents of other unions which we represented or which we knew, simply for me to meet them and visit with them.

We sat around a table, several of us, and we had coffee, and we talked, and the matter was brought up about whether I would be willing to represent the Teamsters if they went back to St. Louis, and recommended me, and if their recommendation was followed. I told them that I would, and this is the substance of it and naturally I don't remember the conversation that long ago, and I didn't know whether I was going to be employed and it was a very casual thing.

A little later I was employed, and so I have assumed it was the result of Mr. Kanner's recommendation.

Mr. KENNEDY. What work were you doing originally for the Teamsters?

Mr. RATNER. I don't remember the first thing I did for them. My records would show. But I believe at least the first thing that I can remember was working in regard to Mr. Hoffa's appearing before a congressional committee at a hearing in Detroit which was to be some time in the fall of 1953, and later actually took place as I recall around Thanksgiving of 1953.

Mr. KENNEDY. We have had some of your correspondence, and we have looked through that, have we not?

Mr. RATNER. Yes, sir; I turned everything over to you immediately when you requested it and several members of your staff were there for about a week, and I gave them an air-conditioned conference room to

work in, and turned everything over to them that they asked for without any hesitation.

The CHAIRMAN. I hand you here some photostatic copies of letters and of some bills rendered and statements of expenses and so forth. I believe there are two statements, and the other papers in this group I am handing you are photostatic copies of letters and correspondence. Will you examine them and state if you identify them?

Mr. RATNER. Yes, sir, I will be happy to.

(Documents were handed to the witness.)

Mr. RATNER. May I address the Chair, please?

The CHAIRMAN. Yes, indeed.

Mr. RATNER. Mr. Chairman, sir, may I take time to arrange these chronologically before I look at these?

The CHAIRMAN. You may.

Mr. RATNER. Thank you, sir.

Mr. KENNEDY. While he is doing that, we have mimeographed copies of the letters, and may I distribute those, or could I have them made exhibits and pass them out to members of the committee?

The CHAIRMAN. I wanted him to identify the letters. You may pass them out to the members of the committee, but I will get them properly identified later.

Mr. RATNER. May I address the Chair?

The CHAIRMAN. Yes, sir.

Mr. RATNER. Mr. Chairman, will it be considered improper if I loosen my tie, to ease my throat?

The CHAIRMAN. Yes, sir; you may get comfortable.

Mr. RATNER. Mr. Chairman, I have looked at these, sir.

The CHAIRMAN. Do you identify those as carbon copies and copies of original letters you received?

Mr. RATNER. Yes, sir; they are.

The CHAIRMAN. That group may be made exhibit No. 27, (A), (B), and (C), and such lettering as is required to identify each one separately.

(Documents referred to were marked "Exhibit No. 27, (A through H)," for identification and may be found in the files of the Select Committee.)

The CHAIRMAN. Now, I hand you a photostatic copy of a memorandum, and I ask you to examine it and state if you identify it?

(A document was handed to the witness.)

The CHAIRMAN. Do you identify the memorandum?

Mr. RATNER. I identify it as a memorandum found in one of my files, and I know nothing about the memorandum and I have no memory of ever having seen it before I saw it in Wichita when they were going through my files.

The CHAIRMAN. All right, the memorandum may be made exhibit No. 28.

(Document referred to was marked "Exhibit No. 28," for identification and will be found in the appendix on p. 14121.)

The CHAIRMAN. Now, I hand you another group of letters, with two other statements, or photostatic copies of statements, and I will ask you to examine these and state if you identify them?

(Documents were handed to the witness.)

Mr. RATNER. Thank you.

(At this point, Senator Goldwater entered the hearing room.)

Mr. RATNER. Yes, I can identify those, sir, and they were taken out of my files.

The CHAIRMAN. That group may be made exhibit No. 29, and lettered accordingly.

(Documents referred to were marked "Exhibit No. 29 (A through E)," for identification and may be found in the files of the select committee.)

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Now, do you have copies of those there?

Mr. RATNER. No, sir, I would be grateful if I could have them before me if you are going to ask me about them. It would be helpful.

(Documents were handed to the witness.)

Mr. KENNEDY. Now, this memorandum from Barney Baker, showed he made a telephone call, is that correct?

Mr. RATNER. That is correct.

Mr. KENNEDY. And he was anxious for his friend, Gus Zapas, I think it should be rather than Zatas, and it says, "Jack Apple, Federal penitentiary," is that correct, "and not have to talk through a wire mesh"?

Mr. RATNER. I don't know, sir. I don't know, I have never heard of Zatas, or Apple, and I never talked to Barney Baker about that matter, and this was not a conversation that he had with me, and apparently he talked to someone in my office who gave me apparently, and I assume, a memorandum about it.

Mr. KENNEDY. Do you know who he talked to in your office?

Mr. RATNER. No, sir, I do not. I gave you the name and address of my secretary at that time.

Mr. KENNEDY. Miss O'Donnell?

Mr. RATNER. Yes, sir, but I don't know whether she talked to him or not.

(At this point, the following members were present: Senators McClellan, Ervin, Mundt, and Goldwater.)

Mr. KENNEDY. We talked to Miss O'Donnell, and she said it was not here. It says here—

Not have to talk through a wire mesh. Exceedingly difficult today, but was able to arrange with Zatas to talk to Apple without having to talk through wire mesh. However, the Federal rule that a guard must be present so can listen in on the conversation, but Gov. has arranged for the guard to wander off, and if Zatas and Apple talk in a low voice he will not hear the conversation.

Mr. RATNER. I never made any such arrangements, Mr. Kennedy.

Mr. KENNEDY. This is a memorandum from your files.

Mr. RATNER. Yes, sir, it is.

Mr. KENNEDY. When we were going through the files and then returned them to you to have you look them over before I came to interview you out there, you removed this memorandum, did you not?

Mr. RATNER. I removed two things from the Detroit Hoffa hearing trial because they had nothing to do with that trial and nothing to do with the Teamsters. Please let me finish my answer. One thing I removed was correspondence between an officer of a railroad brotherhood in Detroit and myself about some office chairs. I had visited his office, I had admired his chairs, I wanted to consider getting some for my own office. I asked him where he got them and the

price. He said he did not know, but he would look it up and write me or have someone in his office write me. He did so, and we had some correspondence about it. I took that out of the file, and I took this out of the file for the same reasons, that I understood you were investigating the Teamsters. Neither of those propositions had anything to do with the Teamsters, as far as I knew what you were looking for, so I took the two of them out.

Mr. KENNEDY. Barney Baker is a very important figure in the Teamsters. He is very close to Mr. Hoffa. Mr. Zapas is in the Teamsters. He works with the Indiana Conference of Teamsters. He has been arrested 35 times in Chicago alone. This is an extremely important memorandum. In addition, Mr. Barney Baker was the first one that contacted you about your being retained.

Mr. RATNER. Mr. Kennedy, are you asking me a question or did you make a comment?

Mr. KENNEDY. Yes.

Mr. RATNER. All right.

You stated that Mr. Baker is very close to Mr. Hoffa, and so on. That may be entirely true, but I don't know.

Mr. KENNEDY. Well, he did contact—

Mr. RATNER. Just let me finish, please, sir. I don't know that. I don't doubt at all what you say.

But I don't know anything about his being close to Mr. Hoffa. I have never worked with the two of them together. I have never had any experience that would lead me to believe that Baker and Hoffa are close. Now in regard to this Zapas, I have never heard of him before; I didn't even know he was a Teamster until this moment when you just announced it. I don't know anything about him. I had nothing in the world to do with this. If I had had, there would have been a file made. You know how meticulous we are about making files. You observed that or your staff did.

There would have been a file on it. There would have been a reminder card for me on it if I were working on it, or for the lawyer who was, and if I had done anything on it, I assure you, sir, we would have gotten a very substantial fee, which we did not get, as you know from our records.

Mr. KENNEDY. You mean for arranging this?

Mr. RATNER. Sir?

Mr. KENNEDY. For arranging this.

Mr. RATNER. If I had done it, I would have gotten a very substantial fee.

Mr. KENNEDY. The last point you did not mention was the fact that Barney Baker was the one that contacted you about your being retained by the Teamsters, so that you knew he was in the Teamsters—

Mr. RATNER. Mr. Kennedy, we have been over that and I answered it.

Mr. KENNEDY. Wait until I finish, Governor.

Mr. RATNER. I beg your pardon. I didn't mean to interrupt.

Mr. KENNEDY. So you knew that Mr. Baker was associated with the Teamsters, didn't you?

Mr. RATNER. Yes, sir; I knew that. But I didn't know that he and Hoffa were close, and I still don't know it except what you just said, and I don't doubt your word.

(At this point, Senator Curtis entered the hearing room.)

Mr. KENNEDY. The point is the document was removed from the file, and I understood that you said you removed it because you did not know that it was connected with the Teamsters. Mr. Baker's name was mentioned in the memo. He is the one that made the call, and Mr. Baker was the one that contacted you about your working for the Teamsters, according to your own testimony.

Mr. RATNER. According to my own testimony, it was Mr. Kavner and Mr. Baker, and Mr. Kavner had much more to do with it, as I understood, than Mr. Baker. That was my observation of the two of them. From my conversation I had with the two of them, I assumed Mr. Kavner was much more important an individual, and I have always given Mr. Kavner the credit for my employment, and very little, if any, of the credit to Mr. Baker.

Mr. KENNEDY. You went to work also in connection with the investigation that was being made by a House committee of Mr. Hoffa?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. I notice on this letter, which is dated October 5, 1953, addressed to Dave Previant, it says "Dear Dave: I called Jim Hoffa last Tuesday evening and reported to him about my successful interview with the party with whom they wanted me to confer."

Who would that be?

Mr. RATNER. I don't know, but I imagine it was—from the letter and from my memory of what went on—I imagine it was Congressman Wint Smith, from Kansas, who is still a Member of Congress.

Mr. KENNEDY. And then this memorandum dated October 20, 1953, to James R. Hoffa, re Wint Smith matter.

Mr. RATNER. May I find it, please?

Mr. KENNEDY. Yes, it is October 20, 1953, the bottom of the first page there, Governor.

Mr. RATNER. Yes, sir: I have it.

Mr. KENNEDY. The memorandum is addressed to James R. Hoffa, re Wint Smith matter.

Mr. RATNER. Yes, sir.

Mr. KENNEDY. What does that mean?

Mr. RATNER. That meant in regard to the hearing which was held in Detroit during the week of the latter part of November 1953.

Mr. KENNEDY. Re Wint Smith matter? Why was it addressed in that manner?

Mr. RATNER. I don't know, except the fact that I was conferring with Congressman Smith in regard to some aspects of the hearing. I assume that is why the bookkeeper put it that way.

Mr. KENNEDY. Were you retained by the Teamsters in order to contact Congressman Smith?

Mr. RATNER. I was paid for the work that I did in regard to it, Mr. Kennedy, as my records show. May I say this, please? You asked me why this is listed this way. Naturally, I don't keep the books in my office, and I don't make notations of that kind. I don't know why it was listed that way. But I am telling you why I think it was.

Mr. KENNEDY. And then the next memorandum over here on page 2 is also re Wint Smith.

Mr. RATNER. Yes, sir; James R. Hoffa re Wint Smith. That is what it says.

Mr. KENNEDY. What fee did you receive for this, Governor? That is, for what you did in this matter.

Mr. RATNER. For the 7 days that I spent going to and from Detroit, and in Detroit, I received \$1,400, at the rate of \$200 per day.

Mr. KENNEDY. When did you receive that money?

Mr. RATNER. I don't know. My records would show. Your staff knows that. I think we billed them shortly after I returned from Detroit. Whether they—

Mr. KENNEDY. That is, your books show—

Mr. RATNER. Pardon me. I have not finished my answer. Whether or not they paid promptly, I don't recall.

Mr. KENNEDY. Your books show December 9, 1953, \$1,554.09.

Mr. RATNER. How much, sir?

Mr. KENNEDY. \$1,554.09.

Mr. RATNER. I don't think that would be it. My memory is that they paid me \$1,400 plus my expenses going to and from Detroit and staying.

Mr. KENNEDY. Wouldn't that be correct, \$1,554.09?

Mr. RATNER. I am sorry; I thought you said \$1,000. That would include the expense, would it not?

Mr. KENNEDY. Yes.

Mr. RATNER. Yes, sir; that sounds correct.

Mr. KENNEDY. Do all the payments that you received appear in your books?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. All of the money that you received?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. Then you received some money at a later time, did you, in 1954?

Mr. RATNER. I received money, as you know from my records, many times during the last 5 years from the Teamsters. I don't know to what you are referring.

Mr. KENNEDY. But all the money that you have received appears in your books and records?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. Did you ever perform any services where you received money and the money does not appear in your books and records?

Mr. RATNER. No, sir.

Mr. KENNEDY. Everything appears there?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. And you never cashed any checks for the Teamsters?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. You did?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. When I asked you that question out in Wichita, you said you had not.

Mr. RATNER. I don't know what you mean by cashing checks. I didn't know then, and I don't know now. I don't doubt that I said that, Mr. Kennedy. I had no recollection whatsoever of having done that until some Internal Revenue men came and showed me photocopies of checks and asked me if it was my signature. I immediately told them that it was. That refreshed my recollection. May I tell you what happened in regard to it, since you have asked?

Mr. KENNEDY. One moment, please.

The CHAIRMAN. All right, you may tell it.

Mr. RATNER. Sir?

The CHAIRMAN. You may proceed.

Mr. RATNER. Thank you, sir. What happened was it was during the cab strike. Money was sent to the business agent of the Teamster local in Wichita for various amounts so that he could get cash and use it in the strike. In order for him to get the money cashed by a bank who did not know Mr. Hoffa, Mr. Gibbons, or their signatures, they would have had to have sent the check through for collection. It might have taken a week or 10 days. He wanted the money immediately. He asked me if I would indorse the check so he could get the money. I knew Mr. Hoffa and Mr. Gibbons. I believed their signatures were good for that amount of money. I indorsed the check. He took it over to the bank and got the money on it. That was the extent of my connection, and, naturally, after 5 years I would not remember it, Mr. Kennedy.

I don't believe you would, even though you are about 40 years younger than I.

The CHAIRMAN. I present to you three checks. The first one is dated January 25, 1954, made out to the Teamsters Local 795, in the amount of \$2,500, drawn by James Hoffa and Harold H. J. Gibbons on the Central States Conference of Teamsters account. The next one is dated February 5, 1954, in the same amount, \$2,500, signed by Mr. Hoffa and Mr. Gibbons, and drawn on the Central States Conference of Teamsters, made payable to Teamsters Local 795. The third one is dated January 29, 1954, for the same amount, \$2,500, made payable to Teamsters Local 795, and signed by Mr. Hoffa and Mr. Gibbons, as the others.

I present those checks to you, ask you to identify them, and state if you identify them.

(The documents were handed to the witness.)

Mr. RATNER. Yes, sir; I have examined them, and it is my endorsement on the back side of all three checks.

The CHAIRMAN. The checks may be made exhibits 30-A, 30-B, and 30-C.

(The documents referred to were marked Exhibits 30-A, 30-B, and 30-C for reference and will be found in the appendix on pp. 14122-14124.)

The CHAIRMAN. Mr. Ratner, those checks were given within a period of about 15 days' time, I believe, 10 or 12. Did you receive that money?

Mr. RATNER. No, sir; not one penny of it, directly or indirectly.

The CHAIRMAN. The three checks total \$7,500.

Mr. RATNER. Yes, sir.

The CHAIRMAN. Although you endorsed them, you received no part of the money?

Mr. RATNER. No, sir; I explained why I endorsed them.

The CHAIRMAN. What became of the money? Do you know?

Mr. RATNER. No, sir; I do not. Mr. Smith obtained the money. I never saw it, I never spent any of it, and I have not the slightest idea, sir, what the money was used for.

The CHAIRMAN. This Teamsters local there—who is the man, Mr. Smith?

Mr. RATNER. Sam E. Smith, sir. You will recall there was a taxi-cab strike at the time. I mean, you understand there was.

The CHAIRMAN. Yes; you testified to that. What I am trying to ask about is this: The Teamsters local there, 795, how long has that local been established?

Mr. RATNER. I don't know, sir. I haven't the slightest idea.

The CHAIRMAN. How long has Mr. Smith been its vice president?

Mr. RATNER. At the present time, sir, he is president and business manager. How long he has been business agent of the local, I don't know. When I started working for them in 1953, he was then business agent. How long he had been, I don't know.

The CHAIRMAN. I notice he signed these checks as vice president.

Mr. RATNER. That may have been his title at that time, sir. I am just saying that now he is president.

The CHAIRMAN. What I am trying to clear up here is this: Here is a local established there in the town, I assume, and here are checks on the Central States Conference of Teamsters. It seems to me that a local doing business there, which has been established there a long time, would not have to get someone to endorse a check for them to cash it, at a bank where they do business.

Maybe they did, but I am saying it is a little bit peculiar that here is an established business, a going business there, and they have to get somebody to endorse a check before they can get it cashed.

Mr. RATNER. Mr. Chairman, may I answer that, sir?

The CHAIRMAN. Yes; you may.

Mr. RATNER. I imagine you have had considerable more experience with banks than I have, although I have been a bank director for a good many years.

At that time I was director of the Wichita State Bank and I still am and have been continuously for quite a few years. I know that bankers are extremely cautious. I know that when they don't know, and a particular strike is going on, and there is a lot of turmoil about it in a community, and money comes into a local business agent, and they don't know who signed the check, and they don't know for sure that the check is good, and the local probably has no bank account sufficiently large to cover it, I just assume that it did not, I just imagine also that most bankers would not cash a check of that kind, sir, without either the endorsement of some local person in whom they had confidence or sending it through for collection.

At least, I have learned from my years as a director that is the way the banks work in most cases.

The CHAIRMAN. Do you recall who requested your endorsement on the checks?

Mr. RATNER. No, sir; but I imagine it was Sam Smith.

Senator GOLDWATER. Who is Sam Smith?

Mr. RATNER. At the present time, sir, he is the president and business agent of Teamster Local 795 in Wichita. At that time he was business agent, and, according to his endorsement, was vice president.

Senator GOLDWATER. Is he any relation to Congressman Smith?

Mr. RATNER. I don't know, but I feel quite sure that he is not.

Senator GOLDWATER. He is not a relative?

Mr. RATNER. I don't know, sir, but I feel quite sure that he is not. I have never heard anything to that effect. I don't believe he is.

Senator GOLDWATER. Smith is not an unusual name. I think you ought to be sure you identify them when you mention them and not just say "Smith."

Mr. RATNER. I will try to be very careful about that.

Mr. KENNEDY. Now, this is \$2,500 on January 25, 1954, and \$2,500 on January 29, 1954, and \$2,500 on February 5, 1954. Did you raise any question as to what was going to be done with all of this cash?

Mr. RATNER. Not as far as I recall.

Mr. KENNEDY. You just signed your name to them?

Mr. RATNER. Yes, sir; because I thought they were good, and it turned out that they were good.

Mr. KENNEDY. I am sure of that, but what if Mr. Sam Smith just took off with the money?

Mr. RATNER. Well, he didn't.

Mr. KENNEDY. Well, we don't know. We are going to ask him. But if he had brought this into a bank, Mr. Ratner, without your signature, he wouldn't have been able to cash it because the check is made to the order of Teamster Local 759, and a bank could be sued for cashing that. This is not Mr. Sam Smith's check. You didn't endorse Sam Smith's check; you endorsed a check to an organization.

Mr. RATNER. I assume Mr. Kennedy that was one of the reasons they would not cash it without my endorsement.

Mr. KENNEDY. Then you played a major role in this yourself, Mr. Ratner. You were responsible for this money or for where it went also.

Mr. RATNER. I don't think so at all.

Mr. KENNEDY. As I say, if he had taken it to a bank he wouldn't have been able to cash it, and a successful suit would have been held against the bank for cashing a check under circumstances such as this.

Mr. RATNER. The checks were good, as it turned out.

Mr. KENNEDY. Well, I am not talking about whether they are good, but this money obviously belonged to local 795. It didn't belong to Payne Ratner, and it didn't belong to Sam Smith. It belonged to local 795. I am not questioning whether it was good or not.

Mr. RATNER. Mr. Sam Smith was in charge of local 795, and he as their managing officer—

Mr. KENNEDY. But if it was a legitimate operation all they would have to do was deposit the money in the bank and then draw checks to it, and there wasn't any need to turn it all into cash, in which you played this major role, sir. You just admitted he couldn't have gotten the check cashed unless you had endorsed it.

Mr. RATNER. He could not have gotten it cashed immediately unless he or somebody else the bank knew endorsed it, and it would not have had to be I. He could have deposited it and within a week or 10 days he would have gotten the money.

Mr. KENNEDY. It just so happens that you endorsed all three of these checks?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. You don't know what happened to the money?

Mr. RATNER. No, sir.

Mr. KENNEDY. Did you turn the cash over to Sam Smith?

Mr. RATNER. No, sir, I never had the cash in my hands.

Mr. KENNEDY. What did you do, just endorse it?

Mr. RATNER. I endorsed it, and he went and got the money and I never saw it, or touched it, or had any of it, or know anything about it.

Mr. KENNEDY. Was this during the period of time that you were forming another cab company?

Mr. RATNER. About that time, my records will reveal the exact dates, of course.

Mr. KENNEDY. What was the purpose of forming a cab company? Was that at the request of the union?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. You formed a cab company at the request of the union?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. That was because they were striking the other cab company?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. Was the cab strike ultimately settled?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. And was it arranged by the Teamsters and the cab company owners to pay the cab company owners \$15,000 for the settlement of the strike?

Mr. RATNER. It was not my understanding that it was paid for the settlement. \$15,000 was arranged to be paid.

Mr. KENNEDY. And was paid, was it not?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. And the arrangements were made in your office, were they not?

Mr. RATNER. No, sir.

Mr. KENNEDY. They were not in your office?

Mr. RATNER. No, sir.

Mr. KENNEDY. Were discussions held there?

Mr. RATNER. According to my best recollection, and this is almost 5 years ago, and may I address the Chair?

The CHAIRMAN. Yes, sir.

Mr. RATNER. May I make a very brief statement about things that happened in my office? We have 12 lawyers, and we have approximately 1,400 active files, and last year we did a gross business of about \$325,000, and I talked to from 50 to 100 people a day and I am a director of a bank, and I attend those meetings, and I take an interest in public affairs, and the chamber of commerce and a lot of community activities, and I am statewide chairman of Radio Free Europe and a lot of other things like that. This is not a major proposition with us, and we had a general practice.

The fee we get from the Teamsters isn't over 3 or 4 percent of our income. It is a very, very minor proposition. I can't remember all of those details 4 or 5 years ago, and I don't believe anybody could, but at least I can't.

The CHAIRMAN. Well, Mr. Ratner, let me ask you about this. I don't have all of the details in mind about the settlement of the strike, but as I understand and am I correct, and I assume you were acting as counsel for them at that time?

Mr. RATNER. Some of my junior partners and I were, yes, sir; but I was responsible.

The CHAIRMAN. Well, I am perfectly willing for you to make any explanation, and I am not trying to keep you from doing it, I am trying to get this thing cleared up. But as I understand now, there was a strike, a cab strike on at the time of these transactions, is that correct?

Mr. RATNER. Yes, sir.

The CHAIRMAN. During that period you endorsed these checks so Smith could get the cash on them?

Mr. RATNER. Yes, sir.

The CHAIRMAN. About that time, shortly thereafter, the cab strike was settled?

Mr. RATNER. I don't remember the date of settlement, but I think it was February or March or along somewhere in there.

The CHAIRMAN. Shortly after the transaction?

Mr. RATNER. Yes, sir.

The CHAIRMAN. And in the settlement of it, the union paid \$15,000 to management; is that correct?

Mr. RATNER. It was paid over a period of time, and was contingent upon the members of the union voting in secret ballot in accordance with Kansas statutes for a union shop. The management agreed not to attempt to influence the members of the union one way or another on the proposition.

The CHAIRMAN. You said it was paid over a period of time. What do you mean by that?

Mr. RATNER. My memory is, and it is in the contract, sir, and of course that is the best evidence, but my memory is that it was to be paid on 2 or 3 different dates. The contract will tell.

The CHAIRMAN. I hand you here what I believe is a copy of the contract. Will you examine it, please, and state if you identify it? May I ask you first, did you prepare the contract? Was it prepared by your firm, and under your supervision?

Mr. RATNER. Yes, sir.

The CHAIRMAN. Will you examine this, and state if you recognize it as a copy of the contract?

Mr. RATNER. Yes, sir.

Senator MUNDT. Before we get too far away from the checks, I would like to ask a question about these checks.

The CHAIRMAN. Let me get the contract identified first, please.

(A document was handed to the witness.)

The CHAIRMAN. There is a sheet attached to it, Mr. Ratner. I don't know whether that belongs to it or not.

Mr. RATNER. Is it all right for me to look at it?

The CHAIRMAN. Yes, indeed.

Mr. RATNER. Yes, sir, I can identify that as a contract but I would like to say, when you say "prepared under my supervision," a rough draft of it was and I conferred several times with the attorney for the cab owners, Mr. Dwight Wallace, in Wichita, and I don't remember whether he suggested changes or not, and my best recollection is that he did, and we agreed to some changes but frankly I don't remember definitely. But Mr. Wallace and I conferred about these matters and he was representing the owners at that time and I was representing the union.

The CHAIRMAN. Well, the contract that I have just exhibited to you appears to have been executed?

Mr. RATNER. Yes, sir.

The CHAIRMAN. It appears to have been signed?

Mr. RATNER. I am sure it was executed.

The CHAIRMAN. So that by the time it was signed, then it was the contract as of that time?

Mr. RATNER. Yes, sir; I am sure it was.

The CHAIRMAN. Now, later you may have changed it?

Mr. RATNER. I think if we made changes, I think they were made before it was signed, in conferences between the attorney for the cab owners and myself, but that is the contract, and it was executed.

The CHAIRMAN. All right, the contract may be made exhibit No. 31. (Document referred to was marked "Exhibit No. 31," for reference, and may be found in the files of the select committee.)

The CHAIRMAN. Now, Senator Mundt had a question.

Senator MUNDT. Correct me now, and I am trying to review in my own mind the statement about these checks. As I understand the situation, your part of these checks was simply to serve as an endorser so that Mr. Smith could get the funds which were made available by the Central States Conference of Teamsters out of St. Louis; is that right?

Mr. RATNER. Yes, sir; that is right.

Senator MUNDT. And you knew him as an official of a cab union in Wichita?

Mr. RATNER. Yes, sir.

Senator MUNDT. And he came to you with these checks, and said, "I want to get them cashed," and after he had endorsed them, asked you to endorse them so that they could be cashed and the money received properly?

Mr. RATNER. I was their attorney at the time, sir.

Senator MUNDT. You were their attorney?

Mr. RATNER. Yes, sir.

Senator MUNDT. Were these cashed in the bank of which you were a director and were they all cashed in Wichita State Bank?

Mr. RATNER. Yes, sir.

Senator MUNDT. That is the bank of which you are a director?

Mr. RATNER. Then and now; yes.

Senator MUNDT. So that, obviously, if you signed them as a director of the bank, they are probably going to give him the money?

Mr. RATNER. Yes, sir.

Senator MUNDT. You never saw the money, and he took these checks to the bank and got the money, and used it for purposes unknown to you, or do you know what he used the money for?

Mr. RATNER. No, sir; I do not know. I haven't the slightest idea what they used the money for. I may have gone to the bank with him, and I don't believe I did, because I don't remember them, but I don't operate that way, and when I can use the telephone I don't make a trip.

Senator MUNDT. I would see no need for you to go to the bank with him if you are a director of the bank, and they certainly know your signature, and your signature at that bank. What I was trying to find out is whether or not he had cashed them in the bank of which you were a director?

Mr. RATNER. Yes, sir; he did.

Senator MUNDT. That is the Wichita State Bank?

Mr. RATNER. Yes, sir.

Senator CURTIS. Now, Mr. Ratner, I want to ask you about this \$15,000 payment.

The CHAIRMAN. Before you do that, I present to you, Mr. Ratner, a photostatic copy of a check in the amount of \$15,000, dated February 5, 1954, and ask you to examine this check and state if you identify it. It is made payable to cash. It has an endorsement on the back, signed, Sam E. Smith. I wish you would examine the check, and state if that is the check covering the consideration referred to in the contract, which has just been made an exhibit.

(A document was handed to the witness.)

Mr. RATNER. I do not know, sir. I don't recall ever having seen it before, but I would certainly think that it was.

(At this point, the following members are present: Senators McClellan, Curtis, Mundt, and Goldwater.)

The CHAIRMAN. It identifies itself pretty well, doesn't it?

Mr. RATNER. I would think so; yes, sir. I would agree with you on that.

The CHAIRMAN. The check maybe made exhibit No. 32.

(The document referred to was marked "Exhibit No. 32" for reference and will be found in the appendix on p. 14125.)

The CHAIRMAN. I present to you now another document and ask you to examine it and state if you identify it. It refers to \$15,000 also.

(The document was handed to the witness.)

Mr. RATNER. I don't know anything about that, sir. I don't recall ever having seen it before, and I don't think I did.

The CHAIRMAN. I note it identifies 4 cab companies, and I believe you said that the money was to go to 4 cab companies, is that correct?

Mr. RATNER. There was a taxicab monopoly in Wichita. There were 4 companies, but all 4 of them were owned by 2 men, Mr. Bulleigh and Mr. Graham. I would assume, I imagine, that this was the money that they got from the bank pursuant to the contract which we have been talking about.

The CHAIRMAN. That is what I thought. That directs the distribution of the money, does it not?

Mr. RATNER. I presume so, sir. But I never saw this, and I wasn't with them when they got it. But I would certainly think that is what it was.

The CHAIRMAN. All right.

Senator Curtis?

Senator CURTIS. Now, Mr. Ratner, about this \$15,000 payment. You know about it?

Mr. RATNER. Yes, sir.

Senator CURTIS. By whom was it paid?

Mr. RATNER. All I know as to who paid it was what the check said. I think it said it came from the Central States Conference. I had it here a minute ago.

Senator CURTIS. The Central States Conference of Teamsters?

Mr. RATNER. Yes, sir. I had nothing to do, sir, with the procuring of the money.

Senator CURTIS. At any rate, the union paid the \$15,000.

Mr. RATNER. That is my understanding; yes, sir.

Senator CURTIS. You handled the transaction. They did pay it?

Mr. RATNER. Yes, sir.

Senator CURTIS. Who got the money, ultimately, when the contract was complied with?

Mr. RATNER. I suppose it was Mr. Graham and Mr. Bulleigh. I don't know. All I know I checked as the chairman just showed me, and the escrow agreement saying that the bank had paid it to them. I assume they did. I was not with them. I was not there as their attorney. I know nothing about that phase of the matter, sir.

Senator CURTIS. What you are saying is that you were not present when the bank actually handled the money or whatever represented the money to these two men, but you do know the terms of the contract?

Mr. RATNER. Yes, sir.

Senator CURTIS. And this was a \$15,000 payment from the Teamsters to the owners of the cab companies?

Mr. RATNER. Yes, sir.

Senator CURTIS. What are the names of those owners?

Mr. RATNER. Mr. Graham and Mr. Bulleigh. Their names are there. I don't recall their first names.

Senator CURTIS. You know them, do you not?

Mr. RATNER. Yes, sir; I do. Wait just a minute, please. I would not recognize Mr. Graham if he came in the room unless somebody told me who he was. I would recognize Mr. Bulleigh by sight. I saw him in the hall this morning.

Senator CURTIS. That is Rex Bulleigh and Jack Graham that you are talking about.

Mr. RATNER. Bulleigh, sir.

Senator CURTIS. And Jack Graham.

Mr. RATNER. Yes, sir.

Senator CURTIS. Who, representing the Teamsters, were in on this arrangement that you know about?

Mr. RATNER. I don't know. You see, I had nothing to do with the negotiations. The only thing I had to do was when they came to me and told me what they wanted in the contract.

Senator CURTIS. Who came to you?

Mr. RATNER. I don't recall, sir. Now let me finish, please, because I am really sincerely trying to be as helpful as possible, and I want to be. I am going to do my best. From time to time, the international, during the strike, sent in different international representatives who seemed to be in charge while they were in Wichita.

Senator CURTIS. Who were they?

Mr. RATNER. The only name that I recall, sir, and I am sure there were others, was a fellow by the name of Dean.

Senator CURTIS. Dean? That is his last name?

Mr. RATNER. Yes, sir. And I think maybe Kavner was there part of the time, but I am not even sure of that.

Senator CURTIS. What is Kavner's first name?

Mr. RATNER. Dick. Richard.

Senator CURTIS. Richard Kavner.

Mr. RATNER. But I do not recall for sure whether or not he was there.

Senator CURTIS. If he was there, that is Richard Kavner of the Central States Conference at St. Louis?

Mr. RATNER. Yes, sir. I know he has been in Wichita at various times, Senator, but you see I do not remember whether he was there that particular time.

Senator CURTIS. He was there and talked to you about some of the things relating to the cab strike and the cab controversy?

Mr. RATNER. I don't recall. He might have been. He might well have been.

Senator CURTIS. Was Mr. Harold J. Gibbons?

Mr. RATNER. I don't recall his ever having been in Wichita during the strike. If he was there, I just really don't remember it, sir. He might have been. I am not saying he was not, but I just don't know.

Senator CURTIS. Has Mr. Kavner been in your office?

Mr. RATNER. Yes, sir.

Senator CURTIS. Has Mr. Gibbons been in your office?

Mr. RATNER. I don't think so. I don't recall his ever having been there.

Senator CURTIS. Has Barney Baker ever been in your office?

Mr. RATNER. Yes, sir.

Senator CURTIS. How many times?

Mr. RATNER. Twice.

Senator CURTIS. What was he there for?

Mr. RATNER. As I have already testified to, the first time he was there was in, I think, the late summer of 1953, when he and Mr. Kavner came over with some local labor leaders who were not Teamsters, had coffee with me in my office, and among other matters in visiting discussed generally the proposition of my representing the Teamsters. The only other time that I ever recall Mr. Baker being in my office was a few months later, I think it was 4 or 4½ years ago, when he brought a man in who was, I believe, an international officer, at least some official, of another union.

I didn't even remember that until Mr. Kennedy or some member of his staff refreshed my recollection. There was a Mr. Karsh. They say, I don't know, but they say, and I am sure they are correct, that Mr. Karsh was an official of, I believe they said, the Circus and Carnival Workers Union. My memory is Mr. Baker brought him by to meet me with the idea that maybe they might need my services in my area at some time.

Senator CURTIS. Did you have any telephone conversations out of town with any one connected with the Teamsters, in any way connected with this cab company controversy?

Mr. RATNER. I imagine I did. My records will show. You see, we kept a service sheet on it, and all conferences were listed, and the staff had that.

Senator CURTIS. This ended up in a written document which you have had a chance to look over and refresh your memory.

Mr. RATNER. Yes, sir.

Senator CURTIS. Who did you represent in the transaction? The Teamsters?

Mr. RATNER. Yes, sir.

Senator CURTIS. You did not represent the cab companies?

Mr. RATNER. Dwight Wallace, a lawyer of Wichita, represented the cab owners, and he and I conferred back and forth about it.

Senator CURTIS. Who, on behalf of your client, came to you and disclosed what they wanted in this contract?

Mr. RATNER. Some Teamster officials, and I do not remember just who it was. I can give you my imagination if you want it, sir. I would imagine that Sam Smith would have been one of them, and who he had with him I just don't remember. My service sheet may show that.

Senator CURTIS. Sam Smith—is he a local individual?

Mr. RATNER. Yes, sir. He is a business agent of the Wichita Local.

Senator CURTIS. Sam Smith could not raise \$15,000 for such a deal, could he?

Mr. RATNER. No, sir. The check shows it came from the Central States Conference of Teamsters.

Senator CURTIS. Who came in and talked over their contract besides Sam Smith?

Mr. RATNER. I am sorry, sir, I just don't—it has been 4½ years ago. I just don't remember. I gave them my service sheets. The service sheet may tell. I hope it does.

Senator CURTIS. Now what I want to know is: Is it true that the Teamsters put up \$15,000 in an escrow agreement in the Fourth National Bank of Wichita, Kans., and that money eventually went to the cab owners?

Mr. RATNER. It is my understanding, sir.

Senator CURTIS. Now, what was the consideration for that \$15,000?

Mr. RATNER. The only thing I know about that is what the contract says. That is what they told me. That is what I put in the contract. Mr. Dwight Wallace looked it over, and may or may not have made some changes, but left it in.

Senator CURTIS. And you don't know who told you what to put into the contract?

Mr. RATNER. Not exactly, no, sir, I don't.

Senator CURTIS. The contract has gone into the record, but I find this under paragraph 11. It says:

Concurrently with the execution hereof, the union shall deposit with the Fourth National Bank in Wichita, Kans., as escrow holder, the sum of \$15,000, the said sum to be paid to said companies as follows: In the event the aforesaid election—

talking about an election among the drivers—

indicates that a majority of said owner-drivers and drivers desire a union shop, then the \$15,000 is to go to the owners.

(At this point, Senator Kennedy entered the hearing room.)

Mr. RATNER. There were further contingencies, sir. It had to be by secret ballot in accordance with the Kansas contract, and there were other provisions in the contract about the stability of the industry in Wichita, and the damages that each side was releasing the other from, and so on.

Senator CURTIS. Yes. Then it says:

In the event the aforesaid election indicates that a majority of said owner-drivers and drivers do not desire a union shop as evidenced by the certificate, the said Sam E. Smith and Rex Bulleigh, the said escrow holder upon receipt of such certificate shall pay to the said union or its legal representative the sum of \$15,000 on or before February 9, 1950.

Now, regardless of all these trimmings in the contract—

Mr. RATNER. As far as I knew, they were not trimmings, sir.

Senator CURTIS. Well, one very significant part says :

The taxicab industry is a significant and vital part of the transportation facilities of Wichita.

Mr. RATNER. That is true, sir.

Senator CURTIS. Yes, it is true, but it does not have anything to do with the terms of a contract. The real thing was this: If management put their men in the union, you would pay them \$15,000 for it. If they did not get that job done, the union would get their \$15,000 back, isn't that correct?

Mr. RATNER. That was not my understanding, sir. My understanding was that management should not influence the men or attempt to influence or intimidate them to keep them from voting to go into the union.

Senator CURTIS. Well, that is the law. As a matter of fact, this also provides for putting into the union owner-operators, doesn't it?

Mr. RATNER. Yes, sir. That is my memory of it.

Senator CURTIS. Is that lawful?

Mr. RATNER. Sir?

Senator CURTIS. Is that lawful?

Mr. RATNER. As far as I know, it is.

Senator CURTIS. Can you explain this any other way than the union paying \$15,000 to management for management to put their men into the union?

Mr. RATNER. Yes, sir. May I have a copy of the contract before me when I answer the question, please?

Senator CURTIS. Yes, sir.

(The document was handed to the witness.)

Mr. RATNER. The only thing I know about it is what they told me and what I put into the contract. Let me call your attention, please, to what I put in and what I understood was through.

The taxicab industry is a significant and vital part of the transportation facilities of Wichita. That industry is, therefore, of great importance to the public.

The public interest is of paramount concern to all the parties to this contract.

The public interest can best be served in the taxicab industry in Wichita by the sincere cooperation of all the parties hereto through all legal means for the accomplishment of all legal objectives.

Such cooperation can most effectively be obtained for the best service to the public interest by an all-union agreement, if such an agreement is authorized by the taxicab drivers and taxicab driver-owners of the companies by a secret ballot in strict accord with the provisions of the pertinent Kansas statutes and without any intimidation, coercion, or undue influence, directly or indirectly, by any of the parties hereto or by their officers, agents, or representatives.

An election will be held as provided in a working conditions contract entered into this date between the parties to this contract.

If at such election the all-union agreement is voted for by secret ballot, by a majority of the drivers and driver-owners of the companies, the union will have a very substantial financial interest in assisting the companies in supporting, improving, and building the taxicab industry in Wichita for the profit and advantage of the public, the companies, the drivers and driver-owners and the families of each, and the union.

The parties will mutually extend their efforts toward obtaining taxicab stands on Douglas Avenue in the downtown business area of Wichita.

The parties desire that through their mutual efforts there be put upon the streets of Wichita the total number of taxicabs and authorized by the current certificates of convenience and necessity held by companies, and each of them.

Senator CURTIS. Mr. Ratner—

Mr. RATNER. I haven't finished my answer.

Senator CURTIS. No; I don't think you have to read that out loud.

Mr. RATNER. You read a part of it out loud. May I read—

Senator CURTIS. No; it is all in the record.

Mr. RATNER. You wouldn't permit me to read it?

Senator CURTIS. Well, read what you want to. But the Senate is in session.

Mr. RATNER. I will hurry. I am almost through.

Senator CURTIS. All right.

Mr. RATNER. I just want you to know what I thought it was.

I think this is also significant as well as the other things I read. May I say parenthetically about the number of taxicabs on the street it was brought out during the strike, publicly, that this taxicab monopoly did not have on the street giving service to the public any ways near the number of cabs that they were supposed to have according to the city records. Now I just want to read one more short paragraph, please, sir.

The companies and union herein desire to release each other from any and all claims for damages arising out of the taxicab strike which commenced in the city of Wichita, Kans., on November 30, 1953, and has continued to date hereof, which liability for damages each party hereto expressly deny and further agree to dismiss all lawsuits at cost of plaintiffs therein.

Now, sir, the things I have read is my answer to your question.

Senator CURTIS. All right, now I will ask you if those were material points, why weren't they taken into account in the settlement?

For instance, if the election did not put the men in the Teamsters Union, all of the money was to go back to the union; was it not?

Mr. RATNER. Yes, sir.

May I—just a minute, Senator. I did not understand that the management was to put the men into the union. I understood it the way the contract states.

Senator CURTIS. Well, if the men didn't end up in the union, being in the union, then all the money was to go back to the union?

Mr. RATNER. That is what the contract says, sir.

Senator CURTIS. How come there is no deduction for any damages that might have been done?

Mr. RATNER. I don't know, sir.

Senator CURTIS. How come that there is no provision in the contract for adjustment of the sum if they didn't get these cab stands on the streets mentioned?

Mr. RATNER. I don't know, sir. I did not carry on any of the negotiations.

Senator CURTIS. The point is they were not material to the contract.

Mr. RATNER. I don't know, sir.

Senator CURTIS. Well, the contract speaks for itself?

Mr. RATNER. Yes, sir.

Senator CURTIS. And the only condition in the contract is that if the men ended up in the union, the company got the money, and if they didn't the union got that back. There was to be no adjustment of damages, no adjustment for failure to get certain cabstands or anything else. By the terms of the contract, it was that. Do you think that contract would be legal and binding?

Mr. RATNER. It was according to the laws of Kansas, and I still think it was.

Senator CURTIS. Do you think it was in the public interest?

Mr. RATNER. To get a taxicab strike, a strike of that kind stopped? Yes, sir; I do.

Senator CURTIS. Do you think it is in the public interest to permit unions to pay management to put their people into the Teamsters Union?

Mr. RATNER. No, sir; I do not. That is not my understanding that that is what that contract did.

Senator CURTIS. Well, now, what determines who gets the \$15,000 in that contract?

Mr. RATNER. As you have well stated, Senator, whether or not the men joined the union.

Senator CURTIS. That is right. So that is the central part of the contract, that determines who gets the money.

Do you think that that sort of a contract is in the public interest?

Mr. RATNER. At the time, in order to get that strike stopped, there was a lot of violence which was terrible and which I deplore as much as anybody in the world—

Senator CURTIS. Who committed that violence?

Mr. RATNER. I don't know, sir, and it was never discovered. I know according to the newspapers, the first two acts of violence whereby the owners of the taxicab companies and they were prosecuted. Who committed the other acts of violence, I don't know. Some of the members of the Teamsters were also prosecuted. But at that time I saw nothing against the public interest in that situation.

Senator CURTIS. I will not pursue that any further. But I do have just one question. Was any ethical question ever raised by anyone in on this deliberation as to this contract?

Mr. RATNER. Not that I recall now, sir.

Senator CURTIS. Not in your office nor in Wallace's office?

Mr. RATNER. Mr. Dwight Wallace, who is a very prominent attorney in Wichita and in Kansas, who has never represented labor, who represents big corporations, who was president of the Wichita Chamber of Commerce a year or so ago, who has a brother in the Cessna airplane plant, he never raised any question about the ethics of the situation or about it being against the public interest.

Senator CURTIS. That is all.

Mr. RATNER. May I address the Chair?

Mr. Chairman, I would like to correct something. I told you a few minutes ago that I thought that \$15,000 was paid in 2 or 3 payments. By reading the contract, and the escrow agreement, and seeing that check, it appears to me now it was paid in a lump sum. I don't think it is material, because I knew the \$15,000 was paid.

But I did think it was paid in 2 or 3 payments.

The CHAIRMAN. The Chair raised no question about the contract. The check speaks for itself.

Mr. RATNER. I want to be completely frank about this thing.

Mr. KENNEDY. Some of the members of your law firm raised a question as to the ethics of this agreement; did they not?

Mr. RATNER. I don't recall.

Mr. KENNEDY. Mr. White, for instance; Mr. J. B. White.

Mr. RATNER. He was a young lawyer who had been with us a few months, and we had 2 or 3 firm meetings in regard to various aspects of the strike, and he may have done so, and I don't recall.

Mr. KENNEDY. You don't remember that, or Mr. Eals. Did he also raise a question?

Mr. RATNER. I don't recall.

Mr. KENNEDY. Was it also arranged—

Mr. RATNER. That is 4½ years ago, and we have had hundreds of firm conferences about hundreds of matters in the last 15 years.

Mr. KENNEDY. Well, I understand that, but this is rather an unusual agreement, I would think, even for you, and there was a question raised in your law firm as to the ethics of it, and I would think—

Mr. RATNER. I beg your pardon, why did you say "even to me"?

Mr. KENNEDY. That is why I would think that you would remember it.

Mr. RATNER. I have been Governor of my State for 2 terms, and I have never been defeated for public office, and I served 2 terms as district attorney, 2 terms as State senator, and I have made a public record of which I am very proud, and my friends and family can be proud. I would appreciate it, sir, if you wouldn't say that.

Mr. KENNEDY. You say you couldn't remember it. This was not a very customary agreement, and for that reason, because of the fact it wasn't very customary, I would think that you would remember it.

Mr. RATNER. I am sorry, sir; I do not.

Mr. KENNEDY. Was it also arranged after the money was paid, that the agreement itself would be destroyed?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. Why was that arrangement made?

Mr. RATNER. My understanding was that they thought if it became public, it would make adverse publicity for the cab company owners and for the union. There had been a tremendous amount of adverse publicity during the strike, and I think they were hoping, or I imagine they were hoping, that this thing would be forgotten.

The CHAIRMAN. Did you agree with that viewpoint, that it would be best to destroy everything? Were you asked as counsel on that?

Mr. RATNER. I was following their instructions and directions, and I did not advise that, Mr. Chairman. I would not suggest it.

The CHAIRMAN. But the discussion was it would be best to destroy it because it would not make good publicity if it was known?

Mr. RATNER. That is my best recollection of it after 4½ years. May I say further in answer to your question, Mr. Chairman, I still have in my files, which your staff got, all of this stuff, so that I didn't destroy it.

The CHAIRMAN. I think that is very much to your credit. But that was the arrangement?

Mr. RATNER. That is my best recollection of it, sir.

The CHAIRMAN. I hand you here a copy of a letter dated June 18, 1954. Will you please examine that copy and state if you identify it.

Mr. RATNER. Yes, sir.

(A document was handed to the witness.)

Mr. RATNER. Yes, sir; I can identify that, sir. I did not write the letter and sign it, as you can see from the letter.

The CHAIRMAN. I beg your pardon?

Mr. RATNER. I did not write this letter or did not sign it, as Your Honor will observe from the initials, but I do recall the letter in a

general way, and I am going to take full responsibility for it, sir, because it was done by one of my junior partners, and he was undoubtedly acting under my instructions and supervision, and with my knowledge of it at the time.

The CHAIRMAN. That letter may be made exhibit No. 33.

(The letter referred to was marked "Exhibit No. 33" for reference and will be found in the appendix on p. 14126.)

Mr. KENNEDY. Now, you also did some work, did you not, for Dr. Leo Perlman?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. And the Union Casualty Insurance Co.?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. They were the insurance company that handled the insurance for Mr. Hoffa and the Central Conference of Teamsters?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. Who introduced you to them, or who made those arrangements?

Mr. RATNER. I would be glad to tell you where and how I met him, and I don't remember the person who introduced me, and it was when I was in Detroit in November of 1953 attending the congressional committee hearing at which Mr. Hoffa was one of the witnesses, and Dr. Perlman was there. I met him upon that occasion, but I don't remember who introduced me.

Mr. KENNEDY. I think, Mr. Chairman, we introduced a couple of letters which you have identified, and which have been put in the record.

Now, I would like to ask you about 3 letters here, 1 on January 25, 1956. It is a single sheet, I believe.

Mr. RATNER. I have it here, sir, January 25, 1956.

Mr. KENNEDY (reading):

Hon. H. J. GIBBONS,

*President, St. Louis Joint Council of Teamsters No. 13,
1127 Pine Street, St. Louis, Mo.*

DEAR HAROLD: Due to my court commitments, it will not be possible for me to attend the conference and banquet of the Teamsters Local 688 on January 29. I appreciate very much having been invited and regret that I cannot be there.

I assume Sam Smith will be at the meeting. Perhaps you will want to send to me by him the package we have discussed over the telephone several times recently. I am glad I can tell you it worked out very successfully and I am sure it earned us a great deal of valued good will.

With my very best personal regards, I am,

Sincerely,

Then the initials, "PHR:dod."

The second letter is dated February 17, 1956:

Mr. HAROLD J. GIBBONS,

1127 Pine Street, St. Louis, Mo.

DEAR HAROLD: Since Sam Smith did not get to your meeting on January 29, I am wondering what plans you have in mind for delivering to me the package we have discussed over the telephone.

Thanking you and with my very best personal regards, I am,

Sincerely,

PHR:dod

What was the package?

Mr. RATNER. I do not remember, but I think—I will tell you what I imagine it was.

Mr. KENNEDY. This is January of 1956, and this isn't too long ago.

Mr. RATNER. Two and a half years ago. I think it was \$1,000 that I thought was coming in cash, and they sent it by check instead. I hoped it would be \$1,200, because I had spent \$1,200 and I wanted to be reimbursed, and all I got was \$1,000, and it was by check.

Mr. KENNEDY. What was the \$1,200 or \$1,000?

Mr. RATNER. I bought 12 tickets to a Republican Party dinner in January of 1956.

Mr. KENNEDY. Why did you refer to it as "the package"?

Mr. RATNER. I don't know, and I suppose we were kidding about it, or something, and I don't know. You often do things in a jocular vein, and don't remember just why you did it, and I am telling you what I think it was.

Mr. KENNEDY. You did it in a jocular vein twice then; January 25, 1956, and February 17.

Mr. RATNER. I suppose many times in a person's life, yourself, mine, and anybody else, they may kid about something that they did not think is dishonest or illegal, and there was nothing dishonest or illegal about this.

The CHAIRMAN. Wouldn't you normally—and I want to clear this—what were the circumstances that you did not do this in a normal way, "give me \$1,200 to reimburse me for so and so"?

Mr. RATNER. I think when I was talking to him one day, they said, "We will send you a package, don't worry about it," or something of that sort, and I don't remember. So I referred to it as a package.

The CHAIRMAN. Ordinarily you don't submit bills to people and call it a package; do you?

Mr. RATNER. I did submit a bill, I believe, and I think my records will show I submitted a bill, but they have it there.

The CHAIRMAN. Again, I say you normally do it that way, and you submit a bill and you write a letter about it if you don't get the money, and you say, "Please give attention to my statement submitted at a certain time."

Mr. RATNER. That is right.

The CHAIRMAN. But this you say now, you think was a package of money that you were referring to?

Mr. RATNER. I thought they were going to send it cash. Instead of that they sent it by check.

Mr. KENNEDY. Why did you think they were going to send it by cash, and why would you work with cash?

Mr. RATNER. I don't remember, but I assumed it was indicated or intimated it would be by cash.

Mr. KENNEDY. Why should it be by cash?

Mr. RATNER. I don't know, sir.

Mr. KENNEDY. Governor, you wrote the letter.

Mr. RATNER. I don't know why it would be by cash.

Mr. KENNEDY. You wrote the letter about the package?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. Can't you give us any better explanation than that?

Mr. RATNER. No, sir. I am telling you what it was for, and I am telling you I got the money and there was nothing illegal or dishonest about it.

Mr. KENNEDY. Did they send the package?

Mr. RATNER. No, sir; they sent me a check.

Mr. KENNEDY. When was that?

Mr. RATNER. My records will show, my memory is along in the spring or summer of 1956.

Mr. KENNEDY. You got \$1,000 which is listed in the books for that purpose, in June of 1956. And this is back in January of 1956.

Mr. RATNER. It took me a long time to get it, apparently.

Mr. KENNEDY. Could it have been something else other than that?

Mr. RATNER. It could not. I kept after it until I got it because they had promised me that.

Mr. KENNEDY. The investigation of Mr. Hoffa, according to the press reports made back in 1953, was called off. Could you tell us anything about that? Congressman Smith made a statement that the investigation was to be called off and was not going to continue.

Mr. RATNER. No; I don't know anything about that. I had nothing to do with that.

Mr. KENNEDY. From the correspondence you were having numerous conferences with Congressman Smith.

Mr. RATNER. I had several conferences.

Mr. KENNEDY. During this period of time, and after the time that the investigation was called off?

Mr. RATNER. I will be happy to tell you what I asked him to do, if you want me to.

Mr. KENNEDY. Now, just read what was stated. It was stated:

Wint Smith, subcommittee chairman, was questioned about the influence being brought to bear, which called off the investigation. He said, "the pressure comes from away up there, and I just can't talk about it any more specifically than that."

Senator MUNDT. Who are you quoting now?

Mr. KENNEDY. Congressman Wint Smith, chairman of the committee at the time, and of course, it becomes of interest as far as the governor is concerned because the correspondence that he had with the Teamsters all relates to Congressman Wint Smith.

So could you tell us about that?

Mr. RATNER. Yes, sir, I will be happy to. As to what or whom Congressman Smith meant by "way up there," you will have to ask him, because I don't know. But I am sure it could not have been me, for two reasons: In the first place he wouldn't have identified me as anybody being "away up there," just an ex-governor; and in the second place, I never asked him to call it off. I will tell you what I did ask him, if you want me to.

The CHAIRMAN. All right.

Mr. RATNER. I asked him two things: I asked him to postpone the Detroit hearings because a grand jury in Detroit was investigating Hoffa and people and, so I was told, about the same sort of things that might be asked in the investigation. I was shown clippings from newspapers by another one of Mr. Hoffa's attorneys to the effect that another congressional committee, and I think the one on un-American Activities, had postponed a hearing for the same reason, because of the grand jury investigation going on at the same time, and they did not consider it fair to hold their hearing and bring out that testimony while the grand jury was considering the same thing.

So I showed Congressman Smith those clippings and asked him to do the same thing on this, that that committee had done on their hearing. He refused to do it.

The only other thing I asked him to do was that when Hoffa testified, there was a certain Congressman on that committee, Congressman Clair Hoffman, that Mr. Hoffa and his attorneys said at an earlier hearing, had been, well, they had gotten a great ways off from the rules of evidence and from courtesy and that sort of thing, and they hoped that Mr. Hoffa would be treated with fairness and with courtesy and not unnecessarily treated like he had been before.

So I made that second request of Congressman Smith.

Those were the only two requests I ever made.

The CHAIRMAN. Were those the two things that you referred to in your correspondence?

Mr. RATNER. Yes, sir.

The CHAIRMAN. About having worked things out satisfactorily?

Mr. RATNER. Yes, sir; because he told me——

The CHAIRMAN. He didn't postpone it?

Mr. RATNER. No, sir, he refused to do that.

The CHAIRMAN. That wasn't satisfactory?

Mr. RATNER. No, sir, but he did tell me——

The CHAIRMAN. The only other thing was that he would treat Mr. Hoffa nice?

Mr. RATNER. No, sir, he did not say that.

The CHAIRMAN. What did he do?

Mr. RATNER. He said to the best of his ability he would see that the hearing was conducted in a dignified and fair and courteous manner, and that nobody would be treated as I had been told an earlier hearing conducted by another member of the subcommittee had conducted the hearing.

The CHAIRMAN. In other words, he was going to try to keep the investigation on the track, and keep Mr. Hoffman, Congressman Hoffman from getting out of line, is that it?

Mr. RATNER. Yes, sir.

The CHAIRMAN. All right.

Mr. KENNEDY. Now also, I want to come back to that in a second, but also you approached him on the contempt citation, did you not?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. That was a third matter?

Mr. RATNER. That was simply after the hearing was over, however, and this was not one of the requests, one of the two requests, I made at that time, that I was speaking of.

Mr. KENNEDY. It says in here, in this letter——

Senator MUNDT. I suggest that we have some member of our staff call Congressman Hoffman and tell him that his name has been brought into the hearing, because I saw him sitting around the room for a long time this morning, and apparently anticipating it might be, and I notice he has now left. I think it is only fair that we should do that, and also with Congressman Wint Smith, unless the staff has already advised him.

Mr. KENNEDY. I advised Congressman Smith that his name would be brought in.

Senator MUNDT. I assumed that we had.

Mr. Hoffman came over here on a business day, and I think we should at least extend him the courtesy to let him know he has become the subject of some discussion, and he might have something to say.

Mr. RATNER. My guess is that he would, Senator.

The CHAIRMAN. The Congressman was here a few moments ago, and he will be notified so that he may return if he desires.

Proceed.

Mr. KENNEDY. Now, I notice here on the contempt citation, he stated that Hoffman had prepared a citation and sent it over to his office for him to sign, but that he had refused to sign it.

He declared it is his best judgment that there will be no further effort to cite you and if there should be it will not be successful.

So you had approached him on that?

Mr. RATNER. After the hearing; yes, sir.

Mr. KENNEDY. And then here is a letter of November 30, 1953, in connection with the two matters that you stated that you talked to Congressman Smith about.

Mr. RATNER. Pardon me sir, what was the date?

Mr. KENNEDY. November 30, 1953.

Mr. RATNER. And the other one, about the citation?

Mr. KENNEDY. That is March 11, 1954. This is to Jimmy Hoffa, November 30, 1953.

DEAR JIMMY: I listened carefully to all of the evidence last week, and it is my considered opinion that you did nothing illegal or improper. I am proud to call you my friend.

Mr. RATNER. That was November 30, 1953, was it not?

Mr. KENNEDY. Yes.

Mr. RATNER. And let us keep that date in mind.

Mr. KENNEDY. That was after they developed it about the conflict of interest. What is the significance of the date?

Mr. RATNER. I will leave that unexplained, and I think that you know.

Mr. KENNEDY. I don't know; what is it?

Mr. RATNER. I don't care to add anything to what I have said on that point.

Mr. KENNEDY. O. K. [Reading:]

I am sure you will be interested in the enclosed Associated Press story, which was on the front page of the Sunday Morning's Wichita Eagle. Wint told me today that he certainly got in bad with Hoffman and the staff by having gone along with me in his treatment of you Friday. I, of course, expressed appreciation to him and told him that I have always thought no one had to worry very much about doing the right thing.

Mr. RATNER. I still think that, Mr. Kennedy. Nobody has to worry about doing the right thing.

Mr. KENNEDY. And then I believe the counsel for the committee resigned soon after that: did he not?

Mr. RATNER. I don't know, sir.

Mr. KENNEDY. Mr. McKenna resigned because of the fact that Mr. Hoffa was not forced to answer some of these questions?

Mr. RATNER. I don't know anything in the world about it.

The CHAIRMAN. Are there any further questions?

Senator CURTIS. Governor, you made reference to the purchase of some political tickets?

Mr. RATNER. Yes, sir.

Senator CURTIS. Who was that for?

Mr. RATNER. It was the Republican Party dinner in Wichita, as I recall it.

Senator CURTIS. Now, did you handle any other political funds for the Teamsters?

Mr. RATNER. Yes, sir.

Senator CURTIS. What was that for?

Mr. RATNER. Well, you mean just any time?

Senator CURTIS. All of the time; I want all of it.

Mr. RATNER. In 1956 I handled \$6,500; \$3,500 went to the Democrats, and \$3,000 to the Republicans.

Senator CURTIS. Who got the \$3,500 for the Democrats?

Mr. RATNER. The present Governor of Kansas, a Democrat, Mr. Docking.

Senator CURTIS. The full \$3,500?

Mr. RATNER. I say that as a matter of hearsay, because I did not give it to him, but I sent it to him, and the person by whom I sent it told me that he had delivered it.

Senator CURTIS. Was that in cash?

Mr. RATNER. Yes, sir.

Senator CURTIS. And to whom did you give the \$3,000?

Mr. RATNER. The Republican Governor, Fred Hall.

Senator MUNDT. The Republican candidate?

Mr. RATNER. He had been defeated in the primaries, and I am talking about November of 1956 now.

Senator MUNDT. You said you gave it to a governor, and it has a different implication from giving it to a gubernatorial candidate who might be a governor.

Mr. RATNER. Might I explain, sir. He had had a very expensive and difficult primary campaign in 1956, and he was Governor in 1955 and 1956. He had a lot of unpaid bills from that primary, and he had been defeated but he was Governor at that time that I gave him the money in November of 1956, and I gave him \$3,000 to help him pay primary expenses.

Senator MUNDT. It was a political contribution?

Mr. RATNER. Yes, sir; entirely.

Senator MUNDT. A gubernatorial candidate, also the incumbent?

Mr. RATNER. Yes, sir.

Senator MUNDT. And the \$3,500 which you gave to Governor Docking was given to a gubernatorial candidate who won and became Governor?

Mr. RATNER. Yes, sir.

Senator MUNDT. They were both political contributions?

Mr. RATNER. Yes, sir.

Senator CURTIS. I want to ask him something about Hall.

Senator GOLDWATER. I want to ask him something about Docking.

Governor, did the Teamsters supply any money for the Republican gubernatorial candidate after the primary?

Mr. RATNER. In 1956, you mean?

Senator GOLDWATER. Yes.

Mr. RATNER. That \$3,000.

(At this point, the following members were present: Senators McClellan, Ervin, Kennedy, Mundt, Goldwater, and Curtis.)

Senator GOLDWATER. Hall wasn't a candidate in 1956.

Mr. RATNER. Yes, sir. May I explain? He was elected in 1954. He was inaugurated Governor January 1955 and served until January 1957. We have 2-year terms in Kansas. When he ran for reelection, for renomination in the primary, in 1956, for his second term, he was defeated in the primary by another Republican candidate in August of 1956. But he was still Governor, you see, until the next January.

Senator GOLDWATER. But did the Teamsters give you any money to give to the successful gubernatorial candidate on the Republican side?

Mr. RATNER. No, sir.

Senator GOLDWATER. I forget his name.

Mr. RATNER. His name was Shaw, sir.

Senator GOLDWATER. Do you know why?

Mr. RATNER. No, sir; I don't know, but I will tell you what I think. It is rather obvious in Kansas. Our neighbor, I am sure, probably knows about the same thing. Shaw was supposed to be very strongly antilabor and in favor of the right-to-work legislation which Hall had vetoed. So I just assumed that no labor organization contributed anything to Shaw's campaign, although I don't know.

Senator GOLDWATER. Would I be right in assuming that Docking and Hall received money from the Teamsters because they were against the right-to-work law?

Mr. RATNER. That certainly would be one of the major reasons, yes, sir.

Senator GOLDWATER. That is all I have.

The CHAIRMAN. Senator Curtis?

Senator CURTIS. When was this payment made to Hall?

Mr. RATNER. Some time in November of 1956, sir. I did not keep any record of it.

Senator CURTIS. It was after he was defeated in the primary?

Mr. RATNER. Yes, sir.

Senator CURTIS. So he was not a candidate at the time you gave it to him?

Mr. RATNER. But it was to pay his campaign bills.

Senator CURTIS. He had a deficit?

Mr. RATNER. Yes, sir, so he told me.

Senator CURTIS. He told you that?

Mr. RATNER. Yes, sir.

Senator CURTIS. It was after he had vetoed the right-to-work bill?

Mr. RATNER. Yes, sir.

Senator CURTIS. What other campaign contributions have you handled for the Teamsters?

Mr. RATNER. That is all that I recall. If there are any others, my records will show. All money I got from the Teamsters for political contributions were by check, and were deposited in my bank account. When I got the checks, I simply deposited the checks and got the cash. My records will show. There were other contributions, but they did that by check directly to the candidate or to the campaign committee.

Senator CURTIS. How do you know that?

Mr. RATNER. I think perhaps I delivered some. I would have no record of it.

I think I delivered a check back in 1954 to Fred Hall for them. I am not sure, but I think I did.

Senator CURTIS. That is the same Hall you referred to before?

Mr. RATNER. Yes, sir. But that check was made out directly to him or his campaign committee, so I would have no record of it.

Senator CURTIS. Did you deliver any money or have any knowledge of any campaign contribution going to any candidates for judicial office?

Mr. RATNER. Not from the Teamsters, no, sir.

Senator CURTIS. Not from the Teamsters?

Mr. RATNER. No, sir.

Senator CURTIS. You know nothing about it?

Mr. RATNER. No, sir.

Senator CURTIS. You never heard of it?

Mr. RATNER. No, sir.

Senator CURTIS. Do you have any knowledge of the Teamsters making any contributions to any candidate for Congress?

Mr. RATNER. No, sir, I do not.

Senator CURTIS. You had nothing to do with the delivery of it?

Mr. RATNER. No, sir.

Senator CURTIS. You never heard of it?

Mr. RATNER. No, sir.

Senator CURTIS. Do you have any knowledge or did you have any part in any political contributions made outside of Kansas by the Teamsters?

Mr. RATNER. No, sir.

Senator CURTIS. You handled no money that went to any candidate for Congress?

Mr. RATNER. No, sir.

Senator CURTIS. You handled no checks or know anything about any of the delivery?

Mr. RATNER. I did not handle anything and I do not know anything about it.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. Are there any other questions?

Senator CURTIS. May I ask this: Did you handle any sums, checks, money or anything else, or know anything about any money going to any Congressman or candidate for Congress for any purpose whatsoever?

Mr. RATNER. No, sir, I did not.

Senator MUNDT. On this sheet that has been handed me it lists the political contributions of the Central Conference, Governor. It mentions the State Republican committee, it mentions the Docking contribution that you made, and it also mentions a check for \$5,000 for check No. 4342, issued October 8, 1956, to Lovelace for Governor. Was he involved in one of the primaries?

Mr. RATNER. No, sir. That was not Kansas. No one by that name ran for governor.

Senator MUNDT. Did you handle the Lovelace for Governor contribution?

Mr. RATNER. No. I never heard the name before. I don't know what State it is.

Senator MUNDT. It does not say. It just says Lovelace for Governor. All of the rest of them on the sheet are for Kansas. That one is commingled in with it.

Mr. RATNER. I never heard of it before, Senator.

Senator GOLDWATER. I have one question. Governor, have you given Governor Docking any money this year from the Teamsters for the campaign?

Mr. RATNER. No, sir.

Senator GOLDWATER. Do you have any money to give him?

Mr. RATNER. No, sir.

Senator GOLDWATER. Have you contributed to Mr. Breeding's campaign?

Mr. RATNER. No, sir.

Senator GOLDWATER. That is all.

Senator MUNDT. As I understand your testimony, Governor, you have never handled any political contributions, union contributions—a candidate for governor has to have a lot of contributions, but I am saying as a lawyer you never handled any union money for contributions other than that which came from the Teamsters, is that correct?

Mr. RATNER. That is right, sir.

Mr. KENNEDY. Did any of that money go to Congressman Wint Smith?

Mr. RATNER. No, sir.

Mr. KENNEDY. Did you ever give any money to him?

Mr. RATNER. Not one penny, sir.

Mr. KENNEDY. You don't know of any money that went to him?

Mr. RATNER. No; I really don't, and I don't think any went to him. If it did, I don't know about it. I have a very, very high regard for Congressman Smith's integrity, and I don't think he would take a penny from a labor union or from anybody else, unless it was entirely proper and aboveboard.

Senator MUNDT. Judging from his record, do you think that a labor union would offer him any money in a political campaign?

Mr. RATNER. No, sir; I do not.

Senator MUNDT. Neither do I.

The CHAIRMAN. Are there any further questions?

I think, maybe, Governor, you better stand by this afternoon. We will see as soon as we can and release you.

Mr. RATNER. May I address the Chair?

The CHAIRMAN. Yes.

Mr. RATNER. Sir, I have been here for a week. Let me finish. Mr. Kennedy has been very nice. I am not going to criticize you, Mr. Kennedy.

Mr. KENNEDY. Go ahead.

Mr. RATNER. But I have been here for a week. I have professional commitments. I want to be helpful, as you can see, but as soon as you can let me go, please do so.

The CHAIRMAN. That is what I am trying to do, Governor. I said to stand by and during the recess hour we will try to work it out.

Mr. RATNER. I hope I will be able to leave tonight.

The CHAIRMAN. The committee will stand in recess until 2 o'clock this afternoon.

(Whereupon, at 12:20 p. m., a recess was taken until 2 p. m. of the same day, with the following members present: Senators McClellan, Ervin, Kennedy, Mundt, Goldwater, and Curtis.)

AFTERNOON SESSION

(At the reconvening of the committee, the following members were present: Senators McClellan, Ives, and Curtis.)

The CHAIRMAN. The committee will come to order.

Mr. KENNEDY. This morning we had the discussion about the three \$2,500 checks in January 1954 and February 4, 1954, and Governor Ratner stated that the money was turned over to Mr. Sam Smith of local 795. I would like to call him at this time.

The CHAIRMAN. Come forward, Mr. Smith.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SMITH. I do.

**TESTIMONY OF SAM E. SMITH, ACCOMPANIED BY COUNSEL,
BENEDICT F. FITZGERALD, JR.**

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. SMITH. Sam E. Smith, 3342 South Hiram, Wichita, Kans.

The CHAIRMAN. The committee will have to be in recess. That is a signal for a rollcall vote of the Senate.

(Brief recess.)

(Present at the taking of the recess: Senators McClellan, Ives, and Curtis.)

(After the recess the following members were present: Senators McClellan and Curtis.)

The CHAIRMAN. The committee will come to order.

Mr. Smith, you had just taken the oath, and I believe the Chair had asked you to state your name, your place of residence, and your business or occupation, please.

Mr. SMITH. My name is Sam E. Smith. My residence is 3342 South Hiram, Wichita, Kans.

The CHAIRMAN. You have counsel.

Mr. Counsel, identify yourself.

Mr. SMITH. I am the president and business representative of local 795, Wichita. I do have counsel, sir.

The CHAIRMAN. All right.

Mr. FITZGERALD. My name is Benedict F. FitzGerald, Jr., attorney-at-law, a member of the bar of the Commonwealth of Massachusetts and the District of Columbia, with offices at suite 983 of the National Press Building, Washington, D. C.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. How long have you been president of local 795?

Mr. SMITH. I was recently elected in May—May 4 of this year.

Mr. KENNEDY. And prior to that, did you hold any office?

Mr. SMITH. Prior to that time, I was vice president and business representative.

Mr. KENNEDY. Could you give me the dates on that, please?

Mr. SMITH. I took the position of vice president and business agent April 1, 1952, to fill out the unexpired term of the previous agent.

Mr. KENNEDY. How long did that last?

Mr. SMITH. We had an election, then, in June of 1954, at which time I was elected president and business representative.

(At this point, Senator Goldwater entered the hearing room.)

Mr. KENNEDY. Then how long did you hold that position? That is, as president and business agent?

Mr. SMITH. I held that position since that time.

Mr. KENNEDY. Since June 1954?

Mr. SMITH. Yes, sir.

Mr. KENNEDY. Then you were reelected in May of this year?

Mr. SMITH. Yes, sir.

Mr. KENNEDY. The union was under trusteeship for a period of time: is that right?

Mr. SMITH. Yes, sir.

Mr. KENNEDY. Could you tell us what the dates were that it was under trusteeship?

Mr. SMITH. It went under trusteeship June 11, 1957, and came out of trusteeship June 20, 1958, following the election.

Mr. KENNEDY. Then was it under trusteeship prior to that also?

Mr. SMITH. Prior to that time it was under trusteeship from some time in the middle of 1954 it was only for a short period of time; it was along in May or June of 1954.

I beg your pardon. It was about February 1954 to June 1954, to the best of my recollection.

(At this point, Senator Ives entered the hearing room.)

Mr. KENNEDY. How long have you been in the Teamsters Union, yourself?

Mr. SMITH. Since the 9th day of May 1939.

Mr. KENNEDY. Was 1952 the first time you became an officer?

Mr. SMITH. No, sir.

Mr. KENNEDY. When were you an officer prior to that?

Mr. SMITH. I worked as an assistant business agent in Kansas City for Local 541 following my return from overseas.

Mr. KENNEDY. When was that? 1945?

Mr. SMITH. 1945.

Mr. KENNEDY. Then how long were you there in Kansas City?

Mr. SMITH. I was in Kansas City just a few months and they sent me into outstate Missouri to organize.

Mr. KENNEDY. And you were an organizer, then, until 1952?

Mr. SMITH. No, sir. I worked at that through the middle of 1947, and at that time I went back to driving a truck out of Denver, Colo.

Mr. KENNEDY. Then the next position you help was with the Wichita local?

Mr. SMITH. Within the union.

Mr. KENNEDY. Yes, within the union.

Mr. SMITH. Yes, sir. To the best of my recollection, I think I answered it correctly.

Mr. KENNEDY. Mr. Chairman, I would like to ask Mr. Smith about these checks of \$2,500 each.

The CHAIRMAN. The Chair presents for your inspection 3 checks in the amount of \$2,500 each which have been made exhibits 30A, B, and C to the testimony of this morning. You may examine the checks before being interrogated about them.

(The documents were handed to the witness.)

(The witness conferred with his counsel.)

Mr. SMITH. The question was, could I identify the checks?

The CHAIRMAN. I just wanted you to examine them before being interrogated about them. I assume you identify the checks?

Mr. SMITH. Yes, sir.

The CHAIRMAN. They have already been placed in the record.

Mr. KENNEDY. You received this \$2,500 from the check dated January 25, 1954?

Mr. SMITH. Yes, sir.

Mr. KENNEDY. What did you do with that money?

Mr. SMITH. I paid it out in strike benefits to strikers.

Mr. KENNEDY. To whom did you pay the money?

Mr. SMITH. To a number of strikers; there were over a hundred of them. I paid it out in weekly benefits to them.

Mr. KENNEDY. Then on February 5, 1954, another \$2,500?

Mr. SMITH. That is correct, sir.

Mr. KENNEDY. What did you do with that one?

Mr. SMITH. The same thing.

Mr. KENNEDY. Then you have checks here for January 25, 1954, and 4 days later another \$2,500, January 29, 1954; and about 6 days later another \$2,500 on February 5, 1954. What did you do with the money for the January 29 check?

Mr. SMITH. The same thing; I paid it out to the strikers.

Mr. KENNEDY. What did you do with the money February 5?

Mr. SMITH. The same thing.

Mr. KENNEDY. You didn't need \$7,500 to pay the strikers in a 10-day period.

Mr. SMITH. That was actually for a 3-week period.

Mr. KENNEDY. But you didn't need this much money?

Mr. SMITH. I didn't?

Mr. KENNEDY. No.

Mr. SMITH. It took a lot of money to run the strike.

Mr. KENNEDY. Why couldn't you just give them checks, then?

Mr. SMITH. We had it in cash and we paid it out in cash.

Mr. FITZGERALD. I object to this argument. He has given the testimony. If Mr. Kennedy doesn't like it, I don't think he should argue with the witness.

The CHAIRMAN. Just a moment.

The witness will answer the questions. Mr. Kennedy asked if he didn't need that much money.

Mr. SMITH. It takes a lot of money to support a hundred families during a strike.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Do you have any records to substantiate the use of this money?

Mr. SMITH. No, sir.

Mr. KENNEDY. No records at all?

Mr. SMITH. No, sir.

Mr. KENNEDY. Where are the records?

Mr. SMITH. We don't have them.

Mr. KENNEDY. Where are they?

Mr. SMITH. The records were disposed of.

Mr. KENNEDY. When were they disposed of?

Mr. SMITH. In July 1954.

Mr. KENNEDY. Could you tell us why you disposed of the records in July of 1954?

Mr. SMITH. We saw no necessity for keeping them, No. 1. No. 2, we were cramped for space, filing space.

Mr. KENNEDY. You spend \$7,500 of union money in a 10-day period, and you have destroyed all the records dealing with that?

Mr. SMITH. The strike lasted a considerable period longer than 10 days.

Mr. KENNEDY. But this is \$7,500 that you had in 10 days, and you destroyed all the records dealing with that?

Mr. SMITH. Those were for payments to the strikers over a 3-week period.

Mr. KENNEDY. You have destroyed all the records dealing with this money?

Mr. SMITH. Yes; we don't have the money.

Mr. KENNEDY. You destroyed them?

Mr. SMITH. Yes.

Mr. KENNEDY. Did you order their destruction?

Mr. SMITH. I destroyed them myself.

Mr. KENNEDY. I think it is disgraceful.

The CHAIRMAN. In paying strike benefits, why can't you pay them by check?

(The witness conferred with his counsel.)

The CHAIRMAN. People get their wages by check. You get your salary by check, I assume. Records are kept of them. Why can't you pay these things by check?

Mr. SMITH. This strike, of course, was a 24-hour-a-day operation, and people were coming to us at all hours of the day and night for money.

The CHAIRMAN. Living is a 24-hour day operation, but we manage to pay by check and keep records of it. I can't understand that it costs any more to live then in a strike than not in a strike. They get their pay by check, don't they, their salaries, their wages?

Mr. SMITH. No, sir; cab drivers are not paid by check, to my knowledge.

The CHAIRMAN. Well, a cab driver is not, unless he is hired by wages, of course. But I just can't understand. Did you keep a record of it, of the money you paid out?

Mr. SMITH. No, sir.

The CHAIRMAN. You said a moment ago the records had been destroyed. Did you actually keep a record?

Mr. SMITH. At the time the money was paid out to the people, the people actually receipted for it; yes, sir.

The CHAIRMAN. You had a receipt for it, as you paid it out?

Mr. SMITH. Yes, sir.

The CHAIRMAN. Now you have destroyed the receipts?

Mr. SMITH. Yes, sir.

The CHAIRMAN. Proceed.

Senator IVES. I would like to ask a question. How long did the strike last?

Mr. SMITH. Seventy-two days.

Senator IVES. Seventy-two days?

That is quite a lot over 2 months, isn't it?

Mr. SMITH. Yes, sir.

Senator IVES. And you used this \$7,500 up in 10 days. How much did you pay out in strike benefits during the total 72 days?

Mr. SMITH. I would say that it would average about \$2,500 a week or more.

Senator IVES. Well, don't you know? Don't you have any idea? You say it averaged \$2,500. Haven't you any record of it anywhere?

Mr. SMITH. No, sir. To the best of my recollection that is what it cost.

Senator IVES. \$2,500 a week?

Mr. SMITH. Approximately.

Senator IVES. And you had 10 weeks there, a little over 10 weeks. That is over \$25,000. You have no record of it?

Mr. SMITH. No, sir.

Senator IVES. I agree with counsel on this. I am talking about our counsel.

The CHAIRMAN. All right.

Mr. KENNEDY. Where did the rest of the money come from to pay the bills in the strike?

Mr. SMITH. We borrowed money from affiliated organizations.

Mr. KENNEDY. What about your own organization?

Mr. SMITH. Some organizations donated money. Our own local union spent its entire revenue on the strike.

Mr. KENNEDY. Where are your books and records on the expenditures of your own local union for this period?

Mr. SMITH. We don't have them.

Mr. KENNEDY. You don't have those either?

Mr. SMITH. No, sir.

Mr. KENNEDY. Where are they?

Mr. SMITH. They were destroyed.

Mr. KENNEDY. When were they destroyed?

Mr. SMITH. July 1954.

Mr. KENNEDY. You destroyed all of your books and records in dealing with this strike in July 1954?

Mr. SMITH. All records.

Mr. KENNEDY. On your instructions?

(The witness conferred with his counsel.)

Mr. KENNEDY. Mr. FitzGerald, he knows the answer.

Mr. SMITH. This was done 4 years ago. It wasn't done on my instructions; I did it myself.

Mr. KENNEDY. You destroyed all the records yourself?

Mr. SMITH. Yes.

Mr. KENNEDY. Why did you do that, Mr. Smith?

Mr. SMITH. I didn't know there was any law requiring me to keep them in the first place.

Mr. KENNEDY. Why did you destroy them?

(The witness conferred with his counsel.)

Mr. KENNEDY. Mr. Fitzgerald, I think he knows the answer to that. (The witness conferred with his counsel.)

Mr. SMITH. As I told you in my previous answer, we destroyed—I destroyed them, and I did it for lack of space, and I did it because I knew of no reason why I should keep them.

The CHAIRMAN. Lack of space?

Mr. SMITH. Office space, filing space.

(The witness conferred with his counsel.)

The CHAIRMAN. How large is your office?

Mr. SMITH. What did you say, sir?

The CHAIRMAN. How large is your office?

Mr. SMITH. At that time we had two small offices.

The CHAIRMAN. Two offices.

Mr. SMITH. Very small, sir.

The CHAIRMAN. How many records had accumulated by reason of this strike?

Mr. SMITH. Well, it wasn't just the strike records. It was previous correspondence over a period of years.

The CHAIRMAN. This is not a new story. It is not a novel bit of testimony we have had here. We have had records destroyed in other unions, in other locals and other areas, because they did not have space to keep them.

(At this point, Senator Mundt entered the hearing room.)

The CHAIRMAN. I can't quite understand that the Teamsters Union can't provide enough space to keep the financial records that it incurs in the course of its operation. Do you think that sounds very reasonable?

(The witness conferred with his counsel.)

Mr. SMITH. Senator, my counsel advises me that the Senate destroys their records every 2 years.

The CHAIRMAN. Well, your counsel is just as wrong as he can be.

Mr. FITZGERALD. I would like to—

The CHAIRMAN. I don't want to hear a lecture from you. Proceed.

Mr. FITZGERALD. You don't want to hear from me about that?

The CHAIRMAN. No, sir, I don't. It is not pertinent to this at all. Proceed.

Mr. FITZGERALD. I deny that it is wrong.

The CHAIRMAN. You can go off and deny it to yourself.

Mr. FITZGERALD. I am talking about the Corrupt Practices Act.

The CHAIRMAN. Now listen, do you want to stay here or do you want to get out? And I don't mean maybe.

Proceed.

Mr. KENNEDY. Didn't you give a statement to the press in 1957 that you had all your books and records?

Mr. SMITH. Not to my recollection I didn't give any statement to the press.

Mr. KENNEDY. Do you remember making any statement as president of Chauffeurs, Teamsters, and Helpers, Local 795, in which you stated "Contrary to another item"—and you are talking about an item that appeared in the Wichita Beacon, which I will show to you—but contrary to another item published by the same newspaper, the records of Teamsters Union Local 795 are intact and they are kept at the business office of the union at 417 East English, Wichita, Kans.

Mr. SMITH. I had reference to current records.

Mr. KENNEDY. Here is the release, Mr. Chairman.

The CHAIRMAN. I hand you a photostatic copy of what purports to be a release to the press which bears your name, typewritten. Will you examine it and state if that is a copy of the release you gave out?

(The document was handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Is that a copy of the release you gave out?

(The witness conferred with his counsel.)

Mr. SMITH. Just a moment, sir.

Mr. FITZGERALD. We have two pages here. One is 818 and the other is marked, for identification, "819."

The CHAIRMAN. All right. Examine them.

(The witness conferred with his counsel.)

Mr. SMITH. Senator, this appears to be a news release that we issued some time in the early part of 1957.

The CHAIRMAN. The early part of 1957.

Mr. SMITH. It has reference, in reference to records, we have reference there to current records, and by current records I mean records since our previous audit.

The CHAIRMAN. It may be made exhibit No. 34.

(The document referred to was marked "Exhibit No. 34" for reference, and will be found in the appendix on pp. 14127-14128.)

Mr. KENNEDY. Wasn't there a question raised at that time by the newspaper about the use of this \$15,000, Mr. Smith?

Mr. SMITH. I believe it was mentioned in the paper; yes, sir.

Mr. KENNEDY. And wasn't this press release in answer to that, as to what happened to the \$15,000?

Mr. SMITH. That was a general press release, with regard to a number of statements that were made in the press.

Mr. KENNEDY. And the \$15,000 was spent during this period of time, prior to July of 1954, was it not?

Mr. SMITH. It was spent in 1953 and 1954.

Mr. KENNEDY. When you state here that you had your records contrary to another item published by the same newspaper which had reference to the records dealing with this situation. You say:

The records of Teamster Local 795 are intact and they are kept at the business office of the union at 417 East English, Wichita, Kans.

Mr. SMITH. We issued that statement in answer to a short statement that appeared in the Wichita Beacon, that the Wichita Crime Commission were watching the removal of the records, which was an untruth. The records were in fact following the previous audit.

Mr. KENNEDY. Also in that article there was reference to the \$15,000 and the use of union funds in connection with that strike. You put out this press release indicating the records in connection with that. Certainly that was the impression you were to gain from reading that article, the records in connection with that were still intact?

Mr. SMITH. That is not what was intended by it. There were no charges made against me then or at any other time.

Mr. KENNEDY. There never have been any charges against you?

Mr. SMITH. No, sir.

Mr. KENNEDY. Mr. Hoffa said yesterday there have been some charges against you. He said he got you mixed up with Glenn W. Smith, and the charges were against you.

Mr. SMITH. To my recollection if any charges have been preferred against me, I don't recall.

Mr. KENNEDY. We are having trouble tracing that down. First he said it was Glenn Smith, and we found out there were no charges against him and he said he was mixed up and it was Sam Smith, and now you say there are no charges against you either.

Mr. SMITH. I have never to the best of my recollection had any charges preferred against me in a local union, or had any criminal charges of any kind preferred against me. I have never been indicted or convicted of any crime of any sort.

The CHAIRMAN. Mr. Smith, are any charges now pending against you in your union?

Mr. SMITH. No, sir.

The CHAIRMAN. At any level?

Mr. SMITH. No, sir.

The CHAIRMAN. I think Mr. Hoffa did state, and I don't know whether he was confused, he was talking about Glenn Smith—

Mr. KENNEDY. It is page 859.

The CHAIRMAN. I think the witness should have an opportunity to refute it if it is not true.

Mr. SMITH. To my knowledge there are no charges pending against me at any level of the union.

The CHAIRMAN. Read him Mr. Hoffa's statement.

Mr. KENNEDY. It is Mr. Edward Bennett Williams' statement. "I said to the witness," and he goes on to say he made the mistake, and he said to the witness, "it was my recollection that charges have been lodged against him," meaning Glenn Smith, "and actually I have learned since that I was confused and that I had in mind one Sam Smith, of Wichita."

Mr. SMITH. "Smith," of course, is a rather common name, and there are several of us in the union movement.

The CHAIRMAN. This refers to Sam Smith of Wichita?

Mr. SMITH. Well, of course, I am not responsible for Mr. Williams' testimony.

The CHAIRMAN. You are not, and you should have the chance to refute it.

Mr. SMITH. I said to the best of my recollection there are no charges of any kind, union, criminal, or otherwise, pending against me at this time, or never have been.

Mr. KENNEDY. We must have a fourth "Smith," because we talked about W. A. Smith, and Glenn Smith, and Sam Smith, and Mr. Hoffa says here on page 860:

Mr. Chairman, I would like to correct the statement that charges were filed against Glenn Smith of the local union in Chattanooga, and I requested the advice of my counsel to handle those charges. I now find that the charges were against a different Smith and apparently they are charges being prepared but not filed yet against Smith.

The CHAIRMAN. All right, proceed.

Mr. KENNEDY. Now, Mr. Sam Smith, we subpoenaed your personal books and records, and do you have a copy of the subpoena there?

Mr. SMITH. Yes, sir.

The CHAIRMAN. These were subpoenaed on the 28th day of July, and that is the date the subpoena was issued, and it appears to have been served on the 29th day of July. Did you receive the original or copy of this subpoena, Mr. Smith?

Mr. SMITH. Yes, sir; I did.

The CHAIRMAN. That subpoena may be printed in the record at this point. This subpoena called for you to produce certain books and records, Mr. Smith. Have you produced them?

(The subpoena is as follows:)

UNITED STATES OF AMERICA

CONGRESS OF THE UNITED STATES

To Sam Smith, Local 795, International Brotherhood of Teamsters, Wichita, Kansas, Greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the Senate Select Committee on Improper Activities in the Labor or Management Field of the Senate of the United States, forthwith, at their committee room, 101 Senate Office Building, Washington, D. C., then and there to testify what you may know relative to the subject matters under consideration by said committee and to produce your personal financial records for the period January 1, 1950, to date, including records of all bank accounts, open or closed, cancelled checks, check stubs, deposit slips, records of loans, safety deposit records, records of all investments, stocks, bonds or other securities, and all other records relating to your personal and financial affairs.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Max D. Howard, U. S. General Accounting Office, Kansas City, Missouri, to serve and return.

Production of these records at Washington, D. C., will be waived at this time if they will be made available forthwith at Room 2500, Federal Office Building, 911 Walnut, Kansas City 6, Missouri.

Given under my hand, by order of the committee, this 28th day of July, in the year of our Lord one thousand nine hundred and fifty-eight.

JOHN L. McCLELLAN,

Chairman, Senate Select Committee on Improper Activities in the Labor or Management Field.

JULY 29, 1958.

I made service of the within subpoena by hand delivery the within-named Sam Smith, at Labor Temple Building, 417 E. English, Wichita, Kansas, at 10:30 o'clock a. m., on the 29th day of July, 1958.

MAX D. HOWARD.

Mr. SMITH. I have, and I have them with me.

The CHAIRMAN. Are you ready to turn them over to the committee?

Mr. SMITH. I am.

The CHAIRMAN. Very good. Thank you.

All right, proceed, Mr. Kennedy.

Mr. FITZGERALD. If the Chair pleases, I may be able to comment on this subpoena. We have the records here, and they are rather voluminous, and you ask for quite a few things and we would like to identify them by envelope as we pass them over to you for your inspection.

The CHAIRMAN. You may do that.

Mr. Reporter, make a note of the record here, of the envelopes as they are turned over, as identified by the witness.

Mr. FITZGERALD. Envelope No. 1 is the Federal income-tax returns for the year 1957.

The CHAIRMAN. Now, Mr. Witness, I will permit your counsel to identify them, with your acquiescing in his identification in order to expedite it.

Mr. SMITH. I have marked on them in my own handwriting as to what they are, sir.

The CHAIRMAN. If he makes any error in any way, I wish you would correct it.

Mr. SMITH. I will do that.

Mr. FITZGERALD. The bank statements and canceled checks and deposit slips and check stubs drawn on the Wichita State Bank, that is envelope No. 2, during the year 1955.

Envelope No. 3, the same bank, bank statements, and canceled checks and deposit slips during the period 1956.

Envelope No. 4, the same bank, bank statements, canceled checks, and deposit slips and check stubs during the period 1958.

Envelope No. 5, the same bank, bank statements, canceled checks and check stubs and deposit slips during the year 1957.

Envelope No. 6, Union National Bank, canceled checks deposit slips, statements, April 1953 through May of 1954.

Envelope No. 7, all of the information relating to the witness' house in Independence, Mo., during the period 1951.

Envelope No. 8, the record of his personal loans from the Wichita State Bank, during the period July 1955 to February 1958.

Envelope No. 9, the records of the transaction involving a house in Wichita, Kans., October 1955 to August 1, 1958.

Envelope No. 10, all transactions dealing with the furniture and jewelry of this witness, during the period October 1955 to August of 1958.

Envelope No. 11, all information dealing with automobiles operated or owned by this witness, during the period 1950 to August 1, 1958.

Envelope No. 12, all information dealing with the dental and doctor and miscellaneous bills to August of 1958 of this witness.

Envelope No. 13, a divorce decree and judgment involving this witness, in the period August 1957.

Envelope No. 14, information relative to the Federal and State income-tax returns during the period 1952 through 1956.

That comprises the personal information of a personal nature that you requested from this witness.

The CHAIRMAN. Thank you very much.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Are those all of your books and records?

Mr. SMITH. Those are all of the personal records that I have.

Mr. KENNEDY. How far back do they go?

Mr. SMITH. Well, on automobiles I was able to go back to 1950, and on other things I wasn't, and automobiles was the only thing I had back that far.

Mr. KENNEDY. What are the dates of the rest of your records?

Mr. SMITH. The income tax returns from 1952 up to date.

Mr. KENNEDY. What about your bank accounts?

Mr. SMITH. Bank accounts from the time I established bank accounts up to date.

Mr. KENNEDY. When was that?

Mr. SMITH. Sometime in 1952, I believe.

Mr. KENNEDY. All of your canceled checks from 1952 on?

Mr. SMITH. I don't know whether all of them are there or not. I gave you all of them that I had.

Mr. KENNEDY. Have you destroyed any of those records over the period of the past 3 weeks?

Mr. SMITH. No, sir.

Mr. KENNEDY. Have you given them to anyone?

Mr. SMITH. No, sir.

Mr. KENNEDY. You have not?

Mr. SMITH. No, sir.

Mr. KENNEDY. Those are all of the records that you had in your possession at the time of the service of the subpoena; is that right?

Mr. SMITH. Yes, sir.

(At this point the following members were present: Senators McClellan, Ives, Mundt, Goldwater, Curtis.)

Mr. FITZGERALD. If the Chair pleases, if I may interrupt a moment, since we were cooperative and produced the 14 envelopes, we would like to have, if the Chair wants to keep these records for any time subsequent to this particular hearing today, we would like an individual receipt for each document that we have passed on to you at your request.

The CHAIRMAN. You make one up, a list of them, and we will check it.

Mr. FITZGERALD. Will you return them back to us so we can make the list?

The CHAIRMAN. You can make it here. When you get through testifying, you may come down to the committee room and we will make a list, if you wish to do it, and the committee will receipt you for it.

Proceed.

Mr. KENNEDY. Mr. Smith, \$15,000 of union funds were paid to the cab companies in 1954? Is that right?

Mr. SMITH. You say of union funds?

Mr. KENNEDY. Yes.

Mr. SMITH. Yes, not local union funds.

Mr. KENNEDY. That came from the central conference, did it?

Mr. SMITH. It was money loaned to us by the Central Conference of Teamsters.

Mr. KENNEDY. Has that money been repaid?

Mr. SMITH. No, sir.

Mr. KENNEDY. Who made those arrangements with the central conference?

Mr. SMITH. To the best of my recollection, I did.

Mr. KENNEDY. Well, who did you talk to in the central conference?

Mr. SMITH. I believe I talked to Mr. Gibbons.

Mr. KENNEDY. You and Mr. Gibbons arranged this?

Mr. SMITH. What do you mean arranged it?

Mr. KENNEDY. Just what I said. You and Mr. Gibbons arranged this for the \$15,000?

Mr. SMITH. When I am talking about arranging it, I mean I contacted Mr. Gibbons with reference to borrowing \$15,000 from the Central Conference of Teamsters.

Mr. KENNEDY. And he knew it was for this purpose, did he?

Mr. SMITH. I believe so, sir.

Mr. KENNEDY. Did you discuss it with anyone else in the central conference?

Mr. SMITH. I don't recall, sir.

Mr. KENNEDY. Dick Kavner?

Mr. SMITH. He might have been in on it. I don't remember.

Mr. KENNEDY. Wasn't he present at some of the meetings in connection with this?

Mr. SMITH. He was present at some of the meetings in connection with it; yes.

Mr. KENNEDY. He knew the \$15,000 was being——

Mr. SMITH. I didn't say he didn't know of it. You asked me if I discussed it with him at the time it was arranged.

Mr. KENNEDY. He was aware of the fact that the \$15,000 was being used for that purpose, was he not?

Mr. SMITH. I believe so.

Mr. KENNEDY. Did you have any discussions with Mr. Hoffa about it?

Mr. SMITH. I don't believe I did personally; no, sir.

Mr. KENNEDY. Who had those discussions with Mr. Hoffa?

Mr. SMITH. I don't know, sir.

Mr. KENNEDY. Was Mr. Hoffa aware of this?

Mr. SMITH. Well, I don't really know whether he was or not, sir.

Mr. KENNEDY. Did you understand that he was aware of it?

Mr. SMITH. I can't answer that. I don't know how you want me——

Mr. KENNEDY. Well, did Mr. Gibbons tell you that he had discussed it with Mr. Hoffa?

Mr. SMITH. I don't believe he mentioned whether he discussed it with Mr. Hoffa or not.

Mr. KENNEDY. Did Mr. Kavner ever indicate that this had been discussed with Mr. Hoffa?

Mr. SMITH. Not to my recollection; no, sir.

Mr. KENNEDY. Mr. Hoffa's name appears on the checks, and I am wondering how he got the information regarding the use of the \$15,000. I thought possibly you would know that. You do not know?

Mr. SMITH. I don't know, sir. I understood Mr. Hoffa and Mr. Gibbons signed the Central Conference checks.

Mr. KENNEDY. Did you announce the use of this \$15,000 to the union members?

Mr. SMITH. Well, I think it has been somewhat public knowledge for a few years.

Mr. KENNEDY. Yes, but did you announce it at the time and tell them that the money was going to be used for this purpose?

Mr. SMITH. I don't remember whether it was discussed with the membership at the time it occurred or not.

Mr. KENNEDY. You know, as a matter of fact, that the membership did not know about it until 1956 or 1957, don't you?

Mr. SMITH. No; I don't know any such thing.

Mr. KENNEDY. Well, was it discussed with the membership? Were the membership told about it?

Mr. SMITH. I know that the executive board of the union were familiar with it prior to that time.

Mr. KENNEDY. That is not the whole union, Mr. Smith.

Mr. SMITH. I understand.

Mr. KENNEDY. There are more people in it than just the executive board. I am talking about the membership. Were they informed?

Mr. SMITH. At the time, I don't recall whether they were or not. They have been since then, yes.

Mr. KENNEDY. But at the time they were not told, were they?

Mr. SMITH. To the best of my recollection, I don't know whether they were or not.

Mr. KENNEDY. Do you have any records showing that?

Mr. SMITH. Showing what?

Mr. KENNEDY. That they were told?

Mr. SMITH. I have no records for that period of time, no, sir.

Mr. KENNEDY. Did you have an audit made in 1954?

Mr. SMITH. Yes, sir.

Mr. KENNEDY. Have you got a copy of the audit?

Mr. SMITH. There was no copy of the audit. The auditor marked in our cashbook his remarks about the audit. That cashbook was examined by your investigator.

Mr. KENNEDY. Didn't he have some kind of a report as to what he had found?

Mr. SMITH. No, sir.

Mr. KENNEDY. When an audit is made, a report is also made.

Mr. SMITH. I don't believe that is true, sir.

Mr. KENNEDY. When a complete audit is made, Mr. Smith, a report is also made. That is the purpose of an audit.

Mr. SMITH. Well, the international auditor audited our books on two occasions in the past few years, and I don't know of any report, unless he made a report to the International Union. He didn't give me one.

Mr. KENNEDY. This was not a complete audit. This was just adding up the sum of the figures, is that correct?

Mr. SMITH. No, I wouldn't say that was correct. It took several days to perform it. I am not an accountant. I don't know what all he did.

Mr. KENNEDY. Well, if he did anything, he did not make a report on it, then, Mr. Smith.

Mr. SMITH. Apparently he reported to his superiors in the International Union about it. I don't know.

Mr. KENNEDY. Well, you did not receive any written report on this audit that was supposed to have been made in July 1954?

Mr. SMITH. I received written remarks that he made in my cashbook as of that date.

Mr. KENNEDY. You did not go beyond that, as I understand it, Mr. Smith. You have no written report in connection with the audit that he was alleged to have made in July of 1954.

Mr. SMITH. To my knowledge, I don't know that the international auditor ever submits a report.

Mr. KENNEDY. That is not it. I am saying that the report of the audit that was made in July of 1954, after which the books and

records were destroyed, there is no written report that you know of in connection with that audit.

Mr. SMITH. It is written in the front of my cash book in July of 1954 that the audit was made, and what the findings were up to and including June 30, 1954.

Mr. KENNEDY. That is all you know about it?

Mr. SMITH. It is signed by the international auditor.

Mr. KENNEDY. That is all that you know about it?

Mr. SMITH. Yes, sir.

Mr. KENNEDY. Did you ever tell anyone that you had to send those books and records to Washington, D. C.?

Mr. SMITH. I don't recall telling anyone that.

Mr. KENNEDY. Would it refresh your recollection that you did tell someone that the books and records in connection with this matter had been sent to Washington, D. C.?

Mr. SMITH. I might have. I don't know.

Mr. KENNEDY. Well, why would you tell them that, if you destroyed them?

(The witness conferred with his counsel.)

Mr. SMITH. What period of time are you asking about?

Mr. KENNEDY. I am talking about the books and records in connection with the cab strike, the period from 1953 through 1954, that you testified you have destroyed.

(The witness conferred with his counsel.)

Mr. SMITH. They were destroyed in July of 1954.

Mr. KENNEDY. Did you ever tell anybody that you had sent those books to Washington, D. C.?

Mr. SMITH. I don't recall whether I did or not. I might have.

Mr. KENNEDY. Why would you tell somebody that if they had, in fact, been destroyed?

(The witness conferred with his counsel.)

Mr. SMITH. Well, I don't know who you have reference to that I told it to, maybe it was their affair and maybe it wasn't.

Mr. KENNEDY. This is somebody in the union, a union member.

Mr. SMITH. I don't recall whether I did or not. I might have and I might not have.

The CHAIRMAN. Let me ask you: Did you in fact send them to Washington?

(The witness conferred with his counsel.)

The CHAIRMAN. The Chair likes to be very indulgent. Counsel's purpose of attending these hearings is to advise the witness as to his legal rights. The question is simply: Did you ever send those records to Washington? You know the answer.

Mr. FITZGERALD. If the Chair pleases, we would like that question prefaced by a date and also because it appears that these records were destroyed in July of 1954, and he said he didn't send them to Washington, he destroyed them.

The CHAIRMAN. Let him testify. I asked him did he in fact ever send those records to Washington. That doesn't have to say did you do it before they were destroyed. They certainly haven't been since they were destroyed.

A witness ought to be able to answer yes or no.

Mr. SMITH. To the best of my recollection, part of the records were forwarded to Washington. I want to correct when I said, if I said, the records were destroyed in July of 1954. It was following July 1954.

The CHAIRMAN. How long following?

Mr. SMITH. I don't know, sir. Some time during that summer. Part of the records were sent to Washington. They were returned to me later in the year, and at that time the records were destroyed.

The CHAIRMAN. What part of the records were sent to Washington?

Mr. SMITH. I don't recall, sir. A great number of them.

The CHAIRMAN. Why?

Mr. SMITH. I don't even remember now why they were sent to Washington. I just know that we did bundle up a bunch of records and send them to Washington. I later requested the return of them. They were returned, and later in the year they were destroyed by myself.

The CHAIRMAN. Do you have your correspondence in connection with the transmission of those records to Washington and asking for the return of them?

Mr. SMITH. I don't know, sir, whether there was any correspondence on that or not.

The CHAIRMAN. How did you handle it?

Mr. SMITH. I mean whether there is any correspondence available on that or not, whether I have it or not.

The CHAIRMAN. Didn't you handle it by correspondence?

Mr. SMITH. I would assume that I did.

The CHAIRMAN. Well, do you know that you did or did not?

Mr. SMITH. Senator, at that time I don't recall how it was handled or who it was handled with.

The CHAIRMAN. What was the purpose of sending them to Washington?

Mr. SMITH. I don't know that there was any purpose.

The CHAIRMAN. You just don't do things at random like that, bundle up a lot of records and ship them around somewhere without some reason for it. You know what the reason was, if you did it. Can't you think of the reason?

Mr. SMITH. No, sir. The records were sent. They were returned. They were later in the year destroyed.

The CHAIRMAN. If you are going to destroy them, I don't see why you had to send them up here and get them back down there to destroy them.

Proceed, Mr. Counsel.

Mr. KENNEDY. Who requested that you send them here?

Mr. SMITH. Who requested that you send them here?

Mr. KENNEDY. Yes, to Washington.

Mr. SMITH. Do you mean the committee?

Mr. KENNEDY. No, to Washington, the records when you sent them to Washington.

(The witness conferred with his counsel.)

Mr. SMITH. Do you mean prior to 1954?

Mr. KENNEDY. Whenever you sent them to Washington, other than to this committee.

Mr. SMITH. I don't know whether anyone requested them.

Mr. KENNEDY. Why did you send them to Washington? Somebody must have told you to send the books and records to Washington.

Mr. SMITH. I don't recall who did it, if anyone did.

Mr. KENNEDY. You don't recall anything about it, Mr. Smith?

Mr. SMITH. I remember, Mr. Kennedy, that some of the records were sent to Washington, were later returned to me, and were later destroyed.

Mr. KENNEDY. Why would you send your books to Washington? Somebody must have requested them.

Mr. SMITH. I don't recall whether anybody requested them or whether I sent them to them without being requested.

Mr. KENNEDY. Did you send any books and records to Washington in 1955, 1956, or 1957, or any time this year?

Mr. SMITH. Not to my recollection, no, sir.

Senator IVES. May I raise a question there, Mr. Chairman?

The CHAIRMAN. Senator Ives.

Senator IVES. Is the witness in the habit of sending records to Washington?

Mr. SMITH. Well, every month we have to send some records to Washington, a report and things like that.

Senator IVES. Was what you sent then, that you were talking about, something of that nature?

Mr. SMITH. No, it was a number of records. I don't remember what they were.

They were just general records.

Senator IVES. They were different from the records that you send now, every month, these monthly records that you are talking about, is that it?

Mr. SMITH. I wouldn't say they were different. They were probably some reports, too. I don't know what all was in the box. I don't remember.

Senator IVES. I know, but here is the point: You say you are not in the habit of sending records like that to Washington. You said monthly reports and things of that nature, yes, and you explained that a little bit. But this is something else, you say. This is rather unusual. In fact, as I understand it, this is the first time that anything like that ever occurred. Is that right?

Mr. SMITH. I don't know, sir, whether that is right or not.

Senator IVES. You don't know whether you have ever sent any records or not?

Mr. SMITH. Do you mean me or anybody else?

Senator IVES. You; I am talking about you.

Mr. SMITH. I think that is the first time that the records were sent.

Senator IVES. All right. If that is the first, then, why don't you know why you sent them?

Mr. SMITH. I don't remember.

Senator IVES. And how long ago was this?

Mr. SMITH. Four years ago.

Senator IVES. You don't remember?

Mr. SMITH. No, sir. I don't remember why they were sent.

Senator IVES. Nothing had ever been asked of you prior to that time along that line, and yet the first time that you ever did it, you don't remember anything about it?

Mr. SMITH. We are often asked for reports on various things.

Senator IVES. Not something like that, you say, not like that. You indicated to me that you were——

Mr. SMITH. Senator, I don't remember what all was sent. I do recall that there were some records sent, and they were later returned to me.

Senator IVES. All I have to say is that your explanation is just beyond belief. Go ahead, Mr. Counsel.

Mr. KENNEDY. To whom did you write to get your books back from Washington?

Mr. SMITH. Mr. Kennedy, I don't remember whether I wrote to the general president or the general secretary-treasurer.

Mr. KENNEDY. There is no correspondence in the files to indicate that you ever wrote and got the records back.

The CHAIRMAN. Is there anything in the file to show he ever sent them?

Mr. KENNEDY. No.

(The witness conferred with his counsel.)

Mr. SMITH. Your investigator, Mr. Howard, checked the correspondence files. I don't know whether there was anything in there or not, sir.

Mr. KENNEDY. There wasn't anything in there. There is nothing in there at all about these records. We have some very important facts to try to get.

Mr. SMITH. I will try to answer.

Mr. KENNEDY. You say that you can't remember any of them, and that this took place too long ago. When we try to trace it down and get the records, you say the records have been destroyed.

Now, in talking about sending the records to Washington, you don't know who got the records in Washington, and you don't know how you got them back. Once again we are taken up a blind alley and left there.

Mr. SMITH. Mr. Kennedy, I will cooperate with you in every way I know how. I have tried to do that. I submitted my records. I tried to testify to the best of my recollection the answers to the questions you asked.

Mr. KENNEDY. You spent \$7,500 in 10 days, and you can't give us one piece of evidence to show where that money went.

Mr. FITZGERALD. Just a moment, if the Chair please. If this witness wants to identify some of the avenues where that money went, I think he ought to be given an opportunity. I don't think that is a fair approximation of what he has testified to. He said that he gave this money for strike benefits.

The CHAIRMAN. But he has no record that he gave a dime of it away. If he has, he has not produced it.

Mr. FITZGERALD. But he is willing to tell you where he gave it.

The CHAIRMAN. He is telling that he spent it.

Mr. FITZGERALD. Would you like to know where he spent it?

The CHAIRMAN. Yes; and the records for it.

Mr. FITZGERALD. He will tell you.

The CHAIRMAN. Where are your records?

Mr. FITZGERALD. I don't have any record, but as I told Mr. Kennedy, I spent it on strikers for groceries, rent, house payments, auto-

mobile payments, utilities payments; these were people who were on strike, over 100 families for 72 days. It costs lots of money.

Mr. KENNEDY. Tell us some of the families that received this money during that period of time.

(The witness conferred with his counsel.)

Mr. SMITH. From memory?

Mr. KENNEDY. Your attorney said that you were going to give us the facts. Give it to us now. Tell us who got the money.

(The witness conferred with his counsel.)

Mr. SMITH. Well, I can't recall who got what, but there were over 100 cabdrivers on strike, and certainly the ones that were on strike at that time could verify whether or not they received any money. Most all of them received financial assistance for 72 days.

Mr. KENNEDY. You can't name, then, 1 place, 1 source, that this money went to, this \$7,500.

Mr. SMITH. Certainly I could name a few, but I could not begin to name a hundred of them.

Mr. KENNEDY. Give us the names of some of the people that got the money during this period of January and February, the end of January and early February of 1954.

(The witness conferred with his counsel.)

Mr. SMITH. Mr. Kennedy, do you have a list of the strikers at that time?

I don't have that. If I had the list of the striking members, I could identify many, many of them that received money.

Senator ERVIN. It would seem to me that a man who has such a short memory as you profess to have would be very diligent about keeping records instead of destroying them.

(The witness conferred with his counsel.)

Mr. KENNEDY. The union also set up a cab company, is that correct?

Mr. SMITH. They didn't ever set it up. They talked about it.

Mr. KENNEDY. That was going to be called the Liberty Red Top Cab Co.?

Mr. SMITH. I believe so, sir.

Mr. KENNEDY. That was going to be set up by the union in order to compete with the other cab companies?

Mr. SMITH. I believe that is right, sir.

Mr. KENNEDY. Was Mr. Barney Baker present during much of this strike?

Mr. SMITH. No; he wasn't.

Mr. KENNEDY. How often was he there?

Mr. SMITH. I think he was there on two occasions.

Mr. KENNEDY. Mr. Kavner was there often?

Mr. SMITH. Mr. Kavner was there 3 or 4 times.

Mr. KENNEDY. There was a great deal of violence in connection with this strike during the end of 1953 and early 1954. Can you give us any idea who was responsible for that violence against the cab companies?

(The witness conferred with his counsel.)

Mr. SMITH. The only thing that was definitely proven was at the start of the strike the cab owners were responsible for the violence.

Mr. KENNEDY. All right. Then after that, there was some violence against the cab company. Can you tell us who was responsible for any of that violence?

Mr. SMITH. No, sir.

Mr. KENNEDY. You don't know?

Mr. SMITH. No, sir.

Mr. KENNEDY. You don't have any idea?

Mr. SMITH. No, sir.

Mr. KENNEDY. You did not perform any of the acts of vandalism yourself?

Mr. SMITH. No, sir.

Mr. KENNEDY. You did not set any of the cabs on fire?

Mr. SMITH. No, sir.

Mr. KENNEDY. You did not turn any of them over?

Mr. SMITH. No, sir.

Mr. KENNEDY. And you don't know who did?

Mr. SMITH. No, sir.

Mr. KENNEDY. That is all right now, Mr. Chairman.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. About this cab strike in Wichita, were you in charge of the strike?

Mr. SMITH. I was the local representative in charge, yes, sir.

Senator CURTIS. Did anyone else come in in behalf of the Teamsters to help conduct the strike?

Mr. SMITH. Yes, sir, there were fellows in at various times to assist me.

Senator CURTIS. Who was in?

Mr. SMITH. Well, as I testified a little bit ago, Dick Kavner was in 3 or 4 times; Scottie Deans was in.

Senator CURTIS. Deans?

Mr. SMITH. Deans.

Senator CURTIS. Was Gibbons there?

Mr. SMITH. No, sir.

Senator CURTIS. Was Barney Baker there?

Mr. SMITH. Baker was there just prior to the strike—just prior to the strike, I believe—and one time during the strike, to the best of my recollection.

Senator CURTIS. Was there any violence that took place?

Mr. SMITH. There was lots of violence during the taxicab strike.

Senator CURTIS. Did you take part in any?

Mr. SMITH. No, sir.

Senator CURTIS. Did you see any?

Mr. SMITH. I saw the evidence of it on my own personal car.

Senator CURTIS. Did you see any violence committed?

Mr. SMITH. No, sir.

Senator SMITH. Were you arrested?

Mr. SMITH. Well, yes and no.

Senator CURTIS. Yes and no. All right, explain it.

Mr. SMITH. There was a court hearing held 1 afternoon and 1 night, and I appeared at that court hearing, and the court recessed to reconvene later in the evening. The judge set a \$1,000 bond, to the best of my recollection it was a \$1,000 bond, on myself and a couple of other fellows to reappear at 7:30 or 7 p. m. I don't recall the exact time, and if we did not put up the bond, we were remanded to the custody of the county sheriff, and where it was for 2 hours and some 40 minutes we spent the time in jail rather than put up the bond.

Senator CURTIS. In other words, that was a recognizance bond to appear as a witness?

Mr. SMITH. Yes, sir.

Senator CURTIS. And in the absence of the bond, you spent that few hours in the jail?

Mr. SMITH. That is right, sir.

Senator CURTIS. Who were the defendants in that case?

Mr. SMITH. To the best of my recollection, that case was a man by the name of Courtney.

Senator CURTIS. What was his name?

Mr. SMITH. Courtney.

Senator CURTIS. Courtney?

Mr. SMITH. Yes, sir.

Senator CURTIS. What is his first name?

Mr. SMITH. Cecil.

Senator CURTIS. Where is he from?

Mr. SMITH. Wichita.

Senator CURTIS. What position did he hold?

Mr. SMITH. He was a cabdriver.

Senator CURTIS. A cabdriver. What was he charged with?

Mr. SMITH. Contempt of court, I believe.

Senator CURTIS. Who defended him?

Mr. SMITH. I believe, to the best of my recollection, that a member of our regular law firm defended him.

Senator CURTIS. Mr. Ratner's firm?

Mr. SMITH. Yes, sir.

Senator CURTIS. Who paid the expense of that?

Mr. SMITH. The local union.

Senator CURTIS. Was Kavner arrested at any time?

Mr. SMITH. Well, yes, and no.

Senator CURTIS. All right, explain that.

Mr. SMITH. He was contacted by—I don't remember whether it was the—it seems to me it was the Wichita Crime Commission and was promised immunity if he would come in and attempt to settle the strike. The way I recall it, he got in the morning on the plane, and before noon, they had picked him up. I don't know what they charged him with. I know they did not hold him any appreciable length of time.

Senator CURTIS. Was he ever tried?

Mr. SMITH. No, sir.

Senator CURTIS. Was Baker arrested?

Mr. SMITH. No, sir.

Senator CURTIS. Were any of the Teamster men arrested besides Cecil Courtney?

Mr. SMITH. There were numerous people on both sides arrested.

Senator CURTIS. You didn't see any violence?

Mr. SMITH. No, sir; I didn't actually see any violence.

Senator CURTIS. How many cars were destroyed?

Mr. SMITH. I have no idea, sir.

Senator CURTIS. Do you know about this payment of \$15,000 from the Teamsters to the cab companies?

Mr. SMITH. Yes, sir.

Senator CURTIS. What part in it did you have?

Mr. SMITH. I was the local representative in charge at that time and helped negotiate that settlement.

Senator CURTIS. That provided that if the men ended up in the union, the owners were to get the \$15,000?

Mr. SMITH. That among several other things.

Senator CURTIS. If the men didn't end up in the union, the \$15,000 was to go back to the Teamsters; isn't that correct?

Mr. SMITH. Yes. I believe that is all in the escrow agreement which the committee has a copy of.

Senator CURTIS. Were you present when the men voted?

Mr. SMITH. No; I wasn't present when they voted. They voted at the cab company garage. A representative from the company and a representative from the union, and a third party, an outsider, a notary public, supervised the election, which was at that time the way we were told to set it up under the then existing State law.

Senator CURTIS. How many people voted?

Mr. SMITH. To the best of my knowledge, about 200.

Senator CURTIS. What was the total number of cabdrivers? I believe you said a thousand; didn't you?

Mr. SMITH. No; I didn't say, sir.

Senator CURTIS. Well, was it 100?

Mr. SMITH. No; I talked about a hundred strikers.

Senator CURTIS. How many cabdrivers?

Mr. SMITH. Well, that is awfully hard to pin down. I say at the time the vote was taken there were approximately 200.

Senator CURTIS. All of them voted?

Mr. SMITH. A big majority of them.

Senator CURTIS. Was it a secret vote?

Mr. SMITH. Yes, sir.

Senator CURTIS. Voted by ballot?

Mr. SMITH. Yes, sir.

Senator CURTIS. What were the results?

Mr. SMITH. I don't remember the exact results. To the best of my knowledge, it turned up about 2 to 1 in favor of the union shop.

Senator CURTIS. And management got the \$15,000?

Mr. SMITH. I believe that is true, sir.

Senator CURTIS. About when was this election held?

Mr. SMITH. It would just be a guess. I would say June or July 1954.

Senator CURTIS. Did management express any opinion on how the election should go?

Mr. SMITH. How do you mean, sir?

Senator CURTIS. Did management have a position that they expressed?

Mr. SMITH. Do you mean did they try to influence the drivers one way or another?

Senator CURTIS. Yes.

Mr. SMITH. Not to my knowledge.

Senator CURTIS. What was your understanding this \$15,000 was really for?

Mr. SMITH. At the conclusion of the strike, the cab business was practically nil. It was to help rebuild the business, because we had an interest in it, we had a number of drivers affected. Certainly if

there was not a lot done to recapture the cab business, those drivers would have had very poor jobs, if any.

Senator CURTIS. Were there some cabdrivers that owned their own cabs?

Mr. SMITH. Yes, sir.

Senator CURTIS. They were self-employed cabdrivers?

Mr. SMITH. How do you mean, sir, self-employed?

Senator CURTIS. They were working for themselves and not someone else; is that correct?

Mr. SMITH. In a manner of speaking; yes.

Senator CURTIS. They had to join the union, too?

Mr. SMITH. Nobody had to join the union.

Senator CURTIS. You did after you got your union shop; didn't they?

Mr. SMITH. No one was forced to join the union.

Senator CURTIS. After you had your union shop contract they had to stay in the union; didn't they?

Mr. SMITH. After we got the union shop contract, all of them did join the union.

Senator CURTIS. Are they still all members?

Mr. SMITH. No, sir.

Senator CURTIS. What happened?

Mr. SMITH. About a year ago, a year and a half ago, another cab company was formed, and operated nonunion, and, as a result, we lost the membership we had at this company.

Senator CURTIS. How much of a membership did you have at the time you lost it?

Mr. SMITH. It would just be a guess. I would say about 180 or 185 drivers.

Senator CURTIS. How many members do you have now?

Mr. SMITH. I don't know that we have any in the taxicab industry today.

Senator CURTIS. They no longer belonged when the union shop contract was gone?

Mr. SMITH. We didn't attempt to enforce the union shop contract because of the competitive situation, a nonunion company. When the company first was formed, we attempted to enforce the union-shop provisions of our company, of the company we had under contract.

All we did was succeed in driving the drivers from the union company to the nonunion company.

Senator CURTIS. Why did they go over there? Did they get a better deal?

Mr. SMITH. No, they did not get a better deal. But if a man became delinquent in his union dues and he was requested to pay up, instead of paying up, he would quit and go to work for the other company. They had practically the same deal in effect there as they did at the union company.

Senator CURTIS. The nonunion company gave the fellows just as good a deal as the union shop?

Mr. SMITH. I don't know exactly what their terms were.

I would say it was approximately that.

Senator CURTIS. Approximately the same. How much were the Teamster dues?

Mr. SMITH. How much were dues? Five dollars a month.

Senator CURTIS. So a driver would go over to the nonunion company and get approximately the same deal and not be obligated for his \$5-a-month dues?

Mr. SMITH. That is right, sir.

Senator CURTIS. That is all of this witness that I have, Mr. Chairman.

The CHAIRMAN. Are there any further questions?

If not, you may stand aside.

Mr. FITZGERALD. Does the Chair desire this witness to remain in Washington under subpoena, or can he return to his home in Wichita?

The CHAIRMAN. The Chair has no desire for him to remain in Washington. I will be very glad to have him remain under his present subpoena, subject to being recalled whenever the committee may desire to hear him.

Mr. FITZGERALD. Thank you.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I wonder if Mr. Ratner could be recalled. I have a letter I would like to ask him about.

The CHAIRMAN. Governor Ratner, will you come forward, please?

Mr. WILLIAMS. Mr. Chairman, before Governor Ratner takes the stand, may I call one matter to your attention? I do not represent the last witness. In fact, I don't know him except by having seen him in the hearing room for the past day. But if he is being excused, I think in the interest of fairness he should be accorded an opportunity to correct his testimony. I made the representation of fact to this committee yesterday morning that charges had been preferred against him in the international union. Apparently he is under some misapprehension about the nature of the proceeding against him. I would like to tell the committee about it. On March 28, 1958, charges—

The CHAIRMAN. Let me see if the witness is still present. Mr. Smith, come forward, please, for a moment.

Mr. WILLIAMS. On March 28, 1958, Mr. Chairman, a letter came from the chairman of the board of monitors addressed to the president of the union, attaching copy of charges filed by a lawyer named Harry Guillet, from Wichita, Kans., who purported to represent 17 rank-and-filers from that local.

Those members of the local made charges against all of the officers governing the local. In paragraph 4 they specifically did make charges against Mr. Smith. Thereafter, on April 24, a copy of these charges was mailed to Mr. Smith and he was asked to give an explanation and to give a defense to the charges that had been preferred against him by this lawyer representing 17 members. On April 30, Mr. Smith wired the president of the union and said that he would follow his wire by full explanation of the charges, and in fact he did that on the same day.

It is entirely possible, and I think the fact is that Mr. Smith did not regard these as charges because they had gone through a wholly unorthodox procedure, going to the board of monitors, rather than going through his local executive board.

I thought in the interest of fairness this should be called to his attention before he leaves with the record standing in its present posture.

The CHAIRMAN. Mr. Smith, you have heard the statement of Mr. Williams regarding the charges against you. Is that correct? That is, according to your recollection now?

Mr. SMITH. Yes, sir, but I did not interpret that to mean any legal charges against me.

The CHAIRMAN. What he has said about such charges as there may be against you is correct?

Mr. SMITH. Yes. Since that time we have had a local union election and I was elected by the rank-and-file membership of the union.

Senator ERVIN. When you were asked that question about charges, you understood that the question was related to court charges or criminal charges?

Mr. SMITH. Court charges or actual formal charges filed against me in the union; yes, sir. I didn't understand those to be that.

Senator MUNDT. I think in fairness to the witness there should be a subsequent question asked him, No. 1, whether there were any legal charges and, No. 2, whether there were any charges made against him by the international union. I think his answer was correct. I think this has clarified it for the witness.

Mr. SMITH. Thank you.

The CHAIRMAN. Governor Ratner, please come forward.

TESTIMONY OF PAYNE H. RATNER—Resumed

Senator CURTIS. May I have this letter identified?

The CHAIRMAN. The Chair presents to you a photostatic copy of a letter dated December 21, 1954, apparently signed by you. Would you examine this letter and state if you identify it, please sir?

(The document was handed to the witness.)

(At this point, Senator Ervin withdrew from the hearing room.)

Mr. RATNER. Yes, sir; that is my letter, and I signed it.

The CHAIRMAN. The letter may be made exhibit No. 35.

(The document referred to was marked "Exhibit No. 35" for reference and will be found in the appendix on p. 14129.)

Senator CURTIS. Mr. Chairman, the letter is brief. I would like to read it into the record. It is to Hon. Wint Smith, Congressman from Kansas, House of Representatives Office Building, Washington, D. C., dated September 21, 1954.

DEAR WINT: This is the third or fourth letter I have written you without receiving a reply. I know, of course, these letters have not received your personal attention. I am sure of this because I know you well enough to know that you would not knowingly treat me this way.

I have asked in each letter if any date has been set for any plans adopted by your subcommittee on investigation of union welfare funds. As you know, I am interested in this, particularly from the standpoint of the Union Casualty Life Insurance Co., of Mount Vernon, N. Y. I will be grateful for an early reply. With my very best personal regards, I am,

Sincerely yours,

PAYNE.

That is the letter you wrote Mr. Smith?

Mr. RATNER. Yes, sir.

Senator CURTIS. This was handed to me by Mr. Smith's secretary who informs me that he does personally see very piece of mail that comes into his office. Do you have any comment you wish to make about that letter?

Mr. RATNER. I don't believe so, sir, unless you have some question about it.

Senator CURTIS. Mr. Chairman, I would like to take just one moment, not for the purpose of asking the witness a question, but I think it should be stated in fairness to our colleague in the House of Representatives, Congressman Wint Smith, who has just recently gone to Kansas for his primary, and it may or may not be that his testimony will be given to this committee. But at this time I would like to call attention to a couple of official documents.

I hold in my hand a document which is headed "Investigation of racketeering in the Detroit area. Joint subcommittee report of special subcommittee of the Committee on Education and Labor and the Committee on Government Operations pursuant to House Resolution 115 and House Resolution 5, 83d Congress, 2d session.

It is printed for committee use, United States Government Printing Office, Washington, D. C., 1954.

I will be brief, but here are some brief paragraphs from the conclusions and recommendations found on page 11.

Senator MUNDT. I think the Senator should identify the fact that Mr. Smith was a member of that committee.

Senator CURTIS. Yes, and this relates to a hearing held in room 859 of the Federal Building, Detroit, Mich., June 8, 11, 12, and 13, 1953. This report is signed by Wint Smith, joint chairman, Clare Hoffman, George H. Bender, Phil M. Landrum.

In the conclusion and recommendations, they are as follows:

A review of the hearings indicates clearly that there exists in Detroit, Mich., a situation which is injurious to the rank and file union member. If the situation is permitted to continue to exist and spread, as it no doubt will unless corrective action is taken, it could well mean the destruction of the labor movement itself and result in great hardship to workers and the destruction of the economic life of the country. Immediate steps must be taken to avert this trend of extortion, gangsterism, and dictatorship by a few individuals and powerful racketeers who are operating under the guise of being labor leaders.

The following recommendations are submitted with a view of rectifying and eliminating the continuation of this atrocious situation which was disclosed as a result of the hearing:

(1) That copies of the official transcript of the proceedings and accompanying report thereto be furnished the Attorney General of the United States and the United States attorney of Detroit, Mich., and the district attorney at Detroit, Mich.

(2) That those officials initiate appropriate action to secure grand jury investigation of those phases of the hearings which reflect possible violation of Federal and State laws.

(3) That those officials be invited to report to the House Committee on Education and Labor and to the House Committee on Government Operations and the House Committee on the Judiciary their findings.

(4) That consideration be given by the full Committee on Education and Labor, and the Committee on Government Operations, to citing James R. Hoffa for contempt in three instances.

(5) That additional investigation and hearings be held to further develop the racketeering which exists in labor activities.

(6) That the hearing record be further examined by the Committee on Education and Labor for evidence of the manner in which Federal statutes could and should be amended to prohibit the continuation of this type of operation and to insure that the intent of Congress when they enacted the Labor-Management Relations Act of 1947 is not being disregarded.

That is signed by Wint Smith, joint chairman, and the other committee members that I read.

Mr. RATNER. What was the date of that, please?

Senator CURTIS. It relates to the hearing on June 8, 11, 12, and 13, 1953.

Mr. RATNER. Thank you, sir.

Senator CURTIS. It is published in 1954.

Now, there is a later report, and this later report of the subcommittee of the Committee on Education and Labor.

It appears that following this preliminary hearing in June, the report of which I read, there was a second hearing held in Detroit on November 23, 24, 25, and 27, 1953. It appears from these documents that in the first hearing, Mr. Hoffa refused to testify about the ownership in this Test Fleet Corp., and then in the November hearing he did testify.

Mr. RATNER. When I represented him, he made a full disclosure of that.

Senator CURTIS. I appreciate that. Was that in the November hearing?

Mr. RATNER. Yes, sir.

Senator CURTIS. November 30?

Mr. RATNER. About that time, sir, and the latter part of November of 1953.

Senator CURTIS. Now, I will not read all of the conclusions and recommendations made at that time. It does not include the recommendation for contempt for Mr. Hoffa, because as I say, he came back and testified. But they went into these matters, many of these matters that this committee has gone into, and here are the recommendations. This is signed by Wint Smith, subcommittee chairman; Clare Hoffmann, and Phil M. Landrum.

I read as follows:

Therefore, in the light of our study of this hearing record, we make the following specific recommendations:

1. That a thorough study of the so-called welfare and pension funds and all their ramifications be undertaken at an early date. This study should be aimed at appropriate legislation to preserve these funds for the use of their true beneficiaries, who are the individual employees and their families.

2. That your committee take steps to assure a study of the problems raised when unions or union officials become business competitors of employers whose workers they represent for collective bargaining.

3. That your committee meet at an early date to consider the citation of Paul and Allen Dorfman for contempt of Congress.

4. That the official transcript of this hearing be forwarded to the Attorney General of the United States, and to the Director of Internal Revenue, in order that these officials may assess the information contained therein and its possible relation to Federal statutes under their jurisdiction.

The foregoing report was unanimously adopted by the subcommittee, Wint Smith, subcommittee chairman.

Now, that report recites it as a committee print, 83d Congress, 2d session, House of Representatives, investigation of welfare funds and racketeering, report of special subcommittee of the Committee on Education and Labor, pursuant to House Resolution 115. Printed for the use of the committee, United States Government Printing Office, Washington, 1954.

That is all I want to read about except one thing. There are many references here to Mr. Hoffa's conflicts of interest and actions, but

under a heading of some miscellaneous notes, I find this paragraph, in Mr. Smith's report :

Other offhand aspects to which we might call attention are Mr. Hoffa's periodic deduction of union records, his attendance at meetings of trustees where he is not a member, and his decision to make business agents of two officers whose local came under his trusteeship when they were indicted.

Now, Mr. Chairman, I thank you for the indulgence of the committee, and I felt that since reference was made to these previous hearings, this should be done. I thank you.

The CHAIRMAN. With the approval of the committee, the Chair will make those documents exhibits for reference. They are not sworn testimony, but they are official documents of the Congress and they may be made exhibit 36 A, and B, for reference.

(Documents referred to were marked "Exhibit No. 36-A and B," for reference and may be found in the files of the select committee.)

Senator IVES. I would like to point out in connection with what Senator Curtis just said that almost simultaneously with the creation of that subcommittee to which he referred, the subcommittee of the Senate Committee on Labor and Public Welfare was created to investigate pension and welfare funds.

That was in 1954. We labored on that matter, as you know, for 4 years and finally brought forth a bill which we passed. It has now been tinkered with over in the House and returned to us for conference in a revised form which isn't worth very much, and conferees are presently meeting this afternoon to try to see what they can do to get a real bill out of it.

I commend the House committee for what it did in the investigation in Detroit and in Michigan, but our function at that time was primarily pension and welfare funds and we devoted our activities to that field. We covered the whole United States. I think in the work carried on by that committee—and I am not talking about my work in 1954, when I was the first chairman, but I am particularly talking about the work of Senator Douglas in the following Congress—and I think a masterful job was done before we were through. We knew what we were talking about when we made our recommendations.

I thank you for this opportunity to explain what happened.

Mr. RATNER. May I address the Chair, please?

The CHAIRMAN. You may.

Mr. RATNER. May I make a very brief comment in regard to what Senator Curtis and Senator Ives have said. I did not say anything today or anytime in my life which could possibly reflect unfavorably on Congressman Smith. As I said this morning, I have the highest regard now, and I have always had for him personally and for his integrity, and I don't think anyone has a finer integrity or is more dedicated to finish public service than Congressman Smith.

The CHAIRMAN. All right. Are there any further questions?

Mr. KENNEDY. I think the Governor wanted to correct the record.

The CHAIRMAN. Did you have anything further?

Mr. RATNER. Senator Curtis asked me a question this morning if I had given any Teamster campaign contributions to Governor Docking in 1958, this year. I said no, and that was correct. I have not. I did not understand him to say or mean, did I give anyone else, but

thinking it over during the noon hour, I was afraid maybe his question had been that broad, and I just wanted to clarify the matter.

If his question did contain the general question, did I give Teamster contributions in 1958 to anybody, the answer would be "yes."

I gave a total of \$3,500 to former Governor Fred Hall during the pre-primary campaign this year, prior to August 5, 1958, when we had our primary. Those checks did not go through my records because they were made directly to Governor Hall, or Governor Hall's campaign, and I don't remember the wording, but they were sent to me, and I did deliver them.

The CHAIRMAN. That was not your money, but it was Teamster funds?

Mr. RATNER. Yes, sir.

The CHAIRMAN. So you just transmitted the funds or you were the intermediary in getting the funds to him from the Teamsters?

Mr. RATNER. Yes sir; I was merely a messenger boy.

Senator GOLDWATER. Was the reason that ex-Governor Hall received this money the same as Governor Docking received it, namely that he was against the right-to-work law?

Mr. RATNER. You are speaking of 1956, Senator?

Senator GOLDWATER. 1958, I believe it is on your referendum this year.

Mr. RATNER. It was to be voted on in November. I didn't give any to Governor Docking in 1958.

Senator GOLDWATER. I know you did. I asked you that this morning, but the reason you gave to Governor Hall this year was the same?

Mr. RATNER. Yes, sir; very largely so; yes, sir.

Senator GOLDWATER. He is against the right-to-work law?

Mr. RATNER. He was, and he vetoes the bill, and his attitude is generally considered to be unprejudiced against labor and to be fair to labor, and generally considered to be against the right-to-work proposition.

Mr. KENNEDY. What were the dates of those checks?

Mr. RATNER. Mr. Salinger has the dates.

Mr. KENNEDY. April 15, 1958, for \$2,500, and July 26, 1958, for \$1,000?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. Was that a check delivered to him?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. Was that delivered by you?

Mr. RATNER. The first one, \$2,500 was delivered by me personally, and the second one was mailed to him by me.

Mr. KENNEDY. And that money came from the Central Conference of Teamsters?

Mr. RATNER. It came—I don't remember who signed the check, but I would think so.

Mr. KENNEDY. From Mr. Harold Gibbons?

Mr. RATNER. He was the one I talked to about it.

Mr. KENNEDY. I have just a couple of things I want to clear up while you are on the stand. Will you identify this check?

The CHAIRMAN. The Chair presents you a check in the amount of \$2,000, dated December 12, 1953, apparently used by your firm, and made to cash.

Will you examine the check and state if you identify it, please?
(A document was handed to the witness.)

Mr. RATNER. Mr. Salinger was kind enough to show me the check. This is a check issued on our bank account and payable to cash, on one of our regular printed firm checks, and signed by our firm name, and by our bookkeeper, Louis Mattox, \$2,000, and dated December 12, 1953, and on the back of it, the endorsement is Gerald Micheau, and do you want me to go ahead?

Mr. KENNEDY. Yes.

Mr. RATNER. I am glad to explain it. Micheau was a young lawyer who worked for our firm at that time, and he was doing some work for the Teamsters on the taxicab strike, under my supervision, and direction. When I was shown this check, it was my memory, and I called my bookkeeper to find out for sure, and it says "Teamsters" on the face of it, and my best recollection is that some teamster was arrested on a criminal charge, and that his bond was \$2,000, and that that money was for his bond and I was reimbursed for the money by the Teamsters.

The CHAIRMAN. All right, are there any further questions?

That check may be made exhibit 37.

(The document referred to was marked "Exhibit No. 37," for reference and will be found in the appendix on p. 14130.)

Mr. KENNEDY. Now, you received also \$10,000 from what is known as the Steamfitters Local?

Mr. RATNER. I did not receive it from them.

Mr. KENNEDY. It was Jack Wiley?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. That was Jack Wiley, an attorney in St. Louis?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. That money came, did it not, from George Seaton Political Defense Fund?

Mr. RATNER. I don't know, sir, and the checks that came to me were simply Jack Wiley's checks, his printed checks, and signed by him.

Mr. KENNEDY. That was for a total of \$10,000, \$5,000 in 1956 and \$5,000 in 1957?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. That was for the purpose of changing the Hobbs Antiracketeering Act?

Mr. RATNER. Attempting to amend it along the lines that the United States Senator Langer introduced in the Senate.

Mr. KENNEDY. That was a law, the changes backed by Mr. Callanan. Didn't we discuss that in Wichita?

Mr. RATNER. What I told you then, and all I know about it now is that there were several names in the file, that I recall, were given to me as examples of how the law worked.

Mr. KENNEDY. Those examples came from the Teamsters?

Mr. RATNER. What is that?

Mr. KENNEDY. Those examples came from the Teamsters? Those people that wanted the bill changed were the Teamsters, Mr. Callanan's local, in St. Louis? Mr. Callanan now is in the penitentiary.

Mr. RATNER. I don't know, and all of my dealings were with Jack Wiley and Harry Craig.

Mr. KENNEDY. You knew this when I talked to you out there, that you were trying to work and change the Hobbs Antiracketeering Act, and you believed that you were being retained by Mr. Callanan's local, and there was also a good deal of correspondence relating to Teamsters, who were anxious to get the law changed back in 1956?

Mr. RATNER. I don't think that there was any correspondence in regard to the Teamsters. You have my file, and if there is please show me, but I couldn't believe there was.

Mr. KENNEDY. There were many references to the Teamsters in the file, were there not?

Mr. RATNER. No, sir; I don't think that there were many. There might have been some.

(At this point, the following members were present: Senators McClellan, Ives, Ervin, Mundt, Goldwater, Curtis.)

Mr. KENNEDY. Well, you were——

Mr. RATNER. You have the file, Mr. Kennedy.

Mr. KENNEDY. Well, I didn't want to spend that much time on it.

Mr. RATNER. There may have been some references to the Teamsters.

Mr. KENNEDY. Who were you retained by?

Mr. RATNER. Mr. Jack Wiley.

Mr. KENNEDY. Where did you think the money came from?

Mr. RATNER. I had heard various unions mentioned very casually. I did not know where the money came from, but I was told there was a fund to which unions contributed for the purpose of attempting to assist in obtaining an amendment to that law.

Mr. KENNEDY. Would you identify the file?

Mr. Chairman, we have a number of other letters that I would like to have him identify.

These are some of the other letters obtained out of your file, if you could identify them for reference.

The CHAIRMAN. The Chair passes to you a number of photostatic copies of letters, and I ask you to examine them and state if you identify them.

(The documents were handed to the witness.)

Mr. RATNER. May I address the Chair?

The CHAIRMAN. Yes, sir.

Mr. RATNER. With Your Honor's approval, I will not take the time to read these now. If I may have permission to refer to them if I am questioned about them specifically——

Mr. KENNEDY. I am not going to question you about any of them.

Mr. RATNER. I can identify them quickly, is the point I am making, if I don't take time to read them.

Mr. KENNEDY. You can identify them by reference. You don't have to go through each one of them.

Mr. Chairman, perhaps he can go through them after he testifies, to see if there are any changes.

Mr. RATNER. I am positive these are all taken from my files.

The CHAIRMAN. They will be made exhibit No. 38 in bulk. If there is any error in them, you can check them afterward and we will rectify it.

Mr. RATNER. Mr. Kennedy, these were taken from my files, were they?

Mr. KENNEDY. Yes. You can go through them afterward.

Mr. RATNER. I don't care to go through them unless you want to ask me about them specifically.

(The document referred to was marked "Exhibit No. 38" for reference and may be found in the files of the select committee.)

The CHAIRMAN. I present to you a folder containing a number of documents, labeled "Wiley, Craig, et al., attorney, St. Louis; re Hobbs Act matters."

Mr. RATNER. Yes, sir, that is my file. I handed it to Mr. Kennedy this morning.

The CHAIRMAN. It may be made exhibit No. 39, for reference.

(The document referred to was marked "Exhibit No. 39" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. The purpose for the \$10,000 was to obtain the changes in the Hobbs Act?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. And you were working toward that end?

Mr. RATNER. Yes, sir.

Mr. KENNEDY. With the Congress and with the Senate here?

Mr. RATNER. No; I did not work with them.

Mr. KENNEDY. Who were you working with?

Mr. RATNER. It was planned that I would, but those plans did not materialize, because the movement or the attempt was stopped because of some hearings, congressional hearings. It was stopped along in late 1956, as I recall it, before I talked to any Congressmen.

Mr. KENNEDY. But you received the \$10,000?

Mr. RATNER. Yes, sir. I spent a great amount of time, Mr. Kennedy. I had innumerable conferences, a lot of correspondence, did a lot of legal research on it, and they thought that my alleged political prestige would be worth something in addition to the work I did.

Mr. KENNEDY. That is what I thought.

Mr. RATNER. Alleged, I said.

The CHAIRMAN. Thank you very much. Do you need him any further? He wanted to get home tonight.

Mr. KENNEDY. No.

Mr. RATNER. May I leave now?

The CHAIRMAN. Yes. Thank you.

Mr. RATNER. Thank you very much. If I can be of further help to the committee later, I will be glad to come back.

The CHAIRMAN. Thank you, Governor.

Call the next witness.

Mr. KENNEDY. I just have a very quick witness, I hope, Mr. Chairman. Mr. Joseph Exley.

The CHAIRMAN. Come forward, Mr. Exley.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF JOE L. EXLEY

The CHAIRMAN. State your name, your place of residence and business or occupation.

Mr. EXLEY. Joe L. Exley, 1027 North Water, Wichita, Kans. I am employed at Cassel Transfer & Storage Co., as a working foreman.

The CHAIRMAN. Do you waive counsel?

Mr. EXLEY. Yes.

Mr. KENNEDY. You were on the executive board of Local 795?

Mr. EXLEY. Yes, sir.

Mr. KENNEDY. During what period of time?

Mr. EXLEY. I have been on the board for the last 12 years.

Mr. KENNEDY. So you were on it during the various times it was put in trusteeship and taken out; is that correct?

Mr. EXLEY. That is right.

Senator IVES. Can you push your microphone around a little bit? It is hard to hear you.

(At this point Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. I have a couple of questions to ask you, Mr. Exley. First in connection with the local's records; did you know that the local's records prior to July 1954 had been destroyed?

Mr. EXLEY. I believe, no; I never, until, I believe it was, May of 1954, we was called down to the hall for some kind of a meeting; I don't recollect what it was, but I know a couple of the board members was talking and Mr. Smith walked in and one of them asked him where the records was at and he said they was bundled up and sent to Washington.

Mr. KENNEDY. Had you ever heard afterwards that they had been destroyed by Mr. Smith?

Mr. EXLEY. I don't recollect.

Mr. KENNEDY. You were never told that they were destroyed?

Mr. EXLEY. I don't recollect it.

Mr. KENNEDY. You don't recollect whether you were told or that you were not told?

Mr. EXLEY. As far as my knowledge, we was not told that they was destroyed.

Mr. KENNEDY. You did not learn until today that these records had been destroyed?

Mr. EXLEY. That is right.

Mr. KENNEDY. Your permission, the executive board permission, was never obtained to destroy those records? Mr. Smith did not go to you and ask for permission to destroy the records?

Mr. EXLEY. No, sir.

Mr. KENNEDY. Can you think of any reason why the records would be destroyed in July 1954?

Mr. EXLEY. No, sir.

Mr. KENNEDY. What about the \$15,000 that was paid to the various four cab companies in Wichita? Had you known—

Mr. EXLEY. The first time I noticed anything about the \$15,000 was they was having a road drivers' meeting there one Sunday, and me and one of the road drivers was in the office and we was looking through an international magazine. In the back of it, it had a statement there where local 795 had had a \$15,000 loan or something from Central States. We asked Mr. Smith about it, and he said it was used for the purpose of the strike such as food and shelter and this, that, and the other for the strike.

Mr. KENNEDY. He told you that this \$15,000 was used to pay for food and clothing for the strikers?

Mr. EXLEY. That is right.

Mr. KENNEDY. When did you learn that in fact it went to the four cab companies?

Mr. EXLEY. I believe I read it in the papers the first time I heard about it.

Mr. KENNEDY. You read about it in the papers?

Mr. EXLEY. Yes, sir.

Mr. KENNEDY. You were never told?

Mr. EXLEY. No, sir.

Mr. KENNEDY. It was never announced to the membership?

Mr. EXLEY. No, sir.

Senator IVES. Are there any questions?

If not, stand aside.

Mr. KENNEDY. Thank you very much.

Mr. EXLEY. Thank you.

(At this point, Senator Mundt withdrew from the hearing room.)

Senator IVES. Call the next witness.

Mr. KENNEDY. Mr. Rex Bulleigh.

Senator IVES. You do solemnly swear the evidence you are about to give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BULLEIGH. I do.

TESTIMONY OF REX BULLEIGH

Senator IVES. Do you desire counsel?

Mr. BULLEIGH. No.

Senator IVES. Will you kindly state your name, your address, your business or occupation?

Mr. BULLEIGH. Rex B. Bulleigh, 1151 Charlotte, Wichita, Kans. I am president of City Cabs.

Mr. KENNEDY. That is B-u-l-l-e-i-g-h; is that correct?

Mr. BULLEIGH. Yes.

Mr. KENNEDY. From November 30, 1953, to February 9, 1954, you were on strike, your cab company?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. And the other cab companies in Wichita?

Mr. BULLEIGH. Yes.

Mr. KENNEDY. You were on strike by the Teamsters; is that correct?

Mr. BULLEIGH. Yes.

Mr. KENNEDY. There was a great deal of violence?

Mr. BULLEIGH. Yes.

Mr. KENNEDY. What kind of violence?

Mr. BULLEIGH. Cabs were burned, dynamited, our office was dynamited, several drivers were hurt.

Mr. KENNEDY. Do you have a list of some of those?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Would you present them to the chairman, please? (At this point, Senator Goldwater withdrew from the hearing room.)

(At this point, Senator McClellan entered the hearing room.)

Mr. KENNEDY. You might identify what this is.

The CHAIRMAN. What is this?

Mr. BULLEIGH. That was an ad placed in the local papers by the Wichita Crime Commission, offering a reward for the apprehension

of anybody connected with the one particular incident, I believe it was, of Derring Crowe.

The CHAIRMAN. That may be made exhibit 40, for reference.

(The document referred to was marked "Exhibit No. 40" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. But there were dynamitings, taxicabs set on fire and turned over?

Mr. BULLEIGH. Yes.

Mr. KENNEDY. There was a great deal of violence?

Mr. BULLEIGH. A great deal; yes, sir.

Mr. KENNEDY. Were you arrested yourself in connection with the violence?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Will you relate what happened?

Mr. BULLEIGH. I pulled a gun on the picket on the second or third night of the strike, and was arrested and charged in the police court with drawing a deadly weapon, and two charges of felonious assault in the district court.

Mr. KENNEDY. What finally happened to that?

Mr. BULLEIGH. I was found guilty in police court and sentenced to 6 months, and fined \$500. We, however, appealed that sentence, and it was dismissed by the city, then, in district court. One charge of felonious assault was tried before a jury, and the judge dropped the charge before it went to the jury.

The second charge was dismissed by the county attorney.

Mr. KENNEDY. What was the felonious assault?

Mr. BULLEIGH. The one I was tried on was attempting to run a picket down with an automobile, and the one that was dismissed was attempting to shoot him.

Mr. KENNEDY. Were you approached in early 1954 by Scotty Deans and Dick Kavner of the Teamsters Union?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Regarding the settlement?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Were you told at that time that if you made a settlement of the strike, signed a contract, that you would not have to pay the drivers too much more than you were paying?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. A meeting was arranged, is that correct, and you met with Harold Gibbons and Dick Kavner?

Mr. BULLEIGH. No, sir; I have never met with Gibbons. I have met with Kavner.

Mr. KENNEDY. Your partner met with Gibbons?

Mr. BULLEIGH. Yes.

Mr. KENNEDY. That is Jack Graham. He met with Gibbons, Kavner, and Sam Smith; is that correct?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Prior to that meeting, had an arrangement been made by paying Ratner and the lawyer for the cab companies, Dwight Wallace, for a payment of \$15,000?

Mr. BULLEIGH. Yes. Whether it was made directly with—at least it was made between Mr. Wallace and Mr. Ratner's office, and I assume Mr. Ratner was the other principal.

Mr. KENNEDY. He was the chief attorney for the Teamsters?

Mr. BULLEIGH. Yes; for the Teamsters.

Mr. KENNEDY. And the arrangement was that if your employees voted to join up with the union, then \$15,000 was to be paid to the cab companies?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Prior to that, had the union offered to loan the cab companies \$50,000?

Mr. BULLEIGH. Mr. Kavner talked of loaning us up to \$50,000.

Mr. KENNEDY. If you would sign a contract?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Providing you would sign a contract?

Mr. BULLEIGH. Provided a contract was signed.

Mr. KENNEDY. Did you have a meeting in Payne Ratner's office in connection with this?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Was Mr. Payne Ratner present?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. And Dick Kavner was also present; is that correct?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. And the attorney for your company, and for the other companies?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. You went over the rough draft of the contract?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. And you finally agreed to sign the contract; is that right?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. The election subsequently was held?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. And the employees decided to join the Teamsters Union, and the \$15,000 was paid over to four cab companies?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. And you were 1 of the 4 cab companies?

Mr. BULLEIGH. Yes, sir; I was a member of all of the cab companies.

Senator IVES. May I ask a question, Mr. Chairman?

The CHAIRMAN. Senator Ives.

Senator IVES. I would like to ask the witness in that connection if it is his opinion that a majority of the employees really did want to join the union.

The question was a question of a union shop; was it not?

Mr. BULLEIGH. Yes, sir.

Senator IVES. And a majority, you say, vote for it, finally?

Mr. BULLEIGH. Yes, sir; a majority did.

Senator IVES. That is, under the circumstances you have indicated. Is it your honest opinion that a majority wanted the union shop?

Mr. BULLEIGH. I think they were sold on the idea by the Teamsters; yes, sir.

Senator IVES. By the time they got around to vote?

Mr. BULLEIGH. Yes, sir.

Senator IVES. They were sold in one way or another?

Mr. BULLEIGH. Well, by promises of what benefits they would give them in the future.

Senator IVES. Do you think they are sorry about it?

Mr. BULLEIGH. They are not Teamsters now, sir.

Senator IVES. They are not Teamsters now?

Mr. BULLEIGH. I say they don't belong to the union now.

Senator IVES. I see. All right. Thank you.

The CHAIRMAN. What was the great idea of paying you folks \$15,000?

Mr. BULLEIGH. I didn't understand the question.

The CHAIRMAN. What was the idea of having the union pay the cab owners \$15,000?

Mr. BULLEIGH. Well, Senator, I thought we were entitled to it after the violence we went through in the strike.

The CHAIRMAN. You waived all damages in your contract.

Mr. BULLEIGH. Yes, sir; in lieu of this payment.

The CHAIRMAN. I thought the \$15,000 you would not get, damage or no damage, unless they got into the union.

That is what the contract says.

Mr. BULLEIGH. I know, Senator, but that was the only terms they would agreed to, so we agreed to it.

The CHAIRMAN. And you got the \$15,000?

Mr. BULLEIGH. Yes, sir.

Senator ERVIN. Up to the time that you got the \$15,000 deposited in escrow, the companies were opposed to the union?

Mr. BULLEIGH. Yes, sir.

Senator ERVIN. And after that was put in escrow, they sacrificed what they had theretofore considered to be p-r-i-n-c-i-p-l-e for p-r-i-n-c-i-p-a-l; didn't they?

Mr. BULLEIGH. No, sir; I am still opposed to the union.

Senator ERVIN. Anyway, you say one of the considerations was that you had an oral side agreement that this was to take care of the damage also?

Mr. BULLEIGH. That was an oral agreement.

Senator ERVIN. In order to get your damages paid out of this, you had to assist in persuading the drivers to go to vote the union shop?

Mr. BULLEIGH. I did not assist either way, sir. I stayed strictly neutral.

Senator ERVIN. Well, you ceased to be belligerent and became a neutralist?

Mr. BULLEIGH. Right; yes sir, I did that.

Senator ERVIN. Well, I just wanted to say that, judging by the people who have come here from Wichita, I am glad that the fifth amendment apparently does not occupy as exalted a position in the eyes of the people of Wichita as it does here in Washington.

That is all, Mr. Chairman.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I have before me exhibit 40, which is a reprint of an advertisement of the Wichita Crime Commission. It was previously identified and received as an exhibit. It says, among other things:

Wichita is witnessing many acts of violence—brutal, vicious, premeditated. We can no longer be proud and certainly not smug and complacent.

Do you know Robert Davis of 1403 East Gilbert?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. He said he had a rock thrown through the windshield of his car. Do you know anything about that?

Mr. BULLEIGH. Yes, sir. It looked like a bullet hole to me. That is the one that shot off my incident.

Senator CURTIS. Who is he?

Mr. BULLEIGH. He is a cabdriver.

Senator CURTIS. A cabdriver?

Mr. BULLEIGH. I believe he was just a driver at that time, sir.

Senator CURTIS. Was he on the Teamsters' side?

Mr. BULLEIGH. No, sir.

Senator CURTIS. J. F. Townsend, 2705 East Gilbert, had the tires of his cab punctured by ice pick. Do you know him?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. Was he on the Teamster side?

Mr. BULLEIGH. No, sir.

Senator CURTIS. It says you were arrested.

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. Tell us about that.

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. You did tell us?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. I had a telephone call. I am sorry I missed it. Philip Ferris, 309 North Market: do you know him?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. It says he was stopped and his cab turned over by six unknown persons. Was he on the Teamsters side?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. He was a teamster. Mrs. Ellen D. Parks, Route 2, Derby, Kans., while in Wichita was almost run down by a taxi, apparently with intention. Do you know anything about that?

Mr. BULLEIGH. No, sir; I don't know her.

Senator CURTIS. Do you know anything about the incident?

Mr. BULLEIGH. No, sir.

Senator CURTIS. Ronald C. Hayworth, 540 North St. Francis, suffered head injury from assault upon his person at 201 West Murdock. Do you know him?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. Which side was he on?

Mr. BULLEIGH. He was then with the Teamsters.

Senator CURTIS. December 3, Andrew C. Christensen, 1442 Ellis, had windshield broken by flying missile.

Do you know him?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. Whose side was he on?

Mr. BULLEIGH. He was working for us.

Senator CURTIS. With the Teamsters?

Mr. BULLEIGH. No; not with the Teamsters.

Senator CURTIS. Samuel K. Garber, 248 North Athenian, had milk bottle full of gasoline thrown in his taxi. Do you know him?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. Was he fighting on the Teamsters side?

Mr. BULLEIGH. No, sir; he was against the Teamsters.

Senator CURTIS. Quite a war. Davis S. Kuhms, 632 South Millwood. Do you know him?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. It says he had his windshield broken by flying objects. Which side was he on?

Mr. BULLEIGH. He was one of our men.

Senator CURTIS. He was not a teamster?

Mr. BULLEIGH. No, sir; he was not a teamster.

Senator CURTIS. Air Capital Cab Co., 201 West Murdock, had brick thrown through windshield of cab. That was on management side?

Mr. BULLEIGH. That was one of our cabs; yes, sir.

Senator CURTIS. Jack C. Gideon, 1427 South Topeka, had taxi set on fire and completely burned by an unknown person. Do you know Gideon?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. Was he on the Teamsters' side?

Mr. BULLEIGH. No, sir.

Senator CURTIS. I am not going to take the time of the committee to read all of these. Had you had anything like that in Wichita before?

Mr. BULLEIGH. Never, sir.

Senator CURTIS. Is it going on now?

Mr. BULLEIGH. I did not understand the question.

Senator CURTIS. Is that sort of thing going on now?

Mr. BULLEIGH. No, sir.

Senator CURTIS. I don't know, Mr. Chairman, whether I would call this organizing the unorganized or just what it is. It looks pretty bad to me.

That is all.

I might say for the benefit of the record, I read approximately between a third and a fourth of the offenses.

The CHAIRMAN. Are there any further questions?

Senator IVES. I would like to ask one very brief question, Mr. Chairman.

I would like to know how many of the taxicab drivers—I think somebody said in the course of this testimony there were about 200. Is that it, about 180 or so, driving cabs when this strike started?

Mr. BULLEIGH. Yes, sir.

Senator IVES. Initially how many of them wanted to join the union, when the strike was declared or started?

Mr. BULLEIGH. 40 or 50.

Senator IVES. Out of the 180?

Mr. BULLEIGH. Yes, sir.

Senator IVES. They had a vote on it to indicate that?

Mr. BULLEIGH. No, sir; to my knowledge there was no vote.

Senator IVES. How did the strike start? Did they have outside pickets come in there and start it?

Mr. BULLEIGH. No, sir; these 30 or 40 drivers started forming a picket line.

Senator IVES. The drivers there themselves?

Mr. BULLEIGH. Yes, sir.

Senator IVES. They did it voluntarily?

Mr. BULLEIGH. As far as I know, sir.

Senator IVES. There was no instrumentality from the outside to spur them on with activities that you know of? In other words, they were not being steered by anybody from the outside?

Mr. BULLEIGH. By the Teamsters.

Senator IVES. By the Teamsters.

The Teamsters were in there?

Mr. BULLEIGH. Yes, sir.

Senator IVES. And they got these 40 or 50 out of your 180 to picket this place and start the strike?

Mr. BULLEIGH. Yes, sir.

Senator IVES. Organizational picketing, as I understand.

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. Then you were able to obtain a very easy contract, were you not? The drivers did not obtain any great benefits?

Mr. BULLEIGH. No great benefits.

Mr. KENNEDY. That was part of the agreement, was it not?

Mr. BULLEIGH. Yes, sir.

Mr. KENNEDY. In fact, they did not receive any health and welfare provisions at that time?

Mr. BULLEIGH. No, sir.

Mr. KENNEDY. Even in 1957 when they brought up health and welfare again, they did not receive it at that time?

Mr. BULLEIGH. No, sir. It was provided for, but it was my understanding that the board of trustees turned it down.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. When did this strike start?

Mr. BULLEIGH. November 30, 1953.

Senator CURTIS. Were these outside Teamster representatives in there before that?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. How long had they been in there?

Mr. BULLEIGH. To the best of my knowledge they first came in, I think, in July or August of 1953, and contacted the cabdrivers.

Senator CURTIS. Who were some of them that came in? Do you know any of them?

Mr. BULLEIGH. Barney Baker and Kavner were the only two that I know of.

Senator CURTIS. Were some of them in there before any of the difficulties started between the drivers and management?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. Had you had any trouble before that?

Mr. BULLEIGH. We had a hearing before the NLRB. They were seeking representation. We contended that they were not employees. Out of the 128 cabs there were only 9 company-owned cars. The drivers owned the balance of the cars themselves. Our contention was that they were independent contractors. We had this hearing before the NLRB to determine whether or not they could be represented. The NLRB ruled in our favor. Then the next thing we knew the strike started.

Senator CURTIS. Then these fellows that were put into the unions were ones that the NLRB said did not belong in the union?

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. So if they could not win on an NLRB ruling they would come in and start a war, like this one described by the Wichita Crime Commission.

Mr. BULLEIGH. Yes, sir.

Senator CURTIS. That is not a very good pattern, but it has been happening in a lot of places in the United States with more than one union.

The CHAIRMAN. Are there any further questions? If not, thank you very much.

The committee will stand in recess until 10:30 tomorrow.

(Whereupon, at 4:25 p. m. the hearing was recessed, to reconvene at 10:30 a. m. Thursday, August 14, 1958, with the following members present: Senators McClellan, Ives, Ervin, and Curtis.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, AUGUST 14, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Barry M. Goldwater, Republican, Arizona; Senator Karl E. Mundt, Republican, South Dakota; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; Paul Tierney, assistant counsel; John J. McGovern, assistant counsel; Carmine S. Bellino, accountant; Pierre E. Salinger, investigator; Leo C. Nulty, investigator; James P. Kelly, investigator; Walter J. Sheridan, investigator; James Mundie, investigator; John Flanagan, investigator, GAO; Alfred Vitarelli, investigator, GAO; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the committee present at the convening of the session were: Senators McClellan, Ives, Goldwater, and Curtis.)

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Francis Moore, of the Fidelity Bank & Trust Co., and I believe there are two gentlemen.

The CHAIRMAN. Gentlemen, I believe you are both to testify. Will you be sworn? Do you each solemnly swear that the evidence given before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MOORE. I do.

Mr. LEWIS. I do.

TESTIMONY OF FRANCIS A. MOORE AND DAVID M. LEWIS

The CHAIRMAN. Beginning on my left, will you give us your name and your address, and your business or occupation, please?

Mr. LEWIS. David M. Lewis, 6135 Central Avenue, Indianapolis, Ind.

Mr. MOORE. Francis A. Moore, 8577 Washington Boulevard, Indianapolis, Ind.

The CHAIRMAN. Thank you, gentlemen. Do you waive counsel, do you?

Mr. MOORE. I do.

Mr. LEWIS. I do.

Mr. KENNEDY. I would like with the help of you gentlemen to get in the record certain facts regarding certain bank accounts that were opened at the Fidelity Bank & Trust Co., in Indianapolis.

Now, was there an account opened on or about January 7, 1954, in the name of Mr. David Probstein, trustee?

The CHAIRMAN. Before you proceed further, are you officers of this bank?

Mr. LEWIS. Mr. Moore is vice president of the bank, and I am general counsel for the bank and I am a member of the board of directors of the bank.

The CHAIRMAN. Proceed.

Mr. MOORE. We had an account opened for David Probstein, trustee, on January 3, 1955.

Mr. KENNEDY. How much was deposited at that time?

Mr. MOORE. \$20,000 on a signature card.

Mr. KENNEDY. Are you sure of that date, January 7, 1954, I believe?

Mr. MOORE. I beg your pardon, I was looking at the ledger card. It is January 7, 1954.

Mr. KENNEDY. That was money deposited in the account of David Probstein, trustee?

Mr. MOORE. Yes, sir.

Mr. KENNEDY. Who were on the signature cards, or what did the signature cards show?

Mr. MOORE. David Probstein, trustee.

Mr. KENNEDY. Did he come in and deposit that money personally, can you tell from the records?

Mr. MOORE. Based on this information here, I would say that he did come in personally, and deposit the money.

Mr. KENNEDY. The \$20,000?

Mr. MOORE. Yes, sir.

Mr. KENNEDY. Is that by check or cash, can you tell?

Mr. MOORE. I understood by check.

Mr. KENNEDY. By check?

Mr. MOORE. Yes, sir.

Mr. KENNEDY. On the following day, January 8, do the records show that he withdrew some money from that account?

Mr. MOORE. I am sorry, sir, I don't have the ledger card on that with me.

Mr. KENNEDY. All right. Did he establish another account the following day, then?

Mr. MOORE. There were several accounts in the bank that Mr. Probstein was connected with.

Mr. KENNEDY. Did he establish one on January 8? I just want to follow this chronologically. Did he establish one on January 8, 1954?

Mr. MOORE. I don't have the evidence of it here.

Mr. KENNEDY. In the name of State Cab, Inc.?

Mr. MOORE. There was an account established in the name of the State Cab Co. on January 8, 1954, with a deposit of \$17,500.

Mr. KENNEDY. \$17,500?

Mr. MOORE. Yes, sir.

Mr. KENNEDY. Was that by check or by cash?

Mr. MOORE. From appearances, it would be by check.

Mr. KENNEDY. Now, Mr. Chairman, could we have the documents on those 2 bank accounts made exhibits, and offer the signature cards for those 2 bank accounts?

The CHAIRMAN. Gentlemen, let the original documents be submitted and we can arrange for photostatic copies later, if you desire.

Mr. MOORE. Yes, sir.

The CHAIRMAN. The ledger accounts will be made exhibit 41, and the signature card will be made exhibit 41 (A).

Do you have more than one account?

Mr. KENNEDY. We have two accounts as of this type. One is on David Probstein, trustee, established on January 7, 1954, and another one on State Cab, Inc., account, established January 8, 1954, with a deposit of \$17,500. What does the signature card on State Cab, Inc., show?

The CHAIRMAN. Let me get this record straight. The ledger sheet on the January 7 account in the amount of \$20,000 will be made exhibit 41, and the signature card for it will be made 41-A, and the ledger sheet on the State Cab Co. account opened January 8, in the amount of \$17,500 will be made exhibit 42, and the signature card for it 42-A.

(The documents referred to were marked "Exhibit Nos. 41 and 41-A," also "42 and 42-A," for reference, and may be found in the files of the select committee.)

Mr. KENNEDY. What does the signature card on the State Cab account show?

Mr. MOORE. The signature card of State Cab, Inc., shows the authorized signature to be David Probstein.

Mr. KENNEDY. Then on July 20, 1954, was the State Cab, Inc., extended a loan by your bank, a loan of \$27,083.28?

Mr. MOORE. Yes, sir; on July 13, 1954, an installment loan was made to the State Cab Co. in the total amount of \$27,083.28. We held as collateral to this loan, 12 1954 Fords, 12 mobile Motorola and 2-way radios, and 1 transmitter unit and tire, and chattel mortgage on office furniture and air conditioner, and time clock.

Mr. KENNEDY. On September 17, 1954, was there a bank account opened in the name of Aldor Insurance Agency?

Mr. MOORE. On September 16, 1954, an account was opened in the name of Aldor Insurance Agency, Inc., and the authorized signature was David Probstein, president; Allen M. Dorfman, treasurer.

Mr. KENNEDY. Allen Dorfman was the treasurer?

Mr. MOORE. Yes, sir.

Mr. KENNEDY. And David Probstein was the president, is that correct?

Mr. MOORE. That is correct; yes, sir.

Mr. KENNEDY. What was the amount of that account?

Mr. MOORE. The initial deposit was \$3,000.

Mr. KENNEDY. Do you have the signature card there?

Mr. MOORE. Yes, sir.

Mr. KENNEDY. Could we have that as an exhibit?

The CHAIRMAN. The account of the Aldor Insurance Agency may be made exhibit 43, and the signature card 43-A.

(Documents referred to were marked "Exhibits Nos. 43 and 43-A," for reference, and may be found in the files of the select committee.)

Mr. KENNEDY. I might point out here that the Allen Dorfman Co., and not this Aldor Insurance Co., but another one of his companies, is the agent handling the insurance for the Central States Conference of the Teamsters.

The CHAIRMAN. All right.

Mr. KENNEDY. Now, there was also an account opened in the name of the Union Loan & Finance Corp. on that same day?

Mr. MOORE. On September 16, 1954, a \$3,000 account was opened in the name of Union Loan & Finance Corp., David Probstein, president; Allen M. Dorfman, treasurer.

The CHAIRMAN. That account may be made exhibit 44 and the signature card 44-A.

(Documents referred to were marked "Exhibits Nos. 44 and 44-A," for reference, and may be found in the files of the select committee.)

Mr. KENNEDY. How much was the deposit, the initial deposit in that account?

The CHAIRMAN. I believe you stated the initial deposit was \$3,000.

Mr. KENNEDY. This is in the Union Loan & Finance Corp., and it was \$3,000 in both, I believe.

Mr. MOORE. The initial deposit was \$3,000.

Mr. KENNEDY. Now, on October 22, 1954, or thereabouts, did you receive some money from Local 299 of the International Brotherhood of Teamsters in your bank?

Mr. MOORE. On October 27, 1954, an account was opened in the name of the International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers of America, Local Union 299, 2741 Trumbull, Detroit, Mich. The authorized signatures—and this happens to be a replacement card, and I don't have the original card here, and the replacement card shows that authorized signatures are James R. Hoffa and Frank Collins.

Mr. KENNEDY. That was for \$125,000?

Mr. MOORE. That is correct.

Mr. KENNEDY. That is from local 299?

Mr. MOORE. Yes, sir.

Mr. KENNEDY. Do you have the original authorization or do we have the original authorization?

Mr. LEWIS. You have the only one we have, Mr. Kennedy.

The CHAIRMAN. I present to you a document and ask you to examine it and state what it is.

(A document was handed to the witness.)

Mr. MOORE. This is a picture of the original authorization.

The CHAIRMAN. It is a photostatic copy of the original authorization?

Mr. MOORE. That is correct; yes, sir.

The CHAIRMAN. Let the ledger sheet of the International Brotherhood of Teamsters, Local 299, with the initial deposit of \$125,000, be made exhibit No. 45 and the signature card or authorization for it be made exhibit 45-A.

(Documents referred to were marked "Exhibits Nos. 45 and 45-A," for reference and may be found in the files of the select committee.)

Mr. KENNEDY. What has happened to the original card, the original signature card?

Mr. MOORE. Sir, we attempted to locate it, and we didn't find it. In many cases where there is an original signature card involved, when it is supplemented by a new permanent card, the original is destroyed.

Mr. KENNEDY. What are the names on the replacement card?

Mr. MOORE. James R. Hoffa and Frank Collins.

Mr. KENNEDY. How did that account happen to come into your bank?

Mr. MOORE. To the best of my recollection, it came in in the normal course of business, and I don't recall specifically having looked at the account, and the check in connection with it, the girl must have referred it to me as floor officer at the time, and it was made payable to the Fidelity Bank & Trust Co. At that particular time, in 1954, there was no Fidelity Bank & Trust Co., and our bank name was Fidelity Trust Co. Apparently I referred the check back to the girl and told her to correct it by endorsement, and when it was returned to me typed, and I signed it.

Mr. KENNEDY. What do your records show as to who introduced the account into the bank?

Mr. MOORE. It would be my idea that it was referred to me because the authority of the association has my handwriting on it, and I would think from that that it was referred directly to me at the time.

Mr. KENNEDY. By whom was it brought in?

Mr. MOORE. The signatures authorized at the time that this temporary association form was made up was Gene San Soucie and Norman C. Murrin.

Mr. KENNEDY. Who was Gene San Soucie?

Mr. MOORE. He was president of the local teamsters at Indianapolis.

Mr. KENNEDY. Who was the other gentleman?

Mr. MOORE. He is secretary of the local union in Indianapolis.

Mr. KENNEDY. What is his name?

Mr. MOORE. Norman C. Murrin.

Mr. KENNEDY. Could I have that, please? Who brought this in to you?

Mr. MOORE. I don't recall definitely who did bring it in, but with the signatures on the form you are looking at I would presume that possibly Mr. San Soucie brought it in.

Mr. KENNEDY. Do you know what the purpose of this account was?

Mr. MOORE. No, sir; nothing other than the deposit of the account.

Mr. KENNEDY. Why would local 299 in Detroit be sending \$125,000 to this bank in Indianapolis?

Mr. MOORE. I wouldn't know that. We have other out-of-town depositors, and it was considered to be a normal thing.

Mr. KENNEDY. Doesn't the local itself, which Mr. San Soucie is president of, don't they have their own bank accounts in Indianapolis?

Mr. MOORE. I believe they do; yes, sir.

Mr. KENNEDY. What I am trying to understand is if you have any explanation as to why local 299 in Detroit, a local union in Detroit, would be sending \$125,000 to a bank in Indianapolis?

Mr. MOORE. I wouldn't have any idea why, other than just——

Mr. KENNEDY. Did you ever talk to Mr. Hoffa about it?

Mr. MOORE. No, sir.

Mr. KENNEDY. Do you know if anybody from your bank talked to Mr. Hoffa about it?

Mr. MOORE. No, sir; I don't.

Mr. KENNEDY. You can't tell us any more about your conversations with Mr. San Soucie regarding this?

Mr. MOORE. No, sir; I couldn't. I don't recall any conversation I had at all on the account.

Mr. KENNEDY. Was any money withdrawn out of the account?

Mr. MOORE. No, sir; it is still on the account in full, \$125,000, with proper signatures, and it could be withdrawn.

Mr. KENNEDY. Now, it says here this is the Fidelity Trust Co., International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers of America, Local Union 299, and then it gives as president Gene San Soucie. Gene San Soucie is not president of local 299.

Mr. MOORE. I noticed that, too, and I couldn't understand it at the time. At the particular time I didn't know whether Mr. San Soucie was president of it or not. I didn't know who was president of the union.

Mr. KENNEDY. So you do remember the incident?

Mr. MOORE. No, sir; not particularly, I don't remember.

Mr. KENNEDY. You remember being struck by the fact that Mr. San Soucie is listed as president of 299?

Mr. MOORE. At that time, I didn't know who was president of the local union, or 299. I had been away from the city and I returned to the Fidelity Trust Co. in 1953 from California and I didn't know whether that was a proper signature or not.

Mr. KENNEDY. Well, now, these are officers of a local in Indianapolis, and yet it says here that they are president and secretary of local 299 in Detroit?

Mr. MOORE. That is right.

Mr. KENNEDY. You don't have any explanation for that?

Mr. MOORE. No, sir; I don't.

The CHAIRMAN. When did you discover that Mr. San Soucie was not president of local 299?

Mr. MOORE. When the permanent authority was received in the bank, and we had a permanent authority which was received in November of 1954, November 10, 1954, and it was drawn for the account known as Truck Drivers Local Union 299. The authorized signatures on that were James R. Hoffa, president, and Frank Collins, secretary-treasurer. It required two signatures to withdraw any funds from the account.

The CHAIRMAN. Do you have a temporary authority, and then a permanent authority?

Mr. MOORE. Yes, sir; we do, and very often when there is an account opened up, we give out the permanent authority, and it is signed and sent back to the bank to replace the one we have on file.

The CHAIRMAN. You first got the authority, or the signatures of San Soucie and Murrin, is that correct?

Mr. MOORE. That was a temporary authority, yes, sir.

The CHAIRMAN. Well, does that permanent authority cancel out the temporary authority?

Mr. MOORE. Yes, sir.

The CHAIRMAN. Does the temporary authority have any part to play in the transaction?

Mr. MOORE. No, sir.

The CHAIRMAN. In other words, somebody else just comes in and puts in a card and says, "We can draw this money out," and you take that?

Mr. MOORE. We had to go by the authority we received finally, with the complete signatures.

The CHAIRMAN. I am not questioning it, but I just see here, two people put the money in the bank, \$125,000, and they certify they are the ones to draw it out. Two weeks later you get a card, another authorization, and two other people certify they are the ones to draw on the account. How do you know which ones are authorized?

Mr. MOORE. We don't always know exactly who is to draw it out, except by the final resolution that we have, the final authority that we receive.

The CHAIRMAN. That is if another one came in tomorrow with two other names, what would happen? Do you consult the original depositors, as to whether this new authority is correct?

Mr. MOORE. No, sir; we don't. We give them a copy of a supplemental authority, such as I have here, for them to have sent in to replace the temporary one.

The CHAIRMAN. If I go down and deposit \$125,000 in your bank, and sign my name to a card, and say I am the one to draw it out, I don't see how Mr. Kennedy could come along the next day and hand you a card and say he is going to draw it out. That doesn't make sense to me, without my consent, or without the original depositor consenting to it.

Mr. LEWIS. May I answer that?

The CHAIRMAN. I don't understand it.

Mr. LEWIS. A depository authority for a voluntary association or a corporation is somewhat different from an individual who signs a signature card. If an individual comes in and opens an account and signs a signature card, it takes that individual's signature to transfer that account to someone else. But this is what we call a voluntary association depository authority, used for lodges, churches, and unions, and union corporated organizations.

The original signatures can be replaced at any time by proper resolution of the duly authorized officers of the voluntary association sending in a change of signatures, or a change of authority.

The CHAIRMAN. I can understand that. Is that the way this happened?

Mr. LEWIS. Undoubtedly what happened in this case, and I don't know what happened, and I have been trying to look through it to see what happened, the two gentlemen who brought this account in originally were apparently the men San Soucie and Murrin. They opened the account for the bank to have something in its files to indicate the authority to have the money. They signed this temporary authorization.

It may be that there wasn't a signature card originally, and they couldn't have withdrawn it without the signature card. Undoubtedly a bank officer told them to get the proper authorization from the men in Detroit, and send it in. It came in in due course in about the

usual mail time, and replaced the temporary holding in the bank of the depository authority.

The CHAIRMAN. That may be correct, and I am not challenging it, but I just didn't understand it.

Mr. LEWIS. I am trying to fill in. I would say that would be a usual transaction.

The CHAIRMAN. Proceed.

Senator IVES. I have a question. I would like to ask the witness, the vice president, this question: How long has this \$125,000 been on deposit?

Mr. MOORE. It has been on deposit, sir, continuously since the first day it was put in the bank.

Senator IVES. What date was that?

Mr. MOORE. October 27, 1954.

Senator IVES. Well, that is almost 4 years, isn't it?

Mr. MOORE. That is correct.

Senator IVES. You have paid interest on it regularly?

Mr. MOORE. No.

Senator IVES. No arrangements were made for interest on an amount like that?

Mr. MOORE. No, sir, it is in a checking account.

Senator IVES. That doesn't make any difference. I have had some experience in banking. You sometimes pay interest on balances, you know, and I take it this money was undisturbed all of this time, \$125,000 was left there?

Mr. MOORE. That is correct.

Senator IVES. Reposing peacefully for your own use, and you were getting the advantage of it and nobody else?

Mr. MOORE. Yes, sir.

(At this point, the following members were present: Senators McClellan, Ives, Goldwater, and Curtis.)

The CHAIRMAN. I hand you a photostatic copy of a check in the amount of \$125,000, dated October 21, 1954. Will you examine it and state if that is a photostatic copy of the check that was deposited?

(The document was handed to the witness.)

Mr. MOORE. Yes, sir; it is.

The CHAIRMAN. That photostatic copy of the check may be made exhibit No. 46.

(The document referred to was marked "Exhibit No. 46" for reference and will be found in the appendix on p. 14131.)

Mr. KENNEDY. Was there something your bank was going to do for the Teamsters Union or for David Probstain that brought about the \$125,000 deposit in your bank?

Mr. MOORE. Not to my knowledge; no, sir.

Mr. KENNEDY. Do you know of anything, any favors that you were going to grant to the union or to David Probstain?

Mr. LEWIS. Absolutely not, Mr. Kennedy, and I have made diligent inquiry of everyone who is an officer, of the 45 officers of that bank, and there isn't anything like that.

Mr. KENNEDY. On December 10, 1954, another account was opened, in the amount of \$2,000, was it not, in the name of David Probstain, general agent, Union Casualty & Life Insurance Co.?

(At this point, Senator Mundt entered the hearing room.)

Mr. MOORE. Yes, sir, an account was opened on December 10, 1954, in the amount of \$2,000, David Probst, general agent, Union Casualty & Life Insurance Co. The authorized signators are David Probst and Robert S. Greenfield.

Mr. KENNEDY. Mr. Chairman, Robert S. Greenfield is the same Robert S. Greenfield that appeared before the committee in connection with the investigation we were making of the Chicago Restaurant Association.

The CHAIRMAN. All right. Has that been made an exhibit? That account and the signature card may be made exhibits Nos. 47 and 47A.

(The documents referred to were marked "Exhibits Nos. 47 and 47A" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. On April 28, 1955, an account was opened also in the name of the Union Casualty & Life Insurance Co. in the amount of \$1,065.80; is that right?

It is of less importance, if you can't find it.

Mr. MOORE. On April 19, 1955, an account was opened in the name of Union Casualty & Life Insurance Co.

The initial deposit was \$129.12. Listing the authorized signature is Albert G. Baker, Lewis L. Elwell, it looks like on here, William Smith, and Paul Hurbert or Hubert.

The CHAIRMAN. That account may be made exhibit 48, and the signature card as 48A.

(The documents referred to were marked "Exhibits Nos. 48 and 48A" for reference and may be found in the files of the select committee.)

The CHAIRMAN. This \$125,000 account, is that just an open account, a checking account, or is it on time deposit?

Mr. MOORE. It is an open checking account, sir.

The CHAIRMAN. Sir?

Mr. MOORE. An open checking account.

The CHAIRMAN. But no checks have ever been drawn on it?

Mr. MOORE. No, sir; no checks have ever been drawn.

The CHAIRMAN. You have had the money now how long—about 3 years or 4 years?

Mr. MOORE. Almost 4 years. I might say that on checking accounts in the State of Indiana, it is a violation of the law to pay interest on the deposit.

The CHAIRMAN. I don't challenge that. I am not challenging anything at the moment, but it seems to me if I had \$125,000 and wasn't going to use it, I would let it make a little money. That is the way it occurs to me. Is there anything further?

Mr. KENNEDY. You also have \$1 million in the Fidelity Bank & Trust Co. for the funds of the Central States Conference of Teamsters: have you not?

Mr. MOORE. There is one in the trust department; yes, sir.

Mr. KENNEDY. The trust department?

Mr. MOORE. Yes, sir.

Mr. KENNEDY. When was that deposited, approximately? That was February 1957?

Mr. LEWIS. Mr. Kennedy, you have that date.

Mr. KENNEDY. That is not directly involved.

Mr. MOORE. That is in a different department, sir.

Mr. KENNEDY. And not directly involved in what we are interested in.

Mr. MOORE. No, sir.

Mr. KENNEDY. I just wanted to make sure we had the full facts. That is all, Mr. Chairman.

The CHAIRMAN. All right. Are there any further questions? If not, thank you very much.

**TESTIMONY OF JAMES R. HOFFA, ACCOMPANIED BY COUNSEL,
EDWARD BENNETT WILLIAMS; GEORGE FITZGERALD AND
DAVID PREVIANT**

Mr. KENNEDY. Mr. Hoffa.

Mr. Hoffa, why was the \$125,000 deposited in this Indianapolis bank?

Mr. HOFFA. The \$125,000 was deposited in the Indianapolis bank so that Local Union 135 would be able to have stability in the community. It so happens that the employers, knowing that 135 was in bad financial shape, were taking advantage of the local union, anticipating the fact they could not win a strike or take on an organizing campaign. I discussed with San Soucie the question of his organization, and he requested the right to borrow \$125,000 from our union. I decided rather than to borrow the money, to loan the money to San Soucie, we would deposit \$125,000 in the bank, with the intention that if San Soucie needed money to conduct an organizing campaign or a strike, we would be in a position to draw money from that Indianapolis bank in necessary amounts to support San Soucie in any way necessary to win either an organizing campaign or a strike.

Mr. KENNEDY. If the money was a loan—

Mr. HOFFA. I did not say that it was a loan, Mr. Kennedy. Just a moment. I said that Mr. San Soucie asked for a loan, and rather than make a loan, it was in the bank. Now, whether he carried it as a loan or not in his books, I don't know. And we may have carried it in our books. But in any event, at no time did the money get out of the possession of local union 299. How it was carried in the books, I can't tell you offhand. Mr. Bellino has the records.

Mr. KENNEDY. How were the employers to know that this money belonged to Mr. San Soucie's local?

Mr. HOFFA. I am quite sure that San Soucie announced it publicly in meetings so that the employers would know about it.

When you announce in meetings, anything that transpires in a local union, it becomes generally public property in a very short order.

Mr. KENNEDY. But the account, as I understand it, was not deposited in the name of Mr. San Soucie's local. It was deposited in the name of local 299.

Mr. HOFFA. But I am quite sure that he announced the fact that it was there for the protection of local 135 if and when needed.

Mr. KENNEDY. But didn't the employers always know that the international was going to back them up when funds were needed?

Mr. HOFFA. This was not the international union.

Mr. KENNEDY. All right, the Central States Conference was going to back them up? You could say that without having the money in the bank under the name of local 299.

Mr. HOFFA. I believe this made it a more positive effect, and I believe it very definitely had an effect on local 135's organizational success.

Mr. KENNEDY. Did you have any interest or did you know Mr. David Probstein?

Mr. HOFFA. I have met him, yes.

Mr. KENNEDY. Did you have any interest in any of his financial affairs?

Mr. HOFFA. No.

Mr. KENNEDY. You never did?

Mr. HOFFA. I loaned him some money.

Mr. KENNEDY. How much money did you loan him?

Mr. HOFFA. We loaned him, and I got this over the phone so I assume that the dates and amounts are right—Mr. Bellino has the record, and if it is wrong he can correct it—on May 14, 1954, \$8,000 was loaned to the State Cab Co., \$7,000 has been paid back, there is a \$1,000 balance, nothing has been paid on the account since the last 2 years, 1957 and 1958. That came out of either Hobren or Test Fleet. I am not sure what the name of the corporation was at that particular time.

Mr. KENNEDY. That was May 14, 1954?

Mr. HOFFA. That is the record I have here, and Mr. Bellino has the records.

The CHAIRMAN. I am not quite clear. Was the loan of \$8,000 your money or the Teamsters' money?

Mr. HOFFA. It was the Hobren Corp. money, sir.

The CHAIRMAN. It what?

Mr. HOFFA. Hobren or Test Fleet, the truck company that my wife and Mrs. Brennan has money in, had stock in.

The CHAIRMAN. I just wanted to clear it up. I didn't quite understand whether the union loaned them the money.

Mr. HOFFA. No, sir, they did not.

Mr. KENNEDY. This was a loan of \$8,000 from you and Bert Brennan, or from you?

Mr. HOFFA. It was a loan of \$8,000 either from Hobren or Test Fleet.

Mr. KENNEDY. So that we get it straight, isn't Hobren and Test Fleet owned by you?

Mr. HOFFA. Hobren and Test Fleet is my wife and Brennan's company where they have the stock in it.

Mr. KENNEDY. In order to get answers to questions about their finances, do you want us to have your wife and Mr. Brennan's wife down here to answer the questions?

Mr. HOFFA. Now, Mr.—

Mr. KENNEDY. Wait a minute. You keep putting this on your wife and Mr. Brennan's wife.

Mr. HOFFA. Look, I don't put nothing on my wife, and I want it very clearly understood that my wife knows nothing of the operation of this company whatsoever.

Mr. KENNEDY. All right, let's get down to it. Did you make the loan, you and Mr. Brennan make the loan, through the Hobren Corp.?

Mr. HOFFA. You didn't ask that question. The answer to that question is that I recommended the loan and so did Brennan.

Mr. KENNEDY. To whom did you recommend the loan?

Mr. HOFFA. Recommended it to our wives and it was made through the company.

Mr. KENNEDY. That was \$4,000 from each one of you; is that correct?

Mr. HOFFA. It would be \$8,000 from the company, and necessarily, since they are equal partners, it would be \$4,000 apiece.

Mr. KENNEDY. Why did you make that loan to Mr. Probstein?

Mr. HOFFA. Because he requested it.

Mr. KENNEDY. How long had you known Mr. Probstein?

Mr. HOFFA. San Soucie recommended the loan, not Probstein, because I didn't know Probstein hardly at all.

Mr. KENNEDY. Tell us about your conversation with Mr. San Soucie.

Mr. HOFFA. He wanted to know whether or not we would loan the State Cab Co. that much money if he was the guaranty as to the repayment. That is all it amounted to.

Mr. KENNEDY. Did you talk to Probstein about it?

Mr. HOFFA. Yes. I believe Probstein came to Detroit once or twice. I am not sure.

(At this point, Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. Did you meet with him about this situation?

Mr. HOFFA. Yes.

Mr. KENNEDY. Would you tell us what he was going to do with the money?

Mr. HOFFA. Here is what he was going to do. The State Cab Co.

Mr. KENNEDY. From the State Cab Co.?

Mr. HOFFA. That was my understanding; yes.

Mr. KENNEDY. Did you have anything to do with the insurance company?

Mr. HOFFA. What insurance company?

Mr. KENNEDY. He was also engaged or involved in an insurance company in Indianapolis. Did you have anything to do with that?

Mr. HOFFA. I understand that was Union Casualty Insurance Co.

Mr. KENNEDY. Yes. Did you have anything to do with it?

Mr. HOFFA. I personally had nothing to do with the insurance company. I am no stockholder in it personally.

Mr. KENNEDY. Did you or your wife or Bert Brennan's wife have anything to do with financing or setting up that insurance company?

Mr. HOFFA. I had nothing to do with setting it up.

Mr. KENNEDY. Did you have anything to do with financing it?

Mr. HOFFA. I did not.

Mr. KENNEDY. Did you, your wife, Bert Brennan, or his wife or Hobren Corp. or Test Fleet Corp. have any other financial dealings with Mr. Probstein?

Mr. HOFFA. This is my extent of the financing of Probstein.

Mr. KENNEDY. Did you have any other financial dealings with Mr. San Soucie, then, on behalf of Mr. Probstein?

Mr. HOFFA. On this loan? No.

Mr. KENNEDY. Well, any other financial dealings with Gene San Soucie.

(At this point Senator Ervin entered the hearing room.)

MR. WILLIAMS. Is this at any time, Mr. Kennedy?

MR. KENNEDY. Since January 1, 1953.

(The witness conferred with his counsel.)

MR. HOFFA. The answer is "No." I don't recall having any business, and I am sure I did not, with San Soucie.

MR. KENNEDY. You never advanced him any money? The only financial operation that he knew anything about, then, was the \$8,000?

MR. HOFFA. I don't know what he knew. That is what we loaned him.

MR. KENNEDY. Well, you said it was through his efforts.

MR. HOFFA. I said I don't know what he knew about State Cab Co. I am saying that \$8,000 is what we loaned.

MR. KENNEDY. And it was on his recommendation, as I understood you?

MR. HOFFA. Yes, you are right.

MR. KENNEDY. And you or any of these companies that you own or operate never had any other financial operations or dealings with Mr. Probstein, is that correct, other than the \$8,000?

MR. HOFFA. I did not.

MR. KENNEDY. Excuse me?

MR. HOFFA. I did not.

MR. KENNEDY. Well, did Hobren—

MR. HOFFA. No; the records reflect nothing.

MR. KENNEDY. Well, do you know of any other financial dealings? You say the records reflect nothing. Do you know of any other financial dealings—

MR. HOFFA. No.

MR. KENNEDY. Would you wait until I finish?

MR. HOFFA. You asked me a question and I answered it.

MR. KENNEDY. Did you, Mr. Hoffa, have any other financial dealings with Mr. Probstein, other than the \$8,000?

MR. HOFFA. I had no dealings with Probstein. This money was loaned to Probstein at the suggestion of San Soucie, so actually I had no business with Probstein.

MR. KENNEDY. I thought you loaned Mr. Probstein \$8,000.

MR. HOFFA. I just got through saying we did. But I say I actually had nothing to do with Probstein, because if it would have been Probstein alone, he never would have received a loan from us, but only on the recommendation of San Soucie and with the assurance that he would see that it was paid back if they did not pay it back.

MR. KENNEDY. Mr. Hoffa, I understand that.

MR. HOFFA. Then you have the answer, then.

MR. KENNEDY. No; all I am asking, and I think we can move along very quickly, all I am asking you is whether you had any other financial dealings with Mr. Probstein? Other than the \$8,000 that you mentioned.

MR. HOFFA. I told you "no," not, to my recollection. I don't know what you mean, business. I was in no business at any time with Probstein.

MR. KENNEDY. Just any financial transactions with him.

MR. HOFFA. I was not in any business with Probstein, and the only thing I had to do with Probstein was this loan that I have discussed with you.

Mr. KENNEDY. All right. Did your wife have any other financial transactions with Mr. Probstein?

Mr. HOFFA. No. I don't even think she knew him, I know she didn't.

Mr. KENNEDY. Do you know if Mr. Brennan had any financial transactions with Mr. Probstein?

Mr. HOFFA. I wouldn't believe he did. But unless he told me, and he never told me he did——

Mr. KENNEDY. You don't know of any?

Mr. HOFFA. No.

(At this point, Senator McClellan entered the hearing room.)

Mr. KENNEDY. And you don't know of any that Mr. Brennan's wife had with Mr. Probstein?

Mr. HOFFA. I don't believe they had any. I think this was all we were involved in.

Mr. KENNEDY. And that is to do with Mr. Probstein or any company in which he had an interest, like the State Cab Co., or any of these other companies, is that right?

Mr. HOFFA. It had nothing to do with the insurance, and I loaned him no money to the cab company, other than this \$8,000 that I know of, reflected from our records.

Mr. KENNEDY. What do you mean reflected from your records? Is there anything that is not in your records?

Mr. HOFFA. There wouldn't be. But I didn't get this information myself, and I am sure the accountant was the one that called it into Washington in regards to this loan.

Mr. KENNEDY. But you know of no other financial transactions that you had with Mr. Probstein?

Mr. HOFFA. I don't know of any of them.

Mr. KENNEDY. Other than the \$8,000?

Mr. HOFFA. That is right.

Mr. KENNEDY. How did you get the \$8,000 repaid?

Mr. HOFFA. Well, he must have paid it to Hobren.

Mr. KENNEDY. Did he repay it?

Mr. HOFFA. I say they must have paid it to Hobren. I don't know what the books reflect. It reflects the payments. I don't know that.

Mr. KENNEDY. So you don't know how it——

Mr. HOFFA. You have the books, the records. If you will look, I think it must reflect how it was paid.

Mr. KENNEDY. You don't have any independent recollection?

Mr. HOFFA. No, I don't have an independent recollection.

Mr. KENNEDY. Did you talk to Mr. San Soucie about the \$8,000?

Mr. HOFFA. At the time of the loan, yes.

Mr. KENNEDY. When it was being repaid, did you talk to him about it then?

Mr. HOFFA. Well, I don't think there was any need for it. I think the auditor would have handled it, if it was not paying.

Mr. KENNEDY. But you never discussed it with Mr. San Soucie?

Mr. HOFFA. I don't know whether I did or not. If they were delinquent and the auditor would have told me, I would have called them. I don't know whether I did or not. The record would have to reflect whether they paid promptly or not. I couldn't answer that.

Mr. KENNEDY. You never had anything to do with the operation of the cab company?

Mr. HOFFA. I did not.

Mr. KENNEDY. Did you ever give any instructions to Mr. San Soucie about the operations of the cab company?

Mr. HOFFA. I did not.

Mr. KENNEDY. Did you tell anyone to give instructions to Mr. San Soucie about the operations of the cab company?

Mr. HOFFA. Did I?

Mr. KENNEDY. Yes.

Mr. HOFFA. Well, now, we may have discussed the question concerning the cab company starting up, because all the cab companies in Indianapolis were nonunion, and if this cab company would have started up it would have been union and the opening of a union operation. He may have discussed that with me. I don't recall.

Mr. KENNEDY. But you had just a general conversation about it? Is that what you had with him?

Mr. HOFFA. I would think you could call it general, yes.

Mr. KENNEDY. What about Mr. Zapas?

Mr. HOFFA. I never discussed it with him.

Mr. KENNEDY. Do you know if he had anything to do with the operation of the cab company?

Mr. HOFFA. No, I don't.

Mr. KENNEDY. Do you know if Mr. San Soucie had anything to do with the operation?

Mr. HOFFA. I don't know if he did physically or not.

(At this point, Senator Curtis withdrew from the hearing room.)

The CHAIRMAN. Are there any other questions?

Mr. KENNEDY. That is all.

The CHAIRMAN. All right. Thank you.

Call the next witness.

Mr. KENNEDY. Mr. Hugh Wagner.

The CHAIRMAN. Be sworn, please. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. WAGNER. I do.

TESTIMONY OF HUGH WAGNER

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please.

Mr. WAGNER. Hugh M. Wagner, 2411 North Alabama Street, Indianapolis, Ind.; locksmith.

The CHAIRMAN. You waive counsel, do you?

Mr. WAGNER. Yes, sir.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. Mr. Wagner, you worked for the State Cab Co. for a period of time?

Mr. WAGNER. Yes, sir.

Mr. KENNEDY. When was that?

Mr. WAGNER. That was starting in June in 1954.

Mr. KENNEDY. What was your position there?

Mr. WAGNER. At that time I was a driver.

Mr. KENNEDY. Did you become an office manager at a later time?

Mr. WAGNER. Yes, sir, I did. That was approximately the first week in December in 1954.

Mr. KENNEDY. Who were you working for at that time?

Mr. WAGNER. At that time I was working for Dave Probststein.

Mr. KENNEDY. And he was running the cab company?

Mr. WAGNER. Yes, sir.

Mr. KENNEDY. And you were running the office for him?

Mr. WAGNER. Yes, sir.

There were two different offices.

Mr. KENNEDY. Were the cab drivers in the union, local 135, at that time?

Mr. WAGNER. Yes, sir, we all had cards in local 135.

Mr. KENNEDY. Had you had a meeting about joining the union?

Mr. WAGNER. Yes, we had.

Mr. KENNEDY. And who had been at that meeting? Who presided over the meeting?

Mr. WAGNER. Mr. Robinson, the business agent.

Mr. KENNEDY. What was Mr. Robinson's position?

Mr. Loren Robinson?

Mr. WAGNER. Yes. He was business agent for local 135.

Mr. KENNEDY. Did he tell you that there was going to be a contract signed with the union?

Mr. WAGNER. Yes, sir, he did.

Mr. KENNEDY. Did the contract provide for any increase in benefits as to what you were getting if you drove for any other cab company?

Mr. WAGNER. No, they were about the same.

Mr. KENNEDY. When did you become the office manager?

Mr. WAGNER. I think it was around about the 5th or 6th of December 1954.

Mr. KENNEDY. Who placed you in there as an office manager?

Mr. WAGNER. David Probststein.

Mr. KENNEDY. Did he continue to operate the cab company?

Mr. WAGNER. No, he did not. About a week later, after I was made manager of the company, Mr. San Soucie, Mr. Zapas, and Mr. Probststein came up to the office one day and told me that Mr. Probststein would not have anything more to do with the State Cab Co. and I was to take orders from Mr. Zapas.

Mr. KENNEDY. Prior to that time, had Mr. Robins, the business agent of local 135, brought in someone to run the cab company?

Mr. WAGNER. That was before, before I was made manager of the company.

Mr. KENNEDY. But the business agent for the Teamsters had brought someone in whose name you do not remember, as I understand?

Mr. WAGNER. That is right.

Mr. KENNEDY. And he ran the cab company for a short period?

Mr. WAGNER. A couple or 3 days.

Mr. KENNEDY. And then at a subsequent date in December, you say Gus Zapas, Gene San Soucie and Probststein came in and put somebody else in charge of the cab company?

Mr. WAGNER. Yes.

Mr. KENNEDY. Who was Gus Zapas at that time?

Mr. WAGNER. I didn't understand you.

Mr. KENNEDY. Who was Gus Zapas?

Mr. WAGNER. Who was he?

Mr. KENNEDY. Yes.

Mr. WAGNER. Well, I didn't know at the time what his capacity was.

Mr. KENNEDY. Mr. Chairman, could I ask to have Mr. Sheridan sworn?

The CHAIRMAN. You do solemnly swear the evidence you shall give shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SHERIDAN. I do.

TESTIMONY OF WALTER J. SHERIDAN

The CHAIRMAN. Mr. Sheridan, you are a member of the committee staff, are you?

Mr. SHERIDAN. Yes, I am, Senator.

The CHAIRMAN. You made some investigation regarding the subject matter now under consideration?

Mr. SHERIDAN. Yes, sir.

Mr. KENNEDY. Would you tell us, Mr. Sheridan, what position Gus Zapas held in December 1954?

Mr. SHERIDAN. Gus Zapas in December 1954 was the president of Local 58 of the Bartenders Union in Indianapolis and was also working for the Indiana Conference of Teamsters.

Mr. KENNEDY. Where were the headquarters of Local 58 of the Bartenders Union?

Mr. SHERIDAN. They are located in the same building with the Indiana Teamsters. The Teamsters and the Bartenders are all in the same building.

TESTIMONY OF HUGH WAGNER—Resumed

Mr. KENNEDY. You say Gene San Soucie also came into the office?

Mr. WAGNER. That is right.

Mr. KENNEDY. What was Gene San Soucie at that time?

Mr. WAGNER. As far as I know, he was president of Local 135.

Mr. KENNEDY. And these two men, together with Mr. Probst, told you that Probst was no longer in charge and you were not to turn over any more money to Probst, is that correct?

Mr. WAGNER. That is right.

Mr. KENNEDY. Who were you to give the money to instead of Probst?

Mr. WAGNER. Mr. Zapas was supposed to pick it up each day.

Mr. KENNEDY. Did Mr. Zapas pick up the money after that?

Mr. WAGNER. Yes, he did.

Mr. KENNEDY. What was happening that the union officials would come in and tell you or inform you of the fact that the union was then running the cab company?

Mr. WAGNER. Well, I didn't understand the deal myself. All I know is that I was the manager of the company and kept the fleet running and was driver boss at the time.

Mr. KENNEDY. What conversation did you have with Zapas about this situation?

Did he tell you why Probst was being removed?

Mr. WAGNER. Well, he was supposed to have been removed for mismanagement of the company.

Mr. KENNEDY. What was the union doing removing him for mismanagement?

Mr. WAGNER. That I don't know.

Mr. KENNEDY. Did he tell you, or did Zapas indicate to you, that he was taking over the cab company?

Mr. WAGNER. He said that Mr. Zapas would be in charge from then on.

Mr. KENNEDY. Who told you that?

Mr. WAGNER. Mr. Probstein.

Mr. KENNEDY. You say that each day you would turn over the money to Gus Zapas?

Mr. WAGNER. That is right.

Mr. KENNEDY. Did Zapas indicate to you about the bills and that he was having to pay any of the bills out of his own pocket?

Mr. WAGNER. Well, we had a conversation one day. He said not to spend too much money for parts, et cetera, that he had thrown enough away, good money, that he didn't want to throw any more good money after it, to hold down expenses.

Mr. KENNEDY. Was he there every day?

Mr. WAGNER. Yes. He came in each morning.

Mr. KENNEDY. And picked up the money, is that right?

Mr. WAGNER. That is right.

Mr. KENNEDY. What about Gene San Soucie? Was he there?

Mr. WAGNER. No; I didn't see very much of him.

Mr. KENNEDY. Was he around occasionally?

Mr. WAGNER. He dropped in maybe once or twice that I remember.

Mr. KENNEDY. Who was Zapas taking his orders from, did you know?

Mr. WAGNER. That I don't know.

Mr. KENNEDY. Were Zapas and San Soucie angry with Probstein?

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. WAGNER. Well, that I don't know. Just to the extent that they thought he was mismanaging the business.

Mr. KENNEDY. What happened finally regarding this cab company?

Mr. WAGNER. Well, we kind of held it together, and a lot of weeks I used my own money to buy parts and so forth, and then I was reimbursed at the end of the week, or when I turned in the bills to Mr. Zapas then he would reimburse me. That went on up until about, I think it was, January 16 or 17 when the cab company was sold out to Mr. Caldwell, of the United Cab Co.

Mr. KENNEDY. Where is Mr. Probstein now?

Mr. WAGNER. That I don't know, sir.

Mr. KENNEDY. Mr. Probstein has disappeared?

Mr. WAGNER. That is what I understand.

Mr. KENNEDY. Nobody knows where he is?

Mr. WAGNER. Not to my knowledge.

Mr. KENNEDY. How long has he been gone?

Mr. WAGNER. Well, I haven't seen him since about a week or two after the company was sold.

Mr. KENNEDY. He just disappeared?

Mr. WAGNER. That is right.

Mr. KENNEDY. Has anybody seen him that you know of?

Mr. WAGNER. Not that I know of or not that I have heard of.

Mr. KENNEDY. Do you know if he is still alive?

Mr. WAGNER. No, sir; I don't.

Mr. KENNEDY. That is all, Mr. Chairman.

The CHAIRMAN. All right. Thank you.

Call the next witness.

Mr. KENNEDY. Mr. Chairman, I would just like to call Mr. and Mrs. Noseda, to just give some background information on the kind of operation that Mr. San Soucie and Mr. Zapas had run in Indianapolis. It is not directly involved with the cab company but it does give some background on them as individuals.

Mr. and Mrs. Emil Noseda.

The CHAIRMAN. Be sworn, please.

Do you and each of you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth so help you God?

Mr. NOSEDA. I do.

Mrs. NOSEDA. I do.

TESTIMONY OF EMIL NOSEDA AND MRS. EMIL NOSEDA

The CHAIRMAN. Mr. Noseda, will you state your name, your place of residence, and your business or occupation, please?

Mr. NOSEDA. Emil Noseda, 1741 Lafayette Road, Indianapolis, Ind., president of the Sheffield Inn.

Mrs. NOSEDA. Mrs. Emil Noseda, 1741 Lafayette Road, Indianapolis, Ind., secretary-treasurer of the Sheffield Inn.

Mr. KENNEDY. In June of 1955, Mr. Gus Zapas, who was head of the Bartenders Union called a strike at the Sheffield Inn, is that right?

Mrs. NOSEDA. Yes, sir.

Mr. KENNEDY. Had your bartenders been members of the union at that time?

Mrs. NOSEDA. If they were, we didn't know it. They didn't state whether they were or not. We didn't ask them when they were hired.

Mr. KENNEDY. Had there been an election of your bartenders?

Mrs. NOSEDA. No, sir.

Mr. KENNEDY. Was there an election that they wanted to go out on strike?

Mrs. NOSEDA. No, sir.

Mr. KENNEDY. A strike was called, however, is that correct?

Mrs. NOSEDA. Yes, sir.

Mr. KENNEDY. How many employees did you have?

Mrs. NOSEDA. Fifty-six.

Mr. KENNEDY. How many of your employees went out on strike?

Mrs. NOSEDA. Eighteen employees left.

Mr. KENNEDY. Eighteen left?

Mrs. NOSEDA. Yes, sir.

Mr. KENNEDY. Did they all strike?

Mrs. NOSEDA. No, sir.

Mr. KENNEDY. How many went actually out on strike?

Mrs. NOSEDA. Fourteen; twelve full-time employees and two extra employees.

Mr. KENNEDY. Actually joined the picket line, is that correct?

Mrs. NOSEDA. Yes, sir.

Mr. KENNEDY. Were there other outside pickets?

Mrs. NOSEDA. Yes, sir.

Mr. KENNEDY. A great number of pickets?

Mrs. NOSEDA. A great many, yes, sir.

Mr. KENNEDY. Was there any violence in connection with this strike?

Mrs. NOSEDA. Yes, sir.

Mr. KENNEDY. Would you tell us something about that?

Mrs. NOSEDA. Well, our employees who tried to come to work were threatened, and some of them were pushed and told what would happen to them if they continued to come in. That was just verbal. One dishwasher was beaten up on his way home one night also by four men and told that that was only a sample of what he would get if he came back.

Mr. KENNEDY. Was he beaten badly?

Mrs. NOSEDA. Yes, sir. And on another occasion, when the owners of the laundry who had been doing our laundry tried to deliver the laundry themselves, because they were union but they said they didn't know of anything in the contract that prevented the owners from driving the trucks, if they chose to do so, but when the two brothers were there delivering, three men, who the laundry owners said were from the Teamsters Union—I do not know their names—anyway, they were there; one of the pickets picked up a rock and there was quite a lot of trouble and argument and language out there.

Finally the city police did come and break up the argument.

Mr. KENNEDY. Was there any fire started in your place of business?

Mrs. NOSEDA. Yes, sir. One Sunday night, I believe it was July 31, 1955, there was a fire started on the roof of our hunt room, which is part of the Sheffield Inn, and the firemen luckily got it out before it did any great damage.

Mr. KENNEDY. Did they find that the cause of it was arson?

Mrs. NOSEDA. Arson, yes, sir. Phosphorous crystals thrown on the roof.

Mr. KENNEDY. Phosphorous crystals had been thrown up there to start the fire?

Mrs. NOSEDA. Yes, sir.

Mr. KENNEDY. And the police were of the opinion that it was an arson job, is that right?

Mrs. NOSEDA. The fire chief stated definitely that it was.

Mr. KENNEDY. Was there any dynamite used during the period of the strike?

Mrs. NOSEDA. There was dynamite thrown at our home at 1741 Lafayette Road, 4 sticks of dynamite, with a long fuse. The fuse went out and it did not explode, but it was right close to our front door.

Mr. KENNEDY. When it was thrown, the fuse went out; is that correct?

Mrs. NOSEDA. That is what the police assumed, and I don't know that that happened.

Mr. KENNEDY. I understand. Was Mr. Gus Zapas out on the picket lines during this period of time?

Mrs. NOSEDA. Yes, sir; he was there the first morning and he was there practically every day for I would say the first 6 or 8 weeks.

Then after that if he wasn't on the picket line, he would be around every morning or every afternoon and talk to the pickets for a while.

MR. KENNEDY. Did he make any threats during this period of time?

MRS. NOSEDA. You mean threats? Only once did he ever say anything to me, and very nastily told me I could have my car as long as he would let me have my car.

MR. KENNEDY. Now, on September 12, 1955, was a meeting arranged with an individual who stated he could settle the strike?

MR. NOSEDA. Yes, sir.

MR. KENNEDY. And that individual whom you met with was Mr. Gene San Soucie?

MR. NOSEDA. That is correct, sir.

MR. KENNEDY. Did he tell you that he could work out a settlement of the strike?

MR. NOSEDA. San Soucie stated so, that if I would sign a union contract, more or less to my wishes, that he would see personally that nothing would happen from then on.

MR. KENNEDY. There would be no more violence if you would agree to sign a contract?

MR. NOSEDA. That is correct.

MR. KENNEDY. And you could pretty well dictate the terms of the contract?

MR. NOSEDA. Correct.

MR. KENNEDY. And did he make any statement about the grievances, that that would be pretty much up to you also?

MR. NOSEDA. Correct.

MR. KENNEDY. And your determination as far as the grievances would control; is that correct?

MR. NOSEDA. That is correct, sir.

MR. KENNEDY. For that he promised there would be no further violence?

MR. NOSEDA. That is correct.

MR. KENNEDY. What was he doing in it as a Teamster official?

MRS. NOSEDA. To my knowledge he was giving orders to Zapass how to conduct the strike.

MR. KENNEDY. He was in control of Zapass?

MRS. NOSEDA. From what I understood; yes, sir.

MR. KENNEDY. But you know he is the one, or he is the one that you had the conversation with that the strike would be settled.

MRS. NOSEDA. That is correct, sir.

MR. KENNEDY. Did you agree to this?

MRS. NOSEDA. No, sir.

MR. KENNEDY. Did the strike go on?

MR. NOSEDA. The strike did go on.

MR. KENNEDY. Why didn't you agree?

MR. NOSEDA. I told him that I couldn't give him any answer, and that I would report to Mrs. Nosedá and another official of the Sheffield Inn, and he said "Well, I will call you in 2 or 3 days about the result of your meeting," but he never did call, although he gave me his telephone number, and his residential telephone number, and down at the union also, the Teamsters Union, but I never did call there.

MR. KENNEDY. And you never signed a contract with the union?

MR. NOSEDA. I never did.

Mr. KENNEDY. That is all.

The CHAIRMAN. When they promised or offered to get it settled, provided you would sign a contract, that meant, of course, you would have to put all of your employees in the union?

Mr. NOSEDA. That is correct, sir.

The CHAIRMAN. So in order to get you to put your employees in the union, they were offering to let you write the terms of the contract?

Mr. NOSEDA. That is correct, sir.

The CHAIRMAN. And promised you would have no trouble?

Mr. NOSEDA. That is right.

The CHAIRMAN. But in order to try to force you to do it or frighten you into doing it, they carried on this strike and kept a picket line, and these other acts or actions of violence that you have testified to occurred in the course of the strike; is that correct?

Mr. NOSEDA. That is correct.

The CHAIRMAN. Had you had any violence or any problem prior to the strike?

Mr. NOSEDA. No, sir.

The CHAIRMAN. All of this occurred while the strike was in progress?

Mr. NOSEDA. That is correct.

The CHAIRMAN. How long did the strike continue?

Mr. NOSEDA. A little over 19 months.

The CHAIRMAN. When did it end?

Mr. NOSEDA. It ended January 31, 1957.

The CHAIRMAN. January 31, 1957.

Mr. NOSEDA. That is correct.

The CHAIRMAN. I believe you said you had 12 regular employees that went out on strike; is that correct?

Mr. NOSEDA. Yes, sir.

The CHAIRMAN. Did any of them return to work, or did they continue on strike?

Mrs. NOSEDA. While the strike was carried on, two came back, and after the strike several have come back.

The CHAIRMAN. After the strike was over, several came back, and you took them back and let them go to work?

Mrs. NOSEDA. Yes, sir.

The CHAIRMAN. I beg your pardon?

Mrs. NOSEDA. We did, because we felt that they were just talked into going out with no malicious intent, and so we took them back.

The CHAIRMAN. You just felt that they had been overpersuaded?

Mrs. NOSEDA. Yes, sir.

The CHAIRMAN. And when they wanted to come back to work, you let them return?

Mrs. NOSEDA. Yes, sir.

The CHAIRMAN. Are there any further questions?

All right, thank you very much.

Mr. KENNEDY. Mr. Morris Cohen.

The CHAIRMAN. Will you be sworn, please?

Do you solemnly swear that the evidence you shall give before this Senate investigating committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. COHEN. I do.

TESTIMONY OF MORRIS COHEN

The CHAIRMAN. Will you state your name and your place of residence, and your business or occupation, please?

Mr. COHEN. Morris Cohen, 4769 Park Avenue, Indianapolis, Ind., owner of Morris Produce Co., fruits and vegetables.

The CHAIRMAN. Do you waive counsel?

Mr. COHEN. Yes, sir.

The CHAIRMAN. All right, we will proceed.

Mr. KENNEDY. Mr. Cohen, when the Sheffield Inn was under strike by local 58 of the Bartenders, you owned one of the firms delivering to the Sheffield Inn; is that correct?

Mr. COHEN. Yes, sir.

Mr. KENNEDY. What were you delivering?

Mr. COHEN. Fruits and vegetables.

Mr. KENNEDY. At the beginning of the strike, were you accosted by several men?

Mr. COHEN. Yes, sir.

Mr. KENNEDY. And what did they say to you at that time?

Mr. COHEN. They told me that I shouldn't be delivering there because the place was on strike.

Mr. KENNEDY. Did anybody threaten you at that time?

Mr. COHEN. Two heavyset fellows early in the morning pushed me back up against the truck, I think about on a Wednesday morning, and told me that I shouldn't deliver there.

The CHAIRMAN. They told you what?

Mr. COHEN. That I shouldn't deliver there.

Mr. KENNEDY. Did you continue to deliver?

Mr. COHEN. Yes, sir.

Mr. KENNEDY. Did you receive a telephone call of any kind telling you that you would be in danger if you delivered?

Mr. COHEN. Yes, sir.

Mr. KENNEDY. What did they say in the telephone call?

Mr. COHEN. They said if I kept delivering there that they would make plenty of trouble for me.

Mr. KENNEDY. Did you have plenty of trouble?

Mr. COHEN. Yes, sir.

Mr. KENNEDY. What happened?

Mr. COHEN. The same week, on Saturday after I left my business, the place burned down.

Mr. KENNEDY. Your place of business burned down?

Mr. COHEN. Yes, and the following Monday when I got into my road truck to operate it, one of my trucks was in the garage also and burned down, and I had to use my large road truck that following Monday and by the time I got to the large produce terminal market with the truck, the motor had frozen solid.

Mr. KENNEDY. Somebody had put shellac in it?

Mr. COHEN. In the motor; yes, sir.

The CHAIRMAN. Do you know the men who threatened you?

Mr. COHEN. No, sir.

The CHAIRMAN. You said two heavyset people.

Mr. COHEN. I never have seen them before in my life.

The CHAIRMAN. You never have seen them before?

Mr. COHEN. No, sir.

The CHAIRMAN. Were they employees of this Sheffield Inn?

Mr. COHEN. No, sir.

The CHAIRMAN. You knew those employees; did you?

Mr. COHEN. I knew some of them, but I didn't know those two that accosted me.

The CHAIRMAN. All right.

Mr. KENNEDY. Did you continue to do work with the Sheffield Inn, even after this?

Mr. COHEN. After I was burned out, I had to readjust myself, and I believe that a commission house by the name of Wesley Davidson delivered to them for approximately 3 or 4 weeks until he had an incendiary bomb or something dropped on his porch, and he stopped delivering, and then I took it back over again.

Mr. KENNEDY. Did they find out who was responsible for these things?

Mr. COHEN. I don't think that they did.

Mr. KENNEDY. Even after your place of business was burned out, you still went back and made these deliveries?

Mr. COHEN. Yes, sir.

Mr. KENNEDY. Why did you do that?

Mr. COHEN. Well, I just didn't feel like being intimidated by it.

Mr. KENNEDY. Did you receive threatening calls after that?

Mr. COHEN. A couple of times.

Mr. KENNEDY. And nothing further happened to you?

Mr. COHEN. No, sir.

Mr. KENNEDY. Mr. Chairman, this is of some interest also in view of the fire that occurred up in Michigan a week ago, in connection with a Teamster official. The USFT attempted arson at the Sheffield Inn, and then also the burning of this man's place of business establishes at least some kind of a pattern.

The CHAIRMAN. Have you made any observations regarding any other strikes?

Mr. COHEN. No, sir. I operate my own business and it requires a lot of time and I have been in the place of business where I am now approximately 10 years and it is a brick building and I never carried any insurance at the time that it burned down.

Of course, I have insurance on it now, but we have never had any trouble from fires.

The CHAIRMAN. What loss did you sustain when they burned you out?

Mr. COHEN. Approximately three or four thousand dollars and probably a lot more when my business went down to practically nothing for I would say approximately 6 months, until I had to build it back up again.

The CHAIRMAN. So in spite of the loss you sustained by reason of refusing to deliver, you still did not submit to their dictation and their effort to intimidate you?

Mr. COHEN. No, sir.

The CHAIRMAN. All right, sir.

Is there anything further?

Mr. KENNEDY. That is all.

Senator ERVIN. Was anybody ever arrested or prosecuted for the burning?

Mr. COHEN. No, sir.

Senator ERVIN. Was anyone able to identify them?

Mr. COHEN. Well, it was done at night. Well, it wasn't night, but it was still more or less just twilight, getting close to dark, and I was called to the place by a newspaper reporter. They called my wife and she called me immediately where I was at, and told me my place had burned out, and I could not believe it, but, of course, when I got there it was a mess.

Senator ERVIN. It just bears out what the Scriptures say; that some men love darkness better than light because their deeds are evil. It is a terrible thing that things like this go on in a country where men are supposed to be free.

Mr. COHEN. That is right.

The CHAIRMAN. Are there any other questions?

Mr. KENNEDY. That is all.

The CHAIRMAN. Thank you very much.

The committee will stand in recess until 2 o'clock.

(Thereupon, at 12 o'clock noon, the committee was recessed, to reconvene at 2 p. m., same day.)

AFTERNOON SESSION

(At the reconvening of the session, the following members were present: Senators McClellan, Ives, and Goldwater.)

The CHAIRMAN. The committee will come to order.

Congressman Hoffman. Be sworn, Congressman, please.

Mr. HOFFMAN. I was sworn once before.

The CHAIRMAN. That was a different hearing.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HOFFMAN. I do, sir.

TESTIMONY OF HON. CLARE E. HOFFMAN

The CHAIRMAN. Have a seat. The Chair may state that Congressman Hoffman requested that he might testify today, or as early as the committee could hear him, regarding some testimony that has been given in the course of this series of hearings. We are very glad to have you, Congressman, and you may proceed.

Representative HOFFMAN. I am very happy to be here, because my opponents, Democratic opponents, in the next election, have been challenging me to debate, through the newspapers, not personally, as to why the hearings which had been held by a committee of which I was a member had been discontinued, and, in view of what was said yesterday, there seemed to be some inferences drawn by some members of the press that I had yielded to pressure. Now, perhaps I said that, Mr. Chairman and members of the committee, in time gone by, but however, if I did use the term pressure, a proper and complete statement of what they did to me was to cut off my head. I didn't intend to yield to any pressure. They just cut me out. If you are interested in that, I can, as the day goes on, show you where and who.

The CHAIRMAN. Let the Chair suggest that we do have a large number of witnesses here from out of town. Of course, we want to expedite

the hearings. The committee wanted to accommodate you. I felt you should be accommodated immediately, if you desired to testify. We hope you will make your testimony as brief as you can consistently do, and at the same time cover the pertinent points in which you are interested. All right.

Representative HOFFMAN. Well, Mr. Chairman and members of the committee, I don't care to impose on this committee. If you will just get a waiver from the Speaker, and let me put it in the Record in the House, I would be glad to do it that way. I tried to put it on the record time and again.

I was over here once before and attempted to show that Mr. Reuther, who seems to bear a charmed life, was the leader of the goons and had been for some 17 years, and the committee apparently wasn't very much interested in my testimony. So, out of deference and respect for the members of the committee, and especially for the chairman, whom I greatly admire, and whose integrity I never have and never will question, I didn't get it all on the record.

If you don't want to hear it, it is all right with me. I will do the best I can on the floor of the House. But I don't like these charges that I yielded to pressure without the facts being put on the record, and that the pressure came from members of the Democratic Party, not from the Republican Party.

The CHAIRMAN. Congressman, we want you to put it on the record. I don't care if they are Democrats or what they are.

Representative HOFFMAN. I don't, either.

The CHAIRMAN. Proceed.

Representative HOFFMAN. That has been my trouble. I have fallen out of favor with my own party leaders time and again. I don't know that anybody, even my wife, supports me now. There is nothing funny about it.

The CHAIRMAN. Let's have order.

Representative HOFFMAN. Now, Mr. Chairman, I have here, and I will leave as an exhibit, a statement showing the different hearings by the subcommittee of the Committee on Government Operations, by a joint committee composed of members of the Committee on Education and Labor and the Committee on Government Operations, and then later by a subcommittee of the Committee on Education and Labor.

All of those committees I was a member of. We started out at a time when your humble servant was chairman of the Committee on Government Operations, having before that been appointed by the Committee on Education and Labor to hold hearings, and having held many hearings previous to these now in question where this question of pressure and influence comes up.

Having appointed a special subcommittee from the Committee on Government Operations, I found myself in some trouble on the floor of the House on the question of jurisdiction.

So, being a member of both of those committees, I asked Mr. McConnell, who was chairman of the House Committee on Education and Labor, to appoint a joint subcommittee to hold hearings in Detroit.

Pardon me; I will go back. Mr. McConnell complied. He appointed a committee of three, of which I was a member. It was my province, and I did, to appoint a committee of 3 from the Commit-

tee on Government Operations, which made a total committee of 5. They held hearings at Detroit in June—June 8, 11, 12, and 13, 1953. That was a joint hearing.

We held hearings in Detroit on November 23, 24, 25, and 27, 1953. That was on welfare funds and labor racketeering in the Detroit area. We held hearings in August on August 2, 3, 4, 5, 1954, in Detroit. Then we held hearings in Kansas City on June 29, 30, July 1, 2, and 3, 1953.

The CHAIRMAN. They may be filed with the committee.

Representative HOFFMAN. On that question of influence and pressure, if you want to call it that—

The CHAIRMAN. The hearings which the Congressman has submitted will be filed with the committee.

Representative HOFFMAN. It goes back of the racketeering hearings. They go back to the meat strikes in Chicago, when 22 States were tied up. Those hearings were held by a subcommittee of which I was a member, appointed by Mr. Hartley, who was then chairman of the House Committee on Education and Labor, in Chicago.

At that time, and all I care to say about influence in that is, my information was that those hearings were not approved by some individuals, and that as a result the day before we were to start to Chicago, before I was to go to Chicago, and I had an investigator there who was prepared, with photographs—and that record, I think, I sent over here before—the counsel of the committee, Mr. Smith, wrote me a letter. I ask permission to send it over—I haven't been able to find it today, because some of the folks in the office are ill—in which he resigned because of the lack of support I had.

I never talked to Larry about it, I just took it. But nevertheless we went to Chicago.

That attempt at that time to kill off those hearings did not succeed. We held them just the same. Later on, when these hearings came up in Detroit, and I went up to Detroit—I know it was on a Monday, and I think it was on the 12th of June—to get or receive the records which had been subpoenaed, they had to make the subpoena, of course, to deliver them to a member of the committee and not to the staff, when I went in, I was met at that time by Mr. Hoffa, Jimmie, I call him, Jimmie Hoffa, not because of any particular friendship, but, I don't know, that seems to come handy, and he told me, "Don't you know, Clare, that I am a Republican?" I said, "Well, I didn't know you were."

Then he proceeded to tell me about his ability to get votes. As an illustration, he cited the case of Harry Kelly, who was elected to the Supreme Court of Michigan. He said he got 50,000 more votes for Harry Kelly than he did for John Detmers, who was living on my side of the State, and who belonged to some Dutch Reform or Reform Church over there.

He was a Hollander. I said, "That is all right, Jimmie, but Kelly got those votes, as I understand it, because he was a Catholic over here, and they get more votes than the Dutchmen."

That was that.

He said, "I am for Ferguson." He said, "What are you doing up here?" And I said, "Well, we are investigating, and that is what we intend to do."

And that is what we did. He didn't have any influence on me. My views about him are known, I guess. He is a self-confessed racketeer and so on and so forth. All that is needed now is an educated staff and investigators from the Department of Justice to send him to jail. I do wonder sometimes why Hoffa—why Reuther is treated so, with gloves, you might say. Anyway, that is that.

Now, at that same time, or about that time, George Fitzgerald—he is here, I guess. I don't know that I would recognize him.

The CHAIRMAN. Let's have order.

Representative HOFFMAN. They think it is funny. I don't.

The CHAIRMAN. Congressman, I am doing my best. We are going to hear you. I am going to keep order, too. Proceed.

Representative HOFFMAN. You are doing a remarkably fine job. Well, Fitzgerald, who has told me that he was a Democratic national committeeman from the State of Michigan, he gave me to understand, whether it was that day, Mr. Chairman, or some other time I don't know, but I haven't any doubts about the fact, that he wanted an investigation of the way in which the CIO, Gus Shou, and the rest of them, had thrown the Democrats, the old line Democrats, out of the Wayne County district convention.

(At this point, Senator Curtis entered the hearing room.)

Senator GOLDWATER. Could I ask a question at that point?

Inasmuch as Congressman Hoffman mentioned Mr. Fitzgerald, he was Democrat national committeeman, as I understand, in 1950.

Representative HOFFMAN. I don't know. I have trouble enough with my own party. I understand he was.

Senator GOLDWATER. I can sympathize with you.

Representative HOFFMAN. How is that?

Senator GOLDWATER. I can sympathize with you. Do you recall a statement of Mr. Fitzgerald's at the time that he was deposed or at the time the party was taken over by the UAW, and I quote:

I have just watched socialism take over the Democratic Party by Communist processes.

Do you recall that?

Representative HOFFMAN. Well, they didn't use any propaganda. They went in there, my information was, and they used sawed-off ball bats and clubs and things of that kind, and they threw bodily, not by persuasion, they just threw the regular Democrats out. Of course, George didn't like it, he didn't think it was right, and he thought there ought to be an investigation.

Down here, I thought so, too, and was about to go along.

Well, right away, I was told that that was not the thing to do because our committee, the Committee on Government Operations, did not have any jurisdiction and that then we were getting into a political matter.

The CHAIRMAN. Who raised that question?

Representative HOFFMAN. Well, Joe Martin and John McCormack raised it.

The CHAIRMAN. All right.

Representative HOFFMAN. They agreed, and I guess they were right. Maybe I didn't, in the Government Operations, have any business to go into it, so I didn't.

Now, if that is yielding to pressure at that time, I yielded. They said no. Well, they had authority. I couldn't get anywhere anyway.

So that was that one. Now you come along down to this further one. I don't know anything more about the calling off of the Hoffa investigations at that time. But I do recall this. That later on we were holding hearings at Detroit—and by the way, a word of explanation as to how the committee was made up.

I started the thing from the Government Operations and when this question of jurisdiction, I have explained that, came up, and Wint was appointed—I admire Wint Smith very, very much, and he is a warm personal friend of mine, at least I feel that way toward him, and we have never had any serious difficulties, although we have had disagreements as to how far we should go. Wint is a very agreeable fellow, and he doesn't want to hurt anybody's feelings. You can see with my disposition, in wanting to go to the end of the road, how sometimes we didn't always agree. For example, when we got to Detroit, I asked Wint for subpoenas as to whether I could get in witnesses on the Studebaker situation, where the Studebaker Co., the Studebaker union, was attempting to force its employees when they purchased cars to purchase Studebakers.

Of course, that was all right, but when they tried to enforce it, I didn't go along. So I sent subpoenas down to a Mr. Riehlman, who has been investigator for the House Committee on Education and Labor, and he served them on company officers and on the union officers. They were to come up. Someone got to whoever was doing the business here in Washington, because when those hearings were going along, and after the subpoenas that I had issued were served on these people, and we were about to go to the hearings, Wint, who was chairman, at my request, was called to the telephone.

This is a matter that has all been in the press before, Mr. Chairman, and I can't see why there is any misunderstanding about it.

Wint went out and when he came back, he said "I had a call from Washington."

Well, some of the reporters, and there must be some of them here who were there, asked him who it was from, and Wint wouldn't say, he pointed toward the sky and waved his finger that way and said "It came from on high."

I never asked Wint who it was, because that was his business. That is as far as I know about that situation.

(At this point, Senator Ervin entered the hearing room.)

Representative HOFFMAN. But afterward, in a subsequent session of Congress, when Mr. Crumpacker, I have forgotten his first name, a Republican from the South Bend District, was named to Congress, and I came back here, one day, sort of patting himself on the back, he said "Do you know who called off those hearings?" And I said "No, I never did."

He said "Well, I did." Well, he comes from that district, and who he spoke to, I don't know. You have all you have about that. If you want to know who effectively stopped the hearings, I will tell you. The Committee on Government Operations, of course, as you know, has jurisdiction over practically everything.

In fact, it gets into the business of every other legislative committee. I had appointed special committees, having served on the Labor Committee and gone into the racketeering in different places, and thinking there should be legislation, as the record shows, and I intro-

duced bills, too, and advocated it from 1937 on, I thought we ought to continue, so I appointed a special committee. Well, now, like our committee, and I say this in all kindness, because I love everybody, and some of the boys thought when I wrote them a letter, I think it was the 29th of June 1953, that then with the adjournment date coming up, that the subcommittee should curtail their investigations and cut down on the expense. Apparently I ran into trouble there. It was not acceptable. So about that time, Mr. Osmer came in. The record shows this on July 15. It was printed in the Congressional Record of September 1, appendix 6432.

There is a whole lot of this in there. He came in and said that "Resolved after the adoption of this resolution, special subcommittees may be created only upon the approval of the full committee."

Before that, I had a little trouble. I am sorry if this seems long, but I want you to get the background. I had had a little trouble with one of my Republican subcommittee chairmen. It seems I had endorsed a voucher for some \$900.

You see, under the rule, the chairman of the full committee has to sign all the vouchers. But the chairman of the subcommittee sends them over to the chairman of the full committee, and, of course, he accepts their word and signs them. I signed this one, and lo and behold, it appeared that I had signed this one, and the fellow was on this subcommittee payroll and he was also on the payroll of a private corporation in my own district. Well, it just scared the day-lights right out of me. Here I was signing up for this \$900, and they say, "You pretend to be for economy. How do you explain it?"

I explained it to the members of the committee and the chairman, but I never could explain it to the farmers and the businessmen.

"There is your John Hancock on this and you are part of this crooked deal."

So the House, at my request, passed a resolution that the chairman of the subcommittee, not the chairman of the committee, should sign the vouchers. I had nothing to do with it any more, which was all right. Then they came along with this resolution, destroying my authority. Here is a list of the votes. In the interest of harmony, and congressional peace, I dislike in a way to put it all in, but I got the names of all the folks who voted on it, and there were 13 Democrats, bless your heart, they all voted, and 10 Republicans, to cut off my authority, and they did it very effectively. The only vote that was actually cast against it was my own. I had two proxies, but I didn't vote them.

I said, "All right, I don't care." All right, that was that. They adopted that resolution. Then they came along with a resolution to let one of the other subcommittees do this investigating. As I recall, that was George Bender.

They repented a little bit and on July 4, 1953, they made a motion that I could go ahead for 60 days in the Kansas City area, you see, and they all voted for that all right enough.

Then when they extended that authority for 60 days and limited it to Kansas City and Detroit they went along. Bender, they gave it to his committee. I wrote this letter on January 28, 1954. Here is a copy of it.

My distinguished colleague, George H. Bender, who with the aid of committee members, denied me authority to continue to expose nationwide racketeer-

ing and obtained that authority for himself, asked that I assist him by giving him information about the subject which he was investigating. That I will do.

You see, George just could not do it himself. No, he was lazy. Well, pardon me. He was disinclined.

Lack of authority now prevents me following through on the many complaints received. So I am sending a mimeographed letter, copy attached, to individuals who wrote me asking them to give any information they have, and which otherwise would be sent to me, to Mr. Bender.

Here is a copy, if you are interested, in this letter, which tells the whole story about what the committee did to me. For instance down here in—I will ask to put this in the record—in the fifth paragraph:

Three times the House Committee on Government Operations, of which I am chairman, the names of the members are given above, all did not participate in the action hereinafter indicated, denied my request that I be permitted to conduct investigations into racketeering and misuse of health and welfare funds. Among the reasons given were these: That I was old, testy, full of malarkey, and constitutionally unconstitutional. No specific charges were made, no proof was offered, except that one member protested that no investigation should be made where Kaiser-Frazer Corp. was involved.

No charge was ever made that my investigators acted improperly, and they were the best lot I ever saw, and Les Condon was one of them, and Bill McKenna another one, no charge ever made that they acted improperly, that hearings were conducted in an unfair manner, or that the results had not been good. I was condemned without a hearing.

I would like to have that made a part of the record.

The CHAIRMAN. That may go into the record.

Representative HOFFMAN. There was handed to me before I came in a clipping from some newspaper which made the statement that the hearings I had conducted had been unfair, and that I had disregarded the rules, I guess of courtesy, or whatever. There is absolutely no basis for that, as the hearings themselves will show. In fact when the goons came in, as they did on several occasions, to express their opinion of me, I let them go right along, and I said "I thank you, I just don't agree with you" and let it go at that. So they quit that, finally.

The whole thing—well, you see there, they did it. The committee itself did it. There isn't any question about it. But I made some talks on the floor in which I said that while they intended to be sincere and patriotic and conscientious and all of that, to get after the racketeers, the result of their action was the opposite. That is why they kind of restored that for the 60 days in those 2 places. Then a little later on they passed another resolution in the House which provided for some more investigations. Some of them were here in Washington and some, I think, in Cleveland. But they provided there that the investigation should be under my direction, not under the direction of the chairman.

That is when I appointed George Bender, being a good Republican, and he being a candidate for nomination to Senator or something from Ohio, the election, you see, I went along with George, and went up to Cleveland and our investigators dug up the evidence, and I asked the questions, most of them, and we let George get the spotlight here and there for the Plain Dealer, which was supporting him at that time, to publicize George and get him some votes.

All right, he was elected. Mr. Dawson, the chairman of our committee, every once in a while charges me with being responsible for his election.

The CHAIRMAN. At this point, I want to make all of those statements that you have submitted, Congressman, exhibit No. 49.

(The documents referred to were marked "Exhibit No. 49" for reference and may be found in the files of the select committee.)

The CHAIRMAN. All right.

Representative HOFFMAN. I don't want to put the names in there unless the committee insists, because it does not make for good feeling.

The CHAIRMAN. It may go in as an exhibit and we will hold it in the file.

Representative HOFFMAN. All right. If the committee counsel with whom I talked the other day came over to see me very courteously, and I gave him what information I could—well, I know he has not any idea of partisanship—if you will look that over and see if there is anything that should not be in there, that will hurt somebody's feelings, leave it out. I don't care.

I think, Mr. Chairman, that that goes along, except this statement about Wint Smith.

I heard here yesterday part of that testimony, and I saw some of those exhibits, where he said Wint Smith, and then I saw the statements in the papers, "Wint and I were quarreling." That is all nonsense. I disagreed with Wint many, many times, and so did he with me, but we never quarreled with anything. When it came to the question of contempt, Wint can't be responsible for that. As appears here, didn't the Senator from Nebraska, Mr. Curtis, didn't you read in something yesterday about my report?

Senator CURTIS. Mr. Chairman, I read into the record the conclusions of one report, wherein Wint Smith was chairman of a joint committee, in which they recommended contempt citation for Mr. Hoffa, and a number of other findings.

Representative HOFFMAN. Wint signed it.

Senator CURTIS. Yes; he was chairman.

Representative HOFFMAN. Yes; of the joint committee. Then he was chairman—

Senator CURTIS. That was written in reference to the June 1953 hearings. Then there was a further report made concerning the later November hearings, and in those the contempt charge was not carried because in the meantime Mr. Hoffa had come in and testified about the matters that he declined to testify to.

Representative HOFFMAN. He purged himself.

Senator CURTIS. Yes.

Representative HOFFMAN. Sure; he came in and told us what we asked, on that subject.

Senator CURTIS. But I did incorporate in the record the findings and recommendations of that committee, of which Mr. Smith was chairman, which made certain recommendations and pointed out a number of wrong practices carried on in this area being investigated.

Representative HOFFMAN. Sure. Well, this is all I wanted to make clear.

Senator CURTIS. Now, I would like to ask you this question: I do not want to cut you off from saying anything that you wish to say, but I do know of the schedule here and I want to come right to the point and ask you about Wint Smith. You were in a position to know what was going on in that committee, and you served with him?

Representative HOFFMAN. I did the work, with Condon and William Francis McKenna and Murray Jackson and some fellow from Chicago. I had my finger on all of it.

Senator CURTIS. But I am just asking you about Wint Smith, because I think in the minds of some people an unfair shadow has been cast upon one of the most stalwart and finest men I know in the Congress, Mr. Wint Smith. Do you know of any instances of any improper action on the part of Wint Smith in connection with the conduct of these hearings that we have been talking about?

Representative HOFFMAN. No; of course, I do not. When I begin to doubt Wint Smith, I will begin to doubt the integrity of the chairman or of my own, and that will be a long, long day coming.

Senator CURTIS. Do you know of any wrongdoing whatever on the part of Wint Smith in connection with dismissing or discontinuing any hearings?

Representative HOFFMAN. No, there never was. The first I knew about these letters here that were introduced yesterday was when they were brought in here. I never heard of that stuff or that Wint had covered up anything. This has been said—as I tried to tell you before—Wint like some members of the committee, and maybe all of them, are good natured and kindly, and a full general and served with distinction, and he doesn't apparently want to hurt anyone's feelings unnecessarily.

Unfortunately I am a different disposition. I just don't seem to care a thing when I should, and we were on the track of something there as we were and has yet never been cured. I have seen Reuther's fellows, his goons, and he has had them under his control, Mr. Chairman and members of this committee, and I can prove it.

For 17 years he has had that same crew of bruisers, and I have their pictures. As the paper said this morning, he is over, talking to the Speaker of the House, and they are going to bring up the Ives-Kennedy bill next Monday after the committee turned down my request that our committee consider it.

Senator CURTIS. Those are all of the questions I have.

Representative HOFFMAN. When Reuther's goons can come over to my side of the State, to St. Joe, and Kalamazoo, and beat up women, I say it is wrong. Justice has never caught up with him and I can't understand it.

I can't understand why the President listens to him.

Senator GOLDWATER. Mr. Chairman, I have a question. Mr. Hoffman, yesterday in the Record, on page 16044, there is a part of your remarks about Mr. Reuther, and you had one paragraph, or it might be a chapter, which is entitled, "Hoffa versus Reuther." You have lived in Michigan a long time, and I think you have seen both of these men come up and you have had long association with this problem. Would you care to comment?

Representative HOFFMAN. Why Reuther is worse than Hoffa, you mean?

Senator GOLDWATER. If you care to comment.

Representative HOFFMAN. It is in the Record, at lot of it. I have had it in time and time again. Now, Hoffa is frank and open and above board about it, and he will just skin his own union members, as the record shows. If some of these gentlemen had seen some of the

beatings I have seen they wouldn't be laughing about it and they would wonder why the Congress doesn't act effectively, and I don't know why the Justice Department doesn't send them to jail.

They put over a good one on your counsel here, whoever you had, on that charge down here in Washington.

The CHAIRMAN. Mr. Hoffman, we are not the smartest people, but I don't think that we are prosecutors. It is our job here to interrogate and get information. We can't prosecute.

Representative HOFFMAN. I know you can't, and that was the trouble with Sam McConnell. Wint Smith couldn't get anywhere going to Sam McConnell. He was the son of a minister and a wonderful fellow, and he was thoroughly convinced that no congressional committee has any business going into any situation where there was violence. He called me up in Iron Mountain when I was up there and I did settle the strike.

Now about Hoffa and Reuther. Hoffa is known, and everybody knows him, and this committee has advertised him from one end of the world to another and his record has been exposed. But as to Reuther, I sat over her and I read in the press where the committee apparently was charging the Kohler Co. Now, in case after case there has been violence. I defy anyone to tell me where the company started it, except as some picket or some goon assaulted one of their workers or attempted to go into the plant.

But in the Kohler Co., I may be mistaken, but it was a contest as to who started it. I know who started it. Reuther did. He sent Maxey over there, and Maxey is the fellow, and I put it in the Record before, where he said he admitted he sent 400 people in to educate 1,600 people in Clinton and he could bring in 2,200 if necessary.

Now, that is your story. Reuther is smart. He has the money. He sticks it into the campaigns. You have it in the Record, 167 Congressmen got contributions and how many Senators? Twenty-five and up in the amount of \$30,000. Don't tell me that fellow isn't a political power.

The CHAIRMAN. Congressman, the chairman didn't get any contributions from Mr. Reuther.

Representative HOFFMAN. I didn't either. They gave it to my opponent.

The CHAIRMAN. All right.

Representative HOFFMAN. I know you didn't. Don't misunderstand me. I am not trying to be critical and I don't want to be critical. As I said before, when I begin to doubt your integrity and your sincerity, I will have to first convince myself that I am dishonest, and you know how hard that is for an individual.

The CHAIRMAN. Thank you very much.

Senator GOLDWATER. Mr. Hoffman, were you present in the House Labor Committee this morning?

Representative HOFFMAN. Yes. I made the motion we consider the Kennedy-Ives bill, and I hope the Senator will take note, or his brother.

Senator GOLDWATER. Will you tell us what happened over there this morning?

Representative HOFFMAN. They voted it down. Every Democrat voted against it.

Senator GOLDWATER. Against the Kennedy-Ives bill?

Representative HOFFMAN. Yes, sir.

Senator GOLDWATER. How about the Kearns bill?

Representative HOFFMAN. I wasn't there when the roll was called on that one. I went out, and I had done my job.

Senator GOLDWATER. Were both of them defeated?

Representative HOFFMAN. What is that?

Senator GOLDWATER. Were both the Kearns and Kennedy-Ives bills defeated?

Representative HOFFMAN. Yes, sir.

Senator GOLDWATER. So there will be no labor legislation this year?

Representative HOFFMAN. Oh, no. Didn't you notice the press? The Detroit Free Press this morning carries a story that the Speaker of the House, Mr. Rayburn, had told Mr. Reuther when Reuther was over in Mr. Rayburn's office that the thing would come up next Monday.

Whether there is any truth to it, I just quote the press, and I will go along with reporters and I don't go along with the editorial writers.

Senator GOLDWATER. That is all I have.

The CHAIRMAN. Is there anything further?

Representative HOFFMAN. I hope I have made it clear, so I won't annoy you by asking me to come back, but don't go wrong on Wint Smith.

The CHAIRMAN. Congressman, we appreciate your coming, and the minute I knew you wanted to come I had you called so that you might appear today, and not have to wait until tomorrow. Thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Eugene San Soucie, Mr. Chairman.

The CHAIRMAN. Will you be sworn, please?

Do you solemnly swear that the evidence, given before this Senate select committee, shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SAN SOUCIE. I do.

TESTIMONY OF EUGENE SAN SOUCIE, ACCOMPANIED BY HIS COUNSEL, EDWARD J. FILLENWARTH

The CHAIRMAN. State your name, and your place of residence, and your business or occupation, please.

Mr. SAN SOUCIE. My name is Eugene San Soucie, 7005 West Phillip Boulevard, Indianapolis, Ind.

The CHAIRMAN. What is your occupation, Mr. San Soucie?

Mr. SAN SOUCIE. President of Teamsters Local 135, in Indianapolis, Ind.

The CHAIRMAN. Do you have counsel? Have you?

Mr. SAN SOUCIE. Yes, sir; I do.

The CHAIRMAN. Mr. Counsel, identify yourself for the record.

Mr. FILLENWARTH. Edward J. Fillenwarth, attorney, 1212 Merchants Bank Building, Indianapolis, Ind.

The CHAIRMAN. Thank you very much.

All right, Mr. Kennedy, you may proceed.

Mr. KENNEDY. How long have you been with local 135, Mr. San Soucie?

Mr. SAN SOUCIE. Since 1951.

Mr. KENNEDY. Where were you before that?

Mr. SAN SOUCIE. St. Louis, Mo.

Mr. KENNEDY. Were you with the Teamsters there?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. With what local?

Mr. SAN SOUCIE. 688.

Mr. KENNEDY. What position did you have with 688?

Mr. SAN SOUCIE. Representative, bargaining agent.

Mr. KENNEDY. What is that?

Mr. SAN SOUCIE. A representative.

Mr. KENNEDY. That is your official title?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Business representative?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. How long were you with 688, approximately?

Mr. SAN SOUCIE. I think about 4 years. I am not sure of the date.

Mr. KENNEDY. It is about 4 years?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Prior to that, were you with the union?

Mr. SAN SOUCIE. Yes, but quite sometime back.

Mr. KENNEDY. That is Mr. Harold Gibbons' local, who is president of 688?

Mr. SAN SOUCIE. Actually when I returned to the union, it was with Mr. Lawrence Campbell, and then they put the two unions together.

Mr. KENNEDY. When you were there in 1950 or 1951, it was Mr. Gibbons, is that right?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. And you transferred up to 135?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. And you became an officer then, at 135?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. You became president?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Who made you president?

Mr. SAN SOUCIE. Well, the members elected me president.

Mr. KENNEDY. How long had you been a member of the union before you became president?

Mr. SAN SOUCIE. I went there in 1951, and I think that I was elected in 1954.

Mr. KENNEDY. You didn't become president right away?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Did you have any position when you went up there?

Mr. SAN SOUCIE. When I originally went there I was assistant to the trustee.

Mr. KENNEDY. It was in trusteeship?

Mr. SAN SOUCIE. The local was in trusteeship?

Mr. KENNEDY. Who was trustee?

Mr. SAN SOUCIE. Richard Kavner.

Mr. KENNEDY. He comes from St. Louis, does he?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. When was it taken out of trusteeship?

Mr. SAN SOUCIE. I wouldn't want to be held to dates, but I think in 1954.

Mr. KENNEDY. At the time you ran?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Did you have any opposition?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. What was the name of the opposition?

Mr. SAN SOUCIE. Freund, I think it was.

Mr. KENNEDY. We had some discussion this morning about a State Cab Co.

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. And the David Probststein?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Did you know David Probststein?

Mr. SAN SOUCIE. Yes, sir; I did.

Mr. KENNEDY. When did you meet him?

Mr. SAN SOUCIE. I can't recall when I first met him, and I met him after I was in Indianapolis quite a period of time, and I recall I met him through—if I recall properly, I was introduced to him by a field representative.

Mr. KENNEDY. That was in Indianapolis?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Approximately when was that?

Mr. SAN SOUCIE. I imagine in 1954.

Mr. KENNEDY. Do you know who introduced you?

Mr. SAN SOUCIE. A man by the name of Showers.

Mr. KENNEDY. Excuse me?

Mr. SAN SOUCIE. Showers.

Mr. KENNEDY. Now, did you talk to him about the formation of this cab company?

Mr. SAN SOUCIE. It was in the reverse. He talked to me about it.

Mr. KENNEDY. What did he want from you?

Mr. SAN SOUCIE. Well, when I first talked to him about the cab company, he said he was planning on starting a cab company, and he wanted to know if I had drivers who would be interested in a job with the cab company, and I told him "yes."

Then after several conferences on the thing, he advised me that he didn't have enough money, he didn't think, to get started with the cab licenses that he thought he would be able to get, and wondered if I knew of any place where I could get him some additional money.

As a result of it, we went to Detroit and arranged a loan from Hoffa.

Mr. KENNEDY. You and Mr. Probststein both went up to Detroit?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. Is the answer "Yes"?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. What was that date when you went to Detroit?

Mr. SAN SOUCIE. Well, again I don't recall the dates very well, but it was sometime I think in 1954.

Mr. KENNEDY. Early 1954?

Mr. SAN SOUCIE. I believe so.

Mr. KENNEDY. The account, I see, was opened on the cab company, on January 8, 1954. It would have been before that?

Mr. SAN SOUCIE. Yes; it was before that, and I am quite certain it was before that.

Mr. KENNEDY. He hadn't started the cab company at the time you went up there?

Mr. SAN SOUCIE. No; I don't think he did. I think that he had the licenses, and you know the city permit, but I don't think that he had purchased equipment or anything like that.

Mr. KENNEDY. So you went up and saw Mr. Hoffa?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. And who else did you see?

Mr. SAN SOUCIE. Mr. Brennan.

Mr. KENNEDY. Mr. Hoffa and Mr. Brennan, where did you meet with them?

Mr. SAN SOUCIE. In their office.

Mr. KENNEDY. In Mr. Hoffa's office?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. At the Teamsters' headquarters?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. You approached him about finances for this cab company?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Would he relate the conversation, and did he agree to finance it then?

Mr. SAN SOUCIE. Well, I can't remember the exact conversation, but I explained to him that all of the cabs at that time in Indianapolis were nonunion cabs, and that this man Probstein was interested in organizing or starting another cab company, and that I was certain that we could work out a contract with him and organize his people and that he was short on money, and he had the facts with him as to what he proposed to do, and how many licenses he had, and what equipment he proposed to buy and what not. And he gave all of those facts to Mr. Brennan and Mr. Hoffa, and I personally requested if they could do it, to arrange for him to get a loan, and additional money that he needed, to start this cab company.

Mr. KENNEDY. Did they agree to loan him the money?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. How much money did they loan him?

Mr. SAN SOUCIE. I don't remember exactly, but I think \$8,000.

Mr. KENNEDY. \$8,000?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. And did they give it to him at that time?

Mr. SAN SOUCIE. No; I don't think that they gave it to him the first time they were there. I think the first time that they were there we talked about it and I believe it was the next time, the second meeting that we had that they actually gave it to him.

Mr. KENNEDY. That was a check or cash?

Mr. SAN SOUCIE. That I don't recall. I don't think that I actually saw the money handed to him, but I believe it was cash money.

Mr. KENNEDY. Cash money?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Then he went back and started the cab company?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Where did he get the rest of the money?

Mr. SAN SOUCIE. I would have no way of knowing.

Mr. KENNEDY. You have no idea where he got it?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. You don't know where he got the rest of the money; or did you speak to anyone else about getting money?

Mr. SAN SOUCIE. No; I didn't.

Mr. KENNEDY. Just Mr. Hoffa?

Mr. SAN SOUCIE. Mr. Hoffa and Mr. Brennan.

Mr. KENNEDY. You don't know where else he got the money?

Mr. SAN SOUCIE. It was my understanding from speaking to him that he had money of his own, and I don't know where he acquired it.

Mr. KENNEDY. He just wanted to supplement the money that he had already?

Mr. SAN SOUCIE. Evidently, the way he talked, he didn't have enough money to go into this operation, the way he felt he would have to meet the competition in Indianapolis.

Mr. KENNEDY. All he needed then was the \$8,000?

Mr. SAN SOUCIE. As far as I know; yes.

Mr. KENNEDY. You don't have any idea where he received any other money that he had?

Mr. SAN SOUCIE. No; I don't.

Mr. KENNEDY. You went back and the cab company was formed? Did any of the other money come from any teamsters?

Mr. SAN SOUCIE. Not to my knowledge.

Mr. KENNEDY. Or any Teamster officials?

Mr. SAN SOUCIE. Not to my knowledge.

Mr. KENNEDY. The cab company then was formed, was it?

Mr. SAN SOUCIE. I wasn't that close to it. The cab company was formed, yes, but as to when and how I didn't have anything to do with that, actually forming the cab company.

Mr. KENNEDY. What were the financial arrangements about the \$8,000?

Mr. SAN SOUCIE. As I recall, a part of it, he borrowed the \$8,000 with the understanding that he would pay it back as rapidly as he possibly could, commensurate with operation of the cab company, and, as I stated before, knowing that he was going to have tough competition, because the cab industry in Indianapolis is tough. But that he could repay it and I don't know how you would express it, probably on call, or as rapidly as he could.

Mr. KENNEDY. The money came from both Mr. Hoffa and Mr. Brennan?

Mr. SAN SOUCIE. Well, it came as I understood it from Hofbert Corp.

Mr. KENNEDY. Through Mr. Brennan and Mr. Hoffa?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. Mr. Brennan didn't put any more money into the cab company?

Mr. SAN SOUCIE. Mr. Brennan put more money?

Mr. KENNEDY. I said, Did you put any more money into the cab company?

Mr. SAN SOUCIE. Not that I know of.

Mr. KENNEDY. Then, when it was formed, did you have anything to do about directing its operations?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. Did you have anything further to do with the cab company then after that?

Mr. SAN SOUCIE. Over a period of time, yes. As I say, I had been introduced to Probststein, and Probststein didn't know anything about the cab business, I don't believe, or he didn't impress me that he did, and he asked me if we had any of the type of drivers who would desire to operate under the normal cab operation in Indianapolis. At that time I told him that the majority of our drivers were much higher paid than cabdrivers, but that there were probably in a local the size of ours some drivers who would want supplemental work, or extra work, or who were out of work and would take a job driving a cab.

Insofar as operation of the thing, I did no more than a couple of different times I may have talked to him about it, and I recall he discussed with me the question of free-lance cabs versus controlled-type cabs; in other words, cabs that are radio-controlled or radio-dispatched. My observation at that time was that he would be better off with free-lance cabs, but he went into radio-controlled cabs anyway.

Mr. KENNEDY. You had none of your money in the cab company?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. You didn't invest yourself?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. Why were you so anxious to have Mr. Probststein get a loan of money?

Mr. SAN SOUCIE. It is very simple. As I say, all of the cabs in Indianapolis were nonunion.

Mr. KENNEDY. That was your only interest, and you didn't get anything out of the cab company personally?

Mr. SAN SOUCIE. I didn't.

Mr. KENNEDY. Mr. Probststein never gave you any money?

Mr. SAN SOUCIE. No, sir; and in fact this is only hearsay, from people I talked to around Indianapolis, he did not give me any money, and I don't think that he gave anybody any money, because he owed money.

Mr. KENNEDY. What were the financial arrangements about the \$8,000, and was he paying interest on that, or what was that?

Mr. SAN SOUCIE. That I don't know. I think that he signed a note for it, and I assured Jimmy, I thought the thing would go, and I thought he would be able to repay it, and I think I even went so far as to say I would stand behind him.

(At this point, the following members were present: Senators McClellan, Ives, Ervin, Goldwater, and Curtis.)

Mr. KENNEDY. Did you endorse the note?

Mr. SAN SOUCIE. No; I don't think so.

Mr. KENNEDY. You had thing to do, then, after you received or obtained the \$8,000, you had nothing to do beyond that with the operation of the cab company?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. We had some testimony this morning that you and Mr. Zapas and Mr. Probststein came in and said that Mr. Probststein was no longer running the cab company, that Mr. Zapas was.

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. Is that correct?

Mr. SAN SOUCIE. Well, I was getting to that when you asked another question.

Mr. KENNEDY. Go ahead.

Mr. SAN SOUCIE. At that time, Probstein came to me one evening—in fact, he bumped into me in the lobby of a hotel in Indianapolis—and told me that he was in real bad shape. I asked him to tell me the details, and he did. He told me he was trying to meet his obligations, but that he was, by this time, convinced that some way or another somebody was stealing him blind, was his expression of it, and wondered if I could help him out.

So I asked him if he had any idea who it was or what it was. He said “No”; it just seemed that the cost of operating one of his cabs a mile down the street was about 10 times what it would be for the average person to operate a car of a similar type down the street a mile.

So he asked me if I had anyone that I could put over there to look the thing over and see if they could find out what it was and attempt to save it for him. I told him that I would look around. I asked Gus Zapas if he would go over and check into it and give us a report as to what happened.

Mr. KENNEDY. What was Gus Zapas? Was he an expert on looking over the operations of a cab company?

Mr. SAN SOUCIE. No; I don't think he was to be considered an expert on looking over cabs. But of the men I had available at the time, I could better afford to let Gus go over and look at it and give us an evaluation and make a report.

Mr. KENNEDY. Was he working at that time for you?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. That is the Indiana Conference of Teamsters?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. What was his position with you?

Mr. SAN SOUCIE. He was a representative.

Mr. KENNEDY. How long had he been with you?

Mr. SAN SOUCIE. He has been with me for about 5 years.

Mr. KENNEDY. How did you happen to obtain him?

Mr. SAN SOUCIE. How did I happen to hire Gus?

Mr. KENNEDY. Yes.

Mr. SAN SOUCIE. Well, I had known Gus quite some time. Will, he is a good mixer. He is the kind of a fellow that, you might say, is a man's man. He gets along with truckdrivers.

Mr. KENNEDY. Do you know how many times he has been arrested?

Mr. SAN SOUCIE. I heard you say.

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. SAN SOUCIE. But, of course, I could also say about that, Mr. Kennedy, that to my knowledge he had only been convicted one time, which was 20 years ago.

Mr. KENNEDY. He has been arrested, as I understand it, from our records, 35 times in Chicago alone.

Mr. SAN SOUCIE. Right. I can also say something about that. He was arrested one time when he was in Chicago at a meeting with me, in, I think, the Palmer House hotel.

Mr. KENNEDY. How many times have you been arrested?

Mr. SAN SOUCIE. Several times. I don't know how many.

Mr. KENNEDY. Have you been arrested in connection with any arsons?

Mr. SAN SOUCIE. I think I was arrested in connection with arson once, yes, but I was acquitted.

Mr. KENNEDY. That was in 1950?

Mr. SAN SOUCIE. I don't recall. It was in St. Louis.

Mr. KENNEDY. St. Louis?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. Is that when you had the burns on the back of your hands?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. And your wife's watch was found in the place that was burned down?

Mr. SAN SOUCIE. No, it wasn't my wife's watch.

Mr. KENNEDY. It was your watch?

Mr. SAN SOUCIE. It was a watch that they said my wife had bought for me, but it had been bought some 10 or 11 years before, that I had not seen for I don't know how long.

Mr. KENNEDY. You lost the watch and it was found there?

Mr. SAN SOUCIE. They didn't find the watch. They found the mechanism from a watch that they said had been sold to my wife.

Mr. KENNEDY. How had you burned yourself?

Mr. SAN SOUCIE. I burned myself on an airplane.

Mr. KENNEDY. On a what?

Mr. SAN SOUCIE. On an airplane.

Mr. KENNEDY. On the airplane?

Mr. SAN SOUCIE. On an airplane. The engine caught on fire, the oil line.

Mr. KENNEDY. How many times have you been arrested?

Mr. SAN SOUCIE. Well, as I say, I don't have a record, but I have been arrested several times.

Mr. KENNEDY. You sent Mr. Zapas over to look over the operation of the cab company? Is that right?

Mr. SAN SOUCIE. Yes. To give us a report on it.

Mr. KENNEDY. Why did you particularly want to get a report on it?

Mr. SAN SOUCIE. Well, I didn't particularly want to get a report on it. I did it merely as a favor, as I said, I kind of stuck my neck out to try to get the cab company started because it was to be a union cab company; when Probstein was not doing so well with it, and came to me and asked if I would have somebody look into it, I looked around to see who I could best afford to let spend some time over there each day to see if they could find out what was going on.

Mr. KENNEDY. He was collecting the money, was he, Mr. Zapas?

Mr. SAN SOUCIE. I think during the little period of time he was there he did everything; yes.

Mr. KENNEDY. Why would he be collecting the money if this was a cab company of Mr. Probstein?

Mr. SAN SOUCIE. I think simply because Mr. Probstein knew that he was in financial trouble, and he was an attorney, and I think he maintained an office downtown all through this period, if I remember correctly.

Mr. KENNEDY. What would be the advantage for Mr. Probstein to have somebody else collecting the money for him, particularly Mr. Zapas?

Mr. SAN SOUCIE. I was just starting to explain that before you interrupted.

MR. KENNEDY. I am sorry.

MR. SAN SOUCIE. I think that he intended or he did, maybe, go back into some phase of law practice to make some additional money to pay off some of his creditors. Insofar as Zapas handling money, it was merely a thing of where the sheet showed that, as an example, 10 drivers turned in \$10 apiece, there was \$100 that had to go from the office to the bank and be deposited in the name of the State Cab, and the only way it could come out would be checks drawn on it.

MR. KENNEDY. But I don't understand, still, why Mr. Probststein could not go by and pick up his own money, why Mr. Zapas had to do it for him, if what you tell us is correct.

MR. SAN SOUCIE. I cannot answer that reason, because I think that is something that evolved from Mr. Probststein's mind, not mine.

I don't know what he was thinking about.

MR. KENNEDY. Did you have anything further to do with it? Mr. Zapas went and looked the cab company over. Did you or Mr. Zapas have anything further to do with the cab company?

MR. SAN SOUCIE. Well, after a short period of time, as I said, I don't think Gus was an expert on cabs or anything, but I don't think it took an expert to see that that thing had come apart at the seams, and I don't believe there was any way, unless you completely reoutfitted the thing and practically started over, that you could save it. So then when that was apparent, I think it was apparent previously to Probststein, but he wanted someone else to kind of verify it, and when we did, he then sold it out.

MR. KENNEDY. I see. Did you bring anybody else in, other than Gus Zapas?

MR. SAN SOUCIE. Did I bring anyone?

MR. KENNEDY. Did the Teamsters have anybody else in the operation of the cab company?

MR. SAN SOUCIE. Not to my knowledge.

MR. KENNEDY. Was Barney Baker up there for a little while?

MR. SAN SOUCIE. No.

MR. KENNEDY. He didn't have anything to do with the cab company?

MR. SAN SOUCIE. No.

MR. KENNEDY. What about Mr. Saltsman, Ben Saltsman, did he come from St. Louis?

MR. SAN SOUCIE. Ben Saltsman?

That name is familiar, but I just can't place him. I think I may have met him. Ben Saltsman?

MR. KENNEDY. Did he have anything to do with the operation of the cab company?

MR. SAN SOUCIE. Not to my knowledge, no.

MR. KENNEDY. So he ultimately sold the cab company?

MR. SAN SOUCIE. Yes.

MR. KENNEDY. Did you have anything to do with the sale of the cab company?

MR. SAN SOUCIE. The only thing that I had to do with the sale of the cab company was that Dave, by this time, had gotten to the point where he was jumping around like a cat with a can tied on his tail. You could not tell what he was going to do, and he asked, when he was getting ready to consummate this deal to sell the cab company, if I would not bring my attorney over at the time they closed the deal.

Mr. KENNEDY. Who was your attorney?

Mr. SAN SOUCIE. Mr. Fillmore. So I did that. What good we effected, I wouldn't know.

Mr. KENNEDY. He is the attorney also for the union?

Mr. SAN SOUCIE. Sir?

Mr. KENNEDY. He is the attorney for the union?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. So you brought the union attorney over while this deal was closed?

Mr. SAN SOUCIE. At Probstein's request, yes.

Actually, we went over and stood there and we had nothing to do with it.

Mr. KENNEDY. You did not have anything to do with it. Did Mr. Probstein, during this period of time, also get interested in an insurance company?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. What insurance company was that?

Mr. SAN SOUCIE. Well, I don't know which ones, which names, he was officially tied in or in what capacity, but it was connected with the agency that handled a supplemental retirement policy that I had approved.

Mr. KENNEDY. Was that the agency of Allan Dorfman?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. Did you have some conversations with Allan Dorfman in connection with that?

Mr. SAN SOUCIE. Have I had?

Mr. KENNEDY. Did you?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. Did you have some meetings with Allan Dorfman in Indianapolis?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. In connection with this?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. And he made David Probstein his agent in Indianapolis?

Mr. SAN SOUCIE. I don't know if he made him agent or manager of the office there, or something.

Mr. KENNEDY. Were your business agents doing some work for the insurance company?

Mr. SAN SOUCIE. My business agents?

Mr. KENNEDY. The business agents of the local.

Mr. SAN SOUCIE. Not to my knowledge, no.

Mr. KENNEDY. They didn't have anything to do with it?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Excuse me?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Did you receive any money from the insurance company?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. You never did?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. I see.

You took some of this insurance, did you?

Mr. SAN SOUCIE. Yes, I took some personally, and we took some out on our people, yes.

Mr. KENNEDY. Who paid for that?

Mr. SAN SOUCIE. Well, the policies that they took personally, they paid for it, and one policy on the retirement, the supplemental retirement, was paid for by the union.

Mr. KENNEDY. Out of union funds?

Mr. SAN SOUCIE. Yes. For each one of the people who worked there, office girls and everyone else.

Mr. KENNEDY. Did the deposit of the \$125,000 in the bank in Indianapolis have anything to do with the operation of the cab company or the insurance company?

Mr. SAN SOUCIE. No. The \$125,000 was put there for an entirely separate and distinct reason.

Mr. KENNEDY. What was that reason?

Mr. SAN SOUCIE. Well, that will take kind of an involved explanation, if you don't mind. When I went to Indianapolis in 1951, local 135 was, I might say, busted. It did not have very many members, and it did not have any money.

So we tried to make plans to build up the local union and to strengthen it. But not having any money, and Indianapolis is not a very large town, you operate on a shoestring and everybody in town knows you are operating on a shoestring.

So I went to Hoffa and asked him if he could not make us a loan or something so that we could show that we had some money in case somebody decided they wanted to give us a series of fights which would have put us out of business.

So he evidently talked to his people in 299, and arranged to put some money in the bank in Indianapolis. A check was sent down and for I don't know how long I carried it on my financial reports on my local union as a loan from 299, although never at any time did I have any access to the money or write checks on it.

If we would have actually needed cash, I could have probably called Jim and had him—

Mr. KENNEDY. Did you have a loan from 299?

Mr. SAN SOUCIE. Did I have a loan?

Mr. KENNEDY. Yes. You say you carried it in your books as a loan.

Mr. SAN SOUCIE. No, as I said, I explained it to you, they put it in the bank and I carried it for practical purposes on our financial report to the members each month as a loan of \$100,000 from local 299.

Mr. KENNEDY. It does not show on your books as a loan from 299.

Mr. SAN SOUCIE. I didn't say on my books. I said on the financial report.

Mr. KENNEDY. Did you have, in fact, a loan of \$100,000 from 299?

Mr. SAN SOUCIE. No, we did not actually have a loan of \$100,000 or \$9 from 299.

Mr. KENNEDY. But you carried it on your books as such?

Mr. SAN SOUCIE. No, I did not carry it on the books as such.

Mr. KENNEDY. You carried it on the financial report?

Mr. SAN SOUCIE. On the financial report that is read to the members each month and which becomes common gossip all over town.

Mr. KENNEDY. Then that was a phony report that you gave?

Mr. SAN SOUCIE. Only to the extent as I said, being a town the size of Indianapolis, they can check in 2 seconds and find out how

much money actually you have in the bank. By the same token if they can find that out, they immediately knew that \$100,000 or better was deposited in the bank from 299 in Detroit.

Mr. KENNEDY. They could check at the bank and find out whether you had a loan as it appears in your financial records, financial report? Was that the purpose of it?

Mr. SAN SOUCIE. No, I don't know as they could check at the bank and find that out. But they could check and know that money had come into Indianapolis from 299 and had been deposited.

Mr. KENNEDY. How could they find that?

Mr. SAN SOUCIE. I don't know how they find it out, but they certainly know it.

Mr. KENNEDY. The only thing that is wrong with that is that on your financial report it shows that the loan came from the Michigan Conference of Teamsters. It doesn't say local 299. And the second thing is that it doesn't show as a loan.

Mr. SAN SOUCIE. It doesn't show on my books as a loan. That, I know. Because we never touched the money.

Mr. KENNEDY. It shows Michigan Conference of Teamsters. It doesn't mention 299.

Mr. SAN SOUCIE. Maybe it was the Michigan Conference of Teamsters. I thought it was 299.

Mr. KENNEDY. If the whole purpose of this was so that people could check in the bank and find out that you had such a—

Mr. SAN SOUCIE. As I said, I don't think it was a question of them being able to check in the bank and find out exactly what happened, but they seemed to know, businessmen around town, approximately how much money and what bank you had it in.

Mr. KENNEDY. I will say this: We went and tried to get that account when we were looking into it, and we could not find anything out about it for a week. The bank told us they had lost the account.

Mr. SAN SOUCIE. They had lost it?

Mr. KENNEDY. They told us they did not have such an account. It was only after a week's work that we were able to find that they had the account.

Mr. SAN SOUCIE. Well, Mr. Kennedy, I think I can explain that.

Mr. KENNEDY. I wish you would.

Mr. SAN SOUCIE. The check was mailed into the bank directly. Now, until such time as the proper cards and signatures and resolution were filled out, something had to be done to protect the money in the bank. So I went to the bank and filled out a card for myself and Norm Murren, as president of the Indiana Conference of Teamsters and secretary-treasurer.

Mr. KENNEDY. Wait a minute. It does not say that. It says as president of 299 and secretary of 299. That is how the cards are filled out.

Mr. SAN SOUCIE. We do not—

Mr. KENNEDY. We have that here as an exhibit.

The CHAIRMAN. Let us have the exhibit.

Mr. SAN SOUCIE. The cards setting the account up, they said that they needed something temporarily. I said, "Well, you send the cards into Detroit and they will fill them out properly."

In the interim period—I am almost sure of this—I signed the card myself and used a stamp for Norman C. Murren, just so that they would have some record of the account there.

The CHAIRMAN. The Chair shows you here part of exhibit No. 45. It is a document which is stated as authority of lodge, association, or other similar associations to open accounts and lease safe-deposit boxes. I wish you would look at that and see if you identify that as the document you signed.

(The documents were handed to the witness.)

Mr. SAN SOUCIE. Yes, sir. That looks like my signature, but I can't tell from this photostat whether Norm Murren actually signed it or whether it is a stamp which was used.

The CHAIRMAN. I don't know if banks will take a stamp or not.

Mr. SAN SOUCIE. Well, right about this time, Senator, we have a sizable operation and I went to a checkwriter system. We had to go through the formality on all the bank accounts of converting over from our normal signatures to the plates that they use in the check-writer.

The CHAIRMAN. This document says that you are president of local 299. Was that true?

Mr. SAN SOUCIE. 299?

The CHAIRMAN. Yes.

Mr. SAN SOUCIE. That must have been put on there after we signed it, then, sir. I have never had any connection with 299.

The CHAIRMAN. That is what it says. Read what it says.

Mr. SAN SOUCIE. Well, that is a mistake. That is evidently part of the confusion over that account. I have never held any office in local 299, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. I didn't hear the explanation.

The CHAIRMAN. He said it was a mistake. It must have been put on after he signed it. He has never been president of local 299.

Mr. KENNEDY. What was Mr. Murren's position?

Mr. SAN SOUCIE. Mr. Murren is secretary-treasurer of the Indiana Conference of Teamsters.

Mr. KENNEDY. It has "secretary" next to his name. He wasn't secretary of 299?

Mr. SAN SOUCIE. No. He has never been an officer in 299, to my knowledge.

Mr. KENNEDY. Mr. Chairman, I would like to call Mr. Bellino to give us what the records of the local show.

The CHAIRMAN. Mr. Bellino, you have been previously sworn.

TESTIMONY OF CARMINE S. BELLINO—Resumed

Mr. KENNEDY. Have you checked the records of local 135?

Mr. BELLINO. Yes, sir; it has been done under my supervision.

Mr. KENNEDY. Would you tell us about these records?

Mr. BELLINO. I would say the records they have turned over to us are Recordak film. They did not turn over any records of any kind. They followed a practice of recordaking everything. This is what they turned over to us. We had a very tedious job of trying to look at every check and every item on that recordaking film.

Mr. KENNEDY. You mean they don't have any original records?

Mr. BELLINO. No, sir.

Mr. KENNEDY. Just a Recordak film?

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. You had to go through each one of them?

Mr. BELLINO. Our men had to go through each one. In other words, they made it as difficult as possible for any investigators to look at any union records.

Mr. KENNEDY. Or for any union members to know?

Mr. BELLINO. Or for any union members to know. There is no way for a union member to know, unless they had a projector and film.

Mr. KENNEDY. To examine the records, you have to have a projector?

Mr. BELLINO. That is correct.

Mr. KENNEDY. Do you know if they furnish each union member a projector in 135?

Mr. BELLINO. I don't believe so.

Mr. KENNEDY. Go ahead.

Mr. BELLINO. A sheet of paper which is more or less referred to as a financial statement for the month of February 28, 1954, listed the bank balance at the beginning of the month as \$5,939.82. I would like to cover this one statement in a little more detail and come to the one item in order to show what they were doing.

Plus receipts of \$20,608.83, for a total of \$26,588.65. Disbursements of \$18,895.86; balance in the Merchants National Bank of \$7,692.79; in the American National Bank \$3,236.43; a total of \$10,929.22.

Senator IVES. What date was that?

Mr. BELLINO. This is February 28, 1954, which is the first picture that we saw of any financial statement.

Senator IVES. Thank you.

Mr. BELLINO. Then they listed: Fixed assets, and under fixed assets they show cash on hand, which, of course, is not correct. It would have to be a current asset, if anything. It is \$1,500. Then they have automobiles, less depreciation, \$10,877.36; furniture and fixtures, \$16,190.94; account building purchases, \$15,100; building improvements, \$49,390.49; making a total of fixed assets of \$92,058.79, for total assets of \$102,988.01.

Just below that, they have written "Loan to local 135 from Michigan Conference of Teamsters, \$100,000," and they added up the \$202,988.01. That is the financial statement put out by this local, with no liabilities whatsoever shown.

It is just a notation of a loan to local 135, from Michigan Conference of Teamsters, which is incorrect. There was no such loan from the Michigan Conference of Teamsters. Nor is it shown properly on here because if it was a loan, a real loan, and the cash had been used, this would have been deducted from the \$102,000, leaving the balance of \$2,000.

It is one of the most deceptive statements that any individual or workman could ever look at and not realize what he was reading.

Senator IVES. Is that continued?

Mr. BELLINO. That continued along until the month of March 31, 1957, when that notation drops from the statement. At that time they

show assets of \$226,000, of which \$219,000 are fixed assets, most of it going into building, furniture and fixtures, and automobiles.

There is no such statement as \$100,000 loan to 135. It just disappears from the financial statement.

Senator IVES. Is there any mention of local 299?

Mr. BELLINO. There is no mention of local 299 whatsoever.

Senator IVES. The purpose of this was to deceive someone looking at the statement into thinking that there was this amount of money in the bank; could they check that?

Mr. BELLINO. There is no way they could have checked it.

Senator IVES. This would be of absolutely no help at any time whatsoever?

Mr. BELLINO. That is correct.

The CHAIRMAN. That was carried for about 3 years as a loan?

Mr. BELLINO. It appeared on these statements.

The CHAIRMAN. From 1954 to 1957?

Mr. BELLINO. Yes, sir.

Senator IVES. May I ask a question there?

That loan is \$100,000?

Mr. BELLINO. The notation is indicated as \$100,000 even; yes, sir.

Senator IVES. And the amount of deposit in the bank from October 1954 to the present time is \$125,000?

Mr. BELLINO. The check with which we have been questioning is \$125,000; yes, sir.

Senator IVES. I would like to continue that a little bit further. I raised that question this morning. I raised the question of interest. After I was called out of here, I understand that somebody, I think it was the vice president of the bank, made the statement that under the Indiana law, interest cannot be paid on demand deposits.

Is that correct?

Mr. BELLINO. That is what he said, I believe, sir.

Senator IVES. That doesn't alter the question that I raised in any way, shape, or manner, whether it can or whether it can't. Were you able to ascertain why this money, \$125,000, was left in any way, shape, or manner where interest could not be paid on it, and why interest was not being paid on it?

It could have been put in a savings account of some kind and received interest.

Mr. BELLINO. We have been attempting to ascertain that. As yet no one has given an explanation of it, or a proper explanation. However, we have found in another instance, where a similar situation occurred, which involved local 299, the money was put in in order to protect loans of another company in which Mr. Hoffa had an interest. It was a safeguard. He promised to the banker in that case that he would keep the money in the bank as long as the loan was outstanding.

Senator IVES. Have you any evidence that such a condition exists in this instance?

Mr. KENNEDY. We know he loaned the \$8,000.

Mr. BELLINO. We know there was at least \$8,000 that went into it.

Senator IVES. After all, you would not need \$125,000 to secure an \$8,000 loan.

TESTIMONY OF EUGENE SAN SOUCIE—Resumed

Senator IVES. What have you to say about that?

Mr. SAN SOUCIE. I think there have been several misstatements here. No. 1, our records are on microfilm, yes. At the time this was handled, it was handled by the office manager in our local union, a man by the name of Kaufman, who was an accountant, I suppose, of sorts.

We called in outside auditors to check our records. We found that several of his accounting methods were not according to acceptable standards for accountants. So we changed them. This committee has a complete audit on everything, and the statements that our members don't have any access to our records is not true for the simple reason that we have the biggest and best viewer that you can get. If anybody wants to, they can come in and look at these records. It is right in the union hall.

Senator IVES. It is right in the union hall and they have to come there to find out what it is all about?

Mr. SAN SOUCIE. Where else would you keep records, sir?

Senator IVES. I think I would send out copies to the members, so they would know something about it.

Mr. SAN SOUCIE. Well, I think we do that as much as any union in the world.

Senator IVES. It isn't a question of what somebody else does. As I have pointed out here time and again at these hearings, two wrongs don't make a right.

Mr. SAN SOUCIE. That I can understand. But in every one of our meetings, and we have some fifty-odd meetings a month in our local union—

Senator IVES. Fifty-odd meetings a month?

Mr. SAN SOUCIE. Yes.

Senator IVES. You must meet twice a day, then.

Mr. SAN SOUCIE. No, we have a lot of different industries covered and we meet with the various industries.

Senator IVES. Do you mean the members or the officers?

Mr. SAN SOUCIE. The members.

Senator IVES. In the various industries?

Mr. SAN SOUCIE. Yes.

Senator IVES. I see what you mean.

Mr. SAN SOUCIE. At each one of these meetings, sir, the financial report is read, and the members have been advised time after time after time if at any time they have a question about the finances of local 135, they can come in, they can bring counsel or they can do whatever they see fit to check those records.

Senator IVES. Do you think they dare do it?

Mr. SAN SOUCIE. I think they would; yes.

Senator IVES. Do you think they would understand the explanation that has been given here?

Mr. SAN SOUCIE. I think so; yes. I don't think our members are stupid.

Senator IVES. Well, I don't think they are, either. I think they are exceedingly bright, if they can understand exactly what has been depicted here with no more information than has been available.

Mr. SAN SOUCIE. Well, as I said, I think that all of the information that could possibly be wanted by anyone is available, member or otherwise.

Senator IVES. You have not explained the question I directed at you as to why that money was left the way it was, that \$125,000.

Mr. SAN SOUCIE. I attempted to explain that before.

Maybe it would be better if I explained some figures.

Senator IVES. As I understand, the taxi company was operating in the red; is that right?

Mr. SAN SOUCIE. The taxi company had nothing to do with the \$125,000 whatsoever, to my knowledge.

Senator IVES. It had nothing to do with it?

Mr. SAN SOUCIE. No.

Senator IVES. That does not explain why it was left there that way.

Mr. SAN SOUCIE. I think the record will show that I attempted to explain it in that local 135 at that time was in rather bad financial condition, and knowing that the word gets around as to how much money—because we do read the financial report, summary, in each meeting, each month—knowing that that word was around town, I asked Hoffa if he would put some money in the bank there, that I could then show it on the financial summary and explain it to the members. My minutes of my meetings will show that it was explained to the members, what was going on.

The money was put in there. I never at any time touched it, drew a check on it or anything else. To my knowledge, neither did anyone else. But we merely showed it on the record. As I say, Mr. Kaufman, who was then the office manager, said that that was the way to do it. I am not an accountant. I did not know that it was not the way to do it. We merely showed it as a loan, as I have been corrected by the Michigan Conference of Teamsters, and it stayed on there. Time after time after time in the meetings, and our minutes of our meetings will show, it was discussed with the members, and just the effect of having that money shown on the financial report, which the members can take a copy of if they so desire, it had its effect. My best explanation of its effect is to say to you, and I got these figures just today from the international register, is on September 30, 1951, local 135 paid per capita on 2,680 members; on June 30, this year, we paid per capita on 6,811 members, which is an increase in membership over that time of 4,131 members.

Senator IVES. Just on the basis of \$125,000 being left on deposit in a bank, on which it was not drawing any interest?

Mr. SAN SOUCIE. Well, I don't know about the drawing any interest.

Senator IVES. Well, I do. Ordinarily you don't deposit money like that over a period of 4 years, approximately, to get no interest on it.

Mr. SAN SOUCIE. Well, as I say, I didn't deposit the money, and I did not know about it, about the arrangement of it.

I understood it was in a checking account and could have been drawn out at any time.

Senator IVES. Who does know about it? You don't seem to be able to answer the questions I have been asking.

(At this point, Senator Curtis withdrew from the hearing room.)

Senator IVES. Why was the \$100,000 carried as a loan, when it was actually \$125,000?

Mr. SAN SOUCIE. Merely because the financial reports of local 135, as I said, get out into town. We felt, by showing that loan, that we may avoid trouble with some companies who, if they knew we did not have any more money than we actually had in the bank, might take us on.

Senator IVES. That does not answer the question. You still have \$25,000 there that you don't account for.

Mr. SAN SOUCIE. Actually, I can't understand what the accounting is. The money was merely put in the bank.

Senator IVES. Who can? Do you know of anybody who does understand it?

Mr. SAN SOUCIE. Yes; I think so.

Senator IVES. Who?

Mr. SAN SOUCIE. I think Mr. Hoffa understood it. I think he understood it.

Senator IVES. Well, I expected we would eventually get back to Mr. Hoffa. All right, Mr. Counsel.

Mr. KENNEDY. If you were going to file a phony report, what difference did it make whether you had the money in the bank or not?

Mr. SAN SOUCIE. Mr. Kennedy, I don't think we were filing any phony report.

Mr. KENNEDY. You said you were getting a loan, and you weren't getting a loan.

Mr. SAN SOUCIE. Right.

Mr. KENNEDY. Well, that is a phony report.

Mr. SAN SOUCIE. I have explained twice now the reason for it.

Mr. KENNEDY. You haven't explained the reason. You said what you did, but you didn't explain the reason for it. You didn't get a loan. You said you got a loan in the reports you were furnishing to your members, that you hoped would get out into the community. They showed you got a loan, but you didn't get a loan.

Mr. SAN SOUCIE. Right, but you are overlooking one thing.

Mr. KENNEDY. You are overlooking one thing. This shows that \$100,000 was available in February, and this \$125,000 didn't come down until October, and it is not the Michigan Conference of Teamsters, but it is local 299.

The whole thing is a phony.

Mr. SAN SOUCIE. All right. As I said, it was for effect. But, actually, no money actually came in to local 135. We did not use any of 229 or the Michigan Conference of Teamsters' money. It was merely deposited in the bank for the effect.

Mr. KENNEDY. What was the effect? Who were you trying to impress? The head of the bank?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Who?

Mr. SAN SOUCIE. Employers in Indianapolis.

Mr. KENNEDY. How were you going to do that by sending and putting the money down there?

Mr. SAN SOUCIE. Because as I said the information had come to me that the word was out that 135 did not have much money.

Mr. KENNEDY. I can understand you can put out a phony report, but why did you have to bring the money down there and put it in the bank?

Mr. SAN SOUCIE. I merely asked Mr. Hoffa if he would transfer some money down there.

Mr. KENNEDY. But you show this as a loan on your report.

Mr. SAN SOUCIE. Right.

Mr. KENNEDY. You showed it in February, 10 months before this even happened?

Mr. SAN SOUCIE. Right.

Mr. KENNEDY. And you showed it from the Michigan Conference of Teamsters when it came from local 299?

Mr. SAN SOUCIE. Right. Now, you have the minutes of our meetings. I submitted them to the committee when they requested them. If anybody would have read them, you would see that many, many times, in meeting after meeting, that was explained.

The CHAIRMAN. Do you mean when you say it was explained that you told the members that you actually had no loan at all, that you were simply putting this on the report to make it appear that way if someone else saw it?

Mr. SAN SOUCIE. No, sir. What I mean is that I explained to them that the money had actually been transferred down there, but that we did not intend to use it, period, and that if we did really, actually, need it, that I could then get ahold of Mr. Hoffa and Mr. Collins, explain the need, and whatever amount we actually need they had assured me they would loan to us.

The CHAIRMAN. What you were telling them was that there had been some money deposited down there, but you actually had no loan, although you were carrying it as a loan, but the money was there should you ever need a loan, you thought you could get it.

Mr. SAN SOUCIE. That is right. That is essentially right; yes, sir.

The CHAIRMAN. All right.

Mr. KENNEDY. I would like to ask Mr. Salinger, Mr. Chairman, if the records of local 299, the minutes of local 299, show that this item was taken up with the executive board.

TESTIMONY OF PIERRE E. G. SALINGER

The CHAIRMAN. You have been sworn?

Mr. SALINGER. I have.

The CHAIRMAN. What do you find the records of 299 show?

Mr. SALINGER. There was no mention of the transaction in the minutes of local 299.

The CHAIRMAN. Do you mean by the transaction about the money being placed in the bank down there?

Mr. SALINGER. In Indianapolis, the \$125,000.

The CHAIRMAN. Is there anything to show that the money was transferred to some other bank there?

Mr. SALINGER. There is no data in the financial records. There is the check, yes; but it is not in the minutes.

The CHAIRMAN. All right.

Mr. KENNEDY. Did this \$125,000 have anything to do with having the bank finance or put any money, invest any money or loan any money, to the State Cab or to the insurance company?

Mr. SAN SOUCIE. I answered that before. I said to my knowledge, no.

I can't understand how anyone can assume that money that is in a checking account could be used for any collateral. It could be drawn out with one check.

Mr. KENNEDY. How did Mr. Hoffa get his money back?

Mr. SAN SOUCIE. What money back?

Mr. KENNEDY. The money that he invested. Has he been repaid after Mr. Probstein sold the company?

Mr. SAN SOUCIE. I understand that he was paid back \$7,000 out of the \$8,000.

Mr. KENNEDY. Did you handle that?

Mr. SAN SOUCIE. No; I did not.

Mr. KENNEDY. Did you handle any of that money?

Mr. SAN SOUCIE. No; I did not.

Mr. KENNEDY. You don't know how he got the money back?

Mr. SAN SOUCIE. No; I don't. I assume that Probstein paid it back.

Mr. KENNEDY. You don't know about it yourself?

Mr. SAN SOUCIE. No. I don't have first-hand knowledge of it.

As I explained to you, I did not have anything to do actually with the operation of the cab company.

Mr. KENNEDY. Did you receive any of the money to give to Mr. Hoffa and Mr. Brennan?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. You did not?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Did you handle any of the finances of the State Cab Co.?

Mr. SAN SOUCIE. Myself?

Mr. KENNEDY. Yes.

Mr. SAN SOUCIE. No.

(At this point, Senator Arvin withdrew from the hearing room.)

Mr. KENNEDY. Did you handle any of the finances of Mr. Probstein?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. You never received any money from State Cab or Mr. Probstein?

Mr. SAN SOUCIE. I answered that before. I said "no."

Senator IVES. May I interrupt there, Mr. Chairman?

I am still puzzled over this \$125,000 we were talking about. We are not going to get away from that immediately. You say you got that money for the sole purpose of making an impression, is that right?

Mr. SAN SOUCIE. That is right.

Senator IVES. That money was obtained in October 1954 and is still on deposit in full at this time, is that right?

Mr. SAN SOUCIE. I think that is what was said. I don't actually know.

Senator IVES. I think that is what the vice president of the bank testified this morning when I was here.

Now, if you are going to make an impression—well, as I understand it, you got this money from Mr. Hoffa, is that right?

Mr. SAN SOUCIE. Yes.

Senator IVES. If you were going to make an impression, wouldn't it have been much simpler for Mr. Hoffa merely to make a statement that the Central States Conference would stand behind local 135 financially?

Wouldn't that have been the way to do it?

Mr. SAN SOUCIE. Yes, Mr. Senator, looking back, it probably would. Many times at the end of the week I could see where I could have done a lot better if I had known on Monday what I know on Friday.

Senator IVES. Well—I will use this term, because of what it implies—this doesn't make any sense at all. You have a mystery that is unsolved. Mr. Hoffa, undoubtedly from what you say—of course, we have not asked him—but from what you say, he undoubtedly gave you this money, loaned it to you.

There is no doubt about that. But his doing so for the reason that you give does not make sense.

Mr. SAN SOUCIE. Senator, I can only answer you this way: I don't think that I could actually consider the money a loan, or if myself and the secretary-treasurer of local 135 could not sign a check on it.

Senator IVES. Now you are off in a different territory. It is very obvious with respect to this deposit, it having been there for almost 4 years now, that you had no intention and nobody else had any intention of drawing on it. That is clear. It has not been drawn on at all. It is exactly as it was when it was made, apparently.

Mr. SAN SOUCIE. Fortunately, our records will show that we have been able to progress since that time to where we actually did not have to use any of it.

Senator IVES. What I am driving at is simply this: If you are going to use that deposit for that particular purpose, if you are honest in that, you had no business leaving it in the form of a demand deposit. You should have left it in some kind of a savings account which could easily be transferred from the savings to the demand status. That is just a question of bookkeeping. You could have drawn on it. Your whole story just does not make sense. You have left a mystery with us that we have not solved yet. I hope our counsel is able to solve it.

Mr. SAN SOUCIE. You are missing one thing, the fact that I never at any time had the right to draw on that money.

Senator IVES. I don't know anything about what you had. I know that somebody undoubtedly—you say it was a demand deposit. You had two names on there. Mr. Hoffa was one. I have forgotten whose the other was. They could draw on it, apparently, all the time. Mr. Counsel, you take it from there. It just does not make any sense at all.

Mr. KENNEDY. Mr. San Soucie, do you know what has happened to Mr. Probstein?

Mr. SAN SOUCIE. I do not.

Mr. KENNEDY. When did he disappear?

Mr. KENNEDY. It was in 1955, about June 1955?

Mr. SAN SOUCIE. Well, I have heard dates, and I read in the paper about it, but I don't recall exactly when.

Mr. SAN SOUCIE. I honestly could not tell you.

Mr. KENNEDY. Did you have a fight with him before he disappeared?

Mr. SAN SOUCIE. Did I have a fight with him?

Mr. KENNEDY. Yes.

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Did you have an argument with him?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. You never had any argument whatsoever?

Mr. SAN SOUCIE. Well, it depends on what you would consider an argument. I have had a difference of opinion with Dave, yes, but I never had a fight with him.

Mr. KENNEDY. Did you ever have any bitter disagreement with him?

Mr. SAN SOUCIE. No, I would not consider anything we had as a bitter disagreement.

Mr. KENNEDY. Did you ever have an argument with him about the operation of the cab company?

Mr. SAN SOUCIE. No, not a particular argument about the operation of the cab company. There were times when I have been relatively busy, with a lot of things that I have to do, and when I discussed it with him a couple of times it just seemed to me that with the assistance that we had given him, rather than showing a deficit he should have been showing a profit, and I told him I thought so.

Mr. KENNEDY. Did that ever get into a bitter argument at any time?

Mr. SAN SOUCIE. No, I would not say that we ever had a bitter argument, no.

Mr. KENNEDY. Did Mr. Zapas have an argument with him?

Mr. SAN SOUCIE. Not in front of me.

Mr. KENNEDY. Never when you were there?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Words weren't exchanged to the effect that Mr. Zapas stated that he was going to kill Mr. Probstein?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Nothing like that?

Mr. SAN SOUCIE. Not that I know of, no. I wouldn't believe it.

Mr. KENNEDY. Did Mr. Allen Dorfman have an argument with Mr. Probstein at the same time?

Mr. SAN SOUCIE. Not to my knowledge.

Mr. KENNEDY. You don't know anything about that?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. You never had any argument with him about funds about the same period of time?

Mr. SAN SOUCIE. I would have no way of knowing, because to my knowledge I don't think I have seen Mr. Dorfman and Mr. Probstein together, over twice.

Mr. KENNEDY. As far as Mr. Zapas, were you present when Mr. Zapas, and Mr. Probstein, were having an argument?

Mr. SAN SOUCIE. I answered that before, no. To my knowledge, they never had an argument.

Mr. KENNEDY. Did Mr. Hoffa meet with Mr. Probstein?

Mr. SAN SOUCIE. In Detroit, yes.

Mr. KENNEDY. Just the first time?

Mr. SAN SOUCIE. I think two times.

Mr. KENNEDY. Two times?

Mr. SAN SOUCIE. Yes.

Mr. KENNEDY. Any other time?

Mr. SAN SOUCIE. Not to my knowledge.

Mr. KENNEDY. Did Mr. Probstein go back to see Mr. Hoffa in Detroit again, do you know?

Mr. SAN SOUCIE. Not that I know of.

Mr. KENNEDY. Did Mr. Hoffa come down to see Mr. Probstein in Indianapolis?

Mr. SAN SOUCIE. Not that I know of.

Mr. KENNEDY. Did Mr. Hoffa have anything to do with the operation or running of the cab company?

Mr. SAN SOUCIE. I don't know how he could.

Mr. KENNEDY. I am just asking you the question.

Mr. SAN SOUCIE. I don't think so.

Mr. KENNEDY. Did he ever give you instructions about the operation of the cab company?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. He did not. Do you know if he ever gave Mr. Gus Zapas any instructions about the operation of the cab company?

Mr. SAN SOUCIE. No. I don't know whether he did or he did not, but I would not imagine he did.

Mr. KENNEDY. You don't know of any that he gave?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. He did not transmit any instructions through you to Mr. Zapas?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Was there a contract between the union and the State Cab Co.?

Mr. SAN SOUCIE. No. There was never a consummated agreement between the union and State Cab Co. There was an understanding.

Mr. KENNEDY. No contract?

Mr. SAN SOUCIE. But there was never a consummated agreement; no, sir.

Mr. KENNEDY. Why wasn't there a contract?

Mr. SAN SOUCIE. Well, as I explained before, cab competition in Indianapolis was real tough.

It is practically a monopoly controlled by one cab company. For a little outfit to start, and even attempt to be serious competition, took quite a bit of doing.

Mr. KENNEDY. If the purpose of this cab company was to get a union cab company operating, I would think that one of the first things you would have done was to sign a contract or have a contract.

Mr. SAN SOUCIE. Except for one thing. As I explained before, Mr. Kennedy, most of the fellows who drove for State Cab were drivers who were out of work or who were fill-in in spare time.

Those who were out of work, and a lot of the boys who drove at State Cab were paid-up members of local 135, I met there with them, explained the whole situation to them, and told them what we were attempting to do, to establish that company firmly as a competitive cab company in Indianapolis.

The CHAIRMAN. Mr. San Soucie, you said there was no contract?

Mr. SAN SOUCIE. No; there was never a consummated agreement, to my knowledge. I did not actually do the negotiating.

The CHAIRMAN. Take a look at that document.

(The document was handed to the witness.)

The CHAIRMAN. That purports to be a photostatic copy of a letter written by you to Mr. Probststein.

Do you identify it? The question is, Do you identify the photostatic copy of the letter?

Mr. SAN SOUCIE. Yes.

The CHAIRMAN. Is that your letter? Is that your signature?

Mr. SAN SOUCIE. I think so; yes, sir.

The CHAIRMAN. The letter says that you are canceling the contract heretofore existing.

Mr. SAN SOUCIE. If I can have a minute, I think I can explain it.

The CHAIRMAN. That letter may be made Exhibit No. 50.

(The document referred to was marked "Exhibit No. 50" for reference, and will be found in the appendix on p. 14132.)

The CHAIRMAN. All right. You may explain. But, as I read the letter, it says you are canceling the contract.

Mr. SAN SOUCIE. Yes. When Mr. —

The CHAIRMAN. Just a moment. The contents of this letter reads:

The contracts now and heretofore existing between Chauffeurs, Teamsters, and Helpers Local Union No. 135 and State Cab, Inc., are hereby voided and canceled by the parties hereto, and there are no contracts or agreements between the parties above stated in force or effect as of the above date.

The witness says he signed it. It is signed "Gene San Soucie, President of Chauffeurs, Teamsters, and Helpers Local."

That clearly indicates, or in fact it states, that there have been contracts between the local and the cab company. What is your explanation?

Mr. SAN SOUCIE. Well, to explain that, sir, is this: As I mentioned before, all of the cab companies in Indianapolis were nonunion, and principally all of the cabs are controlled by one company. To sell this cab company, Mr. Probststein requested me to write him that letter, because the company that he sold to evidently would not take his word for it that there was not an existing agreement between local 135 and the State Cab Co.

Evidently that was required as a condition of sale of this cab company, because, as I explained, the balance of the cab companies in Indianapolis are nonunion.

I don't think he could have sold that cab company, to this date, if he would have had a continuing union agreement, because I don't believe any of them would have bought it and assumed the union agreement.

The CHAIRMAN. Is there anything further, Mr. Counsel?

Mr. KENNEDY. Yes, Mr. Chairman; I do have some other questions.

The CHAIRMAN. Did I understand you to say you had no business transactions with Mr. Probststein?

Mr. SAN SOUCIE. Other than that conversation I related.

The CHAIRMAN. I am talking about business transactions in which money was involved, in which money was exchanged between you?

Mr. SAN SOUCIE. No, sir; I never received any money from Probststein.

The CHAIRMAN. Will you examine this check, please, sir?

(The document was handed to the witness.)

The CHAIRMAN. Do you recognize the check?

Mr. SAN SOUCIE. Do I recognize the check, no, sir. I recognize the check as being a State Cab check, and the signature to the best of my knowledge as being Probstein's signature.

The CHAIRMAN. It is made out to him as trustee, is it not?

Mr. SAN SOUCIE. Yes, sir, \$3,200.

The CHAIRMAN. And endorsed by him?

Mr. SAN SOUCIE. Yes, sir.

The CHAIRMAN. That check may be made exhibit No. 51.

(Document referred to was marked "Exhibit No. 51," for reference and will be found in the appendix on p. 14133.)

Mr. KENNEDY. Did you receive any of that money?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. None of that?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. The check has a notation on it.

Mr. SAN SOUCIE. I noted that, and I don't know what he is talking about.

Mr. KENNEDY. It says, "returned loan for Gene," and then on the back it has "GSS," or what appears to be "GSS."

Mr. SAN SOUCIE. I noted that on the upper border there, Mr. Kennedy, but the only thing I can say or the only thing I can figure out of that check is that possibly he may have paid Hobren back some of that.

Mr. KENNEDY. Why would he say this about Gene?

Mr. SAN SOUCIE. Because I was instrumental in getting the loan.

Mr. KENNEDY. Did you handle it?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. He knew the loan came from Hoffa, didn't he?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. Why would it say this or have your name on here?

Mr. SAN SOUCIE. I don't know.

Mr. KENNEDY. What I am trying to understand is the interest of Teamster officials in Indianapolis in this taxicab company. You explained to us that Gus Zapas goes by and collects the money each day, and your lawyer is present when the cab company is sold?

Mr. SAN SOUCIE. But Mr. Kennedy, I explained that was at Probstein's request. We went over there and I think the people who consummated the deal with him are here, and we had absolutely nothing to do or to say about it.

Mr. KENNEDY. I don't understand why you were there then.

Mr. SAN SOUCIE. I couldn't actually tell you sir. He asked us to come over there and we went over there.

Mr. KENNEDY. Now let me just ask you about this letter.

The CHAIRMAN. I hand you a photostatic copy of a letter dated March 16, 1955, addressed to Mr. Jack B. Kammins, and it shows that a copy of this letter was sent to you. Please examine it and state if you identify it and if you received a copy of it.

(A document was handed to the witness.)

The CHAIRMAN. Did you receive a copy of that letter?

Mr. SAN SOUCIE. Well, it is indicated here sir, but I don't recall it.

The CHAIRMAN. Let the letter be made exhibit No. 52.

(The document referred to was marked "Exhibit No. 52" for reference and will be found in the appendix on p. 14134.)

Mr. KENNEDY. Could I see the letter, please? Did you know anything about the wreck of the automobile?

Mr. SAN SOUCIE. Sir?

Mr. KENNEDY. Did you know anything about the destruction or wrecking of this cab that they were talking about in here?

Mr. SAN SOUCIE. No, sir.

Mr. KENNEDY. It says March 16, Mr. Jack Kammins, Indianapolis, Ind. Who is he?

Mr. SHERIDAN. He is the attorney for the State Cab Co.

Mr. KENNEDY (reading):

Pursuant to our conversation I am enclosing herewith my original letter to you of March 9, following my discussion with Mr. San Soucie, and I am also listing below the earned premium charges from January 17 to February 25.

Then there is a list and total of \$845.82.

The only one omitted is earned premium charge on the workmen's compensation since this cannot be developed until the final audit is received. I trust that I will hear from you soon in order to bring this matter to a successful conclusion. Signed, Herzl Mendelsohn.

Copies to A. Dorfman and Gene San Soucie.

Mr. SHERMAN. Mr Mendelsohn is an official for the insurance company.

Mr. KENNEDY. Why were they discussing this with you if you had nothing to do with the cab company?

Mr. SAN SOUCIE. I think I can partially explain it, but I don't recall that thing as such, as a transaction. At the time State Cab, or any cab company is required to maintain certain insurance, and at the time State Cab was getting in bad financial shape Mendelsohn would call me and I told him many times I don't know anything about it and several times when there were claims on cabs from accidents or what-not Mr. Mendelsohn called me and asked me if I would discuss them with Dave Probstein and I told him not once but several times that I felt he would do much better if he discussed it with Probstein himself.

Mr. KENNEDY. Did you ever get any of the money from any of these?

Mr. SAN SOUCIE. I never got any money.

Mr. KENNEDY. None of the money was forwarded to you?

Mr. SAN SOUCIE. No.

The CHAIRMAN. The Chair hands you a photostatic copy of a letter dated March 31, 1955, addressed to Mr. Jack B. Kammins, and signed by this same gentleman, Mr. Mendelsohn. I ask you to examine that letter and see if you can identify it.

(A document was handed to the witness.)

Mr. SAN SOUCIE. May I talk to the attorney for a moment?

The CHAIRMAN. You may confer with your counsel.

(The witness conferred with his counsel.)

Mr. SAN SOUCIE. Mr. Chairman, I think by this date, this was at the time when Probstein was in financial difficulty, like I say, and he evidently owed a lot of people around Indianapolis, and I think that when he had this draft sent down, he had it directed to me, but it was to State Cab. I don't recall whether I turned it over to Dave Probstein, or to Gus Zapas, but it was a draft from the insurance company, made out to State Cab.

The CHAIRMAN. I know, but he said he sent it to you?

Mr. SAN SOUCIE. Yes, sir.

The CHAIRMAN. That may be made exhibit No. 53.

(The document referred to was marked "Exhibit No. 53," for reference and will be found in the appendix on p. 14135.)

Mr. KENNEDY. Could I see the letter, please?

I just asked you whether you received any of the money or any of the money as forwarded to you, and this letter says:

DEAR MR. KAMMINS: Please be advised that we are in receipt of the proof of loss, and the subrogation agreement which you obtained from Mr. Probstein. These are with regard to the total loss of the cab involved in the accident on November 9, 1954, and the draft in the amount of \$1,115 was issued on February 9, 1955, and forwarded to Mr. San Soucie.

Mr. SAN SOUCIE. Well, maybe I misinterpreted you, but I thought you meant to me personally. I didn't receive that money, and I didn't spend any of that money.

Mr. KENNEDY. What happened to the money? Mr. Probstein was out of the cab company then?

Mr. SAN SOUCIE. Well, Mr. Probstein was never actually out of the cab company. All he did was ask us to look over the thing and give him a report on it to see what he could do, and he subsequently sold the cab company.

Mr. KENNEDY. He sold the company in January, and this letter is dated March 31, 1955, and you know it was sold in January because your lawyer was present.

Mr. SAN SOUCIE. Well, now I know this much, I never at any time received any money or used any money or took any money or anything.

Mr. KENNEDY. What happened to this?

Mr. SAN SOUCIE. I couldn't tell you.

Mr. KENNEDY. Well, the money was forwarded to you and what did you do with it?

Mr. SAN SOUCIE. Well, to my knowledge, as I said, if that were received by me, it was turned over either to Probstein, or—it must have been turned over to Probstein.

Mr. KENNEDY. It wasn't turned over to him because he didn't have anything to do with the cab company then. Why would you turn it over to him and he had been out of the cab company 2 months by the time you got this?

Mr. SAN SOUCIE. I don't know.

Mr. KENNEDY. What did you do with the money?

Mr. SAN SOUCIE. Well, I didn't do anything with any money.

Mr. KENNEDY. You got the money, and I want to find out what you did with it.

Mr. SAN SOUCIE. That doesn't say money, and that says a draft. Evidently it must have been made out to State Cab Co., and I don't know how in the world I could convert a draft to State Cab Co. into cash for me.

Mr. KENNEDY. We have examined the books and records of the State Cab Co., and they never showed the receipt of this money. This is written off their books, and they never collected from the insurance company, according to their books and records.

Mr. SAN SOUCIE. Well, did the insurance company get it back then?

Mr. KENNEDY. Did you send this \$1,115 back to the insurance company?

Mr. SAN SOUCIE. Not to my knowledge, I didn't. To my knowledge, I don't recall doing anything with it.

Mr. KENNEDY. I don't understand, for somebody who didn't have anything to do with the State Cab Co., all of these items where it appears that you are somewhat interested, Mr. San Soucie. However, it would seem to me there has to be some sort of a record, and no one can issue a draft made out to a company, and have that thing endorsed, signed, and cashed by an individual without its showing up some place.

Mr. SAN SOUCIE. I know I didn't do it.

Mr. KENNEDY. The last time we see it, it goes to you, and that is what we are looking for.

Mr. SAN SOUCIE. That may be, but why don't we complete it and find out where it went.

Mr. KENNEDY. That is what I am asking you.

Mr. SAN SOUCIE. I can't help you out, sir.

Mr. KENNEDY. That is where we are, at a dead end.

Mr. SAN SOUCIE. I don't know as it should be a dead end. It would seem to me that the insurance company records would have to show as to whether that draft was ever cashed or not and by whom.

Mr. KENNEDY. Have you discussed this check of \$1,000 with anyone recently?

Mr. SAN SOUCIE. No; if you hadn't shown me that letter, I would never have thought of it.

Mr. KENNEDY. We have a number of other things we hope we can remind you of in the next few days. That is all for now, Mr. Chairman. We would like to get your personal records. Do you have those? Could you give us a list of all of your bank accounts?

Mr. SAN SOUCIE. The bank accounts are right in there.

Mr. KENNEDY. All of your bank accounts, the list of all of your bank accounts are in these records that you are about to turn over?

Mr. SAN SOUCIE. There are only two, and they are right in there.

Mr. KENNEDY. That is all you have?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. In your name, or in anyone else's name, in which you have an interest?

Mr. SAN SOUCIE. No; my wife has a bank account which is not in there, because I didn't know you wanted her personal account. It is her own personal account.

Mr. KENNEDY. Where is that?

Mr. SAN SOUCIE. In the Fidelity.

Mr. KENNEDY. Do you have any other bank account in which you have an interest, other than the two in here, and your wife's?

Mr. SAN SOUCIE. Not to my knowledge.

Mr. KENNEDY. You would know whether you had a bank account, wouldn't you?

Mr. SAN SOUCIE. No; but I can't think of any, where I have any money.

The CHAIRMAN. All right.

Senator IVES. I would like to ask Mr. San Soucie one very simple question. He made a statement earlier in the hearing that he had been arrested a number of times. That is correct, is it not?

Mr. SAN SOUCIE. Yes, sir.

Senator IVES. My question is: Have you ever been convicted at any time, of anything?

Mr. SAN SOUCIE. Yes, sir; I think that I was convicted of trespassing at one time, just shortly after I went to Indianapolis.

Senator IVES. That is the only conviction you have had?

Mr. SAN SOUCIE. Yes, sir, to my knowledge, and I don't think I have ever been convicted.

Senator IVES. You don't think that you have been?

Mr. SAN SOUCIE. I am quite sure.

Senator IVES. You know, Mr. San Soucie, you are a rather odd person.

Mr. SAN SOUCIE. I don't know why.

Senator IVES. Here you get arrested, and you have been convicted, you admit now, once, and you don't know whether you have been convicted at any other time or not, and you can't think of any other time when you may have been convicted. What was your sentence at the time you were convicted?

Mr. SAN SOUCIE. I didn't get any sentence.

Senator IVES. How did that happen? Was it suspended?

Mr. SAN SOUCIE. No; I think that I paid a fine of \$25.

Senator IVES. That was it, then. You don't know how many other times you have been convicted?

Mr. SAN SOUCIE. As I said, to my knowledge, I don't think I have ever been convicted of anything except that one time for a question of trespass.

Senator IVES. If you had been convicted any other time, you would know it?

Mr. SAN SOUCIE. Certainly.

Senator IVES. And the fact that you don't know it would indicate that you have been?

Mr. SAN SOUCIE. That I have been?

Senator IVES. Yes.

Mr. SAN SOUCIE. I said I have not been. I was convicted one time.

Senator IVES. You gain reason backward.

Mr. SAN SOUCIE. That was a trespass, in a case in which I was represented by an attorney in court and the next thing I heard about it was that I was convicted and paid a fine of \$25.

Senator IVES. I think the record speaks for itself. I have no more questions.

Mr. KENNEDY. I have just one thing. On the insurance company, did you have anything to do with the operation of the insurance company by Mr. Probstein?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. You never had anything to do with that?

Mr. SAN SOUCIE. Only to the extent as I explained, Mr. Kennedy, that the retirement and annuity policy, when I investigated and felt it was a good deal, it was offered to our members on the basis if they wanted to buy it, fine, and they could, and it was something that they personally would handle themselves and I merely put out a letter stating that I had investigated it.

In the meeting, in the series of meetings I told them that I personally looked at the thing, and that I actually bought a retirement annuity of my own and I felt any of them that could afford it, it was a good thing.

Mr. KENNEDY. Then when he resigned from the insurance company, did you have anything to do with that?

Mr. SAN SOUCIE. When you say, "have something to do with it," I don't think that I had anything to do with him resigning, but I discussed it with him and we talked about it, and as he said he was spread out too thin and he was doing too many things, and he felt he ought to concentrate more on one thing.

Mr. KENNEDY. When was this, in 1955, also?

Mr. SAN SOUCIE. It was sometime prior to the time that he resigned.

Mr. KENNEDY. That is all you have to do with it, just his mentioning it to you?

Mr. SAN SOUCIE. As I said, I talked to Dave.

Mr. KENNEDY. Did you suggest he resign?

Mr. SAN SOUCIE. No; why should I?

Mr. KENNEDY. I am trying to find out from you; did you suggest he resign?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. Did you have any conversation with him about saying that he should write in and resign from the insurance company?

Mr. SAN SOUCIE. No, sir. As I said, he at one time and I don't recall the date, he said to me that he thought he was spread out too thin, and that he should concentrate his efforts more on certain things that he was connected with.

Mr. KENNEDY. But did you ever suggest to him that he write in and submit his resignation from the insurance company?

Mr. SAN SOUCIE. Well, I don't know any reason why I should.

Mr. KENNEDY. I don't know why you should, and if you tell me that you did, I will ask you why you did.

Mr. SAN SOUCIE. He was a grown man, and I wasn't about to tell him what to do.

Mr. KENNEDY. That is what is so mysterious about this whole operation. He is a grown man, and why would he have Gus Zapas come in and pick up his money?

Mr. SAN SOUCIE. As I said, he requested it.

(At this point, the following members were present: Senators McClellan and Ives.)

Mr. KENNEDY. That is what I don't understand.

Did you ever suggest to him that he write in and resign from the insurance company?

Mr. SAN SOUCIE. Not to my knowledge; I never suggested he should resign from anything.

Mr. KENNEDY. You would remember that.

Mr. SAN SOUCIE. I don't know as I would remember it or not. But to my knowledge I don't recall ever saying anything to him that he should resign from anything, because I did not have knowledge of all the things that Dave Probst might be doing.

Mr. KENNEDY. Did you ever threaten him?

Mr. SAN SOUCIE. No. Why should I threaten him?

Mr. KENNEDY. I will ask you that, if you tell me you did threaten him. Did you threaten him?

Mr. SAN SOUCIE. No; I never threatened him.

Mr. KENNEDY. You never did?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. O. K. Could we have the financial records?

Mr. FILLMORE. I might say that there are two reports, income tax reports, that we thought were in there. They are on the way to Washington now; they are in the tax attorney's hands.

Mr. KENNEDY. Are these all your records, Mr. San Soucie? Are these all the records that you had at the time the subpoena was served?

Mr. SAN SOUCIE. Yes, sir.

Mr. KENNEDY. How far do they go back?

Mr. SAN SOUCIE. There are some records in there on income tax, I think—

Mr. KENNEDY. What about your bank accounts and your canceled checks? How far back do they go?

Mr. SAN SOUCIE. Well, bank accounts and canceled checks, the only ones I have are the ones since I have been in Indianapolis.

Mr. KENNEDY. Since 1951?

Mr. SAN SOUCIE. Yes. Maybe 1952; I don't know when I made the transfer. I had some money, I think, in the Hargrove Bank, if I recall, in St. Louis, and I moved it to Indianapolis. But I don't know that I did it immediately upon arriving.

Mr. KENNEDY. Did you receive any other money from Mr. Hoffa or local 299?

Mr. Hoffa, Mr. Brennan, or local 299?

Mr. SAN SOUCIE. Receive any other money?

Mr. KENNEDY. Have you received any money from Mr. Hoffa, Mr. Brennan, or local 299?

Mr. SAN SOUCIE. Do you mean loans?

Mr. KENNEDY. Of any kind. Loans or advances or—

Mr. SAN SOUCIE. No; I don't think so, not from 299.

Mr. KENNEDY. Or Mr. Hoffa?

Mr. SAN SOUCIE. Or Mr. Hoffa either.

Mr. KENNEDY. Or Mr. Brennan?

Mr. SAN SOUCIE. Or Mr. Brennan either.

Mr. KENNEDY. Or Frank Collins?

Mr. SAN SOUCIE. No; I can't recall any time I ever got any money from there.

Mr. KENNEDY. You have not received any?

Mr. SAN SOUCIE. No.

Mr. KENNEDY. O. K.

The CHAIRMAN. All right. Thank you, sir. You may stand aside. Call the next witness.

Mr. KENNEDY. Miss Betty Starrett.

The CHAIRMAN. Mr. San Soucie, you will remain under your present subpoena, subject to being recalled at such time as the committee may desire further testimony from you.

Mr. SAN SOUCIE. Yes, sir.

The CHAIRMAN. All right.

Will you be sworn, please?

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Miss STARRETT. I do.

TESTIMONY OF BETTY STARRETT

The CHAIRMAN. State your name, your place of residence, and your occupation, please.

Miss STARRETT. Betty Starrett, 3761 North Meridian, Indianapolis, Ind. I am a secretary for International Auto Insurance Association.

The CHAIRMAN. Secretary for whom?

Miss STARRETT. International Auto Insurance Association.

The CHAIRMAN. International Auto Insurance Association?

Miss STARRETT. Yes, sir.

(At this point, Senator Ervin entered the hearing room.)

The CHAIRMAN. Do you waive counsel?

Miss STARRETT. Yes, sir.

The CHAIRMAN. Thank you very much.

Counsel advises that he needs 2 or 3 minutes to arrange some affairs, so we will take a 3- to 5-minute recess.

(Brief recess with the following members present: Senators McClellan, Ervin, and Ives.)

(After the recess, the following members were present: Senators McClellan, Ervin, and Ives.)

The CHAIRMAN. The committee will come to order.

Mr. FILLMORE. Mr. Chairman?

Mr. Chairman, might I state on the record what I just stated to the committee off the record, so to speak?

The CHAIRMAN. All right, go ahead.

Mr. FILLMORE. I am Ed Fillmore, the attorney for Mr. San Soucie. Just during the short recess, he said that he isn't sure whether or not he made a correct statement concerning the handling of some payments on this \$8,000 loan back to Hobren. He is quite sure the records could refresh his memory. He is going to attempt to do so. His testimony is in the record that he does not think he had anything to do with it, and he is quite sure that is true at the moment, but he would like to have an opportunity, if he finds out otherwise, to so state.

The CHAIRMAN. He may refresh his memory.

Mr. KENNEDY. What records is he going to look at?

Mr. FILLMORE. Attempt to find out from the Hobren records. I think that is the name of the corporation or company.

Mr. KENNEDY. How would he indicate that he had any—

Mr. FILLMORE. I don't know. I am just repeating what he mentioned to me.

Mr. KENNEDY. I don't know that.

The CHAIRMAN. I believe I asked your name, your place of residence, and your occupation.

Miss STARRETT. Yes, Mr. McClellan.

The CHAIRMAN. I asked you if you waived counsel and you said you did?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. You spell your name S-t-a-r-r-e-t-t, is that correct?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. And you are presently employed by the International Automobile Insurance?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. You were previously employed by the Aldor Insurance Agency?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. From January 1955 to February 1956, is that correct?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Did you have some conversations with Mr. Gene San Soucie, and Mr. Gus Zapas about your employment?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Who was it that hired you to work for the insurance company?

Miss STARRETT. Mr. Robert Greenfield.

Mr. KENNEDY. Anyone else?

Miss STARRETT. Mr. Zapas and Mr. San Soucie recommended me and I went up for an interview.

They were present as was Mr. Probstein.

Mr. KENNEDY. That is Mr. Robert Greenfield.

Miss STARRETT. Yes, sir.

Mr. KENNEDY. And he was with the insurance company, was he?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. That was Mr. Allan Dorfman's insurance company?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. As I said, Mr. Chairman, this morning, we had some testimony regarding him in connection with the Chicago matter.

Did Mr. San Soucie and Mr. Zapas state to you, or indicate to you, what their interest was in the cab company, the State Cab Co., or the insurance agency?

Miss STARRETT. They said that they owned the State Cab Co. The reason they had it was that once they have one union cab company, that will give them an entree to unionize all cab companies in Indianapolis.

Mr. KENNEDY. Who told you that?

Miss STARRETT. Mr. San Soucie.

Mr. KENNEDY. And Mr. Zapas also, was he present?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Was Mr. Probstein at the head of the cab company during this period of time?

Miss STARRETT. To my knowledge, he was, sir.

Mr. KENNEDY. Was he removed as head of the cab company?

Miss STARRETT. Yes, sir. Mr. Zapas was president of it when I started working there.

Mr. KENNEDY. Mr. Zapas ran the cab company, was president of the cab company?

Miss STARRETT. Yes, sir; he signed the checks.

Mr. KENNEDY. And Mr. Probstein had been head of the cab company?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Who removed Mr. Probstein?

Miss STARRETT. Mr. Zapas was the one who said that he was through, that he would take over.

Mr. KENNEDY. When was that?

Miss STARRETT. Well, it was some time in January, Mr. Kennedy.

Mr. KENNEDY. What did he say to him at that time?

Miss STARRETT. He said to get out, and he speaks very colorfully and perhaps with a little profanity.

Mr. KENNEDY. He speaks colorfully and perhaps with a little profanity.

Did he say anything else to him other than "Get out" and use some profanity?

MISS STARRETT. Well, I couldn't recall right at the moment, Mr. Kennedy, honest.

MR. KENNEDY. Well, did he say anything about killing him?

MISS STARRETT. He used that expression, but they used that expression as I would use "hello" or something. They speak a little differently. They speak more figuratively than you or I would speak, perhaps.

MR. KENNEDY. Well, figuratively, did he say he was going to kill him?

MISS STARRETT. Figuratively, that expression came up; yes, sir.

MR. KENNEDY. By Mr. Zapas?

MISS STARRETT. Yes, sir.

MR. KENNEDY. To Mr. Probstein?

MISS STARRETT. Yes, sir.

MR. KENNEDY. He was mad at Mr. Probstein at the time, he was angry with him?

MISS STARRETT. I would say so.

MR. KENNEDY. Do you know what the reason was?

MISS STARRETT. No, I don't, sir; I worked for the Aldor Insurance Co., not State Cab.

MR. KENNEDY. They shared the same office, did they?

MISS STARRETT. Yes, sir.

MR. KENNEDY. That is how you happened to overhear this conversation?

MISS STARRETT. Yes, sir.

MR. KENNEDY. Was Probstein kept on the payroll of the insurance company?

MISS STARRETT. Yes, sir.

MR. KENNEDY. For what reason was he on the payroll?

MISS STARRETT. Mr. Greenfield told me that he and Mr. Dorfman found out that it was necessary for a general agent in the State of Indiana to be a resident at least 6 months, so they needed someone who was a resident, and that was what Mr. Probstein was supposed to do. Other than anything pertaining to the management or operation of it, he did not do it; Mr. Greenfield did.

MR. KENNEDY. He was just in there as a front, then, in the insurance agency; is that correct?

MISS STARRETT. Yes, sir.

MR. KENNEDY. And he was also acting as a front in the cab company, according to your conversations—

MISS STARRETT. According to my knowledge; yes.

MR. KENNEDY. Did he continue to receive and draw the \$100 a week?

MISS STARRETT. Yes, sir.

MR. KENNEDY. For how long?

MISS STARRETT. For about 6 weeks. Mr. Greenfield told me I was to stop writing him a check for \$100.

MR. KENNEDY. Did you stop then writing the check?

MISS STARRETT. Yes, sir.

MR. KENNEDY. Did Mr.—

MISS STARRETT. Probstein complained.

Mr. KENNEDY. What happened then?

Miss STARRETT. Well, he complained a couple of weeks, and finally he went to Mr. Greenfield and he said he was through, he just wasn't going to pay him anything more, that he did not need him. So he did not.

Mr. KENNEDY. What did Mr. Greenfield say to him?

Miss STARRETT. He said that he was done; that he had word from New York that he should resign, that they needed a letter of resignation from him.

Mr. KENNEDY. He had a letter of resignation for Mr. Probstein to sign?

Miss STARRETT. He asked Mr. Probstein to write a letter of resignation, and Mr. Probstein did not, so Mr. Greenfield dictated the letter to me. He dictated Mr. Probstein's resignation.

Mr. KENNEDY. What happened then? Did he sign it then?

Miss STARRETT. No, sir.

Mr. KENNEDY. What happened?

Miss STARRETT. Well, he just did not sign it and after we heard again from New York, Mr. Greenfield called Mr. San Soucie up and Mr. San Soucie said that he would get it signed, and it was eventually signed by Mr. Probstein.

Mr. KENNEDY. It was signed?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Mr. San Soucie said that he would get Mr. Probstein to sign it?

Miss STARRETT. That is what Mr. Greenfield related to me.

Mr. KENNEDY. I see.

The CHAIRMAN. I hand you a photostatic copy of the letter dated February 24, 1955, which purports to be signed by David Probstein, addressed to Union Casualty & Life Insurance Company of New York. Will you examine that photostatic copy and state if you identify it?

(The document was handed to the witness.)

Miss STARRETT. Yes, sir.

The CHAIRMAN. Did you write that letter?

Miss STARRETT. Yes, sir. My initials are on it.

The CHAIRMAN. You recognize the letter as well from its contents; do you?

Miss STARRETT. Yes, sir.

The CHAIRMAN. So that is the letter of resignation?

Miss STARRETT. Yes, sir.

The CHAIRMAN. What date is it dated? The 24th—

Miss STARRETT. Of February.

The CHAIRMAN. 1954?

Miss STARRETT. 1955, sir.

The CHAIRMAN. 1955?

Miss STARRETT. Yes, sir.

The CHAIRMAN. How long after the letter was written was it before it was signed?

Miss STARRETT. Pardon?

The CHAIRMAN. How long after you wrote the letter was it before they were able to get it signed? About how long?

Miss STARRETT. I would say a couple of weeks, sir.

The CHAIRMAN. A couple of weeks?

Miss STARRETT. Yes, sir.

The CHAIRMAN. Was he being paid anything in the meantime?

Miss STARRETT. No, sir.

The CHAIRMAN. The pay had already stopped?

Miss STARRETT. Yes, sir.

The CHAIRMAN. That letter may be made exhibit 54.

(The document referred to was marked "Exhibit No. 54" for reference and will be found in the appendix on p. 14136.)

Mr. KENNEDY. After he had signed the letter of resignation, were you instructed to change the locks on the doors?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. And change the combination of the safe?

Miss STARRETT. I did not change any combination of the safe. I was instructed to have the locks all changed on all the doors.

Mr. KENNEDY. Who gave you those instructions?

Miss STARRETT. Mr. San Soucie.

Mr. KENNEDY. Did Mr. Probstein want to remove his furniture from the office?

Miss STARRETT. Yes, sir. He had furniture there.

Mr. KENNEDY. What happened about that? Was he allowed to take his furniture out?

Miss STARRETT. Mr. San Soucie called me and told me that arrangements were made on a certain day that he could come in and get his furniture.

Mr. KENNEDY. And he came in and got his furniture?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. In May of 1955, was there a meeting between Mr. Allan Dorfman and Mr. Phil Goodman, and Mr. Alvin Baron with David Probstein at the Aldor Insurance Co. office?

Miss STARRETT. Yes; there was.

Mr. KENNEDY. Would you relate what happened at the meeting?

Miss STARRETT. Well, I was not in the meeting, Mr. Kennedy. There, again, the office is a large building with open—it was originally built as a loan office, whereby everything is open. I was in the next room. They were concerned about leases and properties, tax things that Mr. Probstein was supposed to purchase for Aldor Insurance and Dover Insurance, and that they wanted to see evidence of.

Mr. KENNEDY. Were they angry with him at that time?

Miss STARRETT. Well, I would say they were concerned.

Mr. KENNEDY. They were concerned. What did they say to them that indicated their concern?

Miss STARRETT. Well, they wanted him to produce some records, to show something.

They gave him until the first part of June.

Mr. KENNEDY. They gave him until the first part of June to produce these?

Miss STARRETT. That is right, sir, that is as much as I heard of it. To produce it or else it was—

Mr. KENNEDY. Was there an amount of money that was mentioned?

Miss STARRETT. Yes, there was, sir.

Mr. KENNEDY. How much was mentioned?

Miss STARRETT. I believe it was about \$6,000. It was in the neighborhood of \$6,000.

Mr. KENNEDY. And he was told to produce or else by the first week in June?

Miss STARRETT. That was it.

Mr. KENNEDY. Who was selling the insurance for this company at the beginning?

Miss STARRETT. When I first went there, the insurance company was already in operation, Mr. Kennedy, when I started, and they needed someone else. They wanted to replace a girl. That is why I was hired. The businessmen—we had salesmen, and the business agents would talk to our men, introduce them, get them their entree.

Mr. KENNEDY. This is the business agents of local 135 that were doing this?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Were they selling insurance themselves?

Miss STARRETT. They were giving the entree to do it.

Mr. KENNEDY. They were assisting the salesmen of the office?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. The business agents of the local union?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. On behalf of this insurance company; is that right?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Had the business agents been selling the insurance themselves prior to that?

Miss STARRETT. That is what I understand.

Mr. KENNEDY. Prior to that, the business agents were handling it themselves?

Miss STARRETT. That is what I understand.

Mr. KENNEDY. How did you understand that?

Miss STARRETT. That is what I was told, sir, prior to my going to work there.

Mr. KENNEDY. By whom were you told that?

Miss STARRETT. Mr. Greenfield.

Mr. KENNEDY. The salesmen, as they related it to you, did they have to give any kickbacks to any of the business agents when they were selling this insurance?

Miss STARRETT. I don't believe it was a practice, but two men said that they did. But that was what they said to me.

Mr. KENNEDY. You weren't present when they actually did it?

Miss STARRETT. No, sir.

Mr. KENNEDY. They just related this to you?

Miss STARRETT. That is right, sir.

Mr. KENNEDY. Did most of the union members purchase the insurance?

Miss STARRETT. Well, when it was first instigated, it was prior to the contract negotiations, and the checkoff did not go through. People bought it, or a least all they had to do was to pay a dollar application fee; they signed a payroll deduction card, and with that card they would literally give authorization for us to submit that card to their employer, who would, thereby, deduct \$4.06 from their wages each week.

They had sold all these policies, or they had sold all these applications.

The salesmen who were doing it were to receive \$15 when they made the sale and \$15 at the end of 30 days. It so happened they had a lot of \$15, but they never got any income from it, because no one checked it off.

Mr. KENNEDY. None of the companies checked it off?

Miss STARRETT. No, sir.

Mr. KENNEDY. After the negotiations for the contract by Mr. San Soucie, of local 135, was that changed?

Miss STARRETT. Then several companies agreed to check off; yes, sir.

Mr. KENNEDY. They checked off in behalf of the insurance company?

Miss STARRETT. That is right, sir.

Mr. KENNEDY. How many companies agreed to that?

Miss STARRETT. Well, there were about five of them at first, that first started, and then it snowballed.

Mr. KENNEDY. Did Mr. San Soucie indicate to you at all as to who had paid the rent originally in this office?

Miss STARRETT. He told me that he had paid the first 2 months' rent himself. He never got it back from Mr. Dorfman.

Mr. KENNEDY. Did he tell you who had got Gus Zapas' job with the Bartenders' Union?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Who did he tell you?

Miss STARRETT. Mr. San Soucie.

Mr. KENNEDY. Mr. San Soucie got it for him?

Miss STARRETT. Yes, sir; had him appointed—

Mr. KENNEDY. Excuse me?

Miss STARRETT. With San Soucie's cooperation he was appointed president.

Mr. KENNEDY. Were you having difficulties, or the company having difficulties, with the bank at the time?

Miss STARRETT. Yes, sir; a lot of our checks bounced.

Mr. KENNEDY. Did you have to go over and straighten it out with the bank?

Miss STARRETT. Yes, sir, I talked to Mr. Moore, the man from the bank that you had on this morning.

Mr. KENNEDY. Was the bank very cooperative?

Miss STARRETT. They weren't, at first, but they transferred account from Aldor and David Probstain, and after Mr. San Soucie called the bank then they agreed to honor things.

Mr. KENNEDY. After a call from Mr. San Soucie to the bank; is that correct?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Did you understand that Mr. Zapas and Mr. San Soucie were very close to Joe Jacobs?

Miss STARRETT. Yes, sir.

Mr. KENNEDY. Did you know that the union had paid some of the bills for Mr. Joe Jacobs?

Miss STARRETT. No, sir. I wouldn't know that.

Mr. KENNEDY. Mr. Joe Jacobs is a leading gambler in Indianapolis, is he not?

Miss STARRETT. If there is such a thing as a leading gambler in Indianapolis, I guess that is what you would call him.

The CHAIRMAN. Are there any further questions?

We have been having some indication that, when witnesses come and testify and give this committee information, someone may undertake to intimidate them or threaten them. If anything like that occurs to you, let us know.

You will remain under your present subpoena, coming to be recalled whenever the committee may desire to hear further testimony from you. You will be given reasonable notice as to when to reappear. You have been very helpful. I want to commend you for your cooperation. When we get people like you to cooperate, we will finally expose some of these things to where the American people will no longer tolerate them.

Thank you very much.

The committee will stand in recess until 10:30.

(Whereupon, at 4:40 p. m., the committee recessed, to reconvene at 10:30 a. m., Friday, August 15, 1958, with the following members present: Senators McClellan, Ives, and Ervin.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

FRIDAY, AUGUST 15, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Barry M. Goldwater, Republican, Arizona; Senator Karl E. Mundt, Republican, South Dakota; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; Paul Tierney, assistant counsel; John J. McGovern, assistant counsel; Carmine S. Bellino, accountant; Pierre E. Salinger, investigator; Leo C. Nulty, investigator; James P. Kelly, investigator; Walther J. Sheridan, investigator; James Mundie, investigator; John Flanagan, investigator, GAO; Alfred Vitarelli, investigator, GAO; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the committee present at the convening of the session were: Senators McClellan and Ives.)

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Ben Saltzman.

The CHAIRMAN. Will you be sworn, please?

You do solemnly swear that the evidence given before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SALTZMAN. I do.

TESTIMONY OF BEN SALTZMAN, ACCOMPANIED BY HIS COUNSEL, BERNARD J. MELLMAN

The CHAIRMAN. State your name and place of residence and your business or occupation, please.

Mr. SALTZMAN. Ben Saltzman, 9013 Brentwood Lane, Brentwood, Mo., retail truck clerk and merchandise.

The CHAIRMAN. You have counsel, and will counsel identify himself?

Mr. MELLMAN. I am Bernard J. Mellman, of St. Louis.

Mr. KENNEDY. You were with local 405 of the Teamsters Union for a period of time; is that correct? That is in St. Louis?

Mr. SALTZMAN. I respectfully decline under the fifth amendment to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. Our understanding, Mr. Saltzman, is that you were with Local 405 of the Teamsters Union at a period of time that it was under the trusteeship of Harold Gibbons; is that correct?

Mr. SALTZMAN. I respectfully decline under the fifth amendment to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. Our interest in your activities in connection with this phase of the investigation, Mr. Saltzman, is that we have information that you were the individual who came up to Indianapolis in 1954 and were placed in charge by the Teamsters Union of the State Cab Co. for a short period of time. Is that correct?

Mr. SALTZMAN. I respectfully decline under the fifth amendment to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. We have, in fact, found that you were in Indianapolis from December 10 to 16, 1954; is that correct?

Mr. SALTZMAN. I respectfully decline under the fifth amendment to answer that question on the ground it may tend to incriminate me.

The CHAIRMAN. I hand you here a photostatic copy of a hotel bill, Hotel Lincoln, Indianapolis, and it seems to cover a period of time from December 10 to 16. I will ask you to examine it and state if you can recognize that as your hotel bill?

(A document was handed to the witness.)

The CHAIRMAN. Do you want to look at your signature also on the second sheet?

Mr. SALTZMAN. I respectfully decline under the fifth amendment to answer that question on the ground it may tend to incriminate me.

The CHAIRMAN. Let that be made exhibit 55.

(Document referred to was marked "Exhibit No. 55" for reference, and may be found in the files of the select committee.)

The CHAIRMAN. Do you decline to acknowledge that as your hotel bill?

Mr. SALTZMAN. I respectfully decline under the fifth amendment to answer that question on the ground it may tend to incriminate me.

The CHAIRMAN. Is that your signature?

Mr. SALTZMAN. Once again I respectfully decline under the fifth amendment to answer that question on the ground it may tend to incriminate me.

The CHAIRMAN. What were you doing up there at that time?

Mr. SALTZMAN. I respectfully decline to answer that question under the fifth amendment on the ground it may tend to incriminate me.

The CHAIRMAN. Do you know what you are doing? You are creating the impression over this country that the leadership of the Teamsters are nothing but a bunch of gangsters. Don't you realize that? That is the impression that you are creating. Don't you want to come clean and tell the truth?

All right, proceed.

Mr. KENNEDY. Could you tell us why you were the one that was selected to go up to Indianapolis at this period of time, Mr. Saltzman?

Mr. SALTZMAN. I respectfully decline to answer that question under the fifth amendment on the ground it may tend to incriminate me.

Mr. KENNEDY. This bill would appear to have been paid by the Teamsters Union, and had been sent to Mr. Gene San Soucie, and could you tell us why that was done?

Mr. SALTZMAN. I respectfully decline to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. During the same period of time, Mr. Barney Baker was in Indianapolis, and could you tell us what he was doing there?

Mr. SALTZMAN. I respectfully decline to answer that question under the fifth amendment on the ground it may tend to incriminate me.

Mr. KENNEDY. What were you doing for Mr. Harold Gibbons down in St. Louis prior to the time you came up to Indianapolis?

Mr. SALTZMAN. I respectfully decline to answer that question under the fifth amendment on the ground it may tend to incriminate me.

Mr. KENNEDY. Were you one of those in charge of a goon squad that operated in St. Louis, Mr. Saltzman?

Mr. SALTZMAN. I respectfully decline to answer that question under the fifth amendment on the ground it may tend to incriminate me.

Mr. KENNEDY. Were you one of those responsible for the violence in St. Louis in connection with the cab strike in 1953?

Mr. SALTZMAN. I respectfully decline to answer that question under the fifth amendment on the ground it may tend to incriminate me.

Mr. KENNEDY. We have here, Mr. Chairman, an affidavit and we can make the witness available, regarding Mr. Saltzman's activities in St. Louis prior to the time he came up to Indianapolis.

The CHAIRMAN. The Chair will read the affidavit into the record and it may be printed in full. The witness will listen to it and if there is anything here that is inaccurate or not true and you want to correct it, you will be given the opportunity to do so.

I, Paul J. Herzwarm, 3920 Wilmington Avenue, St. Louis, Mo., voluntarily make this statement to Irwin Langenbacher, who has identified himself as an assistant counsel, United States Senate Committee on Labor and Management. I am presently an insurance salesman for the Penn Mutual Life Insurance Co., in St. Louis, Mo.

In December 1953 I was 23 years of age. I was a student at St. Louis University. I was a member of Teamsters Local 405, and I was working part time as a driver for the Yellow Cab Co. Local 405 called a strike against the Yellow Cab Co. on November 30, 1953. I was contacted by the Yellow Cab Co. on December 3. I was told that the strike was over and that I should return to work. I later heard that there had been a court order ending the strike.

I went to work and took a fare to south St. Louis. While returning I was forced to the curb by a light blue Dodge, license No. H67-554. Ben Saltzman, whom I knew as a business agent of local 405, got into the front seat and a big man unknown to me, got into the rear seat, and they ordered me to follow the car which had forced me to the curb. Saltzman said something to the effect that Gibbons did not like for anyone to be a strikebreaker. I was led to a city dump where I was beaten by Saltzman and the other man. Saltzman struck me with the lead speaker from the cab radio.

I suffered a possible skull fracture, multiple lacerations of the face, and laceration of the nose. I was in Incarnate Ward Hospital for 8 or 9 days and remained in bed for an additional 2 weeks. The hospital and medical bill was about \$275.

The car was the property of local 405 and Saltzman was driving when the police picked it up. I identified Saltzman at the police station, and I was questioned by Edward Dowd, circuit attorney for the city of St. Louis. Saltzman went on trial for assault and battery and was acquitted.

Before the trial someone called me on the telephone, said "Don't testify," then hung up. On about two other occasions, someone asked for me and when I came to the telephone they hung up without speaking.

I have read the above statement and it is true to the best of my knowledge and belief.

PAUL J. HERZWURM.

Sworn to and subscribed before me this 27th day of February 1958.

GRACE A. WILLIAM,
Notary Public.

My commission expires June 9, 1958.

The CHAIRMAN. Is there anything in that statement that is untrue?

Mr. SALTZMAN. I respectfully decline to answer that question on the ground that it may tend to incriminate me.

(At this point, the following members were present: Senators McClellan, Ives, and Curtis.)

The CHAIRMAN. When you go around to beat somebody up, you go around in pairs. That is because you are cowardly; isn't that true, you are afraid of them by yourself? You have to have the advantage?

Mr. SALTZMAN. I respectfully decline to answer that question on the ground it may tend to incriminate me.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mr. Saltzman, you were indicted down in St. Louis; were you not?

Mr. SALTZMAN. I respectfully decline to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. You were indicted for beating people up during this cab strike?

Mr. SALTZMAN. I respectfully decline to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. Were you removed from the payroll of the Teamsters' Union then by Mr. Harold Gibbons?

Mr. SALTZMAN. I respectfully decline to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. You were indicted were you not, on December 4, 1953?

Mr. SALTZMAN. I respectfully decline to answer that question on the ground it may tend to incriminate me.

Mr. KENNEDY. Mr. Chairman, I would like to call a witness who could testify as to what happened with Mr. Saltzman after he was indicted.

The CHAIRMAN. All right.

(At this point, Senator Goldwater entered the hearing room.)

The CHAIRMAN. You do solemnly swear the evidence you shall give before the Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. EICKMEYER. I do.

TESTIMONY OF THOMAS EICKMEYER

The CHAIRMAN. State your name and place of residence and your business or occupation.

Mr. EICKMEYER. My name is Tom Eickmeyer. I live in St. Louis, Mo. I am an accountant.

The CHAIRMAN. Do you work for this committee?

Mr. EICKMEYER. Yes, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mr. Eickmeyer, Mr. Saltzman was indicted on December 4, 1953; is that correct?

Mr. EICKMEYER. Yes, sir.

Mr. KENNEDY. Did he then receive a lump sum of money from this union, local 405?

Mr. EICKMEYER. Yes, sir. On December 4, he received check No. 387 in the amount of \$573.50, which was the salary net of \$675. This salary of \$675 was composed of the following: A current week's salary of \$135, 2 weeks' vacation pay of \$270, and 2 weeks' severance pay of \$270.

Mr. KENNEDY. Making a total of \$675?

Mr. EICKMEYER. Yes, sir.

Mr. KENNEDY. And it would appear, then, from the records, that he was taken off the payroll, is that correct?

Mr. EICKMEYER. Yes, sir.

Mr. KENNEDY. He received a severance pay, is that right?

Mr. EICKMEYER. That is right.

Mr. KENNEDY. Also during December of 1953, did he receive another lump sum of money?

Mr. EICKMEYER. He received several cash payments.

Mr. KENNEDY. Totaling how much?

Mr. EICKMEYER. \$620.

Mr. KENNEDY. For what purpose?

Mr. EICKMEYER. They were expenses, and I found a note from Mr. Gibbons to Mr. Lou Berra, to arrange compensation for a period in which he is tied up on the current case in connection with taxicab strike.

Mr. KENNEDY. Mr. Lou Berra was—

Mr. EICKMEYER. He was in charge of giving out money.

Mr. KENNEDY. I see. He is the one that went to the penitentiary, I guess, for taking some money himself?

Mr. EICKMEYER. Yes, sir.

Mr. KENNEDY. Did Mr. Saltzman receive any money after that from the local?

Mr. EICKMEYER. Yes, sir; he did.

Mr. KENNEDY. He continued to receive money, is that right?

Mr. EICKMEYER. That is right.

Mr. KENNEDY. Were there sums of money paid to his wife?

Mr. EICKMEYER. There was. On February 2, 1954, \$250 was paid to his wife, charged to the strike fund in local 405 in St. Louis.

Mr. KENNEDY. From February 16, 1954, to August 20, 1954, did he continue to receive money?

Mr. EICKMEYER. Yes, sir. He got \$100 a week which was charged to the staff expense of the local.

Mr. KENNEDY. Then from August 20, 1954, to March 9, 1956, did he continue to receive money?

Mr. EICKMEYER. Yes, sir.

He received approximately \$100 a week, which was then charged to salary expense for the local.

Mr. KENNEDY. And then on March 9 did he receive another severance pay?

Mr. EICKMEYER. Yes, sir. On March 9 he received his regular weekly salary of \$100, and he also received a check for \$200, which was his final payment and appears to be a severance pay.

Mr. KENNEDY. So following his indictment, where the books and records would make it appear that he was removed from the payroll, from December 4, 1954, how much was the total money he received?

Mr. EICKMEYER. A little over \$12,000.

Mr. KENNEDY. About \$12,080, is that right?

Mr. EICKMEYER. That is right.

TESTIMONY OF BEN SALTZMAN—Resumed

Senator CURTIS. Mr. Chairman, where did that money come from? I would like to ask the witness.

Mr. SALTZMAN. I didn't hear the question.

Senator CURTIS. Where did the money come from?

Mr. SALTZMAN. I decline to answer that question under the fifth amendment on the ground that it may tend to incriminate me.

Senator CURTIS. Do these fellows that have to join the union, work hard to support their families, do they have to foot that sort of bill?

Mr. SALTZMAN. I decline to answer that question on the ground that it may tend to incriminate me.

Senator CURTIS. I would think it would. That is all, Mr. Chairman.

Mr. KENNEDY. Will you tell us anything about the taxicab company in Indianapolis, who sent you up there, what you were doing while you were up there, and what interest the Teamsters Union had in the taxicab company?

Mr. SALTZMAN. I respectfully decline to answer that question under the fifth amendment on the grounds that it may tend to incriminate me.

Mr. KENNEDY. Could you tell us what happened to Mr. Dave Probststein?

Mr. SALTZMAN. I respectfully decline to answer that question under the fifth amendment on the grounds that it may tend to incriminate me.

Mr. KENNEDY. That is all, Mr. Chairman.

The CHAIRMAN. All right. You may stand aside. Call the next witness.

Mr. KENNEDY. Mr. Joseph G. Wood.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. WOOD. I do, sir.

TESTIMONY OF JOSEPH G. WOOD

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please, sir.

Mr. WOOD. My name is Joseph G. Wood. I live at 1201 West 64th Street, Indianapolis, Ind. I am a lawyer, engaged in the general practice of law in Indianapolis for 35 years. My firm is Schortemeier, Eby & Wood.

MR. KENNEDY. You have known Mr. David Probstein for about 15 years; is that right?

MR. WOOD. Yes. My recollection of the first acquaintance with him was right after World War II.

MR. KENNEDY. You were also representing the insurance company which held the mortgage on a new home that had been purchased by David Probstein?

MR. WOOD. Yes. I represent among other companies the Union Central Life Insurance Company of Cincinnati, which held a first mortgage on his home on Spring Mill Road in Indianapolis.

MR. KENNEDY. Had you had discussions with Mr. Probstein just prior to his disappearance in June of 1955?

MR. WOOD. Yes. Are you referring to the discussion about the mortgage?

MR. KENNEDY. Yes, if you would summarize it.

MR. WOOD. The insurance company referred that mortgage to me for foreclosure I believe in April of 1955. Knowing Probstein was a lawyer, I called him on the telephone and told him it was in my hands for prosecution. He told me that the property had been deeded over to a trustee, another lawyer there in Indianapolis, named Paul Blackwell, and that he was heavily in debt, and that the plan was to have the trustee sell the property to retire his indebtedness, or go as far as it would.

I checked the records and found that our mortgage was the first loan, and I felt secure. I notified the company and asked them if they wanted to give him time. The company told me that I could use my judgment as long as I protected their right.

I conveyed that information to Probstein, and that is the way the matters stood when I received the telephone call from him on the night of June 4.

MR. KENNEDY. That was June 4, 1954?

MR. WOOD. Yes, sir.

MR. KENNEDY. Would you tell us about the telephone conversation?

MR. WOOD. On Saturday night, I believe it was June 4, he called me at my home, and told me that he wanted to see me right away, and that he was in trouble. I told him if he was concerned about the mortgage, he could forget it, because the company had told me to give him time. But he said it was not the mortgage. He said it was other trouble, and that he wanted to see me right away. Well, I talked him out of seeing me on Saturday night, but I told him I would stop by his house on Sunday morning. I have a little place out in the country on beyond his place.

Shall I proceed?

MR. KENNEDY. Yes.

MR. WOOD. I went out on Sunday morning at 11 o'clock and met Mrs. Probstein for the first time. I had never been in their home before. I had no association with Probstein; I just knew him as a lawyer. I met Mr. and Mrs. Probstein. They took me in their house; the little boy was there, and they sent him out to play. We sat down in the living room. Probstein told me—he began the conversation, saying that he was in great danger, and that he had become involved with some people that he considered dangerous, and that he was going away on a mission that he considered dangerous.

He said he asked me out there because he wanted to know how long his wife could stay on the property if I filed suit to foreclose. We discussed that. And he said that he hoped I would be as lenient with her as possible.

Also, he said he hoped that if he was gone for a long time or failed to appear, that I would do for her whatever I could, give her advice, and I said, "Well, I will be humane about it, but I have to represent the Union Central Life Insurance Co."

Then I asked him where he was going, and he said, "Well, all I can tell you is I am going to St. Louis, and then I am going east."

I said, "Well, where can we check on you east?"

And he said, "Well, I can't tell you that."

I asked him to please let us agree on some common place, some hotel in New York or Philadelphia or Boston or somewhere. He declined to answer any of those questions. Then I pressured him on, who were these evil people after him, or dangerous people, and he said he could not give me that information.

Mrs. Probstein and I then criticized him, and they told me that he had been talking to her that way for several weeks, that he would not give her any information. I did press that man; I tried to find out who it was that he was involved with. I knew something about his State Cab affiliations because one evening I picked him up on the street corner and drove him to his home. He told me that he had lost money in the State Cab Co. Well, all I knew about the State Cab Co. was that I thought it was a very small cab company there. I thought they only owned 8 or 10 cabs. I felt that the cabs were driver owned. That was my impression. I don't know. I asked him, "Is it anything in connection with the State Cab deal?" And he said, "That I can't tell you."

"Are you afraid of any of those drivers that you dealt with?"

He said that he could not tell me that. I positively could get no inkling from the man on who it was after him or where he was going beyond St. Louis.

I left then and—

Mr. KENNEDY. Would you tell what his frame of mind was?

Mr. WOOD. He was a scared man. He was obviously agitated. He told me he was afraid. He said, "I am fearful. I think I am in danger."

I was very much incensed because I felt he was putting me in a bad spot when he would not give me any indication on how I could help him. I will say this to you, gentlemen, that there was really no word spoken of any labor connections in that Sunday morning conference. Those names came in later on. Mrs. Probstein came to my office later on, and she found a list of names and telephone numbers, that I have turned over to you gentlemen, on his desk.

But in that Sunday morning conversation, there was no mention of any of these labor people that have been prominent in this case.

Mr. KENNEDY. Maybe you can identify the list.

Mr. WOOD. Goodman was on the list, of Chicago, I think.

The CHAIRMAN. I hand you a photostatic copy of what purports to be a list. Will you examine it and state if you identify it?

(The document was handed to the witness.)

Mr. WOOD. Yes; that is the list of names and telephone numbers that, as I recall, were brought to me by Mrs. Probst. This is in my handwriting, so I must have written this on my own memo.

The CHAIRMAN. Do you mean she brought the list and you made a note of it?

Mr. WOOD. That is right, yes. Yes; I made that list off the list that she brought to my office.

The CHAIRMAN. That may be made exhibit No. 56.

(The document referred to was marked "Exhibit No. 56" for reference and will be found in the appendix on p. 14137.)

The CHAIRMAN. You testify that these names were brought to you by Mrs. Probst?

Mr. WOOD. That is right, sir.

The CHAIRMAN. You may read the names.

Mr. WOOD. The names are Harlan Rowe in Detroit, and E. R. Biedler, Detroit; Herbert Grossberg, in Detroit, and James Hoffa, in Detroit.

Mr. KENNEDY. Were you able to identify who Rowe or Biedler were?

Mr. WOOD. I don't know. I don't know. I will say this—it is not good testimony but I was under the impression that they were labor representatives. But I don't know.

Mr. KENNEDY. They were, Mr. Chairman, identified as the accountants who worked with the Hobren Corp. or Test Fleet.

Mr. WOOD. Yes; I think that is right.

Mr. KENNEDY. They were the ones that handled the books for Mr. Hoffa's and Mr. Brennan's company.

Senator CURTIS. I am not quite sure where that list came from.

Mr. KENNEDY. This is a list, sir, that I wrote on a memo pad in my office from a similar list that was brought to my office by Mrs. Probst.

Senator CURTIS. She produced that list in response to an inquiry as to who might know of her husband's whereabouts.

Mr. KENNEDY. Yes. Really, I think—

Senator CURTIS. What caused her to produce that list? What did it purport to be?

Mr. WOOD. She produced this list because she was exerting every effort to find where her husband was. We reported him to the police as a missing person on Monday or Tuesday, the week after he left—June 15, or something like that.

I accompanied her to his office, to his law office, and we opened his office and went through his desk, opened his black box or strongbox, found nothing in it, and found absolutely nothing in his office that would indicate anything. The only things in his office were a few files on cases he had handled. There were a few cards on his desk, notices from the courts, most of them municipal court cases, about cases he was handling.

I think—I may be wrong, but I think Mrs. Probst found these names and telephone numbers on his desk, or among his papers. But I did not see them there. But Mrs. Probst brought them to my office. She wanted me to call these people in an effort to locate him, but I don't recall that I called any of them. But I think she did. After about 3 weeks I told her that I was in an inconsistent position, that she better get her own lawyer. So she did engage Mr. Backer—Herbert Backer.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. I hand you another photostatic copy of a telephone call list of the Palmer House, I believe it is. Can you identify that?

Mr. WOOD. That is a photostatic copy of a telephone memorandum call that Mrs. Probstein brought to my office. It is written on the Palmer House Hotel, Chicago, stationery and it is a telephone call to Mr. Probstein and says, "Please call Mr. Goodman," and it gives the telephone number.

The CHAIRMAN. That may be made exhibit 56-A.

(Document referred to was marked "Exhibit No. 56-A," for reference and will be found in the appendix on p. 14138.)

Mr. KENNEDY. There was one other, Mr. Chairman, on another telephone call that was given to the attorney, which has nothing to do with this, and we checked out, and I don't know whether it is necessary to put this in the record. It is available.

The CHAIRMAN. All right. Are there any further questions?

Mr. KENNEDY. She called you and then you started this search and reported him to the police as a missing person?

Mr. WOOD. That is right. He left on Sunday, and he did go to St. Louis, and he called her on Monday evening, but I don't recall that. I think it was the following Friday that she called me in tears, and said she hadn't heard from him. I suggested we wait over the weekend before we reported him, and we did that. Then we reported him on the following Monday.

Mr. KENNEDY. No one has seen him since then?

Mr. WOOD. No. I feel confident that she knew nothing about it, and that certainly she hadn't heard from him when I was working with her, and she gave every evidence of a woman trying to find her husband.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. That is all.

The CHAIRMAN. Thank you very much, Mr. Wood.

Call the next witness.

Mr. KENNEDY. Mr. Herbert Backer.

The CHAIRMAN. You do solemnly swear that the evidence, given before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BACKER. I do.

TESTIMONY OF HERBERT BACKER

The CHAIRMAN. State your name, and your place of residence, and your business or occupation.

Mr. BACKER. My name is Herbert Backer, I live at 7690 Washington Boulevard, in the city of Indianapolis. I am an attorney engaged in the general practice of law.

The CHAIRMAN. Thank you very much.

Mr. KENNEDY. Now, Mr. Backer, you had known David Probstein for a period of time?

Mr. BACKER. Yes, sir; I have.

Mr. KENNEDY. For how long?

Mr. BACKER. I would say I have known him as a practicing attorney and probably also somewhat socially for a period of at least 15 years.

Mr. KENNEDY. Now, after he disappeared in June of 1955, did his wife contact you?

Mr. BACKER. Yes, she did.

Mr. KENNEDY. And did she ask your help and assistance?

Mr. BACKER. Yes, sir.

Mr. KENNEDY. Did you take steps to try to locate him?

Mr. BACKER. I did.

Mr. KENNEDY. Did she also give you a list of telephone calls?

Mr. BACKER. Yes, she did.

Mr. KENNEDY. Those are telephone calls that have been offered here in the record; is that right?

Mr. BACKER. Yes.

Mr. KENNEDY. What steps did you take to try to locate Mr. Probststein?

Mr. BACKER. I made long-distance calls to I think most of the people that were named on that list. My recollection is that she also brought in the telephone bills which showed the dates on which Mr. Probststein had made long-distance telephone calls or placed long-distance telephone calls to these various people. Those dates on which he had conversations with those particular people are shown on the list.

Mr. KENNEDY. I offer this sheet, Mr. Chairman.

The CHAIRMAN. I hand you here a photostatic copy of a handwritten memorandum, and would you examine it and state if you identify it.

(A document was handed to the witness.)

Mr. BACKER. Yes, sir, Mr. Chairman, this is a list that I prepared in my own handwriting, giving the names of several people after tracing the telephone numbers which are also listed, and the dates on which Mr. Probststein had telephone conversations with these people.

The CHAIRMAN. You made that list from the record you found of telephone calls.

Mr. BACKER. Yes, sir.

The CHAIRMAN. I see. That may be made exhibit 57 and you may read the names.

(Document referred to was marked "Exhibit No. 57," for reference and will be found in the appendix on p. 14139.)

Mr. BACKER. Well, the first one was James Hoffa, Detroit, with a telephone number of Woodward 1-1241.

The CHAIRMAN. What date does it show he called him?

Mr. BACKER. On April 29, and also on May 2.

Then a Herbert Grossberg, of Detroit, with a telephone number of Woodward 5-4900, with dates of conversations of May 6, and May 26.

Then a Phil Goodman, attorney in Chicago, Ill., on the dates of May 3 and May 19.

Then a man by the name of Harlan Rowe, whose number was Kenwood 1-2601, in Detroit, and a Mr. E. R. Biedler, I believe it is, whose telephone number in Detroit was Twinbrook 1-3800. Both of those persons had been called, but I don't have the dates of the conversations.

Mr. KENNEDY. Now, what steps did you take then?

Mr. BACKER. I talked to Mr. Herbert Grossberg in Detroit.

Mr. KENNEDY. You called him then?

Mr. BACKER. I called him by telephone on July 7, 1955.

Mr. KENNEDY. Did you make any notes of that conversation?

Mr. BACKER. Yes; I did at the time.

Mr. KENNEDY. Do you have those notes available?

Mr. BACKER. Yes; I made some notes stating that I did talk with him by telephone on July 7, 1955, but he said he was an accountant and a tax expert, and he said that he talked to Dave Probstein solely about tax problems connected with the sale of the State Cab Co. That is all of the notes I made.

Mr. KENNEDY. Do you remember any discussion about why Mr. Probstein would go to an accountant up in Detroit, Mich., to discuss the tax matters of the State Cab Co.?

Mr. BACKER. No, sir. I did ask him whether he knew Dave Probstein's whereabouts, that he had been missing, and my recollection is that he said he did not know anything about his whereabouts.

Mr. KENNEDY. Did you ask him how he happened to get involved in this matter?

Mr. BACKER. No, sir; I didn't go into those matters.

Mr. KENNEDY. Did you talk to anyone else?

Mr. BACKER. I also called Mr. James Hoffa in Detroit, and the telephone Woodward 1-1241, and I have a notation here showing "vice president of union in Detroit," and asked him whether he knew Dave Probstein's whereabouts, and he said he did not. He said that he had talked to Dave Probstein about selling insurance to the union men in the district, and he said he hardly knew Dave Probstein and that Dave Probstein had approached him, and he made the comment that Probstein was very cocky.

Mr. KENNEDY. Did he mention anything about loaning of \$8,000 to David Probstein?

Mr. BACKER. No, sir; I didn't get into that kind of a matter.

Mr. KENNEDY. He just said it was insurance?

Mr. BACKER. Yes, sir.

Mr. KENNEDY. He didn't tell you anything about any other financial arrangements he had with Probstein?

Mr. BACKER. No, sir, and I didn't know anything about that part myself.

Mr. KENNEDY. I don't question that you didn't know about it, and I am just wondering why Mr. Hoffa didn't tell you or inform you at that time about this \$8,000. He didn't mention it?

Mr. BACKER. He didn't mention anything to me about it.

Mr. KENNEDY. You have those original notes that you made at that time?

Mr. BACKER. Yes, sir; I do.

The CHAIRMAN. I present to you another memorandum, a handwritten memorandum, and can you identify it?

(A document was handed to the witness.)

Mr. BACKER. These were the notes of the two conversations that I just referred to, that I had with Herbert Grossberg, and James Hoffa, of Detroit, by long-distance telephone.

The CHAIRMAN. Those notes were made at the time?

Mr. BACKER. Yes, sir; these were made by me.

The CHAIRMAN. All right, it may be made exhibit 57-A.

(Document referred to was marked "Exhibit No. 57-A," for reference and will be found in the appendix on p. 14140.)

Mr. KENNEDY. Did you ask Mr. Hoffa if he knew where Mr. Probstein was?

Mr. BACKER. Yes, sir; I did.

Mr. KENNEDY. What did he say?

Mr. BACKER. He said he had no knowledge of where he was.

Mr. KENNEDY. Did you call any of the other people?

Mr. BACKER. My recollection is that I called Mr. Phil Goodman, attorney, in Chicago, and spoke with him, and he denied any knowledge of where Mr. Probstein was.

Mr. KENNEDY. Now, did you call anyone else or did you get any other information about what had happened to Mr. Probstein?

Mr. BACKER. No, sir.

Mr. KENNEDY. Did you contact Mr. San Soucie?

Mr. BACKER. It seems to me that I tried to call him by telephone one time and I was unable to reach him.

Mr. KENNEDY. Why did you try to reach him?

Mr. BACKER. Because we heard that perhaps Dave did have some connection with the Teamsters Union, and it was suggested that perhaps Mr. San Soucie would be able to throw some light on his disappearance.

Mr. KENNEDY. How about Mr. Gus Zapas?

Mr. BACKER. I never spoke with him.

Mr. KENNEDY. Do you know or have you any idea what has happened to Mr. Probstein?

Mr. BACKER. No, sir; I do not. His wife feels as though he is dead because of the last conversation that she had with him when he called from St. Louis, and said he was going to New York with some men and that he would get in touch with her when he got to New York and let her know where he was.

He said that he was driving with these men and she thought he ought to take the train because it would be much safer than driving, and he said, "Don't worry about it, I will be all right." And that is the last conversation that she ever had with him, and she just can't believe he was the kind of person who would leave his wife and family, because he was devoted to his children and also to his wife.

(At this point, the following members were present: Senators McClellan, Goldwater and Curtis.)

The CHAIRMAN. All right, thank you very much.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Mr. Backer, based upon your acquaintance with him as a lawyer, and otherwise, and the services you rendered to Mrs. Probstein after his disappearance, did you run across any other matters, any other clients or any litigation, transactions, that he was engaged in that might contribute to a knowledge of his whereabouts, as to what happened, other than what you have testified to here?

Mr. BACKER. No, sir. There was some litigation that took place after he left. There were 2 suits that were filed by 2 banks in Indianapolis against David Probstein and also his wife on—

Senator CURTIS. What I am thinking of is business he handled, with former clients, and business transactions that he has had, and other matters, separate and apart from what you have testified to today. Were there any of those that would throw any light on what might have happened?

Mr. BACKER. No, sir.

Senator CURTIS. But you did look around into every avenue where you could find any trace of information at all?

Mr. BACKER. Yes, we did. We explored it fully and tried to enlist the cooperation of the police department through the missing persons bureau.

Senator CURTIS. What did the police do? Do you know?

Mr. BACKER. Well, we did furnish the police department with the most recent picture of him that was available, together with a detailed description of him, and that picture, as I understand it, together with the information which we furnished, was sent to the FBI office in Washington.

I recall talking with the member of the Indianapolis Police Department who handled that, and he said that there was a clearinghouse that was operated through the Federal Bureau of Investigation, and that they would then, in turn, send circulars out to the various cities where they had missing persons bureaus.

Senator CURTIS. Do you know whether the FBI had his fingerprints?

Mr. BACKER. That I wouldn't know, sir.

Senator CURTIS. Had there been anything in his career that would lead you to believe that they might be on record some place?

Mr. BACKER. No, not that I know of.

Senator CURTIS. I see.

The CHAIRMAN. Is there anything further?

If not, thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Gus Zapas.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ZAPAS. I do.

TESTIMONY OF GUS ZAPAS, ACCOMPANIED BY COUNSEL, EDWARD J. FILLENWARTH

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. ZAPAS. My name is Gus Zapas. I live at 3307 Meadows Court, Indianapolis, Ind. I am a business representative for the Indiana Conference of Teamsters, and secretary-treasurer of the International Bartenders, Hotel, and Restaurant Employees Union, Local 58.

The CHAIRMAN. Thank you very much. You have counsel present?

Mr. ZAPAS. Yes, sir.

The CHAIRMAN. Counsel, identify yourself for the record, please.

Mr. FILLENWARTH. I am Edwin J. Fillenwarth, attorney, 1212 Merchants Bank Building, Indianapolis, Ind.

Mr. KENNEDY. I think the attorney has a statement he would like to make.

Mr. FILLENWARTH. Yes. Mr. Chairman, and members of the committee, to be frank and honest with you on behalf of Mr. Gus Zapas, and I mentioned this previously to an investigator for the committee,

it was my thought that Mr. Gus Zapas was going to exercise his rights under the fifth amendment to the Constitution of the United States. But since he has come to Washington and has heard what has gone on in this hearing room since Tuesday afternoon he has consulted with me, and he is willing to testify before this committee.

He is not attempting in any way to get any special privileges from the committee or to bind the committee in any way, nor to make any arrangements with the committee. But there are two things that do concern him, personally.

One of them is that he is presently involved in a criminal case in Indianapolis, of which the committee has knowledge because Mr. Zapas was due to go to trial in that case this very week. He had made an effort himself to obtain a continuance so that he could appear here, but he was unable to get it. But as a result of a contact by a representative of the committee, the judge did continue the matter so that he could appear here.

He is also presently involved in an investigation by the Internal Revenue Department, and, as a matter of fact, he was in the office of the Internal Revenue Department in Indianapolis Monday afternoon of this week. As I mentioned before, we are not attempting to do anything except to present those facts to the committee. Mr. Gus Zapas is willing to testify freely to any questions asked of him by the committee, if the committee could see fit to refrain from going into this matter in which he is involved in criminal court in Indianapolis, and if they could see fit to refrain from asking any questions pertaining to what we might consider as this investigation by the Internal Revenue Department.

Other than that, he is willing to testify freely. I might say in fairness to the committee that I brought that to the attention of Mr. Kennedy, I would say, 5 minutes before the committee convened this morning. Naturally, Mr. Kennedy had no opportunity to say much of anything except that he thought it was a fair request with respect to the criminal matter in Indianapolis, but that he would have to take the other matter up with the committee chairman and the committee and let me know accordingly.

The CHAIRMAN. We have not had it up yet. We have been dealing with other matters. We will proceed and I will ask counsel not to go into the criminal matter if he is actually under indictment.

Mr. FILLENWARTH. It is not an indictment, but it is an affidavit, which is practically one of the same things. It is a choice of terms.

The CHAIRMAN. It is an official charge against him?

Mr. FILLENWARTH. Right.

The CHAIRMAN. We will not go into that. We will have to rule on the other as we come to it.

When you desire to interpose an objection, you may do so, and we will rule on it as we come to it.

Mr. FILLENWARTH. I do not wish to impress the Chair any further on that. If the Chair will attempt to be as fair as—I was going to say as we would be, which would be an unkind thing to say, a wrong thing to say—

The CHAIRMAN. Well, I say, any time you feel you should interpose an objection, you may make the request. I may not detect it. I may not know how to be fair at every stage of the inquiry without having more information about it.

Mr. FILLLENWARTH. We are willing, as I say, Mr. Zapas is willing, to submit to any questions, just so that—I am not too familiar with these matters, in fact, I will be frank and honest again, this is the first one of these things I have ever been involved in myself. I do not want, in fairness to my client and in fairness to the committee also, to open the door, so to speak, and then later on attempt to close the door, and subject Mr. Zapas to a contempt charge. We will do our best.

The CHAIRMAN. If he is fair with the committee, I assure you it will not be our purpose to have any contempt charge against him. He has a right to exercise his privilege if we undertake to interrogate him about the court matter that is pending. As I said, we will not go into that. When we get into these financial records, where we are trying to look for money that may have been improperly used, or something, of course, we will ask him those questions.

We are not asking them with a view of trying to make a case against him, so far as his income taxes are concerned, but we might want to know, and surely will want to know, about the use of funds that may have belonged to the union.

If we understand correctly, what the indictment is against him or the charge against him—have you given us that information?

Mr. FILLLENWARTH. No.

The CHAIRMAN. You had better let us have that; if you want to, you can write a note and send it up here. I would like to know what it is so that we may avoid it, sir.

Mr. FILLLENWARTH. That is a fair question.

(The document was handed to the witness.)

Mr. KENNEDY. We served a subpoena on him for the books and records, his own personal books and records. Could we get hold of those?

Mr. FILLLENWARTH. I believe, Mr. Kennedy, that would come within that exception. I am willing to proceed, I believe in accordance with the fair statement as made by the chairman, and if we could avoid that I would appreciate it.

Mr. KENNEDY. As you must understand, it would be extremely important to get the documents regarding Mr. Zapas' activities and any of his books and records. He is not under indictment for that matter at the present time. I have other information I would like to get. Maybe we can hold off on that until later on.

But obviously we will need whatever books and records he has. We can come back to it, though.

Mr. FILLLENWARTH. Let me say this, Mr. Kennedy. When Mr. Zapas was notified at 2 o'clock Friday afternoon by one of your investigators, through me, he, of course, decided that very evening that he was not going to bring his personal records, because he was going to exercise his rights under the fifth amendment. I just asked him if he has his internal revenue records with him, and he says he does not.

If we can avoid that for the moment, and you proceed, let us see how far we can get.

Mr. KENNEDY. All right.

Mr. Zapas, could you tell us where you come from?

Mr. ZAPAS. Chicago, Ill.

Mr. KENNEDY. You were born in Chicago?

Mr. ZAPAS. Yes, sir; October 4, 1918.

Mr. KENNEDY. And how long have you been in the labor-union movement?

Mr. ZAPAS. From the day I started work for the Conference in Indianapolis. About 4 years or 5 years. I wouldn't know for sure.

Mr. KENNEDY. You went to work about 1953?

Mr. ZAPAS. Somewhere around there.

Mr. KENNEDY. For the Teamsters?

Mr. ZAPAS. Indiana Conference of Teamsters.

Mr. KENNEDY. Who hired you for that job?

Mr. ZAPAS. Mr. Gene San Soucie.

Mr. KENNEDY. What had you been doing just prior to that?

Mr. ZAPAS. Nothing.

Mr. KENNEDY. You had been doing nothing?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. No work at all?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. What had you been doing for the year prior to that?

Mr. ZAPAS. Nothing.

Mr. KENNEDY. For the 2 years prior to that?

Mr. ZAPAS. I attempted at times to tend bar at various establishments in Chicago. My father owned a few bars but being harassed by the Chicago Police Department, coming in and questioning at various hours of the day, the employers would not hold me and I never could hold a job.

Mr. KENNEDY. You have been questioned by the police a large number of times?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. In connection with what?

Mr. ZAPAS. I don't know, sir.

Mr. KENNEDY. What sort of things would they ask you?

Mr. ZAPAS. They would just tell me, "The chief wants you, let's go downtown."

Mr. KENNEDY. When you got down there, what would the chief ask you?

Mr. ZAPAS. I never saw the chief.

Mr. KENNEDY. When you got down there, nobody asked you any question?

Mr. ZAPAS. No, sir. They held me overnight and released me the next day.

Mr. KENNEDY. This has been going on for how long?

Mr. ZAPAS. Ever since my first arrest.

Mr. KENNEDY. When was that?

Mr. ZAPAS. Back in 1937-38.

Mr. KENNEDY. What was that for?

Mr. ZAPAS. I was charged with burglary of a drugstore.

Mr. KENNEDY. You served some time for that?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. And the police have been arresting you ever since then?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. So you could not hold a job down in a bar in Chicago, so you went to work for the Teamsters?

Mr. ZAPAS. I was requested if I wanted to leave Chicago and try to lead a normal life, to come to Indianapolis and work for the Teamsters, by Mr. San Soucie.

Mr. KENNEDY. Had you know Mr. San Soucie a long time?

Mr. ZAPAS. I met him around Chicago, at the bars, maybe 4 or 5 years prior to that.

Mr. KENNEDY. You met him at the bar in Chicago?

Mr. ZAPAS. At a bar or at a diner somewhere. I just can't recall.

Mr. KENNEDY. What position then did you get with the Teamsters?

Mr. ZAPAS. As a business representative.

Mr. KENNEDY. You became a business representative of the Teamsters?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. With what you told us—

Mr. ZAPAS. With the Indiana Conference of Teamsters.

Mr. KENNEDY. Had you ever had any previous experience with the labor movement in any way?

Mr. ZAPAS. Not connected directly with it; no.

Mr. KENNEDY. How much were you making then from the Indiana Conference of Teamsters?

Mr. ZAPAS. I was taking home \$126 per week.

Mr. KENNEDY. How many times do you think you had been arrested prior to your going to work for the Indiana Conference?

Mr. ZAPAS. I don't recall it. You have the record.

Mr. KENNEDY. We have 35 times, I think, in Chicago, and a total of 43 times. Would that be about right?

Mr. ZAPAS. That could be right.

Mr. KENNEDY. You worked for the Indiana Conference of Teamsters and you were receiving a salary. Did you also get expenses from them?

Mr. ZAPAS. Expenses?

Mr. KENNEDY. Yes.

Mr. ZAPAS. I got expenses when I was sent out of the city into different parts of the State, and I had to bring back bills substantiating my expenses—hotel bills, food bills, et cetera.

Mr. KENNEDY. You also went to work for the Bartenders Union?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. When did you go to work for the Bartenders Union?

Mr. ZAPAS. About 1954.

Mr. KENNEDY. What position did you have with them?

Mr. ZAPAS. Now?

Mr. KENNEDY. What position were you given when you first went to work for them?

Mr. ZAPAS. Well, there was a trustee in the office then. All I know is Mr. San Soucie called me and said he had a conference with some people in the International Bartenders Union. They requested support in Indianapolis. They had no members, no contracts, nothing. He agreed to give them support. He told them he would place me in the office to do some work there.

Mr. KENNEDY. What were you doing then for the Bartenders?

Mr. ZAPAS. Organizing.

Mr. KENNEDY. You became an organizer for the Bartenders?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. How much were you getting paid by them?

Mr. ZAPAS. \$150 a week.

Mr. KENNEDY. And you were working for the Teamsters and the Bartenders at the same time?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. Isn't that dual unionism?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. We had a witness here who was kicked out of the Barbers Union because of the dual unionism.

Mr. ZAPAS. I did my work for both organizations.

Mr. KENNEDY. And Mr. San Soucie of the Teamsters Union placed you in the Bartenders Union?

Mr. ZAPAS. He didn't place me in. A trustee came in from the international union, took over the office, and then called me in, brought me in, and put me in as the business representative to organize bartenders, hotels, and—

Mr. KENNEDY. Who is that?

Mr. ZAPAS. Mr. Richard Cavanaugh.

Mr. KENNEDY. Kavner?

Mr. ZAPAS. Cavanaugh, not Kavner; he is the international representative of the International Hotel and Restaurant Employees Union.

Mr. KENNEDY. Did you ultimately become president of that local?

Mr. ZAPAS. After about 2 years, we held an election and I was elected president. Secretary-treasurer, I am sorry.

Mr. KENNEDY. Did you have any opposition?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. How many people voted in the election?

Mr. ZAPAS. I would say approximately 80 to 100. I don't recall.

Mr. KENNEDY. How many people were there in the union?

Mr. ZAPAS. At that time there were about 300 people.

Mr. KENNEDY. Do you know John Vitale, in St. Louis?

Mr. ZAPAS. I have heard the name.

Mr. KENNEDY. Do you know him?

Mr. ZAPAS. I don't know him. I have heard the name. I have probably seen him in a restaurant or a bar. I don't know.

Mr. KENNEDY. You never met him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. How about Jack Joseph?

Mr. ZAPAS. I know Jack Joseph.

Mr. KENNEDY. What does he do?

Mr. ZAPAS. As far as I know, he did nothing.

Mr. KENNEDY. He is in St. Louis, too?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. He has been arrested a number of times, too?

Mr. ZAPAS. I wouldn't know, sir.

Mr. KENNEDY. What about Joe Aiuppa, in Chicago, did you know him?

Mr. ZAPAS. I wouldn't know him under that name.

Mr. KENNEDY. Joe O'Brien?

Mr. ZAPAS. Joe O'Brien? I know Joe O'Brien.

Mr. KENNEDY. He is also known as Joey Aiuppa, is he not?

Mr. ZAPAS. If that is what it is.

Mr. KENNEDY. What does he do?

Mr. ZAPAS. As far as I know, he owns a bar, a tavern or something.

Mr. KENNEDY. Do you know how many times he has been arrested?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Do you know Felix "Phil" Aldesario, of Cleveland?

Mr. ZAPAS. I don't know him under these names, Mr. Kennedy.

Mr. KENNEDY. Do you know him under the name of Milwaukee Phil?

Mr. ZAPAS. I know a Milwaukee Phil in Chicago.

Mr. KENNEDY. What does he do?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. How do you know him?

Mr. ZAPAS. Around the barroom.

Mr. KENNEDY. What barroom is this?

Mr. ZAPAS. Numerous bars in Chicago.

Mr. KENNEDY. What?

Mr. ZAPAS. Numerous bars in Chicago.

(At this point, Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. All these people were meeting in all these bars in Chicago?

Mr. ZAPAS. I never had no work, and that is where I——

Mr. KENNEDY. Met them?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. Do you know what he does?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Do you know how many times he has been arrested?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Do you know Sam Giancana?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You don't know Sam "Mooney" Giancana?

Mr. ZAPAS. I read in the papers about him.

Mr. KENNEDY. You never met him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Pete Licavoli, of Detroit?

Mr. ZAPAS. Just what I read in the papers.

Mr. KENNEDY. You never met him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you know Cherry Nose Goie, when he was alive?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You never met him.

Mr. ZAPAS. No.

Mr. KENNEDY. Do you know Barney Baker?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. How long have you known Barney Baker?

Mr. ZAPAS. Eight or 10 years, 12 years. I don't know.

Mr. KENNEDY. Did he help you get your job?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. How did you know him?

Mr. ZAPAS. I met him around Chicago, St. Louis.

Mr. KENNEDY. In the same bar?

Mr. ZAPAS. No.

Mr. KENNEDY. A different bar. Where did you meet him?

Mr. ZAPAS. I just can't recall.

Mr. KENNEDY. What was he doing around?

Mr. ZAPAS. As far as I knew, he was a business representative of the Teamsters Union.

Mr. KENNEDY. Did you ever have any dealings with him?

Mr. ZAPAS. No, sir. I don't know what you mean by dealings.

Mr. KENNEDY. Did you have any financial dealings?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Do you know Paul Panzco?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. Do you?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. Called "Peanuts"?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. How do you know Paul "Peanuts" Panzco?

Mr. ZAPAS. Well, we were born and raised in the same neighborhood in Chicago.

Mr. KENNEDY. He operates a gang of jewel thieves in Chicago. Did you know that?

Mr. ZAPAS. I would not know that, sir.

Mr. KENNEDY. How long have you known him for?

Mr. ZAPAS. All my life.

(At this point, Senator McClellan entered the hearing room.)

Mr. KENNEDY. Do you know what he does for a living?

Mr. ZAPAS. I understand he is in the penitentiary.

Mr. KENNEDY. And Steve Tomares?

Mr. ZAPAS. That is my brother-in-law.

Mr. KENNEDY. Is he a member of this mob; do you know?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. Do you know how many times he has been arrested?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. In Chicago we understand he has been arrested 72 times and has not been convicted yet.

Mr. ZAPAS. Well, he has gotten the same treatment I got.

Mr. KENNEDY. Did you know Elmer Sherwood?

Mr. ZAPAS. Not under that name.

Mr. KENNEDY. Did you know him under any other name? He is also known as "Little Doc."

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you know him under any other name?

Mr. ZAPAS. Are you referring to the fellow in Indianapolis?

Mr. KENNEDY. He was shot.

Mr. ZAPAS. Oh, no; I don't know that fellow.

Mr. KENNEDY. You did not know him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you know Sam Salters, the jeweler, in Chicago?

Mr. ZAPAS. I can't recall.

Mr. KENNEDY. He was murdered in 1953?

Mr. ZAPAS. I can't recall.

Mr. KENNEDY. You don't remember anything about him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Were you in the service, Mr. Zapas?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Now, from December 1953 to November 1955, there have been 19 bombings, or attempted bombings, in the Indianapolis area. Do you know anything about those?

Mr. ZAPAS. I know nothing whatsoever of any violence or bombings in Indianapolis or anywhere else.

Mr. KENNEDY. You didn't have anything to do with those?

Mr. ZAPAS. Absolutely not.

Mr. KENNEDY. We had some testimony yesterday, in connection with a strike where there was a great deal of violence. There was an arson of an individual's place of business who was making deliveries to Sheffield Inn; there was an attempted arson of the Sheffield Inn itself; and there was dynamite thrown up against the house of the owner of the Sheffield Inn. We had testimony that this strike was being led by you.

Do you know who might have been responsible for all of that?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You are absolutely innocent yourself?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. You didn't have anything to do with it?

Mr. ZAPAS. Absolutely not.

Mr. KENNEDY. And you don't know who was responsible for it?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. It is pretty shocking to you that all of those things were going on?

Mr. ZAPAS. Yes; it was.

Mr. KENNEDY. Did you try to find out who was responsible for it?

Mr. ZAPAS. I did.

Mr. KENNEDY. Did you find anybody?

Mr. ZAPAS. Because it was reflecting on me, and I also tried very hard to find out who did it.

Mr. KENNEDY. Did you find out who was responsible?

Mr. ZAPAS. No, sir.

Senator CURTIS. Do you know Jack Apple?

Mr. ZAPAS. Yes, sir.

Senator CURTIS. Where is he now?

Mr. ZAPAS. I wouldn't know.

Senator CURTIS. Was he ever in Kansas?

Mr. ZAPAS. Was he ever in Kansas? In Leavenworth; yes.

Senator CURTIS. Did you ever visit him down there?

Mr. ZAPAS. I tried to visit him, but they never gave me an answer.

Senator CURTIS. Did Barney Baker attempt to arrange so you could get in and talk to him?

Mr. ZAPAS. Yes, sir.

Senator CURTIS. Did Barney Baker call former Governor Ratner to see if he could help?

Mr. ZAPAS. I don't know who Mr. Baker called, and all he told me was that he thought he knew of someone that could arrange for me to visit Mr. Apple, and I never heard after that.

Senator CURTIS. What would be the purpose of your visit?

Mr. ZAPAS. He was a close friend of mine.

Senator CURTIS. Were there any other matters that you expected to talk about?

Mr. ZAPAS. None whatsoever.

Senator CURTIS. Do you know why Mr. Baker wanted you to visit with him so no guards could overhear?

Mr. ZAPAS. That I never heard of, Senator.

Senator CURTIS. You never heard of that?

Mr. ZAPAS. I never heard of that. That was no request from me.

Senator CURTIS. That is all.

Mr. KENNEDY. Why would Barney Baker say you wanted to talk to Mr. Apple, or wanted to arrange so you would not have to talk through the mesh?

Mr. ZAPAS. This is the first I have heard of something like this.

Mr. KENNEDY. And then it was going to be arranged so that the guard would walk away.

Mr. ZAPAS. I don't know anything about that.

Mr. KENNEDY. You just wanted to visit your old friend, Mr. Apple?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. And Mr. Baker was going to arrange it for you?

Mr. ZAPAS. Yes, sir.

Senator CURTIS. Did Mr. Baker want you to find out or get some information while you were visiting your friend?

Mr. ZAPAS. No, sir; he wasn't connected with him, and I don't think that he knew Mr. Apple.

Mr. KENNEDY. You were a Teamster official at that time?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. This was just a Teamster official trying to make an arrangement for a friend, Mr. Baker trying to make an arrangement for you?

Mr. ZAPAS. You could put it that way.

Mr. KENNEDY. Now, you received money from the Bartender's Union and from the Teamsters Union. Have you had any other source of income other than those two?

I have some checks here that are of some interest to us, regarding the background of Mr. Zapas. Shall I skip that and come back to it, if necessary?

The CHAIRMAN. All right, proceed with the other.

Let me see the checks.

Mr. KENNEDY. May I ask you if you have received any money from any other union?

Mr. ZAPAS. Not to my recollection.

I did receive some money from the laundry workers in Indianapolis.

Mr. KENNEDY. What was that for?

Mr. ZAPAS. We started a joint organizing drive there, and any hotel that I would get, where the DA Laundry, we had an agreement that I was to turn over the laundry workers to the Laundry Workers Union.

In return for that, he—I would say not he, but local 350 in Indianapolis, gave me a sum of \$1,500, I would say, in a period of a year, or 15 months, which was used for organizing purposes of the hotels in Indianapolis, Ind.

Mr. KENNEDY. Whom did you receive that money from?

Mr. ZAPAS. From Ted Williams, president of local 350.

Mr. KENNEDY. Do you know Mr. Walter Harper, who used to work for that union?

Mr. ZAPAS. Harper?

MR. KENNEDY. Yes.

MR. ZAPAS. No, sir.

MR. KENNEDY. Do you know Nick Rochester?

MR. ZAPAS. I have heard of him, but I never met him.

MR. KENNEDY. Now, did you have anything to do with the establishment of the State Cab Co.?

MR. ZAPAS. No, sir.

MR. KENNEDY. Do you know how it was financed?

MR. ZAPAS. No, sir.

MR. KENNEDY. Do you know how Mr. Probstein was financed?

MR. ZAPAS. No, sir.

MR. KENNEDY. Did you know if he received any money from Mr. Hoffa?

MR. ZAPAS. No, sir.

MR. KENNEDY. What did you have to do with the State Cab Co.?

MR. ZAPAS. I had nothing to do with the State Cab Co., and the only thing where I got involved, I went in the office one day and Mr. San Soucie told me to go over to State Cab Co. and talk to Mr. Probstein, and I went over there.

Mr. Probstein called me in his office and told me that he was in trouble, and they were ready to foreclose on him, and he owed gas bills and everything imaginable, and he stalled these people and stalled them, and stalled them, and he just wouldn't answer the phone.

He asked me if I would come in and run the cab company and tell the people that called if they would hold off for a week or 2 or 3, they would get their money 100 percent.

He then took me over to Fidelity Trust Co., to one of the vice presidents, and instructed them that his signature was going to have the bank checks and my signature went on the bank checks as president, and that was the only transfer of title or anything.

MR. KENNEDY. I think that is rather a major participation, if you become president of the cab company.

MR. ZAPAS. Well, I just became president in name, and nothing else.

MR. KENNEDY. Who made you president?

MR. ZAPAS. Mr. Probstein.

MR. KENNEDY. Why would he make you president?

MR. ZAPAS. As I told you, he was in trouble, and from the first day on, that phone was ringing and all these people wanted was money.

MR. KENNEDY. Why would he make you president? I don't understand what it was in your background that would have him call upon you, your reputation or honesty, or what?

MR. ZAPAS. Nothing in my background.

MR. KENNEDY. What was it?

MR. ZAPAS. That accomplished what he wanted to accomplish, because by me answering the phone and telling these people this cab company was in the process of being sold, they withheld judgment and he was able to sell his cab company.

MR. KENNEDY. Why was it necessary for you to do that?

MR. ZAPAS. He requested me and I did it.

MR. KENNEDY. Did you get paid for that?

MR. ZAPAS. No, sir.

MR. KENNEDY. Why were you, a union official, over there answering the phone for the cab company?

Mr. ZAPAS. Well, Mr. San Soucie sent me there, and he is my boss.
Mr. KENNEDY. That is what the union officials were doing down there?

Mr. ZAPAS. Not the union officials.

Mr. KENNEDY. You were a union official at the time?

Mr. ZAPAS. I spent about half an hour a day there.

Mr. KENNEDY. Answering the phone?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. What about people who called when you were not there?

Mr. ZAPAS. They left a message.

Mr. KENNEDY. What good did you do?

Mr. ZAPAS. If they were pressing for their money, I would call them and give them some story and they would hold off for a while.

Mr. KENNEDY. Did you collect the money?

Mr. ZAPAS. Did I collect? At no time did I collect 1 cent.

Mr. KENNEDY. You never collected any money?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. We had testimony yesterday that you came by and collected money.

Mr. ZAPAS. I never collected money, and I collected the receipts from the cabdrivers and it was immediately deposited in the bank the same day.

Mr. KENNEDY. You received money?

Mr. ZAPAS. From the drivers. They turned in their money to the manager and the manager gave me the envelope with the full statement of each driver's amount, and it was taken to the bank and deposited.

Mr. KENNEDY. Why was that necessary?

Mr. ZAPAS. To show that Mr. Probstein didn't handle the money, in case someone was wondering if he was getting the money from the company.

Mr. KENNEDY. Who wanted to do that?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. Why were all of you union officials, San Soucie and you, interested in this cab company?

Mr. ZAPAS. I wasn't interested in it.

Mr. KENNEDY. You became president of the cab company.

Mr. ZAPAS. I was asked to go over and do it.

Mr. KENNEDY. Gene San Soucie placed you in as president?

Mr. ZAPAS. He didn't place me in. Probstein took me to the bank and told the bank officials for the time being I would sign the checks.

Mr. KENNEDY. Then you said Gene San Soucie is the one who sent you over and told you to do this?

Mr. ZAPAS. No; he sent me over to talk to Mr. Probstein, and Probstein—

Mr. KENNEDY. You just answered when I asked you and you said Gene San Soucie told you to do it.

Mr. ZAPAS. To go and see Mr. Probstein and help him out.

Mr. KENNEDY. And he asked you to be president?

Mr. ZAPAS. Who asked me?

Mr. KENNEDY. Mr. Probstein?

Mr. ZAPAS. Mr. Probstein didn't ask me to be president, and he asked me to go to the bank in order for me to sign the checks and I

would have to sign the slip at the bank so he merely took me in the bank and called someone over and stated that from now on I would sign the checks for State Cab, and that is all there was to it.

Mr. KENNEDY. You went in and answered the telephone, these people who called up?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. For what reason did you do that, just because Probstein asked you to?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. Just because Probstein asked you to?

Mr. ZAPAS. Not because he asked me to. He asked me and I was supposed to do a job for him, and to hold off the creditors, which I did.

Mr. KENNEDY. Why were you trying to do that?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. Who told you to do it?

Mr. ZAPAS. I just explained it, Mr. Kennedy.

Mr. KENNEDY. Who told you to do that?

Mr. ZAPAS. I don't know what you are trying to tell me.

Mr. FILLENWORTH. Could you make your question a little more specific?

Mr. KENNEDY. I want to find out who instructed you to go over there and become president of the cab company and collect the money each day.

Mr. ZAPAS. Nobody instructed me to go over there and be president of the cab company. I was instructed to go over to Mr. Probstein and help him out, and those are the instructions.

Mr. KENNEDY. Who told you?

Mr. ZAPAS. Mr. San Soucie.

Mr. KENNEDY. You went over there.

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. And Probstein said what?

Mr. ZAPAS. He said, "I have something I want to tell you. Let us go in here," and we went in and it took him about half an hour or an hour to get to the point. He said, "I am badly in debt and I have been holding off my creditors and I just can't face them and I can't answer the phone and I have a request to make, if you would sign the checks here for a while, and tell these people that are calling that there is going to be new owners and money in this cab company and hold them off, well, I will be able to close my deal."

Mr. KENNEDY. You reported back to Mr. San Soucie that that was what he wanted?

Mr. ZAPAS. Sometime that night, or the next day, and I don't recall.

Mr. KENNEDY. And he told you to go ahead and do it?

Mr. ZAPAS. He said that was all right.

Mr. KENNEDY. Can you give us any explanation why you or he would want to do this or perform this service for Mr. Probstein?

Mr. ZAPAS. I don't know why he would, but I know I was paid by him and I had to do what he told me.

Mr. KENNEDY. That is what I wanted to find out.

Did you have anything to do with the sale of the cab company?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you ever talk to Mr. Herbert Grossberg?

Mr. ZAPAS. I don't recall.

Mr. KENNEDY. Mr Herbert Grossberg, was he interested in the cab company?

Mr. ZAPAS. I don't recall.

Mr. KENNEDY. You don't recall?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Do you know Herbert Grossberg?

Mr. ZAPAS. I don't think so.

Mr. KENNEDY. You don't know him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You do not know him?

Mr. ZAPAS. I don't think so, unless I see him in his face, and I just heard the name a few times, but the person himself, I don't know.

Mr. KENNEDY. You don't know?

Mr. ZAPAS. No.

Mr. KENNEDY. Did you ever have anything to do with the sale of the cab company?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you know if Mr. Hoffa loaned \$8,000?

Mr. ZAPAS. Just what I heard here yesterday.

Mr. KENNEDY. Other than that you knew nothing about it?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you ever have any financial dealings with Mr. Hoffa yourself?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you have any financial dealings with Mr. Brennan?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you handle any of Mr. Hoffa's money directly or indirectly?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you handle any money from Mr. Brennan directly or indirectly?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Or Mrs. Hoffa? Did you handle any of her money directly or indirectly?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Or Mrs. Brennan?

Mr. ZAPAS. No, sir.

(At this point Senator Goldwater withdrew from the hearing room.)

Mr. KENNEDY. Did you ever threaten Mr. Probststein?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you ever make any statement that you were going to kill him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You never did?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. We had testimony yesterday that you did make those statements.

Mr. ZAPAS. That I made a statement I would kill him?

Mr. KENNEDY. Yes.

Mr. ZAPAS. I did not make that statement.

Mr. KENNEDY. Did you make any statement similar to that?

Mr. ZAPAS. I may have gotten in an argument with him but—

Mr. KENNEDY. What did you get in an argument with him about?

Mr. ZAPAS. I don't know, just silly things, the way he was running his business, and I didn't think he was that stupid.

Mr. KENNEDY. Did you ever make any statement similar to the fact that you were going to kill him?

Mr. ZAPAS. No, sir. I may have called him a name or something, but I never said, "I will kill you."

Mr. KENNEDY. Did you tell him to get out of the company?

Mr. ZAPAS. Did I tell him to get out of the company?

Mr. KENNEDY. Yes.

Mr. ZAPAS. I don't recall telling him that, or I may have told him something, to get out of this office, or something like that.

Mr. KENNEDY. Why would you be telling him who ran the company to get out of the office, if it was his office?

Mr. ZAPAS. He was just a little pesty fellow. If you knew Probststein, he would be on your back day and night, and I just told him to get away.

Mr. KENNEDY. This is his office and his company, according to your testimony, why would you be telling him to get out of his company?

Mr. ZAPAS. Not out of his company, just away from me, and he gets in your hair, and I just wanted to get rid of him.

Mr. KENNEDY. I don't understand it, Mr. Zapas, why you, a union official, would be telling the owner of a company to get out of the office.

Mr. ZAPAS. That is just a term.

Mr. KENNEDY. A figure of speech?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. Like, "I will break your neck," or "I will kill you," is that right?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Do you know Vincent Marchesi?

Mr. ZAPAS. I don't know. These people are just names.

Mr. KENNEDY. He is known as Piggy Mack.

Mr. ZAPAS. Oh, sure.

Mr. KENNEDY. How long have you known him?

Mr. ZAPAS. Ten or fifteen years.

Mr. KENNEDY. What does he do?

Mr. ZAPAS. He owns a saloon in St. Louis, Mo.

Mr. KENNEDY. Have you had any dealings with him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Has he ever been arrested?

Mr. ZAPAS. He was arrested with me in Chicago.

Mr. KENNEDY. For what?

Mr. ZAPAS. Walking out of a restaurant.

Mr. KENNEDY. Just for walking out of a restaurant?

Mr. ZAPAS. Yes.

Mr. KENNEDY. Do you know if he has ever served any time?

Mr. ZAPAS. That I don't know.

Mr. KENNEDY. Is this a picture of you?

The CHAIRMAN. The Chair presents to you a photograph and asks you to examine it and state if you can identify the parties.

(A document was handed to the witness.)

The CHAIRMAN. Can you identify the parties in the photograph?

Mr. ZAPAS. Yes, sir.

The CHAIRMAN. All right, the photograph may be made exhibit No. 58.

(Document referred to was marked "Exhibit No. 58" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Who are the parties in the photograph, please?

Mr. ZAPAS. Myself, Piggy Mack, and the other fellow all I know him by is Chris, he is a Greek fellow, and he owns a shoeshop or a tailor shop, and I don't know.

Mr. KENNEDY. You were just coming out of a bar?

Mr. ZAPAS. Coming out of Henrici's Restaurant and going to a football game, and they told us to get in the car and come down town.

Mr. KENNEDY. What did they charge you with at that time?

Mr. ZAPAS. Nothing.

Mr. KENNEDY. How long had you been in Chicago?

Mr. ZAPAS. How long had I been in Chicago?

Mr. KENNEDY. At that time.

Mr. ZAPAS. All of my life.

Mr. KENNEDY. Had you been there all your life then?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. You weren't just visiting Chicago?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Do you know Jack Joseph?

Mr. ZAPAS. I met him through Piggy Mack.

Mr. KENNEDY. Does he work for the Teamsters?

Mr. ZAPAS. Not to my knowledge.

Mr. KENNEDY. Do you know what he does?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Does he receive money from the Teamsters?

Mr. ZAPAS. I wouldn't know.

Mr. KENNEDY. Just on Marchesi, he has been arrested a number of times, Mr. Chairman, and he has been found guilty of violation of the Narcotics Act, and he served time in 1931, 2 years, 6 months.

In 1956 he was arrested for homicide, as well as a number of other times.

The CHAIRMAN. I hand you here some hotel bills of Jack Joseph and ask you to examine them and state if you can identify them, if you were with Mr. Joseph at that time?

(Documents were handed to the witness.)

(At this point, the following members were present: Senators McClellan and Curtis.)

Mr. ZAPAS. What is the question?

The CHAIRMAN. Can you identify those hotel bills?

Mr. ZAPAS. Can I identify them?

The CHAIRMAN. Yes.

Mr. ZAPAS. I can identify them that they are bills from the Sheraton Hotel.

The CHAIRMAN. Were you there at the time?

Mr. ZAPAS. I may have been.

The CHAIRMAN. Were you with him?

Mr. ZAPAS. I may have been.

The CHAIRMAN. Do you recall?

Mr. ZAPAS. I just don't recall. But if he was in Indianapolis at the time, I may have been with him.

Mr. KENNEDY. Why would the Teamsters Union be paying the hotel bill of Mr. Jack Joseph?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. He shares office space with John Vitale, does he not?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. He runs the Jack Joseph vending company down there?

Mr. ZAPAS. I don't know.

The CHAIRMAN. Those hotel bills may be made exhibit 59, in bulk. (The documents referred to were marked "Exhibit 59" for reference and may be found in the files of the select committee.)

The CHAIRMAN. I hand you another hotel bill and ask you to examine it and see if you identify it.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. That is your hotel bill received at the same time?

Mr. ZAPAS. Yes, sir.

The CHAIRMAN. That may be made exhibit 59A.

(The document referred to was marked "Exhibit 59A" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. At the same time you called Piggy Mack, you called Marchesi at the Poplar Lounge in St. Louis. What was that about?

Mr. ZAPAS. I don't recall, it could have been just to say "Hello, how are you doing?" I don't recall.

Mr. KENNEDY. Can you tell us why Jack Joseph's bills were paid by the Teamsters?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. Do you know Lou Farrell?

Mr. ZAPAS. Sir?

Mr. KENNEDY. Lou Farrell, of Des Moines, Iowa?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. What does he do?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. What business have you had with him?

Mr. ZAPAS. No business whatsoever.

Mr. KENNEDY. How do you know him?

Mr. ZAPAS. I know him from Chicago.

Mr. KENNEDY. Do you keep in touch with him now?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Do you have any dealings with him now?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Does he represent any of the employers where you represent the employees?

Mr. ZAPAS. Never represented employers in that area.

Senator CURTIS. What was Mr. Farrell doing in Chicago when you knew him?

Mr. ZAPAS. He lived there.

Senator CURTIS. He grew up there?

Mr. ZAPAS. Yes, sir, on the West Side.

Senator CURTIS. And you knew him when he was a young man?

Mr. ZAPAS. Well, he was young and I was younger. I was just one of the little kids that ran the errands.

Senator CURTIS. Is he employed by the Teamsters now?

Mr. ZAPAS. Not that I know of.

Senator CURTIS. How long have you known Barney Baker?

Mr. ZAPAS. Ten or twelve years, approximately. I would not pin it down to that.

Senator CURTIS. Do you know any of the members of his family?

Mr. ZAPAS. I do not know his ex-wife. I do know his present wife.

Senator CURTIS. His present wife—was her maiden name Moore?

Mr. ZAPAS. I think that is the name. I am not sure.

Senator CURTIS. The daughter of Jake Moore?

Mr. ZAPAS. I think so.

Senator CURTIS. All right.

Mr. KENNEDY. Did you talk to him at all during September of 1957?

Mr. ZAPAS. To who?

Mr. KENNEDY. To Lou Farrell?

Mr. ZAPAS. I can't recall. The last time I think I saw Mr. Farrell was in Minneapolis.

Mr. KENNEDY. When was that?

Mr. ZAPAS. I don't know if that was September of 1957 or not.

Mr. KENNEDY. We have a telephone call here from your office to Lou Farrell in Des Moines, Iowa, on September 15, 1957.

Mr. ZAPAS. I may have called him.

Mr. KENNEDY. What would that be about?

Mr. ZAPAS. I just can't recall.

Mr. KENNEDY. Do you know Allan Dorfman?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. How long have you known him?

Mr. ZAPAS. About 10 years, 8 years.

Mr. KENNEDY. And do you know Joe Jacobson?

Mr. ZAPAS. Sir?

Mr. KENNEDY. Of Las Vegas?

Mr. ZAPAS. Who?

Mr. KENNEDY. Joe Jacobson.

Mr. ZAPAS. Jacobson?

Mr. KENNEDY. Yes.

Mr. ZAPAS. No, sir; not Jacobson. Not under that pronunciation.

Mr. KENNEDY. Do you have it under another pronunciation? Well, would it be Jacobson?

Mr. ZAPAS. Yes, I know Joe Jacobson.

Mr. KENNEDY. Who is he?

Mr. ZAPAS. A friend of mine.

Mr. KENNEDY. What does he do?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. He is in Las Vegas, Nev.?

Mr. ZAPAS. I know Joe Jacobson from Indianapolis, Ind.

Mr. KENNEDY. Well, you called him out in Las Vegas, Nev.

Mr. ZAPAS. I may have called him. He is a very close friend of mine.

Mr. KENNEDY. What does he do?

Mr. ZAPAS. I don't know.

Mr. KENNEDY. What about Phil Valley?

Mr. ZAPAS. Phil Valley is an international vice president for the Bartenders and Hotel Workers Union.

Mr. KENNEDY. How long have you known him?

Mr. ZAPAS. Since I became affiliated with the international union.

Mr. KENNEDY. He is in Milwaukee, Wis.?

Mr. ZAPAS. Yes, sir.

Mr. KENNEDY. Did you have anything to do with the insurance company of Mr. Probstein?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You did not?

Mr. ZAPAS. No.

Mr. KENNEDY. Just the State Cab?

Mr. ZAPAS. Just what I explained.

Mr. KENNEDY. You had nothing to do with the insurance company?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you ever try to sell insurance for them?

Mr. ZAPAS. Personally, no. I may have spoke to some of the members that it would be a good thing for them if they invested their money in it.

Mr. KENNEDY. Did you receive any money from the insurance company?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Did you receive any money from the cab company personally?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You did not?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. I would like to ask for all the books and records and ask him what other business interests he has, what other financial or business dealings he has had.

That is the end of this phase of it.

The CHAIRMAN. You were served with a subpoena, were you not, to deliver your books?

Mr. ZAPAS. Yes, sir.

The CHAIRMAN. Is this a copy of the subpoena?

(The document was handed to the witness.)

Mr. FILENWARth. Mr. Chairman, I don't want to interfere if I can at all avoid it. I believe we have attempted to cooperate as much as possible. As I said in my opening remarks——

The CHAIRMAN. Let me make this record and then we will try to discuss it.

That is a copy of the subpoena that was served on you?

Mr. ZAPAS. Yes, sir.

The CHAIRMAN. That subpoena may be placed in the record at this point.

(The document referred to follows:)

UNITED STATES OF AMERICA

CONGRESS OF THE UNITED STATES

To Gus Zapas, also known as Gus Zappas, Gus Zapantis, Indianapolis, Indiana,
Greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the Senate Select Committee on Improper Activities in the Labor or Management Field of the Senate of the United States on forthwith at their committee room, Room 101, Senate Office Building, Washington, D. C. then and there to testify

what you may know relative to the subject matters under consideration by said committee, and to produce your personal financial records for the period January 1, 1949 to date, including records of all bank accounts, opened or closed, bank statements, canceled checks, check stubs, deposit slips, records of loans, investments, real estate holdings, income tax returns and all other records relating to your personal financial affairs.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To serve and return.

Given under my hand, by order of the committee, this 15th day of April in the year of our Lord one thousand nine hundred and fifty eight.

JOHN L. McCLELLAN,

Chairman, Senate Select Committee on Improper Activities in the Labor or Management Field.

APRIL 30, 1958.

I made service of the within subpoena by personal service upon the within named Gus Zapas at United States Court House, Indianapolis, Ind., at 5:00 o'clock p. m. on the 30th day of April 1958.

KARL E. DEIBEL.

The CHAIRMAN. I believe you said you did not bring your private books and records?

Mr. ZAPAS. All I brought that we are still withholding is my canceled checks, a small piece of property I have in Florida, and I have 2 or 3 loans which are outstanding.

The CHAIRMAN. Maybe I misunderstood your counsel a while ago. I thought he said that you did not bring them with you.

Mr. ZAPAS. We brought them with us, but due to that investigation, we decided to withhold them for the time being.

Mr. FILLENWARTH. Let me say this, that after we got here I again, of course, took up this matter with Mr. Zapas, because I found it in the practice of the law after all you have to take the matters as they come, and I have consistently discussed with him what he was going to do before the committee. He said all he had was this envelope. Of course, I said, "Let me see it."

I believe that in that envelope is just what he has described, as near as I can recall. I said, "Well, where are your internal revenue records?" He said, "I don't have them, I don't believe, as I understood it, that I will have to produce any of my personal records as long as I have taken the position with you that I have."

So he does not have his internal revenue records here at all.

The CHAIRMAN. What do you mean about his revenue records? Do you mean his income tax?

Mr. FILLENWARTH. His reports.

The CHAIRMAN. Let me see if I understand you. Is he now refusing to deliver his records in conformity with the subpoena?

Mr. FILLENWARTH. I would not say that, Mr. Chairman, in all seriousness and with sincerity, because I would say it was this morning again when I had a conference with Mr. Zapas, and at that time he said, "After hearing everything that has gone on in the committee, I want to testify."

But, he said, "There are these two items that concern me."

Of course, I said, "What are they?"

I knew probably as well as he did. Then he said, "There is this matter now pending in Indianapolis in criminal court, and the other is you know, because I have told you, that I am under investigation by the Internal Revenue Department."

I said, "I don't know what we can do about it. I will take it up with the committee, or I will go to Mr. Sheridan." But when I came over here, there was not time to get to Mr. Sheridan to discuss it with him, because he is the representative of the committee with whom I made my contact here just as soon as I arrived at 101. I think you know the rest of the story from there. I would say we are not refusing at this time, but I have to say also that they are not in Washington.

The CHAIRMAN. I think we will work out something. What I would like to have you do is submit them for our inspection, but as far as his income taxes are concerned, I shall refrain from putting them in the public record. I am not trying to do anything other than being in pursuit of certain matters here—

Mr. FILLENWARTH. I realize the position the committee is in, that the Chair is in, they have to do their job.

(The witness conferred with his counsel.)

Mr. FILLENWARTH. Mr. Zapas just mentioned that he would be willing to sit with a representative of the committee, he said in Indianapolis, as that is where the records are at. I am just quoting him now.

The CHAIRMAN. The records are in Indianapolis?

Mr. FILLENWARTH. His internal revenue reports are; yes.

The CHAIRMAN. They are not here?

Mr. FILLENWARTH. That is correct.

The CHAIRMAN. Turn over what you have, and then we will arrange for the inspection of those records.

Mr. KENNEDY. Do you have any other source of income other than the two unions? Do you receive money from any other source?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. What is the answer?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Since 1954, have you received money from any other source other than your union?

Mr. ZAPAS. What do you mean receive money? For services rendered?

Mr. KENNEDY. Well, it might not just be for services rendered. For any of your activities.

Mr. ZAPAS. I may receive \$50 for betting on a ball game. I don't recall.

Mr. KENNEDY. More than \$100, have you received any other moneys other than from a union since January 1, 1953?

Mr. ZAPAS. I don't recall. I have exchanged a lot of money, but never as a salary.

Mr. KENNEDY. That is what we understand. That is why we are so interested in you, Mr. Zapas, that you have exchanged a great deal of money. Can you tell us about it?

Mr. ZAPAS. I don't recall.

Mr. KENNEDY. Have you ever gone to anyone and asked them to get rid of some money for a few cents on the dollar?

Mr. ZAPAS. Absolutely not.

Mr. KENNEDY. Some hot money that you had?

Mr. ZAPAS. Absolutely not.

Mr. KENNEDY. You have never spoken to anyone about that, in 1954?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. How did you happen to be with Mr. Piggy Mack the night you were arrested? Did you pick him up at the airport?

Mr. ZAPAS. That was at 12 noon.

Mr. KENNEDY. Had you picked him up at the airport before?

Mr. ZAPAS. I don't recall picking him up at the airport.

Mr. KENNEDY. Who was with Piggy Mack?

Mr. ZAPAS. When?

Mr. KENNEDY. Will Likometros?

Mr. ZAPAS. When?

Mr. KENNEDY. Did you pick him and Piggy Mack and Mr. Christ Likometros up at the airport?

Mr. ZAPAS. I don't recall.

Mr. KENNEDY. You don't remember that?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. On October 25, 1953?

Mr. ZAPAS. I don't remember. I may have. I don't recall.

Mr. KENNEDY. Do you remember getting on the plane in St. Louis and flying down to New Orleans?

Mr. ZAPAS. Me?

Mr. KENNEDY. Do you remember them telling you about getting on the plane at St. Louis and flying down to New Orleans?

Mr. ZAPAS. With me?

Mr. KENNEDY. No. Do you recall them telling you anything about that?

Mr. ZAPAS. I don't recall.

Mr. KENNEDY. Did you pick them up at the airport?

Mr. ZAPAS. I don't recall.

Mr. KENNEDY. Did they fly from St. Louis to New Orleans and then fly up to Chicago immediately?

Mr. ZAPAS. I don't know. They come in Chicago with their girl friends and they were just coming up to have a good time.

Mr. KENNEDY. You do remember them, then; don't you?

Mr. ZAPAS. I remember them being in Chicago, but I don't remember picking them up at the airport.

Mr. KENNEDY. Were you arrested at the airport?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You were not arrested at the airport?

Mr. ZAPAS. In Chicago?

Mr. KENNEDY. Yes.

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Where were you arrested?

Mr. ZAPAS. I was arrested walking out of Henrici's Resaturant at approximately 12 noon on a Sunday.

Mr. KENNEDY. How long after you picked them up at the airport?

Mr. ZAPAS. I didn't pick them up at the airport. They were living at the Sherman Hotel. I called them up and they said "Let's have breakfast and go to a football game."

I said "Walk across the street to Henrici's and we will have our breakfast."

We had our breakfast and were walking out and there were three policemen at the door.

Mr. KENNEDY. Did you discuss with them getting rid of a large sum of money?

Mr. ZAPAS. Absolutely not.

Mr. KENNEDY. You never handled, yourself, hot money?

Mr. ZAPAS. Hot money?

Mr. KENNEDY. Yes. Money that was stolen or—

Mr. ZAPAS. I have money in my pocket. I don't know where that come from.

Mr. KENNEDY. Did you ever handle any money yourself, hot money or kidnaped money, stolen money?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You have not?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You did not discuss that with these individuals that day?

Mr. ZAPAS. Discuss what?

Mr. KENNEDY. The handling of certain large sums of money?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. Mr. Chairman, could the witness stay under subpoena? We will need him again, probably next week.

The CHAIRMAN. All right, the witness will remain under his present subpoena, subject to being recalled whenever the committee needs him.

Mr. ZAPAS. Am I free to leave today?

The CHAIRMAN. With that agreement.

Mr. KENNEDY. Do you know where David Probst is?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. You don't know what happened to him?

Mr. ZAPAS. No, sir.

Mr. KENNEDY. He just disappeared?

Mr. ZAPAS. I don't know if he disappeared or what happened. I don't know where he is at.

Mr. FILLENWARTH. May I ask the Chair: Is he permitted to go back to Indianapolis and then have a representative notify me directly as to approximately when you may want him here?

Mr. KENNEDY. Tuesday morning, I think.

Mr. FILLENWARTH. Could an investigator for the committee perhaps arrange to interview him in advance and maybe we will have no difficulty?

Mr. KENNEDY. If he could come in Monday evening with his records, we will interview him then. Would that be all right?

(The witness conferred with his counsel.)

Mr. FILLENWARTH. I would say that is satisfactory. Thank you.

The CHAIRMAN. The committee will stand in recess until 2 o'clock.

(Whereupon, at 12:20 p. m. a recess was taken until 2 p. m. of the same day. At this point the following members were present: Senators McClellan and Curtis.)

AFTERNOON SESSION

(At the reconvening of the committee, the following members are present: Senators McClellan and Ives.)

The CHAIRMAN. The committee will come to order.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DORFMAN. I do.

**TESTIMONY OF ALLEN DORFMAN, ACCOMPANIED BY COUNSEL,
STANFORD CLINTON**

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please sir.

Mr. DORFMAN. Allen Dorfman, 1268 Sheridan Road, Highland Park, Ill. My business occupation is insurance.

The CHAIRMAN. Thank you. Mr. Counsel, will you identify yourself?

Mr. CLINTON. My name is Stanford Clinton. I am a member of the bar of the State of Illinois. My offices are at 134 North LaSalle Street, Chicago, Ill.

The CHAIRMAN. Thank you very much.

Mr. KENNEDY. Mr. Chairman, this is going to be a relatively short session with Mr. Dorfman. There are other matters that Mr. Dorfman is familiar with and also Mr. Clinton, that we will be taking up at a later time. But I am just calling him for a brief appearance at this time, as his name was mentioned in connection with the situation in Indianapolis.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Dorfman, did you establish an insurance agency or outlet in Indianapolis?

Mr. CLINTON. Mr. Chairman, there are many of the matters touching upon the Indianapolis situation that I think are the matters in which the distinguished general counsel, the chief counsel for the committee, is interested, as to which the witness will respond freely.

(At this point Senator Curtis entered the hearing room.)

Mr. CLINTON. The witness intends, if it please the Chair, to claim his rights under the fifth amendment as to certain areas which make it necessary for him to refuse to answer this particular question. However, the facts of his business interest down there are well known to Mr. Kennedy, and have been testified to by other witnesses, and are available to the committee.

The point I am making is that it is not the information we seek to withhold; it is the desire of the witness to preserve his rights under the fifth amendment that he must decline, will decline, I think, to answer this particular question.

The CHAIRMAN. Proceed with the questioning, Mr. Kennedy.

Mr. KENNEDY. Did you establish an insurance outlet in Indianapolis?

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

Mr. KENNEDY. Was that insurance business the Aldor Insurance Co.?

Mr. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

Mr. KENNEDY. Did you know David Probststein?

Mr. DORFMAN. Yes; I did.

Mr. KENNEDY. How long did you know David Probststein?

Mr. DORFMAN. About a year.

Mr. KENNEDY. How did you meet him?

(The witness conferred with his counsel.)

Mr. DORFMAN. I met Mr. Probststein through the man who is manager for my agency in Indianapolis. Mr. Probststein was interested in

tax-lien properties in Indianapolis, which was a business I, too, was interested in. He approached me on investing in these tax liens.

Mr. KENNEDY. Did you invest together in these tax liens?

(The witness conferred with his counsel.)

Mr. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

Mr. KENNEDY. Did you have any other business dealings with him, Mr. Dorfman?

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

Mr. KENNEDY. Could you tell the committee anything about the operation of the State Cab Co.?

(The witness conferred with his counsel.)

Mr. DORFMAN. I have no knowledge of that, sir.

Mr. KENNEDY. You have no knowledge?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. Did you know that Mr. Probstein was operating out of the same office with this insurance company and with the cab company?

(The witness conferred with his counsel.)

Mr. DORFMAN. I had no knowledge of that, either, sir.

Mr. KENNEDY. Did you know that Mr. Probstein had any dealings with the State Cab Co.?

(The witness conferred with his counsel.)

Mr. DORFMAN. Yes; I did, sir.

Mr. KENNEDY. What did you know about his dealings with the State Cab Co.?

(The witness conferred with his counsel.)

Mr. DORFMAN. My understanding was only that he was the head of the State Cab Co.?

Mr. KENNEDY. Did you know if Mr. Hoffa had loaned him any money?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. You did not know about that?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. Did Mr. Hoffa have any financial interest in your insurance company?

Mr. DORFMAN. Absolutely not.

Mr. KENNEDY. Do you know if he had any financial interest in Mr. Probstein or the State Cab Co.?

Mr. DORFMAN. No; I don't.

Mr. KENNEDY. You don't know of any?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. Did you and Mr. Hoffa have any financial dealings in Indianapolis, concerning Indianapolis, the situation in Indianapolis?

(The witness conferred with his counsel.)

Mr. DORFMAN. No, sir.

Mr. KENNEDY. Would you tell the committee what companies or businesses that you have been in together with Mr. Hoffa?

(The witness conferred with his counsel.)

Mr. CLINTON. Mr. Chairman, I am advising the witness, in order to preserve his privilege, that he may not, as I understand the cases, an-

swer that question. However, the fact is, as is also known by Mr. Kennedy, and we have no desire to conceal it, there were two business ventures that they had in common, one involving oil wells, northwestern oils, and the other is Jack O'Lantern. Again I want to indicate to the Chair there is no desire to withhold this information, but merely to protect the witness' rights under the fifth amendment to the Constitution. Oil leases is what I meant.

The CHAIRMAN. The witness will have to testify; if he wants to invoke the fifth amendment, he will have the opportunity to do so.

Mr. KENNEDY. What business dealings have you had with Mr. Hoffa?

Mr. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

Senator IVES. Mr. Chairman, I would like to interpose something there.

I think it is most unfair to Mr. Hoffa to make a statement like that; it puts him under the same shadow that you are putting yourself under, Mr. Dorfman.

Mr. Hoffa's friends who come here to testify should remember that when they take the fifth on these things.

The CHAIRMAN. Proceed.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I would like to ask the witness: Is this statement being circulated around the room, entitled "Statement of Allen Dorfman on behalf of the Union Insurance Company of Illinois for release immediately prior to appearance before the Senate Select Committee on Improper Activities in the Labor or Management Field," is that your release?

Mr. DORFMAN. Yes, sir.

Senator CURTIS. You stated the things in there?

Mr. DORFMAN. Yes, sir.

Senator CURTIS. Do you reiterate these charges, now that you are under oath?

Mr. DORFMAN. I believe them to be true, Senator.

Senator CURTIS. And this is your testimony under oath, and you so make it; is that right?

Mr. DORFMAN. Yes, sir.

Senator CURTIS. In your own statement here—

The CHAIRMAN. Let the statement be printed in the record in full at this point, if the witness makes it a part of his testimony. I believe that is what you were asking him about.

Senator CURTIS. Yes.

The CHAIRMAN. The statement may be printed in the record at this point as a part of the witness' testimony.

(The document referred to follows:)

STATEMENT OF ALLEN DORFMAN, ON BEHALF OF THE UNION INSURANCE AGENCY
OF CHICAGO

As I am about to appear before the McClellan committee, I wish to set the record straight insofar as myself and my business activities are concerned.

For a period of approximately 1 year I did my conscientious best to cooperate with the committee in every way. I testified freely and responsively before the committee in executive session. I have permitted, although

under no legal requirement to do so, exhaustive examination of all my records and files.

As many as eight investigators have been used in this examination, and the lack of organization and duplication of effort is simply beyond belief. I think it is not unreasonable to say that no insurance agency in the history of America has ever been subjected to closer scrutiny and more detailed study with respect to its insurance contracts, its records, books, documents, and all other details of its operation.

At no time has there ever been any evidence that the premium rates charged were not proper; that the benefits given under the contracts were not proper; that the claim payments were not proper. On the contrary, an actual analysis shows that our contracts, particularly those with the Teamsters, are considered among the finest in the country.

It has now become obvious to me that the intent of the committee and of its investigators has not been to obtain, in good faith, information relevant to its legitimate objects and purposes, and that no true and accurate picture has been or will be presented at the hearings now being conducted.

Therefore, I feel it is my duty to my family and my friends to take this opportunity to plead my case before the American public.

In the first place, stories have been leaked to the press presenting twisted and distorted accounts of my agency and its business activities.

I have been smeared by innuendo and false accusations. The effect of these libelous attacks upon my business can be easily imagined. This committee has made it crystal clear to me how a businessman can be financially ruined despite the fact that there has been no wrongdoing on his part.

And the tragic climax of it all is that there is absolutely nothing the victim can do to redress these wrongs.

Secondly, the tremendous costs of lawyers and accountants whom I have found it necessary to employ in order to meet the never-ending demands for information, and many times the same information, of the committee's investigators have been unbearable. It should be obvious to any businessman that it is easily possible for any legislative committee to investigate his business into bankruptcy.

Thirdly, then, a Senate investigation such as this is a horrible example of the almost total disregard for the fundamental rights of an individual. A witness has no right of cross-examination; he is deprived of the benefit of any rules of evidence, and his reputation is destroyed by hearsay, rumor, and speculation; he is not allowed to present evidence on his own behalf; he is not even permitted effective representation of counsel.

Finally, the chief counsel for the committee has made it very plain to me that he will do everything in his power to destroy my business and, if he can find any way to do so, to cause me to be prosecuted.

It is as a protection against such tyranny and abuse of power that the fifth amendment is in the Constitution of the United States, and it is as a protection against such tyranny and abuse of power that I have reluctantly come to the conclusion that I have no other alternative but to claim my rights under the fifth amendment to the Constitution of the United States.

Senator CURTIS. He has stated under oath that this is his statement; that it is true. If that be true, he is not taking the fifth amendment in good faith. He spends two pages here reciting charges against the committee. Some of it I don't like. Near the bottom of page 1 he said:

It has now become obvious to me that the intent of the committee and its investigators has not been to obtain, in good faith, information relevant to its legitimate objects and purposes.

Then he goes on with a lot of reckless charges like that, and ends up with this:

It is as a protection against such tyranny and abuse of power that the fifth amendment is in the Constitution of the United States, and it is as a protection against such tyranny and abuse of power that I have reluctantly come to the conclusion that I have no other alternative but to claim my rights under the fifth amendment to the Constitution of the United States.

He stated under oath that that is true. He is taking the fifth amendment because he objects to the procedures and abuse of power of this committee.

Therefore, he is not taking it because of the grounds of self-incrimination. He has stated under oath here why he is taking it.

I think the witness should be compelled to answer every question or be cited for contempt. It is not my arrangement. He made it.

MR. CLINTON. Is there a pending question, Mr. Chairman?

THE CHAIRMAN. Let the Chair say as far as the witness' accusations against the committee, insofar as the Chair must share the blame or have those accusations directed to him, he is absolutely indifferent. I expect every hoodlum and crook in the country to condemn me and condemn this committee, every racketeer, every gangster, every crooked labor leader, and every crooked businessman.

I expect their condemnation. I would feel like we were not doing our duty if we didn't get it. So I don't mind it. All I can say is this committee is going to continue to function, doing its duty as best we can to serve our country and carry out the function for which the committee was created, in the hope that the Congress will, in response to public demand, popular demand, throughout the country, enact legislation that will remedy the conditions that this committee is bringing to light.

SENATOR CURTIS. Mr. Chairman, I want to state that I don't care what he charges me with. But my point is that the last sentence in his statement tells why he is taking the fifth amendment, and reveals that he is not taking the fifth amendment to protect himself from some criminal prosecution.

THE CHAIRMAN. All right. Proceed with your questions.

The Chair will rule as we move along. Proceed, Mr. Kennedy.

MR. KENNEDY. As I said, Mr. Chairman, all I had interest in going into today was the situation in Indianapolis, Mr. Dorfman's operation of the insurance agency. His relationship with Mr. Hoffa and the teamsters will be gone into extensively during the hearings at a later time. So I do not have other questions. He will not give us any information regarding the Indianapolis situation.

As I understand, you won't tell us anything about your operation down there, is that correct, as far as the insurance business is concerned?

MR. DORFMAN. With reference to the insurance business, Mr. Kennedy, that is correct.

MR. KENNEDY. On what grounds?

MR. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

MR. KENNEDY. That is what I thought.

Will you tell us your financial dealings with Mr. Probstein?

MR. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

MR. KENNEDY. Will you tell us if the Jack O'Lantern Lodge and Northwestern Oil are all the financial dealings you have had with Mr. Hoffa?

MR. DORFMAN. I claim my privilege under the fifth amendment to the Constitution.

THE CHAIRMAN. Ask him the direct question whether he had any business dealings, other than those two instances, with Mr. Hoffa.

Mr. KENNEDY. Did you have any business dealings other than Jack O'Lantern and Northwestern Oil with Mr. Hoffa?

Mr. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

The CHAIRMAN. With the permission of the committee, and its approval, the Chair directs and orders you to answer the question.

Mr. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

The CHAIRMAN. Do you honestly believe if you answered the question truthfully that a truthful answer thereto might tend to incriminate you?

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. Are you refusing to answer the question whether you honestly believe that if you gave a truthful answer with respect to other business transactions it might tend to incriminate you?

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. The Chairman, with the approval of the committee, orders and directs the witness to answer the question: Do you honestly believe that if you gave a truthful answer to the question with respect to any other business dealings with Mr. Hoffa that a truthful answer thereto might tend to incriminate you?

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. That order will stand throughout your presence here as a witness.

I will ask you another question or two: Did business agents of local 135 represent the Aldor Insurance Co. and solicit insurance for it?

(The witness conferred with his counsel.)

Mr. DORFMAN. Senator, to the best of my knowledge they did not.

The CHAIRMAN. Were any arrangements made with them whereby they were to use their position as representatives of the union to procure insurance business for the Aldor Insurance Co.?

(The witness conferred with his counsel.)

(At this point Senator Ervin entered the hearing room.)

Mr. DORFMAN. Senator, would you please define what you mean by arrangements? What do you mean by arrangements, sir?

The CHAIRMAN. Well, you make arrangements with a lawyer to represent you, do you not? You know what arrangements are. It is just that simple.

Mr. DORFMAN. I am referring to financial arrangements.

The CHAIRMAN. I said, "Did you make any arrangements with the business agents of local 135 to procure insurance for the Aldor Co.?"

Mr. DORFMAN. I did not.

The CHAIRMAN. You know of no such arrangements you made?

Mr. DORFMAN. No, sir; I do not.

The CHAIRMAN. Do you know whether they did in fact actually procure business for the company?

Mr. DORFMAN. I do not know, sir.

The CHAIRMAN. Are there any further questions at this time?

Mr. KENNEDY. Just let me ask Mr. Dorfman: Did you tell Mr. Probstein in May of 1955 that he should come up with a certain amount of money by the first week in June, or else?

Mr. DORFMAN. I don't recall ever making such a statement to Mr. Probstein. I don't recall ever meeting with Mr. Probstein in May in 1955.

Mr. KENNEDY. What is that?

Mr. DORFMAN. I don't recall meeting Mr. Probstein in May of 1955.

Mr. KENNEDY. Did you have any argument or discussion with Mr. Probstein in April or May 1955?

Mr. DORFMAN. I never had any argument with Mr. Probstein at all. I don't think I have seen Mr. Probstein maybe six times in my entire life.

Mr. KENNEDY. Did he owe you any money at the time of his disappearance?

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. Do you honestly believe that if you gave a truthful answer to the question, Did Mr. Probstein owe you any money at the time he disappeared? that a truthful answer thereto might tend to incriminate you?

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs you to answer that question.

Mr. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Were you not in Indianapolis in May of 1955?

Mr. DORFMAN. I might have been.

Mr. KENNEDY. Did you not see Mr. Probstein while you were there?

Mr. DORFMAN. I may have.

Mr. KENNEDY. Did you have a discussion with him about the fact that he owed you money?

Mr. DORFMAN. I answered that question, Mr. Kennedy. I don't recall ever having such a discussion with him in May of 1955.

Mr. KENNEDY. Weren't you in fact in Indianapolis in May of 1955 with Mr. Philip Goodman?

Mr. DORFMAN. I may have been.

The CHAIRMAN. I hand you here a registration card at the Marott Hotel. It shows you arrived there on May 10 and were there on May 11. You had room 915. Will you examine the card and see if you can identify it for us?

Mr. DORFMAN. Yes, sir; I can identify it.

The CHAIRMAN. Is that the registration card that you gave to the hotel at that time?

Mr. DORFMAN. It is the registration card; yes, sir.

The CHAIRMAN. That may be made exhibit 60.

(The document referred to was marked "Exhibit No. 60" for reference will be found in the appendix on p. 14141.)

The CHAIRMAN. Here is another one. Do you recognize the handwriting on this card?

(The witness conferred with his counsel.)

Mr. DORFMAN. I can't recognize that.

The CHAIRMAN. Do you recall that Mr. Goodman was there with you at that time?

Mr. DORFMAN. I stated I don't recall being there at that time. The card so indicates that I was, so I must have been there.

The CHAIRMAN. That card may be made exhibit 60-A.

(The document referred to was marked "Exhibit No. 60-A" for reference and will be found in the appendix on p. 14142.)

Mr. KENNEDY. Do you not also remember that you had a dispute with Mr. Probstein regarding some \$5,000 or \$10,000?

Mr. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

The CHAIRMAN. With the permission of the committee, and the approval of the committee, the Chair orders and directs you to answer the question.

Mr. DORFMAN. I claim my privilege under the fifth amendment of the Constitution and refuse to be a witness against myself.

Mr. KENNEDY. Did you not meet with Mr. Probstein on this date around May 10 or May 11, meet with him in the office and discuss this matter of the \$6,000?

(The witness conferred with his counsel.)

Mr. DORFMAN. Mr. Kennedy, I testified I don't remember having such a meeting.

Mr. KENNEDY. I am trying to refresh your recollection by showing you that, by refreshing your recollection that some \$6,000 was involved. Now do you remember having such a meeting with Mr. Probstein?

Mr. DORFMAN. I still don't recall having such a meeting with Mr. Probstein in 1955.

(At this point, the following members were present: Senators McClellan, Ives, Ervin, Curtis.)

Mr. KENNEDY. Tell me this: Did you have a dispute with Mr. Probstein regarding \$5,000 or \$6,000 in 1955?

(The witness conferred with his counsel.)

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. On May 11, 1955, at the time you were at the hotel, at the time you were registered there, did you and Mr. Probstein enter into a contract, a written agreement of any kind?

(The witness conferred with his counsel.)

Mr. DORFMAN. I have no recollection of that, Senator.

The CHAIRMAN. Was a written agreement drawn up for your signature? Do you recall that?

Mr. DORFMAN. With reference to what, sir?

Mr. KENNEDY. Fourteen parcels of real estate, on which tax deeds were acquired on November 18, 1954?

(The witness conferred with his counsel.)

Mr. KENNEDY. And an escrow deposit of \$5,765.77?

(The witness conferred with his counsel.)

Mr. DORFMAN. Yes, there was such an agreement drafted. As to the amount, I don't know.

The CHAIRMAN. Is that the amount in dispute between you, the \$5,700 and some odd dollars?

Mr. DORFMAN. Senator, I don't recall of any dispute that you keep referring to.

Mr. KENNEDY. Then he did not owe you any money, is that correct? (The witness conferred with his counsel.)

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. With the approval of the committee, the Chair orders and directs the witness to answer the question.

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

Mr. KENNEDY. Mr. Chairman, I would just like to point out that Mr. Allen Dorfman is the agent for the insurance company that handles all of Mr. Hoffa's insurance, Teamster insurance, the Central States Conference, and has handled it for a number of years.

The CHAIRMAN. I notice he refers to that in his statement.

Do you handle all of the insurance for the Central Conference of Teamsters?

(The witness conferred with his counsel.)

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. How long have you been handling it?

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

The CHAIRMAN. I would think there would be nothing incriminating about handling insurance.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I would like to ask the witness. What States make up the Western Conference? Or is it the Central Conference? Which are we talking about? What States make up the Central Conference?

(The witness conferred with his counsel.)

Mr. DORFMAN. It is a 12-State area, sir.

Senator CURTIS. What are they?

Mr. DORFMAN. Illinois, Michigan, Indiana, Wisconsin, Iowa, Texas, Louisiana, North Dakota, South Dakota. I threw in Texas. That is the Southern Conference, not the Central Conference.

Senator CURTIS. Is Nebraska in the Central Conference?

Mr. DORFMAN. Yes, sir.

Mr. KENNEDY. Is Ohio?

Mr. DORFMAN. They are not in the Central Conference.

Senator CURTIS. Do you handle insurance for the Teamsters in Nebraska?

(The witness conferred with his counsel.)

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

Senator CURTIS. I think the Teamsters' members in Nebraska would be interested in that fact. It is their money.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. DORFMAN. I claim my privilege under the fifth amendment to the Constitution and refuse to be a witness against myself.

Mr. CLINTON. Mr. Chairman, will you allow me the luxury of reversing myself on one instruction to my client?

The CHAIRMAN. Yes.

Mr. CLINTON. The question was put, I think by yourself, and the witness was exhorted by Senator Ives to respond, as to whether or not the witness Dorfman had any business interests of any kind with Mr. Hoffa, aside from this boys' camp, and the so-called oil leases.

My first feeling was that he could not answer that question without a waiver.

Upon further reflection, if I may, sir, I would like to reverse myself, and advise my client that he should respond to the question.

Senator IVES. Mr. Chairman, I am very glad counsel has seen fit to do that, because as I think he realizes, it is a terrible reflection against Mr. Hoffa. With all due respect to everybody, we are trying to be as fair as we can to Mr. Hoffa.

Mr. CLINTON. Senator, I am sure you know, too, that we have no desire to hurt Mr. Hoffa.

He does not deserve to be hurt as a result of any claim of the fifth amendment by this particular witness. However, the law of waiver being such, if we go beyond a certain point we may be forgetting our rights on the questions of income and disbursements. That is all.

The CHAIRMAN. Does the witness wish to make any statement now about his business connections with Mr. Hoffa?

Mr. DORFMAN. Yes, sir, Senator. With reference to Mr. Hoffa, other than the Northwestern Oil Co., and the Jack O'Lantern Lodge, which is a girls' camp. I have had no business dealings with Mr. Hoffa.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Have you had any financial dealings of any kind with Mr. Hoffa, other than the Jack O'Lantern Lodge and the Northwestern Oil?

(The witness conferred with his counsel.)

Mr. DORFMAN. Senators, Mr. Kennedy, I wish to say here, under oath, that I at no time have had any financial dealings with Mr. Hoffa other than those which I have testified to, and at no time have I ever given Mr. Hoffa any money whatsoever, with the exception of June of this year. I purchased Mr. Hoffa's interest in the Jack O'Lantern Lodge, a girls' camp in Eagle River, Wis. I categorically deny ever having any other financial interest with Mr. Hoffa, or any financial dealings with him.

Mr. KENNEDY. You never loaned him any money?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. You never loaned him any money?

Mr. DORFMAN. No.

Mr. KENNEDY. And he never loaned you any money?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. Have you ever had any business interests in common, other than the Jack O'Lantern Lodge and Northwestern Oil?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. You have never been associated in any business?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. None of any kind; is that right?

Mr. DORFMAN. No, sir.

Mr. KENNEDY. Have you ever paid any of Mr. Hoffa's bills?
(The witness conferred with his counsel.)

Mr. DORFMAN. What would you mean by bills?

Mr. KENNEDY. Bills.

Mr. DORFMAN. Well, be a little more explicit.

Mr. KENNEDY. I think that can be understood. I want to know if you paid any of his bills.

Mr. DORFMAN. Well, I have picked up a restaurant check for him.

Mr. KENNEDY. All right. Beyond a restaurant check.

Mr. DORFMAN. No, sir.

Mr. KENNEDY. You never paid any of his bills?

(The witness conferred with his counsel.)

Mr. DORFMAN. I don't recall picking up any bills for Mr. Hoffa.

Mr. KENNEDY. Have you paid any of the bills for Mr. Hoffa or his family?

(The witness conferred with his counsel.)

Mr. DORFMAN. I have no recollection of ever picking up any bills for Mr. Hoffa or his family.

Mr. KENNEDY. You have not; is that correct? You never have? You never paid any of Mr. Hoffa's bills or his family's bills?

(The witness conferred with his counsel.)

Mr. DORFMAN. There might have been an instance of a hotel bill that I might have paid for Mr. Hoffa, but was reimbursed for it.

Mr. KENNEDY. How many times did that happen?

Mr. DORFMAN. To the best of my knowledge, I think only once.

Mr. KENNEDY. Where was that?

Mr. DORFMAN. In fact, I don't think it was even Mr. Hoffa.

Mr. KENNEDY. Who was it?

Mr. DORFMAN. I think it was for his wife.

Mr. KENNEDY. Whereabouts was that?

Mr. DORFMAN. To the best of my knowledge, it was in Florida.

Mr. KENNEDY. Whereabouts?

Mr. DORFMAN. I think the Castaway's Motel.

Mr. KENNEDY. When?

Mr. DORFMAN. That I don't have any knowledge of.

Mr. KENNEDY. Well, how many years ago? Lately?

Mr. DORFMAN. No, I don't think it is lately.

Mr. KENNEDY. Well, within the last year, or before that, or what?

Mr. DORFMAN. No, I wouldn't say within the last year.

Mr. KENNEDY. When, approximately?

Mr. DORFMAN. I really would not know, Mr. Kennedy. I would have to refer to my records.

Mr. KENNEDY. Have any of your companies paid any of his bills other than the one that you mentioned? Any of the companies that you are associated with paid any of his bill or any of his family's bills?

(The witness conferred with his counsel.)

Mr. DORFMAN. To the best of my knowledge, they have not.

Mr. KENNEDY. I am not talking about where you have been reimbursed. I am talking about if they have ever paid any of his own bills or any of his family's bills.

Mr. DORFMAN. To the best of my knowledge, they have not.

Mr. KENNEDY. That is all.

The CHAIRMAN. Anything further? All right, stand aside for the present. You understand you will be wanted at a later time.

Mr. CLINTON. I understand we will have reasonable notice from Mr. Kennedy.

The CHAIRMAN. Yes.

Mr. CLINTON. May we be excused?

The CHAIRMAN. You may be excused for today.

Mr. KENNEDY. Mr. Hoffa.

TESTIMONY OF JAMES R. HOFFA—Resumed

Mr. KENNEDY. Mr. Hoffa, we have written you certain letters over the period of the past 2 or 3 months in connection with certain information we wanted to have from you. Do you have that information available?

Mr. HOFFA. What information do you want?

Mr. KENNEDY. Did you read the letters? Do you have the information that we requested in the letters?

Mr. HOFFA. I am trying to find the records, Senator.

The CHAIRMAN. Mr. Hoffa, I believe we have here, if I have all of them—

Mr. HOFFA. I think I have them, Senator.

The CHAIRMAN. All right.

Mr. HOFFA. I think there are 1, 2, 3, 4, 5—I think there are 6, Senator. That is what I have in my file here.

The CHAIRMAN. That appears to be correct here.

Mr. HOFFA. Excuse me a moment. I will try to find the answers. I thought I had the answers with the letters. I will try to find the answers.

Just a moment, sir. If I had known what you wanted I would have had them ready.

The CHAIRMAN. All right.

Mr. WILLIAMS. Now, will you ask the witness specifically what you have in mind, sir?

Mr. KENNEDY. I don't know if it is necessary to go through each one of these things in public. We would just like to have the information we requested in the letters.

Mr. HOFFA. If you can give me a moment maybe I can get this together and we can save a lot of time.

Mr. KENNEDY. All right.

Do you want Mr. Bellino to help you out?

Mr. HOFFA. Mr. Bellino is not capable in my opinion of helping me out except to get me in trouble.

Mr. WILLIAMS. I think, Mr. Chairman, that perhaps the most orderly procedure to follow would be for the counsel to ask the witness the questions that he seeks to elicit information on and that we can answer the questions as we go along rather than submit a memorandum here which may not make sense to you.

The CHAIRMAN. Of course I wouldn't know until I saw it.

Mr. WILLIAMS. The memorandum is simply a memorandum of notes for the benefit of the witness as he testifies in response to questions. It will be more intelligent if questions are asked.

Mr. KENNEDY. Do you want to go through, for instance, the letter of May 29, 1958? There are a lot of personal items.

Mr. HOFFA. I have it right here.

Mr. KENNEDY. There are a lot of personal items here that are owned by your wife. If you want to just furnish the information for the committee then I don't think we have to go through each one of these items. All we did was write a letter requesting this information. We would like to have the information, that is the important thing. If you have the information, if you will turn it over to the committee I think that will be sufficient.

The CHAIRMAN. Let the Chair ask you, Are you prepared to submit to the committee the information requested in the letter of May 29, 1958?

Mr. WILLIAMS. Mr. Chairman, this letter of May 29 requests information on personal jewelry of the witness' wife. I have grave doubts as to the pertinency or propriety of an interpretation along those lines. However, Mr. Hoffa can give to you the date on which each of these items was acquired, at least the year, and he can furnish with respect to recent items from whom they were acquired.

The CHAIRMAN. Mr. Counsel, I think if you will submit us a memorandum with the information it will not be necessary to go through all this interrogation.

Mr. WILLIAMS. The understanding that I derived from counsel's letter was that he expected the witness to be prepared to testify in this vein when he appeared here. Now I think perhaps the better way to handle it would be to respond by letter if that is satisfactory to the committee.

The CHAIRMAN. It will be entirely satisfactory if you will do that. I don't know that any of this needs to go on the public record, but until we get the information and evaluate it—the only thing is when you make an investigation you have to sift through a lot of things sometimes in order to get down to that that is material and that which is important.

Mr. WILLIAMS. If that is the Chair's desire that we shall submit a letter next week, if that is agreeable, giving you all the information we have that is called for by the letter of May 29.

The CHAIRMAN. All right, the Chair will accept that. Do you have any other?

Mr. KENNEDY. For all the letters that we have written?

Mr. WILLIAMS. Which letter do you have in mind, next?

The CHAIRMAN. We have the letter of May 29 out of the way. There is one of June 26.

Mr. WILLIAMS. Is that the letter that relates to real estate holdings?

The CHAIRMAN. Yes, sir.

Mr. WILLIAMS. Now, this letter seeks information on the details of real estate holdings which "you have or had had." I subscribe to the fact that this is a pertinent question if there were some time limitation on it but I am not sure it should go back 20 years. However, we will give this information by letter, too, insofar as we have it if this is an agreeable method of answering.

The CHAIRMAN. That will be satisfactory.

Mr. WILLIAMS. How far back do you want him to go on this, Mr. Chairman, because there is no date specified in the letter?

The CHAIRMAN. Back to 1945.

Now the one of July 22, 1958.

Mr. WILLIAMS. Likewise we can give you a letter, Mr. Chairman, on all the information that we have that is called for in the letter of July 22, 1958.

The CHAIRMAN. All right. Mr. Williams, I suggest we can keep the thing in better order if you send separate letters.

Mr. HOFFA. Senator, if I may, the problem with a lot of these letters and what they ask for here, we have tried to take the transcript, go through the working out of the answers but in many instances there is no way of knowing what they are talking about. I have a memorandum drafted on it but in many instances you don't know what they are talking about here.

The CHAIRMAN. Where you think you can't respond, why you can't, and we can ask you questions about it but you can respond insofar as you can to each one of these letters. They mention testimony and cite the pages where possibly you were not able to give the information before when you testified.

Here is one of June 2, 1958.

Mr. WILLIAMS. As I read the letter of June 2, Mr. Chairman, the subject matter of this particular letter has been covered during the interrogation of this witness last week.

The CHAIRMAN. A number of these were covered, were they not?

Mr. KENNEDY. A couple of items were covered. We want to get the exact facts on these loans and at the last time that Mr. Hoffa was questioned about these matters he had no information or very little regarding No. 3, for instance.

Mr. WILLIAMS. Now I have my recollection of the transcript, of the appearance of the witness back in August 1957 when he was interrogated on these loans then, and I know from my own personal knowledge he was interrogated again last week on these. If you want us to recapitulate the information that has been given in the form of a letter we can do that and attempt to give you what you ask for but it has been covered under oath on two occasions.

Mr. KENNEDY. That is not right.

Mr. WILLIAMS. Well, you say it isn't right, and I say it is right. So it is a Mexican standoff. But we will still give you a letter on it.

The CHAIRMAN. All right. That is four letters, then. Now we have those arrangements made. Proceed.

Mr. KENNEDY. I would like to ask you about these loans from the business agents, Mr. Hoffa.

First, let me ask you this. You had made a report back in 1948 to the probation officer of Wayne County, Mich.

Mr. HOFFA. What is that?

Mr. KENNEDY. Did you make a report, on December 6, 1948? You had an interview with the probation officer of Wayne County, Mich.?

Mr. HOFFA. Concerning the grocery case; yes.

Mr. KENNEDY. Is that correct?

Mr. HOFFA. Concerning the grocery case; yes.

Mr. KENNEDY. Yes, but you did——

Mr. HOFFA. Concerning the grocery case; yes.

Mr. KENNEDY. Thank you. Now, at that time you stated that you and your wife had savings of approximately \$8,000, in your wife's name, consisting of cash and Government bonds.

Mr. WILLIAMS. If you have the report there, or the letter, will you please show us the documents from which you are reading?

(At this point, Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. It is not enough to refresh your recollection, what I told you?

Mr. WILLIAMS. We would like to see the document, Mr. Kennedy. Senator IVES. Kindly show counsel that document, please.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

(At this point, Senator McClellan entered the hearing room.)

Mr. WILLIAMS. Mr. Chairman, may I ask counsel whether this document which he has handed the witness purports to be a copy of the probation record from the probation officer in Wayne County, or whether it is simply a synopsis of a committee investigator of the probation records?

Mr. KENNEDY. I believe it's a synopsis of the probation report.

Mr. WILLIAMS. Do you have the original report?

Mr. KENNEDY. We do not have it here; no. I want to ask some questions. May I have it back?

Mr. WILLIAMS. Certainly.

Mr. KENNEDY. Were the statements that you made to the probation officer regarding the savings that you had in cash and Government bonds correct?

Mr. HOFFA. The statements I made to the probation officer was in answer to questions he asked me. I don't remember the questions in total. Unless I saw the questionnaire, I could not answer it.

Mr. KENNEDY. Were they correct when you answered them?

Mr. HOFFA. I would want to see the questionnaire, if I may, Mr. Chairman, before I answer, because I do not remember back 10 years all the questions that was asked, and taking an excerpt out of those questions and asking me that in my opinion is an answer I could not give without seeing the full report, because I don't recall the conversation.

Mr. KENNEDY. All I am asking you is whether you told the probation officer the truth.

Mr. HOFFA. I would want to see the full report and I can answer you.

Mr. KENNEDY. Do you mean you can't even tell this committee whether you told the probation officer the truth, Mr. Hoffa?

Mr. HOFFA. I told the probation officer what he wanted to know, but I would like to know what questions he asked, because in my opinion there is more to the questionnaire than what you have there.

Mr. KENNEDY. It is no reflection on you, Mr. Hoffa, all I am trying to do is find out if Mr. James Hoffa, the international president of the Teamsters, told the probation officer the truth in 1948. Can you answer the question?

Mr. HOFFA. I told him the truth to questions he asked me, and I would like to see the questions that he asked before I verify what you have in that letter.

Senator IVES. May I interrupt there, please?

The CHAIRMAN. Just a moment. Where is the original report?

Mr. KENNEDY. We are trying to get it, Mr. Chairman, from the probation officer.

The CHAIRMAN. Can you get a photostatic copy of it?

Mr. KENNEDY. This was a synopsis. We have examined it again. The question of the \$8,000 appears in the report. But all I am asking him at the present time, Mr. Chairman, is whether he told the probation officer the truth.

Mr. WILLIAMS. I submit he has answered that question.

The CHAIRMAN. He said he told him the truth insofar as the questions were asked him.

Mr. HOFFA. That is right. But the reason I don't want to make a positive statement is that I am sure there was more questions asked than what he has here, which may tend to clear it up if I see the full report.

The CHAIRMAN. I think we will try to get the report.

Mr. KENNEDY. I don't think there is anything to get cleared up. I just want to get the basis in fact, Mr. Hoffa.

Mr. HOFFA. I would like to see the report so I can make a statement here, so that I cannot have later on someone accusing me of not answering the questions I answered to the probation officer.

Senator IVES. I can't see any reason, Mr. Hoffa, why you can't say yes or no as to whether you told the truth.

Mr. HOFFA. I told the truth to the questions he asked, but the way he asked the questions, and in answer to all of the questions may not be the sum and substance that leads to a statement of \$8,000, Mr. Ives.

Senator IVES. In other words, you feel that this document may be slightly changed?

Mr. HOFFA. Yes, sir; I do.

Senator IVES. Thank you.

Mr. KENNEDY. I am not going to make a big thing of the \$8,000. All I wanted to do was to find out whether you told the truth. If you say you told the truth, that is all I am interested in.

Mr. HOFFA. I will still qualify by saying I answered the questions truthfully that he asked me, but I would like to see those questions he asked me to lead up what you are asking me.

Senator IVES. Then you told him the truth.

Mr. HOFFA. To the questions he asked me.

Senator ERVIN. You told the truth as you understood the facts to be at the time you made the statement.

Mr. HOFFA. At the time I made the statement to all the questions he asked me, Senator.

Senator ERVIN. Sometimes a man makes a statement and then later he ascertains facts he did not know at the time.

Mr. HOFFA. Maybe all the facts were not asked me at the time that would lead into this question, and I do not want to get committed to something that I was not asked or clarified.

The CHAIRMAN. We will undertake to get the original. I think it's perfectly fair for you to see it. All right.

Mr. KENNEDY. Mr. Hoffa, the moneys you have received and declared since 1948, and declared as gambling wins or collections, did any of that money come from employers?

Mr. HOFFA. It did not.

Mr. KENNEDY. Did it all come from gambling wins?

Mr. WILLIAMS. Did what? Did what all come from gambling wins?

The money stated on his returns as having come from gambling wins?

Mr. KENNEDY. Yes.

The CHAIRMAN. Some were stated as collections, some were stated as wagering, and some were stated miscellaneous.

As I understood Mr. Hoffa's testimony the other day, all of this money came from betting on the horseraces. If we are in error in that understanding, he may clarify it.

Mr. HOFFA. I think I have it here. Just a minute, Senator.

(The witness conferred with his counsel.)

Mr. HOFFA. The moneys that I declared as gambling earnings were gambling earnings. However, in the question that you sent to me by letter, it needed a breakdown as to the amount of money and where it came from because it was not all listed as gambling. I have it here.

The CHAIRMAN. All right. Let's get it clarified, then. Over a period of years—What are the years involved?

Mr. KENNEDY. He has it there.

The CHAIRMAN. What years are involved, Mr. Hoffa?

Mr. HOFFA. 1948 through 1956, Senator.

The CHAIRMAN. 1948 through 1956?

Mr. HOFFA. Yes, sir.

The CHAIRMAN. Just take them one at a time, then. What did you report in 1948?

Mr. HOFFA. I have a breakdown here which I received from the accountant, and I am assuming that it is right. He took it off the tax. I will have to read it, assuming that it is right. 1948, \$3,000 wagering.

The CHAIRMAN. \$3,000 wagering?

Mr. HOFFA. Yes.

The CHAIRMAN. The question is: Is that all from wagering?

Mr. HOFFA. Yes.

The CHAIRMAN. That is, horseracing?

Mr. HOFFA. Yes. When I say yes, my partner does the handling of the money. He has told me this is from horseracing, and I believe that it is. He has a book which he has shown the Internal Revenue to verify it.

The CHAIRMAN. Insofar as you know, that is your information?

Mr. HOFFA. Yes, sir.

Mr. KENNEDY. Did any of that come directly or directly from any employer?

Mr. HOFFA. No.

Mr. WILLIAMS. I think I may be able to help you. There was a lot of colloquy here earlier in the week about there not having been any records on these gambling winnings. I have learned that records were made available by Brennan to the Bureau of Internal Revenue in Detroit, Mich., breaking down all of these winnings, and that those records, I assume, would be available to this committee if the agents who made the investigation were subpoenaed.

The CHAIRMAN. We will follow up on it.

Mr. KENNEDY. There aren't any. Once again we go through this. There aren't any records available showing the source of this money, Mr. Chairman, to anyone that we know of. There are no records available that have been made available to any Government agency showing the source of this money.

The CHAIRMAN. Have you checked with the Internal Revenue Service?

MR. KENNEDY. The Internal Revenue Service would not permit us to examine the records, but we were told by the Internal Revenue Service that the records that Mr. Brennan did make available show nothing as far as the details as to the source of this money; that he made some records available but they show none of the details regarding the source of the money or the dates that the money was supposedly made.

The CHAIRMAN. We will undertake to get such records as they have.

MR. WILLIAMS. My information is different from Mr. Kennedy's, Senator, and I will undertake over this weekend to get the names of the two special agents who conducted this investigation, and supply the committee with the names of those agents.

MR. KENNEDY. Maybe if you could give us a clearance we can get those records.

MR. WILLIAMS. Well, I can't give you a clearance on Mr. Brennan's returns.

MR. KENNEDY. Mr. Fitzgerald is there. You brought the subject up. We would like to get those records. Can we get those records?

MR. WILLIAMS. I will—

MR. KENNEDY. Mr. Fitzgerald is right behind you.

MR. WILLIAMS. I will undertake to get the names of the agents for you over this weekend and do whatever I can as counsel for this witness to get you the information that you seek.

MR. KENNEDY. That does not answer it.

The CHAIRMAN. Do we have to have a waiver from the party filing the returns?

MR. KENNEDY. For such records as this we do, Mr. Chairman.

I don't believe that they even have any records at the present time. I would think that if this information is there and Mr. Brennan was willing to have the Government look at it, Mr. Brennan would be willing to let the committee look at it.

The CHAIRMAN. We will pursue it and see if it is there. We will get it if we can. 1949?

MR. HOFFA. \$1,500.

The CHAIRMAN. How much?

MR. HOFFA. \$1,500.

The CHAIRMAN. How is it listed there?

MR. HOFFA. Wagering.

The CHAIRMAN. Both of these are wagering?

MR. HOFFA. Yes, sir.

The CHAIRMAN. All right.

MR. KENNEDY. Let me ask you this: Did any of that money come directly or indirectly from any employer?

MR. HOFFA. It came from Brennan to myself. It came from racing, gambling—from racing earnings.

MR. KENNEDY. Did it come directly or indirectly?

MR. HOFFA. It came from Brennan to myself.

MR. KENNEDY. Well, that could have been indirectly from an employer. I am asking you the question whether it came directly or indirectly from any employer.

MR. HOFFA. Well, I am in return saying that Mr. Brennan handled that end on wagering, and at the end of the year, Mr. Brennan told

me this was the net results of our wagering. This is what I declared on my income tax.

Senator IVES. Mr. Chairman, may I ask a question there?

The CHAIRMAN. All right.

Senator IVES. Mr. Hoffa, the thing that rather intrigued me there is how you come out so evenly. Did you have \$1,500 even? Is that what it is?

Mr. HOFFA. That is right.

Senator IVES. And then you have \$3,000, have you, even?

Mr. HOFFA. That is right.

Senator IVES. What do you do, have a common pot there and pay each other so much?

Mr. HOFFA. I will tell you what I understand, and I am not a horse better, I don't understand the whole operation.

Senator IVES. You at least bet, and I don't.

Mr. HOFFA. Well, there is a trick, I suppose, to understanding it.

But the problem is that Mr. Brennan handles the losses—I think this is the way it works out. You are allowed to take your losses against your gains if you keep records and at the end of the year you pay out what the winnings are. The best of what I have for my income-tax records are the moneys that were given to me by Brennan. Whether or not it broke off to the dollars and cents in his bookkeeping, I have to report what I received.

Senator IVES. And you got an even amount?

Mr. HOFFA. That is right. That is what I reported. That is what I got.

Senator IVES. It is most amazing. All right.

The CHAIRMAN. All right, 1950.

Mr. KENNEDY. Now, all this money came from Brennan, is that correct?

Mr. HOFFA. It came from Brennan to myself.

Mr. KENNEDY. Are you able to say unequivocally that none of this came from any employer?

Mr. HOFFA. I say that it did not to my knowledge, it came from Brennan to me as wagering gains.

The CHAIRMAN. All right, 1950.

Mr. HOFFA. \$2,095.80.

The CHAIRMAN. What did you show?

Mr. HOFFA. \$2,095.80.

The CHAIRMAN. What do you show it as?

Mr. HOFFA. Wagering.

Senator IVES. I would like to ask in connection with all this: When Mr. Brennan appeared before us, as I recall, he took the fifth amendment?

Mr. HOFFA. That is right.

Senator IVES. Again I want to bring to your attention that it would be so much better for you if you could persuade these people not to take the fifth amendment, and talk out the way you do.

Mr. HOFFA. Senator, unfortunately, as I stated before, their conscience must be their guide and I believe that they have a perfect right to protect themselves if they have any questions in their own mind concerning the fifth amendment.

Senator IVES. That is all right, so far as it goes, but unfortunately it does not go that way. It looks to the public as if they are protecting you.

Mr. HOFFA. Many times that I have sat here in this room I have wondered as to where it ended as to my responsibility as to whether or not people's conscience dictated one answer one way or the other.

Senator IVES. Now, let me ask you a question on that: Are you satisfied that when they take the fifth where you are concerned that the reason they take the fifth is solely on their account?

Mr. HOFFA. It certainly is. It is not on mine.

Senator IVES. That being the situation, why do you let them take the fifth beyond a certain point? Where you are concerned, why do you not insist that they talk out? They carry it right over into your affairs.

Mr. HOFFA. Senator, there isn't any way that you or I, and I have talked to my lawyer about it, any way you can tell a man what to do. If I understand correctly his conscience must dictate, according to my attorney.

Senator IVES. These people are friends of yours, ostensibly, and I assume they are. Now do they realize the jam they are putting you in, testifying the way they do?

Mr. HOFFA. We have discussed the matter.

The CHAIRMAN. All right. Let us get the 1951.

Mr. HOFFA. \$5,500.

The CHAIRMAN. How do you list that?

Mr. HOFFA. Wagering.

Mr. KENNEDY. Did any of that come from any employer?

Mr. HOFFA. It came directly from Brennan to me.

Mr. KENNEDY. Did any of it come from any employer directly or indirectly?

Mr. HOFFA. No.

The CHAIRMAN. 1952.

Mr. HOFFA. \$5,535.

The CHAIRMAN. How was that listed?

Mr. HOFFA. Wagering.

Mr. KENNEDY. How much was that?

Mr. HOFFA. \$5,535.

Mr. KENNEDY. Did any of that come from any employer?

Mr. HOFFA. It came directly from Brennan to myself. To my knowledge, no.

Mr. KENNEDY. On your tax returns that is listed as collections received.

Mr. HOFFA. Again I say this was made out by the accountant. He has wagering here. He is in the room; I can ask him.

The CHAIRMAN. The only point is that we are trying to determine the difference between wagering and a collection.

Mr. HOFFA. I tell you what happened: The accountant is here; he can verify, I am sure, that there was a question with the Internal Revenue and Brennan was called down as to whether or not he was a gambler in the sense of being a professional gambler. He said he was not. Then there became a question of this Federal stamp you have to use in gambling. Brennan is not a gambler, but has horses and makes him own bets and bets for myself, whoever he feels like, but he does not book bets.

Now, for some reason after a certain period of time the accountant decided we ought to put it down other than wagering to keep from being invited into the Internal Revenue to show that we are not in the gambling business.

The CHAIRMAN. Your return shows it here, \$5,535, and it has in front of it "collections received."

Now, irrespective of what is in front of it, do you say this \$5,535 came from the same source as the other, through Brennan and for gambling as you understood it?

Mr. HOFFA. Yes, sir.

Senator ERVIN. Did you advance money to Brennan to put up?

Mr. HOFFA. At the beginning of the year; yes, sir.

Senator ERVIN. How did you advance the money?

Mr. HOFFA. In cash.

The CHAIRMAN. All right.

1953?

Mr. HOFFA. \$10,505. I have it here as "wagering." I imagine you have it there as "collections," because of the answer I gave you.

Mr. KENNEDY. On the income-tax returns it is listed as "collections received."

Senator CURTIS. Mr. Chairman.

How long does the racing season last up there?

Mr. HOFFA. I could not answer that. Quite a number of days, I know that.

Senator CURTIS. Do you know that this is betting on the horses at the tracks up there, or betting on wire returns?

Mr. HOFFA. It is my understanding, sir, it is the track.

Senator CURTIS. Do you have any idea how long the season runs?

Mr. HOFFA. I would guess 99 days or longer. I have heard that 99-day statement made. It may be over a hundred, I don't know. I think it is up to the racing commission each year to determine the length of the racing.

Senator CURTIS. That is all.

The CHAIRMAN. Let us get the other 3 years, 1954?

Mr. HOFFA. \$7,700.

The CHAIRMAN. 1955?

Mr. HOFFA. It is listed as wagering, \$4,100, central conference expense, \$3,600.

The CHAIRMAN. What is the total?

Mr. HOFFA. \$7,700.

The CHAIRMAN. You have that for 1954?

Mr. HOFFA. Yes.

The CHAIRMAN. What do we have for 1955?

Mr. HOFFA. \$13,799.50, as follows: Wagering, \$9,799.50; central conference expense, \$2,600; international expense, \$1,400.

The CHAIRMAN. What do you have for 1956?

Mr. HOFFA. \$15,495.97, as follows: Wagering, \$10,682, international expense, \$4,813.97.

The CHAIRMAN. Where you show this international or central conference expense, that is where you were reimbursed for expenses?

Mr. HOFFA. No. What happened was that this money was given to myself for organization expense and I spent it without keeping bills and my accountant insisted that since I had not kept bills and there

would be possibly an argument concerning the Internal Revenue because much of it was spent by myself personally traveling around the central conference, that I should put it in my tax and pay taxes on it, which I objected to strenuously, but he won in the long run and I paid it.

The CHAIRMAN. Well, these items, except as you show as expenses from your union organization, all the rest of it was wagering?

Mr. HOFFA. Yes, sir.

The CHAIRMAN. All of the rest of it came through Mr. Brennan?

Mr. HOFFA. Yes, sir.

The CHAIRMAN. As far as you know, you have no knowledge of any of it coming from any employer?

Mr. HOFFA. That is right.

Senator IVES. Mr. Hoffa, those expenses are itemized on your returns?

Mr. HOFFA. No, sir; they are not.

Senator IVES. May I make a suggestion, that is, that you itemize it this year?

Mr. HOFFA. I assure you I won't be paying taxes the way I have been paying it. I am trying to arrange a system of charges so that somebody else will pay it and not out of my income tax.

Mr. KENNEDY. In 1955 on your income-tax return you have collections received \$13,799.50.

Mr. HOFFA. That is what I said.

Mr. KENNEDY. I thought you said that was broken down.

Mr. HOFFA. Now wait a minute.

Mr. WILLIAMS. Mr. Kennedy, you asked him how much of those items was wagering. He broke it down for you in accordance with questions that you asked him. He told you how much of this item was wagering and what was expense, which is precisely the question that you asked him at the beginning of this series of questions. So let us be fair with the witness and not try to suggest that he answered something differently from what it appeared on the tax return.

The CHAIRMAN. Let us see, now. Only for the last 3 years, 1954, 1955, 1956 were there collections other than wagerings.

Mr. HOFFA. That is what it shows.

The CHAIRMAN. For the other years it was all wagering?

Mr. HOFFA. Yes.

The CHAIRMAN. For the last 3, 1954, 1955, 1956, there were some collections from the union?

Mr. HOFFA. Right.

The CHAIRMAN. That you included?

Mr. HOFFA. Yes, sir.

The CHAIRMAN. The difference is after the collections from the union is deducted the rest of it is wagering and it all came from the same source that you testified about?

Mr. HOFFA. Yes, sir.

Mr. KENNEDY. Where did you get that information?

Mr. HOFFA. This information we got through the international union, through the central conference, trying to go back to the books and recapitulate the tax return, primarily the information came from just going over the returns, I think somebody had them, I don't know who had them.

Mr. KENNEDY. When you have down here "collections received \$13,799.50," on the return for 1955, and you come in now and say that that was not for that purpose and break it down as you have broken it down, how have you been able to do that without having any books or records?

Mr. HOFFA. That was not easy.

Mr. KENNEDY. How were you able to do it?

Mr. HOFFA. We did it the best we could, according to books.

Mr. KENNEDY. How could you do it? This is 2 years ago.

Mr. HOFFA. I called the international and asked them what I had got during that period of time from the international union because I knew what I had been told by the accountants. Then I called central conference and asked central conference, which was very easy to do. If you will look here you will also see again that I called the international union and I got the information and I think Mr. Bellino, since he wanted to help me, has also got the information from the same source I got it from.

Mr. KENNEDY. Your income-tax return shows that you received \$13,799.50 as "Collections received." As I understand it now, you have gone out in the last 3 or 4 days or the last week and now have this figure broken down further. Is that correct?

Mr. WILLIAMS. That is what you asked him to do in the letter you wrote to him, and now you are quarreling with him because he did it.

Mr. KENNEDY. I am just trying to figure out how he did it. That is what interests me.

Mr. WILLIAMS. The information has been provided, Mr. Chairman. I don't see any purpose in conducting a quarrel with the witness.

The CHAIRMAN. We are not going to quarrel; let us move along.

Mr. KENNEDY. Can you give me any idea how you were able to arrive at that breakdown?

Mr. WILLIAMS. I think he has answered that question twice. He said he called the international and got a list of the expenses and he called the central conference and got a list of the expenses, and deducted those from the total figures showed.

Mr. KENNEDY. You declared your expenses then on the income-tax returns?

Mr. HOFFA. I did not declare all of my expenses for my total employment for the union, but certain expenses that I could recall which had been questioned by the accountant, I was able to go back through and get this information.

Mr. KENNEDY. Then you listed things as expenses; you listed that under the category of "Collections received."

Mr. HOFFA. It was miscellaneous collection.

Mr. KENNEDY. You listed all these things that you got as expenses from the union, and you listed that under the category "Collections received."

Mr. HOFFA. Listen—

Mr. KENNEDY. I am listening.

Mr. HOFFA. I told you, and I am telling you again, that the money I got here was gotten from Brennan for wagering. When you wrote me the letter, I recall the argument I had had with Herb Grossberg about the question of paying tax on what I considered expense I should not pay. So then it was pretty simple to go back to the central

conference and the international union and be able to get out of their records what they have listed here. Now, what else could I do about it?

Senator IVES. Is this amount you are talking about, any of it, salary?

Mr. HOFFA. No, sir.

Senator IVES. Paid you by the union?

Mr. HOFFA. Just a moment. Most of this money from the international union is money that is given to a vice president, when I was a vice president, at board meetings, and used for the expense of the individual attending that conference.

Senator IVES. It was expense money, then?

Mr. HOFFA. It is both. They would give you a lump sum of money. That was to take care of your problems you had with your entertainment, your expenses, at this particular meeting.

Senator IVES. Did they report to the Government paying you that?

Mr. HOFFA. I certainly would assume so.

Senator IVES. I just wondered if they did. Then, when you make up your return, you report the full amount and take your expenses out; is that right? Then we get back to the remarks I made about itemizing the expenses.

Mr. HOFFA. You are right. You have to do it.

Mr. KENNEDY. Why would you not list that as coming from the International Teamsters or the Michigan Conference of Teamsters? Why wouldn't you list that money under that category?

Mr. HOFFA. I am not an accountant. I listed it because it was suggested by the accountant that I do it that way.

Mr. KENNEDY. I can understand that, if you listed that money, \$4,000 or \$5,000, whatever it was, under the International Brotherhood of Teamsters, that you got that much money and you have to declare that. Now, I understand you got money from the Teamsters and you put it in the category of "Collections received." Is that correct?

Mr. HOFFA. I did collect it and I did receive it.

Mr. KENNEDY. Mr. Hoffa, these loans that you received from the business agent; are these loans that you spoke about last, I guess, last June? Is that correct? When you appeared before the committee?

Mr. WILLIAMS. What is the question?

Mr. KENNEDY. You spoke about some loans back in August last year, Mr. Hoffa. You testified about them.

Mr. HOFFA. Certainly.

Mr. KENNEDY. Had you paid off those loans at that time, the loans from the business agents other than the ones of Holtzman and Buskin?

Mr. WILLIAMS. That question was covered last time. I think we can refer to his testimony then. This was information that was given at that time. I respectfully suggest here that we have been over this subject of the loans now twice. I am going to provide a letter in accordance with my commitment of this afternoon. This is the 10th appearance of this witness on the stand. I submit that it serves no useful purpose to rehash old testimony.

(At this point the following members were present: Senators McClellan, Ives, Ervin, and Curtis.)

The CHAIRMAN. I think I know what is involved here. The question is some of them, I remember he said, had not been paid, when he testified before.

Mr. HOFFA. That is right, sir.

The CHAIRMAN. Some of them may have been.

Mr. KENNEDY. What I am trying to find out, Mr. Chairman, is whether the witness just came before the committee and stated he had these loans in order to account for certain amounts of cash that he had during the period 1953 to 1957; whether, in fact, these loans had never come to him; and whether this was just a way in which to state that he had sources of cash that he had, either in safe-deposit boxes or was using at that time.

Mr. HOFFA. That is a very fine assumption, but a long way from the truth. So we wouldn't have this record cluttered up and you get your name in the press saying that, I want to make a statement, regardless of what my attorney states. I paid money back on these loans to the extent of all except—it shows here three loans, and I paid it back by the suggestion of this committee that there was something wrong with me owning Wrigley stock and McLean stock. I sold the Wrigley stock and the McLean stock and paid back these loans.

Mr. KENNEDY. These loans were still outstanding at the time you appeared before the committee in August?

Mr. HOFFA. I believe that I testified, and I am not quite sure now. I have not got those papers with me, because I did not know this was going to be a subject, and I had them prepared at that time for testimony. I believe I said I had paid back the \$5,000 loans. But I believe, also, I said that I still owed the business agents the money.

Mr. KENNEDY. I believe that is correct.

Mr. HOFFA. At that point, the question was raised of my right to own certain stocks.

Mr. KENNEDY. I am not going into that.

Mr. HOFFA. Well, I want to clear the record up—the right to own certain stocks which our unions did business with, even though it was a very small amount of stock. The stock was sold, and I paid back what you considered outstanding debts that I was wrong on or something.

The CHAIRMAN. Is this list correct? Joseph Holtzman, \$5,000.

Mr. HOFFA. Yes, sir.

The CHAIRMAN. Abe Bushkin, \$5,000?

Mr. HOFFA. Yes.

The CHAIRMAN. Abe Farris, \$5,000?

Mr. HOFFA. Yes, sir.

The CHAIRMAN. Albert Vignali, \$3,000?

Mr. HOFFA. Yes.

The CHAIRMAN. Paul Allen, \$2,000?

Mr. HOFFA. Yes.

The CHAIRMAN. Marshall DuBach, \$2,000?

Mr. HOFFA. Yes.

The CHAIRMAN. Herman Kierdorf, \$2,000?

Mr. HOFFA. Yes.

The CHAIRMAN. George Roxburgh, \$1,000?

Mr. HOFFA. Yes, sir.

The CHAIRMAN. Albert Squires, \$1,000?

Mr. HOFFA. Yes.

The CHAIRMAN. William Bell, \$1,000?

Mr. HOFFA. Yes.

The CHAIRMAN. Frank Fitzsimmons, \$2,000?

Mr. HOFFA. Yes.

The CHAIRMAN. Rolland McMasters, \$1,000?

Mr. HOFFA. Yes, sir.

The CHAIRMAN. Joseph Prebenda, \$2,000?

Mr. HOFFA. Yes.

The CHAIRMAN. James Clift, \$1,000?

Mr. HOFFA. Yes.

The CHAIRMAN. J. L. Keeshan, \$5,000.

Mr. HOFFA. Yes.

The CHAIRMAN. Now, which of those had you already paid back before you testified?

Mr. HOFFA. Senator, I don't have it with me, but I had it at that time, and I am quite positive the record will show that I paid back Holtzman, Bushkin, Keeshan, and, I believe, Ferris. I think you will find that in the testimony of last time.

The CHAIRMAN. The rest had not been paid back at that time?

Mr. HOFFA. That is right.

The CHAIRMAN. All right. I will hand you, now, application for mortgage loan to the City Bank, of Detroit, Mich., dated May 9, 1957. I will ask you to examine it and state if you recognize that as a photostatic copy.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. HOFFA. Senator, could we have them both together to compare my notes with that? I know you have two of them.

The CHAIRMAN. This is the other one. It is dated the same time, I believe.

Mr. HOFFA. That is right.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. HOFFA. I recognize those photostats.

The CHAIRMAN. Those may be made exhibit No. 61.

(The documents referred to were marked "Exhibit No. 61 for reference, and may be found in the files of the select committee.)

The CHAIRMAN. Mr. Hoffa, in this application for loan, one in the amount of \$12,500, and one in the amount of \$10,000, both dated the same day, and, I believe, signed by you, did you list any of these debts as part of your liabilities?

Mr. HOFFA. I don't believe so. I did not note on there, but I don't think I was requested to. I think you will find, Senator, that is a mortgage on my home and my cottage. I think that is the collateral for it.

The CHAIRMAN. I know. But you did not list these others as debts?

Mr. HOFFA. I don't think I was requested to, Senator.

Mr. KENNEDY. It states here all liabilities, Mr. Hoffa.

The CHAIRMAN. The committee will have to stand in recess for a few minutes.

(Brief recess, with the following members present: Senators McClellan, Ives, Ervin, and Curtis.)

(After the recess, the following members were present: Senators McClellan and Ives.)

The CHAIRMAN. The committee will come to order.

I think, as we recessed, I was interrogating you, Mr. Hoffa, regarding these loan applications. I believe you have examined them, and you find that in neither of them did you list any of these debts you owed to business agents; is that correct?

Mr. HOFFA. Senator, I could answer that. You are right, on the face of it; yes. But I think that the answer has to be—which I think will be verified by the bank, and I imagine you have talked to them—that these records were prepared when I arrived at the bank, and I simply signed my name. I believe I left the deeds or the abstracts with the bank as collateral. I know that I did not read the entire operation of the contract that I signed, except the amount, how I paid it back, and what I put up for collateral.

The CHAIRMAN. I don't know about your bank, but they usually require me to make a pretty thorough disclosure of what I don't have.

Mr. HOFFA. Well, the property was free and clear, and it was sufficient to cover the loan.

The CHAIRMAN. All right; proceed, Mr. Kennedy.

Mr. KENNEDY. The problem is—and we went into this situation with the business agents—that there was no evidence of the loans whatsoever, Mr. Hoffa. You did not have any evidence; you did not have any documentation on the loan.

Isn't that correct?

Mr. HOFFA. Well, you are correct, except——

Mr. KENNEDY. And then it——

Mr. HOFFA. Just a moment. Except the fact that you had the agents in.

Mr. KENNEDY. We had the agents in. For instance, Clift and Bell, who testified before the committee, both had bank accounts. Yet they said that they went home and got their money from a little box, \$1,000 or \$2,000. Mr. Allen had \$2,000. Mr. Clift had \$1,000. They went back and got cash. They both happened to give you cash. They did that even though both had bank accounts. Clift and Bell both had borrowed money from the union. Both had debts at that time.

Mr. HOFFA. What is the problem?

Mr. KENNEDY. The problem and the question is it was under very suspicious circumstances that the money was loaned, if there was such money loaned. If somebody, for instance, wanted to account for a large amount of cash, he might say that he had received loans from a particular individual or from a group of individuals. I am just wondering if that is what you did in these circumstances.

Mr. HOFFA. You would have to wonder a long time, because if you don't want to accept my word for it, and their word for it, then there isn't any way that I know that I could convince you of not wanting to believe what I told you.

Mr. KENNEDY. I am willing to accept your word for it. Therefore, we will go to what you tell the bank.

Mr. HOFFA. So I did not tell the bank——

Mr. KENNEDY. Wait a minute. You signed this statement and said you had no loans on both of these statements.

Mr. WILLIAMS. No, he did not say he had no loans on both statements. Again you have misquoted a document. The document will cite notes payable. There were no notes. Accounts payable? He

said these were loans which were not evidenced by notes and which were not accounts as such.

Mr. KENNEDY. Certainly notes and accounts payable cover any kind of loans, Mr. Williams. If you can escape that, then I would think that you can get out of anything.

Mr. WILLIAMS. I don't see anything there, if my recollection serves me correctly, about loans payable. So I say it is inaccurate to say that he said there were no loans payable there. I don't know the circumstances other than what he has just testified to, concerning the filling out of that document. But it isn't accurate to say that there is an item there of loans payable.

Mr. KENNEDY. Loans payable and accounts payable, according to the accountants, are one and the same thing. When they ask you to list your loans, list your accounts payable, I expected that they wanted to know what debts you had at the time.

I expect that was the intention of the bank, Mr. Hoffa.

Mr. WILLIAMS. I don't understand accounts payable to be loans payable. I understand accounts payable to be debts owing on account to some commercial enterprise.

(At this point, Senator Curtis entered the hearing room.)

The CHAIRMAN. How would you list these loans on this, if you did not list them under liabilities?

Mr. WILLIAMS. I think you would list them as loans payable, Mr. Chairman, but the thing that caused me to object was the statement by counsel that there was a place designated on that sheet for loans payable. I did not see one when I examined it.

The CHAIRMAN. They have 2 columns, 1 assets and 1 liabilities. They list notes payable, accounts payable, and installment accounts, and indebtedness on other real estate. Then there is a total. Anyway, they were not reported for whatever reason. Proceed.

Mr. KENNEDY. When our investigators interviewed you in Detroit prior to your testifying here, Mr. Hoffa, they asked you if you had paid back this money that you stated that you had gotten from the business agents, and you told them that you had.

Mr. HOFFA. Let me tell you something. I did not talk to your investigators about any question. You tell me the investigator I talked to. I want to hear him.

Mr. KENNEDY. You talked to Mr. Bellino and Mr. Salinger about that.

Mr. HOFFA. I will tell you something. I have witnesses. I did not tell them that. I said I had not paid them back.

Senator IVES. Mr. Chairman, I suggest that we have a little more courtesy on the part of the witness.

Mr. HOFFA. Well, Senator—

Mr. WILLIAMS. I was going to say, Senator, I think, as you do, I am sure, that courtesy is a two-way street. I don't conceive it to be courteous treatment to the witness for the counsel to constantly quarrel with him and express doubts on his testimony, and place incredulity upon it.

The CHAIRMAN. Let the Chair make this observation. We are going to move along. I try to be as courteous to everyone as I know. Ask the question and let the witness answer. Let's proceed.

Mr. KENNEDY. Didn't you state to the investigators, Mr. Salinger and Mr. Bellino, when they interviewed you in Detroit, that you had paid this money back to the business agents?

Mr. HOFFA. I don't recall any statement that I made to Mr. Bellino or to Mr. Salinger concerning anything that I testified to here except that we got into a terrific argument in my office concerning the fact that they were trying to take over our office so we could not operate our business during the course of the subpoena.

There was no statement that I signed at any place that I know of.

Mr. KENNEDY. I didn't say you signed it.

Mr. HOFFA. Well, they can put down anything they want or they can believe anything they want. I can't help it, Mr. Chairman. But at this point, Mr. Bellino and Mr. Salinger were trying to take over our entire operation and put us out of business. Your subpoena did not call for that, and I was violently objecting to it. Finally we were able to get you, I guess it was you, to agree that we had a right to stay in business during the course of your investigation.

The CHAIRMAN. Well, of course, Mr. Hoffa, I was not trying to put you out of business. We have to issue subpoenas to get the records. Let's proceed.

Mr. KENNEDY. I would just like to say if the testimony that we had by the business agents was that they loaned this money in cash, that they had no evidence of it, that you had no evidence of it, that Cliff and Bell, for instance, both had bank accounts, a number of them had borrowed money from the union, all of them borrowed money from other sources during the life of the loan, that these statements here would certainly indicate that you had repaid these loans, and in your statement to these two investigators at the time they interviewed you you made a statement that you had paid the loans. That is the information we have.

Mr. HOFFA. Mr. Chairman, I would like to see a statement I made to an investigator concerning it.

The CHAIRMAN. Who are they? You both have been sworn.

TESTIMONY OF CARMINE S. BELLINO—Resumed

The CHAIRMAN. Mr. Bellino, did you interview Mr. Hoffa?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. Did you interrogate him about his debts?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. Did you interrogate him about any of these that are listed here, these loans from the business agents?

Mr. BELLINO. Yes, sir; but not individually or specifically. Just generally on all loans that he had.

The CHAIRMAN. You didn't have a list of the business agents at the time?

Mr. BELLINO. We did not question him in view of the answers which he gave.

The CHAIRMAN. State just what occurred and make it as brief as you can.

Mr. BELLINO. Mr. Hoffa was interviewed on August 7, 1957.

The CHAIRMAN. Who was present?

Mr. BELLINO. Present was Mr. Salinger. In addition, he had Mr. Owen Brennan, Robert Holmes, William Buffalino, George Fitzgerald, Frank Fitzsimmons, Frank Collins, and Herbert Grossberg, the accountant.

The CHAIRMAN. They were all present at this interview?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. What occurred with respect to his debts?

Mr. BELLINO. With respect to his debts, Hoffa was asked about any loans and he said he had none. This memorandum was prepared, Senator, on August 8, 1957, was received here on August 10, 1957.

The CHAIRMAN. Now you asked him specifically if he had any loans?

Mr. BELLINO. Yes, sir; he said he had none. He was asked for a list. He said he would refuse to give a list as he didn't want any questioning that would stop his credit. He was asked about personal loans, and he said we could get that from the Hoffman committee, and that he had testified under oath relating to the loans. He said the loans mentioned in the Hoffman committee were now all paid off. He was requested to furnish us with a list of all loans showing the date and the amount received and from whom, as well as the date, and amounts of payments that were made. He said he could not furnish that information. He said he kept no records, gave no notes and that his word was sufficient.

He was told we wanted the details of the loans and since he had stated that the person loaning the money to him kept the details it was suggested he might contact them and then furnish us the information through his attorney.

Hoffa stated he would think about it and did not know whether he would furnish such information. Hoffa stated he didn't know when he paid the loans back but that he never gave a note but that he had paid them back over a period of years. He stated that he never gave a note and that if the people didn't want to loan him money on his word, he didn't want any.

He further stated he does not have to account to any one for the money he had spent. He remarked, "I do business out of my pocket."

The CHAIRMAN. Who wrote that memorandum?

Mr. BELLINO. I dictated it, sir.

The CHAIRMAN. When?

Mr. BELLINO. On August 8, 1957.

The CHAIRMAN. When was the conference?

Mr. BELLINO. August 7.

TESTIMONY OF PIERRE E. G. SALINGER—Resumed

The CHAIRMAN. Mr. Salinger, were you present?

Mr. SALINGER. I was present during the interview. I also read the memorandum of Mr. Bellino before it was sent to Washington.

The CHAIRMAN. Any further questions?

Mr. KENNEDY. And do you remember, Mr. Salinger, independently, that Mr. Hoffa stated he had repaid all the loans that had been mentioned in the Hoffman committee?

Mr. SALINGER. He definitely made that statement.

The CHAIRMAN. Any further questions?

Mr. KENNEDY. Mr. Hoffa, did you also have a loan of \$100,000 that you did not tell us about?

TESTIMONY OF JAMES R. HOFFA—Resumed

Mr. HOFFA. I didn't consider that a loan because it was money that I never had in my hand, or money that I spent. It was simply put up by the bank.

Mr. KENNEDY. You spent it?

Mr. HOFFA. No; I didn't.

Mr. KENNEDY. Did you get anything out of the \$100,000?

Mr. HOFFA. You say did I get anything out of the \$100,000?

Mr. KENNEDY. Was the \$100,000 used?

Mr. HOFFA. The bank put the \$100,000 up to pay for some stock.

Mr. KENNEDY. You received \$100,000 to purchase some stock?

Mr. HOFFA. I never received \$100,000. The bank held the stock and the bank put it up, the bank held the stock for collateral and put up the \$100,000 to buy the stock.

Mr. KENNEDY. That stock was in your name, was it?

Mr. HOFFA. Yes.

Mr. KENNEDY. Where did you get that money from? From what bank? Is it Lake View Savings & Trust Co., of Chicago, Ill.?

Mr. HOFFA. I am not sure. I do not have that here for some reason—wait a minute, maybe I do. No, I don't have that right here. So I can't recall what bank it was. It was a bank in Cleveland, I know. What bank it was I don't know.

Mr. KENNEDY. Let me ask Mr. Salinger to put the facts in the record, Mr. Chairman.

The CHAIRMAN. We are talking about a hundred thousand dollar loan now.

Mr. HOFFA. \$100,000 that the bank purchased stock and held the stock for the mortgage. I call it a mortgage, not a loan, because I never received the money.

The CHAIRMAN. You got the stock?

Mr. HOFFA. I never received the stock physically. The bank held the stock for collateral.

The CHAIRMAN. I mean you owned the stock?

Mr. HOFFA. When I paid off the money, yes.

The CHAIRMAN. The bank had a liability against you?

Mr. HOFFA. Liability on the stock, yes, sir.

The CHAIRMAN. You went to the bank for money to buy the stock and they held the stock for collateral. Is that correct.

Mr. HOFFA. I didn't go to the bank to get the money. The bank put up the money.

The CHAIRMAN. I do not mean physically.

Mr. HOFFA. They put the money up.

Mr. KENNEDY. That was a collateralized loan, was it not?

Mr. HOFFA. To buy the stock they put the money up for.

Mr. KENNEDY. You never mentioned that during your last appearance.

Mr. HOFFA. I never thought it was the kind of loan you were talking about, but a mortgage. You will notice I said I would bring up a list to the best of my recollection, but I never thought of that as such.

The CHAIRMAN. You have the record of the loan there, Mr. Salinger.

Mr. SALINGER. Mr. Hoffa obtained a loan through the Blair Co. from the Lake View Savings & Trust Co., of Chicago, Ill., in the amount of \$100,000. This money was used, together with the \$25,000 that he borrowed from Harold Mark, to purchase 100 Freuhauf bonds for a total of \$126,800. This loan was later transferred, in August of 1956, to the Cleveland Trust Co., of Cleveland, Ohio. At that time the total amount of the loan was \$94,000.

On December 11, 1956, local 299 of the teamsters disbursed a check to the Cleveland Trust Co. in the amount of \$76,266.

Mr. KENNEDY. What was that for, Mr. Hoffa?

Mr. HOFFA. They became the owners of the stock.

Mr. KENNEDY. You sold the stock to local 299?

Mr. HOFFA. I signed over my interest in the stock to 299.

Mr. KENNEDY. That is selling your interest. They paid off your loan to the bank?

Mr. HOFFA. That is what happened. I had an assignment made to 299 for the stock.

Mr. KENNEDY. So local 299 then purchased these Freuhauf bonds from you?

Mr. HOFFA. They paid off the bank and took possession of the stock.

Mr. KENNEDY. They paid the debt you owed to the bank and got the stock?

Mr. HOFFA. Took the stock over.

The CHAIRMAN. What do you call that? Did you borrow that money from the union or did you sell the stock to the union?

Mr. HOFFA. I didn't own the stock, it was a stock that was indebted to the bank. They paid out the indebtedness and took the stock over.

The CHAIRMAN. Mr. Hoffa, you obviously owed for the stock.

Mr. HOFFA. No question about it.

The CHAIRMAN. And they paid off the debt you owed.

Mr. HOFFA. Right.

The CHAIRMAN. In doing so the local purchased the stock?

Mr. HOFFA. As though they bought it on the board; yes.

The CHAIRMAN. In other words, that transaction was the sale of the stock to the local?

Mr. HOFFA. It amounted to that.

Mr. KENNEDY. Was it just a coincidence that local 299 decided to buy Freuhauf stocks and you decided to sell Freuhauf stock? Who was president of local 299?

Mr. HOFFA. Myself.

Mr. KENNEDY. Was it just a coincidence that you as president of the local decided to buy Freuhauf stock for the local and you as an individual decided to sell it?

Mr. HOFFA. I thought it was a good investment.

Mr. KENNEDY. For whom, you?

Mr. HOFFA. For the local union.

Mr. KENNEDY. What is the stock worth now? Do they still own it?

Mr. HOFFA. We checked it the other day. I believe it is just about the same amount that we paid for it.

The CHAIRMAN. Is this stock on the board?

Mr. HOFFA. Yes, sir. It is bonds on the board. I think you will find it is almost equal to the purchase price.

Senator IVES. Are these convertible bonds?

Mr. HOFFA. I can't tell you.

Senator IVES. I do not know whether they have a convertible issue out or not.

Mr. HOFFA. I don't know, either.

Senator IVES. May I ask another question: What plane are you trying to catch, anyway?

Mr. HOFFA. I am trying to catch the 5:30.

Senator IVES. You have time enough then.

Yesterday there was brought up a matter of \$125,000 on deposit in some bank? What bank?

Mr. HOFFA. Fidelity Bank & Trust Co.

Senator IVES. For 4 years almost. What is the story back of that?

Mr. HOFFA. There is no story.

Senator IVES. All right. Explain that, please.

Mr. HOFFA. There is no explanation. I can understand your statement yesterday very easily as to why we did not put it in and get interest on it. I understand that but the point is that we wanted the money to be in the bank and as far as I know, at this particular moment there wasn't any particular reason why we put it in one kind of account or the other.

Senator IVES. There would be all kinds of reasons. If you put it in a savings account you could have gotten some interest on it.

Mr. HOFFA. I understand that. But I don't think there was any reason other than I gave yesterday for the local union to have the money accessible to them, other than any reason to have the money accessible to them to put in one kind of account or another type of account.

(At this point, the following members were present: Senators McClellan, Ives, and Curtis.)

Senator IVES. Wouldn't it make any difference if they earned some money on it or not?

Mr. HOFFA. Well, it would in the long run, but as long as we had the money protected and in the bank, that is the primary interest of our union, and I think it saved us hundreds of thousands of dollars from having strikes in Indiana.

Senator IVES. And the next question, will you?

Why didn't you make a statement that your credit was behind the whole business anyway and avoid transferring that amount of money?

Mr. HOFFA. It doesn't work out that way in the union business.

Senator IVES. Do you mean they have to see the money there?

Mr. HOFFA. The employers knew full well, better than I can tell you, and I think they can express it, that if I put \$125,000 in that bank to support Gene San Soucie and the local Indiana union, that all the money in the country would go in there also if we used up the initial \$125,000. They knew it was only an initial deposit in case of trouble.

Senator IVES. Then your promise itself isn't worth anything from the standpoint of the union?

Mr. HOFFA. Not from the standpoint of employers.

Mr. KENNEDY. We want to finish up where the union paid 76 and it was worth 94.

Mr. SALINGER. By the time it got to the Cleveland Bank, it had been paid down to 94,000, and when local 299 paid for it the total indebtedness to the bank was \$76,176.26.

Mr. KENNEDY. They paid a check to the bank?

Mr. SALINGER. Directly to the trust company.

Mr. KENNEDY. And the collateral was released.

Mr. SALINGER. Correct.

Mr. KENNEDY. And you turned the collateral over to the union?

Mr. HOFFA. To the union. They have the bonds now.

Mr. KENNEDY. Have we any figures on what the bonds are worth at the present time?

Mr. SALINGER. I don't know about this or not.

Mr. BELLINO. The last time we checked it was between 74 and 75.

Mr. HOFFA. It is pretty close to where it was. It is up a little. I know that.

The CHAIRMAN. The committee will stand in recess until 10:30 next Tuesday morning.

(Whereupon, at 4:21 the hearing was recessed, to reconvene at 10:30 Tuesday morning, August 19, 1958, with the following members present: Senators McClellan and Ives.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, AUGUST 19, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator John F. Kennedy, Democrat, Massachusetts; Senator Frank Church, Democrat, Idaho; Senator Barry M. Goldwater, Republican, Arizona; Senator Karl E. Mundt, Republican, South Dakota, and Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adleman, assistant chief counsel; Paul Tierney, assistant counsel; John J. McGovern, assistant counsel; Carmine S. Bellino, accountant; Pierre E. Salinger, investigator; Leo C. Nulty, investigator; James P. Kelly, investigator; Walter J. Sheridan, investigator; James Mundie, investigator; John Flanagan, investigator; GAO; Alfred Vitarelli, investigator, GAO; and Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the committee present at the convening of the session were: Senators McClellan, Ives, Kennedy, Mundt, Goldwater, and Curtis.)

The CHAIRMAN. The Chair received a request through another member of the committee 2 or 3 days ago, or sometime last week, for Congressman Wint Smith to testify. He has requested to do so. That request was promptly granted, and I understand that Congressman Smith is here this morning, and we will be very glad to hear you, Congressman. Will you come around, please?

Will you be sworn? You do solemnly swear that the evidence, given before this Senate select committee, shall be the truth, the whole truth, and nothing but the truth, so help you God?

Representative SMITH. I do.

TESTIMONY OF HON. WINT SMITH

The CHAIRMAN. Congressman Smith, you have a prepared statement which you have submitted.

Representative SMITH. I do; and I would like to give that prepared statement and after I have given it I would be glad to answer any questions.

The CHAIRMAN. Thank you very much. The committee welcomes you and we are very glad to have you come and give us your testimony.

All right, you may proceed and identify yourself, I believe, for the record, Congressman.

Representative SMITH. My name is Wint Smith, and I am a Member of Congress from the Sixth Congressional District of Kansas.

Mr. Chairman, last week your committee had before you Payne Ratner, an attorney of Wichita, Kans., and former Governor of Kansas. He gave certain testimony in connection with hearings that were conducted in November 1953 in Detroit, Mich., by a subcommittee of the House Committee on Education and Labor of which I was chairman.

Certain questions have been raised in connection with Mr. Ratner's testimony. Some of these questions have reflected upon me, and I want to set the record straight.

First of all, the subcommittee of which I was chairman held 2 hearings in Detroit, 1 in June and 1 in November. The June hearing was held jointly with a subcommittee from the House Committee on Government Operations. The November hearing was held by my subcommittee, sitting alone, since the Government Operations Subcommittee was not functioning.

Your committee released three letters from Mr. Ratner's files, all commenting on the possibility of a contempt citation against Mr. Hoffa. All three letters report that I said, in effect, that Hoffa would not be cited. All 3 letters were written in March 1954, and 1 of them refers to 1 of my conversations which presumably also occurred during March. Now, Mr. Chairman, may I call attention to the fact that a report of my subcommittee was made and published, and that report unanimously recommended that there be no contempt citation of James Hoffa. The official hearing record shows that Mr. Hoffa refused to answer a number of questions at the June hearing. The record also shows that when called to testify once more in November, he was asked these questions again. At that second hearing, he did answer all questions put to him.

This record further shows, and all these records are and have been available to your committee or its staff, had anyone taken the trouble to inquire, the record further shows that I joined in a contempt citation based upon Mr. Hoffa's refusal to answer in June. The record likewise shows that after he did answer the same questions in November, I joined in a recommendation, a unanimous recommendation, by the way, for the withdrawal of the June contempt recommendation.

Now mind you, I said nothing then, and I have said nothing since, to suggest that we were given fully truthful answers at the November hearing. And here again, I wish someone from your committee had taken the time either to inquire or to check the records on the other side of the Capitol. Those records would have shown you we also unanimously recommended that the entire transcript of the proceedings be sent both to the Attorney General and to the Director of Internal Revenue.

At this point, Mr. Chairman, I should like to hand you, and I have here, the official transcripts and the reports on these hearings. I hope someone in your committee will read the pertinent sections, so that you and the other Senators serving with you will have the facts.

Mr. Chairman, you know that I know, many lawyers write letters to clients and to those they hope will become clients. They write these letters for a variety of purposes, I am sure. Often they overstate their own importance, their own abilities, their accomplishments, and their alleged friendships with people in important places, and the obvious purpose of those letters is to put themselves in a better light with that client. As a matter of fact, every Member of Congress knows how many people, lawyers included, claim to have been the real author whenever an important piece of legislation is passed here.

Now, I am not going to characterize Mr. Ratner's purpose in writing the letters in which he referred to me or in writing any other letters. I will simply refer you to the record of the proceedings, so that you can see what my jurisdiction was, and what actions I took.

Mr. Chairman, prior to holding any hearings for the Committee on Education and Labor, as a subcommittee chairman I had occasion to look up the rights of witnesses appearing before congressional committees.

There are no Federal statutes protecting a witness appearing before a congressional committee from intimidation or coercion. In fact there are very few absolute safeguards for the protection of the witness. His treatment generally is dependent upon the attitude of the chairman and the members of the committee. An investigation is not a trial, therefore the rules of a court do not apply. But in my opinion all legislative investigations should be concerned with the rights of witnesses as laid down by long-established judicial procedure. And, of course, all recognize that witnesses must be granted privilege against self-incrimination and the right to secure against unreasonable searches and seizures.

At the Detroit hearings in June, on many occasions during the progress of the 4 days on which hearings were held, controversies arose as to the competency of the evidence and that questions were unfair. Attorneys for James Hoffa complained that committee members and staff were asking unfair questions.

Prior to the November hearings in Detroit, Mr. Ratner asked me to see that Mr. Hoffa had fair treatment when he, Hoffa, appeared before the committee. To this request I replied, "Payne, you should know me well enough that as chairman of this subcommittee, I am not going to persecute, prosecute, or harass any witness. Every witness is entitled to be treated fairly because after all, these hearings are looked upon as a semijudicial process, and even a Jimmy Hoffa is entitled to fair treatment."

Hoffa got fair treatment, and the record shows that. Each and every witness got fair treatment and you will find that in the record. You'll find another thing in that record, too, if you'll look. No witness, Hoffa or any other, got preferred treatment or soft treatment. We were both firm and fair, and if anyone doesn't like that, let him step up and say so.

During these November hearings a member of the committee asked me if we could take testimony on a matter wholly unrelated and outside the subcommittee's jurisdiction. I stated that I did not think so if the subject matter was not related to welfare funds. The matter referred to involved the autoworkers and the Studebaker Co. at South Bend, Ind.

At about the close of those November hearings, I was asked to come to the telephone for a long-distance call. The person who asked me to come to the telephone said, "Washington calling." The voice on the telephone identified himself as Mr. Crumpacker, Congressman from South Bend, Ind. He asked if the witnesses were to be called from South Bend to the hearing in Detroit, about the Studebaker matter. I replied to him that we were not going to hear their testimony because in my opinion the question involved was not within the jurisdiction of the subcommittee.

In order to emphasize the identity of the party to whom I talked on the telephone, on page 1282 of the official transcript of your hearings, the Honorable Clare Hoffman states that Mr. Crumpacker at a later date here in the Congress said to Mr. Hoffman, "Do you know who called off the Detroit hearings?" Hoffman said, "No, I never did." Mr. Hoffman states Mr. Crumpacker said, "Well, I did."

When asked by the press why we were concluding the hearings, I stated, "Because of higher authority." That higher authority had established the jurisdiction of my subcommittee.

Since this controversy has arisen last Friday, I talked to Mr. McConnell, who was chairman of the full House Committee on Education and Labor and asked him to please tell me again what my jurisdiction was in the Detroit hearings. His reply was, "Welfare funds, period."

It has also been reported that I did not allow the hearings to be finished. That too is not true. Again, if the records had been checked or if anyone had inquired, your committee would have known this was not true. The hearings were finished, and we concluded with Mr. Hoffa who remained on the stand until we had asked every question pertinent to our inquiry.

And here, Mr. Chairman, let me refer you once again to the official records. You will find, as an earlier inquiry would have shown, that the subcommittee of the Committee on Education and Labor, of which I was chairman, was given limited jurisdiction, limited as to time, subject matter, and the geographical area in which we were to function. If you and the other Senators will read the letters appointing my subcommittee, letters from the chairman of the full committee, you will see these limitations.

And in conclusion let me also refer you to a statement I made at the close of my subcommittee's Detroit hearing in November 1953, which appears on page 500 of the official transcript of our hearing:

"Mr. SMITH. For the purpose of the record, I have received many, many telegrams, and some letters relative to this investigation in other parts of the country. That is not my province, not my decision to make as chairman of the subcommittee handling this hearing. That is a matter for the chairman of the full Committee on Education and Labor in Washington to make."

That is my statement.

(At this point, the following members were present: Senators McClellan, Ives, Kennedy, Mundt, Goldwater, and Curtis.)

The CHAIRMAN. Thank you very much, Congressman.

Are there any questions?

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Mr. Smith, I think you have brought to this committee a concise statement of what the record shows concerning what happened. This record would have been available to the committee. Unfortunately, it was not pursued, or some of these happenings could have perhaps been avoided. To me, I believe that the letters of ex-Governor Ratner were self-serving letters in which he was attempting to impress his client, the Teamsters. I say that without any equivocation because, by his own admission, he was their black-bag man, passing out campaign contributions and the like.

Also you may be interested in knowing that at the very time, or over the same period of time, that Mr. Ratner was writing letters to his clients in reference to you, he also admitted writing a letter, which is in the record, wherein he had written to you and complained that you had ignored him, that you had not answered his letters.

Now, Mr. Smith, I want to ask you: Did Jimmie Hoffa receive preferential treatment of any kind in any manner whatever in these hearings in which you were in charge?

Representative SMITH. He did not.

Senator CURTIS. Were you given any favors or anything of value or any offers whatever from Hoffa or any other person to influence your actions?

Representative SMITH. None whatsoever.

Senator CURTIS. And, of course, you received nothing?

Representative SMITH. I received nothing.

Senator CURTIS. Again, I feel very badly about what has transpired here, especially when it could have been avoided by a little more perusal of the record over on the House side. There is something else I want the record to be abundantly clear on. What was your committee in the House at that time, the major committee?

Representative SMITH. I was on the Committee on Education and Labor.

Senator CURTIS. And in the House, the Members have but one committee, isn't that correct, for the most part?

Representative SMITH. That is right.

Senator CURTIS. Who was chairman of that full committee?

Representative SMITH. At the time of these hearings, Mr. Sam McConnell.

Senator CURTIS. He was a Representative from the State of Pennsylvania?

Representative SMITH. That is correct.

Senator CURTIS. Was Mr. Clare Hoffman a member of the Committee on Education and Labor?

Representative SMITH. He was.

Senator CURTIS. He was. But he was also chairman of the full Committee on Government Operations, isn't that correct?

Representative SMITH. That is correct.

(At this point, Senator Church entered the hearing room.)

Senator CURTIS. Mr. Hoffman, Clare Hoffman, possessed whatever jurisdiction the Committee on Government Operations and its chairman possessed, did he not?

Representative SMITH. Yes, sir.

Senator CURTIS. But you did not?

Representative SMITH. I did not.

Senator CURTIS. Your jurisdiction was limited to what the chairman of the full committee assigned to you?

Representative SMITH. That is correct.

Senator CURTIS. You referred to the transcript here that you had made available to this committee. Does that transcript have any letter or letters or any other communications from Chairman McConnell telling you what to do?

Representative SMITH. It does. It contains them in full. The June hearings and the November hearings, the letter to me in both instances appears in the official transcript.

Senator CURTIS. Is that a lengthy proposition or is it difficult to find? If it is not too long, I would like to have you read it.

Representative SMITH. Shall I read the full authority or just that refers to—

Senator CURTIS. The pertinent parts. Then the full letter—

Representative SMITH. I am reading from a letter written by Mr. Sam McConnell on November 13, 1953, addressed to me, Wint Smith.

I hereby reappoint you as chairman of a special subcommittee of the Committee on Education and Labor to complete the investigation in the Detroit, Mich., area, as authorized under my letter of June 6, 1953. In completing this investigation, your committee is further authorized and directed to hold hearings in Chicago, Ill., on matters directly pertinent to and directly connected with the aforesaid investigation in Detroit, Mich.

Senator CURTIS. And what was that communication earlier?

Representative SMITH. The communication that he refers to is a letter that he addressed to me in June, on June 6, 1953, concerning the hearings that we were to hold at St. Joseph, Mich., and at Detroit, Mich., in connection with the joint committee—it was a joint committee, but I was there with Mr. Clare Hoffman on a subcommittee of his Government Operations Committee. So there were two subcommittees working at the first hearing in Detroit.

Senator CURTIS. And your jurisdiction was limited, according to Mr. McConnell, on the welfare fund?

Representative SMITH. That is right.

Senator CURTIS. And to complete what they started out there?

Representative SMITH. To complete. And we were limited as to area and subject matter of our investigation.

Senator CURTIS. Congressman, I want to say that you have made an excellent appearance here.

Those of us who have had the privilege of knowing you, to us there has never been any doubt but what you carefully and ethically, honestly, perform your duty in every particular. The record conclusively shows that. I am delighted you have been here.

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mundt.

Senator MUNDT. I would like to say that I want to associate myself with what Senator Curtis has said. I think your appearance here has been salutary and helpful, although I don't think it was necessary because I don't believe any question was raised in the mind of any fair-minded person about your good work on that subcommittee at that time. You have, however, cleared up the significance of a phrase that has been popping up and down in the papers for a long time about this phrase "higher authority." I am glad that you have pointed out correctly that that higher authority was the chairman of the full committee, who had delimited the work of the subcommittee, both geographically and as to subject matter.

I know something about that limitation at that time because while your subcommittee was functioning, I was among those trying to induce you to induce the committee—whether you or some other subcommittee—to conduct hearings about Teamsters up in Minneapolis, where an unsavory situation had developed.

I know that the subcommittee operated under instructions on certain subject matters and certain geographic locations. I quite agree with you that you were acting appropriately when you gave Mr. Hoffa a chance to purge himself, because our investigation committee, both this one and the permanent Senate Committee on Investigations and the House Committee on Un-American Activities, on which I served for a long time, followed the practice that where a witness comes back a second time and says, "I am now going to tell all, I have changed my mind," or "I am going to ignore the advice of an earlier lawyer," or "My earlier lawyer has had a second thought and suggests now that I answer questions directly," we have accepted that, because the purpose of an investigation is not to try to trap somebody in a contempt for Congress citation, or to a perjury charge.

The purpose is to elicit information. If on a second chance we can get the information required, that, after all, is the function and the duty and the purpose of a committee of this type.

I am happy that you did make your appearance, although, as I say, there was no question raised in my mind. I don't believe there was any question raised in anybody's mind but what you were carrying out to the fullest extent of your ability and your authority the functions which were delegated to you back in 1953.

I would like to say one other thing. I would like to congratulate you on the job that was done. I have read some of those committee reports, and I think that with regard to the Teamsters' problem that we are now wrestling with in this committee, your subcommittee can certainly lay claim to the fact that you opened the door to all of this, and that you made some very helpful and salutary recommendations at that time, based on what was a comparatively short investigation compared to the lengthy investigation engaged in by our committee.

But there is a great parallelity between the recommendations that your subcommittee made and those which we have made, and I suspect

those which we are going to make as we further comment upon the investigation we have.

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. Mr. Chairman, I want to join my two colleagues in commenting on the appearance of Congressman Smith. I am sorry that it was necessary for the Congressman to come over here to explain what should have been explained by a little more investigation on the part of our staff. I am sure it was an oversight. I hope it will not happen again.

Mr. Smith, have you ever been supported in your campaigns for election by Mr. Hoffa?

Representative SMITH. No, sir.

Senator GOLDWATER. Have you ever been supported in your campaigns by organized labor?

Representative SMITH. I have not.

Senator GOLDWATER. I thought that would be your answer, because, as I recall it, you and I are authors of rather identical legislation that both of us feel will really get at the heart of this whole problem, and that is to give freedom to the union worker in the form of voluntary unionism. Is that correct?

Representative SMITH. For the past three Congresses I have introduced a national right-to-work bill, and in addition to that, I have introduced a bill making labor unions subject to the antimonopoly laws that apply to everybody else.

Senator GOLDWATER. Even though that is a very popular subject and one that is wanted, I feel, by the majority of workers in this country, that isn't the way to endear yourself to Jimmie Hoffa, Walter Reuther or any of the other leaders, is it?

Representative SMITH. I am certain it is not.

Senator GOLDWATER. When I mentioned, "backed by organized labor," I am certain that you get many votes by organized workers but not the support of the bosses. That is what I was getting at.

Representative SMITH. My sole approach to all of this matter, Senator, is simply this: If I read history and know anything about what happens, it is that power always corrupts, and I don't care who it is. Power always corrupts when you get it collected in any one place. That is exactly what is going on in America today.

Senator GOLDWATER. I agree with you 100 percent, and I hope that the day comes in the not too far-distant future when the Congress of this country will recognize what the people already know, that what you have just said is the truth. I want to compliment you on your appearance here this morning, and wish you well in the coming months.

The CHAIRMAN. Are there any further questions?

Senator KENNEDY. As I understand it, in the newspaper story on November 28, 1953, I think the reporter was Robert Ball, and he said:

Representative Wint Smith, subcommittee chairman, was questioned about the influence being brought to bear and he said the pressure comes from a way up there, and I just can't talk about it any more specifically than that.

I understand that you are saying that this pressure came from Congressman McConnell.

Representative SMITH. By his instructions to me repeatedly, about what I was to do in the Detroit hearings.

Senator KENNEDY. Did anyone else bring pressure?

Representative SMITH. No one else.

Senator KENNEDY. And when you made the statement that "pressure comes from away up there" and pointed to the ceiling, you were talking about Congressman McConnell?

Representative SMITH. That is right.

Senator KENNEDY. And you weren't talking about anyone else?

Representative SMITH. I was not.

Senator KENNEDY. Why didn't you say that the chairman instructed you to limit your hearings instead of saying "the pressure comes from a way up there," and pointing to the ceiling?

Representative SMITH. How is that?

Senator KENNEDY. Why didn't you just say that "The chairman has instructed me to limit my hearing to a certain area," rather than using the general phrase, "The pressure comes from a way up there, and I just can't talk about it any more specifically than that," and pointing to the ceiling?

Representative SMITH. Senator, you have been in military service, and so have I, and we don't talk about our commanding officers. When our commanding officers tell us to do something, we do it.

Senator KENNEDY. As I understand your commanding officer in this case was Congressman McConnell?

Representative SMITH. That is right.

Senator KENNEDY. And now during the hearing in Detroit I understand you left the committee room during the hearing and then came back and made this statement. Did Congressman McConnell call you long distance?

Representative SMITH. He did not. I stated in my statement a while ago that I went to the telephone and talked to a voice that said he was Congressman Crumpacker, and he asked me if I was going to call those South Bend witnesses, and I said, "No."

Senator KENNEDY. If you were going to call whom?

Representative SMITH. The South Bend witnesses.

Senator KENNEDY. That was the only phone conversation that you had?

Representative SMITH. That is right.

Senator KENNEDY. Then you came back and stated that the investigation was off, and when asked why, you made this statement. Did you talk to anyone else on the phone?

Representative SMITH. I did not.

Senator KENNEDY. When did you get the message from Congressman McConnell and how was it delivered?

Representative SMITH. I always got messages, or my letter in other telephone conversations. I don't remember the exact time, but on that particular day I didn't get any telephone conversation from Chairman McConnell.

Senator KENNEDY. When did it come to you then, this pressure from Congressman McConnell?

Representative SMITH. Why, I was told before I went out there, and I was told subsequently, or after the hearings started.

Senator KENNEDY. So that it wasn't when you left the room and then came back and made this statement, and it wasn't as a result of a call from Congressman McConnell?

Representative SMITH. No.

Senator KENNEDY. I understand the reason we went into this Congressman was on account of the Teamsters hiring Mr. Ratner who reported these phone conversations and bills and used your name. You understand that is the reason that this matter was brought to the attention of the committee?

Representative SMITH. That is right.

Senator KENNEDY. And it wasn't an attempt to embarrass you per se, but it was an attempt to find out if political influence had been brought to bear by Mr. Hoffa and others on the committee.

Representative SMITH. I understand that.

Senator KENNEDY. And I understand you were informed before this matter came out that this was going to be brought out; isn't that correct?

Representative SMITH. That is correct.

Senator KENNEDY. Therefore, it seems to me that it is a proper subject for interrogation by the committee. Don't you think it is?

Representative SMITH. That is within the province of the committee.

Senator KENNEDY. So that I don't think that any criticism of the staff work in this case is justified, because the records are very clear as to what Mr. Ratner claimed, and the bills he submitted, and what was in the interest of the Teamsters and the story by Mr. Robert S. Ball.

It seemed to me to be frank. This is the first time that I heard that the pressure that we have talked about was Congressman McConnell and not someone else.

I hope that Congressman McConnell will be given an opportunity, and I don't want him to say that his name was brought in, and that better staff work wouldn't have brought him in, and it has been brought in. I hope that Congressman McConnell will be given an opportunity, if he should so desire, to state his recollections of the incident.

Representative SMITH. I want to say this: I called Mr. McConnell on the telephone and said, "Sam, I want you to tell me again what my instructions were at the Detroit hearings." And he said, "Welfare funds, period." And I said, "Can I so state that?" and he said "Yes."

Senator KENNEDY. As I understand it, it was not due to Mr. Ratner, but due to Congressman McConnell that these hearings were called off, and Congressman McConnell was the person "upstairs" who was the pressure?

Representative SMITH. I am sure that you want to be fair.

Senator KENNEDY. I do.

Representative SMITH. And here is a working brief, which was furnished out there, and it shows in there that Jimmy Hoffa was to be the last witness called except his wife and Bert Brennan's wife, and they were on call.

Now, it shows that he was to be the last witness called. In the records of the hearings, Jimmy Hoffa was the last witness called. We didn't call Mrs. Hoffa and Mrs. Brennan because they answer or Jimmy answered all of the questions that we asked him.

Senator KENNEDY. Thank you.

Senator MUNDT. I would take it from that, Congressman, that when my friend at my right keeps using the phrase "that the hearings were called off," he is simply engaging in a colloquialism, that actually what happened is that the hearings had been concluded?

Representative SMITH. They were terminated and concluded, with Jimmy Hoffa as the last witness.

Senator MUNDT. It wasn't called off, except the fact that you had concluded the job to which you had been assigned and you had no authority to go any further?

Representative SMITH. That is correct.

Senator KENNEDY. Mr. Chairman, this story may be completely incorrect, but the story by Robert Ball says:

In a copyrighted story today the Detroit News said "terrific pressure" is being exerted on Congressmen, and two committee members and two staff members in Detroit confirmed that the heat was being applied "to soft-pedal or quit," and the story was written by staff writer Robert S. Ball said the pressure is so strong from highly placed sources that members of the House Committee on Labor and Education feared to reveal names for publication, and Representative Wint Smith, subcommittee chairman was questioned about the influences being brought to bear and then made the statement pointing to the ceiling, that the pressure comes from a way up there, and I just can't talk about it any more specifically than that, and Representative Hoffman stated, Hoffman named names, but would not permit their publication, and he said that powerful men in Washington have passed the word to go easy or get out.

Now, it seems to me that either Mr. Ball was completely misinformed or inaccurate, but it doesn't seem to me as if this is a normal conclusion of committee activity, the story suggests entirely a different type of ending to it.

Representative SMITH. Senator Kennedy, at the conclusion of the hearings there were a lot of people there that wanted us to take up this Studebaker matter down at South Bend, Ind. It was my decision that that was not germane to welfare fund hearings. That is why we closed the hearings. We had found with Jimmy Hoffa, and we asked the questions being debated within the committee and Mr. Hoffman wanted to bring those people up there. I said, "You will not bring them up because it is not within my province."

Senator KENNEDY. Thank you.

The CHAIRMAN. Is there anything further?

Senator CURTIS. You stated in response to Senator Kennedy that you were informed of these proceedings. When and how were you informed?

Representative SMITH. I don't get the Senator's question.

Senator CURTIS. When were you informed about this hearing before this committee, that is Governor Ratner's appearance and the like?

Representative SMITH. I was called, I would say, 10 days ago, by Mr. Kennedy.

Senator CURTIS. Where were you then?

Representative SMITH. In Kansas, and I had been out campaigning and I came in and found that he had been trying to call me and I called him.

Senator CURTIS. You returned his call?

Representative SMITH. Yes, sir.

Senator CURTIS. How long had you been out in Kansas?

Representative SMITH. Well, I left here the 15th of July.

Senator CURTIS. But up until the 15th of July you were available here in your office over in the House Office Building?

Representative SMITH. Yes, sir.

Senator CURTIS. That was the only contact that you had from this committee, this call?

Representative SMITH. I talked to Mr. Kennedy.

Senator CURTIS. By telephone?

Representative SMITH. Yes, sir.

Senator CURTIS. That is all.

The CHAIRMAN. Congressman, we appreciate very much your appearance, and I think that you should welcome it and be glad that the thing has come to a focus where you could give explanation for this newspaper article. I think the connotation of what was reported in that article did carry with it some implication. I think that you should appreciate this opportunity to make this statement for the record, so that the matter can be cleared up.

Representative SMITH. Thank you very much.

The CHAIRMAN. Thank you.

Call the next witness.

(At this point, the following members were present: Senators McClellan, Ives, Church, Kennedy, Mundt, Goldwater, and Curtis.)

Mr. KENNEDY. Mr. William J. Keating, Mr. Chairman.

The CHAIRMAN. Come forward, Mr. Keating, please.

Senator MUNDT. Mr. Chairman, I think that the whole article by Mr. Ball, since part of it was quoted, should be made part of the transcript of the hearings. It quotes Congressman Wint Smith to considerable length.

The CHAIRMAN. Without objection, the entire article will be made exhibit—

Senator MUNDT. I mean as part of the record.

The CHAIRMAN. I have no objection to it going into the record. It quotes Congressman Wint Smith. Without objection, the newspaper article that has been testified to may be printed in the record at this point.

(The document referred to follows:)

[Newspaper clipping—Beacon—November 29, 1953]

HOUSE LABOR RACKET PROBE DRAWING HEAT—PRESSURE ON TO SOFT-PEDAL INQUIRY INTO DETROIT CASE

DETROIT, November 28. (AP).—In a copyrighted story today the Detroit News said "terrific pressure" is being exerted on Congressmen to abandon their labor racketeering probe and dissolve the special subcommittee.

The News said two committee members and two staff members, in Detroit last week, confirmed that the heat was being applied "to soft-pedal or quit."

The story written by staff writer Robert S. Ball said the pressure is so strong from highly placed sources that members of the House Committee on Labor and Education feared to reveal names for publication.

CONFIRMS PRESSURE

The News gave this account:

Representative Wint Smith (Republican of Kansas), subcommittee chairman, was questioned about the influence being brought to bear.

"The pressure comes from way up there," he said, "and I just can't talk about it any more specifically than that."

Representative Clare Hoffman (Republican of Michigan), subcommittee member, was more specific.

Hoffman named names—but would not permit their publication.

He said powerful men in Washington have passed the word down to "go easy, or get out."

Hoffman was chairman of the House Committee on Government Operations whose investigatory powers were stopped last summer.

"TWICE AS BIG"

"Those fellows down there in the administration talk about cleaning up the Communist mess, but this one is twice as big and twice as dangerous to our country," Hoffman said.

Members of the subcommittee admitted receiving "very important" long distance phone calls during the Detroit hearings and were unhappy about the conversations.

William F. McKenna, subcommittee chief counsel, resigned his position because of more than internal friction.

Other sources, close to the committee, were reported bitter at the ever-increasing pressure.

HINT OF SOURCES

One source was quoted as saying:

"Find out about the Midwestern Senator who today is putting the pressure on a powerful Congressman from his State to block the investigation. Find out what eastern governor * * * blocked the committee from coming into his State where the situation is rotten. Find out why the committee so far has been blocked from one of the Far Western States."

Hoffman declared:

"I'd give you the names for publication but I'm a lawyer and I know I haven't got the kind of proof that is required to make it stand up."

Committee Chairman Smith issued a statement at the conclusion of the Detroit hearings Friday. Smith said:

"* * * it is through deliberate abuse of power that some unions and their membership have lost their free right and are under the personal domination of officials bent on private gain.

"* * * it has been made tragically clear to this committee that some employers are so lacking in courage and morality that they enter collusive agreements with union officials under which the funds of their workers are dissipated.

"* * * I am convinced there could be no greater abuse of power or no greater display of arrogance than the testimony we have received here of men forced to pay tribute to private organizations in order to do business.

"* * * I am also convinced our American system could not be degraded more than it has been in those cases where union officials through economic pressure force a man out of business, then take over his enterprise for their personal profit through dummy corporations headed by their own wives and relatives.

"* * * I think there is no area of labor-management relations which calls for stricter control in the interests of the worker than this whole subject of insurance and welfare payments.

"Too many employers and too many union officials have shown that they cannot be trusted to handle the responsibilities which the Taft-Hartley Act sought to give them in this field."

The subcommittee has been petitioned to extend its inquiry to Minneapolis, Chicago, South Bend, Ind., and Akron, Ohio.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KEATING. I do, sir.

TESTIMONY OF WILLIAM J. KEATING

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. KEATING. William J. Keating, 36 Revere Road, Ardsley, Westchester County, N. Y. I am a practicing attorney at 37 Wall Street, Manhattan.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Keating, you were in the district attorney's office for a period of time?

Mr. KEATING. Yes, from 1942 until 1951.

Mr. KENNEDY. 1942 to 1951?

Mr. KEATING. Yes, that is New York County.

Mr. KENNEDY. And after that you were with the New York Crime Commission, were you?

Mr. KEATING. Yes. The New York City Anticrime Committee.

Mr. KENNEDY. When was that?

Mr. KEATING. From 1951 until 1955.

Mr. KENNEDY. What was your position with them?

Mr. KEATING. I was counsel.

Mr. KENNEDY. During the course of your work with the district attorney's office and with the crime commission did you have any information that came to your attention regarding Mr. Barney Baker?

Mr. KEATING. Yes. In 1947 I was in charge of the investigation of the murder of an honest hiring boss on one of the West Side piers in Manhattan. His name was Anthony Hintz.

Mr. KENNEDY. Can you tell us a little bit about the background of the situation?

Mr. KEATING. Yes. He was shot and killed as he was leaving his apartment near Sheridan Square in Greenwich Village, New York, to go to work at 8 o'clock in the morning on a nearby pier, pier 51. As he walked down to the landing below, 3 men were waiting for him and two of them opened up on him with pistols and shot him, and several weeks later he died. In the meantime, he named his three killers in a dying declaration.

One of them was Johnny "Cockeyed" Dunne, who at that time was the vice president and business manager of local 31510, terminal checkers and platform men, with a Federal charter from the A. F. of L., occupying offices in the same building with the ILA.

The No. 2 killer was Andrew "Squint" Sheridan, who was an old associate of Dunne's, and organizer of a brother local of the same union, in the Hoboken waterfront, a man who had been a strong-arm man for Dutch Schultz in prohibition days. The third man was a Danny Gentile, known as Danny Brooks, former prizefighter and at that time a policy collector for policy slips on the waterfront on the docks under the control of Dunne and his gang.

Mr. KENNEDY. What was this dispute about, Mr. Keating?

Mr. KEATING. Hintz had refused to knuckle under to the desire of Dunne to get control of the pier that Hintz was the hiring boss on; pier 51 was the only pier that the Dunne-McGrath mob did not control in the entire Greenwich Village section of the West Side, and the piers had just opened up at that time after having been under Navy control during the war. The piers were opened about 6 months before Hintz was killed, and before the mob could put their hiring boss in, their boss stevedore, Hintz got the job from the stevedoring company, and then the mob, Dunne and Sheridan, who controlled the ILA locals on those piers, and also controlled the platform workers at the inland terminals and warehouses, terrorized Hintz in an effort to get him to move off of that pier.

That is, they followed him home at night in their cars, and would blink the lights on and off as they turned around corners, and generally tried to terrorize him.

He refused to knuckle under, and they killed him.

Senator MUNDT. At that time, who was the top authority of the ILA?

Mr. KEATING. Joseph P. Ryan.

Senator MUNDT. And what position did he hold?

Mr. KEATING. He was the international president.

Senator MUNDT. He was the international president.

Mr. KEATING. He had originally given this mob a charter in the ILA that gave them jurisdiction over the checkers, that is, the truck checkers, the platform men, and clerks, in territories away from the waterfront. That is, it included inland terminals and warehouses. This conflicted with the jurisdiction of both the Teamsters and the Railway Clerks Union, and a protest was made at a convention of the A. F. of L. to Bill Green, and he compromised by giving this mob a Federal charter which put them under no one's control but their own. They got a Federal charter for 3 locals, one in New York, 1 in Hoboken, and 1 in Philadelphia, which they never used.

Senator MUNDT. Did that take them out from under Mr. Ryan, then?

Mr. KEATING. On paper it did, yes, but they still occupied the same offices in the building where he had his offices, and the officers of the Platform Workers' Local 21510 and the local over in Hoboken occupied similar offices in ILA locals.

Senator MUNDT. In fact, the ILA Federal charter, the Federal charter still operated under Mr. Ryan? This was just a device?

Mr. KEATING. Well, I wouldn't say that Ryan controlled it. Dunne and McGrath were the bosses of it. But they operated with the co-operation of Joe Ryan, and officers in their locals were also officers in Ryan's locals.

Senator MUNDT. Mr. Keating, were there other reasons why the mob wanted to get control of these operations beyond their desire to get control of the dues of the workingmen? Did they have other reasons why mobsters would like to get control of this particular activity?

Mr. KEATING. Absolutely.

Senator MUNDT. Will you detail that a little bit?

(At this point, Senator Church withdrew from the hearing room.)

Mr. KEATING. First, I would like to point out that these were men who, up until the expansion of labor unions and labor-union organization in the mid-1930's, these were men who were fighting among themselves for control of hijacking and stealing on the docks and gambling and other rackets. As a matter of fact, the Dunne mob was an outgrowth of a split in the mob that had robbed, stuck up, the armored car in Brooklyn back in 1934, at the Rubel ice plant.

Up until the recent Brinks robbery in Boston, this one was the largest one on record. I think they stole about \$490,000 in that robbery. That was performed by a West Side mob that split into two warring factions, one of which eventually became the same mob that Dunne was in, and the other one became the arsenal mob, that a Charlie Yanowski, who later got control of the Hoboken waterfront, was in. We will come back to him later.

But when these men were appointed organizers in 1936, 2 years later, for the ILA—because at that time, with the struggle between the ILA and Harry Bridges' union, and the competition between the A. F. of L. and Joe Curren's Maritime Union, there was a great need for strong-arm men acting as organizers along the waterfront. So the likes of Johnny Dunne, Eddie McGrath, and Andy Sheridan, men who up until that time had nothing but criminal records, robberies, burglaries, and so forth, murders, became organizers in the unions along the waterfront. It did not take them long to see that there was more to it than just the control of the rackets. They saw a chance to expand into trucking, through getting control of the loading rackets on the piers, truck loading and unloading rackets, expanding into control of the warehouse end of the trucking industry, the inland trucking part of the industry.

So they set out with a scheme back in 1936 to get control of everything that moved.

Senator MUNDT. There are really two reasons, as I understand it, then, to use these thugs and racketeers as organizers. First, it is a rough game and they had to have pretty rough guys to get control of the union and intimidate members to joining it, and having done that, they discovered they had access to a lot of valuable cargo being unloaded; they knew the kind of cargo that would be worth hijacking on the highway or stealing, so they began to make their big money out of the thievery that flowed from the organization.

Mr. KEATING. Yes. They needed strong-arm men to keep the members of the union in line. The work was essentially casual in nature. You had to depend upon the good will of the bosses of the union for your day's work. And, also, it was necessary to keep the employers in line, because the technique that these men used in those early days was to get control of a union by getting a charter, then whipping up a strike situation, shaking down certain of the employers or all of them if it were possible, forming trucking associations, and then entering into sweetheart contracts, varying the terms of enforcement of the contracts against different employers.

Shortly after the murder of Hintz, Dunne was picked up in his union rooms and charged with the shooting, but Sheridan had disappeared, and it was not until a week or so later we found out that he was in Hollywood, Fla. During the investigation performed by detectives I sent down to Hollywood, Fla., I came across the name of Barney Baker for the first time.

At that time, Barney Baker was a combination bouncer and escort working at the Colonial Inn. His escort duties involved accompanying the heavy winners home after they left the gambling rooms at night. The Colonial Inn at that time was controlled and owned by a syndicate of racketeers from around the country that included Joe Adonis, Meyer Lansky, Frank Costello, Vincent Jimmy "Blue Eyes" Alo, Lefty Clark, and a few others from different parts of the country.

Barney Baker was working with a Jacky Adams, who was doing the same type of work at that time. Baker came to my attention because I had learned that he had visited Andy Sheridan after we had Sheridan picked up by the FBI to hold for us in New York. He visited Sheridan and, after visiting Sheridan in the Federal detention penitentiary, immediately went over to Joe Adonis to get held for Sheridan in fighting extradition.

I understand that Adonis sent him on his way, and the next I heard, through the FBI, through their sources of information out in Las Vegas, Barney Baker later in the spring of 1947 showed up in Las Vegas and was there to contact Bugsby Segal, who was murdered several months later out in California, but who at that time was in control of a large hotel and gambling establishment, the Flamingo, I think, in Las Vegas. The next I heard of Baker was several years later, and he was one of the top organizers of the Teamsters, in charge of the organization of taxicabs in Wichita, St. Louis, Detroit, and other places.

But at the time I checked into his background to find out what his connection was with either Dunne or Dunne's union, or Dunne's mob, and found, going back to around 1934, his only distinction was that he served and convicted and sentenced to an indefinite term in the city penitentiary in New York for setting off stench bombs in movie theaters. It was a time they were having difficulty with the projection union in the theaters. He served 1 year and was paroled, but was sent back for setting off another stench bomb. He was paroled in 1935. But while he was on parole he was shot and wounded in 1936, on March 15, on 34th Street in Manhattan, while he was getting into an automobile with Johnny O'Rourke, who was then the president of local 282 of the Teamsters, and now president of the Teamsters' joint council, in addition to being president of 282, along with a man by the name of Farmer Sullivan, who was a waterfront mobster at the time, and a Joe Butler, who was also a waterfront mobster.

Butler was killed. Baker was shot and wounded and Johnny O'Rourke was shot and wounded. Farmer Sullivan was unhurt, but his body was discovered a year or so later out in the flats in Jersey, where it was dug up after he had been murdered.

It was never established who opened fire on these men, but only 2 days later, acting on a tip from the waterfront, the police raided a house of prostitution on West 90th Street, New York. I have no doubt that the tip leading to this raid came from the Dunne mob, in which Baker was at that time.

The police raided an arsenal in this house of prostitution and 10 men. The arsenal included machineguns, hand grenades, silencers, pistols, 5,000 rounds of ammunition, and sawed-off shotguns. This was part of the mob. This was one-half of the mob that had stuck up the armored car 2 years later and then they had split up into rival mobs. This, I believe, was the mob that opened fire on Johnny O'Rourke, Barney Baker, Farmer Sullivan, and Joe Butler. They were sent away for 15 years. This mob also included Charley Yanowski, who was in on the Rubel job, although not officially. But Yanowski was not caught in this raid. He was picked up by the FBI subsequently on something else, shot it out with him, and still had the bullets in his body when he died some years later.

He served some time on Alcatraz before he became a general organizer of one of Johnny's unions.

Senator MUNDT. This was two factions of a mob that was having this battle together, with John O'Rourke and Barney Baker on one side and some of this other group on the other side?

MR. KEATING. Just a fight between West Side mobs. At that time, O'Rourke was president of the Teamsters Local 282. Barney

Baker at that time was a member of Johnny Dunne's union and a collector, strong-arm man, for an organization that the Dunne mob and union had set up, called Varick Enterprises.

Varick Enterprises was a strong-arm collection agency for the so-called public loading racket on the piers and at truck terminals. They would discount the loading collections that were made by the public loaders on the piers, and collect the amounts due. But it was the organization of Varick Enterprises that put in the hands of Dunne and his group the control of the loading racket, which was their entree into the trucking industry.

Senator MUNDT. What did Barney Baker do in that operation?

Mr. KEATING. Barney Baker was a collector for the Varick Enterprises. This was back starting around 1937 when it was organized. He was a collector for Varick Enterprises for several years.

Senator MUNDT. And he was working at that time with people such as "Cockeyed" Dunne and "Squint" Sheridan?

Mr. KEATING. Yes. Dunne was one of the controllers of Varick Enterprises, which was run in connection with their unions, for which they had Federal charters. It gave them control and jurisdiction over truck platforms and inland terminals. The necessity for strong-arm men at that time was that many truckers felt that they did not have to pay loading fees, especially when they did the work themselves. The loaders took the position that, even if the truckers did the work themselves with their own help, they still had to pay. So it became frequently necessary to beat somebody up to convince them.

Senator MUNDT. That was Barney Baker's job?

Mr. KEATING. Yes. At the time Baker was in Florida, I checked further and found that Dunne had been down there just a few weeks before Hintz was killed. He also stayed in Hollywood, Fla., in the suite at the Hotel Shelton that was occupied by Meyer Lansky.

Dunne spent about a week with Meyer Lansky in the same suite of rooms; took a trip with Lansky to New Orleans, where they stayed with Phil Kastel, and then returned to Hollywood.

In checking the long-distance phone calls that were made from the suite of rooms while Dunne and Lansky were there, the detectives established that calls went from Lansky and Dunne to Joe Adonis in Jersey; to "Bugsy" Segal in Las Vegas and Palm Springs, Calif.; to Frank Costello, in New York; to Phil Kastel, in New Orleans. And at that time we did not know that Luciano at that time was staying in Habana, Cuba. That was publicized later, I think, by Robert Rourke, and other newspapermen. But calls were made from the room to the hotel at which Luciano, we later learned, was staying.

(At this point, members of the committee present are: Senators McClellan, Ives, Kennedy, Mundt, Goldwater, and Curtis.)

Mr. KENNEDY. This is where Barney Baker was also staying and was working?

Mr. KEATING. He was working for Lansky, Adonis, Erickson, and Jimmy "Blue Eyes" at the Colonial Inn, which was one of the gambling joints they controlled down there.

Mr. KENNEDY. He was involved in throwing stinkbombs, and he served a sentence. He broke probation by throwing more stinkbombs. He was a collector and strong-arm man. He worked for Costello, Jimmy "Blue Eyes," Joe Adonis, and Meyer Lansky. He was close

to "Squint" Sheridan and "Cockeyed" Dunn, who were involved in the Hintz murder, and he was also close to and went to work for "Bugsy" Segal just before he was killed?

Mr. KEATING. He was out there and contacted Bugsy Segal and I don't know how successful he was.

Mr. KENNEDY. After that fine record for 18 years, he went to work for the Teamsters; is that correct?

Mr. KEATING. Yes; until I lost track of him, I had never regarded him as anything more than a messenger boy for the mob, men like Dunn.

Mr. KENNEDY. Were these individuals, "Cockeyed" Dunn, "Squint" Sheridan, and Gentino. These close friends of Mr. Baker, were they involved in other murders on the waterfront?

Mr. KEATING. After many months of investigation and from all available sources of information, I was able to estimate that Dunn and McGrath between them on the basis of information we had, and not evidence, had murdered at least 34 men over a period of 15 years in and around New York, and some of the murders were just intermob murders back in the time when these men were nothing but hoodlums, but as they grew up and got more power in the unions and on the waterfront some of these murders involved men who were decent and just refused to knuckle under to them.

Mr. KENNEDY. Now, you referred to Eddy McGrath. What was his position?

Mr. KEATING. Eddy McGrath was a brother-in-law of Johnny Dunn, whom he had met while both were away in Sing Sing. When they came out, they were on parole and they had to get work some place, and they got work on the docks. That is they got paid for working on the docks, and they didn't actually work. Eventually they became organizers within a year for the ILA, and then they became officers or got their own charter from Joe Ryan, to organize warehouses, checkers, and platform men and then they got the Federal charter, and in the meantime ingratiated himself with Joe Adonis by killing several people for Adonis, and he had been close to Adonis since back in 1937 or 1938.

Frequently he spends time with him out in Hot Springs and Florida.

Mr. KENNEDY. Was Eddy McGrath also involved with Varick Enterprises?

Mr. KEATING. Yes; he was one of the bosses of Varick Enterprises.

Mr. KENNEDY. Once again for which Barney Baker worked; is that right?

Mr. KEATING. Yes.

Mr. KENNEDY. Also Connie Noonan, was he also there?

Mr. KEATING. Connie Noonan was an officer of Varick Enterprises and was president and I think still is the president of the union that Dunn and McGrath organized, first under the charter from Joe Ryan, and secondly under the charter from Bill Green, and that union which by the way had its Federal charter picked up after Dunn was electrocuted, and they went back to the ILA and Joe Ryan and got a charter for what is Local 1730 of the Terminal Checkers and Platform Men or Inland Terminal Workers, I think, they called it.

Mr. KENNEDY. Did you try to question Baker in connection with the Hintz killing?

Mr. KEATING. Yes; I instructed the detectives working on the case to pick up Baker if they could get him in New York for questioning on the case, and I wanted to question him about the movements of Sheridan down in Florida, and about the background of Sheridan and Johnny Dunn and what the relationship was with him and what he knew about the case. But he kept out of New York until the investigation was well over.

Mr. KENNEDY. Did you ever follow him after that or know anything about this activities?

Mr. KEATING. Up until the time he was in Las Vegas, and later I learned that he was organizing taxicabs for Hoffa in Detroit and St. Louis and Wichita, and I think Washington, D. C., and other places. I followed him or just happened to follow him out to Wichita one year, in 1952 or 1953, when I went out to speak at the first meeting of the Wichita Crime Commission.

On the way to the airport I learned that a cyclone had just hit Wichita several weeks before, when an organizational drive headed up by Barney Baker had hit Wichita and resulted in about 35 or 37 acts of violence that included throwing paint bombs at taxicabs, and overturning cabs, and throwing rocks through windows, and so on, to the point that the Wichita Crime Commission offered in full page ads a reward of \$5,000 leading to information.

Mr. KENNEDY. Did you find in this attempt to organize these taxicabs, or this record on it, there was violence in a good number of the places that Barney Baker went?

Mr. KEATING. Yes. While I was with the crime commission in New York, I got a hurried request from Jim Connor, who was the operating director of the St. Louis Crime Commission at the time. He and Ted Link, of the St. Louis Post Dispatch, were very much interested in who this Barney Baker was, because they had just been hit or were being hit by the same type of organizing drive.

Mr. KENNEDY. During your experience, working with these individuals, Dunn and Sheridan and the rest of them, was there ever an attempt during the forties to link them with the Teamsters and the corrupt elements in the ILA at that time?

Mr. KEATING. I think it was the ambition of Dunn, McGrath, Alo, Lansky, and the other men working with them and Adonis, I think it was their ambition to get control not only of the docks but to extend their control from the docks to the trucking industry. Now these men back in 1956 tried to get control of local 807, the largest and most active and most powerful local of the Teamsters in New York.

This is the local that Hickey is an officer of and he testified down here. These men and their mob and all of their gangster associates got themselves cards in local 807 in an attempt to take over and steal an election of local 807, but the rank and file was too strong in local 807 for these fellows to make a dent.

The best they could ever do was to elect two delegates, an Austin Furry and a William Campbell. These two delegates were the delegates for the West Side of New York and they were successful with just the thousand men that they controlled in their Platform Workers local under a Federal charter, and the two delegates of local 807 that they controlled on the West Side—they were successful in tying up the entire trucking industry in New York City in December of 1938.

When they couldn't get control of 807, I am sure that they formed the Platform Workers Union under a Federal charter to give them another way to get their nose under the tent of the trucking industry. That gave them an opening and jurisdiction into warehouses and inland terminals, where they could organize the platform men and the checkers.

That combined with their waterfront control would give them a chance to get control of the trucking industry, which is what their aim was eventually.

The reason the waterfront control was so important to them in this ambition was that they could stop trucks at the piers. The trucks that came down to the piers, if the drivers were not to their liking, and if they weren't organized the way these fellows wanted them to be organized, they would prevent them from getting on and off the piers.

Mr. KENNEDY. Why would this kind of group attempt that? You spoke of the attempt to take over Hickey's local, which of course is the local that is opposed by Mr. Hoffa, and is the one that is causing and has caused Mr. Hoffa the greatest difficulty in New York in his attempt to take over all of these groups.

Why would this group or these people, these gangsters and racketeers want to control these industries? Would you give us your ideas on that?

Mr. KEATING. Well, I think the only way that they knew how to organize, or the only interest they had in organizing labor unions was not so much to advance the welfare of the members of the union, but all they wanted was the control of the union.

What they wanted was control of the entire industry and that necessitated control not only of the employers but the employers' association, and also of the union, so that they could dictate the master contract. Then the contract could be enforced or not enforced against any particular employer or group of employers that they chose, and on their terms.

Mr. KENNEDY. And, of course, this is a most strategic industry, with trucking and the docks in New York City?

Mr. KEATING. Especially at the docks, because in New York it is unique in that time is especially of the essence along the New York waterfront because of the little space that the trucks have in which to move. Trucks have to line up outside of the piers and wait in lines to be loaded, and drivers waiting around are not earning money and the trucks aren't earning money.

There is very little space for the trucks to maneuver around on the New York waterfront, and very little space for them in which to load and unload the trucks. They have to do it a few at a time.

Mr. KENNEDY. I think that that is all.

The CHAIRMAN. Are there any questions?

Senator MUNDT. I want to ask about the ILA. You said these hoodlums had finally had their Federal charter lifted after their president had been electrocuted?

Mr. KEATING. He was vice president and business manager, and he was the boss.

Senator MUNDT. That seems to be adequate reason for lifting a charter. It was lifted by whom, by Bill Green?

Mr. KEATING. I think that he sent Bill Fenton up there.

Senator MUNDT. It was lifted by the AFL?

Mr. KEATING. By Bill Green; yes.

Senator MUNDT. And reestablished as an ILA charter?

Mr. KEATING. They went back into the ILA, as local 1730.

Senator MUNDT. Is the ILA affiliated with any parent organization, or is that an independent union?

Mr. KEATING. They were expelled from the AFL-CIO.

Senator MUNDT. So the ILA is an independent union?

Mr. KEATING. Yes; but it was the same operation that these hoodlums started years ago. Their plans were suspended by the war, and the fact that the Navy took over the piers, and then by the arrest and conviction and electrocution of Dunne just within the year after the Navy gave up the piers, and all of the subsequent investigations by the Senate and by the House, and by New York State since the war, with respect to the waterfront just put a crimp in all of the plans they had.

But now I think there are plans for joining together into one unit ultimately the organizations and the unions that have control of shipping and trucking and so on and it follows along the same plans that were started years ago by these men.

Senator MUNDT. That leads to my next question. Is the ILA one of the unions that Mr. Hoffa indicated he would like to merge together in one body?

Mr. KEATING. Yes. As a matter of fact it was the failure of the Teamsters in New York to assist the AFL-CIO in their efforts to clean up the waterfront and give the men a decent union that resulted in the loss to these men of the election by only 100 or 200 votes, and the victory of the ILA.

Senator MUNDT. Who is presently the topman of ILA, the same Mr. Ryan?

Mr. KEATING. No; William Bradley succeeded him, and Ryan stepped down during the investigations.

Senator MUNDT. Bradley is now the head international president. Did we have Bradley before us?

Mr. KENNEDY. Yes.

Senator MUNDT. Thank you.

Senator CURTIS. Can you describe the physical appearance of Barney Baker?

Mr. KEATING. Well, as I understand it, it has fluctuated over the years, and from time to time. I understand he goes from around 280 pounds down to 200 and back up again, so that I had trouble, and not being facetious about that, I had trouble at the time, having never seen him, in describing him to the detectives for the purpose of having him picked up.

Mr. KENNEDY. I think you are off 100 pounds. It is about 370 to 300.

Mr. KEATING. I think that that is right. He is very heavy set, and I have a picture of him here and it was taken on the occasion of the testimonial for Teddy Gleason, who is now general organizer of the ILA, and who at the time was one of Johnny Dunn's business agents, and also active in Varick Enterprises.

This testimonial for Teddy Gleason, there is a picture taken of a group around Joe Ryan that includes Barney Baker, and a fairly good

picture of his face here, and directly in front of him is Johnny Dunn, and next to him is Jackey Adams, who was working down at the Colonial Inn with him in Florida, and Jackey Adams was vice president of Varick Enterprises.

Senator CURTIS. Who else is in the picture?

Mr. KEATING. A fellow by the name of Leon Tocci, who was a strong-arm man for several of the Teamster locals in New York, and also a collector for Varick Enterprises, whose body was fished out of the water off Key West, Fla., in 1940, a day after he was seen in the company of Eddy McGrath and Buster Bell, another man in the picture.

Senator CURTIS. Was anybody else in the picture?

Mr. KEATING. There are wives, and 1 or 2 other men, and one of them is a Tommy Burke who was associated with these men who die of natural causes, but had a record that included about 20 arrests.

Senator CURTIS. Is there anybody else?

Mr. KEATING. I think I mentioned Joe Ryan, and Buster Bell is here, and he was 1 of the 2 men seen with Leon Tocci before his body was fished out of waters off Key West. Danny Gentile who was convicted of the murder of Andy Hintz, and subsequently commuted to life is also in the picture.

Senator CURTIS. That covers everybody in the picture?

Mr. KEATING. Well, there are some women.

Senator CURTIS. May we see the picture?

Mr. KEATING. Yes.

(A document was handed to Senator Curtis.)

Senator CURTIS. Where did that picture come from?

Mr. KEATING. I obtained a copy of that picture during the investigation. I got that from a journal of the reception committee, the journal was filed with ads put in by people who donated large sums of money to the affair.

Senator CURTIS. You mean employers?

Mr. KEATING. Oh, yes.

Senator CURTIS. Now did you find any evidence of any liaison between these people you have described and politicians and officeholders, or any attempt to establish such a liaison?

Mr. KEATING. This operation cut across political lines, and it couldn't have existed without political entanglements.

Senator CURTIS. I am interested in what you say there. That is by conviction. We couldn't have these terrible things happening if it wasn't for the political alinement of these people. For instance, this Barney Baker that you have described, he is one of the individuals that shows up out in my country to induce the workers to voluntarily decide to associate themselves with the Teamsters. It doesn't stop there.

We took evidence about his operations over in Wichita, and he had some contact with ex-Governor Ratner of Kansas who, by his own testimony, delivered contributions around, and made financial contributions to ex-Governor Hall of Kansas and one contribution after the election was all over. They made contributions to the present Governor of Kansas, Mr. Docking, and at the same time I think it was Senator Mundt who referred to the record of the Teamsters at one of their levels, as I believe in St. Louis showing a sizable contribution to the Governor of Iowa, Governor Loveless.

We also find that this boy, Barney Baker, becomes a son-in-law of one of the important politicians in the State of Iowa, a fellow by the name of Jake Moore.

Mr. Chairman, unless this witness wants this picture back, it seems to me that it might at some future time be of help to the committee.

Mr. KEATING. I have no use for it.

The CHAIRMAN. Let the picture be made exhibit No. 62.

(Document referred to was marked "Exhibit No. 62," for reference and may be found on p. — of the files of the select committee.)

(Members of the select committee present at this point in the proceedings were: Senators McClellan, Ives, Kennedy, Mundt, Goldwater, and Curtis.)

Senator GOLDWATER. Mr. Chairman?

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. Mr. Keating, you were in the district attorney's office from about 1941 to 1950?

Mr. KEATING. 1942 to 1951, with time out for the Army.

Senator GOLDWATER. And during that time, I believe you said you worked with the New York Crime Commission?

Mr. KEATING. No; later. After I resigned from the district attorney's office, I became counsel to the New York City Anticrime Committee, from 1951 until 1955.

Senator GOLDWATER. During the course of your testimony, you described very accurately why these men were seeking to infiltrate the labor movement. As I recall it, it was because rumrunning, hijacking, and so forth, had lost its appeal because of the repeal of the Prohibition Act.

Mr. KEATING. It was a combination of the repeal of prohibition and the expansion of the organization of labor following the Wagner Act and the NRA in 1935.

Senator GOLDWATER. You described their infiltration into the ILA. During your association with the district attorney's office and the crime commission, did you find any indication that they were infiltrating the other unions in the New York area?

Mr. KEATING. I think you already have volumes of testimony to that. In fact, I found, too, that the garment industry was particularly vulnerable.

Senator GOLDWATER. Which industry?

Mr. KEATING. The garment industry in New York, on which you had, I think, a great deal of testimony, especially with respect to the background of Johnny Diognardi, who similarly was a New York product, a more or less minor hoodlum, much after the fashion of Barney Baker back in the 1930's, but who after an arrest and conviction for putting emery in trucks and extortion and et cetera, and doing some time in prison, became a big shot and got into the labor movement.

I found some of these same men had associates and influence and interests in the building trades rackets. Then we developed in the crime commission when I was there in 1953 and 1954, following the murder of Johnny Acropolis, a teamster official who was murdered in Westchester—Acropolis, by the way, was also a man who refused to knuckle under to the mobsters. He was not only refusing to knuckle under to the mobsters, but a combination of mobsters and

politicians and labor racketeers up there in Westchester. Followed only a year later by the murder of Tommy Lewis, another union official of the building service employees in the Bronx.

In 1954 we developed a picture at the crime commission to show that these gangsters coming out of the waterfront, the West Side, the garment industry, the building trades, had many common interests, among which were the harness racing rackets, the rackets revolving around the Yonkers Raceway at that time, the Roosevelt Raceway, the operating engineers, Bill DeKoning, local 138, on Long Island.

We showed that the common interest that these men had in that type of operation spread all around the country. Hoffa and Brenman had interests in harness racing. Acropolis and Lewis—that is, Lewis was throwing his weight around in the Bronx, apparently bucking the combination that had control of the labor force at the Yonkers Raceway, and he was murdered. Lewis was no bargain. I mean, he was just a thug and a racketeer who got control of a labor union when he was only 21 years old. I think he was put in there by George Scalise, a famous racketeer in New York.

Acropolis, however, from all I know, was a decent guy, a hard-hitting labor union leader, but who bucked something bigger than he could buck. He was bucking a combination of politicians and labor racketeers who had control not only of the Yonkers Raceway—that is, some of the interests in Yonkers Raceway—but also controlled the private sanitation racket in Westchester and the Bronx. I think you have already gone into some of that.

So we found that these rackets and racketeers and labor racketeering in New York cut across not only county lines but industry lines and political lines.

Senator Curtis spoke about political entanglements out in Kansas that I am not familiar with, but I can say, even though I am engaging in a little politics this year myself, running for district attorney of Westchester, that that situation is not peculiar to Kansas. You will find a testimonial dinner for one of these fellows. You take the dinner of Johnny O'Rourke, on the occasion of his 25th anniversary. I don't know whether it was his 25th anniversary in the labor movement or 25th anniversary in control of local 282. But it was held several years ago in New York.

At this dinner, you had not only all of the keymen from the waterfront mobs, you had the DeKonings, you had racketeers from all over the United States, from St. Louis, Michigan; you had some of the top politicians in New York, regardless of party, at the dinner, and some of them sitting on the dais.

Senator IVES. May I ask a question? I want to find out who these New York politicians were who were there.

Mr. KEATING. I don't have the records with me, Senator, but I don't think it is in particular reflection on the individual politicians who find it necessary to attend these dinners. I think it is almost required of some of them. After all, a testimonial for a man who has been honored by an international labor organization—we had the same situation at Joe Ryan dinners for many years, and they have been well publicized. But I think it is a tragedy—

Senator IVES. Will the Senator yield further on this?

Senator GOLDWATER. I will be glad to.

Senator IVES. I want to point out that there was a time when Johnny O'Rourke was very highly regarded. I think you will remember that. That was about 15 years ago, when he was a newcomer in the labor movement and it held a great future for him. If this dinner was held at that time, I can understand people being there. But I can't understand why anybody in politics would be there in more recent years. What year was this?

Mr. KEATING. Within the last 3 or 4 years.

Senator IVES. Well, I can't understand that. Were there any Republicans there?

Mr. KEATING. I would say both parties, Senator, yes.

Senator IVES. Who were the Republicans? I want to know who is playing this game.

Mr. KEATING. I would hesitate to mention any names without having the records before me.

Senator IVES. I wish you would get those records and let me know.

Mr. KEATING. My recollection of Johnny O'Rourke's history is that it goes back more than 15 years. I think he has been president of local 282 since his predecessor was murdered, a fellow by the name of McCaffry, in 1928; 15 years takes him back only to 1943. That was almost 7 or 8 years after he was shot with Barney Baker on 34th Street, when he was president of local 828 at the time.

So I think O'Rourke's record in the labor movement in New York goes back a good many years.

Senator IVES. It does. I understand that. But he used to have an excellent reputation in the earlier days.

Senator GOLDWATER. Mr. Keating, do you feel that these hoodlums, gangsters, who have gone into the labor movement in New York fairly generally, are beginning to be removed, moving out; are they being replaced by honest individuals?

Mr. KEATING. I think there is less of the old strong-arm type of muscleman organizer that we used to have in the 1930's and early 1940's. I think the men who are surviving these various battles for control are men who, in many cases, graduated from that class but who, because of their abilities of leadership and qualities of leadership, and their executive ability, have become executives. I don't think you have too much—

Senator MUNDT. Is marksmanship one of those qualities?

Mr. KEATING. What is that, sir?

Senator MUNDT. Is marksmanship one of the qualities?

Mr. KEATING. I don't think it is any more. I don't think you have any necessity for the strong-arm man of the 1930's.

Senator MUNDT. I was interested in one of the names in the picture that you passed up, whose name was Dunne. Are you familiar with his background?

Mr. KEATING. Dunne was the man who was electrocuted for the murder of Hintz. Dunne was the business manager and vice president of the union that had the Federal charter.

Senator MUNDT. My question stems from the fact that back in the recesses of my mind I recall that some 20 or 30 years ago out in Minneapolis, Minn., there were some labor racketeers called the Dunne brothers.

Would this be the same family of Dunes, do you know, or the same people?

Mr. KEATING. It would not.

Senator MUNDT. It would not?

Mr. KEATING. It would not. He had no connection with the Midwest at all, that I understand.

Senator MUNDT. I just wondered. Thank you.

Mr. KEATING. I think if Dunne were alive today, he would be Hoffa's man in New York and not O'Rourke. Either that, or Hoffa would be Dunne's man in Detroit.

(At this point Senator McClellan withdrew from the hearing room.)

Senator KENNEDY. Mr. Keating, is it not a fact that because New York is an island it is particularly vulnerable to pressure on the docks and trucking, with a great many people in a concentrated area? Food and all materials, except for the amounts which come in by train, must be brought in either across the bay or shipped along the coast, or otherwise brought by trucks. Therefore, there is an enormous amount of money involved. The opportunities for pressure in those two areas is vast. Don't you think that is the reason more than any why these criminals, hoodlums, and racketeers, particularly concentrate their attention in the Teamsters Union and on the docks?

Mr. KEATING. Yes, absolutely. There is a tremendous economic squeeze on New York because of its geographic position.

Senator KENNEDY. And because in those two areas, a squeeze can be put on that would make it worth many, many dollars to those on the other side, and the employer side, make it worth a good deal more money than infiltrating into other unions which do not enjoy that particular strategic position.

Mr. KEATING. Absolutely.

Senator KENNEDY. In other words, if you fail to deliver to a large store in New York, if no trucks deliver to them, you can pretty well squeeze them down in a couple of days and cause losses of hundreds of thousands and millions of dollars.

Therefore, this is probably the most vulnerable area in the country to that type of pressure, either through the docks or through the trucking.

Mr. KEATING. Yes.

Senator KENNEDY. I want to express my appreciation to you, Mr. Keating, for your help, because you have had long experience in this work and have been devoted to this for many years. I think your testimony has been particularly helpful to the committee.

Senator MUNDT. I would like to ask a collateral question to Senator Kennedy's. Do you think that the success of these hoodlums in the labor movement in New York City has also been partially because of the coping of labor with politics, the influence in the political life of New York City?

(At this point Senator McClellan returned to the hearing room.)

Mr. KEATING. If you trace the rise of any one of these key men in the labor racketeering as we have known it in New York, you would have to come to the conclusion that without the political influence it would be impossible for them to get where they are today.

Senator MUNDT. That is precisely the deduction I made from the report you have given us. Some place along the line the hoodlums would have to have some big powerful political friends, some kind of

protection, or some kind of influence, and, consequently, it seems to me that one way to prevent and convert the sordid kind of conditions which have grown up in New York City would be effective legislation prohibiting labor movements from getting political control.

Mr. KEATING. Well, I think that years ago the natural alliance between the mobs, the labor racketeers, and politicians, was a result of the service that the mobster who controlled a labor force could supply to the political leader, that is, on the local level, the ward boss, on election day, and especially in the primary fight. That influence is gone. There is no longer as much reason for it because these fellows, the labor racketeers, do not control a labor force that can produce a vote these days.

But wherever it is possible for a labor racketeer to be helpful in the consideration of large sums of money, I suppose there you might find the same influence.

Senator MUNDT. Precisely. I think the emphasis has switched from delivery of votes to the polling places, trying to serve as precinct committee captains, as it were, but now with these vast amounts of money over which they have control, they can exercise this influence in a more indirect manner, by supplying the necessary campaign committee to defeat the opponent and support the favorite of some particular labor boss or thug.

(At this point Senator Goldwater withdrew from the hearing room.)

Mr. KEATING. It all depends on what kind of union it is. If it is the kind of union that can resist the incursions of these racketeers, if they have a strong enough rank and file to keep the mobsters out, then they also have a strong enough rank and file to keep their leadership from dissipating funds improperly.

Senator MUNDT. Right; providing the members themselves can control the union, through democratic processes, secret ballots, and an honest count of the ballots after it has been cast to place in the hands of the rank and file members control over their union. Then they can control the labor bosses, and if a crook gets in, they can throw him out. They don't have to wait until he gets shot. They don't have to wait until he goes to jail. They can vote him out.

So giving them democratic processes, as we understand them in America, which means a secret ballot, which means a fair and objective counting of the secret ballot, which means a fair and legitimate opportunity to vote, which means a fair opportunity for the opposing candidates to present their credentials to the voters, to wit, the rank and file members, given that, it seems to me, it would eliminate a lot of these unsavory situations. Would you agree?

Mr. KEATING. I would agree with the principle. I don't know whether democracy is something that can be given to them, Senator. But I think I know what you mean, and I would concur in the result.

Senator MUNDT. Well, it may require legislation at the Federal level dealing with Federal elections and State level dealing with State elections to provide that kind of opportunity.

Senator CURTIS. Why do hoodlums go into the union business?

Mr. KEATING. I think hoodlums go into the union business for the same reason they go into any other business. The way they conduct their business, all they are interested in is making a buck without working for it.

Senator CURTIS. What other businesses do they go into?

Mr. KEATING. I think they have gone into a wide variety of businesses that have already been pretty well inventoried by Senate committees, but I have noticed particularly, and I think this is significant with respect to this inquiry, I notice particularly that the transportation industry and distribution industry have been particularly attractive to labor racketeers.

Senator CURTIS. Because of the power to exert pressure, boycott, and tie up supplies and that sort of thing?

Mr. KEATING. Yes.

Senator CURTIS. They have gone into many types of businesses. In fact, I think that a followthrough on this investigation taking place here of the hoodlums, for instance, in the restaurant unions in Chicago, and all of these things which have been heard here, that after these hoodlums make their money, after they secure their capital, in hundreds of thousands and millions of dollars, then they make sizable investments in legitimate enterprises. And they are respectable holdings.

Do you find that true, too?

Mr. KEATING. Yes.

Senator CURTIS. I think you will find right out of Chicago, out of that hoodlum element, the worst type of criminals, the money that they are accumulating by these enterprises, in their gambling and in their racketeering in the unions and all of those things, hijacking, with that they are buying sizable real estate holdings in some of our important cities; that they place the management of those holdings in the hands of respectable, sometimes, and politically effective individuals as their management.

So far as that particular operation is concerned, it is a legitimate operation. But we are developing a new capitalistic class in this country who are acquiring their money, their capital, through racketeering, and much of it is tied in with the union rackets.

(At this point Senator Mundt withdrew from the hearing room.)

The CHAIRMAN. Is there anything further?

If not, thank you very much, Mr. Keating. We appreciate your consideration. It gives us a lot of good background information. It will help us to evaluate further testimony that we expect to receive and some that we have already received.

Mr. KEATING. Thank you, Senator.

Senator IVES. I want to join with you in thanking Mr. Keating.

Mr. KEATING. Thank you.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mrs. Mollie Baker.

The CHAIRMAN. Will you be sworn, please. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mrs. BAKER. It will be the truth, so help me God.

TESTIMONY OF MRS. MOLLIE BAKER

The CHAIRMAN. Will you state your name, your place of residence, and your employment or occupation, please?

Mrs. BAKER. Yes. My name is Mollie Baker. I live at 1225 East-over Avenue, University City, St. Louis, Mo. I am housekeeper and companion to a little girl, Barbara Baker, 8½ years old.

The CHAIRMAN. Thank you very much. Mrs. Baker, do you waive counsel? That is, are you willing to proceed without having a lawyer represent you?

Mrs. BAKER. No, I don't think I need a lawyer.

The CHAIRMAN. All right, Mr. Kennedy, proceed.

Mr. KENNEDY. Mrs. Baker, you were married to Mr. Barney Baker, is that correct?

Mrs. BAKER. Yes.

Mr. KENNEDY. When did you first meet Mr. Barney Baker?

Mrs. BAKER. I met him in 1947 in Washington, D. C.

Mr. KENNEDY. And how did you meet him? What was he doing at that time?

Mrs. BAKER. At that time he was working for Freize, driving a truck, and then he went with DGS warehouse.

Mr. KENNEDY. And you got to know him then, is that correct?

Mrs. BAKER. Yes, but I did not see him any more until 1948.

Mr. KENNEDY. You saw him in 1948?

Mrs. BAKER. Yes.

Mr. KENNEDY. Then you married him, did you, in what year?

Mrs. BAKER. I married him in 1952. I lived with Mr. Baker from 1949 until 1952, and there was a child born in 1950 at Columbia Hospital in Washington, D. C.

Mr. KENNEDY. And you married him after the child was born?

Mrs. BAKER. Yes.

Mr. KENNEDY. Was he a member of the Teamsters Union during the time that you were going with him?

Mrs. BAKER. No. He was at the DGS, and I imagine that was a union concern, they had a union.

Mr. KENNEDY. He was driving at that time?

Mrs. BAKER. He was driving.

Mr. KENNEDY. Making deliveries?

Mrs. BAKER. Yes, and working in the warehouse.

Mr. KENNEDY. Did he become an officer in Local 730 of the Teamsters?

Mrs. BAKER. Yes. I believe that was 1951 or 1952.

Mr. KENNEDY. Did he become president of the local?

Mrs. BAKER. Yes, of local 730.

Mr. KENNEDY. Of the Teamsters Union here in Washington, D. C.?

Mrs. BAKER. Yes, sir.

Mr. KENNEDY. Was there some scandal connected with that local in 1952?

Mrs. BAKER. Yes. Mr. Detreich sent Mr. Butler and told him to resign.

Mr. KENNEDY. Mr. Detreich was who?

Mrs. BAKER. He was the man over Mr. Baker and Mr. Butler. He was the boss, I assume.

Mr. KENNEDY. And Mr. Baker and Mr. Butler were two other officers?

Mrs. BAKER. Yes, sir.

Mr. KENNEDY. And Mr. Detreich, who was their boss, asked them to resign? Both of them or just Mr. Butler?

Mrs. BAKER. Just Mr. Baker.

Mr. KENNEDY. Wait a minute. Mr. Detreich asked who to resign?

Mrs. BAKER. Mr. Baker.

Mr. KENNEDY. Mr. Baker to resign from the union.

For what reason, do you know?

Mrs. BAKER. Well, I heard a little. He said there was no money in the treasury.

Mr. KENNEDY. Were there charges made? Did Mr. Butler resign also?

Mrs. BAKER. No. I believe Mr. Butler stayed on.

Mr. KENNEDY. Mr. Baker was the only one that resigned?

Mrs. BAKER. Yes.

Mr. KENNEDY. Did Mr. Baker stay with the Teamsters' Union then?

Mrs. BAKER. No. He went to St. Louis, and he told me he would have a better opportunity with Mr. Gibbons.

Mr. KENNEDY. That was Mr. Harold Gibbons?

Mrs. BAKER. Yes.

Mr. KENNEDY. Mr. Harold Gibbons brought him out to St. Louis?

Mrs. BAKER. Yes.

Mr. KENNEDY. How long had he known Mr. Harold Gibbons?

Mrs. BAKER. I don't know.

Mr. KENNEDY. But he told you or you knew from your own information that Mr. Harold Gibbons had requested that he come out to St. Louis?

Mrs. BAKER. Well, he was calling the house quite often, at all hours of the night, and he explained to me, that is, Mr. Baker, that we would have it better in St. Louis. I did not want to go.

Mr. KENNEDY. Was there anyone else that requested Baker to come out to St. Louis?

Mrs. BAKER. Mr. Pete Saffa used to call him. They tried to persuade me that I would like St. Louis very much.

Mr. KENNEDY. You did not wish to go to St. Louis?

Mrs. BAKER. No, I did not.

Mr. KENNEDY. Did Mr. Baker go to St. Louis then?

Mrs. BAKER. Yes, he went on November 6, 1952.

Mr. KENNEDY. Did you go with him at that time?

Mrs. BAKER. No, I did not.

Mr. KENNEDY. You stayed here in Washington?

Mrs. BAKER. I did.

Mr. KENNEDY. When did you join him in St. Louis?

Mrs. BAKER. I joined him in St. Louis, April 19, 1953, I arrived in union station in St. Louis.

Mr. KENNEDY. Where did you stay when you were there?

Mrs. BAKER. I stayed at Mr. Saffa's house.

Mr. KENNEDY. Did you know anything of the background of Mr. Baker?

Mrs. BAKER. Yes. At the time I knew about the New York waterfront and a few other things.

Mr. KENNEDY. Had you known that he was connected with the New York waterfront?

Mrs. BAKER. Yes. After the little girl was born, he told me.

Mr. KENNEDY. What did he tell you he did on the New York waterfront?

Mrs. BAKER. Well, he said he worked for Ryan and he was the strong arm in the New York waterfront.

Mr. KENNEDY. Did he mention anything about the murder of Anthony Hintz?

Mrs. BAKER. Yes.

Mr. KENNEDY. Would you tell us what information you have regarding that?

Mrs. BAKER. Well, do I have to say that?

Mr. KENNEDY. Yes. Mrs. Baker, we want all the information in connection with these matters; we have some other records we are going to go into with you. I want to get all of the information regarding the activities of Mr. Baker, in connection with his background and also in connection with the Teamsters Union.

Mrs. BAKER. Well, I wanted to visit New York, and I found out that Mr. Baker could not go to New York. He was, as they say, hot. He explained to me that he could never go to New York. He would be picked up by the police in connection with the Hintz murder. I went to New York alone.

His mother told me that she had lied many times to the FBI about the Hintz murder. She says "Those boys always ate at her house and Baker was very close to Sheridan, Cockeyed, and Don Gentile," and she was thankful to God that Baker had left and got the heat off of him.

Mr. KENNEDY. She said they were close to Cockeyed—

Mrs. BAKER. Yes. They ate in her house many a time.

Mr. KENNEDY. Did he tell you at that time or give you any information regarding his connection with Bugsy Siegel?

Mrs. BAKER. Yes. He went from there, the heat was on in the Hintz murder, and he went to Florida.

Mr. KENNEDY. Do you know who he worked with in Florida?

Mrs. BAKER. No, but I know Don Gentile was with him in Florida, until he got picked up. He told me that.

Mr. KENNEDY. Then where did he go?

Mrs. BAKER. He went to California, and was employed by the late Bugsy Siegel.

Mr. KENNEDY. Do you know what he did for Bugsy Seigel?

Mrs. BAKER. I do not.

Mr. KENNEDY. Then he came back to Washington, D. C.?

Mrs. BAKER. That is when I met him. He was down and out and broke.

Mr. KENNEDY. Then you were in St. Louis. What kind of work was he doing in St. Louis for the Teamsters?

Mrs. BAKER. At the time I thought it was union. I did not understand all of it.

Mr. KENNEDY. Did he become very close to Joe Costello in St. Louis?

Mrs. BAKER. Yes.

Mr. KENNEDY. And Joe Costello operates the Ace Cab Co.?

Mrs. BAKER. Yes.

Mr. KENNEDY. Did he also become very close to John Vitale?

Mrs. BAKER. Yes.

Mr. KENNEDY. And John Vitale has been identified before the committee, Mr. Chairman, as 1 of the 3 or 4 heads of the syndicate in St. Louis.

These were two of his close personal friends in St. Louis?

Mrs. BAKER. Yes.

Mr. KENNEDY. Do you know what he was doing on behalf of the Teamsters Union?

Mrs. BAKER. Well, I didn't know, until——

Mr. KENNEDY. Did he have anything to do with the cab strike?

Mrs. BAKER. Yes.

Mr. KENNEDY. You knew he was working on that?

Mrs. BAKER. Yes, the first cab. I don't know about any other.

Mr. KENNEDY. Do you know about a cab being thrown in the river?

Mrs. BAKER. Yes, the first cab.

Mr. KENNEDY. What did he tell you?

Mrs. BAKER. He told me that they just pushed the cab into the river, and I said "Oh my," and he said "Don't worry, there was no one in it. I warn you, if the police come, I was home with you last night."

Mr. KENNEDY. Did he leave St. Louis, then, to go to Detroit or do some work for Mr. Hoffa?

Mrs. BAKER. He did.

Mr. KENNEDY. Was that in approximately October 1953?

Mrs. BAKER. Well, yes, it was that year.

Mr. KENNEDY. 1953 and 1954?

Mrs. BAKER. Yes.

Mr. KENNEDY. The end of 1953 and 1954?

Mrs. BAKER. Yes.

Mr. KENNEDY. He worked for Mr. Hoffa?

Mrs. BAKER. Yes.

Mr. KENNEDY. Do you know what kind of work he was doing for him?

Mrs. BAKER. No, I don't.

Mr. KENNEDY. Then he came back to St. Louis?

Mrs. BAKER. Yes.

Mr. KENNEDY. Was he working then for Hoffa or for Harold Gibbons?

Mrs. BAKER. He was working, I guess, for both of them.

Mr. KENNEDY. Did he ever speak about the situation in Indianapolis? Did he ever tell you after he got back, that he had to go to Indianapolis?

Mrs. BAKER. Yes. That was in 1955.

Mr. KENNEDY. What did he tell you in connection with going to Indianapolis?

Mrs. BAKER. He told me he had to take care of a shyster lawyer for Jimmie Hoffa, and if he did this one more job for Jimmie, he would be close forever, because he went like this [indicating] with his fist, and I will never forget it.

Mr. KENNEDY. He would be close forever?

Mrs. BAKER. Close forever with Jimmie Hoffa, if he did this one more job, and he wouldn't have to worry about money again.

Mr. KENNEDY. Do you know who it was that he was interested in?

Mrs. BAKER. No, I do not.

Mr. KENNEDY. He just said there was some shyster lawyer?

Mrs. BAKER. That is all. He never mentioned no name.

Mr. KENNEDY. Do you know what the job consisted of?

Mrs. BAKER. No, I don't.

Mr. KENNEDY. Did he go to Indianapolis?

Mrs. BAKER. Yes. He made a few trips on his way to Florida to Indianapolis. He told me he would stop off at Indianapolis.

Mr. KENNEDY. Did you ever meet a man by the name of Jack Joseph?

Mrs. BAKER. Yes. I know him very well.

Mr. KENNEDY. Who was Jack Joseph?

Mrs. BAKER. Well, he was a friend of Baker's.

Mr. KENNEDY. Did he ever say that he had anything to do in Indianapolis?

Mrs. BAKER. Pardon?

Mr. KENNEDY. Did Jack Joseph ever indicate to you that he also was doing some work in Indianapolis?

Mrs. BAKER. Yes, but I always knew it was union work. I believe he hired Jack for Jimmie Hoffa to work in Indianapolis.

Mr. KENNEDY. Do you know what Jack Joseph would be doing in Indianapolis?

Mrs. BAKER. I do not.

Mr. KENNEDY. Did you ever hear any conversation between the two of them as to what might be going on in Indianapolis?

Mrs. BAKER. No.

Mr. KENNEDY. You heard no conversation about any individual that they had to take care of?

Mrs. BAKER. No, I did not.

Mr. KENNEDY. Did you hear from Gus Zapas at all?

Mrs. BAKER. Every night, practically. He called often.

Mr. KENNEDY. What would that be about?

Mrs. BAKER. I don't know. He just told me Gus was his best friend. I don't know. I don't know what it was about.

Mr. KENNEDY. Did he ever indicate to you what business or what work Gus Zapas was doing?

Mrs. BAKER. No, he did not.

Mr. KENNEDY. Did he say anything about the fact that Gus Zapas had some furs hidden in a warehouse?

Mrs. BAKER. Well, do I have to answer?

Mr. KENNEDY. Yes, you have to answer.

Mrs. BAKER. Well, there was a little article in the St. Louis paper about a \$50,000 fur list. When Baker walked in our kitchen door, I challenged him on it, and I said "No doubt you know about this" and said "Yes. Ruth had some 19-year-old boys on the street shoplifting, and Tom Burke knew about it."

Mr. KENNEDY. Who is Ruth?

Mrs. BAKER. Ruth Brougher, the woman in Florida he was very close to.

Mr. KENNEDY. Brougher?

Mrs. BAKER. Yes. That is the woman I divorced Baker for.

Mr. KENNEDY. Baker was very close to her in Florida?

Mrs. BAKER. Very close. She called my house many a day.

Mr. KENNEDY. And he was visiting in Florida at that time?

Mrs. BAKER. Yes, he was staying there quite often.

Mr. KENNEDY. According to the conversation, Baker told you that she had some boys out?

Mrs. BAKER. Yes, 19-year-olds, that would shoplift for her.

Mr. KENNEDY. What did that have to do with the furs?

Mrs. BAKER. Well, I imagine they did the job. I don't know.

Mr. KENNEDY. What did he tell you about Gus Zapas and the furs?

Mrs. BAKER. He told me that Gus and the boys—this was days after. I kept asking Baker for a stole, and he kept telling me "No, you can't get one. I can't get it." I said, "Why not? I want a stole."

I kept pressuring him about it, and he said "Well, Gus and the boys have it in a warehouse and it is hot. We can't move it just now." I never got the stole. Which I am glad I did not.

Mr. KENNEDY. What about Ruth Brougher? Where is Ruth Brougher now?

Mrs. BAKER. I don't know the woman, but I have talked to her on the phone.

Mr. KENNEDY. What was his connection with Ruth Brougher, other than a personal connection?

Mrs. BAKER. I don't know. He told me that Ruth Brougher—we argued about that—killed a man that was a dope peddler. He told me his name was Max. I told him that he had no business helping Ruth Brougher in any way, he had a wife and a child. I know that if a man who ransacked my apartment, I would call the police. I thought that Ruth Brougher should have done the same.

Mr. KENNEDY. She killed a man, did she, and the excuse she gave is that he ransacked?

Mrs. BAKER. He ransacked her apartment. That is what Baker told me.

Mr. KENNEDY. Was Baker trying to get some money for Ruth Brougher?

Mrs. BAKER. Yes. He told me in 1955, when he came back to remarry me, that he spent \$11,500 for Ruth Brougher, fighting her case. Where he got the money, I do not know.

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. KENNEDY. That was fighting her case in connection with this murder?

Mrs. BAKER. Yes, to get her free from going to jail.

Mr. KENNEDY. I might say, Mr. Chairman, that that was not successful, as Mrs. Ruth Brougher is serving 15 years for murder in the penitentiary in Florida.

Isn't it a fact, Mrs. Baker, that you and your husband were in business at that time or during this period of time, with Mr. Vitale, who has been identified as one of the heads of the syndicate in St. Louis?

Mrs. BAKER. Well, I thought I was going in the concrete business with Mr. Vitale, but I didn't.

Mr. KENNEDY. Well, did you advance him \$1,500 for your interest, you and your husband's interest, in the cement business?

Mrs. BAKER. Yes, I did.

Mr. KENNEDY. Do we have the records on that?

TESTIMONY OF THOMAS EICKMEYER—Resumed

The CHAIRMAN. Identify yourself briefly, please.

Mr. EICKMEYER. My name is Tom Eickmeyer, St. Louis, Mo., accountant.

The CHAIRMAN. Have you examined the accounts of this concrete enterprise?

Mr. EICKMEYER. Yes, Senator, I have.

The CHAIRMAN. All right. You may proceed.

Mr. KENNEDY. This is a cement business, that is correct, is it?

Mr. EICKMEYER. That is correct.

Mr. KENNEDY. What have you found from an examination of the records of the cement business?

Mr. EICKMEYER. In May of 1955, May 11, \$1,500 was deposited in the bank account at Delmar Bank, in University City, opening the bank account of the Vitale Cement Contractors, Inc.

This particular \$1,500 amount opening the account was made up of three \$500 checks, which I traced to Molly Baker's bank account. On May 9, 1955, Molly Baker withdrew \$1,500 from her savings account and deposited the money in the checking account at the same bank, American National Bank in St. Louis. Molly then wrote three \$500 checks on her checking account, payable to John J. Vitale, Bernice Vitale and Marcella Fink; these, I presume, she turned over to those individuals and they deposited them in the bank account, starting up the Vitale Cement Co. May 9 was the transaction by Molly. May 11, 1955, was the depositing of the money in the bank account.

TESTIMONY OF MRS. MOLLY BAKER—Resumed

Mr. KENNEDY. What brought about the withdrawal of the \$1,500 from your bank account and deposit of the \$1,500 in the cement business?

Mrs. BAKER. Mr. Baker told us that Mr. Vitale was going to take us into the concrete business. He wanted the \$1,500 and he wanted it in three different checks, with these names. He kept after me, not that I did not trust Mr. Vitale, but I always hated to loan money. After a while he said it would be all right, he persuaded me, and I went to the bank and did what he said. I got three checks and he, in turn, gave them to Mr. Vitale.

Mr. KENNEDY. How long, then, were you in this cement business?

Mrs. BAKER. I wasn't, because the lawyer never came to put us on paper that we were going to be a partner.

Mr. KENNEDY. Did you get your \$1,500 back?

Mrs. BAKER. No. I got \$1,300.

Mr. KENNEDY. When was that?

Mrs. BAKER. I got that around September of 1955.

Mr. KENNEDY. What brought about that? Did Mr. Baker get in touch with you?

Mrs. BAKER. After the money was loaned, and I did not see any papers drawn up, I figured we were not in business and it was just a loan, which was O. K. I did not know whether I would ever get the money back. I was not going to worry about it, because I knew that he had done—that it was him and Mr. Vitale.

So I understand, the way I got the story, that Baker called Mr. Vitale and asked him to send him some money in Florida.

Mr. Vitale mailed him \$200. Later Mr. Baker called Mr. Vitale again and asked him to keep the \$500 and send him \$1,000. Mr. Vitale got suspicious.

Mr. KENNEDY. He told him that he could keep \$500?

Mrs. BAKER. Forget about the \$500 and keep the \$1,000.

Mr. KENNEDY. And send the \$1,000 down?

Mrs. BAKER. Yes. So Mr. Vitale got suspicious and contacted me. I told him, which he was nice enough to pay me back, I said "Look, I worked in a rooming house in Washington, I washed dishes until 10:30, until the skin ran off my hands. That was my money. I will take you to my bank and prove it."

He said "That is not necessary. He will not get another penny. I shall pay you." Mr. Vitale kept his word. In September he called me and paid me back \$1,300. I lost \$200 on the deal.

Mr. KENNEDY. He paid you three checks of \$500 apiece?

Mrs. BAKER. Yes.

Mr. KENNEDY. Is that correct?

Mr. EICHMEYER. Yes.

Mr. KENNEDY. You cashed them?

Mrs. BAKER. And returned \$200 to Mr. Vitale, but he said he was sorry but he had given Baker \$200. So I didn't come out so good on that.

Mr. KENNEDY. Who was Baker with down in Florida at that time?

Mrs. BAKER. I don't know. But I know he was close to Ruth Brougher and Tom Burke.

Mr. KENNEDY. Tom Burke was down there as you understood it?

Mrs. BAKER. Yes.

Mr. KENNEDY. Tom Burke was also from the Teamsters Union?

Mrs. BAKER. Yes. I met him once in Detroit.

Mr. KENNEDY. Just as a background, did Mr. Baker ever indicate to you that he had been shot at on any occasion?

Mrs. BAKER. Well, I know he was shot twice, once in New Jersey and once in New York, because the bullet holes he has in his leg and shoulder bothered him when it rained, and I, as his wife, must know.

Mr. KENNEDY. What about New Jersey, when he was shot?

Mrs. BAKER. He was shot by the mob in New Jersey. They invited him for a spaghetti dinner, and two men died. He and another man went under the table and he escaped death.

Then he was shot in New York. That was a mob shooting also.

Mr. KENNEDY. Was this a spaghetti dinner in his honor in New Jersey?

Mrs. BAKER. I don't know. But they got him over there. He told me they all shook hands and buried the hatchet and when they got over there, they all started shooting and two men died. I don't know who the men are.

Mr. KENNEDY. Did he, then, explain to you what his position was with Harold Gibbons in St. Louis, what he was supposed to be doing there?

Mrs. BAKER. Well, I found out that he had come as Mr. Gibbons bodyguard.

Mr. KENNEDY. Why did Mr. Gibbons need a bodyguard?

Mrs. BAKER. Well, because when he took over the unions in St. Louis, after he paid Cami, there was a lot of little business.

Mr. KENNEDY. He paid who? C-a-m-i?

Mrs. BAKER. That is right.

Mr. KENNEDY. What did he pay Cami for?

Mrs. BAKER. To get out of the union so he could take over.

Mr. KENNEDY. He paid Cami to get out of the union so he, Harold Gibbons, could take over?

Mrs. BAKER. Yes.

Mr. KENNEDY. How do you know that?

Mrs. BAKER. Well, Baker used to tell me.

Mr. KENNEDY. What was the problem?

Mrs. BAKER. The problem was the smaller agents that were going to lose their jobs. Baker said all he did was walk in the office and pull the charter down and tell them, "We are taking over now."

Mr. KENNEDY. And he was acting sort of as a bodyguard?

Mrs. BAKER. Yes.

Mr. KENNEDY. What about Baker? Did he also know Tony Lop-piparo?

Mrs. BAKER. I think so.

Mr. KENNEDY. Do you know anything about him?

Mrs. BAKER. No. I never saw him with Baker. I understand that he and Baker met when Baker went to St. Louis, but I never saw them together, no. He knew them. They knew each other.

Mr. KENNEDY. How about Piggy Mack Marchese?

Mrs. BAKER. Yes, I met him once.

Mr. KENNEDY. What was his connection with Piggy Mack Marchese?

Mrs. BAKER. I don't know. I just met Mr. Piggy Mack in a restaurant. I don't know.

Mr. KENNEDY. Do you know what Piggy Mack did?

Mrs. BAKER. No, I don't.

Mr. KENNEDY. Who was he being paid by during this period of time in St. Louis?

Mrs. BAKER. What do you mean, Mr. Kennedy?

Mr. KENNEDY. Well, was he being paid by the Teamsters' Union in St. Louis, or do you know?

Mrs. BAKER. I don't know.

Mr. KENNEDY. You don't know where he was getting his money from. Do you know how much he was getting?

Mrs. BAKER. What year do you mean that?

Mr. KENNEDY. 1954.

Mrs. BAKER. In 1954 I was getting paid from Mr. Gibbons, and he told me he would get paid from Mr. Hoffa in Detroit.

Mr. KENNEDY. You were getting paid by Mr. Harold Gibbons?

Mrs. BAKER. Yes, sir.

Mr. KENNEDY. You got a union check?

Mrs. BAKER. Yes, sir.

Mr. KENNEDY. How much would that be?

Mrs. BAKER. \$125 a week.

Mr. KENNEDY. And he got—

Mrs. BAKER. What he got, I don't know. He was being paid by Hoffa. That was the arrangement.

Mr. KENNEDY. Were you doing anything for the Teamsters' Union then?

Mrs. BAKER. Not a thing; no.

Mr. KENNEDY. How long did that last?

Mrs. BAKER. Well, that lasted—he must have been gone a good 8 months.

Mr. KENNEDY. Were these checks made out to you personally?

Mrs. BAKER. No; I think they were made out to Baker, I think, and then I would endorse them. But I had the authority for me to endorse them and cash them.

That was for me to live on.

Mr. KENNEDY. You weren't sending any of this money to him?

Mrs. BAKER. No.

Mr. KENNEDY. He was getting money from some other source?

Mrs. BAKER. Yes. I gave him nothing.

Mr. KENNEDY. In addition to the telephone calls from Gus Zapas in Indianapolis, did he also get telephone calls from Joe Bommarito in Detroit?

Mrs. BAKER. Yes.

Mr. KENNEDY. Do you know who Joe Bommarito was?

Mrs. BAKER. No, sir; I do not.

Mr. KENNEDY. When he got back from Florida, did he bring any jewels back with him?

Mrs. BAKER. Yes.

In 1955—I divorced him in 1955, on October 17. He came back Christmas Eve with a lot of jewelry.

Mr. KENNEDY. Where did he say he had gotten the jewelry from?

Mrs. BAKER. He told me they belonged to Ruth Brougher and he was going to sell them and reimburse himself for the money he spent on her. He tried to sell me one ring for \$1,200.

Mr. KENNEDY. What kind of a ring was it?

Mrs. BAKER. It was a small diamond. He told me it was worth \$4,000. I was about ready to buy it.

Mr. KENNEDY. Was there also a star sapphire?

Mrs. BAKER. Yes, sir.

Mr. KENNEDY. A star sapphire?

Mrs. BAKER. Yes, sir.

Mr. KENNEDY. What was it, a ring or what?

Mrs. BAKER. It was a ring, as big as a quarter. He told me it was worth \$3,000.

Mr. KENNEDY. Do you know where he had gotten the jewelry from? Where did he tell you he had gotten the jewelry from?

Mrs. BAKER. He told me Ruth Brougher.

Mr. KENNEDY. Do you know where she had gotten it from?

Mrs. BAKER. No, sir.

Mr. KENNEDY. Did you buy the ring for \$1,200?

Mrs. BAKER. No; because he told me first that he was going to have it appraised, and he did.

Mr. KENNEDY. Whom did he go to to get it appraised?

Mrs. BAKER. Well, he went with a friend of his. Do I have to answer that? I don't want to hurt anybody.

Mr. KENNEDY. I would like to have you answer that. Where did he go? What did he report back to you as to where he had gone?

Mrs. BAKER. Well, he said he was going to meet his friend, Mr. Joseph Costello, and Mr. Costello had a jeweler whom they could trust. In the meantime, when they did, they called me from downtown St. Louis, I don't know where, and he said Mr. Costello advised him the ring was not worth \$1,200 and I should not buy it.

Mr. KENNEDY. You did not buy it?

Mrs. BAKER. I did not buy it.

Mr. KENNEDY. Do you know what happened to the ring?

Mrs. BAKER. That one I don't. But Mr. Costello got the star sapphire, that I know. He was supposed to have bought it for his wife, Barbara.

Mr. KENNEDY. He did get the star sapphire?

Mrs. BAKER. Yes; he did.

Mr. KENNEDY. What did Baker say would be done when the law enforcement officials would be looking for him? Did he say the Teamsters would hide him out?

Mrs. BAKER. Well, every time the heat would be on, the Teamsters, Mr. Gibbons or Mr. Hoffa, not the Teamsters, would put him in a hospital, and he would call me and tell me not to worry that the heat was on, also that he was in a hospital, and I would say, "That is fine." They called it weight reducing.

Mr. KENNEDY. Weight reducing?

Mrs. BAKER. Yes.

Mr. KENNEDY. Did he ever tell you that he was in difficulty with the mob because of his connection with doping a horse in a race?

Mrs. BAKER. No. He was in difficulty with the Government, with the law, because the Federal Bureau of Investigation came to me at 413 Silver Spring Avenue. I was out, but my neighbors told me the FBI were there.

He had doped a horse somewhere, I don't know where, but he got \$1,500 for it, for doing the job. He posed as a veterinarian or something and got it.

Mr. KENNEDY. He got \$1,500 for that?

Mrs. BAKER. Yes.

Mr. KENNEDY. During this period of time, Mr. Costello shot himself, is that right?

Mrs. BAKER. Yes.

Mr. KENNEDY. Did Mr. Baker ever tell you why Joe Costello shot himself?

Mrs. BAKER. Do I have to answer that?

Mr. KENNEDY. Yes, you have to answer it.

Mrs. BAKER. Well I don't want to answer it. After all, I have a little girl to raise, and I know what I am dealing with. You may not know these people, but I do.

The CHAIRMAN. The Chair will not require you to answer it here in public. We will give you the opportunity to answer it, in executive session.

All right, proceed.

Mrs. BAKER. Thank you.

Mr. KENNEDY. It is extremely important. We can go into executive session about it, but it is of extreme importance in connection with showing the tie-in of Mr. Baker with some of the most notorious gangsters and hoodlums in the United States, and people who were part of the most reprehensible kind of crimes.

Mrs. BAKER. Well, Mr. Chairman, could I say something in my own words here?

The CHAIRMAN. Yes, you may.

Mrs. BAKER. I don't want to answer it because I have to raise that little girl. I may get killed for telling. But I want to tell these people and all of you, and the whole United States, that they don't even know, that since 1955 and 1956, the FBI in St. Louis have been sweating me about the Greenlease money. I didn't get a penny, and Baker knows that, from the Greenlease money. I didn't get a thing. But the man that got it must have prospered from it. But I have all the trouble with the FBI. I think it would be fair—I don't want to hurt or implicate anybody, that is a big, big thing—I feel in my heart that I should be left alone by the FBI. You see, Mr. Baker does not know what he left me in. I hope he is here to listen to it. They tell me that I must have the Greenlease money. Well, he did tell me who got it, and why the man shot himself, and I don't feel the FBI should sweat me any more. I think they should clear me. That is the only reason I want to make a true statement today. I feel the United States and the FBI should stop coming to me and trying to pressure me and annoying me and sweating me for the Greenlease money.

Baker told me, "Joe Costello got the Greenlease money," and that is why he tried to kill himself. I should never tell a soul, he said, but if I was ever questioned by the FBI, I should immediately warn Mr. Costello, which I did in 1956.

Mr. KENNEDY. You went to see Joe Costello then?

Mrs. BAKER. Yes; after the Federal Bureau of Investigation sweated me for a half day in my home, in front of my young daughter Barbara.

Mr. KENNEDY. I am sure they just questioned you.

Mrs. BAKER. Well, they did, but it was not easy, Mr. Kennedy.

Mr. KENNEDY. You went to see Joe Costello after that?

Mrs. BAKER. Yes. I went to his home. His wife was there, and I told him. He asked me what I told the FBI. I told them I did not know anything, whether he had the Greenlease money but I had to cover up to protect my life also. A couple of days later I was called by Mr. Baker from Buffalo, and I told him what happened. He said, "As you know, at any time you are questioned or bothered by the Government or the FBI on the Greenlease money, you know what to do. Go over and tip Joe off and Joe will know what to do. You did the right thing. That is what you are supposed to do, warn Mr. Costello."

I am sorry I had to tell the truth, but I must not have any more, because I want them to know that I don't have a penny of it.

The CHAIRMAN. You never had any of it?

Mrs. BAKER. No, I did not, Mr. Chairman. I never got anything.

The CHAIRMAN. You never saw it?

Mrs. BAKER. I never saw it, and I never got anything out of it.

The CHAIRMAN. But Mr. Baker told you who got the money?

Mrs. BAKER. Yes, he did.

The CHAIRMAN. Have you ever told that to the FBI?

Mrs. BAKER. No, sir. I wouldn't tell the FBI. I used to tell them I didn't know, but they told me not too long ago that I was lying, and they also were going to keep sweating me, they said, until I told the truth.

The CHAIRMAN. You are now telling the truth about it?

Mrs. BAKER. Yes, I am, so help me God. I should see my daughter again and I know she needs me. I am telling the truth, just as it was told to me.

The CHAIRMAN. All right. Are there any other questions?

Mr. KENNEDY. Was he getting any money from any other outside sources, do you know?

Mrs. BAKER. Well, I never asked him too much. I was wise to what was going on by then.

Mr. KENNEDY. Did he receive any money? Did he tell you he would have to go to New York to pick up some money?

Mrs. BAKER. Yes. He told me he wanted the bank book, and he told me he was going to make a fast thousand in New York. I know I never got any of it. I gave him the book, as he instructed me, because I feared him for a long time.

Mr. KENNEDY. Did he get the money?

Mrs. BAKER. I don't know. I guess he did, because he refinanced the bank account at the Manchester Bank.

Mr. KENNEDY. After he said he was going to New York to pick up this money, he was in fact able to refinance his bank account and had money available, is that right?

Mrs. BAKER. Yes, sir.

Mr. KENNEDY. Just to clear the record, Joe Costello was not killed, he did not kill himself?

Mrs. BAKER. No. He lived.

Mr. KENNEDY. What explanation did he give as to the shooting?

Mrs. BAKER. Maybe he was cleaning a gun. I don't know.

Mr. KENNEDY. What was the explanation given to you as to why he would shoot himself?

Mrs. BAKER. The explanation that Mr. Baker gave me was that he killed himself over the Greenlease money.

Mr. KENNEDY. You mean shot himself?

Mrs. BAKER. Yes, sir.

Mr. KENNEDY. You don't know anything more about it?

Mrs. BAKER. No, but I know they became very close after that.

Mr. KENNEDY. Did you go to visit Costello?

Mrs. BAKER. Yes, I did.

Mr. KENNEDY. I mean other than the one time you told us about?

Mrs. BAKER. We were friendly until Baker left, and then the last time, I think, was when the FBI came to question me that day and I did not go any more.

Mr. KENNEDY. Prior to that had you been friendly to Mr. Costello?

Mrs. BAKER. Well, because of Mr. Baker's friendship.

Mr. KENNEDY. But you had been then, you and Mr. Baker?

Mrs. BAKER. Yes.

Mr. KENNEDY. You had been to his home on other occasions?

Mrs. BAKER. Yes.

Mr. KENNEDY. This group, Vitale and Costello, were they upset when Baker was planning to marry another girl?

Mrs. BAKER. Well, I got the story that he was warned that a man was sent. They did not know I knew. But I know because Mr. Harold Gibbons told a friend of mine in strict secrecy that Jean Waller was sent to Chicago by Mr. Vitale to warn Baker not to remarry because I was still single. What that was about, I do not know.

Mr. KENNEDY. That Vitale did not want him to marry while you were still single?

Mrs. BAKER. No, sir.

Mr. KENNEDY. You don't know what the explanation of that is?

Mrs. BAKER. No, sir.

Mr. KENNEDY. Would it be to insure that you would not talk?

Mrs. BAKER. I think they were afraid that I knew something, living with Baker as a wife for 7 years. They probably knew that I knew something.

Mr. KENNEDY. And you do.

Mrs. BAKER. Do I? Well, I don't want to hurt anybody, but I have to clear the 3 years of FBI. They wouldn't let me alone, and I don't feel it was fair for me to be left.

The CHAIRMAN. Senator Ives.

Senator IVES. I would like to ask Mrs. Baker a few questions, if I may.

Would you mind telling us whether Mr. Baker had anything to do with politics?

Mrs. BAKER. Yes; he did. He campaigned for Averell Harriman of New York in 1952 and 1954. In 1954 it was paid by the Teamsters.

Senator IVES. You mean in 1956?

Mrs. BAKER. 1955 or 1956.

Senator IVES. Both times were the times when Mr. Harriman ran for the United States Presidency, weren't they, when he was trying to get the nomination?

Mrs. BAKER. Yes, sir; he campaigned very hard.

Senator IVES. And in 1952 and 1956; isn't that correct?

Mrs. BAKER. Yes, sir.

Senator IVES. Could you tell us anything about that; what happened?

Mrs. BAKER. Well, he campaigned for Mr. Harriman, and he went to Chicago at the National Democratic Convention.

Senator IVES. That was in 1956?

Mrs. BAKER. In 1952.

Senator IVES. Yes; that is right.

Mrs. BAKER. Both times, yes; and in 1956 he called me from Chicago, I mean in Buffalo, although we were divorced, and he thought he was going to marry me again, and he told me that Jimmy Gibbons had paid for his expense to go to Buffalo and all over to campaign through the labor unions, so Mr. Harriman could be President. Mr. Harriman told him he was a rich man, and he did not want to be President for the money, but he wanted it for the honor. We had a picture at all times in our home which Mr. Averell Harriman sent Mr. Baker, and it said, "To my dearest friend, Barney, Averell Harriman."

Senator IVES. Did you have that hanging up in the house?

Mrs. BAKER. Yes; it was given to Mr. Baker by Mr. Harriman, and I am sure some of my friends have seen it.

Senator IVES. You say they were supposed to be pretty close friends?

Mrs. BAKER. Very close.

Senator IVES. Very close?

Mrs. BAKER. Yes, sir.

Senator IVES. In what way did they demonstrate that outside of the picture?

Mrs. BAKER. He told me in 1955 when I had told him I knew he was not making a living nice, and he told me, "No, I am making it with my fists, and I hope you know by now that you did not marry a lily-white." He said, "Furthermore, I don't care what you think, because I intend to leave you and forget you and the little girl, because Averell Harriman will introduce me to some girl in his circle, and then the law won't touch me and I will become a big man." That is the truth, so help me God.

Senator IVES. I am not questioning it at all. I am just trying to ascertain exactly what happened. Was he ever entertained by Mr. Harriman?

Mrs. BAKER. Yes, he was, and in fact, Mr. Averell Harriman told them to bring us out to Sun Valley. That was the first time I found out who owned Sun Valley.

Senator IVES. Where was this entertainment, here in Washington?

Mrs. BAKER. Yes, at the Perle Mesta residence, where Mr. Harriman was renting at the time.

Senator IVES. Did Mr. Baker and Mr. Harriman ever have telephone calls?

Mrs. BAKER. Mr. Baker used to call him almost every Sunday morning, and so did that Roosevelt boy, used to call my house on Sunday morning, Franklin.

Senator IVES. On what basis were these conversations carried on?

Mrs. BAKER. It was friendship.

Senator IVES. What did they call each other? For instance, what did Mr. Baker call Mr. Harriman in these conversations?

Mrs. BAKER. Well, Mr. Baker always felt that he could use Mr. Harriman, and for a lot of favors, and a lot of connections, and Mr. Baker, I don't know if anybody knows this, is one of these believers in connections and at times it has proved very profitable to him. And Averell Harriman is a pretty nice and a pretty big man in this country, as you know.

Senator IVES. What did Mr. Baker call Mr. Harriman in talking to him? Did he call him, "Mr. Harriman"?

Mrs. BAKER. Oh, they used to, it got so in Washington in 1952, he told me, that is, Baker told me Mr. Harriman said, "Don't call me Harriman, call me Averell, and I will call you Barney," and he did just that.

Senator IVES. As I understand it, then, your idea of the connection that Mr. Baker had with Mr. Harriman was that it was rather close?

Mrs. BAKER. Very close.

Senator IVES. Over how long a period was this, during all of your married life?

Mrs. BAKER. Yes, from 1952 until he called me from Buffalo, and he told me he was up there campaigning. In fact, when Governor Harriman became Governor of New York Mr. Baker was allowed to enter New York again without being picked up by the police.

Senator IVES. Can you tell me this: Do you know whether Mr. Baker was ever entertained at the Executive Mansion in Albany?

Mrs. BAKER. That I do not know, but he was entertained on Fox Chase Road here, and I did not want to go, but I was asked to go.

Senator IVES. We may find out more about that a little later. Have you anything further you desire to add with respect to this relationship between Mr. Harriman and Mr. Baker, which apparently was very close? Would you say it was close enough so that it could be regarded as a close friendship?

Mrs. BAKER. Very close, very close, and very close. It could not have been any closer. They ate fried chicken together with their fingers on I Street, and Mrs. Harriman, I heard, kissed him and called him "Barney" and loved him for letting him win the election here against Kefauver in 1952.

The CHAIRMAN. Let us have order.

Senator IVES. Let me ask one more question, and I don't think I want to interrogate you too much on this. You have been very kind and you are explaining a great deal. Were Mr. Baker's expenses paid by Mr. Harriman, his campaign expenses?

Mrs. BAKER. That I do not know.

Senator IVES. You know they were paid, and I believe that some information came to my attention to the effect that Mr. Baker received something like \$50,000. Do you know anything about that?

Mrs. BAKER. He never told me. I know; yes, I do, I know one thing; he brought a lot of money home at 413 Silver Spring Avenue, and he told me he was picking money up all over the country for the Democratic Party. And he told me that Mr. Dave Beck gave \$3,500, and so forth, and now, if he lied, he lied to me.

Senator IVES. Please understand, I am not criticizing Mr. Baker for collecting money for the Democratic Party.

Mrs. BAKER. I am not either, but I don't know what he got.

Senator IVES. It is perfectly legitimate. But what I am interested in, and I will tell you why, is this: Do you think Mr. Baker had any influence over Mr. Harriman?

Mrs. BAKER. I do.

Senator IVES. In what way?

Mrs. BAKER. Because I think Mr. Harriman in 1952—when Mr. Baker campaigned for the primary, Mr. Kefauver would have won that primary, but Mr. Baker was in a position where he closed a lot of union shops and walked up and told all of the white and colored people to vote for his man Harriman, and they had a parade, and in fact Mr. Baker had pictures of that, of Reverend Williams leading a parade to vote for Harriman. So Mr. Kefauver did not win, and Mr. Harriman won, and he told them, "I will always be grateful," and I do believe, and I am sure Mr. Harriman has been obligated to Mr. Baker from that time until this.

Senator IVES. The reason I raised this question, it comes legitimately within the purview of this investigation. You perhaps remember, do you not, there was a conclave of the Mafia held on November 14, 1957, in Apalachin, N. Y.? Did you hear about it or read about it?

Mrs. BAKER. I read about it, yes, sir.

Senator IVES. Well, under the New York laws, which are apparently somewhat different in this respect, in order to have the attorney general of New York, who is the chief law-enforcement official of the State of New York, start an investigation or enter an investigation of any kind, he must receive permission from the Governor; the Gover-

nor can direct him to do so, and then he has to do it. But if the Governor does not direct him to do so, then he must receive the Governor's consent before he can do it. Now, in this Apalachin matter, the attorney general of the State of New York requested the Governor that he be permitted to enter that case, and to do what he could in revealing what happened there, and all about it. The Governor refused to allow him to do so. I have always been wondering what the influence on the Governor was that would cause him to refuse to let the attorney general of the State of New York to follow that matter up.

Mrs. BAKER. I just answered you, and you know why he refused, yes. I believe from the 1952 election, and I am positive, I would swear on it, that Mr. Averell Harriman knew that he was obligated to Baker.

Senator IVES. Thank you very much.

The CHAIRMAN. Senator Kennedy.

Senator KENNEDY. You really don't know what the influence was that you suggest on Mr. Harriman, in regard to the Apalachin matter, and that is your surmise?

Mrs. BAKER. I am not referring to that. I am only saying that, yes, Mr. Harriman always felt obligated to Baker from the 1952 time.

Senator KENNEDY. To the best of your knowledge, and that is what we are interested in—

Mrs. BAKER. I know nothing.

Senator KENNEDY. You know nothing about the Apalachin matter, and you don't know whether Mr. Baker ever spoke to Governor Harriman about the Apalachin matter or not?

Mrs. BAKER. He used to tell me that he could get anything.

Senator KENNEDY. Did he speak to you about the Apalachin matter?

Mrs. BAKER. No; I was not with him at the time.

Senator KENNEDY. You do not know anything about it, in fact.

Mrs. BAKER. No.

Senator KENNEDY. So, whether Governor Harriman had one reason or another, you don't know anything about it?

Mrs. BAKER. No, sir.

Senator IVES. May I interrupt there just a moment?

But you do know there was a very close friendship between the two?

Mrs. BAKER. That is for sure.

Senator KENNEDY. I hate to disagree with my colleague, Senator Ives, with whom I have been intimately associated, but the fact of the matter is any inference that would be suggested from your answering that question, in regard to the Apalachin matter, is nothing that you know anything about. How long is it since you have seen Mr. Baker?

Mrs. BAKER. I do not know.

Senator KENNEDY. How long since you have seen Mr. Baker?

Mrs. BAKER. 1955.

Senator KENNEDY. You do not know anything about the Apalachin matter?

Mrs. BAKER. I know nothing about that. I do know that Mr. Harriman felt obligated.

Senator KENNEDY. Now, as I understand it, you state that Governor Harriman met Mr. Baker in what year?

Mrs. BAKER. 1952.

Senator KENNEDY. What part of 1952?

Mrs. BAKER. I don't know, but he met him here in Washington.

Senator KENNEDY. How do you know that?

Mrs. BAKER. I was with him, living with him at the time, and he either met him through a lawyer, Henry Keyser or Grate Barnikee.

Senator KENNEDY. What Mr. Keyser?

Mrs. BAKER. Mr. Keyser is Henry Keyser, an attorney for the unions here, I believe. He met him through some nice folks.

Senator KENNEDY. Do you know if the Teamsters Union here in Washington, and among other unions, was supporting Mr. Harriman?

Mrs. BAKER. Pardon me?

Senator KENNEDY. Do you know if the Teamsters Union here in Washington in 1952 was supporting Mr. Harriman?

Mrs. BAKER. Well, I don't know about the unions in 1952, but I know that Baker closed all of the shops he could in 1952.

Senator KENNEDY. What do you mean, "closed all of the shops"?

Mrs. BAKER. He told me all of the shopowners, the Penn Paper Co. and a few others, that the people had to go out and vote for his man, and they did.

Senator KENNEDY. How do you mean, he told him. How do you know this?

Mrs. BAKER. He told me.

Senator KENNEDY. What do you mean by "he closed them"? What shops specifically?

Mrs. BAKER. One I remember was the Penn Paper Co.

Senator KENNEDY. What date did he close that?

Mrs. BAKER. It was during the primary election, and I don't remember.

Senator KENNEDY. How do you mean, he closed it?

Mrs. BAKER. Well, for the primary voting, so the employees could vote.

Senator KENNEDY. In other words, he was the agent by which the Penn Paper Co. in Washington agreed to let their employees off during the election day so they could vote?

Mrs. BAKER. Vote for Harriman.

Senator KENNEDY. Now Mr. Baker was the one who arranged that?

Mrs. BAKER. Yes, and he had pictures at that time, and that is how I know. He brought them home and he had pictures of Reverend Williams leading the parade, with the signs that said, "Vote for Harriman."

Senator KENNEDY. What has that to do with Mr. Baker?

Mrs. BAKER. He was instrumental in campaigning for Harriman.

Senator KENNEDY. But so were a lot of other people and it was a big election. What exactly was the connection between Reverend Williams and Mr. Baker?

Mrs. BAKER. He was a reverend, and he led a lot of colored people.

Senator KENNEDY. What has that got to do with what we are talking about? I could have had a picture of Reverend Williams.

Mrs. BAKER. I don't know.

Senator KENNEDY. Then there is no connection between the picture of Reverend Williams and the fact that Mr. Baker happened to have it, is there, or is there?

Senator IVES. Would the Senator yield? I can answer you.

Senator KENNEDY. I would like to finish my questioning. Was there a connection between the Reverend Williams and Mr. Baker?

Mrs. BAKER. Well, Mr. Baker told me later on, now that you refresh my memory, that it was Reverend Williams who was a good-will ambassador and for that he was going to reimburse Reverend Williams and get Mr. Harriman to send him abroad, which he did. I believe Reverend Williams, and I am almost positive, and it can be checked, was sent to Europe on a good-will tour for the United States through Mr. Harriman.

Senator KENNEDY. How do you know that?

Mrs. BAKER. Baker told me.

Senator KENNEDY. When did he tell you that?

Mrs. BAKER. He told me, I believe, when we were still in Warren-ton, that that is what he was going to get for Reverend Williams.

Senator KENNEDY. If Reverend Williams came in and campaigned, Mr. Harriman was going to send Reverend Williams to Europe?

Mrs. BAKER. Yes, sir, and something else. Are you familiar with that very famous colored singer, Todd, I believe, who lived out here in Washington and who played in Porgy and Bess? He was also behind Harriman, and we were invited to his home many a time, and I don't know whether he was sent up here.

Senator KENNEDY. You were invited to his home?

Mrs. BAKER. Todd's home.

Senator KENNEDY. You went to Todd's home?

Mrs. BAKER. I did not go, but Baker did.

Senator KENNEDY. Was that the first time that you met Governor Harriman?

Mrs. BAKER. I never met the man.

Senator KENNEDY. You never met Governor Harriman?

Mrs. BAKER. No, sir.

Senator KENNEDY. You were not present, in other words, when your husband met Governor Harriman?

Mrs. BAKER. No, sir.

Senator KENNEDY. So in other words, the entire story that you have told us in regard to the 1952 election was what Mr. Baker told you?

Mrs. BAKER. Well, it was not what Mr. Baker told me. He was down at I Street at the headquarters all day and all night.

Senator KENNEDY. He was working in the campaign?

Mrs. BAKER. Yes, sir.

Senator KENNEDY. But you yourself, you say, never met Mr. Harriman or discussed it with him?

Mrs. BAKER. No, and I was asked to go to his home but I had a baby and I refused to go.

Senator KENNEDY. Were you asked to go to a political reception?

Mrs. BAKER. No. I was asked to go to a party Mr. Harriman had after he won the election at Fox Chase Road there, but I did not go.

Senator KENNEDY. What you are stating is that Mr. Baker among others worked in the 1952 Washington primary, is that correct?

Mrs. BAKER. Yes.

Senator KENNEDY. And he was able to persuade the Penn Paper Co. to permit its employees to vote?

Mrs. BAKER. Not only that, a lot of other places.

Senator KENNEDY. What other places?

Mrs. BAKER. Well, I don't know, but there were other places that were in the union that he asked. He did not persuade them, and he just asked them nicely, would they be kind enough to close and let the employees all go out to vote for his man, and that was all I heard, since 1952, was "Harriman is my man," and I don't know what he meant by that.

Senator KENNEDY. You know, Mrs. Baker, a lot of people can say that about a lot of political candidates, can't they?

Mrs. BAKER. That is right.

Senator KENNEDY. We want to be sure in view of the material that you have brought forward today that you have put the relationship between Mr. Baker and Mr. Harriman in its proper perspective.

Mrs. BAKER. Well, Mr. Kennedy, I hate to disagree, but I know Mr. Baker better than anyone else, and I have lived with him 7 years, and I know what he can do for a connection. He will do anything, and now I am sorry, but I would not tell a lie.

Senator KENNEDY. What is it that you know that he did for this connection, Governor Harriman?

Mrs. BAKER. He figured Governor Harriman was a good connection for a man like him.

Senator KENNEDY. What did Governor Harriman do for him?

Mrs. BAKER. I don't know and I never asked him, but he told me many a time that with Harriman he could have anything in the country he wanted.

Senator KENNEDY. That is what he told you, but what is it he got?

Mrs. BAKER. I don't know.

Senator KENNEDY. You don't know, do you?

Mrs. BAKER. No.

Senator KENNEDY. Now, I have heard a lot of people state in politics that "X is my man and he will do everything for me when he gets elected," but you don't know anything that was done, and this is all Mr. Baker's story to you?

Mrs. BAKER. Well, it is his talk, as I said, and if he lied, I don't know, and I am going to be truthful about it. I don't know. I can only relate to you what I was told.

Senator KENNEDY. You were never present during these conversations?

Mrs. BAKER. No. He brought material home from a conference on the election and the primary where he showed me the papers that they typed up for Harriman, and where Harriman called him "Barney," and he did bring that home, and it was a big long document.

Senator KENNEDY. You stated there was a picture, and where is that picture now?

Mrs. BAKER. Mr. Baker took it with him.

Senator KENNEDY. Are you sure about the words that it said?

Mrs. BAKER. Oh, yes, even my girl friend remembers that, and they used to walk in and it says, "To my dearest friend, Barney, Averill Harriman." And I believe he still has it.

Senator KENNEDY. It is much warmer, and it is hard to believe from what you described, that Barney was his dearest friend?

Mrs. BAKER. I don't believe, and I want to say this for Mr. Harriman, I don't think Mr. Harriman checked his background, and I am sure he did not.

Senator KENNEDY. I don't think from the way you have described it, though, that he would put "my dearest friend."

Mrs. BAKER. You can go call a few people in St. Louis, and I think they can back me up, because this one particular woman, I don't want to mention her name, did fix the books for Mr. Baker, at Hampton Village, and she put them in alphabetical order all about the campaign, and she reminded me not too long ago that it had "To my dearest friend." and there are quite a few people that saw that picture in my home. It says, "To my dearest friend, Averill Harriman."

Senator KENNEDY. After the 1952 Washington primary, then what was the connection between Mr. Harriman and Mr. Baker?

Mrs. BAKER. Well, I don't know, I used to hear "Harriman, my friend," and he kept all of the records, and the picture of Reverend Williams, and so forth, but when he called me from Buffalo, he told me that he was on a campaign. They all went to New York, by the way, with Mr. Harriman where he was running for governor, and that is Mr. Gibbons, also.

Senator KENNEDY. Mr. Gibbons went to New York? Was he working there or who else from the Teamsters Union was working in the 1952 primary?

Mrs. BAKER. Mr. Zapas, I believe, and anyhow Mr. Zapas came to my home here in Silver Spring.

Senator KENNEDY. Who was head of the Teamsters Union in 1952 in Washington?

Mrs. BAKER. I don't know.

Senator KENNEDY. Was Mr. Baker at the main office of the Teamsters in that year?

Mrs. BAKER. No, he was at local 730.

Senator KENNEDY. He was the head or business agent or what?

Mrs. BAKER. He was president, and he became president or business agent and president.

Senator KENNEDY. Weren't there a number of unions supporting Mr. Harriman in that primary?

Mrs. BAKER. I imagine so, and I don't know, and I did not go into details.

Senator KENNEDY. But in other words, after the 1952 Washington primary, you did not see Mr. Harriman ever?

Mrs. BAKER. No, I did not.

Senator KENNEDY. You do not know if Mr. Harriman did anything for his friend, Mr. Baker?

Mrs. BAKER. No, only from what Mr. Baker told me, that is all.

Senator KENNEDY. Mr. Baker told you that he could get anything from Mr. Harriman during 1952, and he never got anything, to the best of your knowledge?

Mrs. BAKER. I don't know. He even told me in St. Louis that they were going to get Joey Fay out of prison for him, but I don't know if that ever happened.

Senator KENNEDY. Did you have any evidence that happened?

Mrs. BAKER. No, I only know hearsay from Mr. Baker and if he lied to me, then I have to lie to you. So I want to be truthful.

Senator KENNEDY. Governor Harriman was going to get Mr. Fay out?

Mrs. BAKER. Yes, sir.

Senator KENNEDY. In what year?

Mrs. BAKER. That was I think in 1954, or something, and I don't know, and I did not pay too much attention to Baker's activities at the time.

Senator KENNEDY. Governor Harriman did not become Governor until 1955?

Mrs. BAKER. I don't know, and I don't know anything about that.

Senator KENNEDY. When did you leave Mr. Baker?

Mrs. BAKER. I divorced Mr. Baker in 1955.

Senator KENNEDY. When did you leave him, though, and not divorce him, but when did you leave his home?

Mrs. BAKER. I did not leave him. He left us.

Senator KENNEDY. When did he leave you?

Mrs. BAKER. He was back and forth all of the time, but he stayed away completely after 1955.

Senator KENNEDY. What part of 1955?

Mrs. BAKER. Well, 1955, he came to St. Louis in 1956, and he came to the house and I was out, and he called me.

Senator KENNEDY. When did you last see him in 1955?

Mrs. BAKER. I believe it was Christmas in 1955 that I last saw him, Christmas day, when he went away.

Senator CURTIS. Was Baker "hot" in New York after he established his acquaintance with Mr. Harriman?

Mrs. BAKER. That I do not know.

Senator CURTIS. But he did stay out of New York prior to that?

Mrs. BAKER. Yes, he did, and he told me if Mr. Harriman became Governor he could now go back to New York, and in 1955, he supposedly went back to New York, and I remember because it was my daughter's birthday, and these are the beads that he brought back from New York.

Senator CURTIS. And that was after?

Mrs. BAKER. It was in 1955, January of 1955.

Senator CURTIS. Did Baker ever say anything about his political connections in the Middle West, in St. Louis, or surrounding States?

Mrs. BAKER. I know he was friendly with Martin Touger and a few other fellows.

Senator CURTIS. Who is Martin Touger?

Mrs. BAKER. He was a sheriff at the time.

Senator CURTIS. Who else was he friendly with?

Mrs. BAKER. He was friendly with some fellows from the prosecuting office, and a few other people.

Senator CURTIS. How about any other States?

Mrs. BAKER. I do not know. Oh, yes, Mr. Fitzgerald, of Detroit, and he campaigned with him in 1954.

Senator CURTIS. I think that that is all.

Senator KENNEDY. Mrs. Baker, I note here a newspaper clipping which states that Mr. Baker, along with other people, were a part of the campaign committee here in 1952, for Governor Harriman in the District, in the fight against Senator Kefauver, but it does not seem to me that except for the statements which Mr. Baker may have made to you, the connection of an intimate kind has been proven by your statement.

Mrs. BAKER. Well, you can take it as you want.

Senator KENNEDY. I am taking it only because I am trying to get the evidence to support the kind of relationship there was. I know a lot of people, because I have run for office myself, who may have voted for me and may have done some work for me, and the question is whether it proceeded from that to a personal relationship, and there is the fact that you have never met Mr. Harriman.

It suggests to me that it is not that kind of a basis.

Mrs. BAKER. I am sure Mr. Baker did not operate that way, and as I said—

Senator KENNEDY. But you don't know.

Mrs. BAKER. Oh, yes, I do. I know him better than that.

Senator KENNEDY. Do you know what his financial and other relationships were?

Mrs. BAKER. He must have done it for a connection.

Senator KENNEDY. You think so, but you don't know so.

Mrs. BAKER. I am sure of it.

Senator KENNEDY. How do you know?

Mrs. BAKER. Because I know Baker pretty well.

Senator KENNEDY. That is the only reason you know, his general character, but you don't know anything about this situation directly?

Mrs. BAKER. He was close.

Senator KENNEDY. Do you know, as far as Governor Harriman is concerned, that he gave any money to Mr. Baker?

Mrs. BAKER. That I do not know.

Senator IVES. I would like to read the statement to which the distinguished Senator from Massachusetts just referred, and it appears in the Washington Star, the Evening Star of June 14, 1952. It is very short: "Mr. Harriman's campaign manager here, Joseph L. Rauh, Jr., announced formation of the United District Labor Committee for Harriman. Cochairmen are Robert Baker, president of Teamsters Local 730, AFL, and George L. P. Weaver, assistant to the secretary-treasurer, CIO."

Mrs. BAKER. I remember that.

Senator IVES. Does that refresh your memory on that?

Mrs. BAKER. Yes, sir.

Senator IVES. Now, the question was raised, in the course of the remarks just made, what did Mr. Harriman do for Mr. Baker? Well, it occurs to me that getting him back into New York State was quite a thing, wasn't it?

Mrs. BAKER. It was a big thing for Baker.

Senator IVES. Well, that is what I thought. I presume that if we dug deep enough we would find other things.

Senator CURTIS. Would the distinguished Senator from New York yield for a question? What was the name of the first man you quoted in that newspaper account?

Senator IVES. The first man I quoted was Joseph L. Rauh, Jr.

Senator CURTIS. Is he the attorney that appeared before the committee for the CIO?

Senator IVES. I suspect he was; I don't know, but I think so.

The CHAIRMAN. Are there any further questions?

Senator IVES. I want to thank Mrs. Baker for being so cooperative.

The CHAIRMAN. Thank you very much. The committee will stand in recess until 2:30.

Senator Ives. Mrs. Baker has expressed a worry about being threatened or something happening to her. Can we guarantee the same kind of protection that we guaranteed a great many other witnesses?

The CHAIRMAN. Let us have order, please. The committee will come to order again.

Mrs. Baker, we appreciate very much your testimony, and I wish to thank Senator Ives for reminding me that we should do this. In many instances where witnesses have testified before us, we have continued them under the same subpoena and placed them under recognition to return and testify further whenever the committee might desire to hear them again. You will remain under your same subpoena, and make yourself available to the committee upon reasonable notice of the time and place where it desires to further interrogate you. In the meantime, if you receive any threats, or anyone undertakes to intimidate you or harm you in any way by reason of the testimony that you have given here today, you will report that promptly to the committee. We will undertake to give you every protection within our power.

Mrs. BAKER. Thank you. I also want to make the last statement, that I had to testify to clear myself of the loan and of the Greenlease money. I had suffered 3 years with questioning from the FBI, and I want Mr. Baker to know what he left me with. He left me in St. Louis to face the FBI and questioning, without the decency to move his daughter and I out, and this was the only thing that I could do today, and if soldiers can die on the battlefield, I can die for what I did today, because I owe Baker no more loyalty. I owe it to the flag of the United States, and you can call me at any time.

The CHAIRMAN. Thank you very much. The committee stands in recess until 2:30.

(Thereupon at 1:20 p. m., a recess was taken until 2:30 p. m., the same day.)

AFTERNOON SESSION

(At the reconvening of the session, the following members were present: Senators McClellan, Ives, Mundt, Goldwater, and Church.)

The CHAIRMAN. The committee will come to order. Call the next witness.

Mr. KENNEDY. Capt. John Dougherty.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DOUGHERTY. I do.

TESTIMONY OF CAPT. JOHN DOUGHERTY

The CHAIRMAN. Captain, will you state your name, your place of residence, and your business or occupation?

Mr. DOUGHERTY. John Dougherty, detective captain, St. Louis Police Force, 3801 Childress Avenue, St. Louis, Mo.

The CHAIRMAN. Do you waive counsel?

Mr. DOUGHERTY. Yes.

The CHAIRMAN. All right.

Mr. KENNEDY. Captain, you are in the St. Louis Police Department?

Mr. DOUGHERTY. I am.

Mr. KENNEDY. How long have you been there?

Mr. DOUGHERTY. Sixteen years.

Mr. KENNEDY. Could you tell the committee what your specific duties are?

Mr. DOUGHERTY. I am in charge of the Intelligence and Hoodlum Squad, St. Louis Police Force.

Mr. KENNEDY. What are their responsibilities?

Mr. DOUGHERTY. Their responsibilities are to keep track on all gangsters or hoodlums in the St. Louis area or any hoodlums from out of town coming into the area.

Mr. KENNEDY. How long have you held that position?

Mr. DOUGHERTY. For the past 2 years.

Mr. KENNEDY. Is that when the bureau or division was formed?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. Could you tell the committee what led up to its being formed?

Mr. DOUGHERTY. We had an alderman by the name of Brown who was brutally killed. They picked him up in front of his house, drove him to an alley about three blocks away, and shot him in the head. Right after that the intelligence unit was formed.

Mr. KENNEDY. Is it formed in the same fashion or does it operate in the same fashion as the intelligence division operates out in Los Angeles?

Mr. DOUGHERTY. It is patterned after that division.

Mr. KENNEDY. Mr. Chairman, we have already had testimony from the head of that division, Captain Hamilton.

And you keep track of the known hoodlums and gangsters that operate in St. Louis and any of the ones that come in from the outside?

Mr. DOUGHERTY. That is correct.

Mr. KENNEDY. In the course of the work that you have done, and as I understand even before this special division was formed you worked with these people for a long period of time—is that right?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. With the hoodlum and gangster element in St. Louis?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. That has been your specialty?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. In the course of the work that you did, did you have an instance or did the name of Mr. Robert Barney Baker come to your attention?

Mr. DOUGHERTY. It did. It came to my attention in 1953, when he came in there as a teamster boss for local 405. He was supposed to be the strong-arm man, and the rumor had come back to us that he was going around beating cab drivers and forcing them into the union. So we run surveillance on Barney Baker to try to find out who he was.

Mr. KENNEDY. What did you find out about him, Captain?

Mr. DOUGHERTY. We found out he was a known hoodlum from New York. The first time we stopped him he had a loaded pistol in his overcoat pocket, a revolver, Smith & Wesson.

Mr. KENNEDY. That was the first time you had arrested him?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. What had you arrested him for?

Mr. DOUGHERTY. He was arrested for violation of a major stop sign, and after being placed under arrest, the pistol was found.

Mr. KENNEDY. Did he tell you where he had gotten the pistol, what he was carrying it for?

Mr. DOUGHERTY. He said it was his pistol and he was carrying it for his protection and he had a right to carry it.

Mr. KENNEDY. Did he have a license to carry it?

Mr. DOUGHERTY. He did not. He called him the D. A., Doud, he said—

Mr. KENNEDY. The district attorney?

Mr. DOUGHERTY. He called him the district attorney, but in reality he is the circuit attorney; in St. Louis he is the circuit attorney.

Mr. KENNEDY. What was his name?

Mr. DOUGHERTY. Doud. He said Doud had given his bosses and Flynn permission for all to carry guns. He thought it was a big joke when we stopped him.

Mr. KENNEDY. That was permission to carry the gun even though he did not have a license?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. This Flynn, is that Flynn from the Eastern Conference of Teamsters?

Mr. DOUGHERTY. He just said Flynn.

Mr. KENNEDY. That is Tom Flynn?

Mr. DOUGHERTY. I presume, because Flynn was in town at that time, I believe.

Mr. KENNEDY. What was Flynn in there for, do you know?

Mr. DOUGHERTY. To reorganize the Teamsters.

Mr. KENNEDY. Was it a clean-up campaign?

Mr. DOUGHERTY. A clean-up campaign.

Mr. KENNEDY. Was Barney Baker there with him to help clean up the Teamsters?

Mr. DOUGHERTY. He was.

Mr. KENNEDY. So Tom Flynn and Barney Baker came into St. Louis to clean them up?

Mr. DOUGHERTY. Yes.

(At this point, Senator Curtis entered the hearing room.)

Senator MUNDT. Did you check up on his story to see whether Doud had given him permission, vicariously, to carry the pistol?

Mr. DOUGHERTY. Yes, sir. I would say by the time we had him booked and brought downtown I imagine it was about an hour and a half or 2 hours, and I went over and seen the circuit attorney, Edward Doud, and told him the story that Baker had told me. He said "Oh, I never told him he could carry a gun," he says, "I had lunch with Harold Gibbons and Flynn down at the Columbian Club but that was not discussed."

He said "Just a minute, and I will straighten it out. I will call Harold Gibbons on the phone."

He dialed the phone and the answer came back that Harold Gibbons was not there at that time but he left word for Harold Gibbons to call him. Then Edward Doud told me, he said "Just bring the report and present the evidence for a warrant."

I went back and made up our report. There was a Corporal Munt with me at that time. He found the weapon, so he went over to apply for the warrant. When he went over to apply for the warrant, he presented it to a Mr. Howe, and Mr. Howe immediately took the report and went up to Mr. Doud's office. A short time later he came back down and stated that the warrant would be under advisement.

So we went back to our office and made up a report that it was under advisement. A month later we were notified that the warrant was refused.

Senator MUNDT. Who has the authority to refuse or grant a warrant?

Mr. DOUGHERTY. The circuit attorney's office.

Senator MUNDT. The same Mr. Doud, then, whose name had been brought in by Mr. Baker?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. So Mr. Baker was never prosecuted on this charge?

Mr. DOUGHERTY. He was not.

Mr. KENNEDY. He could have received up to 2 years, could he?

Mr. DOUGHERTY. He could have.

Mr. KENNEDY. Either a fine or a sentence up to 2 years?

Mr. DOUGHERTY. He could have received a fine or a sentence up to 2 years.

Mr. KENNEDY. Did you find out anything more about Baker, what he was doing out there, who he was associated with?

Mr. DOUGHERTY. Yes. We found out, after we started the investigation on Baker, we found out he was a very close associate of Vitale's mob.

Mr. KENNEDY. Who is Vitale?

Mr. DOUGHERTY. He is the head of the Italian syndicate in St. Louis.

Mr. KENNEDY. Is he very important?

Mr. DOUGHERTY. Yes, he is the top man.

Mr. KENNEDY. In St. Louis, in the underworld?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. And Baker was a close associate of his?

Mr. DOUGHERTY. He was. He is also a close associate of Joe Costello.

Mr. KENNEDY. Who is Joe Costello?

Mr. DOUGHERTY. He owns the Ace Cab Co. in St. Louis, and also mixed up in the Greenlease kidnaping.

Mr. KENNEDY. How was he mixed up in it?

Mr. DOUGHERTY. In the money end of it, disposing of the money with Lou Shoulders and Elmer Dolan.

Mr. KENNEDY. They were the—

Mr. DOUGHERTY. They were the arresting officers.

Mr. KENNEDY. How much money was missing?

Mr. DOUGHERTY. \$300,000.

Mr. KENNEDY. And the money was disposed of or it came into the possession of Joe Costello?

Mr. DOUGHERTY. It is our belief it did from all of the investigation we made of Costello, Shoulders, and Dolan getting the money, along with a cabdriver by the name of John Hager, who had this prostitute.

Mr. KENNEDY. Hager worked for the Ace Cab Co.?

Mr. DOUGHERTY. He did.

Mr. KENNEDY. And it was arranged through him, was it?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. Lieutenant Shoulders worked for the police department at that time?

Mr. DOUGHERTY. He did, the 11th district.

Mr. KENNEDY. Lieutenant Shoulders, who was partially responsible for disposing of the Greenlease money, did his son work for the Teamsters?

Mr. DOUGHERTY. Yes. His son was one of the goons.

Mr. KENNEDY. Lou Shoulders, Jr.?

Mr. DOUGHERTY. Lou Shoulders, Jr.

Mr. KENNEDY. He was on the payroll of the Teamsters?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. He was a goon for them?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. Did they have a goon squad operating in St. Louis?

Mr. DOUGHERTY. They did at that time, at the time of the cab strike.

Mr. KENNEDY. What were they doing?

Mr. DOUGHERTY. Turning cabs over, beating cabdrivers, and they threw one in the river, intimidating people.

Mr. KENNEDY. There was a great deal of violence in connection with it?

Mr. DOUGHERTY. There was a great deal of violence at that time. It didn't last too long, though.

Mr. KENNEDY. Joe Costello, does he have a criminal record, and underworld connections?

Mr. DOUGHERTY. He is an ex-convict, and he is under sentence of 30 months now.

Mr. KENNEDY. For what?

Mr. DOUGHERTY. Of transporting a firearm over a State line, a Federal charge. No man convicted of a crime of violence can transport a firearm across a State line.

Mr. KENNEDY. Was he close to Vitale and their mob?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. Did he take a number of individuals that would come out of the penitentiary and jail?

Mr. DOUGHERTY. Yes; it is a known fact in the St. Louis area, an ex-convict being released from a penitentiary can always go to Joe Costello for a job or handout, and he is always known as a top fence for diamonds and so forth.

Mr. KENNEDY. What do you mean by that?

Mr. DOUGHERTY. Diamonds or anything, he will fence anything.

Mr. KENNEDY. What do you mean by "fence"?

Mr. DOUGHERTY. Buy stolen articles.

Mr. KENNEDY. And then sell them, is that right?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. Get rid of them?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. Now, Barney Baker was close to Vitale and close to Joe Costello, and you described who they were. Was he close to any of the other underworld figures in St. Louis?

Mr. DOUGHERTY. Anthony Giardano; he was close to him.

Mr. KENNEDY. Giardano, Anthony Lopiparo; who are they?

Mr. DOUGHERTY. They are lieutenants under Vitale.

Mr. KENNEDY. What kind of men are they?

Mr. DOUGHERTY. They are in the Anthony Novelty Co.

Mr. KENNEDY. What is the Anthony Novelty Co.?

Mr. DOUGHERTY. That is the jukebox and pinball-machine company located in Pine Lawn, Mo.

Mr. KENNEDY. What is the background of that company?

Mr. DOUGHERTY. The background of that company was that years ago we made an investigation on it—and I forget what year it was—but we made an investigation where they were making their own city stamps for cigarettes, and so during the investigation we couldn't do any good, and they were fined in our courts, but it seemed like it was passed on, and so the Government took it up on income tax, and they indicted Tony Lopiparo and Anthony Giardano and "Shorty" Ralph Calico on tax evasion.

They are out on appeal bond now, and they were sentenced to 4 years apiece. Just the two of them, Lopiparo and Giardano; and "Shorty" Ralph Calico, his trial hasn't come up yet.

Mr. KENNEDY. How do you spell his name?

Mr. DOUGHERTY. C-a-l-i-c-o.

Mr. KENNEDY. Was he involved with these people?

Mr. DOUGHERTY. Yes, sir; and he was one of the mob.

Mr. KENNEDY. Under Vitale?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. That is Calico, Lopiparo, and Giardano?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. Those are the three chief lieutenants?

Mr. DOUGHERTY. That is right. They have another subject in there now by the name of Isadore Londi, who spent 34 years of his life in the penitentiary for robbery and bombing, and he just got through serving a 25-year sentence on bombing of a cleaning establishment. Now, Giardano went up to the penitentiary to pick this Londi up, and Londi claimed he wants to be left alone and he wants to do things right, but still he is in with the mob and they use him. They shove him off as some kind of a killer or something, but there is nothing to him.

Mr. KENNEDY. What about the Twin-City Distributing Co.?

Mr. DOUGHERTY. Well, getting back to the Twin-City Distributing Co., that was a firm involved in the cigarette tax, but when they were indicted, overnight the Ace Cab furnished the cabs, Joe Costello, and they moved all of the machines out of these places where they had them and formed another company, and put some flunkie in by the name of Jack Joseph, and they made him the company head. He never had a quarter up to then, and all he did was sell cigars.

Mr. KENNEDY. Jack Joseph; he is just a flunkie?

Mr. DOUGHERTY. That is all.

Mr. KENNEDY. And he operates with this group out in St. Louis?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. And he was made the head of this company?

Mr. DOUGHERTY. That is right, and his company is located right in the Anthony Novelty Co., and he has quarters in that company.

Mr. KENNEDY. What is the Anthony Novelty Co.?

Mr. DOUGHERTY. That is the one that Vitale and Giardano and Lopiparo had.

Mr. KENNEDY. Mr. Chairman, we have found already that Jack Joseph, when he was up in Indianapolis, had his hotel bills paid by the Teamsters. Do you know if Jack Joseph had any connection with Barney Baker?

Mr. DOUGHERTY. He was a very good friend of Barney Baker's.

Mr. KENNEDY. Was Harold Gibbons friendly with these individuals?

Mr. DOUGHERTY. Yes, sir; he is.

Mr. KENNEDY. Is he friendly with Joe Costello?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. And Vitale?

Mr. DOUGHERTY. We have followed Joe Costello several times to Gibbons' office.

Mr. KENNEDY. That is Harold Gibbons, who is vice president of the Teamsters?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. What about Vitale, and does he know Vitale also, or is he friendly?

Mr. DOUGHERTY. I have never seen him in Vitale's company.

Mr. KENNEDY. What about Jack Joseph?

Mr. DOUGHERTY. Jack Joseph?

Mr. KENNEDY. Do you know if he is friendly with Gibbons?

Mr. DOUGHERTY. He is.

Mr. KENNEDY. Baker was friendly with Giardano and Lopiparo also?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. Do you know if he knew Isadore Londi?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. Was he friendly with him?

Mr. DOUGHERTY. Yes, sir.

Mr. KENNEDY. And Jack Joseph?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. And how about Piggy Mack Marchesi?

Mr. DOUGHERTY. Yes; Baker used to go down to visit Piggy Mack at a place by the name of the Opera Lounge and Baker has been in there on numerous occasions.

Mr. KENNEDY. What is Piggy Mack Marchesi doing?

Mr. DOUGHERTY. He is a saloon owner but it is not in his name and it is in another party's name.

Mr. KENNEDY. Did you ever connect Vitale with any of these gangsters that came in from outside, for instance Blinky Palermo?

Mr. DOUGHERTY. Yes; Vitale is in close contact and he is out of town quite a bit with hoodlums around the country, Kansas City especially, and Detroit and Chicago, but we jumped Vitale the night of the fight, the championship Akers fight. We jumped him in front of his girl friend's house and he got away from one of the crews and so we planted the house, and a short time later Blinky Palermo and Sands came to the house.

Mr. KENNEDY. You arrested them?

Mr. DOUGHERTY. They were arrested.

Mr. KENNEDY. Would you say that Baker while he was in St. Louis was close to all of the leading hoodlums and gangsters in this area?

Mr. DOUGHERTY. He was. Of course getting back to that, he didn't stay long, because he wasn't welcome.

Mr. KENNEDY. You people stayed after him?

Mr. DOUGHERTY. We kept close surveillance of him at all times.

Mr. KENNEDY. Why would it be that there would be this close relationship from your experience?

Mr. DOUGHERTY. Well, they haven't any other friends, and they have to go to other hoodlums.

Mr. KENNEDY. Did you find that any of these underworld figures were attempting to move in on any of the other unions or trying to move in on the union movement in St. Louis?

Mr. DOUGHERTY. Well, it is a known fact that John Vitale is the boss of local 110, Laborer's Union.

Mr. KENNEDY. Who is the head of that now?

Mr. DOUGHERTY. Raymond Masser, and Roy Sarkus was the head, and he died. I can start from the beginning on that 110. Joe Gribler was the business agent, and George Meyers worked there. George Meyers, he and Vitale didn't click at all, and they were fighting each other all of the time, and he was killed in March and Gribler was killed, and they were both business agents for the same local.

Mr. KENNEDY. They both were killed?

Mr. DOUGHERTY. Both of them were killed.

Mr. KENNEDY. How were they killed?

Mr. DOUGHERTY. Shot in the head. Meyers was found on a lonely street in Maplewood, with gunshot wounds in the head.

Mr. KENNEDY. When was that?

Mr. DOUGHERTY. Can I refer to my notes?

Mr. KENNEDY. Yes.

Mr. DOUGHERTY. George Meyers was murdered on March 14, 1952, and he was a business agent for local 110, AFL Building Laborer's Union. That has its headquarters at 8614 Manchester Avenue. He apparently attended a meeting at the union hall and after visiting a nearby tavern with two men whom he seemed friendly with, at 6:30 o'clock a. m. the following day, he was found seated in his automobile parked in the middle of Aberdeen and Williams Avenue, Maplewood, and he was murdered with four bullet holes in his head, and on the side of his seat was a 32 caliber revolver.

Investigators thought the murder might be the result of a long standing feud between the AFL Carpenter's Union and Building Laborer's Union. It seemed apparent that the killer was known to Meyers.

Meyers had a little record.

Mr. KENNEDY. What about Gribler?

Mr. DOUGHERTY. Gribler was killed on August 26, 1952.

Mr. KENNEDY. Did you find that Vitale had been associated with Gribler?

Mr. DOUGHERTY. Gribler's car was parked on the lot right next to Vitale's place of business, which was known as Genonese's, and we came up with a couple of witnesses, and I will read you what the witnesses have to say.

MR. KENNEDY. That was while Gribler was opposing Vitale, isn't that correct?

MR. DOUGHERTY. No, it was Meyers that opposed Vitale.

MR. KENNEDY. What was Gribler's position about that?

MR. DOUGHERTY. Gribler, all he was was a kind of an alcoholic, and he just borrowed money from everybody, and he was out boozing every night and he wasn't much of a business agent.

Gene Krock stated he is the attendant at the parking lot located at 815-817 Lucas Avenue. About 10:30 o'clock, p. m., on August 26, 1952, he observed Joseph Gribler parking his Lincoln automobile on the east side of the parking lot, and walk west on Lucas Avenue toward Ninth Street, but he did not observe where he went.

Mrs. Krock stated that about 5 minutes later her husband left the parking lot and walking to a Walgreen drug store on Washington Avenue to purchase some ice cream.

MR. KENNEDY. Maybe you could summarize it and you are familiar with the reports, and just summarize what they said.

MR. DOUGHERTY. She stated she saw two men enter a green-painted-body car with a little colored top and identifies the photograph of Vitale as being the driver of the automobile, and also stated that the other man answered the description of Joseph Gribler, but was not positive.

Gene Krock stated John Vitale had a 1950 Buick with a green-painted-body and a little tan or green colored top, and he further stated he paid particular attention to Gribler when he parked his automobile, as he, Krock, observed that Gribler had a nice head of hair, also that his wife called his attention to Gribler as she thought he looked like someone he knew. They placed the time about 10:30 o'clock p. m.

Krock also stated that John Vitale's Buick was parked on the parking lot when he returned. It was parked on the parking lot and when he returned he observed that the Buick was gone. He further stated that he remained on the parking lot until midnight and up to that time Vitale's automobile did not return.

Now, Gene and Mrs. Krock pleaded their names not be mentioned in any way or that Gene Krock was employed as attendant on the parking lot as they were in fear of their lives.

(At this point, the following members were present: Senators McClellan, Ives, Church, Mundt, Goldwater, and Curtis.)

MR. KENNEDY. This was just before Gribler was killed?

MR. DOUGHERTY. This was when he was killed.

MR. KENNEDY. I mean just a couple of minutes before or what?

MR. DOUGHERTY. This woman seen Gribler get in the car with John Vitale at this parking lot. This is just about 10 minutes before he was killed, which happened, I would say, about 6 or 7 blocks away.

MR. KENNEDY. Did this ever go to trial? Was Vitale ever arrested?

MR. DOUGHERTY. No. The witnesses backed down.

MR. KENNEDY. They would not testify?

MR. DOUGHERTY. They would not testify.

MR. KENNEDY. Did they say why they would not testify?

MR. DOUGHERTY. They were in fear of their lives. Right after that, that is when Raymond Sarkus was appointed business agent of local 110.

Mr. KENNEDY. Who was he at that time?

Mr. DOUGHERTY. Well, whoever he was, he was a gambler.

Mr. KENNEDY. Was he close to Vitale?

Mr. DOUGHERTY. Yes; he was close to Vitale. He was a South Side Syrian gambler is all he ever was.

Mr. KENNEDY. So Vitale's man was put in?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. Is it a disturbing feature that some of these officials, such as Barney Baker, who was an official of authority in the Teamster Union, is close to all the leading hoodlums and gangsters in the St. Louis area?

Mr. DOUGHERTY. That is right.

Mr. KENNEDY. What is your judgment about that?

Mr. DOUGHERTY. Could you give me that again?

Mr. KENNEDY. What do you feel about that? What is your feeling on that?

Mr. DOUGHERTY. Our feeling about the types of Barney Baker is they were born elsewhere and don't belong in St. Louis, so we don't tolerate them to come in there.

Mr. KENNEDY. Does it cause a great deal of trouble and difficulty?

Mr. DOUGHERTY. Sure. It causes a great deal of distress between the public. They are worried and making phone calls, they seen this guy out, they seen this guy out with So-and-So, and how can we let a person like that in this community, and so forth.

Mr. KENNEDY. Have you seen an effort by some of these gangsters to take over and move into these unions, into the Teamsters Union, other than Local 110 that you mentioned, with close alliance between some of the hoodlums and officials of the Teamsters Union?

Mr. DOUGHERTY. Tom Moran, who handles our bombing and arson squad, is more qualified to state about the union situation than I am, Mr. Kennedy.

Mr. KENNEDY. I see. Do you have any suggestions, based on your experience with the operations of these people, Costello, Vitale, Lop-piparo, Jack Joseph, how they can be dealt with, and whether there is any Federal assistance that is needed?

Mr. DOUGHERTY. My opinion would be to form a central intelligence unit where each police department could send in their known hoodlums, and this would be disseminated out to other police departments wherever police departments in the country would have a file on every known hoodlum.

I think any police department without a good intelligence unit is strictly out of order.

I think these hoodlums should be surveilled day and night. When you have surveillance on these hoodlums, they cannot move. They cannot go anywhere. The way we operate in St. Louis is whenever they talk to anybody on the street or anywhere, we take those people and investigate those people. We want to know who their friends are. We want to know who their friends are. We know the hoodlums, but we are trying to find out who their friends are.

That is the way we have been operating lately. Any time we see a known hoodlum in company with anyone or talking with anyone on the street, we make a thorough and complete investigation on those people they were talking to, or in company with.

In that way, it puts them in kind of an embarrassing position. They cannot go anywhere.

Mr. KENNEDY. And you can tell a great deal about somebody from their friends and associates?

Mr. DOUGHERTY. That is right. We can tell a lot from their acquaintances. We can tell more from the acquaintances than we can from the hoodlum himself.

Mr. KENNEDY. Can you give any explanation as to why the Teamsters Union or Mr. Hoffa would want to place someone such as Barney Baker in such an important position?

Mr. DOUGHERTY. I have no idea on that at all. I can't understand why he did such a thing. He had a known record. He is known to police all over the country.

Mr. KENNEDY. And then when he got to St. Louis, he became a close associate of all these people?

Mr. DOUGHERTY. That is right.

The CHAIRMAN. Do you have any idea why he does not suspend him before sundown?

Mr. DOUGHERTY. He should be, a man with his character.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Have you had Baker under surveillance in St. Louis?

Mr. DOUGHERTY. We did at all times.

Senator CURTIS. What other union leaders or representatives would he contact?

Mr. DOUGHERTY. They were all teamsters. They met in the hall at 1100 Locust Street.

Senator CURTIS. Do you know who some of them were?

Mr. DOUGHERTY. Harold Gibbons.

Senator CURTIS. Kavner?

Mr. DOUGHERTY. Kavner, Bommarito. Joe Bommarito, San Soucie, I think his name is.

Senator CURTIS. Did he contact any other union leaders or representatives other than teamsters in their headquarters?

Mr. DOUGHERTY. Not to my knowledge he didn't, sir.

Senator CURTIS. Was Baker the only union leader or representative that you found associating or hobnobbing with hoodlums in St. Louis?

Mr. DOUGHERTY. To my knowledge; yes, sir.

Senator CURTIS. Where would Baker go when he would leave St. Louis?

Mr. DOUGHERTY. Well, he would usually take a plane out.

He would usually go to either Kansas City—he went to Kansas City on numerous occasions.

Senator CURTIS. Where else do you recall?

Mr. DOUGHERTY. I think Chicago a couple of times. Offhand, I don't know. Just those two places. We checked on him when he went to the airport. A lot of times, Senator, we would lose contact with these people. Do you know what I mean? Overnight we would lose contact. We would put them to bed, go home, expect to pick them up the next day, and then lose contact with them.

Senator CURTIS. And they may buy a ticket and board a plane to one point and change their course there?

Mr. DOUGHERTY. That is right.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. I might just say, Mr. Chairman, on the basis of our investigation and working with police departments, St. Louis has one of the finest police departments, and Captain Dougherty has one of the finest reputations in the United States as a police officer.

Mr. DOUGHERTY. Thank you, sir.

Senator GOLDWATER. As a matter of technical interest, have you and Los Angeles set your intelligence divisions up after suggestions of the FBI or patterned after the FBI?

Mr. DOUGHERTY. No, sir. I set mine more or less—Captain Hamilton gave me a big help when I set this unit up in St. Louis. I went out there and spent a week with them out there. Of course, I made a lot of changes. There are a lot of things I can do that he can't do out there, and a lot of things he can do I can't do back in St. Louis. But they are almost identical intelligence units.

Senator GOLDWATER. Have you ever discussed with police chiefs or through your mayor with other mayors of large cities the desirability of setting up a nationwide net of these intelligence divisions?

Mr. DOUGHERTY. Yes, sir. That has been brought up for the last 3 years at our meetings. We meet every year. Once a year all the heads of all the intelligence units all over the country meet. But the East hasn't got any that belong to this organization. It is just the west coast, up to St. Louis. St. Louis is the farthest it goes east. We suggested that on numerous occasions at the meetings. That was brought up at the board meetings.

Senator GOLDWATER. How many cities do you have in that net now?

Mr. DOUGHERTY. We have about, I would say, 35 or 40.

Senator GOLDWATER. You have that many?

Mr. DOUGHERTY. Of course, they are small. Do you know what I mean? On the west coast, you have Sacramento, you have all those little towns out there in California.

Then you go to Nevada. Las Vegas, Nev., has a good intelligence unit. Of course, they got the field out there. But you take Sheriff Lloyd Bell, he has a very good setup out there, because he is in contact with every known hoodlum in the country. They always get through there.

Senator GOLDWATER. Do you think you are making progress in this?

Mr. DOUGHERTY. Very much so. That is why I say if we could have a central intelligence unit, with the towns like Chicago, New York, New Orleans, and Florida, where they all go—well, you see, it is awful nice when you can send a wire right to the intelligence head that someone is leaving town and coming down there. They can meet them at the plane or meet them at the railroad station.

Senator GOLDWATER. What do you think your biggest obstacle is in overcoming this reluctance of some of the larger cities to cooperate?

Mr. DOUGHERTY. Getting them together. That is the main thing, to get them together.

Senator GOLDWATER. Don't they belong to your organization?

Mr. DOUGHERTY. No.

Senator GOLDWATER. How about—

Mr. DOUGHERTY. They say New York—I have never been there. They say they have a wonderful intelligence unit, and I think they have, but I have never been in contact with them.

Senator GOLDWATER. Have they shown a reluctance to join with the rest of the country?

Mr. DOUGHERTY. No, I could not say that.

Senator GOLDWATER. How about Detroit and Chicago?

Mr. DOUGHERTY. Chicago disbanded their intelligence unit.

Senator GOLDWATER. They did not run out of hoodlums, did they?

Mr. DOUGHERTY. No; they got a lot of hoodlums up there.

Senator GOLDWATER. I wish you luck on this. It sounds like a good idea, a good approach.

The CHAIRMAN. Thank you very much, Captain Dougherty.

Mr. DOUGHERTY. Thank you, Senator.

The CHAIRMAN. You have been a great help to us.

Call the next witness.

Mr. KENNEDY. John Vitale.

The CHAIRMAN. John Vitale, come forward, please.

If you don't have to leave, Captain, for a little while, will you wait?

Mr. DOUGHERTY. Thank you.

The CHAIRMAN. Be sworn, please.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. VITALE. I do.

TESTIMONY OF JOHN J. VITALE, ACCOMPANIED BY COUNSEL, BERNARD J. MELLMAN

The CHAIRMAN. Mr. Vitale, will you state your name, your place of residence, and your business or occupation, please, sir?

Mr. VITALE. My name is John Vitale. I live at 3725 Avondale, St. Louis, Mo.

The CHAIRMAN. You are in the cab business, I believe?

Mr. VITALE. I refuse to answer on the ground I might tend to incriminate myself.

The CHAIRMAN. Well, just tell me what business it is.

Mr. VITALE. I refuse to answer on the ground I might tend to incriminate myself.

The CHAIRMAN. You are in some business you can't talk about?

Mr. VITALE. I refuse to answer on the ground I might tend to incriminate myself.

The CHAIRMAN. You would help us a little, I believe, and you, too, if you would take that gum out of your mouth.

Mr. VITALE. It is not gum. It is peppermint.

The CHAIRMAN. All right. Swallow your peppermint.

You have counsel with you?

Mr. VITALE. I have.

The CHAIRMAN. Counsel, will you identify yourself?

Mr. MELLMAN. Bernard J. Mellman, attorney, 408 Olive Street, St. Louis, Mo.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Vitale, we understand that you are presently in the Anthony Novelty Co., is that correct?

Mr. VITALE. I refuse to answer on the ground I might tend to incriminate myself.

Mr. KENNEDY. You distribute and service jukeboxes and pinball machines in the St. Louis area, is that right?

Mr. VITALE. I refuse to answer on the ground I might tend to incriminate myself.

Mr. KENNEDY. You have a record of about a dozen arrests, is that right, 14 arrests?

Mr. VITALE. I refuse to answer on the ground I might tend to incriminate myself.

Mr. KENNEDY. And you were convicted for violation of the Harrison Drug Narcotics Act, is that right?

Mr. VITALE. I refuse to answer on the ground I might tend to incriminate myself.

Mr. KENNEDY. That was for distributing narcotics, Mr. Vitale?

Mr. VITALE. I refuse to answer on the grounds I might tend to incriminate myself.

The CHAIRMAN. How much time did he serve?

Mr. KENNEDY. He was sentenced for 7 years, and I believe he served from 1941 to 1946.

The CHAIRMAN. Did you get a 7-year sentence?

Mr. VITALE. I refuse to answer on the grounds I might tend to incriminate myself.

The CHAIRMAN. I believe it would be better for you to say instead of refusing, that you decline. I make that as a suggestion. Proceed.

Mr. KENNEDY. Mr. Vitale, you have been identified by an agent from the Bureau of Narcotics as one of the leading narcotics figures in the St. Louis area.

Are you?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. And you have also been identified by Captain Dougherty as the head of the syndicate in the St. Louis area?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. Do you have individuals on your payroll that are involved in distributing narcotics and in murder where it is necessary?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. Have you been responsible for any murders yourself?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. Could you tell us what your relationship was with Mr. Barney Baker?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. You went in business together with Barney Baker, did you?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. And he invested \$1,500 in the cement business with you?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. Was the testimony that was given this morning by a member of the staff, and by Mrs. Baker, regarding that \$1,500 investment, correct?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. Could you tell us whether you talked to him when he was down in Florida, in connection with your activities at St. Louis?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. Did you talk to him about this \$1,500 while he was down there?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself?

Mr. KENNEDY. Could you tell us what Mr. Barney Baker was doing in St. Louis when he was associated with you?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. You are also connected with Buster Wartman, are you not, East St. Louis?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. And did you know or can you give use any information about the killing of Charles Bonazzio in 1950?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. Did you attend a meeting in Venice, Ill., in April 1950, in connection with that killing?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. And it was there at that meeting, was it not, that it was planned to kill Charles Bonazzio?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. According to the testimony of Captain Dougherty, you were the last one to be seen with Joseph Grubler, just 10 minutes before he was shot. Can you tell us about that?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. He was attempting to block the appointment of Ray Sarkus as an officer in the labor union in St. Louis.

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. And Sarkus was your choice, was he not?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. Were you responsible for intimidating the witnesses who were going to testify against you?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. The individuals, according to the testimony that we have had, that operate as your lieutenants are Tony Loppiparo, John Tony Giardino, and Ralph Calico, is that correct?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. Are they involved in shaking down some of the contractors in the St. Louis area?

Mr. VITALE. I decline to answer on the grounds that I might tend to incriminate myself.

Mr. KENNEDY. Have you made or had Giardano make any trips to Italy for you?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. What about Jack Joseph? What was he doing for you?

Mr. VITALE. I decline to answer on the grounds that I might tend to incriminate myself.

Mr. KENNEDY. Is he just a front for you in the operation of the Jack Joseph Vending Machine Co.?

Mr. VITALE. I decline to answer on the grounds that I might tend to incriminate myself.

Mr. KENNEDY. Did you have anything to do with Baker's activities in Wichita or Kansas City in behalf of the Teamsters' Union?

Mr. VITALE. I decline to answer on the grounds that I might tend to incriminate myself.

Mr. KENNEDY. When William Bufalino and Harry Welsh of local 985 of the Teamsters Union came down from Detroit, Mich., and started to attempt to work with the jukebox industry in St. Louis, did you have any discussions with them?

Mr. VITALE. I decline to answer on the ground I might tend to incriminate myself.

Mr. KENNEDY. According to the testimony of Captain Dougherty, you were a friend of Blinky Palermo and were to meet with him the night of the welterweight championship fight.

Mr. VITALE. I decline to answer on the ground I might tend to incriminate myself.

Mr. KENNEDY. We have information that you have a piece of some fighters at the present time. Is that right?

Mr. VITALE. I decline to answer on the ground I might tend to incriminate myself.

Mr. KENNEDY. And you have a piece of two fighters at least, one a light heavyweight fighter and another a heavyweight contender, is that correct?

Mr. VITALE. I decline to answer on the ground I might tend to incriminate myself.

Mr. KENNEDY. And both of these in a period of time had been on the payroll of the Vitale Cement Co.?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. You have owned night clubs in St. Louis, also, have you not?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. Do you know Mr. Pete Saffa, of the Teamsters Union?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. In fact, you have been in contact with Pete Saffa during this year, have you not, 1958?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

Mr. KENNEDY. Can you tell us what connection you have had with Pete Saffa?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

The CHAIRMAN. What connection do you have with the Teamsters Union?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

The CHAIRMAN. Do you know James R. Hoffa?

Mr. VITALE. I decline to answer on the grounds I might tend to incriminate myself.

The CHAIRMAN. I will ask you again what is your occupation or profession?

Mr. VITALE. I decline to answer on the ground that it might tend to incriminate myself.

The CHAIRMAN. Do you honestly believe that if you gave a truthful answer to that question as to what is your occupation, or your business, that a truthful answer thereto might tend to incriminate you?

Mr. VITALE. I decline to answer on the grounds that it might tend to incriminate myself.

The CHAIRMAN. With the approval of the committee, the Chair orders and directs you to answer the question: Do you honestly believe that if you gave a truthful answer to the question what is your business or occupation, that a truthful answer might tend to incriminate you?

(The witness conferred with his counsel.)

Mr. VITALE. I decline to answer on the ground it might tend to incriminate me.

The CHAIRMAN. The order and direction of the Chair, with the approval of the committee, will continue during the remainder of your testimony.

Proceed, Mr. Kennedy.

Senator CURTIS. Do you know any politicians or officeholders?

Mr. VITALE. I decline to answer on the grounds it might tend to incriminate me.

(At this point, Senator Mundt withdrew from the hearing room.)

Mr. KENNEDY. Mr. Chairman, we have the names of the two fighters, but I am not going to place those in the record at the present time. They are available to members of the committee who want to see them.

The CHAIRMAN. Is there anything further?

If not, you will remain under your present subpoena, under recognition to reappear before the committee and give further testimony at such time as the committee may desire to hear you. Reasonable notice will be given to you or to your attorney as to the time and place of the committee session.

Do you recognize that?

Mr. VITALE. I sure do.

The CHAIRMAN. Do you accept it?

Mr. VITALE. Sure.

Mr. MELLMAN. Certainly.

The CHAIRMAN. Stand aside.

Call the next witness.

Mr. KENNEDY. May Traynor.

This will be just a short witness, Mr. Chairman.

The CHAIRMAN. May Traynor? You do solemnly swear the evidence you shall give before this Senate select committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mrs. TRAYNOR. I do.

TESTIMONY OF MAY TRAYNOR

The CHAIRMAN. Mrs. Traynor, will you give us your name, your place of residence, and your business, occupation, or employment, please?

Mrs. TRAYNOR. My name is May Traynor. I live at 4021 Forest Park, St. Louis, Mo. I used to have a rooming house, but not any more.

The CHAIRMAN. Your former occupation was operating a rooming house?

Mrs. TRAYNOR. Yes, sir.

The CHAIRMAN. You waive counsel, do you?

Mrs. TRAYNOR. Yes, sir.

The CHAIRMAN. Mr. Kennedy, you may proceed.

Mr. KENNEDY. Mrs. Traynor, your niece is married to Joe Costello; is that correct?

Mrs. TRAYNOR. She is my niece through marriage.

Mr. KENNEDY. She is married to Joe Costello?

Mrs. TRAYNOR. Yes.

Mr. KENNEDY. You advanced Mr. Costello money on occasion?

Mrs. TRAYNOR. I did.

Mr. KENNEDY. That was about how much money?

Mrs. TRAYNOR. Well, the first time I advanced him \$6,500 for his business, and he paid that off. Then I advanced him \$8,500. When he paid that off, he was buying his home, and he was complaining about the interest being so large, so I advanced him \$17,500 without any interest.

(At this time, Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. Has he repaid you that money?

Mrs. TRAYNOR. He was supposed to pay me \$200, \$300, and \$500 a month which he has not did, but \$100 a month. That is, if he feels like he can spare it.

Mr. KENNEDY. He has not repaid you the other money?

Mrs. TRAYNOR. Definitely not.

Mr. KENNEDY. How much does he owe you at the present time?

Mrs. TRAYNOR. Well, on the house they owe me \$11,000, but after they robbed me, he said it was only \$9,000. So I didn't want to argue about it, so I let it go at that.

Mr. KENNEDY. So it is about \$9,000 he owes you?

Mrs. TRAYNOR. Yes, sir.

Mr. KENNEDY. Have you visited his home very often?

Mrs. TRAYNOR. I used to go there every Sunday.

Mr. KENNEDY. Have you ever seen Barney Baker there?

Mrs. TRAYNOR. Twice.

Mr. KENNEDY. What was he doing there, do you know?

Mrs. TRAYNOR. They were playing cards in the kitchen.

Mr. KENNEDY. Do you know if Joe Costello was friendly with Barney Baker?

Mrs. TRAYNOR. Yes.

Mr. KENNEDY. They were close friends?

Mrs. TRAYNOR. That is right.

Mr. KENNEDY. One major point I want to ask you about, which we will be going into later on is this: Did he ever tell you about a star sapphire ring?

Mrs. TRAYNOR. Yes, sir. He showed it to me about 3 years ago on a Christmas. It was about as large as a quarter. I commented on it. I never knew a star sapphire was salmon looking. This was a salmon looking. It looks really very common. It doesn't look like the real ring. It is surrounded by about 20 or 25 large-size diamonds.

Mr. KENNEDY. How many carats was it; have you any idea?

Mrs. TRAYNOR. That sapphire looks like it is about 25 carat.

Mr. KENNEDY. Where did he say he had gotten that ring?

Mrs. TRAYNOR. I beg your pardon?

Mr. KENNEDY. Where did he say he had gotten the ring?

Mrs. TRAYNOR. He said a Mr. Baker gave it to him.

Mr. KENNEDY. You did not know where Baker in turn had gotten the ring from?

Mrs. TRAYNOR. No, I don't.

Mr. KENNEDY. That is the major point. But I want to ask you this: Did Mr. Costello ever rob you of any of your money?

Mrs. TRAYNOR. Yes, sir.

Mr. KENNEDY. How much was involved in that?

Mrs. TRAYNOR. Well, a number of years ago a friend of mine gave me some money, and I put it away in my room under the floor. So I told Mrs. Costello about it, and she said it was dangerous to keep that much money in the house. So I went—

Mr. KENNEDY. How much money was involved?

Mrs. TRAYNOR. \$25,000.

Mr. KENNEDY. You hid it underneath your floor?

Mrs. TRAYNOR. Yes, sir.

Mr. KENNEDY. It was cash?

Mrs. TRAYNOR. Yes, sir.

(At this point, Senator McClellan entered the hearing room.)

Mr. KENNEDY. Go ahead.

Mrs. TRAYNOR. So I got two little safe-deposit boxes. They were \$4 apiece, and I put \$10,000 in one and \$15,000 in the other. I said, "Barb, whatever you do, honey, your husband isn't much. Now, something might happen, and if something happens to me, I want the children to have that money for an education. It could be that I might need that money myself. So whatever you do, don't touch that money."

Well, when I signed for the money, I told the people that they should not let her in there unless I am sick and give her a written letter, you know, to admit her in there. Well, they cautioned me all the time. They had me just scared to death, the FBI. Well, the FBI questioned me a number of times about Greenlease money, which I never knew. I can swear that to God. They never did let me know anything about that.

Mr. KENNEDY. Just tell us briefly what happened to the money. This was all money you made from your rooming house?

Mrs. TRAYNOR. No, this was given to me years ago. So the FBI came and rang my doorbell, and they said—

Mr. KENNEDY. I don't want to go through every bit of what the FBI said to you and what you said to the FBI.

Mrs. TRAYNOR. This is the way it happened. They said, "Mrs. Traynor, did you have any money in a couple of banks in South St. Louis?" And I said, "Yes, I did."

They said, "Well, you haven't got it any more." I said "What do you mean?" They said, "You had it under your maiden name, did you not?"

And I said, "I sure did." They said, "We will take you down there in the morning and show you you haven't got that any more."

I said, "Mrs. Costello couldn't get in there unless I gave her a letter for admittance."

We went down there and there was \$5,000 out of the \$10,000 and \$12,500 out of the other box. She calls me up, and I tell her what happened. She said, "What right did you have to let the FBI in your house?" I said, "If anybody should ask you, that is my house, you so-and-so." Then the fun started.

Mr. KENNEDY. How much money is gone, then?

Mrs. TRAYNOR. \$17,500.

Mr. KENNEDY. That he has taken?

Mrs. TRAYNOR. She did.

Mr. KENNEDY. That is Mrs.—

Mrs. TRAYNOR. Mrs. Barbara Costello.

Mr. KENNEDY. That is your niece?

Mrs. TRAYNOR. Yes. She said, "He forced me to. He forced me to do that. He forced me." I said, "Nobody could force me to be a thief."

(At this point, Senator Ives withdrew from the hearing room.)

Mr. KENNEDY. Did you know Shoulders at all, Lieutenant Shoulders?

Mrs. TRAYNOR. He was lieutenant of the district where I lived.

Mr. KENNEDY. Was he on your payroll for a while?

Mrs. TRAYNOR. Not exactly. I give him a present now and then.

Mr. KENNEDY. How much would you pay him?

Mrs. TRAYNOR. Once in a while I would give him \$25.

Mr. KENNEDY. That was regularly, was it not?

Mrs. TRAYNOR. No, not too regularly. About every 3 or 4 months.

Mr. KENNEDY. Then there were a number of others that were with him?

Mrs. TRAYNOR. No.

Mr. KENNEDY. He was the chief one?

Mrs. TRAYNOR. That is right.

Mr. KENNEDY. This was before he was mixed up in this Greenlease situation?

Mrs. TRAYNOR. Yes.

Mr. KENNEDY. But he was receiving money from you?

Mrs. TRAYNOR. Yes.

Mr. KENNEDY. And from some of the other people that were running roominghouses as well, is that right?

Mrs. TRAYNOR. I presume they were. I would not know.

The CHAIRMAN. Any further questions?

Mr. KENNEDY. Did you know Sandra O'Day?

Mrs. TRAYNOR. No, sir. I have never seen her, only her picture.

The CHAIRMAN. Are there any further questions?

If not, thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Joe Costello.

(At this point, Senator Mundt entered the hearing room.)

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. COSTELLO. I do.

TESTIMONY OF JOSEPH COSTELLO, ACCOMPANIED BY COUNSEL, BERNARD J. MELLMAN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. COSTELLO. My name is Joseph Costello. I live at 2626 Gurney Court, St. Louis, Mo.

The CHAIRMAN. Have you any occupation or profession?

Mr. COSTELLO. I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. Do you honestly believe that if you answered the question truthfully with respect to your present business or occupation, that a truthful answer thereto might tend to incriminate you?

Mr. COSTELLO. I respectfully decline to answer on the grounds it might tend to incriminate me.

Mr. MELLMAN. May it please the committee, I would just like the committee to know, as may have been intimated from the evidence here this morning, that Mr. Costello is presently under a Federal sentence from a conviction in the United States district court in St. Louis on a charge of the interstate transportation of firearms; that that matter is still presently pending on a petition for certiorari in the United States Supreme Court.

The CHAIRMAN. We are glad to have that in the record. You may identify yourself, Mr. Counsel.

Mr. MELLMAN. Bernard J. Mellman, attorney, 408 Olive Street, St. Louis, Mo.

In addition to what I said with regard to his conviction and its present pendency in the United States Supreme Court, Mr. Costello has for some 5 years now been under almost continuous surveillance and investigation by agents of the United States of America in St. Louis.

In addition to that, when he was, within the last couple of years called before a Federal grand jury in St. Louis, his claim of the privilege against self-incrimination under the fifth amendment was upheld by the United States district court in St. Louis. Under these circumstances, it would seem that his claim of privilege here, even to the question which the Senator put to him, would be reasonably well taken.

The CHAIRMAN. Thank you very much.

(At this point, Senator Ives entered the hearing room.)

The CHAIRMAN. You may go a little further and tell us whether he is a good friend of Jimmie Hoffa and Harold Gibbons.

Would you care to do that?

Mr. MELLMAN. I am not aware of that, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Do you know Mr. Hoffa?

Mr. COSTELLO. I respectfully decline to answer on the grounds that it may tend to incriminate me.

Mr. KENNEDY. Do you know Mr. Harold Gibbons?

Mr. COSTELLO. I respectfully decline to answer on the grounds that it may tend to incriminate me.

Senator IVES. Mr. Chairman?

May I interrupt, Mr. Chairman?

The CHAIRMAN. Senator Ives.

Senator IVES. I would like to point out to the witness what I have pointed out to several witnesses we have had before us in the past, that by taking the fifth amendment with respect to your acquaintance to Mr. Hoffa, you are doing a great deal of damage to Mr. Hoffa.

Do you still want to take it?

Mr. COSTELLO. I respectfully decline to answer on the grounds that it may tend to incriminate me.

Mr. KENNEDY. We have had testimony here in connection with Mr. Barney Baker's relationship with you, Mr. Barney Baker of the Teamsters Union. Could you tell us when you first met him?

Mr. COSTELLO. I respectfully decline to answer on the grounds that it may tend to incriminate me.

Mr. KENNEDY. We have you as the owner and operator of the Ace Cab Co. in St. Louis as well as the Ace Service Co. in St. Louis; is that correct?

Mr. COSTELLO. I refuse to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. And the Ace Cab Co. was organized by Local 405 of the Teamsters Union in August 1953, is that correct?

Mr. COSTELLO. I respectfully decline to answer on the grounds that it may tend to incriminate me.

Mr. KENNEDY. Would you identify this?

The CHAIRMAN. I hand you here what purports to be a photostatic copy of a contract, a collective bargaining contract, entered into on the 1st day of August 1953, signed between Ace Cab Co. and Local Union No. 405, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers.

I ask you to examine this document and state if you identify it as such a contract, or will tell us what it is.

(The document was handed to the witness.)

Mr. COSTELLO. I respectfully decline to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. The Chair orders and directs you to examine the contract. Look at it.

Look at the signatures thereto. Have you examined the contract?

Have you examined the documents?

Mr. MELLMAN. The witness has examined the document.

Mr. COSTELLO. Not fully.

The CHAIRMAN. All right. We will let you look a little further.

Mr. MELLMAN. I beg your pardon.

Mr. COSTELLO. What is the question, sir?

The CHAIRMAN. I asked you if you had examined it.

Mr. COSTELLO. I refuse to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. The Chair orders and directs you to answer the question as to whether you have examined it or not.

Mr. MELLMAN. I may state on behalf of the witness that at the direction of the Chair the witness has examined the signatures which appear on page 11 of this document.

The CHAIRMAN. Counsel will be gracious enough to the committee to let the witness testify.

Mr. MELLMAN. Very well.

The CHAIRMAN. The witness will answer the question whether you have examined the document before you.

Mr. COSTELLO. I respectfully decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. With the approval of the committee, the Chair orders and directs you to answer the question. That order and direction will stand and remain throughout the remainder of your testimony.

(The witness conferred with his counsel.)

Mr. COSTELLO. I respectfully decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. The Chair observed you, and every member of the committee observed you, as you looked at the contract.

I think you saw your signature on it, didn't you?

Mr. COSTELLO. I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. Didn't you sign that contract as owner or representative of the Ace Cab Co., one of the parties to it?

Mr. COSTELLO. I respectfully decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. That contract may be made exhibit No. 63, for reference.

May we have at this time someone from the staff identify the contract and state where they got it?

You have been previously sworn?

Mr. EICHMEYER. Yes, sir.

The CHAIRMAN. Where did you procure that copy of the contract?

Mr. EICHMEYER. At the local union hall at 1641 Kings Highway.

The CHAIRMAN. Local union what?

Mr. EICHMEYER. Local Union 405.

The CHAIRMAN. You did that in the course of your duties as an employee of this committee?

Mr. EICHMEYER. Yes, sir.

The CHAIRMAN. All right. Now it may be made exhibit 63.

(The document referred to was marked "Exhibit No. 63" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. The signatures on here are Mr. Joseph Costello and Robert Baker. He has a title here of acting secretary-treasurer.

That is Robert Barney Baker, about whom we have had testimony?

Mr. COSTELLO. Do you want me to answer that?

Mr. KENNEDY. Yes.

Mr. COSTELLO. I respectfully decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. So he is the one who signed the contract between the Teamsters Union and your company; is that right?

Mr. COSTELLO. I respectfully decline to answer on the grounds it might tend to incriminate me.

Mr. KENNEDY. You are under sentence at the present time, as your attorney has explained, but you have a criminal record dating back to 1934, have you not, Mr. Costello?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. We have had testimony here before the committee regarding the Greenlease kidnaping money, which disappeared on October 6, 1953. First we had the testimony of Mrs. Barney Baker, when she testified that her husband told her that you handled the money. Is that correct—that you handled the money?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. We also had the testimony of Captain Dougherty that you were the one responsible with Lieutenant Shoulders and two others for the distribution of the \$300,000 of the Greenlease money ransom.

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. Did you, in fact, have a member of your company, a taxicab driver, pick up the valise containing the \$300,000?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. Do you in fact have any of the Greenlease ransom money yourself at the present time, Mr. Costello?

Mr. COSTELLO. I decline to answer on the ground it may tend to incriminate me.

Mr. KENNEDY. Could you tell us where any of that money is?

Mr. COSTELLO. I decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. We also had the testimony of Mrs. Baker that when the FBI contacted her in connection with this, she then got in touch with you. Did you have such a conference with Mr. Baker, regarding the contact of the FBI?

Mr. COSTELLO. I decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. She said then that 2 days later Barney Baker called her from New York and said that he understood she had had a visitor from the FBI. Had you gotten in touch with Barney Baker?

Mr. COSTELLO. I decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. We had the testimony before the committee that Barney Baker was a close personal friend of yours; is that correct?

Mr. COSTELLO. I decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. And that Mr. Baker visited your home. Is that right?

Mr. COSTELLO. I respectfully decline to answer on the ground it may tend to incriminate me.

The CHAIRMAN. You recognize, do you not, that that money, that ransom money was blood money? Don't you?

Mr. COSTELLO. I decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. If you could answer truthfully that you know nothing about it and had nothing to do with it, that would take any blood off your hands, and it would not tend to incriminate you. You realize that, don't you?

Mr. COSTELLO. I decline to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. Well, you ought to know. Proceed.

Mr. KENNEDY. Isn't it a fact that in your home you have a large statue of the Blessed Virgin Mother, Mr. Costello?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. And is it a fact that behind that statue you have a gun, a compartment where you keep your gun?

Mr. COSTELLO. I respectfully decline to answer on the ground it may tend to incriminate me.

Mr. KENNEDY. And isn't the gun that you keep in there a .38 revolver?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. In October of 1954, Mr. Costello, according to the testimony which we have had, you shot and seriously wounded yourself in St. Louis, Mo. Is that correct?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. And you claimed at that time you inflicted the wound while cleaning your gun at 3 a. m. in the morning. Is that right?

Mr. COSTELLO. I respectfully decline to answer on the ground it may tend to incriminate me.

Mr. KENNEDY. Was it in fact, as Mr. Baker related to his wife, your concern regarding the Greenlease money?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Where did you shoot yourself?

Mr. COSTELLO. I respectfully decline to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. It may have left a scar.

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Then in December of 1955, when Barney Baker returned from Florida, you met with Mr. Baker, did you not, to examine some jewelry that he brought back?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. And this jewelry that Baker described to you he had received from Ruth Brougher, in Florida; is that right?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. Did he then sell this jewelry to you, including the large sapphire ring?

Mr. COSTELLO. I respectfully decline to answer on the ground it may tend to incriminate me.

Mr. KENNEDY. Do you still have the sapphire ring, Mr. Costello?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. Was the ring stolen, Mr. Costello?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. According to Captain Dougherty, you deal in stolen goods. Is that correct?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. That you are the foremost fence in St. Louis?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. And that you are a close personal friend of John Vitale, who is head of the syndicate in St. Louis?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. Do you know Jack Joseph?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. Could you tell us what Jack Joseph was doing for the Teamsters Union in Indianapolis?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me. Can I smoke?

The CHAIRMAN. Yes; you may smoke.

Mr. COSTELLO. Thank you.

Mr. KENNEDY. And we also have information that you have been in the vending machine business; is that right?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. And you had an interest in the Anthony Novelty Co., which was owned by John Vitale?

Mr. COSTELLO. I respectfully decline to answer on the grounds it may tend to incriminate me.

Mr. KENNEDY. And Captain Dougherty also testified that when a hoodlum or gangster came out of the penitentiary, that he always could get a job in your company. Is that right?

Mr. COSTELLO. I respectfully decline to answer on the grounds that it may tend to incriminate me.

The CHAIRMAN. Are there any further questions?

Mr. Costello, you will remain under your present subpoena, subject to being recalled at such time as the committee may desire to hear you. With that recognizance, and your acknowledging it, you will be given reasonable notice of the time and place that the committee desires to hear you. Do you acknowledge it?

Mr. COSTELLO. I acknowledge it.

The CHAIRMAN. And accept it?

Mr. COSTELLO. And accept it.

Thank you, Senator, and thank you, Mr. Kennedy.

The CHAIRMAN. Yes, sir. We wish we could say the same in return. Call the next witness.

Mr. KENNEDY. Vincent Piggy Mack Marchesi.

The CHAIRMAN. Be sworn, please. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MARCHESI. I do.

**TESTIMONY OF VINCENT MARCHESI, ACCOMPANIED BY COUNSEL,
NORMAN S. LONDON**

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please.

Mr. MARCHESI. My name is Vincent Marchesi. I live at 4918 Devonshire, St. Louis, Mo.

The CHAIRMAN. What is your occupation, please?

Mr. MARCHESI. I decline to answer as it may tend to incriminate me.

The CHAIRMAN. Counsel, will you identify yourself for the record?

Mr. LONDON. Norman S. London, 705 Olive, St. Louis, Mo.

The CHAIRMAN. Mr. Marchesi, what is your other name, besides Vincent?

(The witness conferred with his counsel.)

Mr. MARCHESI. I refuse to answer. It might tend to incriminate me.

The CHAIRMAN. Is it Piggy Mack? Is it something like that?

Mr. MARCHESI. I refuse to answer. It may tend to incriminate me.

The CHAIRMAN. I think it would be well for you to decline rather than to refuse to answer.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Marchesi, according to the information we have you are proprietor of the Opera Lounge in St. Louis.

Mr. MARCHESI. I decline to answer as it may tend to incriminate me.

Mr. KENNEDY. And according to the information we have, this was a place that was frequented by Barney Baker. Is that right?

Mr. MARCHESI. I decline to answer. It might tend to incriminate me.

Mr. KENNEDY. And Barney Baker of the Teamsters Union was a close personal friend of yours. Is that right?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

Mr. KENNEDY. On October 25, 1953, you and Christ Likometros and Gus Zapas were arrested in Chicago, Ill. Is that right?

Mr. MARCHESI. I decline to answer as it may tend to incriminate me.

Mr. KENNEDY. Gus Zapas is and was an official of the Teamsters Union also in Indianapolis. Can you tell us what you were doing in the company of Gus Zapas?

Mr. MARCHESI. I decline to answer as it may tend to incriminate me.

Mr. KENNEDY. Prior to arriving then in Chicago, Ill., isn't it correct that you took a plane from St. Louis, flew down to New Orleans, and immediately got on another plane for Chicago, Ill.?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

Mr. KENNEDY. Could you tell the committee why you took that roundabout trip in order to get up to Chicago?

Mr. MARCHESI. I decline to answer as it may tend to incriminate me.

Mr. KENNEDY. Was it in connection with any of your activities at that time, any illegal activity that you were in the midst of at that time?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

The CHAIRMAN. Were you on a mission of murder?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

Mr. KENNEDY. It is correct, is it not, that you and Gus Zapas and Likametros have dealt and fenced in stolen goods?

Mr. MARCHESI. I decline to answer it. It may tend to incriminate me.

Mr. KENNEDY. Is it also correct that you and Gus Zapas have handled stolen or counterfeit money on occasion?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

Mr. KENNEDY. Can you tell us anything about the relationship with Barney Baker or Gus Zapas?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

Mr. KENNEDY. Would you tell us anything about the relationship with John Vitale, Joe Costello, or Jack Joseph?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

The CHAIRMAN. What connection do you have with the Teamsters Union?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

The CHAIRMAN. Do you know Mr. James R. Hoffa?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

Mr. KENNEDY. When Jack Joseph registered up in Indianapolis and had his bills paid for by the Teamsters Union, he registered out of your place of business, the Opera Lounge. Can you tell us why he would do that?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

Senator IVES. Mr. Chairman?

The CHAIRMAN. Senator Ives?

Senator IVES. I would like to ask Mr. Marchesi if he is a member of the Mafia?

Mr. MARCHESI. I decline to answer. It may tend to incriminate me.

The CHAIRMAN. Is there anything further?

Mr. Marchesi, you will remain under your present subpoena, subject to being recalled for further testimony at such time as the committee may desire to interrogate you further. Will you acknowledge that recognizance?

Mr. MARCHESI. Yes, sir.

The CHAIRMAN. And agree to it?

Mr. MARCHESI. Yes, sir.

The CHAIRMAN. You will be given reasonable notice, you or your attorney, of the time and place where the committee will meet.

You may stand aside. Call the next witness.

(At this point Senator Goldwater withdrew from the hearing room.)

Mr. KENNEDY. I will call another associate of Mr. Baker, Mr. Chairman, Mr. Jack Joseph, of St. Louis, Mo.

The CHAIRMAN. Come around, Mr. Joseph.

Do you solemnly swear that the evidence you will give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. JOSEPH. I do.

TESTIMONY OF JACK JOSEPH, ACCOMPANIED BY HIS COUNSEL, BERNARD J. MELMAN

The CHAIRMAN. State your name and your place of residence, and your business or occupation, please.

Mr. JOSEPH. Jack Joseph, 5630 Persia, St. Louis, Mo.

The CHAIRMAN. Do you have a business or profession or occupation?

Mr. JOSEPH. I decline to answer under my privilege.

The CHAIRMAN. Mr. Counsel, you may identify yourself for the record.

Mr. MELMAN. For the record, I am Bernard J. Melman, an attorney at 408 Olive Street, St. Louis, Mo.

The CHAIRMAN. What is there about having a business or occupation or profession that would incriminate you?

Mr. JOSEPH. I refuse to answer on account of the fifth amendment.

The CHAIRMAN. There is one thing we notice about you fifth amendment artists; you are not very artful, to tell you the truth. If you want to say you refuse, can you use the word "decline"?

(Witness consulted his counsel.)

Mr. JOSEPH. Yes.

The CHAIRMAN. All right; proceed.

Mr. KENNEDY. Now, the information that we have is that you are president of the Jack Joseph Vending Co. in St. Louis.

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. And this company shares office space with the Anthony Amusement Co., which is owned and operated by John Vitale.

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. And you have been a close associate of Vitale for many years.

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. And you were just actually a front for John Vitale in some of these businesses.

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. According to the information we have, you were registered at the Kings Way Hotel in St. Louis, Mo., from August 13, 1954, to April 7, 1956, is that correct?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. And it was during the period of time that the FBI and the police were both looking for you, is that right?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. And according to the information you have, you were registered under the name of Jack Williams, and you were not registered under your own name, is that right?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. Could you tell us why you registered under that name?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. According to the testimony that we have, you were a close personal friend of Barney Baker. Is that right?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. Could you tell us what you and Barney Baker did together?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. On June 27, and June 28, 1955, you stayed at the Sheraton Lincoln Hotel in Indianapolis, Ind., and gave your address at that time as 5646 Pershing Drive, St. Louis, Mo., which is the address of the Opera Longe, which is a place operated by Vincent Marchese; is that correct?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. And you were again at the Sheraton Lincoln Hotel on July 25 and July 26, 1955, on August 5, and on August 6, 1955, and that your account at the Sheraton Lincoln Hotel bears the notation that the guest was not to pay the account and the bill should be sent to Mr. San Souci of the Teamsters Union. Could you tell us what your connection with the Teamsters Union is?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. Do you gangsters and hoodlums move from city to city at the suggestion or request of certain officials of the Teamsters Union to perform various tasks for them?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. What possible explanation can there be for you, a hoodlum and gangster with a criminal record in St. Louis, being moved up to Indianapolis, and having the Teamsters Union pay your hotel bill?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. Isn't this all a pattern throughout the whole of the United States of a connection between gangsters and hoodlums in these union officials? Is that right?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. And it starts with your relationship with Barney Baker, that he made with you when he came into St. Louis, and you and Vitale and Costello, and then you in turn perform services for him, is that right?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. Did you go up there and have anything to do with the State Cab Co., which had as its president for a while Gus Zapas?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. The same Gus Zapas who is a Teamster official and could not get any other job, and arrested some 45 times, with no union experience, who was made a union official of the Teamsters?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. Is the reason that you had your contact with Barney Baker, the only way arrangements could be made with people such as yourself with union officials who have criminal records themselves?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. And because of the assistance and help that he has given to the higher officials of the Teamsters Union, is that the reason that Mr. Hoffa can never get rid of people like him?

Mr. JOSEPH. I decline to answer because it might tend to incriminate me.

Mr. KENNEDY. What do you know about David Probstain?

Mr. JOSEPH. I decline to answer because it might tend to incriminate me.

Mr. KENNEDY. Do you know what happened to David Probstain?

Mr. JOSEPH. I decline to answer because it might tend to incriminate me.

Mr. KENNEDY. Did you go up to Indianapolis in connection with David Probstain?

Mr. JOSEPH. I decline to answer because it might tend to incriminate me.

Mr. KENNEDY. Could you tell us anything about the operations of the Teamsters Union?

Mr. JOSEPH. I decline to answer because it might tend to incriminate me.

The CHAIRMAN. I hand you herewith exhibit No. 58 to the testimony the committee has received, and ask you to examine it, and it appears to be a registration card, a photostatic copy of a registration card, of the Sheraton Hotel, and I wish you would examine it and state if you identify it as your registration at the hotel, and also your signature thereon.

(A document was handed to the witness.)

The CHAIRMAN. Have you examined it?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

The CHAIRMAN. The Chair asks you the question, have you examined the exhibit which was submitted to you?

Mr. JOSEPH. Yes.

The CHAIRMAN. Is your signature on it?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

The CHAIRMAN. Do you recognize that document or that photostatic copy?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

The CHAIRMAN. Can you identify it?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

The CHAIRMAN. Who paid your bill at the hotel at that time?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

The CHAIRMAN. Is it not the fact that the Teamsters Union paid your bill?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

The CHAIRMAN. How many thugs and hoodlums do the Teamsters Union have running around the country?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

The CHAIRMAN. You mean to imply that you do know the number?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

The CHAIRMAN. All right. Are there any further questions?

(Present at this time were Senators McClellan, Ives, and Curtis.)

Mr. KENNEDY. You have been arrested several times in St. Louis, is that correct?

Mr. JOSEPH. I decline to answer on account it might tend to incriminate me.

Mr. KENNEDY. In connection with the investigation made of robbery and in regard to also a question in connection with the murder of Robert Brown, you and a number of people?

Mr. JOSEPH. I decline to answer because it might tend to incriminate me.

Mr. KENNEDY. You have no convictions, do you, Mr. Joseph?

Mr. JOSEPH. I decline to answer; it might tend to incriminate me.

Mr. KENNEDY. I don't see how that could incriminate you if you have no convictions. Do you have any?

Mr. JOSEPH. I decline to answer because it might tend to incriminate me.

The CHAIRMAN. He may have some that we do not know about.

Mr. KENNEDY. That could not incriminate him.

The CHAIRMAN. Is there anything further?

Mr. Joseph, you will remain under your present subpoena, subject to being recalled before the committee at such time as it may desire to further interrogate you, and you will acknowledge that recognizance and accept it, will you?

Mr. JOSEPH. I do.

The CHAIRMAN. All right, you may stand aside.

Mr. Fitzgerald, the Chair would like to see you immediately upon adjournment, and the committee stands in recess until 10:30 tomorrow morning.

(Present at the time of taking the recess were Senators McClellan, Ives, and Curtis.)

(Thereupon at 4:15 p. m., a recess was taken until 10:30 a. m., Wednesday, August 20, 1958.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, AUGUST 20, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD.
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator John F. Kennedy, Democrat, Massachusetts; Senator Barry M. Goldwater, Republican, Arizona; Senator Karl E. Mundt, Republican, South Dakota; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; Paul Tierney, assistant counsel; John J. McGovern, assistant counsel; Carmine S. Bellino, accountant; Pierre E. Salinger, investigator; Leo C. Nulty, investigator; James P. Kelly, investigator; Walter J. Sheridan, investigator; James Munnich, investigator; John Flanagan, investigator, GAO; Alfred Vitarelli, investigator, GAO; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the committee present at the convening of the session were: Senators McClellan, Ives, and Goldwater.)

The CHAIRMAN. All right, Mr. Kennedy, call the next witness.

Mr. KENNEDY. Miss Ruth Ann Brougher.

The CHAIRMAN. Will you be sworn?

You do solemnly swear that the evidence, given before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Miss BROUGHER. I do.

TESTIMONY OF RUTH ANN BROUGHER

The CHAIRMAN. Please state your name?

Miss BROUGHER. Ruth Ann Brougher.

The CHAIRMAN. Do you have counsel?

Miss BROUGHER. No, I do not.

The CHAIRMAN. Do you waive counsel?

Miss BROUGHER. Yes.

The CHAIRMAN. You may proceed.

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Mr. KENNEDY. Miss Brougher, do you spell your name B-r-o-u-g-h-e-r; is that correct?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. And you come originally from Texas?

Miss BROUGHIER. That is right.

Mr. KENNEDY. Could you speak a little louder?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. Whereabouts in Texas did you come from?

Miss BROUGHIER. Houston.

Mr. KENNEDY. Houston, Tex.?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. And you spent a considerable amount of time down in Florida, did you?

Miss BROUGHIER. That is right.

Mr. KENNEDY. Now, for a period of time, or for a short period of time, you were working for a man by the name of Caldwell?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. What was his first name?

Miss BROUGHIER. Max.

Mr. KENNEDY. What was his position?

Miss BROUGHIER. He was a union man.

Mr. KENNEDY. He was a union official?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. And he worked down in Miami, did he?

Miss BROUGHIER. He worked in Chicago and then tried to open up a union in Miami.

Mr. KENNEDY. It is pretty difficult to hear.

Now, Max Caldwell was a union official both in Chicago and down in Florida?

Miss BROUGHIER. He opened his own union in Miami.

Mr. KENNEDY. What kind of a union was it?

Miss BROUGHIER. On Miami, the amalgamated union.

Mr. KENNEDY. What kind of membership did it have?

Miss BROUGHIER. He had some nightclubs, and barbershops.

Mr. KENNEDY. You worked for him during what period of time?

Miss BROUGHIER. It was 1954, from around March until June or something like that.

Mr. KENNEDY. What was your position with him?

Miss BROUGHIER. Secretary and treasurer.

Mr. KENNEDY. And you also worked on the newspaper he put out?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. You were editor of the union newspaper?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. Was he interested or did he become interested in taking over the union of Hotel and Restaurant Worker's Union run by a Mr. Cariola, down in Miami?

Miss BROUGHIER. He and two other men went to Mr. Cariola after a phone call, and asked—

Mr. KENNEDY. He received a telephone call, did he?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. Where was the telephone call from?

Miss BROUGHIER. Chicago.

Mr. KENNEDY. What was he told in the telephone call?

Miss BROUGHIER. To go up to Cariola's union and tell Mr. Cariola to put all three of them on the payroll there, and if he refused to put them on the payroll to give him a good workout.

Mr. KENNEDY. There were three people that were to be put on the payroll?

Miss BROUGHIER. Yes.

Mr. KENNEDY. And Mr. Caldwell then went over to Cariola's union?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. Did Cariola refuse to put these people on the payroll?

Miss BROUGHIER. Murray Dubois, Max Caldwell, and Mel Reese went over there with pistols.

Mr. KENNEDY. The names of the men are Murray Dubois; is that right?

Miss BROUGHIER. That is right.

Mr. KENNEDY. And the other was Max Caldwell himself?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. Who was the third individual?

Miss BROUGHIER. Mel Reese.

Mr. KENNEDY. Did they go over there and see Cariola?

Miss BROUGHIER. Yes, they did, and said that they put a pistol in his back and walked him into the alley, and pistol-whipped him.

Mr. KENNEDY. He had refused to put these people on the payroll?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. He made a complaint, did he, to the police at that time?

Miss BROUGHIER. Yes, Mr. Cariola did.

Mr. KENNEDY. And did he press the complaint? He was able to identify all three of these people?

Miss BROUGHIER. Yes, he did.

Mr. KENNEDY. And did he press the complaint after that?

Miss BROUGHIER. No, he was threatened and he left town.

Mr. KENNEDY. Who threatened him?

Miss BROUGHIER. Max and Mr. Dubois.

Mr. KENNEDY. Max Caldwell and Dubois?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. So he left town completely; is that right?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. And he went up to Buffalo?

Miss BROUGHIER. Yes, and he was supposed to have gone to work in Buffalo for the Bartender's Union or something.

Mr. KENNEDY. And he never pressed the complaint against these three individuals?

Miss BROUGHIER. No, the charges were dropped.

Mr. KENNEDY. Did Caldwell receive anything for this, and did he receive any further notification from Chicago?

Miss BROUGHIER. He opened up a letter that he had received from Chicago. I imagine there were about eight or ten \$100 bills in it, something like that, I couldn't tell.

Mr. KENNEDY. This was in payment for the beating of Cariola at that time?

Miss BROUGHIER. That is what he said.

Mr. KENNEDY. Now, during this period of time in 1954, you left and went up to New York; is that correct?

Miss BROUGHIER. That is right.

Mr. KENNEDY. Would you speak up a little louder?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. While you were in New York, or prior to the time you had gone to New York, you had been very close to Mr. Dubois, and some of these other individuals, had you?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. Mr. Dubois was a drug addict; is that correct?

Miss BROUGHIER. I think that he was addicted to opium.

Mr. KENNEDY. During this period of time you were up in New York, Mr. Dubois came to your apartment and took all of the things out of it?

Miss BROUGHIER. Pardon me. I left for New York, and I went into Ohio and they flew, or he flew back to Miami, and a Norman Stein took my father out of the house, and held him two and a half hours while Murray Dubois and this "Atomic" somebody went into the house and robbed it.

Mr. KENNEDY. They took everything out of the house?

Miss BROUGHIER. Yes, sir; everything.

Mr. KENNEDY. Subsequently, Mr. Dubois called you and told you that he wanted you to bring his gun and meet him in a parking lot; is that right?

Miss BROUGHIER. He called me, and he said that they were going into Tampa, and that it was not his gun and that they had to have it back. They had sold the car and that is the reason the gun had been removed from the car in New York, because it is against the law to carry one there.

Mr. KENNEDY. He wanted the gun back; is that right?

Miss BROUGHIER. Pardon me. He said that they needed it.

Mr. KENNEDY. You met him in the parking lot, did you?

Miss BROUGHIER. No. They had been by the house numerous times, and I told him that I would meet him at an open place, and I was trying to think of a place where a lot of children or people would be around in the daytime, and I met him at the Food Fair on the 79th Street crossway, in my car.

Mr. KENNEDY. At that time there was a dispute, and he was shot and killed; is that correct?

Miss BROUGHIER. The man requested me to have my father—he had gone to the district attorney's office and named the names of the men that robbed the house, and he told me to make my father drop the charges and he hit me with the pistol, and grabbed me, and I was stunned and I grabbed for the gun, and my finger touched the trigger and the man died instantly.

Mr. KENNEDY. Then you also shot yourself after this?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Then you went to a hospital; is that right?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. Now, you had as your attorney, a man by the name of George Everett?

Miss BROUGHIER. George Everett; yes, sir.

Mr. KENNEDY. Your daughter got you or suggested George Everett, or arranged for George Everett to come and see you at the hospital?

Miss BROUGHIER. Well, I don't know who sent him there.

Mr. KENNEDY. But he came to see you?

Miss BROUGHIER. He was there when I regained consciousness.

Mr. KENNEDY. So then you were tried or indicted for murder, and convicted for manslaughter; is that right?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. And sentenced to 15 years?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. Now, you were sentenced to hard labor on November 4, 1954, and now prior to that had you met Mr. Tom Burke?

Miss BROUGHIER. I met him through Max Caldwell.

Mr. KENNEDY. He was an associate and friend of Max Caldwell?

Miss BROUGHIER. That is right.

(At this point, the following members were present: Senators McClellan, Ives, Goldwater, Curtis.)

Mr. KENNEDY. Had you met Mr. Barney Baker of the Teamsters Union?

Miss BROUGHIER. Mr. Baker is a person that you don't forget. I had seen him before that, but I did not know him except through—well, except through Tom Burke.

Mr. KENNEDY. Where had you seen him prior to that time?

Miss BROUGHIER. I think at the Colonial Inn, years before.

Mr. KENNEDY. He was working there in what capacity?

Miss BROUGHIER. He was near the door. I imagine he was a body-guard or doorman.

Mr. KENNEDY. That was the Colonial Inn that was owned or operated by Joe Adonis and Meyer Lansky?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. You were trying to appeal, you were planning to appeal this sentence, and try to get a new trial?

Miss BROUGHIER. Well, I had appealed, but I was very ill at the time, and they appealed on their own grounds. I don't think they wanted the appeal granted, the attorneys.

Mr. KENNEDY. But anyway, that is what your plans were, after you were convicted in 1954, to try to get a new trial?

Miss BROUGHIER. Yes; to bring out some of the truth, at least.

Mr. KENNEDY. Did Mr. Tom Burke indicate that he would help you out in this?

Miss BROUGHIER. He indicated that Mr. Barney Baker could.

Mr. KENNEDY. Could help you out?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Was it then that he sent for Barney Baker to come down to Miami, Fla.?

Miss BROUGHIER. Yes.

He called him in St. Louis, and I spoke to Mollie on the phone and then I talked to Mr. Baker.

Mr. KENNEDY. And Mr. Baker then came down to Miami?

Miss BROUGHIER. Yes.

Mr. KENNEDY. He came down in about the spring of 1955?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. Then did he proceed to assist you in attempting to get a new trial?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Where were you staying at that time?

Miss BROUGHIER. At the Blue Bay Motel.

Mr. KENNEDY. The Blue Bay Motel?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. When Mr. Baker arrived, did he arrange for you to move out of the Blue Bay Hotel?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Who paid your bill at the Blue Bay Motel?

Miss BROUGHIER. Mr. Baker.

Mr. KENNEDY. How much did that amount to?

Miss BROUGHIER. I don't remember the exact amount.

Mr. KENNEDY. Approximately?

Excuse me?

Miss BROUGHIER. Probably a couple of hundred.

Mr. KENNEDY. Where did he move you at that time?

Miss BROUGHIER. To the Lost Acre. V. B. Bowers owned it.

Mr. KENNEDY. He then rented a home for you?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. The home was called the Lost Acre?

Miss BROUGHIER. Had Her Way was the name.

Mr. KENNEDY. H-a-d H-e-r W-a-y?

Miss BROUGHIER. Yes.

Mr. KENNEDY. That was the home that he rented for you then?

Miss BROUGHIER. Yes.

Mr. KENNEDY. This was a home with a swimming pool?

Miss BROUGHIER. Well, I rented it.

Mr. KENNEDY. Who paid the bill?

Miss BROUGHIER. Mr. Baker.

Mr. KENNEDY. Mr. Baker paid the bill?

Miss BROUGHIER. Yes.

(At this point, Senator Kennedy entered the hearing room.)

Mr. KENNEDY. This was a home with a swimming pool, was it?

Miss BROUGHIER. Yes.

Mr. KENNEDY. In Miami?

Miss BROUGHIER. Yes, in South Miami.

Mr. KENNEDY. Where was he getting the money to pay for your bills then?

Miss BROUGHIER. I do not know.

Mr. KENNEDY. You were living with him at that time?

Miss BROUGHIER. No. He came out there—I believe he flew in one time.

Mr. KENNEDY. Well, subsequently, you had a close personal relationship with him?

Miss BROUGHIER. Yes.

Mr. KENNEDY. And did he then proceed to pay all your bills, starting in the spring of 1955?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Did you also have a maid?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Who paid for her bill?

Miss BROUGHIER. Mr. Baker.

Mr. KENNEDY. How long did you stay, approximately, at this house called Had Her Way?

Miss BROUGHIER. I stayed there approximately 2 months, and then Mr. Bowers sold the house.

Mr. KENNEDY. Mr. Bowers sold the house?

Miss BROUGHER. Yes.

Mr. KENNEDY. Then where did you move to?

Miss BROUGHER. The penthouse of the Bal Harbor Hotel.

Mr. KENNEDY. The penthouse was rented for you at the Bal Harbor Hotel?

Miss BROUGHER. That is right.

Mr. KENNEDY. Who paid for that?

Miss BROUGHER. Mr. Baker.

Mr. KENNEDY. Was Mr. Burke there also?

Miss BROUGHER. Yes.

Mr. KENNEDY. Both Mr. Burke and Mr. Baker of the Teamsters?

Miss BROUGHER. No, Mr. Baker only flew in and out.

Mr. KENNEDY. He didn't stay there all the time?

Miss BROUGHER. No.

Mr. KENNEDY. Mr. Burke was there all the time?

Miss BROUGHER. Yes.

Mr. KENNEDY. What was he doing while he was in Florida?

Miss BROUGHER. Resting.

Mr. KENNEDY. He was resting?

Miss BROUGHER. Yes.

Mr. KENNEDY. How long did you stay at the penthouse? How long did you stay at the Bal Harbor Hotel?

Miss BROUGHER. A matter of a few months.

Mr. KENNEDY. And during this period of time, your room was paid for by Mr. Baker?

Miss BROUGHER. By Mr. Baker.

Mr. KENNEDY. He gave you the money?

Miss BROUGHER. Yes. Always cash.

Mr. KENNEDY. Always cash?

Miss BROUGHER. Yes, sir.

Mr. KENNEDY. You still had George Everett as your attorney?

Miss BROUGHER. Yes, sir.

Mr. KENNEDY. What was Mr. Baker going to do for you in connection with your trial?

Miss BROUGHER. He and George Everett had these conversations alone. So I don't know what they had in mind.

Mr. KENNEDY. Did you understand that he was going to try to get it fixed for you, the trial?

Miss BROUGHER. I don't imagine he gave him \$7,500 for nothing.

Mr. KENNEDY. He gave \$7,500 to your attorney?

Miss BROUGHER. Yes.

Mr. KENNEDY. Where did that \$7,500 come from?

Miss BROUGHER. Mr. Baker is supposed to have given him \$2,500, and he sent me by to pick up \$5,000 and take to him.

Mr. KENNEDY. Where did you pick up the \$5,000 and take to him?

Miss BROUGHER. From a Mike Copola, on Alton Road.

Mr. KENNEDY. Is that the man also known as Trigger Mike Copola?

Miss BROUGHER. Yes.

Mr. KENNEDY. Could I ask Mr. Sheridan to give the background of Trigger Mike Copola?

The CHAIRMAN. In the meantime, let me ask the witness this: You said you stayed at the house "Had Her Way" about 2 months?

Miss BROUGHER. That is correct.

The CHAIRMAN. You said you rented it. What rent was paid? What did it rent for? Do you recall?

Miss BROUGHER. I think it was—the rent was around \$250 a month.

The CHAIRMAN. And you stayed at the Penthouse, you said, a few months. What was the rent there? Do you recall?

Miss BROUGHER. \$400 a month, and my miscellaneous bill ran from \$50 to about \$200 a week.

The CHAIRMAN. Thank you very much.

You may proceed.

Mr. KENNEDY. Have you the background of Trigger Mike Copola?

Mr. SHERIDAN. Yes, sir.

The CHAIRMAN. Be sworn, please. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SHERIDAN. I do.

TESTIMONY OF WALTER J. SHERIDAN—Resumed

The CHAIRMAN. State your name, your place of residence, and your present employment.

Mr. SHERIDAN. My name is Walter J. Sheridan. I reside in Bethesda, Md. I am an investigator with this committee.

The CHAIRMAN. How long have you been with this committee, Mr. Sheridan?

Mr. SHERIDAN. A year and a half.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Would you tell the committee who Mike Copola is?

Mr. SHERIDAN. Mike Copola is originally from New York City. He has a criminal record going back to 1914. He was known also as Trigger Mike Copola. He has an arrest record consisting of approximately fifty-odd arrests.

Mr. KENNEDY. Fifty?

Mr. SHERIDAN. Yes. These include arrests for grand larceny, assault and robbery—the arrests include arrests for grand larceny, assault and battery, felonious assault, homicide, murder. The most recent arrest was on September 3, 1957, in Miami, Fla.

Mr. KENNEDY. Does he have any convictions?

Mr. SHERIDAN. He has many dismissals and many discharges. However, on September 13, 1922, he was convicted of grand larceny in the first degree and sentenced to 3 years 6 months in Sing Sing Prison. Mr. Copola is presently a resident of Miami, Fla.

Mr. KENNEDY. How do you spell his name?

Mr. SHERIDAN. There are various spellings. The one used the most is Mike Copola; also known as Michael Coppola; also known as Michael Bruno; also known as Jan Grosso.

Mr. KENNEDY. He is a well-known and notorious gangster in the United States?

Mr. SHERIDAN. Yes, sir.

(At this point, Senator Mundt entered the hearing room.)

TESTIMONY OF RUTH BROUGHER—Resumed

Mr. KENNEDY. You went to him to pick up the \$5,000 to pay to George Everett?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. I might also say, Mr. Chairman—and I will ask you, Mr. Sheridan—isn't it correct that he was a close associate of Albert Anastasia?

Mr. SHERIDAN. Yes.

Mr. KENNEDY. And Meyer Lansky?

Mr. SHERIDAN. Yes; and Joe Adonis, and all the better-known hoodlums, particularly in New York City.

Mr. KENNEDY. You went to him at the suggestion of Barney Baker of the teamsters union to pick up this \$5,000; is that right?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. Did you get the \$5,000?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. In cash?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. Did you deliver it to George Everett?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. And was it understood that Everett was to try to fix your case so that you would get a new trial and get off?

Miss BROUGHIER. He didn't discuss it with me. He had all discussions with Mr. Baker. But that is what he led me to believe, that he was going to bring out some of the truths.

Mr. KENNEDY. What was that again?

Miss BROUGHIER. He discussed the case with Mr. Baker, but Mr. Everett led me to believe that I would not have to worry, that he was going to bring out some of the truths.

Mr. KENNEDY. Did you understand that the \$7,500 was for the purpose of fixing this case for you down in Florida?

Miss BROUGHIER. Yes.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I want to make clear what you have in mind by fixing. Was it your understanding that that money would be used properly in legal channels to establish the facts and present the law to clear you, or did you understand at the time it was to do something improper with either prosecuting officers or judges or others? Which did you understand at the time?

Miss BROUGHIER. No; I didn't understand anything to that effect.

Senator CURTIS. In other words, you thought it was money to properly present all the defense you were entitled to?

Miss BROUGHIER. That is right. I only wanted to bring out the truth.

Senator CURTIS. In an honest and legal way?

Miss BROUGHIER. That is right.

Senator CURTIS. And so far as you know, you were not impugning bad motives to judges or prosecutors or anything of that sort in connection with this money?

Miss BROUGHIER. The only thing that I had in mind was all the evidence that was withheld at the trial, and that my father, in making a statement at the district attorney's office, and none of these people were called in for witnesses. They made it look completely as they wanted it to look.

Senator CURTIS. Who was responsible for not calling the witnesses?

Your attorney, or did you feel that the prosecutor did not call the witnesses that he should have if he was going to establish the full truth?

Miss BROUGHIER. I was told that my lawyer had sold me out because my father had named the names of these union men. In other words, that they would have had to be prosecuted in due time and it was better off to let me be the sucker.

Senator CURTIS. And as you look back on it, you feel that that is what happened, that you did not get the full, loyal, and complete support of your own attorney?

Miss BROUGHIER. I am quite certain of it. The attorney is in prison now and doing time.

Senator CURTIS. Was his sentence in any way connected with his professional conduct as a lawyer?

Miss BROUGHIER. Yes; it was. It was for taking \$200,000 of other peoples' money and selling them out.

Mr. KENNEDY. That was George Everett, was it not?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Although you felt that not all the facts were completely developed at your trial, you understood that the way that this money was going to be used was not just to get you an ordinary new trial, or just to pay your attorney, did you not, Miss Broughier?

Miss BROUGHIER. Well, every time that George Everett got a writ to go to Tallahassee or to go there, he always said it was \$500, and I realize that those fees amount up. I didn't know what he was going to do.

The CHAIRMAN. Was that \$500 in addition to the \$7,500?

Miss BROUGHIER. I had already given him about \$2,000 myself; yes.

The CHAIRMAN. Prior to the \$7,500?

Miss BROUGHIER. Yes; I gave him \$1,100. Then my father sold \$1,000 worth of telephone stock, and I gave him \$500 3 or 4 times. I imagine \$2,500 to \$3,000 from me already.

The CHAIRMAN. Before he got the \$7,500?

Miss BROUGHIER. Yes.

Mr. KENNEDY. You stayed at the Had Her Way and then you stayed at the Bal Harbor Hotel, and then did you move out of the Bal Harbor Hotel also?

Miss BROUGHIER. Yes; I moved out of there to the Lost Acre.

Mr. KENNEDY. That was another estate?

Miss BROUGHIER. Yes.

Mr. KENNEDY. That also had a swimming pool?

Miss BROUGHIER. Yes; I like swimming pools.

Mr. KENNEDY. Who paid for that?

Miss BROUGHIER. Barney Baker.

Mr. KENNEDY. How much money during this period of time did Mr. Baker turn over to you for your legal fees and your maid, including the \$5,000 he arranged that you receive from Mike Copola? I understand he also made the payments on your automobile?

Miss BROUGHIER. Well, I was driving a car and I made the payments on the car for the use of it, which was \$75 a month.

Mr. KENNEDY. Did he give you that money, too?

Miss BROUGHIER. The only cash that I received in all the time was from Mr. Baker, because I was not well, and he did not want me to go out and he used to call 10 or 14 times a week.

They have a telephone credit card, the union.

Mr. KENNEDY. Do you mean when he was out of town he used to call you?

Miss BROUGHIER. Yes.

Mr. KENNEDY. How much money did he give you all during this period of time?

Miss BROUGHIER. I imagine, including attorney fees, \$20,000 or \$25,000.

Mr. KENNEDY. This was all in cash?

Miss BROUGHIER. Yes. Some of it was by wire. You can check through the Miami Western Union there.

Mr. KENNEDY. He sent you wires of money?

Miss BROUGHIER. But most of it was in cash.

Mr. KENNEDY. And when he was out of town, he might send you the money by wire, is that correct?

Miss BROUGHIER. Unless I flew in and met him some place.

Mr. KENNEDY. How long did you live at Lost Acres?

Miss BROUGHIER. From the time I moved out of the Bal Harbor until December 9, 1955.

Mr. KENNEDY. That is when you went off to jail?

Miss BROUGHIER. I went to Raiford. I went to jail, and I surrendered myself December 9, and left for Raiford on December 15.

Mr. KENNEDY. Now, did you ever go with Mr. Baker to New York?

Miss BROUGHIER. Have met Mr. Baker in New York, yes.

Mr. KENNEDY. And your bills there were also paid by him?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Why was he paying all of your bills, Miss Broughier? What did he tell you about that?

Miss BROUGHIER. At the time Mr. Baker had asked me to marry him.

Mr. KENNEDY. When you went to New York with him, did you meet any of his associates up there?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Who did you meet?

Miss BROUGHIER. The Block brothers, from the Black Angus, and Connie Noonan.

Mr. KENNEDY. Did you have dinner with Connie Noonan?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. Did you know who he was?

Miss BROUGHIER. Mr. Baker told me that he was quite powerful on the waterfront.

Mr. KENNEDY. We had testimony about him yesterday, Mr. Chairman.

And who else?

Miss BROUGHIER. The Block brothers from the Black Angus Restaurant.

Mr. KENNEDY. And who else? Did you ever meet Eddy McGrath?

Miss BROUGHIER. Yes, I met Eddy McGrath. He lived at the Sun God Apartments in Miami, off the 79th Street crossway.

Mr. KENNEDY. Was Mr. Baker associated with Eddy McGrath, also, or did he know him?

Miss BROUGHIER. I think from their conversation, they had known each other in their earlier days.

Mr. KENNEDY. Did Mr. Baker ever tell you that he had been in jail?

Miss BROUGHER. Yes, he told me that he had been sent to jail and sentenced to the penitentiary for killing Joe Penner's duck.

Mr. KENNEDY. How would you kill Joe Penner's duck?

Miss BROUGHER. I think for throwing a stinkbomb onto the stage of the theater.

Mr. KENNEDY. That was during the 1930's?

Miss BROUGHER. Yes, sir.

Mr. KENNEDY. Had he also gone to work for somebody else, and did he tell you that he had been in jail at all for his work on the waterfront?

Miss BROUGHER. The conversation there I believe was that he was sentenced and the man that testified against him, when he was arrested, he went to the waterfront or he went to Eddy McGrath, and he borrowed a car there and took and whipped the man, and then he felt like eating.

Mr. KENNEDY. Right after he got out of jail, he went right to the waterfront, and whipped the man who had sent him to jail?

Miss BROUGHER. That testified against him, that is correct.

Mr. KENNEDY. Did he tell you that it was difficult for him to go back to New York?

Miss BROUGHER. I don't think that he could go back to New York until after Governor Harriman was elected Governor. I don't know.

Mr. KENNEDY. Why couldn't he go back to New York?

Miss BROUGHER. I don't know.

Mr. KENNEDY. Did he tell you what difficulty he had been in, in New York?

Miss BROUGHER. He just mentioned a murder there, and he said he was on the lam in Hollywood afterward, Hollywood, Fla.

Mr. KENNEDY. There was a murder in New York and he was on the lam because of it?

Miss BROUGHER. He intimated as much.

Mr. KENNEDY. We have also had testimony regarding that, Mr. Chairman; that is the Heintz murder. Who was he working with in Hollywood, Fla; did you know that?

Miss BROUGHER. No.

Mr. KENNEDY. Did he say that he had gone out to the west coast at all?

Miss BROUGHER. He mentioned Bugsie Siegal.

Mr. KENNEDY. He had been connected with Bugsie Siegal?

Miss BROUGHER. He mentioned him, and I don't know what the connections were.

Mr. KENNEDY. Was that on the west coast?

Miss BROUGHER. Yes.

Senator MUNDT. You made a rather curious statement and I would like to have you explain. You said you didn't think that Barney Baker could go back to New York until after Harriman was elected Governor. What is the implication, and what do you mean by that?

Miss BROUGHER. Well, I think that he had had a lot of trouble in New York, and from what he said to me, and I never did ask him any questions.

Senator MUNDT. I could understand your saying that he was on the lam and couldn't go back to New York, but you said he couldn't go back to New York until after Harriman was elected Governor. What happened at that juncture that enable him to go back to New York?

Miss BROUGHIER. I really couldn't tell you, but I mean in letters that I received from Mr. Baker and conversations and also from other sources, I understand that they were very friendly.

Senator MUNDT. Did Baker tell you in letters to you that he was very friendly with Governor Harriman?

Miss BROUGHIER. Yes; and he said he was going back to work in the election.

Senator MUNDT. He was going to do what?

Miss BROUGHIER. He was going back to work and hand out tickets or seats of some sort, that he had done that before for Governor Harriman.

Senator MUNDT. Hand out seats?

Miss BROUGHIER. I don't know, it was something or he was helping him to get votes, the labor votes.

Senator MUNDT. Working in his campaign, you mean?

Miss BROUGHIER. Yes, sir.

Senator MUNDT. I see. I didn't know what you meant by handing out seats.

Miss BROUGHIER. It was held here, and he evidently did that job twice for Mr. Harriman.

Senator MUNDT. In two different campaigns?

Miss BROUGHIER. Yes.

Senator MUNDT. In Washington, you mean?

Miss BROUGHIER. I don't know where it was. He just said he was going back to work for him again.

Senator MUNDT. I understand.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Now, in Florida did he know Meyer Lansky?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Did you ever visit Meyer Lansky yourself?

Miss BROUGHIER. I have driven out to the Tuscan Hotel, while he has gone inside.

Mr. KENNEDY. That is in Miami; is that right?

Miss BROUGHIER. Yes; it is up near Hollywood, up from Miami Beach.

Mr. KENNEDY. How would he refer to him?

Miss BROUGHIER. As "the little man."

Mr. KENNEDY. Did he ever tell you that you should go see him or his attorney, Meyer Lansky, or his attorney?

Miss BROUGHIER. I went to speak to Joe Baron, of Hollywood, Fla.

Mr. KENNEDY. That is Lansky's attorney?

Miss BROUGHIER. Yes.

Mr. KENNEDY. About your case?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Did he indicate it was too late to help you out?

Miss BROUGHIER. Yes; and also without too many words he let me know what had happened to me, and in other words he let me know that I had been sold out, or doublecrossed, without saying it.

Mr. KENNEDY. He referred to Meyer Lansky as "the little man," and did he refer to anybody else as "the little man"?

Miss BROUGHIER. Yes; the bosses were referred to as "Little Augie" in New York, and also sometimes they referred to James Hoffa as "the little man."

Mr. KENNEDY. Now, was Tom Burke around often during this time, during 1955?

Miss BROUGHIER. He lived at the Bal Harbor Hotel.

Mr. KENNEDY. So you saw him continuously; did you?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Did he indicate or tell you about his relationship with Mr. Hoffa?

Miss BROUGHIER. That they were very close.

Mr. KENNEDY. What else did he tell you about that?

Miss BROUGHIER. They were very close friends and they had known each other for years, and that they would remain friends because of the things that had happened in the olden days before Mr. Hoffa became a big man.

Mr. KENNEDY. He said he could always depend on the fact that he and Mr. Hoffa would remain close friends because of what they had gone through in the olden days?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Did he indicate that he was possibly in some difficulty with the Teamsters Union at that time?

Miss BROUGHIER. Well, he wasn't working at that time, but I don't believe that Mr. Hoffa had removed him from the payroll, and I don't know.

Mr. KENNEDY. He wasn't working or doing any work down there. Who was paying his hotel bill?

Miss BROUGHIER. He didn't seem worried about it.

Mr. KENNEDY. Did he indicate how much the hotel bill might be?

Miss BROUGHIER. About \$5,000 at one time.

Mr. KENNEDY. Whom did he think was going to pay that hotel bill?

Miss BROUGHIER. He just made the remark that when Mr. Hoffa got ready for him to go back to work, that he would send somebody in to town, and bail him out.

Mr. KENNEDY. Did Mr. Burke tell you anything about the payoffs that he might receive from employers?

Miss BROUGHIER. In Detroit he said that they received payoffs, but that was in general conversation, and I have no factual knowledge about it.

Mr. KENNEDY. How did he say he received the payoff?

Miss BROUGHIER. He would laugh and say sometimes they put it under the door.

Mr. KENNEDY. Were you present at any time in which Mr. Baker received any money?

Miss BROUGHIER. Yes.

Mr. KENNEDY. How much money was involved?

Miss BROUGHIER. I do not know the exact amount, and I think that Mr. Baker got maybe around \$2,500 or something like that.

Mr. KENNEDY. And who was present during that time?

Miss BROUGHIER. Charley Karp, of Miami Beach, gave him the money.

Mr. KENNEDY. Charley Karp is a union official down there?

Miss BROUGHIER. Yes; the Window Washers' Union.

Mr. KENNEDY. Why was the money given; do you know? What was the money for?

Miss BROUGHIER. From all I could gather from the conversation, if the businessman doesn't want to join the union and he doesn't want

his place picketed, if they give them a substantial amount of money they can probably stall them from joining the union for perhaps a year.

Mr. KENNEDY. How much money did you understand, or you say Baker received \$2,500, and were there other people getting the rest of the money?

Miss BROUGHIER. I think that the money was cut four ways, or something like that.

Mr. KENNEDY. Were you present at the time that Baker received his?

Miss BROUGHIER. Only when Mr. Karp handed Mr. Baker the money, and I don't know anything about the rest of it.

Mr. KENNEDY. Did Mr. Baker tell you how they received their money?

Miss BROUGHIER. Well, he called me one time long distance, and told me that a gentleman or that his aunt had stopped at the Bal Harbor and it was a very small world, and that this man knew me and he was going to be able to help him out, and he had a coke plant or something in New Jersey, and I don't remember it now.

Mr. KENNEDY. He called you and told you about the fact that he was going to be able to help him out?

Miss BROUGHIER. Yes, sir.

Mr. KENNEDY. Did he say how they would receive money from these employers, and how the money would come to them?

Miss BROUGHIER. They called it "packages," and it was always in cash.

Mr. KENNEDY. How would they refer to the money, would you tell us that?

Miss BROUGHIER. As "packages," and when they had a job to go out and get money, they called it "contracts."

Mr. KENNEDY. We have heard that word "package" before, Mr. Chairman.

Did they ever call up or did Burke ever indicate he was going to try to get some money from any of the racetracks in Florida?

Miss BROUGHIER. He asked me if I knew the man that owned the racetrack, Henry Moore.

Mr. KENNEDY. Of which racetrack was that?

Miss BROUGHIER. He is from Vineland, N. J., and I think he took over a racetrack in Miami.

Mr. KENNEDY. Hialeah?

Miss BROUGHIER. I believe so.

Mr. KENNEDY. What did Burke say to you about him?

Miss BROUGHIER. That some money could be received from him, because they could probably keep them from joining the union, all of the people on the racetrack and stall it for about a year.

Mr. KENNEDY. Did he make a telephone call to him?

Miss BROUGHIER. I think that he had me call him or something like that. They didn't receive any money from anything like that.

Mr. KENNEDY. I am just asking you whether he called him on the telephone. Did he?

Miss BROUGHIER. I think that we spoke to his son on the phone or I believe he could have spoken to him once, and I don't remember.

(At this point, the following members were present: Senators McClellan, Ives, Mundt, and Curtis.)

MR. KENNEDY. How much money was he going to try to get from him?

MISS BROUGHIER. \$10,000 or \$15,000.

MR. KENNEDY. That was from Eugene Mori, of Hialeah?

MISS BROUGHIER. Yes.

THE CHAIRMAN. As I understand, that was to get the money to keep the employees from being organized?

MISS BROUGHIER. Yes.

THE CHAIRMAN. In other words, they threatened to organize them, and if they paid off the \$10,000 or \$15,000 they would let it alone for a year: is that right?

MISS BROUGHIER. That is correct.

THE CHAIRMAN. All right.

MR. KENNEDY. Did he indicate to you—

SENATOR MUNDT. At that point, if I may ask a question, was it your understanding that the employees were trying to get their leaders to create an organization, and that they were subsequently selling out their employees, or was it your impression that the leaders were not consulting with the employees at all, that they were simply going to the businessmen and saying that "Unless we shake you down for a certain amount of money, we will then organize your employees?"

MISS BROUGHIER. No; I don't think that anything like that was in mind. I think that unionmen just feel that everybody should belong to the union, regardless of what it is; that you should not either eat or drink or anything else unless they are very loyal to the union.

SENATOR MUNDT. How did they demonstrate that loyalty by accepting money for themselves for refusing to organize the people of the plant in the union?

MISS BROUGHIER. Because the man eventually has to join.

SENATOR MUNDT. Do you mean when the employer ran out of shake down money, they finally organized the employees? Is that the type of loyalty that you observed these union chiefs operating with?

MISS BROUGHIER. I am sure they would not have done it without permission, or Mr. Hoffa's knowledge.

SENATOR MUNDT. I was not asking about Mr. Hoffa. I was asking about the concept of loyalty that you were describing. I know a lot of fine union people who have this concept of loyalty to the union. But these fellows who are accepting money for themselves for failing to organize a union, I don't see how they were demonstrating much loyalty to the workers.

MISS BROUGHIER. I don't either.

SENATOR MUNDT. You don't either?

MISS BROUGHIER. No.

SENATOR MUNDT. It is not your impression, therefore, that they were carrying out the wishes of the working men and women in either trying to organize or taking a bribe and not organizing?

MISS BROUGHIER. I think that they just wanted the money, that is all.

SENATOR MUNDT. I think so, too. I think they were just using these employees as a club by which to get some money. Is that your impression?

MISS BROUGHIER. That is correct.

SENATOR MUNDT. Thank you.

Mr. KENNEDY. Did they tell you any of their experiences, Burke or Baker, as to how they had—did Burke or Baker tell you at all about the way they would organize? Did they tell you anything?

Miss BROUGHIER. Yes; but they thought it was quite funny, such as shutting off the ice in Sonja Henie's Ice Shows so she could not skate.

Mr. KENNEDY. Shut off the ice in Sonja Henie Ice Shows so she could not skate?

Miss BROUGHIER. Yes.

Mr. KENNEDY. Did they tell you anything else?

Miss BROUGHIER. Not of any consequence.

Mr. KENNEDY. About shellac—putting shellac in automobiles?

Miss BROUGHIER. They said if you bought shellac at a store and poured it into the oil of a car that the car would freeze and that the motor would be positively no good; that the man would have to buy a new car.

Mr. KENNEDY. And shut off the elevator services in apartment buildings?

Miss BROUGHIER. I think that those things were done in Detroit.

Mr. KENNEDY. Did Mr. Baker or Mr. Burke have guns with them when they were down there?

Miss BROUGHIER. Mr. Burke had quite a few guns.

Mr. KENNEDY. Where would he keep the guns?

Miss BROUGHIER. In his room. It is lawful to have a gun in your home in Miami.

Mr. KENNEDY. How many guns would Mr. Burke have?

Miss BROUGHIER. Sometimes 4 or 5.

(At this point Senator Mundt withdrew from the hearing room.)

Mr. KENNEDY. He just kept them in his room, did he?

Miss BROUGHIER. That is correct.

Mr. KENNEDY. Do you know what he was keeping them there for?

Miss BROUGHIER. No; I don't.

Mr. KENNEDY. Did Mr. Baker tell you anything about the difficulty he had had in carrying a gun?

Miss BROUGHIER. He said that he had an arrest for carrying a gun in St. Louis during a taxicab strike.

Mr. KENNEDY. Did he say that he had to take some care about having guns then?

Miss BROUGHIER. I beg your pardon.

Mr. KENNEDY. Did he say he had to exercise care about it since then, about carrying a gun?

Miss BROUGHIER. I have never seen him with one.

Mr. KENNEDY. You say that he went to see Meyer Lansky. Did he ever tell you that Mr. Hoffa had been to see Meyer Lansky?

(At this point, Senator Goldwater entered the hearing room.)

Miss BROUGHIER. Well, from what I understand in the conversations, all of that element was quite friendly.

Mr. KENNEDY. Did he ever tell you anything specific about that?

Miss BROUGHIER. Yes. I think they had some meetings.

Mr. KENNEDY. Was that down in Florida?

Miss BROUGHIER. Yes.

Mr. KENNEDY. What do you mean all of this element was all quite friendly?

(At this point, Senator Curtis withdrew from the hearing room.)

Miss BROUGHIER. There does not seem to be any hoodlum in the country they don't know.

Mr. KENNEDY. I have just one other thing. When you went off to prison, did you turn over anything to Barney Baker?

Miss BROUGHIER. Mr. Baker had two rings of mine which I would like to get back. I think he has caused me enough grief.

Mr. KENNEDY. What kind of rings were they?

Miss BROUGHIER. One was a diamond ring and the other one was a sapphire, a ruby.

Mr. KENNEDY. A sapphire ruby?

Miss BROUGHIER. Yes.

Mr. KENNEDY. How did you happen to give those rings to him?

Miss BROUGHIER. Mr. Baker said that he would put them up and take care of them. But I understand that he tried to sell them both or give them away, or something.

Mr. KENNEDY. Did you turn them over to him?

Miss BROUGHIER. Yes.

Mr. KENNEDY. We have had testimony about that yesterday, from two witnesses. They had been in the possession of first Barney Baker and then ended up, at least the 30-carat sapphire ruby, whatever kind it is, ended up in the possession of Joe Costello in St. Louis.

The CHAIRMAN. Did you learn what actually became of them, whether he still has them?

Miss BROUGHIER. I understand that he tried to give one of them to his other wives, and that Joe Costello had one of them. They are my property and I would like to have them. I mean it is all I have. I have been in prison 3 years without any money.

The CHAIRMAN. I don't want you to misrepresent anything at all, but from your association with Baker and Burke, and the others that you met during the time of your association with them, who did you ascertain was the chief boss of the group?

Miss BROUGHIER. James Hoffa.

The CHAIRMAN. Are there any further questions?

Senator Ives?

Senator IVES. I have no questions.

(At this point, Senator Curtis entered the hearing room.)

The CHAIRMAN. Senator Goldwater?

Senator GOLDWATER. I have no questions.

The CHAIRMAN. Senator Curtis, have you any questions?

Senator CURTIS. When Mr. Baker discussed his political campaigning for Mr. Harriman, did he mention any other people that assisted in that?

Miss BROUGHIER. No; just that the union controlled many, many votes.

Senator CURTIS. But he did not mention any other individuals that worked with him?

Miss BROUGHIER. No. I mean the mail was sent, when he wrote that in two different letters, into the penitentiary; that mail was censored and he naturally wouldn't through censored mail.

(At this point, Senator Kennedy entered the hearing room.)

Senator CURTIS. But he told you that there was a period of time it was not safe for him to go to New York?

Miss BROUGHNER. That is correct.

Senator CURTIS. And led you to believe that after Harriman was elected governor, that changed?

Miss BROUGHNER. Yes. Something changed his going back there, because he went in and out very freely from the time I met him in 1955.

Senator CURTIS. He didn't mention who else was associated with him in the District of Columbia here in Washington, in the primary, in the drive for delegations for Mr. Harriman? He didn't mention who else worked with him?

Miss BROUGHNER. I couldn't answer that.

Senator CURTIS. Not that you recall?

Miss BROUGHNER. I don't remember.

Senator CURTIS. That is all.

The CHAIRMAN. Let me ask you this: Regarding the \$20,000 or \$25,000 you say that Mr. Baker spent on you, that was about 1 year's time, wasn't it?

Miss BROUGHNER. I don't think it was quite a year.

The CHAIRMAN. In a little less than 1 year?

Miss BROUGHNER. From the summer until December 9 of 1955.

The CHAIRMAN. Do you have any information or knowledge as to whether that was Mr. Baker's personal funds, whether it was Teamster money, shakedown money, or stolen or kidnap ransom money?

Do you have any information about it?

Miss BROUGHNER. No, I don't have any information about it. But I don't think the man made but \$125 or \$150 a week, and he was giving Mollie \$75 a week, so he told me. So it had to come from somewhere.

The CHAIRMAN. You have no reason to believe, in fact you have every reason to believe it did not come from his earnings?

Miss BROUGHNER. You can't pay—

The CHAIRMAN. I am talking about his earnings as an employee of the union.

Miss BROUGHNER. I don't think it could have.

The CHAIRMAN. Is there anything else? Senator Kennedy, have you any questions?

Senator KENNEDY. No, Mr. Chairman.

The CHAIRMAN. Thank you very much. I think you are to be commended for coming and telling us what you know.

Call the next witness.

Mr. KENNEDY. Mr. Barney Baker.

Perhaps she can stand by.

The CHAIRMAN. Yes.

Mr. KENNEDY. Mr. Barney Baker.

The CHAIRMAN. Be sworn, please. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BAKER. I do.

TESTIMONY OF ROBERT BERNARD BAKER, ACCOMPANIED BY HIS COUNSEL, GEORGE FITZGERALD

The CHAIRMAN. Will you state your name, your place of residence, and your business or occupation.

Mr. BAKER. Robert Bernard Baker, 2300 Lincoln Park West, Chicago, Ill.; organizer, Central Conference of Teamsters.

The CHAIRMAN. Is that your official title—organizer?

Mr. BAKER. Yes, sir.

The CHAIRMAN. For the Central Conference of Teamsters?

Mr. BAKER. Yes, sir.

The CHAIRMAN. How many States does that compose?

Mr. BAKER. Eleven States, sir.

The CHAIRMAN. Do you have counsel?

Mr. BAKER. Yes; I have.

The CHAIRMAN. Let the record show Mr. Fitzgerald appears as counsel for him.

Mr. KENNEDY. How long have you been with the Teamsters Union?

Mr. BAKER. On and off as a member of the union or as an official?

Mr. KENNEDY. How long have you been an officer?

Mr. BAKER. In total, around 9 years.

Mr. KENNEDY. When did you first become an officer?

Mr. BAKER. In 1950, I believe, I was elected president of a union in Washington, D. C., sir.

Mr. KENNEDY. What local was that?

Mr. BAKER. Local 730.

Mr. KENNEDY. What had you been doing prior to that time?

Mr. BAKER. I drove a truck in a produce market in Washington, D. C., and also worked in the warehouse, for the District Grocery Stores in Washington.

Mr. KENNEDY. That was from what period?

Mr. BAKER. I believe that was from 1946 to—1946 may not be exactly the time, but 1946 to around 1950.

Mr. KENNEDY. Where had you been prior to 1946?

Mr. BAKER. Hollywood, Fla.

Mr. KENNEDY. Who were you working for then?

Mr. BAKER. I was working for Mert Wortheimer and Jake Lansky.

Mr. KENNEDY. Where was that?

Mr. BAKER. Colonial Inn.

Mr. KENNEDY. How long had you known Mr. Lansky?

Mr. BAKER. At that time when I went to work?

Mr. KENNEDY. Yes.

Mr. BAKER. Mr. Jake Lansky I met, I believe, for the first time when I applied down there for the work.

Mr. KENNEDY. When was that?

Mr. BAKER. I believe that was 1945. May I correct myself? I believe that is 1945—1945 and 1946. I worked both years there.

Mr. KENNEDY. For Mr. Lansky?

Mr. BAKER. And Mr. Mert Wortheimer.

Mr. KENNEDY. Who was Wortheimer?

Mr. BAKER. Mert Wortheimer was general supervisor and manager of the Colonial Inn.

Mr. KENNEDY. What were you doing for them?

Mr. BAKER. I was maitre d', doorman, assisted always in being in the place, seeing that the service was rendered to customers properly.

Mr. KENNEDY. And prior to working with them, where had you worked?

(At this point Senator McClellan withdrew from the hearing room.)

Mr. BAKER. Prior to working at that time? You will have to give me a little time to think, Mr. Kennedy.

Mr. KENNEDY. This is prior to 1945. During the war, where were you then?

Mr. BAKER. I tried to enlist in the United States Army, but they said because of the obesity I could not get in the Army. I went to work, I believe, in the Horton Motor Lines, on the platform, on Washington Street in New York City. That is to the best of my recollection. I don't know if that was prior to working there or I had a day or two on the riverfront working as a stevedore.

Mr. KENNEDY. For how long were you working on the waterfront?

Mr. BAKER. Well, I came down to New York City and let's say I was hanging around, looking for a meal half of the time.

Mr. KENNEDY. How long were you hanging around looking for a meal?

Mr. BAKER. I believe from 1930 on. I used to fill in and get a day's work or a night's work when a ship would come in, unloading a ship, or run an errand here or there, pick up a few nickels.

Mr. KENNEDY. Where do you come from originally?

Mr. BAKER. Well, originally, New York City.

Mr. KENNEDY. You were born in New York City?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. When was that?

Mr. BAKER. 1911.

Mr. KENNEDY. Is Baker your real name?

Mr. BAKER. Yes, sir.

(At this point Senator McClellan returned to the hearing room.)

Mr. KENNEDY. Were you ever known by any other name?

Mr. BAKER. Well, they used to call me a lot of names. I don't know any particular names that I actually had that would stick to me outside of the nickname of Barney, when I was boxing, sir.

Mr. KENNEDY. Did you ever have the name Estricher?

Mr. BAKER. No, sir. Sir?

Mr. KENNEDY. Estreicher?

Mr. BAKER. No, sir.

Mr. KENNEDY. Do you know anybody by the name of Estricher?

Mr. BAKER. I don't believe I do.

Mr. KENNEDY. Were you connected with the Varick enterprises?

Mr. BAKER. I was not connected with the Varick enterprises.

Mr. KENNEDY. Did you have anything to do with the Varick enterprises?

Mr. BAKER. No. I knew the people that did, but I did not have nothing to do with the Varick enterprises.

Mr. KENNEDY. Who were the people that did?

Mr. BAKER. A Mr. Dunn.

Mr. KENNEDY. Cockeyed Dunn?

Mr. BAKER. I don't know him as Cockeyed Dunn. I knew him as John Dunn.

Mr. KENNEDY. Where is he now?

Mr. BAKER. He has met his Maker.

Mr. KENNEDY. How did he do that?

Mr. BAKER. I believe through electrocution in the city of New York or the State of New York.

Mr. KENNEDY. And who else?

Mr. BAKER. Well, I believe he was the boss.

Mr. KENNEDY. Well, who else in Varick enterprises did you know?
Mr. BAKER. Well, I don't know. Now, you can help me a little bit if you have some names there.

Mr. KENNEDY. You suggest the names.

Mr. BAKER. I am serious. I don't know of anyone else directly connected. When you say connected with the company, that is real rough to tell you a name connected with the company when I don't know.

Mr. KENNEDY. Well, just give me some of the people that you think might have been connected with the company.

Mr. BAKER. That wouldn't be the right thing to do. I want to be exact. Don't you believe that is true, to be exact in what you say? I want to help this committee.

Mr. KENNEDY. What about Eddie McGrath?

Mr. BAKER. Eddie McGrath was related to John Dunn. I seldom seen him around at all.

Mr. KENNEDY. You didn't see him much?

Mr. BAKER. Not much.

Mr. KENNEDY. Did you have any businesses with Eddie McGrath?

Mr. BAKER. No; not at all, sir.

Mr. KENNEDY. Did you visit at his home at all?

Mr. BAKER. Eddie McGrath's home?

Mr. KENNEDY. Yes.

Mr. BAKER. No, sir.

Mr. KENNEDY. What about Don Gentile?

Mr. BAKER. Do you mean Mr. Gentile?

Mr. KENNEDY. Yes. Do you know him?

Mr. BAKER. Yes; I do. I knew him.

Mr. KENNEDY. Was he connected with this at all? You just knew him on the docks?

Mr. BAKER. I don't know. I knew I seen him up and down the river.

Mr. KENNEDY. Where is he now?

Mr. BAKER. I don't know where he would be now. Excuse me. I believe he was implicated with a certain case in New York. He must be in jail.

Mr. KENNEDY. That is the Hintz killing? You see, we have had the testimony that you were closely associated with these people, Mr. Baker.

Mr. BAKER. Yes; I knew them real well.

Mr. KENNEDY. I am just trying to find out and give you a chance as to whether you did. Mr. Gentile is in prison at the present time for the Hintz murder?

Mr. BAKER. To the best of my knowledge, I believe so.

Mr. KENNEDY. What about Squint Sheridan? Did you know him?

Mr. BAKER. Andrew Sheridan, sir?

Mr. KENNEDY. Yes.

Mr. BAKER. He has also met his Maker.

Mr. KENNEDY. How did he die?

Mr. BAKER. With Mr. John Dunn.

Mr. KENNEDY. He was electrocuted?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. He was also a friend of yours, was he?

Mr. BAKER. Yes; he was a friend of mine.

Mr. KENNEDY. And Connie Noonan? Did you know Connie Noonan?

Mr. BAKER. I know him; yes, sir.

Mr. KENNEDY. He was also a friend of yours?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. And Eddie McGrath?

Mr. BAKER. Well, I didn't know Eddie too well.

Mr. KENNEDY. These people were identified yesterday as individuals who were responsible for over a dozen murders on the waterfront.

Mr. BAKER. I heard that fantastic story.

Mr. KENNEDY. Did you know that the police were looking for you and wanted to question you in connection with the Heintz murder?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. Did you make yourself available to them?

Mr. BAKER. No, sir. There is reason for it, sir.

Mr. KENNEDY. Do you want to give the reason?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. Go ahead.

Mr. BAKER. I was in Florida working at the place I told you, and knowing these people that they had arrested for the murder, they were going to come down there and knock my brains out simply because I visited a man by the name of Andrew Sheridan, who was in the Hollywood jail awaiting to be sent back for the crime they say he committed. The reason for them being disturbed over me and wanting to wrap me up, so to speak, as they were telling me, is that I was asked to come in to see Andy Sheridan in this particular jail by his wife. I went into see him, and he wanted to make arrangements that his wife would be taken care of. He had a car or something, and if they could sell it—something along those lines. I don't know. Some way of getting her back, and the child. To get in to see him first off, the man at the gate, so to speak, the sheriff or the warden, asked me if I knew where Danny Gentile was, who was missing. So in order to get in there, I said, "Why, certainly, if you want him, go ahead up to the Pompano Lakes." I told him some story. I said, "He used to be a fighter. He is probably up there in a training camp." When I delivered that story to him, he let me in to see him. He would not let me in unless they were cooperative. From what I understand, they went up there and threw a dragnet around this particular Pompano Lakes, which was down and did not have nobody in there, and they did not find him. So they sent word down that for telling this fantastic story to the sheriff, we are going to hand him a deal. Well, naturally I am not going to stand pat and get hit on the head, if I can get away from it.

Mr. KENNEDY. So what did you do?

Mr. BAKER. I left. I left Hollywood.

Mr. KENNEDY. Where did you go then?

Mr. BAKER. I went out West. I went to Las Vegas, Nev.

Mr. KENNEDY. What did you do in Las Vegas, Nev.?

Mr. BAKER. They were building a place out there. I believe it was a club. I took residence there on the grounds while they were building the club, sir.

Mr. KENNEDY. What was the name of the club?

Mr. BAKER. The Flamingo.

Mr. KENNEDY. What were you doing there?

Mr. BAKER. Nothing but standing around there until I heard that the police left Hollywood and I could go back.

Mr. KENNEDY. What were you living on there?

Mr. BAKER. Well, I had a few dollars on tips. You know, you work in those places as maitre de, and you always get a tip. I was holding onto my few dollars.

Mr. KENNEDY. Do you know Bugsy Segal?

Mr. BAKER. I have met him once or twice, yes. Once or twice, I believe, to the best of my recollection. I believe once or twice.

Mr. KENNEDY. In Las Vegas?

Mr. BAKER. Las Vegas once and Florida once.

Mr. KENNEDY. Did you ever see him in Los Angeles?

Mr. BAKER. No; I have never been in Los Angeles, sir.

Mr. KENNEDY. What exactly were you doing at the Flamingo?

Mr. BAKER. At the Flamingo?

Mr. KENNEDY. Is that where you were working in Las Vegas?

Mr. BAKER. No; I did not work. I was hibernating. There was a room there, and I had the room, and I just was on the premises until such time as I heard that the police were cooled off, so to speak, and I could go back to Hollywood, coming down from New York.

Mr. KENNEDY. You were hiding out from the police in Las Vegas, Nev.?

Mr. BAKER. Well, if that is the way you term it, I was hiding out, yes, sir, that is right. You are right. You are right.

Mr. KENNEDY. Where were you getting your money that you were living on out there?

Mr. BAKER. I had saved a few dollars. You don't have to live on too much money out there.

Mr. KENNEDY. How long were you living in Las Vegas?

Mr. BAKER. I don't know. I imagine approximately a week, I believe. I am not sure.

Mr. KENNEDY. You were only in Las Vegas a week?

Mr. BAKER. I imagine so.

Mr. KENNEDY. Then what did you do?

Mr. BAKER. Went back to Hollywood.

Mr. KENNEDY. You only stayed in Las Vegas a week?

Mr. BAKER. About that time.

Mr. KENNEDY. Then you went back to your other job?

Mr. BAKER. That is right.

Mr. KENNEDY. Did you pay your own transportation out to Las Vegas?

Mr. BAKER. I had a few dollars saved.

Mr. KENNEDY. And just the week you were out there, you met Bugsy Siegal?

Mr. BAKER. Well, they were coming out there, they were building a place, they were building the Flamingo.

Mr. KENNEDY. Who introduced you to Bugsy Segal?

Mr. BAKER. I met him in Florida.

Mr. KENNEDY. Before you went out there?

Mr. BAKER. Sure.

Mr. KENNEDY. Had he arranged for you to go out there?

Mr. BAKER. No. I went out there. They was building this place there. There was a motel room on the side, and I just occupied a room.

Mr. KENNEDY. Who arranged that?

Mr. BAKER. Me.

Mr. KENNEDY. Nobody made the reservation for you?

Mr. BAKER. Didn't have to.

Mr. KENNEDY. Nobody arranged it for you?

Mr. BAKER. No, sir.

(Senator Ervin entered the room.)

Mr. KENNEDY. Then you went back and went to work for Mr. Lansky?

Mr. BAKER. I went on back there, and I continued to work for Mr. Mert Wortheimer and Mr. Jake Lansky, I believe, sir. I am trying to recall.

Mr. KENNEDY. Prior to all of this happening, had you been shot at at all?

Mr. BAKER. I was shot at.

Mr. KENNEDY. Mr. Baker, I am just trying to develop your career.

Mr. BAKER. I see. Nothing personal?

Mr. KENNEDY. No.

Mr. BAKER. All right.

(Senator Mundt entered the room.)

Mr. KENNEDY. What I am trying to find out is prior to the time you became a Teamster official, what you were doing. I would like to find out. Were you shot when you were in New York?

Mr. BAKER. I was, sir.

Mr. KENNEDY. How was that?

Mr. BAKER. There was a dinner at some restaurant in New York City. We left this restaurant—

Mr. KENNEDY. Who is "we"?

Mr. BAKER. Myself, a fellow named Joe Butler, "Farmer" Sullivan, a trainer-manager of mine, and Mr. John O'Rourke. We walked from this restaurant to the New Yorker Hotel on 34th Street, I believe. Just before getting to the New Yorker Hotel, around 50 or 75 feet, there is a parking lot, and all I heard was a lot of noise and I hit the pavement. They shot myself, Mr. O'Rourke, and Mr. Joe Butler, sir.

Mr. KENNEDY. What was the reason that they shot you?

Mr. BAKER. I would like to know. I don't know who, what, where or when. It just happened.

Mr. KENNEDY. Just walking down the street with three of your friends and somebody shot you?

Mr. BAKER. They come right out of a car and let loose.

Mr. KENNEDY. You never done anything to bring about this?

Mr. BAKER. Fight communism on the water-front in New York.

Mr. KENNEDY. That is the only thing?

Mr. BAKER. That is right, sir.

Mr. KENNEDY. You don't know who was responsible for it?

Mr. BAKER. No, sir.

Mr. KENNEDY. Was anybody killed?

Mr. BAKER. Mr. Joe Butler passed away.

Mr. KENNEDY. Did they ever arrest anybody in connection with it?

Mr. BAKER. I believe they had some arrests and called for identification. We don't know who it was.

Mr. KENNEDY. You could not identify anyone?

Mr. BAKER. No, sir.

Mr. KENNEDY. You could not give the police any clues?

Mr. BAKER. I wish we could.

Mr. KENNEDY. The testimony we had yesterday is that there were two rival mobs causing all the difficulty and trouble on the waterfront, and you were a member of one, and this other group shot you, and it had nothing to do with any Communists. It was just two groups who were muscling in.

Mr. BAKER. Mr. Kennedy—

Mr. KENNEDY. Yes, Mr. Baker.

Mr. BAKER. Believe me, that a lot of things said yesterday sounds to me like—and I don't say that the board here had done anything, or any of the honorable Senators, like planted questions put in people's minds to get in here and destroy, vengeance of a woman, a woman scorned, getting even, so she said, and other things that were turned around here yesterday to make me look like the bad one through my life. I am proud of how I live, Mr. Kennedy. Believe me, if I had to do it over again, this is the way I would live. There was a lot of things said yesterday on the personalities of a man, to destroy a man, politically, and I noticed some would join with their minds and hearts, jumped up on the table to destroy a man that was a decent man, and a man that I honor and love. I am not close, close, close, as they so described I was. I admired what the man stood for. There was a difference here in this town. You probably asked me a question and I should not ramble now, but it excites me to see and know that good people are being destroyed, which shouldn't be destroyed.

Mr. KENNEDY. Mr. Chairman?

Mr. BAKER. I lived a life, Mr. Chairman. It might not have been all lily-white, and it might have been 26 years ago. What is the pay-off? Where is the penalty? When does it stop? Why don't they stop harassing people? I can explain the gun incidents. I can explain the jewel incident. I can explain everything. But that is nothing. When they try to take a man as a political pig and destroy him and cut him up, because my name is bad, "Throw Baker in with him, and you will defeat him come November," or whenever the date is of the election, that is the truth. That man knows me—he don't even know what I look like. Sure I attended places. Excuse me. Excuse me, Mr. Kennedy. I will wait until you ask me the questions. I got plenty of time. I will be here all day if you want me, and tomorrow, if you want me.

The CHAIRMAN. Just a moment.

Mr. BAKER. Excuse me, Mr. Chairman, for getting excited. I mean this is laying in my heart.

The CHAIRMAN. I wanted to let you make a full demonstration. Proceed.

Mr. BAKER. I am sorry.

Senator IVES. I merely want to ask the witness one question, and I don't want to get into this matter of yesterday at the moment, but we will eventually arrive there. I want to ask you if you heard the lady that testified just before you?

Mr. BAKER. I heard part of the testimony.

Senator IVES. You perhaps noticed, didn't you, that a very important item in the testimony of yesterday was corroborated by her?

Mr. BAKER. I heard it.

Senator IVES. That is how you got back into New York State?

Mr. BAKER. I heard, Senator, and it is not the truth.

Senator IVES. There are two witnesses that swore to it under oath.

Mr. BAKER. It is all right, Senator. I don't know what they do on the outside. I am in here, and I took an oath, too, Senator.

Senator IVES. I know you did, and they did, too. Somebody has perjured himself.

Mr. BAKER. You bet your bottom dollar, and it ain't me.

Mr. KENNEDY. Now, you are talking about the testimony yesterday. There was testimony that you knew Squint Sheridan, Noonan, Eddie McGrath, and John "Cockeyed" Dunn, and some of these other individuals, and as I understand it, you have affirmed all of that testimony, and so you were associated with them?

Mr. BAKER. I never worked with them in any capacity, outside of running an errand here and there, if that is what you mean.

Mr. KENNEDY. Then there was the testimony about your being shot during the 1930's, and you confirmed that, and were you shot at on any other occasion?

Mr. BAKER. That is the only occasion when I got wounded.

Mr. KENNEDY. I am not asking you whether it was the only occasion when you were wounded, but were you shot at on any other occasion?

Mr. BAKER. No.

Mr. KENNEDY. You never were?

Mr. BAKER. No.

Mr. KENNEDY. The former Mrs. Baker testified this was at a dinner, and you say that is not correct. Did you ever tell her that story?

Mr. BAKER. I don't tell those stories.

Mr. KENNEDY. Did you ever tell her that?

The CHAIRMAN. You say you don't tell stories?

Mr. BAKER. I don't tell that kind of stories.

The CHAIRMAN. I thought you told one that caused you to have to leave New York?

Mr. BAKER. No, sir.

The CHAIRMAN. I thought you told one to get in the jail to talk to that fellow.

Mr. BAKER. Oh, I see what you mean.

The CHAIRMAN. Oh, yes.

Mr. BAKER. I was under oath, and I am telling you the truth.

The CHAIRMAN. You were not under oath then.

Mr. BAKER. I am under oath here. You wanted to know the truth and I told you.

Mr. KENNEDY. You were not shot at in New Jersey; is that right?

Mr. BAKER. No.

Mr. KENNEDY. You never were?

Mr. BAKER. No; I was never shot at in New Jersey.

Mr. KENNEDY. Was anybody else shot at by you in your presence in New Jersey.

MR. BAKER. I was not shot at myself, if that is what you mean, but I don't know of anyone outside of a friend of mine that was shot at in New Jersey, but I was not there.

MR. KENNEDY. Who was your friend that was shot at?

MR. BAKER. Mr. Sullivan.

MR. KENNEDY. When was he shot at in New Jersey?

MR. BAKER. I don't remember the year, sir.

MR. KENNEDY. When was he shot at?

MR. BAKER. I don't remember the exact year.

MR. KENNEDY. Where was he shot at?

MR. BAKER. In New Jersey.

MR. KENNEDY. Where was he, walking down the street?

MR. BAKER. I don't know. From what we read in the papers it was a restaurant or something where he was at.

MR. KENNEDY. Could it have been at a spaghetti dinner from what you read in the papers?

MR. BAKER. It could be anything.

MR. KENNEDY. So that maybe Mrs. Baker's testimony regarding that was not entirely correct.

MR. BAKER. Probably not, that is right.

MR. KENNEDY. Do you think you might have been there at the dinner?

MR. BAKER. Sir?

MR. KENNEDY. Do you think you might have been there at the dinner and just did not hear the shot?

MR. BAKER. I would have seen someone on the floor, wouldn't I? I didn't hear no shooting.

MR. KENNEDY. But you were not present?

MR. BAKER. Not me.

MR. KENNEDY. Were you in the restaurant at the time?

MR. BAKER. No, sir; this is in New Jersey, sir.

MR. KENNEDY. You could have gone over to New Jersey?

MR. BAKER. Sure you could, but I did not.

MR. KENNEDY. Now, you became president of local 730 of the Teamsters here in Washington.

MR. BAKER. Yes, sir.

MR. KENNEDY. What was your next job with the Teamsters?

MR. BAKER. The next job I had, sir, the next job with the Teamsters, you mean?

MR. KENNEDY. Yes.

MR. BAKER. In St. Louis, Mo.

MR. KENNEDY. How did you happen to go to St. Louis, Mo.

MR. BAKER. Well, I met Mr. Gibbons and he knew of the work that I had done here in organizational work.

MR. KENNEDY. How did you meet Mr. Harold Gibbons?

MR. BAKER. I believe it was an ADA affair here in Washington, D. C.

MR. KENNEDY. He just saw you there?

MR. BAKER. He knew of my actions, and he knew of my activities, and he knew I worked hard.

MR. KENNEDY. He came in to Washington, D. C., and took you all of the way to St. Louis because he had met you at an ADA dinner here?

Mr. BAKER. It is the relationship of time.

Mr. KENNEDY. How did he see you operate?

Mr. BAKER. Well, you know what a person does, and we have information in our magazines that we send out to members and to the officials, and organization of new places, and membership growing in local unions, and the work is done automatically here, and it is recognized.

Mr. KENNEDY. Did he know about your prison record, for instance?

Mr. BAKER. Mr. Gibbons, you mean?

Mr. KENNEDY. Did he know you had been in prison?

Mr. BAKER. Well, no, he did not know that, but he knew that I had a responsible job or I was working then for the National Democratic Committee here in Washington, D. C., sir.

Mr. KENNEDY. He knew about your work with them?

Mr. BAKER. Yes, and he knew about my work, sir.

Mr. KENNEDY. With the Democratic Committee?

Mr. BAKER. The National Committee, sir.

Senator GOLDWATER. Could I interrupt for just a moment? Mr. Baker, did you say ADA?

Mr. BAKER. I did, sir.

Senator GOLDWATER. What is that organization?

Mr. BAKER. Americans for Democratic Action.

Senator GOLDWATER. Were you a member of that when you met Mr. Gibbons?

Mr. BAKER. I was not a member, but interested in the workings of any organization, sir.

Senator GOLDWATER. Whose guest were you at the dinner that night?

Mr. BAKER. That night, I believe Mrs. or Mr. Bauticky, and they had an ADA chapter, I believe, in Silver Spring, I believe so.

Senator GOLDWATER. Did you attend those meetings regularly?

Mr. BAKER. No, sir; I just went to that one convention, and we had a talker at that convention.

Senator GOLDWATER. Is that where you met Joe Rauh?

Mr. BAKER. No, sir.

Senator GOLDWATER. That is all.

Mr. KENNEDY. Now, he took you out to St. Louis in 1952 or 1953?

Mr. BAKER. In 1952 I went out there, and he asked me many times if I would take on and go to work organizing for 688 local.

Mr. KENNEDY. Had there been any difficulty as far as the misappropriation of funds or missing funds of local 730?

Mr. BAKER. None whatsoever, as far as I was concerned.

Mr. KENNEDY. Were there any funds missing?

Mr. BAKER. Prior to me being there, there was some discrepancies from the former agents.

Mr. KENNEDY. When was that?

Mr. BAKER. I don't know.

Mr. KENNEDY. Wasn't that in 1952?

Mr. BAKER. It is possible.

Mr. KENNEDY. It was not before you were there?

Mr. BAKER. In late 1951 or 1952.

Mr. KENNEDY. It was while you were there, was it not?

Mr. BAKER. I was a worker there.

Mr. KENNEDY. But you were an officer in 1950.

Mr. BAKER. In 1950 I was an organizer, or I was elected into office in 1950, sir.

Mr. KENNEDY. Then the money was missing while you were an officer?

Mr. BAKER. No; before I got in office this man was taken off the job, I believe.

Mr. KENNEDY. I thought you said it was 1951 or 1952.

Mr. BAKER. I am trying now to the best of my recollection to get the right date and the right time for you. I know that the gentleman was there prior, and he was taken out of office, and we had an election and it was under a trusteeship arrangement of Mr. Al Dietrick, who was the trustee.

Mr. KENNEDY. When was that?

Mr. BAKER. Can I speak to my attorney, and maybe he knows. Can I?

Mr. KENNEDY. Yes.

(The witness consulted his counsel.)

Mr. BAKER. I don't know exactly, sir, and it was only to the best of my recollection that I can say it was around 1950, I believe.

Senator MUNDT. Mr. Chairman, I wish we could straighten out these dates. You are getting me entirely confused and if you will start over now maybe you can tell us. When did you first meet Harold Gibbons?

Mr. BAKER. Well, now, you can ask me about dates and years and I can truthfully say to you, approximately to the best of my knowledge, I am a bad man on that memory. I can't give the year. I am giving you the truth of how things happened, and now are you going to tie me down to a day or a time, and by God I can't answer that.

Senator MUNDT. I am trying to establish to the best of your recollection when you first met Harold Gibbons. That was the question.

Mr. BAKER. The best of my recollection, when I met Harold Gibbons?

Senator MUNDT. Maybe I misunderstood your previous testimony, and I thought you said you first met Harold Gibbons in 1952 at an ADA dinner.

Mr. BAKER. Oh, no; I met him prior to that. This is to the best of my recollection, and again I say I can't recall exactly.

Senator MUNDT. Is this correct, that you had met Harold Gibbons a substantial number of years prior to the time that you met him here in Washington, at that ADA dinner?

Mr. BAKER. I met him in and out of Washington.

Senator MUNDT. But at this ADA dinner he propositioned you about getting to St. Louis?

Mr. BAKER. He asked me—or no—let me get this right. He asked me if I would take on at St. Louis after I resigned from local 730 because there was not enough money to keep two men on the payroll. The other fellow had seniority over me and I stepped down.

Senator MUNDT. Do you remember what year you stepped down?

Mr. BAKER. It was in 1952, sir.

Senator MUNDT. It was in 1952?

Mr. BAKER. I believe it was in 1952.

Senator MUNDT. It was in 1952 you were in Washington?

Mr. BAKER. That is correct.

Senator MUNDT. And it was in 1952 that the ADA dinner probably was held, and I date it that way because 1952 was a presidential year.

Mr. BAKER. I believe so.

Senator MUNDT. You said at that dinner Mr. Gibbons suggested you go to St. Louis; is that right?

Mr. BAKER. Yes, and he asked me, and I was already resigned from the job, and that is right.

Senator MUNDT. It would appear from your testimony that it must have been 1952 that you went to St. Louis.

Mr. BAKER. Yes.

Senator MUNDT. That is a presidential election year, and that was the ADA dinner, or convention, or whatever it was.

Mr. BAKER. I believe so.

Senator MUNDT. And you were there and Gibbons was there, and at that dinner he said, "Why don't you join up with us in St. Louis?" Is that about it?

Mr. BAKER. I believe so.

Senator MUNDT. All right, and you went to St. Louis in 1952.

Mr. BAKER. I believe so.

Senator MUNDT. I wanted to straighten that up.

Mr. KENNEDY. You were arrested in St. Louis in April of 1953; is that correct?

Mr. BAKER. I was arrested in St. Louis, Mr. Kennedy, and I don't remember the month.

Mr. KENNEDY. You had a gun in your possession; is that right?

Mr. BAKER. That is right.

Mr. KENNEDY. Where did you obtain the gun?

Mr. BAKER. I obtained the gun on purchase from a cabdriver.

Mr. KENNEDY. Who was that?

Mr. BAKER. May I explain the entire situation?

Mr. KENNEDY. Just tell us that.

Mr. BAKER. I have to say the cabdriver; I was then in town a short time, and they all knew me and I did not know every one of them, and he drove a cab up to me and called me to the cab, and he said, "Barney, you want to buy something I got from a man, a former passenger left a package in here?" And I said, to him, "What is it?", and he said, "It is a gun." And then I looked at it and I said, "What do you want?" and he said, "\$20 or \$25." And I do not remember exactly what I gave to him. It was one of those two figures. And he gave me the gun and I was going to take it and have it registered and take it home, and that was the question you wanted answered?

Mr. KENNEDY. What was his name, the fellow you purchased the gun from?

Mr. BAKER. I don't know the name.

Mr. KENNEDY. That is convenient. When you were arrested, I have the report here; it says:

When questioned at this office, Baker stated that a few weeks ago while en route to the city from Washington, D. C., he purchased the aforementioned revolver from a swapshop located on the outskirts of Indianapolis, Ind.

Mr. BAKER. The grand jury of St. Louis questioned me on that, and it is in the record, Mr. Kennedy, the same answer I am giving you now.

Mr. KENNEDY. This is the answer that you gave to the police department.

Mr. BAKER. The police department?

Mr. KENNEDY. Yes.

Mr. BAKER. Was I under any oath, Mr. Kennedy? I was under oath to the grand jury and here.

Mr. KENNEDY. This was a lie, then?

Mr. BAKER. I am under oath now.

Mr. KENNEDY. But this was a lie then?

Mr. BAKER. Absolutely.

Senator IVES. If I could break in here, isn't it correct, Mr. Baker, that when you were arrested in St. Louis and you were examined, the private number of Mr. Averell Harriman was found in your pocket, the private telephone number?

Mr. BAKER. Senator Ives, I am a ham at heart.

Senator IVES. You are a what?

Mr. BAKER. A ham, so to speak.

Senator IVES. I do not criticize you for being a ham.

Mr. BAKER. I want to say this to you. I had the number of the home of Averell Harriman because of the fact that the chairman of the campaign gave it to me and said, "Barney, if you ever need me for literature and I am not down at the headquarters on New York Avenue, put this number in the book and ask for me, and I will be there and I will get you what you need." Now that is the reason the number was placed there. Senator Ives.

Senator IVES. The chairman was at Mr. Harriman's home?

Mr. BAKER. He often went there.

Senator IVES. Always he was there when you could not reach him anywhere else?

Mr. BAKER. Not necessarily.

Senator IVES. Well, that is a very interesting story.

Mr. BAKER. Well, Senator Ives, I wish you would believe me. I am under oath.

Senator IVES. You know, you leave me completely in the dark. I do not know how many times you told lies when you have been under oath, and I gather you have several times, from what you have said.

Mr. BAKER. You ask me if it is a lie, and I will tell you.

Senator ERVIN. May I ask a question there? I just want to ask you a question. Do you feel that there is no compulsion upon you to tell the truth when you are not under oath?

Mr. BAKER. Little white lies don't mean nothing, not when you are not under oath.

The CHAIRMAN. All right.

Mr. KENNEDY. Now, did any of the other fellows working with you from the Teamsters out there have guns at the same time?

Mr. BAKER. Mr. Kennedy, I don't know that.

Mr. KENNEDY. Did you see guns there?

Mr. BAKER. No, sir, I did not.

Mr. KENNEDY. Do you know if Mr. Gibbons made arrangements for the rest of them to have guns?

Mr. BAKER. Mr. Kennedy, I don't know anything about that.

Mr. KENNEDY. Did you have any discussion with Mr. Gibbons regarding that?

Mr. BAKER. Regarding what?

Mr. KENNEDY. The fact that certain Teamster officials out there and certain individuals that were hired by the Teamsters during the taxicab strike should carry guns?

Mr. BAKER. No, sir.

Mr. KENNEDY. You did not have any conversation about that?

Mr. BAKER. No, sir.

Mr. KENNEDY. Do you know of anybody else who had a gun?

Mr. BAKER. No, sir, I don't.

Mr. KENNEDY. What is that?

Mr. BAKER. I don't.

Mr. KENNEDY. Did Mr. Gibbons arrange for you to carry this gun?

Mr. BAKER. Mr. Kennedy, as I stated, I purchased the gun, and Mr. Gibbons or nobody knew I had the gun on me.

Mr. KENNEDY. Did you discuss it with Mr. Gibbons?

Mr. BAKER. No, sir.

Mr. KENNEDY. Did you tell the police when you were on your way down to the office that Mr. Gibbons had talked to Mr. Dowd?

Mr. BAKER. Absolutely not, sir.

Mr. KENNEDY. Then the police officer who was here yesterday who related this conversation to the committee is not telling the truth?

Mr. BAKER. Well, may I say this in answer to that particular question: When I was arrested carrying a gun, the police officer that was here yesterday has a reputation of being a rough-tough individual, and he arrests you and he would go to work on you and probably you won't look the same the next day. In order to save myself a beating, so to speak, I said to him—and these are the very words I said—that “you better check with higher-up people because permission was granted to me to carry this gun.” I did not mention any name.

(At this point the following members were present: Senators McClellan, Ives, Ervin, Kennedy, Mundt, Goldwater, and Curtis.)

Mr. KENNEDY. Let me read you this. This is the report that was signed and written up at that time:

When asked as to why he was carrying the gun, Baker stated that he was told by his bosses, Flynn and Gibbons, that the circuit attorney, Edward Dowd, had given his approval for the carrying of the gun by him and other business agents of the Teamsters' Union.

You didn't mention that at all?

Mr. BAKER. No, sir.

Mr. KENNEDY. You mean that this is all just made up by this——

Mr. BAKER. I did not mention that, sir.

Mr. KENNEDY. You did not say anything about it?

Mr. BAKER. About Gibbons and Flynn and all that?

Mr. KENNEDY. And Dowd?

Mr. BAKER. No; I did not.

Mr. KENNEDY. Did you mention Mr. Dowd's name?

Mr. BAKER. I did not mention Mr. Dowd's name.

Mr. KENNEDY. What did you say, then, about the higher ups?

Mr. BAKER. That is all I said. I said, “Check with higher ups, because I was told I could carry the gun.”

That was to avoid getting molested.

Mr. KENNEDY. Why did he put Flynn, Gibbons, and Edward Dowd in this report, written at that time?

Why would Captain Dougherty testify to this yesterday?

Mr. BAKER. I don't know, sir.

Mr. KENNEDY. But you deny categorically—

Mr. BAKER. Excuse me; I am not denying anything, Mr. Kennedy.

Mr. KENNEDY. You deny Captain Dougherty's testimony as to what you told him at that time?

Mr. BAKER. Can I talk to my attorney for a moment?

The CHAIRMAN. Yes; right now.

Mr. BAKER. Thank you.

(The witness conferred with his counsel.)

Mr. BAKER. Mr. Kennedy, I don't deny the report. It was some time ago. There is a possibility I just don't remember. I just don't remember.

Mr. KENNEDY. You don't remember now?

Mr. BAKER. I don't remember. That is right.

Mr. KENNEDY. Why would you be telling the captain of police stories such as this, if it was not true?

Mr. BAKER. Well, I just told you. You say a lot of things to avoid a lot of headaches.

Mr. KENNEDY. Then this was another lie to the police?

Mr. BAKER. In all probability. I don't remember exactly what was said, sir.

Mr. KENNEDY. You don't feel—

The CHAIRMAN. Just a moment ago, you said you remembered the exact words. Now which time is correct?

Mr. BAKER. Senator, I am not mad at nobody here.

The CHAIRMAN. I am not mad at you.

Mr. BAKER. I hope not. I am trying to answer everything that you will ask me.

The CHAIRMAN. I thought a few minutes ago you were made at everybody from the demonstration you gave.

Mr. BAKER. You can get a little excited, and you can say things respectfully.

The CHAIRMAN. You are saying things now. I am just trying to determine which is true.

Mr. BAKER. I don't recall. I do not recall, Senator.

The CHAIRMAN. A moment ago, just a minute or two ago, you remembered exactly what you said, and undertook to quote it, by saying that you told them they better check with higher ups.

Mr. BAKER. Well, you get excited and you say a lot of things that you think you remember. It is not easy to sit in front of here and answer all these questions without proper, fair thinking. I mean, I don't know. You can't remember years ago, and you don't remember every minute of your back life.

The CHAIRMAN. Just a moment ago you did remember the exact words.

Mr. BAKER. Well, you get excited sometime and you blurt out something that ain't so. To the best of my recollection, Senator, to the best of my recollection—

The CHAIRMAN. As you testify, if you can do so, say "I am excited now, and this is my answer."

If you are not excited, say so, so we will know how to evaluate your testimony.

Mr. BAKER. O. K. Thank you, Senator.

The CHAIRMAN. Proceed.

Mr. KENNEDY. While you were in St. Louis, we had the testimony that you became closely associated with a number of individuals. First I would like to ask you if you knew Lou Shoulders, Jr.

Mr. BAKER. Yes.

Mr. KENNEDY. Was he working with the Teamsters Union at the time you were out there?

Mr. BAKER. Not that I know of.

Mr. KENNEDY. How did you know him, then?

Mr. BAKER. One day I was in town and they picked him up, picked me up, the police.

Mr. KENNEDY. The police did?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. Arrested you? For what?

Mr. BAKER. For identification. Something happened in town that evening. Some cabdriver or something got—

Mr. KENNEDY. Was beaten up?

Mr. BAKER. Punched in the nose or something. So they brought us in, had us in the lineup, and there was no identification on either the boy or myself.

Mr. KENNEDY. Had you known Shoulders before that?

Mr. BAKER. I might have seen him around.

Mr. KENNEDY. Why did the police happen to pick up you and Lou Shoulders, Jr.?

Mr. BAKER. Well, every time that I go into St. Louis, I get picked up.

Mr. KENNEDY. Why did they pick you up for this beating?

Mr. BAKER. Sir?

Mr. KENNEDY. Why did the police pick you up for this beating?

Mr. BAKER. Well, I was formerly with the cab union in the town, and I imagine they thought I was—I don't know what opinion they had of me, but they just said every time they would see me I was going to go to the jailhouse.

Mr. KENNEDY. Were you around beating people up in St. Louis?

Mr. BAKER. No, sir.

Mr. KENNEDY. Were you and Mr. Shoulders involved in that in St. Louis, going around beating people up?

Mr. BAKER. Mr. Kennedy, the only time that I was ever that close to Mr. Shoulders, Jr., is when we were picked up for that one incident. Other than that, I never was pally-wally, with Mr. Lou Shoulders, Jr.

Mr. KENNEDY. Was that part of your job in St. Louis?

Mr. BAKER. In doing what?

Mr. KENNEDY. To beat people up.

Mr. BAKER. My job was to organize unorganized workers.

Mr. KENNEDY. Was it part of your job to beat people up, intimidate them, and to cause damage to the taxicabs?

Mr. BAKER. That is no part of no organizer's job, Mr. Kennedy, and it was not mine; no, sir.

Mr. KENNEDY. Is that what you were doing out there?

Mr. BAKER. No, sir; I was not.

Mr. KENNEDY. It is just a coincidence that every place you go, there happens to be violence; is that right, Mr. Baker?

Mr. BAKER. Every place I go there was no violence. Everything that I have heard here, I have yet to be present whenever there was anything that you claim or somebody claims happened.

Mr. KENNEDY. We had testimony that you were a friend of Joe Costello?

Mr. BAKER. I know Mr. Costello.

Mr. KENNEDY. You have visited his home?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. And John Vitale?

Mr. BAKER. I know Mr. Vitale.

Mr. KENNEDY. These are two of the top gangsters and hoodlums in St. Louis?

Mr. BAKER. I don't know them to be.

Mr. KENNEDY. They just happened to become friends of yours. Jack Joseph?

Mr. BAKER. I know Jack Joseph.

Mr. KENNEDY. What was John Vitale doing there? What was his job? He has been identified as the leader of the syndicate in St. Louis.

Did you know what he was doing?

Mr. BAKER. I knew him when I met him as a restaurateur man. He had a restaurant. I think he had one.

Mr. KENNEDY. Did you know of his reputation?

Mr. BAKER. When I met Mr. Vitale I did not know of the man's reputation. All I know is I treat people like I find them, Mr. Kennedy. I found him to be a perfect gentleman. He is my friend and I hope I can always have him as a friend.

He is a nice guy. That is all.

Mr. KENNEDY. He is also head of the syndicate in St. Louis.

Mr. BAKER. That is what they say, sir. I never knew him to be, sir.

Mr. KENNEDY. Did you ever go in business with him?

Mr. BAKER. I never went in no business with him, sir.

Mr. KENNEDY. Did you loan him any money or have any financial dealings with him of any kind?

Mr. BAKER. I never had no personal dealings.

Mr. KENNEDY. Did you have any financial dealings with him, you or your wife?

Mr. BAKER. My ex-wife. I am married now and I respect the woman I am married to. When you say wife——

Mr. KENNEDY. I will try to keep your wives straight.

Mr. BAKER. Thank you very much.

Mr. KENNEDY. This was wife No. 2?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. All right. Wife No. 2, did she or you have any financial dealings with Mr. Vitale?

Mr. BAKER. Mollie Baker I suggested to loan Mr. Vitale some money. Mr. Vitale did not have enough money. He wanted to go into the excavating or some kind of business, cement work.

I brought Mollie to him, or how it was arranged, where who went to who where I don't know, but she did give him money for the venture.

Mr. KENNEDY. How much was that?

Mr. BAKER. I believe it was \$1,500.

Mr. KENNEDY. Did you ever get any of that money?

Mr. BAKER. I believe I did, sir.

Mr. KENNEDY. How much money did you get?

Mr. BAKER. \$200 when I was out of town.

Mr. KENNEDY. Where were you then?

Mr. BAKER. I believe in Florida, sir.

Mr. KENNEDY. You received \$200 out of the \$1,500?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. So her story regarding the \$1,500 is completely correct?

Mr. BAKER. Yes.

Mr. KENNEDY. That is fine.

Mr. BAKER. Yes.

Mr. KENNEDY. As far as Joe Costello was concerned, what was your arrangement with Joe Costello? What was your association with him?

Mr. BAKER. Mr. Kennedy, I had no arrangement with Mr. Costello, but he was a taxi owner, the same as the rest of the cab owners in the city, that for 50 years had no contracts. I went into Joe Costello's company to acquire a contract.

Mr. KENNEDY. That was 1953. Did you see him after that?

(At this point, Senator Curtis withdrew from the hearing room.)

Mr. BAKER. Yes. Yes, many times.

Mr. KENNEDY. You became close friends?

Mr. BAKER. We became friendly.

Mr. KENNEDY. You used to call him when you were out of town?

Mr. BAKER. Occasionally.

Mr. KENNEDY. To find out how he was?

Mr. BAKER. Yes.

Mr. KENNEDY. And you used to visit him?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. Go over and play cards with him?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. He handled some jewelry for you, did he?

Mr. BAKER. In the handling of jewelry for me, he never handled—I mean, I don't understand. What was he supposed to be in the handling of the jewelry, Mr. Kennedy?

Mr. KENNEDY. Did you turn over any jewelry to him, did you ask him to sell some jewelry, did you sell him any jewelry?

Mr. BAKER. I sold him some jewelry, yes.

Mr. KENNEDY. What kind of jewelry?

Mr. BAKER. I had 4 pieces of jewelry, 1 was a diamond watch. 1 was a lavalier, sort of, and 2 rings. I sold him the 2 rings. No, 1 ring and 1 ring someone else.

Mr. KENNEDY. What kind of a ring was it?

Mr. BAKER. I don't know what you call them stones. It was a red stone with some diamonds around it.

Mr. KENNEDY. Where had you obtained the ring?

Mr. BAKER. Out of a pawn shop, with the tickets given to me by a gentleman who was the ex-husband of Mrs. Ruth Brougher.

Mr. KENNEDY. You had not obtained them from her?

Mr. BAKER. Sir?

Mr. KENNEDY. You did not obtain it directly from her?

Mr. BAKER. No. She told me to see the ex-husband and get the tickets, and it might be some of the debts that I owe that maybe it

would not be sufficient to pay off the people that I owe money to that I borrowed from, but I would acquire some money toward the help that I gave her.

Mr. KENNEDY. You had been helping her out?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. And she made this jewelry available to you?

Mr. BAKER. No. They were going to lose the jewelry that day. It was in a pawn shop. They needed \$400 to get it out. She then said to see the ex-husband, he had the tickets, and he would take me down if I paid the money to get it out, and then I was to arrange to try to reimburse myself and pay the debts I owed to people whom I borrowed from.

Mr. KENNEDY. She made the jewelry available to you through the pawn ticket and you sold the jewelry to Costello?

Mr. BAKER. No, sir. I just sold those two pieces to pay off, I believe, to the best of my recollection, a bank that I owed money to in St. Louis, and I needed that money to pay off, and I believe that helped me on that.

Mr. KENNEDY. How much did you sell them for?

Mr. BAKER. I believe on both it might have been—maybe I acquired \$1,200 from both, I believe.

Mr. KENNEDY. From Joe Costello?

Mr. BAKER. And another man. I forget his name, but I met him, and he purchased—

Mr. KENNEDY. What did you sell to Joe Costello?

Mr. BAKER. The red ring with the diamonds.

Mr. KENNEDY. How much did you get from him for that?

Mr. BAKER. I believe that was around—I think all told it was \$1,200. I think \$700 from him or \$800. \$700 or \$800, sir.

Mr. KENNEDY. For that?

Mr. BAKER. Yes.

Mr. KENNEDY. Who did you sell the other piece to?

Mr. BAKER. I met this man and I showed him the stone, and he gave me \$400 or \$500 for it. I am not sure.

Mr. KENNEDY. Who was that?

Mr. BAKER. I don't know him by name, but I know him.

Mr. KENNEDY. In St. Louis?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. What did you do with the other two pieces?

Mr. BAKER. I gave them to Mrs. Ruth Brougher's daughter in Bellevue, Ohio. I went down there and said "You hold this for your mother for when she gets out of jail."

She was going to the jail now. But "When she gets out, make sure she has something when she comes out to maybe have some money or something to live on."

Mr. KENNEDY. You told your wife No. 2 that—Mollie Baker—you told her that Mr. Costello had handled the Greenlease money?

Mr. BAKER. I certainly did not, Mr. Kennedy.

Mr. KENNEDY. You didn't say anything about that?

Mr. BAKER. Absolutely not.

Mr. KENNEDY. This is all a figment of her imagination?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. But you were closely associated with him at this time?

MR. BAKER. I closely associated? When you say "closely associated," Mr. Kennedy, I had no piece of business with him. I never made money with him.

MR. KENNEDY. Why were you calling him on the phone?

MR. BAKER. Because I like the fellow. He was a good friend, and I went out to eat with him. He is a nice guy. He don't butt into my business, I don't butt into his.

MR. KENNEDY. Captain Dougherty also testified that he was the one, in their estimation, who handled the Greenlease money, and you were associated with him in the way you have described.

You say that you never told your wife that he was in fact the one that handled the Greenlease money?

MR. BAKER. Absolutely not.

MR. KENNEDY. Did he telephone you and tell you that she had come to see him? That she had come to see him after she was contacted by the FBI?

MR. BAKER. Did he tell me?

MR. KENNEDY. Yes.

MR. BAKER. No.

MR. KENNEDY. Did he get in touch with you and tell you that?

MR. BAKER. No.

MR. KENNEDY. Did you then call her and tell her that she should keep in close contact with him if she heard again from the FBI?

MR. BAKER. I never told her that, to tell him, Mr. Kennedy.

MR. KENNEDY. Mr. Baker, the Greenlease money disappeared on October 6, 1953. Mrs. Baker said that you always went to a sanitarium and started losing weight whenever you got in trouble. Is that correct?

MR. BAKER. It is not correct.

MR. KENNEDY. You went to the sanitarium, did you not? On October 8, 1953?

MR. BAKER. Give me the sanitarium's name. The dates I don't know.

MR. KENNEDY. Battle Creek?

MR. BAKER. Yes, sir.

MR. KENNEDY. You went there October 8, 2 days after the Greenlease money disappeared?

MR. BAKER. I don't know about that.

MR. KENNEDY. You don't know?

MR. BAKER. I mean I don't know about when the Greenlease money disappeared. I am not interested in the Greenlease money.

MR. KENNEDY. You must remember if it disappeared. You were also in St. Louis at the time, were you not?

MR. BAKER. It might be.

MR. KENNEDY. It was in the papers at the time.

MR. BAKER. I read that story. Sure, I might have been in St. Louis.

MR. KENNEDY. There was certainly conjecture that Mr. Joe Costello, your friend, was the one that was responsible for it.

MR. BAKER. No, it did not say that in the newspapers, in the papers I read. They had everybody laid out there. I don't know who they were accusing.

MR. KENNEDY. But you did go to the Battle Creek Sanitarium on October 8?

Mr. BAKER. I don't know the date, but I did go.

Mr. KENNEDY. What did you go for?

Mr. BAKER. I went to lose some weight, brother. I was a sick man.

Mr. KENNEDY. Who paid for your bill there?

Mr. BAKER. I believe I handled that myself, or partly through the LHI, Labor Health Institute. I believe so. I don't know. I don't recollect exactly. Do you have anything to show me on that? I will gladly verify it.

Mr. KENNEDY. Who arranged for you to go there?

Mr. BAKER. I went down—I was in Michigan—I went down there and arranged myself. I can go there. Anybody can arrange to go there, sir.

Mr. KENNEDY. Did anybody call there and make arrangements for you to go there?

Mr. BAKER. I don't know. I don't recollect, sir.

Mr. KENNEDY. Isn't it correct that you went there because of the Greenlease money disappearing, Mr. Baker?

Mr. BAKER. Absolutely not, Mr. Kennedy.

Mr. KENNEDY. Why would the FBI go back and contact your wife continuously during this period of time?

Mr. BAKER. I don't even know that they contacted her. They followed me for 2 years, I believe.

Mr. KENNEDY. Why would they do that?

Mr. BAKER. They never asked me a question. And they found that nothing ever happened, Mr. Kennedy.

Mr. KENNEDY. Didn't they feel that you were responsible for the disappearance of the money also?

Mr. BAKER. You suspicion everybody in this world.

Mr. KENNEDY. That you handled some of the money from Mr. Costello?

Mr. BAKER. Absolutely not, Mr. Kennedy. Absolutely not.

Mr. KENNEDY. Let's just summarize. You have been in touch with all the leading hoodlums in New York City, Squint Sheridan, Connie Neuman, Eddie McGrath, Cockeyed Dunn. You go to Florida and are associated with Meyer Lansky.

You go to Las Vegas and met Bugsy Segal. You go to St. Louis and you meet Piggy Mack Marchesi, Vitale, Joe Costello. You are in with every gangster and hoodlum in the United States. Every place you go you are associated with the leading gangsters and racketeers in the United States. It is not so shocking that you should be involved in taking the Greenlease money.

Mr. BAKER. Mr. Kennedy, it is shocking, to even involve a man with that kind of blood taint money. I don't go for that, Mr. Kennedy.

I don't go for that kind of action.

Mr. KENNEDY. You could have shown you were not going for that kind of action, by disassociating yourself many years ago from Mr. Costello. You could have done it by disassociating from John Vitale. Every place you go, we have checked your telephone numbers, you are in touch with every gangster in the United States.

Mr. BAKER. What may have happened to me in the past, that may be different today.

Mr. KENNEDY. Lieutenant Shoulders went to jail in connection with perjury for this matter.

Mr. BAKER. Oh? I never knew.

Mr. KENNEDY. His son was working for the Teamsters Union.

Mr. BAKER. I don't know that, Mr. Kennedy. To the best of my recollection, I don't know that.

The CHAIRMAN. I present to you some hospital bills, and ask you to identify them and state whether you identify them.

(The documents were handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Do you identify the bills?

Mr. BAKER. Yes, sir.

The CHAIRMAN. Are they yours?

Mr. BAKER. They are my bills, sir, Mr. Senator.

The CHAIRMAN. They may be made exhibit No. 64.

(The documents referred to were marked "Exhibit No. 64" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Who paid for this?

Mr. BAKER. I don't recall, sir. I don't know if it went into the Detroit office or went into the St. Louis office. I don't recall, sir.

Mr. KENNEDY. The Teamsters in fact paid for it, did they not?

Mr. BAKER. I imagine so.

Mr. KENNEDY. Could I call Mr. Bellino, Mr. Chairman?

The CHAIRMAN. All right, Mr. Bellino.

TESTIMONY OF CARMINE S. BELLINO—Resumed

The CHAIRMAN. Mr. Bellino, you have been sworn.

Proceed.

Mr. KENNEDY. When do the records show that Mr. Baker went into the sanitarium to reduce?

Mr. BELLINO. He went into the Battle Creek Sanitarium on October 8, 1953, and left on October 31, 1953.

Mr. KENNEDY. When did the Greenlease money disappear?

Mr. BELLINO. Around October 6, 1953.

Mr. KENNEDY. While he was there, who paid the bill and what was the amount?

Mr. BELLINO. The total amount was \$893.24. It was paid by 3 checks from Joint Council 45 in Detroit.

Mr. KENNEDY. What sort of services was he receiving there?

Mr. BELLINO. The charges included board, room, 23 days, approximately twenty-three-and-some-odd days, at \$19, for a total of \$438.75; sunbaths, 17, at \$1.17; massages, 14, at \$3.42; radio rental, \$6; cash for tips, \$60; pressing and laundry, \$6; taxi service, \$0.60; tray service, \$0.25; and telephone calls, \$322.64.

Mr. KENNEDY. All paid out of Teamster funds?

Mr. BELLINO. Joint Council 43; yes, sir.

Mr. KENNEDY. All member dues money?

Mr. BELLINO. Yes, sir.

The CHAIRMAN. Have we traced those calls to see to whom they were made?

Mr. BELLINO. Not all of them, sir.

The CHAIRMAN. Have you traced some of them?

Mr. BELLINO. Not in this particular case. They were not available.

The CHAIRMAN. All right.

Mr. KENNEDY. We have a witness who can testify on some of the other calls that Mr. Baker has made, Mr. Chairman.

Senator MUNDT. Mr. Bellino, this Joint Council in Detroit, is that the Teamsters Union or is it the Teamster Council? What is that?

Mr. BELLINO. It consists of a group of Teamster locals in the one joint council.

Senator MUNDT. In Detroit?

Mr. BELLINO. In the Detroit area.

Senator MUNDT. Mr. Baker, if you were working in St. Louis, how come your bills were paid for by the Teamsters in Detroit?

Mr. BAKER. I work in several States, as you know; an 11-State area.

Senator MUNDT. Did you tell us you were working for Mr. Harold Gibbons in St. Louis?

Mr. BAKER. The Central Conference of Teamsters, sir. The Central Conference of Teamsters.

Senator MUNDT. Their headquarters are in Detroit?

Mr. BAKER. St. Louis and Detroit also. The headquarters office would be in the St. Louis area.

The CHAIRMAN. Is there a difference between the Central Council and Joint Council?

Mr. BAKER. Yes, sir.

The CHAIRMAN. The Central Council covers 11 States?

Mr. BAKER. That is right, sir.

The CHAIRMAN. And the Joint Council to whom these bills were charged and by whom they were paid covers—

Mr. BAKER. The city area.

The CHAIRMAN. The city area of Detroit?

Mr. BAKER. The city or State. Sometimes they take in the entirety.

TESTIMONY OF PIERRE E. SALINGER—Resumed

Mr. KENNEDY. Have you made a study of some of the telephone calls of Mr. Baker when he has been traveling throughout the country as an organizer for the teamsters?

Mr. SALINGER. I have.

Mr. KENNEDY. Have you found that he has been in touch with some of the leading gangsters in the United States?

Mr. SALINGER. I have.

Mr. KENNEDY. Would you give us some samples of what you have found?

Mr. SALINGER. These calls represent telephone calls made from a number of different hotels and calls made to Mr. Baker from various parties who we received the information from.

First, in checking the telephone of Mr. Jack Joseph, a St. Louis hoodlum, we find that on August 2, 1957, Mr. Joseph placed a call to Mr. Baker in Des Moines, Iowa, at the Mercy Hospital. At that time he was going through another reducing period.

Mr. KENNEDY. This was also paid for by the teamsters when he went back to reduce another time?

Mr. SALINGER. I understand it was, sir.

Mr. Baker spent considerable time—

Senator MUNDT. What year was he in Des Moines, Iowa?

Mr. SALINGER. August 2, 1957, last year, sir.

Senator MUNDT. How come you switched from Battle Creek to Des Moines, Iowa? Did you ever work in Des Moines?

Mr. BAKER. No, sir.

Senator MUNDT. Then answer the question. How come you switched from Battle Creek to Des Moines?

Mr. BAKER. Well, you try a lot of hospitals. You want to get the best results. I thought they would do a lot more for me there.

Senator MUNDT. Everybody has heard about the Battle Creek Sanitarium. I live pretty close to Des Moines. I don't know of any particular sanitarium with a national reputation in Des Moines, Iowa. You said you never worked in Iowa; you worked in St. Louis, in Detroit, in Hollywood.

Mr. BAKER. In Omaha.

Senator MUNDT. How come you picked out a hospital in Des Moines?

Mr. BAKER. Because of a certain doctor that was assigned to that hospital. I heard his name when I was in Omaha, and they told me that this man is a good man, if you can get him to work with you. So I checked into the hospital.

Senator MUNDT. So you knew a doctor?

Mr. BAKER. Knew of a doctor that handled people in that hospital.

Senator MUNDT. A specialist in reducing?

Mr. BAKER. A reducing man. A heart man. He takes care of heart patients, too.

Senator MUNDT. Do you have heart trouble, Mr. Baker?

Mr. BAKER. Sir?

Senator MUNDT. Do you have heart trouble?

Mr. BAKER. No. He told me that I should take some fat off the heart, and I did, 4 or 5 inches of fat. He did that for me.

Senator MUNDT. Do you know this Jack Joseph? Do you know him?

Mr. BAKER. Yes, sir.

Senator MUNDT. Where did you meet him?

Mr. BAKER. To the best of my knowledge, my recollection, I believe I met him at a bar or restaurant.

Senator MUNDT. What business is he in?

Mr. BAKER. I don't know his business.

Senator MUNDT. You must have some idea, if you have been telephoning him back and forth across the country.

Mr. BAKER. Well, you may talk to a man, but you don't have to know his business.

Senator MUNDT. Was he a Teamster official?

Mr. BAKER. Not that I know of, sir.

Senator MUNDT. You have no idea what his business is?

Mr. BAKER. I don't know. Outside of—wait a minute. I believe I remember he was in the vending machine business, I think. That is to the best of my recollection.

Senator MUNDT. I think you are correct on that.

Mr. SALINGER. Mr. Baker spends considerable time at the Shorelands Hotel, Chicago, Ill., and on Senator Mundt's questions about why he went to Des Moines might be explained by his relationship with Mr. Lew Farrell. There has been a terrific amount of contact between Mr. Baker and Mr. Farrell.

Senator MUNDT. Do you know Mr. Lew Farrell?

Mr. BAKER. I do, sir.

Senator MUNDT. What does he do in Des Moines?

Mr. BAKER. I believe, to the best of my knowledge, I believe he is a restaurant owner.

Senator MUNDT. A restaurant owner?

Mr. BAKER. I believe so. I am not sure. To the best of my recollection.

Senator MUNDT. Where did you meet him?

Mr. BAKER. I met him also in this restaurant up there where I used to go.

Senator MUNDT. You met him in a restaurant in Des Moines?

Mr. BAKER. In Omaha, I believe.

Senator MUNDT. Is he a racketeer?

Mr. BAKER. What is the term of racketeer?

Senator MUNDT. I think you probably know that better than I. I will just take your word for it.

Mr. BAKER. Well, I know people that you are calling racketeers, sir, but that doesn't mean that they are racketeers.

Senator MUNDT. What is the name of the restaurant in Des Moines?

Mr. BAKER. I don't know the name of it. It is near the airport. I believe he has something to do with it.

Senator MUNDT. In what restaurant did you meet him in Omaha?

Mr. BAKER. I think it is the Del Rio. I am not sure. To the best of my recollection, I believe it was the Del Rio.

Senator MUNDT. What were the circumstances of your meeting him there? Did you have an appointment to meet him?

Mr. BAKER. No, sir.

Senator MUNDT. How did you meet him?

Mr. BAKER. I went in there to grab a sandwich, sat down with some people, somebody brought him over to me at the table and said, "Barney," and so forth and so on.

Senator MUNDT. You have friends in Omaha?

Mr. BAKER. I worked there, sir.

Senator MUNDT. As a Teamster official?

Mr. BAKER. As an organizer for the Central Conference of Teamsters.

Senator MUNDT. I was not here when you first started in your testimony. Are you presently an organizer for the Teamsters?

Mr. BAKER. I am, sir. The Central Conference of Teamsters.

Senator MUNDT. Working out of St. Louis?

Mr. BAKER. Working out of the St. Louis office, sir.

Senator MUNDT. Under whose immediate direction do you work?

Mr. BAKER. Excuse me, sir? I want to talk to my attorney.

(The witness conferred with his counsel.)

Mr. BAKER. The two officers that I work for, sir, would be Mr. Harold Gibbons and Mr. James R. Hoffa.

Senator MUNDT. Are they directly over you? Don't you have an intermediary between the top men? You are a business agent?

Mr. BAKER. I am an organizer for the Central Conference of Teamsters.

Senator MUNDT. What is your annual salary?

Mr. BAKER. Sir?

Senator MUNDT. What is your annual salary?

Mr. BAKER. Annual? I can give you the weekly. Can I give it to you weekly? I can't figure it out.

Senator MUNDT. That is all right.

Mr. BAKER. I get \$175 a week and expenses, sir.

Senator MUNDT. About what do your expenses run?

Mr. BAKER. My expenses is \$56 out-of-pocket cash expense, or \$8 per day, and expenditures on hotels, so forth and so on, where I have to work at.

Senator MUNDT. Do you have any outside sources of income besides this salary and expenses from the Teamsters?

Mr. BAKER. No, sir.

Senator MUNDT. That is your total annual income?

Mr. BAKER. Yes, sir.

Senator MUNDT. And so reported to the Internal Revenue?

Mr. BAKER. Sir?

Senator MUNDT. And you so reported it to the Internal Revenue Bureau?

Mr. BAKER. Well, I have an attorney who makes out my income tax, and I report it, I guess, or I imagine he does.

Senator MUNDT. You report no other income except this Teamster income; is that right?

Mr. BAKER. That is right, sir.

Senator MUNDT. That has been true for how long?

Mr. BAKER. Well, I would like to talk to my attorney, please?

Senator MUNDT. All right.

(Witness consulted with his counsel.)

Mr. BAKER. I don't know; you would have to check the returns, Senator. I don't know.

Senator MUNDT. We will check them, but I thought you probably ought to know.

Mr. BAKER. No, I don't, sir.

Senator MUNDT. Was it true last year, too?

Mr. BAKER. Sir, on filing, you mean?

Senator MUNDT. Yes.

Mr. BAKER. My attorney files everything.

Senator MUNDT. You sign them?

Mr. BAKER. Yes, sir.

Senator MUNDT. When you signed last year's, did you have any other income listed except your Teamster income?

Mr. BAKER. Just expenditures and salary, that is all.

Senator MUNDT. How about the year before that?

Mr. BAKER. To the best of my recollection, that is it.

Senator MUNDT. Has that been true ever since you have been in St. Louis?

Mr. BAKER. Yes, sir, and excuse me; I will talk to my attorney.

(Witness consulted with his counsel.)

Mr. BAKER. I cannot recollect, Senator, and the records will speak for themselves. I know you will get them, and you will see exactly what is what

Senator MUNDT. I am trying to relate your testimony to the testimony of the preceding witness who said you had given her \$25,000 in cash over a relatively short period of time. Did you give her that cash?

Mr. BAKER. \$25,000?

Senator MUNDT. Yes.

Mr. BAKER. No, sir.

Senator MUNDT. Did you rent a farm or a house or an apartment for her in Florida?

Mr. BAKER. I have rented for her, yes.

Senator MUNDT. What is that?

Mr. BAKER. I have rented for her.

Senator MUNDT. And you gave her some cash?

Mr. BAKER. For her case.

Senator MUNDT. For her case?

Mr. BAKER. Yes, sir.

Senator MUNDT. How much, roughly, and I won't hold you to the dollar? She said \$25,000.

Mr. BAKER. Approximately, Senator, and don't hold me to the exact amount, and I will give you an idea, I imagine around, lawyers and all, it could have been around \$7,000 or \$8,000, to the best of my recollection, I will have to go over and figure that thing out. I imagine around \$7,000.

Senator MUNDT. Do you maintain a bank account?

Mr. BAKER. It could be more or less, and I don't know, and I would have to go into that.

Senator MUNDT. Do you maintain a bank account in St. Louis?

Mr. BAKER. No, sir.

Senator MUNDT. Any place else?

Mr. BAKER. No, sir; I don't.

Senator MUNDT. No bank accounts?

Mr. BAKER. I don't, sir.

Senator MUNDT. No safe deposit box?

Mr. BAKER. I don't, sir.

Senator MUNDT. No place anywhere?

Mr. BAKER. I don't, sir.

Senator MUNDT. Your transactions are all in cash?

Mr. BAKER. What transactions, sir?

Senator MUNDT. I suppose you have to pay rent for where you live?

Mr. BAKER. Oh, yes. My expenditures, I take care of any bills I have to do on a cash business.

Senator MUNDT. You get your salary and you keep the money in cash?

Mr. BAKER. Sir?

Senator MUNDT. When you get your salary check, you just keep the money in cash and you don't deposit it in a bank?

Mr. BAKER. I give it to my wife, and she pays my bills.

Senator MUNDT. Does she have a bank account?

Mr. BAKER. She has a small bank account, we just started.

Senator MUNDT. What bank?

Mr. BAKER. In Chicago, I think it is the Aetna Bank.

Senator MUNDT. Do you live in Chicago?

Mr. BAKER. Presently. I don't know where tomorrow, or the next day, and when a job is done I go to the next town.

Senator MUNDT. Where did you live yesterday? Did you live in Chicago?

Mr. BAKER. Yes, sir.

Senator MUNDT. Your wife handles all of your financial transactions?

Mr. BAKER. I tell her what to do with the money, and she handles it.

Senator MUNDT. You tell her where to spend it?

Mr. BAKER. Sir?

Senator MUNDT. You tell her how to spend it and she writes the checks?

Mr. BAKER. I tell her just what bills I owe, sir, and I don't care how she spends it, anything over that.

Senator MUNDT. These big telephone bills you run up, do you pay those by check?

Mr. BAKER. That is part of my expenditures, sir.

Senator MUNDT. You have a credit card?

Mr. BAKER. I have it and I use it sometimes and sometimes I don't.

Senator MUNDT. Is it a personal credit card?

Mr. BAKER. Central Conference of Teamsters.

Senator MUNDT. How many times would you say you have met Mr. Joseph?

Mr. BAKER. I must have met him quite a few times when I was in St. Louis.

Senator MUNDT. Aren't you in St. Louis now?

Mr. BAKER. Sir?

Senator MUNDT. You are in St. Louis now working out of Mr. Gibbons' office, aren't you?

Mr. BAKER. I am in Chicago working there. I can't go to St. Louis.

Senator MUNDT. You can't go to St. Louis?

Mr. BAKER. No.

Senator MUNDT. Why not?

Mr. BAKER. When I go to St. Louis, I went to see my child one time and they put me in jail overnight.

Senator MUNDT. Someone said you can't go to New York, and can you go to New York now?

Mr. BAKER. Yes; I can, and I have.

Senator MUNDT. You have been there recently, in the last year, let us say?

Mr. BAKER. I imagine so; I believe so.

Senator MUNDT. It is a false statement that you are wanted in New York and you can't go to New York?

Mr. BAKER. Absolutely.

Senator MUNDT. You always have been able to go to New York?

Mr. BAKER. Unless you people know something I don't know, and I go there and no one bothers me, and to the best of my knowledge I am not wanted in New York.

Senator MUNDT. Have you ever been in a position where you could not go to New York?

Mr. BAKER. Only at the time, I imagine, at the time when they came down to Hollywood, Fla., looking for me, and I imagine they might have put a ban on me. I don't know of anything.

Senator MUNDT. Did you ever tell any friends of yours or any wife of yours that you could not go to New York?

Mr. BAKER. I did not.

Senator MUNDT. You never told that to anybody?

Mr. BAKER. No, sir.

Senator MUNDT. You were in New York last year, you say, sometime?

Mr. BAKER. I don't know. I believe that I have been there. I believe so.

Senator MUNDT. You don't know?

Mr. BAKER. To the best of my recollection, I believe so.

Senator MUNDT. The only town in the United States you cannot go to, then, is St. Louis?

Mr. BAKER. That is what I was told by the police department.

Senator MUNDT. All right.

The CHAIRMAN. All right.

Mr. KENNEDY. Let us put some of these contacts in, Mr. Salinger.

You have checked this hotel in Chicago, and did he make some toll phone calls from there?

Mr. SALINGER. Oh, yes; a great amount.

Mr. KENNEDY. How much did that amount to?

Mr. SALINGER. I can give you some typical months—August of 1956, \$112.65 worth of calls; and October, \$263; and November, \$117; and December, \$292.15.

Mr. KENNEDY. These are all long-distance telephone calls?

Mr. SALINGER. They are.

Senator MUNDT. Do you know who they are to?

Mr. SALINGER. Yes, sir; we know who they are to, and we will go into some of the calls, who they were to.

Senator MUNDT. Do you have a summation of how much he spent calling Mr. Joseph?

Mr. SALINGER. Mr. Joseph called him on that occasion.

Mr. KENNEDY. We are going to have a lot of people here.

Mr. SALINGER. Mr. Farrell, who was identified in testimony before the Kefauver committee as an emissary of Capone sent out to Iowa, was a representative in Iowa of the Canadian Ace Brewery, which was the brewery controlled by the Capone interests. Mr. Baker was in touch with him substantially, and as I said, for instance, he called him on the following days, from the Shoreland Hotel in Chicago, Ill.: August 14, 1956; August 24, 1956; October 28, 1956; November 1, 1956; November 4, 1956; November 5, 1956; November 7, 1956; December 1, 1956; December 2, 1956, twice; December 5, 1956; December 7, 1956; and December 9, 1956.

Now, in addition, when he was staying at the Lee Plaza Hotel in Detroit, Mich., he called Mr. Farrell on a number of occasions—October 19, 1957; November 10, 1957; and December 9, 1957.

In addition to that, we have the telephone listings of Mr. Lou Farrell, Atlantic 2-5937 in Des Moines, and he reached Mr. Baker various places throughout the country. He called Mr. Baker at the Shoreland Hotel in Chicago on May 21, May 23, May 27, and May 29, 1956. He called him at the St. Claire Hotel in Chicago June 17, June 18, June 19, June 26, June 30, July 5, July 7, July 14, and July 17, 1956.

Then he reached him again at Shoreland, July 19 and July 20, and twice on August 7, 1956. He then reached him at the Claridge Hotel in St. Louis, Mo., August 22, 1956. On September 5, 1956, Mr. Baker was back at the Shoreland, and he called him twice there.

TESTIMONY OF ROBERT BERNARD BAKER—Resumed

Mr. KENNEDY. Mr. Baker, were you just inquiring about his restaurant business or what?

Mr. BAKER. Mr. Farrell is a very good friend of mine, his family and Mr. Farrell, and the kiddies.

Mr. KENNEDY. Why would you be calling each other twice in 1 day, or every day for a period of 5 or 6 days?

Mr. BAKER. I wanted to speak to the wife or speak to him or speak to the children.

Mr. KENNEDY. Just personal matters, is that right?

Mr. BAKER. Yes.

Mr. KENNEDY. Just personal matters?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. How his wife was?

Mr. BAKER. I was like a brother.

Mr. KENNEDY. What is his business again?

Mr. BAKER. A restaurant, sir.

Mr. KENNEDY. What is the name of the restaurant?

Mr. BAKER. I don't know.

Mr. KENNEDY. You have talked to him all of this period of time and you don't know what business he is in? Is that your testimony?

Mr. BAKER. Mr. Kennedy, I did say he was in the restaurant business.

Mr. KENNEDY. What is the name of the restaurant?

Mr. BAKER. I don't know the name of the restaurant.

Mr. KENNEDY. Where is the restaurant?

Mr. BAKER. Not too far, I believe, from the airport, out there, in Des Moines?

Mr. KENNEDY. You don't know anything about that? All of the time you have been talking to him, and you don't know the name of his restaurant?

Mr. BAKER. Mr. Kennedy, I ate in that restaurant, and I don't know the name of it.

Mr. KENNEDY. Does he discuss anything else with you other than the health of his family?

Mr. BAKER. Just like my good luck, and my working, and is he all right, and everything else, and I ask him how he is and how is everything going.

Mr. KENNEDY. What did he say when he called you in the morning and called you again in the afternoon? He still wants to know how your luck is coming?

Mr. BAKER. Mr. Kennedy, it does sound rather funny, but he don't have to be calling me in the afternoon, and it could be his wife calling or somebody, and I tell them to call me occasionally.

The CHAIRMAN. Let me ask you, are these personal calls paid for by the Teamsters?

Mr. BAKER. The same as a lot of businessmen make personal calls.

Mr. KENNEDY. I understand, but I am asking you, are all of these calls paid for out of union dues?

Mr. BAKER. That is my expenditure, sir.

Mr. KENNEDY. You add all of your personal expenditures to your account?

Mr. BAKER. Yes, sir.

The CHAIRMAN. So the men who work and pay the dues are paying for these telephone calls between you and gangsters all over the country, is that right?

Mr. BAKER. Sir, I don't know about gangsters, Mr. Senator, I don't know about that.

The CHAIRMAN. You are about the only one who doesn't know it.

Mr. BAKER. I haven't found anyone to be gangsters.

The CHAIRMAN. You don't believe there are actually any gangsters, do you?

Mr. BAKER. If you want to know the truth—

The CHAIRMAN. Yes, I want the truth.

Mr. BAKER. I believe it is strictly a cloak and dagger episode of the beer days, prohibition days.

The CHAIRMAN. It is all gone now?

Mr. BAKER. There is no racketeering like there was years ago. It is all make-believe. I say—you wanted the truth, and it is an opinion that I have.

The CHAIRMAN. That is your opinion.

Proceed. I wanted to get your opinion.

Senator MUNDT. Mr. Baker, this is a friendship that began in the sandwich shop in Omaha, is that right?

Mr. BAKER. To the best of my recollection, yes.

Senator MUNDT. Tell us how it matured and flowered into this very intimate friendship, and tell us the stages by which it developed, will you?

Mr. BAKER. Well, I met his children.

Senator MUNDT. They weren't at the sandwich shop, and how did you happen to meet the children, and tell us about the second visit.

Mr. BAKER. I don't know if it was the second meeting or not, but I will give it to you the best I can.

Senator MUNDT. Go ahead.

Mr. BAKER. I went to his home, and I met his children and his wife.

Senator MUNDT. Tell us how you happened to go to his home. Did he invite you over?

Mr. BAKER. Yes, and he said, "I want you to come down some time and have dinner at my home."

Senator MUNDT. Is this the next meeting after the sandwich siesta?

Mr. BAKER. I didn't say that.

Senator MUNDT. I want you to kind of develop it step by step.

Mr. BAKER. I don't recollect, or it wasn't exactly the next meeting, and I could not remember that, that far back.

Senator MUNDT. Just think a minute here. You have been called a lot of things around the country, Mr. Baker, but nobody has called you stupid, and I am not going to call you stupid and I think that you are smart enough to know what I am trying to find out. I am trying to find out how this friendship that began so casually in a sandwich shop got to such close intimacy that you were calling every day to inquire about the family's health.

Mr. BAKER. There was the little boys' league, and baseball league up there, and you know, a good churchman.

Senator MUNDT. You are a good churchman, you said?

Mr. BAKER. I said he is, and I am, too.

Senator MUNDT. You met him at church?

Mr. BAKER. I didn't say I met him at church, sir. I said I am too, and you asked me the question if I am a churchman.

Senator MUNDT. I am glad you are.

Mr. BAKER. I am a God-fearing man.

Senator MUNDT. I am glad you are. Now, as a God-fearing man under oath, I want to ask you a very important question, and I want you to answer this very accurately, because this may come back:

Have you at any time in any way as a loan or as a gift, or in any other way, ever given or advanced any money to Lu Farrell?

Mr. BAKER. To the best of my recollection, I do not remember anything of that sort. I mean I don't know.

Senator MUNDT. I am talking now, Mr. Baker, not only about your money, but anybody's money. Have you ever in any way in any form advanced any money?

Mr. BAKER. Senator, I was just referring to me, and if you want to know about anybody's money, I don't know of anybody else that ever gave Lu Farrell any money.

Senator MUNDT. I don't expect you to know. I want to know whether you ever gave him or advanced him in any way any money, whether it was your money or somebody else's money that you had simply conveyed to him.

Mr. BAKER. Is there any particular amount of money that you are talking about?

Senator MUNDT. I am not asking about a particular amount.

Mr. BAKER. I don't know.

Senator MUNDT. Would you be able to say categorically as a God-fearing man under oath, "I have never given Mr. Farrell any money, of my own or anybody else's?"

Mr. BAKER. I have never given Mr. Farrell any money, or anyone else's, and on my own I might have picked up a check if we ate or something.

Senator MUNDT. Let us say beyond \$2,500. That would give you a good meal even in his restaurant, and have you ever given him any more money than \$2,500 at anytime, at any place, anytime, in anyway? I want you to answer that truthfully, because you don't want to get into trouble and I don't want to get you into trouble and I want you to tell the truth.

Mr. BAKER. I don't recollect that. I really don't recollect any money.

Senator MUNDT. You are not in a position to say definitely no?

Mr. BAKER. I don't remember.

Senator MUNDT. All right, but you are not able to say no?

Mr. BAKER. I can't say yes or no.

Senator MUNDT. Very good. Now let me reverse the question: Has Mr. Farrell in anyway ever given you more than \$25 or loaned it to you or advanced it to you, of his money or anybody else's money?

Mr. BAKER. Mr. Farrell might have—I don't recollect—but if you have anything there to let me remember something, I will look at it and tell you.

(At this point the following members were present: Senators McClellan, Ervin, Kennedy, Mundt, Goldwater, and Curtis.)

Senator MUNDT. All of our evidence will eventually come out. But I am trying to give you a chance, if you want to, to say definitely no, because I am talking about—

Mr. BAKER. I don't remember that. But if you show it to me, if it is so, I will say so.

Senator MUNDT. But you are not in a position to say definitely no now?

Mr. BAKER. No. I don't remember.

Senator MUNDT. Have you ever had any business connections or relationships in any way with Mr. Farrell?

Mr. BAKER. You are still leading up to something that I want to hear from you. You got the evidence; show it to me.

Senator MUNDT. I want to hear from you.

Mr. BAKER. Why play like that? Show me what it is, and I will tell you if it is so. I will be honest with you. I don't remember anything. To the best of my recollection, no.

Senator MUNDT. All right.

Mr. BAKER. To the best of my recollection, I can't remember that.

Mr. SALINGER. I might say there are 49 phone calls between Mr. Farrell and Mr. Baker in the records that we have examined.

Mr. KENNEDY. Talking about their children?

Mr. SALINGER. Some of these calls are of very long duration, 12, 14, and 1 was 26 minutes long. That covers the period from—well, it covers part of 1956 and parts of 1957, where we obtained records.

The CHAIRMAN. We obviously can't complete—

Senator MUNDT. I would like to ask one question at this point, Mr. Chairman.

(At this point, Senator Curtis withdrew from the hearing room.)

Senator MUNDT. Mr. Baker, those are pretty long calls to inquire about Mr. Farrell's family. Maybe he has a pretty large family. How many children does he have?

Mr. BAKER. To the best of my recollection, 6 or 7.

Senator MUNDT. What are their names?

Mr. BAKER. Oh, my God, I couldn't remember that. I don't remember. I call them darling and that is it. Well, they are all darlings to me, Senator.

Senator MUNDT. They are what?

Mr. BAKER. They are all darlings to me.

Senator MUNDT. You don't know their names.

The CHAIRMAN. The committee will stand in recess until 2:30.

(Whereupon, at 1:04 p. m. the hearing recessed, to reconvene at 2:30 p. m. of the same day, with the following members present: Senators McClellan, Ives, Ervin, Mundt, and Goldwater.)

AFTERNOON SESSION

(At the reconvening of the committee, the following members were present: Senators McClellan and Ives.)

The CHAIRMAN. The committee will come to order.

TESTIMONY OF PIERRE E. SALINGER—Resumed

Mr. KENNEDY. We were talking, Mr. Salinger, about the contacts of Mr. Baker.

Mr. SALINGER. Yes, sir.

Mr. KENNEDY. Do you have some of the other individuals that he contacted while working as an organizer for the Teamsters?

Mr. SALINGER. He was in contact frequently with Mr. Gus Zapas in Indianapolis, Ind. He made calls to Mr. Zapas on September 15, 1956, on October 25, 1956, on November 3, 1956. Now, Mr. Baker was in touch with Mr. Joseph Costello.

Mr. KENNEDY. Was that frequent during this period of time?

Mr. SALINGER. We have two calls from the Shoreland Hotel to Mr. Costello, and one on October 12, 1956, and he reached Mr. Costello at the office of the Ace Cab Co., and again on December 19, 1956.

Mr. KENNEDY. Who else was he in touch with.

Mr. SALINGER. He was also in contact with Charlie Karpf on October 28, 1956, and he placed a call to Miami Beach for Charlie Karpf.

Mr. KENNEDY. Who was Charlie Karpf. We had testimony this morning by Miss Brougher that Charlie Karpf and he split up this \$10,000. Did she put his name in?

Mr. SALINGER. She did. Mr. Karpf, we have had some testimony on him before the committee, and I might refer to that testimony to give you an idea who he is, and Dan Sullivan, of the Greater Miami Crime Commission testified on page 12432 on the 3d of July 1958, and I will read part of his testimony. Speaking of hoodlums and racketeers moving into the labor movement in the Miami area:

We have had several attempts to move in on labor in our area. We had one attempt made 2 years ago, 3 years ago now, by a fellow named Charles Karpf. He came out of jail, came to Miami, and started to organize the jukebox business, and went through the usual routine of setting up, first of all, an association representing employers, and then going along with setting up a union representing the employees or the maintenance men, the electrical maintenance men, that maintain these music boxes.

In a matter of about 5 or 6 months he just about organized 60 percent of the industry and I think in a matter of 2 or 3 more months would have organized the entire coin-machine industry.

He put on the payroll a racket figure from Cleveland named Anthony Randazzo, as a public relations man.

Mr. KENNEDY. He also brought in an individual named Joseph Indelicato, who is a major racket figure in this Sicilian group.

Mr. SULLIVAN. Yes, he is known as Joe Scootch.

The CHAIRMAN. This is someone else.

Mr. KENNEDY. This is someone else that you were in touch with?

Mr. BAKER. What name was that?

Mr. KENNEDY. Mr. Karpf.

Mr. BAKER. Yes, sir.

Mr. KENNEDY. You know him?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. Do you know Joe Scootch?

Mr. BAKER. No, sir.

Mr. KENNEDY. You don't know him?

Mr. BAKER. No, sir.

Mr. SALINGER. Mr. Karpf has an extensive criminal record, and was sentenced to the State penitentiary in New York for grand larceny in 1951 and he was arrested in Miami for unlawfully acting as a business agent for a labor organization without a license, in 1955, and convicted of assault and battery again in 1955, and he has numerous other arrests.

Mr. KENNEDY. Who else has he been in touch with?

Mr. SALINGER. Also, from the Shoreland Hotel, on November 9, 1956, he called Mr. Capolo, and again on December 8, 1956, he called the same number for "Mike."

Mr. KENNEDY. Do you know Mr. Capolo, Mike Capolo?

Mr. BAKER. I do, sir.

Mr. KENNEDY. He is also known as Trigger Mike Capolo?

Mr. BAKER. I don't know his nickname.

Mr. FITZGERALD. May I just address the Chair for a moment? I would like to object to the procedure now being followed by Mr. Kennedy, and I know we are trying to expedite these proceedings, but I don't believe it is in my judgment at least quite proper to interpose the testimony of Mr. Salinger with Mr. Baker. Now, if Mr. Salinger wants to complete all of those names, and Mr. Kennedy then asks Mr. Baker about them, of course that is perfectly all right.

The CHAIRMAN. We are going to get it in the quickest way, I think.

Mr. KENNEDY. It does not matter that much to me if he objects to answering the questions.

Mr. FITZGERALD. I don't, and nothing harmful has happened up to now, but I am here as counsel, and I don't want anything harmful to happen.

The CHAIRMAN. Proceed.

Mr. SALINGER. I might say Mr. Sullivan also testified about Mr. Capola in the same transcript, on page 585, and identified him as—

Mike Capolo has been in the Miami area for 15 years, I suppose. He is probably a major racket figure in the East. He associates with practically all of the known racketeers that come into the Miami area and he is looked up to as an important prominent underworld figure.

The CHAIRMAN. I think the record, where you already have it as part of the record, you may just refer to it briefly so as to identify the person, where you can just state it in substance.

Mr. SALINGER. That is our hearing of July 3, 1958, page 585.

These calls were on November 9, 1956, and December 8, 1956, and on December 4, 1956, from the Shoreland Hotel, Mr. Baker called Mr. Cornelius Noonan, also known as Connie Noonan, who has been identified here in testimony yesterday as a notorious racket figure on the waterfront in the New York area.

On December 6, 1956, he called Mr. Milton Holt, in New York, and we had testimony last year in our hearing into the "paper" locals in New York with Mr. Holt, and his connections with John Dioguardia.

On December 19, 1956, from the Shoreland Hotel, he called Mr. Jack Bushkin, in Detroit, Mich. Previous testimony here shows Mr. Bushkin as a labor-relations man in Detroit, Mich., and the partner of Mr. Holtzman, about whom we had some testimony concerning the payoff of \$17,500.

In addition, from the Lee Plaza Hotel in Detroit, Mich., he placed a call on November 26, 1957, to a Mr. Harry Gross, and now we don't have any further identification on that Mr. Gross, although there is a Harry Gross who is a bigtime bookmaker in the New York area.

He placed several calls to the Melton Music Co. in Detroit, Mich., which is owned by Vincent Meli, the nephew of Angelo Meli, and several calls to Mr. Herman Kierdorf, at Royal Oak, Mich., during this period.

There was a call, or several calls of interest to us to a Mr. J. L. Cowling, of 4318 Larchmont, Detroit, Mich.

Mr. KENNEDY. Who is Mr. Cowling?

Mr. SALINGER. Mr. Cowling is an employee of either the auditor's office or the treasurer's office of Wayne County, Detroit, Mich., and he is the individual who placed the ad in the Baltimore Afro-American newspaper during the trial of Mr. Hoffa on charges of bribing an agent of this committee.

I might say that in the calls to Mr. Farrell, during the time he was making extensive numbers of calls to Mr. Baker, he was also calling Mr. Hoffa on occasion, and in fact on May 17, 1956, Mr. Farrell called Mr. Hoffa at the Palmer House Hotel in Chicago, Ill., on 3 occasions, on that 1 day.

Again on August 10, 1956, he called Mr. Hoffa at the Statler Hotel in New York City. On September 11, 1956, Mr. Farrell called Mr. Hoffa at the Shoreland Hotel in Chicago, Ill.

We have a call here from Mr. Baker to Mr. J. L. Keeshin, in Eagle River, Wis. Mr. Keeshin, as you will recall, is identified here as a trucking operator out of Chicago, who loaned \$5,000 to Mr. Hoffa.

Mr. KENNEDY. And also he has a criminal record of his own, has he not?

Mr. SALINGER. I don't know about that, sir.

This is the Park Shelton Hotel in Detroit, Mich. Mr. Baker made several phone calls to the Briggs Hotel, and it is not identified as to who he called there, but one of the residents of that hotel is a witness before the committee, Mr. Max Stern.

Mr. KENNEDY. Do you know Max Stern?

Mr. BAKER. I have seen him, sir, and I have talked to him once.

Mr. KENNEDY. Do you know him?

Mr. BAKER. I talked to him once.

Mr. KENNEDY. Is this who you were calling at the Briggs Hotel?

Mr. BAKER. No, sir.

Mr. KENNEDY. Who were you calling?

Mr. BAKER. Another gentleman.

Mr. KENNEDY. Who?

Mr. BAKER. A fellow named Jim Farris, I believe, and he was going to take me over to organize a certain place.

Mr. KENNEDY. I can't hear you.

Mr. BAKER. I was supposed to go and organize a certain establishment.

Mr. KENNEDY. Jim Farris?

Mr. BAKER. It sounds like that.

Mr. KENNEDY. What was he?

Mr. BAKER. I can't recollect his last name. He was a worker.

Mr. KENNEDY. An employee?

Mr. BAKER. An employee working in the company.

Mr. KENNEDY. What company?

Mr. BAKER. Some warehouse, and I don't know, but he was a member of a union, sir.

Mr. KENNEDY. We have the registrations of everybody at the hotel at the time, and so we can tell.

Mr. BAKER. I had him paged in the lobby of the hotel.

Mr. KENNEDY. He was not staying at the hotel?

Mr. BAKER. I don't know, sir, and it might be, but I had him paged, and he was paged.

Mr. SALINGER. That is not the only call made to the Hotel Briggs, and there is another call on December 22, 1957, made from the Lee Plaza Hotel, another hotel.

Mr. KENNEDY. Who were you calling then?

Mr. BAKER. It might have been the same person.

Mr. KENNEDY. You were still paging him in the lobby?

Mr. BAKER. To the best of my recollection, and I know it was the same person, the same individual.

Mr. KENNEDY. You were not calling this man?

Mr. BAKER. He was in the lobby.

Mr. SALINGER. There is quite a variance in the dates of these 2 calls, and 1 of the calls to the Briggs Hotel was placed on December 22, 1957, from the Lee Plaza Hotel, and the other call was made on May 24, 1958, from the Park Shelton Hotel.

Mr. KENNEDY. Was this fellow still hanging around the lobby?

Mr. BAKER. Yes, sir.

(At this point, the following members were present: Senators McClellan, Ives, and Curtis.)

Mr. KENNEDY. You weren't calling Maxie Stern?

Mr. BAKER. I didn't call him; no, sir.

Mr. KENNEDY. You didn't call him there?

Mr. BAKER. No, sir.

Mr. KENNEDY. How many times have you seen Maxie Stern?

Mr. BAKER. Maybe once.

Mr. KENNEDY. That is all?

Mr. BAKER. Maybe once or twice in my life.

Mr. KENNEDY. Did you go out with him one night?

Mr. BAKER. No, sir.

Mr. KENNEDY. Where did you see him?

Mr. BAKER. I saw him at the hotel, when I was talking to this man, and he walked past.

Mr. KENNEDY. You used to go meet this man in the hotel lobby, too?

Mr. BAKER. When I would call him, I would make an appointment, and I would meet him and we would go on our business.

Mr. KENNEDY. Did he always hang around the lobby?

Mr. BAKER. I can't say he always hung around the lobby, but I would get information to call him.

Mr. KENNEDY. What was this man's name?

Mr. BAKER. I don't recollect the pronunciation of the last name, sir. It sounded like Jim Ferra.

Mr. KENNEDY. What company did he work for?

Mr. BAKER. He was a warehouseman. I didn't ask him the name of the company he worked for. He was a worker.

Mr. KENNEDY. You called him a couple of times, and you met him in the lobby. He must have talked about the company he worked for?

Mr. BAKER. No, sir. He had some leads for me to talk to some people, for organizational purposes, sir.

Mr. KENNEDY. What company was he talking about?

Mr. BAKER. Well, I believe at that time—there were so many that I worked on in organization work I just wouldn't remember the name of the company exactly. But I believe it was in the automotive field.

Mr. KENNEDY. Is that it?

Mr. SALINGER. One other thing. Not only in the records of the Lee Plaza, the Shorelands, all the hotels that Mr. Baker has been staying, but these show frequent telephone communications between Mr. Baker and Mr. Hoffa. The same is true of Mr. Hoffa's telephone. His home telephone, his home at Lake Orion, and the Teamsters headquarters Local 299 show Mr. Hoffa calling Mr. Baker on numerous occasions.

Also, Mr. Baker was in very close and constant touch with Mr. Tom Burke at various numbers where he called him.

Mr. KENNEDY. What about Mr. Lou Farrell? We were asking you some questions about him this morning. And the telephone calls were frequent between you and Mr. Farrell. Did you ever receive any money from Mr. Farrell?

Mr. BAKER. I don't believe I received any money from Mr. Farrell.

Mr. KENNEDY. Did you ever receive any money or anything of value from Mr. Farrell, anything of value, any money or anything of value of over \$100 from Mr. Farrell?

Mr. BAKER. Personally from Mr. Farrell, I don't recollect receiving anything.

Mr. KENNEDY. Let me rephrase it. Did you ever receive any money or anything of value, directly or indirectly from Mr. Farrell?

Mr. BAKER. I could not answer you truthfully on that at all, Mr. Kennedy. I don't remember anything pertaining to it now. If you have anything to refresh my memory, I will tell you.

Mr. KENNEDY. Mr. Farrell has a criminal record. We are very interested in his activities, his activities in the Midwest. He is also, as you know, despite your testimony this morning, has acted as a labor consultant. I am asking you now whether you received any money or anything of value, directly or indirectly from Mr. Farrell.

Mr. BAKER. As a labor consultant—

Mr. KENNEDY. I am asking you a question. Did you receive any money?

Mr. BAKER. I don't recollect receiving any money from Mr. Farrell.

Mr. KENNEDY. Now I will ask you from January 1, 1956—this is something you can remember—since January 1, 1956, did you ever receive any money or anything of value, directly or indirectly, from Mr. Farrell?

Mr. BAKER. Well, I wish my memory was a lot better.

Mr. KENNEDY. Mr. Chairman, I submit that this witness is not telling the truth.

Mr. BAKER. Well, if you can refresh my memory, Mr. Kennedy, I certainly—you must have something you are talking about, and I don't remember. I am trying to give you the proper answer.

Mr. KENNEDY. If a Teamster organizer for the International Brotherhood of Teamsters can't remember whether he received money in the last year and a half or the last 2 years from a representative of employers, and an employer himself, it just doesn't make any sense at all, Mr. Baker, and you know that it does not.

Mr. BAKER. Mr. Kennedy, I represent the Central Conference of Teamsters, sir, for the record, and no man, no employer, ever gave me any money, in your reference—I believe your reference is to pay me money for something.

I have no employer that ever gave me anything for a gratuity that you are implying I must have done.

Mr. KENNEDY. What did Mr. Farrell give you the money for?

Mr. BAKER. Mr. Farrell? I don't recollect that he gave me any money.

Mr. KENNEDY. Do you deny that he did?

Mr. BAKER. Sir?

Mr. KENNEDY. Do you deny that he ever gave you any money?

Mr. BAKER. Mr. Farrell never gave me any money as far as I can recollect.

Mr. KENNEDY. As far as you can recollect. Will you deny before this committee that Mr. Farrell ever gave you any money?

Mr. BAKER. Mr. Farrell never gave me any money as far as I know.

Senator CURTIS. I would like to ask you: Were there any calls made to Omaha? I am asking Mr. Salinger.

Mr. SALINGER. Yes, sir; there were.

Senator CURTIS. Would you tell us about them?

Mr. SALINGER. It shows that on September 22, 1956, Mr. Baker called Omaha, Nebr., to speak to Mr. Pete Capulupo.

Senator CURTIS. Who is he?

Mr. SALINGER. Senator, I believe he is an official of the Teamsters in Omaha, Nebr.

Mr. KENNEDY. We can make all of those calls available.

Senator CURTIS. Do you have other calls?

Mr. SALINGER. That is the only one I have.

The CHAIRMAN. Let the Chair ask the witness: Do you have a compilation of all of these calls, a listing of them?

Mr. SALINGER. Yes, sir; we have schedules made up of the telephone calls.

The CHAIRMAN. Let the calls you have referred to, and the worksheets, the documents, you have prepared from your examination of them, let them all be made in bulk exhibit 65.

(The documents referred to were marked "Exhibit No. 65" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Now they may be referred to, and any specific calls in them.

Senator, I just thought I would get them all in the record.

Proceed.

Mr. KENNEDY. Did Mr. Farrell ever discuss with you the situation involving the Midwest Burlap & Bag Co.?

Mr. BAKER. I don't recall Mr. Farrell speaking to me about that, sir. How long ago was that?

Mr. KENNEDY. Did anybody discuss the matter with you?

Mr. BAKER. I know there was an organization program on, sir.

Mr. KENNEDY. Did Mr. Farrell speak to you about that organizational program?

Mr. BAKER. I don't know who spoke to me about it. It could have been one of the union men or Mr. Farrell or someone else. I could not truthfully tell you. I don't just remember that, sir.

Mr. KENNEDY. What would Mr. Farrell be talking to you about?

Mr. BAKER. I don't know if he was talking to me about that company, Mr. Kennedy.

Mr. KENNEDY. You don't remember that?

Mr. BAKER. I remember there was some discussion on the organization of a company.

Mr. KENNEDY. Do you remember Mr. Farrell talking to you about it?

Mr. BAKER. I don't remember. I can't recollect Mr. Farrell speaking to me.

Mr. KENNEDY. Do you deny that Mr. Farrell spoke to you about it?

Mr. BAKER. I don't deny, sir, but I just don't recollect.

Mr. KENNEDY. What other companies did he speak to you about?

Mr. BAKER. He never spoke to me about any companies, sir.

Mr. KENNEDY. He never spoke to you—

Mr. BAKER. I don't recollect that particular company you mentioned. Now, if you mention other companies, I don't know of any particular companies that Mr. Farrell spoke to me about.

Mr. KENNEDY. What other ones did he speak to you about?

Mr. BAKER. None that I know of, sir.

Mr. KENNEDY. I am asking you, since January 1, 1956 what other companies did he speak to you about?

Mr. BAKER. I don't know of any others, Mr. Kennedy.

Mr. KENNEDY. You can't name any?

Mr. BAKER. No, sir.

(At this point, Senator Kennedy entered the hearing room.)

Mr. KENNEDY. Did you do some work on the Burlap Bag Co.?

Mr. BAKER. I don't remember.

Mr. KENNEDY. You have lost your memory very badly during the noon hour, haven't you, Mr. Baker?

Mr. BAKER. No, Mr. Kennedy; prior to the noon hour.

Mr. KENNEDY. The what?

Mr. BAKER. Prior to the noon hour, if there was anything that I could actually remember, I—I mean, I don't want to be specific when I don't know.

Mr. KENNEDY. Well, you could be reasonably specific when I ask you about whether you received money from some of these people, such as Lou Farrell. I asked you whether you discussed this Burlap Bag Co. case with him. You can be specific on those instances.

Mr. BAKER. Well, you have organizers in towns, and I speak to different people in the areas, and they call me on the phone, and want to know if there is some other company joining that company, and probably they can help in organizational work. Therefore, I can't say whether Mr. Farrell or an organizer or anyone else. I just don't recall who.

Mr. KENNEDY. You did not have any detailed discussions; is that your testimony, you had no detailed discussion with Mr. Farrell—

Mr. BAKER. No, I don't believe I did.

Mr. KENNEDY. Wait a minute. Did you have any detailed discussion with Mr. Farrell regarding this company?

Mr. BAKER. I don't recall that, sir.

Mr. KENNEDY. Are you just going to say you did not or you just did not recall?

Mr. BAKER. I don't remember who I spoke to.

Mr. KENNEDY. This was 1956.

This is where the Textile Workers were attempting to organize a company. They had informed the company that they had the employees signed up. Suddenly the Teamsters came in and signed the contract with the company and back-dated the contract.

Mr. BAKER. I probably received a call from one of the agents up around that area, and the Textile Union—now you have refreshed my memory a bit—the Textile Union headquarters, I believe, was in Chicago.

I believe I did call someone in the Textile Union and told them to go up there and get their jurisdiction.

I do believe something like that happened. I know I did speak to someone in the Textile Union.

Mr. KENNEDY. What did you talk to Mr. Farrell about in connection with this?

Mr. BAKER. I don't know if it was Mr. Farrell or an organizer or who that called me. I just couldn't put my finger right on it.

Mr. KENNEDY. Did Mr. Farrell give you any money or anything of value in connection with this case?

Mr. BAKER. No, sir.

Mr. KENNEDY. He did not?

Mr. BAKER. No, sir.

Mr. KENNEDY. You can remember that?

Mr. BAKER. Well, I mean I know. I thought you meant a loan of \$5, or \$10, or something. I don't recall him giving me anything.

Mr. KENNEDY. Can you refresh your recollection and tell us whether he ever gave you any money in connection with any matter?

Mr. BAKER. I don't remember any incident where he gave me any money.

Mr. KENNEDY. I would hope that under ordinary circumstances an organizer for a union would be able to say that somebody such as Lou Farrell had not given them any money, that they would not have to say "I can't recollect whether he did."

Mr. BAKER. Mr. Kennedy, I can say that I never took any money from anyone in regards to the thinking of being paid for something that I did.

Senator KENNEDY. Did you ever take any money from Mr. Farrell?

Mr. BAKER. I don't recall taking any money from Mr. Farrell.

Senator KENNEDY. You are not ready to say you did not?

Mr. BAKER. I wish I could remember back to the time. I don't know.

Senator KENNEDY. It was 1956, wasn't it?

Mr. BAKER. I really don't know, sir, I can't place the year that he mentioned.

Mr. KENNEDY. What about the Esco Co.? Do you know anything about the Esco Co.?

Mr. BAKER. Where are they located, sir?

Mr. KENNEDY. McKees Rock, Pa.

Mr. BAKER. Esco; yes sir.

Mr. KENNEDY. Did you do any work in connection with that?

Mr. BAKER. I certainly did.

Mr. KENNEDY. Did you?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. What did you do in connection with that?

Mr. BAKER. Well, they had a strike out there.

Mr. KENNEDY. Where?

Mr. BAKER. In Pennsylvania—what was the name again?

Mr. KENNEDY. McKees Rock.

Mr. BAKER. McKees Rock. And I was sent in there to try to arbitrate and get the contract signed and settled. They were out for a while. I had a meeting with the proprietor and also with the union.

Mr. KENNEDY. Who did you have the meeting with?

Mr. BAKER. The owner of the company and met with the union.

Mr. KENNEDY. Who was the owner?

Mr. BAKER. A George something or other.

Mr. KENNEDY. Mr. Weinheimer?

Mr. BAKER. No. Mr. Weinheimer was a representative of said company, sir.

Mr. KENNEDY. Where was he? Where did you know Mr. Weinheimer?

Mr. BAKER. From New York, sir.

Mr. KENNEDY. Did you ever see him out in the West at all?

Mr. BAKER. Yes.

Mr. KENNEDY. Where did you see him?

Mr. BAKER. He visited me at a hospital out there.

Mr. KENNEDY. This was in Des Moines, was it?

Mr. BAKER. Yes, sir.

Mr. KENNEDY. This was in 1957?

Mr. BAKER. I believe so. 1957 or 1956, I believe so.

Mr. KENNEDY. What money did you receive from Mr. Weinheimer?

Mr. BAKER. What money did I receive from him?

Mr. KENNEDY. What money did you receive from Mr. Weinheimer?

Mr. BAKER. I received nothing from Mr. Weinheimer, sir. He was a friend of mine for many years.

Mr. KENNEDY. You were not given any money in connection with that matter in August of 1957?

Mr. BAKER. No, sir.

Mr. KENNEDY. You stayed at the Rambler Motel, did you?

Mr. BAKER. No. I was at the hospital, sir, and they told me to get some exercise. They had a pool there and I had to go over there to do exercise and swimming.

Mr. KENNEDY. You got a room at the Rambler Motel?

Mr. BAKER. Yes, sir. You have to hire a room to use the pool.

Mr. KENNEDY. And Mr. Weinheimer was staying at the Rambler Motel at the same time?

Mr. BAKER. He used to go over there and swim, he and his wife also.

Mr. KENNEDY. Did Mr. Weinheimer hand you 3 envelopes filled with \$1,000 in \$100 bills in August of 1957?

Mr. BAKER. I don't know that he ever gave that to me.

Mr. KENNEDY. Didn't he give you that money in August 1957, 3 envelopes totaling \$1,000?

Mr. BAKER. He did not, sir.

Mr. KENNEDY. How did you pay your bill at the Rambler Motel?

Mr. BAKER. Whatever it cost, I took it out of my pockets and paid it.

Mr. KENNEDY. You took it out of your pocket?

Mr. BAKER. I imagine, whatever it cost for the room.

Mr. KENNEDY. You had your money in a wallet, did you?

Mr. BAKER. I don't know whether I had it in my wallet or had it in my pocket.

Mr. KENNEDY. You didn't have it in an envelope?

Mr. BAKER. No, sir.

Mr. KENNEDY. You didn't give the proprietor at the Rambler Motel a \$100 bill?

Mr. BAKER. I can carry that kind of money, but I probably—I don't know what I paid him, \$10, \$5.

Mr. KENNEDY. Did you get the money out of your wallet, out of your pocket, or out of an envelope that just arrived from Mr. Weinheimer?

Mr. BAKER. Mr. Weinheimer didn't arrive to me with any money. He came to see me as a friend who he had not seen for a long time.

Mr. KENNEDY. And he gave you three envelopes, did he not?

Mr. BAKER. He did not, sir.

Mr. KENNEDY. And you paid your motel bill at the Rambler Motel out of the money that came from those envelopes, did you not?

Mr. BAKER. It is not true, sir.

Mr. KENNEDY. Did you pay your motel bill with a \$100 bill?

Mr. BAKER. I don't know what I paid the motel with. I don't remember.

Mr. KENNEDY. Did you get the money out of the envelope when you paid it?

Mr. BAKER. I took it out of my pocket. I don't know.

Mr. KENNEDY. Mr. Chairman, I would like permission to call two witnesses.

The CHAIRMAN. All right. Call them up.

Mr. KENNEDY. Mr. and Mrs. Virgil Smith.

The CHAIRMAN. Be sworn.

You and each of you do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SMITH. I do.

Mrs. SMITH. I do.

TESTIMONY OF VIRGIL SMITH AND HILMA SMITH

The CHAIRMAN. You are Mr. and Mrs. Virgil Smith; are you?

Mr. SMITH. Yes, sir.

The CHAIRMAN. Where do you live?

Mr. SMITH. In Des Moines, Iowa.

The CHAIRMAN. A little bit louder. You may answer the questions until such time as they may be directed to Mrs. Smith, or until such time as you think she knows the answers.

All right. What business are you engaged in?

Mr. SMITH. Managers of the motel Rambler.

The CHAIRMAN. The motel Rambler. You waive counsel, do you?

Mr. SMITH. Excuse me?

The CHAIRMAN. You do not wish to have a lawyer representing you while you testify?

Mr. SMITH. No, we don't.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Smith, you know Mr. Weinheimer?

Mr. SMITH. Yes, I do.

Mr. KENNEDY. And do you also know Mr. Baker?

Mr. SMITH. Yes, I have met him.

Mr. KENNEDY. Both of these individuals had rooms at your motel for a period of time?

Mr. SMITH. Yes, they did.

Mr. KENNEDY. They were both there at the same time, were they?

Mr. SMITH. They were.

Mr. KENNEDY. This was in August of 1957?

Mr. SMITH. It was.

Mr. KENNEDY. One day during August of 1957, did Mr. Weinheimer expect some mail in?

Mr. SMITH. He did.

Mr. KENNEDY. Did some mail come in for him?

Mr. SMITH. Yes, it did.

Mr. KENNEDY. Would you tell what happened?

Mr. SMITH. He came in the office expecting some mail, and so the express truck came out with three envelopes. I immediately called the room and Mr. Weinheimer came in and accepted them from me.

Mr. KENNEDY. He picked up the three envelopes?

Mr. SMITH. He did.

Mr. KENNEDY. Can you describe what the envelopes looked like?

Mr. SMITH. Well, they were the ordinary long, narrow envelopes, about $3\frac{1}{2}$ by 9 or 10 inches long.

Mr. KENNEDY. What color were they?

Mr. SMITH. They were white.

Mr. KENNEDY. Were they bulky envelopes?

Mr. SMITH. To a certain extent they were.

Mr. KENNEDY. Would you describe them a little bit?

Mr. SMITH. Well, they were just about the same as if you fold 4 or 5 letterheads together and put them in.

Mr. KENNEDY. And the mail was delivered to him, these three?

Mr. SMITH. These three.

Mr. KENNEDY. Were the envelopes identical?

Mr. SMITH. They were all three exact.

Mr. KENNEDY. Did you know or find out what was in those envelopes?

Mr. SMITH. I did not.

Mr. KENNEDY. Mrs. Smith, subsequently did Mr. Baker arrange to pay his bill at the motel?

Mrs. SMITH. Yes. He came in and paid his bill that same afternoon.

Mr. KENNEDY. The same afternoon that these envelopes arrived?

Mrs. SMITH. Yes.

Mr. KENNEDY. How much was his bill, approximately?

Mrs. SMITH. It was for 1 night, \$10.

Mr. KENNEDY. Did he come over, then? Where did he get the money from?

Mrs. SMITH. Well, when he came in and paid it, he took it out of the envelope.

Mr. KENNEDY. Did he have the envelope?

Mrs. SMITH. He had it in his hand.

Mr. KENNEDY. Can you describe the envelope?

Mrs. SMITH. It was a long, white envelope.

Mr. KENNEDY. Did it appear to be the same envelope that had arrived?

Mrs. SMITH. The same size as that.

Mr. KENNEDY. And it would appear to have been the same envelope that had arrived?

Mrs. SMITH. Well, it looked the same to me.

Mr. KENNEDY. What was in the envelope?

Mrs. SMITH. There was money. There were bills in the envelope.

Mr. KENNEDY. Did he pay you the money out of the envelope?

Mrs. SMITH. He took one bill out and gave it to me.

Mr. KENNEDY. How much was the bill?

Mrs. SMITH. It was \$100.

Mr. KENNEDY. Were you surprised at that?

Mrs. SMITH. Yes, I was.

Mr. KENNEDY. What did you think it was?

Mrs. SMITH. Well, when he first gave it to me, I thought it was \$10 for the room rent. It was \$100, so I gave him \$90 back, change.

Mr. KENNEDY. Were there more bills in the envelope?

Mrs. SMITH. Yes.

Mr. KENNEDY. Was the envelope filled with bills?

Mrs. SMITH. It was quite thick, the envelope.

Senator CURTIS. May I inquire?

Were you present when the express company delivered the envelopes?

Mrs. SMITH. Yes.

Senator CURTIS. You were both there?

Mrs. SMITH. Yes.

Senator CURTIS. This was the Railway Express or a regular express company?

Mrs. SMITH. It was the regular one that comes out and delivers special delivery and such as that.

Senator CURTIS. Do they make special deliveries from the post office or was this transmitted through by the express company?

Mrs. SMITH. That I don't know.

Senator CURTIS. You don't know?

Mrs. SMITH. No.

Senator CURTIS. Do you know whether the expressman took a receipt for them? Did he have to sign them?

Mrs. SMITH. That I don't know.

Senator CURTIS. You saw the expressman?

Mrs. SMITH. Yes.

Senator CURTIS. But you do not recall whether or not there was a receipt made?

Mrs. SMITH. No, I don't. I don't recall whether there was or not.

Senator CURTIS. Do you have a counter in your office where people come up to transact business?

Mrs. SMITH. Right.

Senator CURTIS. Where was this envelope when you saw him open it up and take out a \$100 bill and pay his bill and you noticed other money?

Mrs. SMITH. He had it in his hand when he came in the office.

Senator CURTIS. He had it in his hand?

Mrs. SMITH. Yes, sir.

Senator CURTIS. Did he rest his hand on the counter?

Mrs. SMITH. He did not. He just held the envelope and give me the money.

Senator CURTIS. But you could see it?

Mrs. SMITH. Yes, I could.

Senator CURTIS. Yet at the time you recognized it as an envelope such as you saw the other gentleman receive from the expressman?

Mrs. SMITH. Well, it looked the same.

Senator CURTIS. I understand that. But I mean at the time did you think of the connection?

Mrs. SMITH. No, I did not think of it at the time. But it was the same size and everything. I mean, I was not thinking about the other mail even coming in at that time.

Senator CURTIS. But it did occur to you later?

Mrs. SMITH. Yes.

Senator CURTIS. That is all.

TESTIMONY OF ROBERT BERNARD BAKER—Resumed

Mr. KENNEDY. Does that refresh your recollection?

Mr. BAKER. There is a possibility, Mr. Kennedy, that I might carry some money in an envelope, in my pocket. I don't know.

I don't even recollect, but it is possible that I could have it in an envelope, a white envelope like she says.

Mr. KENNEDY. \$100 bills?

Mr. BAKER. \$100 bills you say?

Mr. KENNEDY. Yes.

Mr. BAKER. I don't know about \$100 bills. A \$100 bill, Mr. Kennedy, is what we were referring to.

Mr. KENNEDY. She said the envelope was filled with bills.

Mr. BAKER. It was not filled with bills.

Mr. KENNEDY. What else did you have?

Mr. BAKER. I don't know if it was—it is possible that I could carry an envelope with money. But maybe \$5 bills or \$10 bills.

Mr. KENNEDY. Why didn't you give her two \$5 bills?

Mr. BAKER. I wanted to change the \$100—

Mr. KENNEDY. You say now you remember it?

Mr. BAKER. I say in all probability I gave her the \$100 bill because I wanted to have it changed, Mr. Kennedy.

Mr. KENNEDY. And you carried it in a white envelope?

Mr. BAKER. I don't remember the \$100 bill incident.

Mr. KENNEDY. You carried it in a white envelope?

Mr. BAKER. It could be that I carried it in an envelope.

Mr. KENNEDY. Mr. Chairman, I interviewed over the telephone—and of course it is not sworn to—one of the owners of this company, and he gave me the information about the \$1,000. He stated that the \$1,000 was sent out there to Mr. Weinheimer for the purpose—

The CHAIRMAN. You may interrogate the witness about information you have, and the telephone call transcript cannot be placed in the

record without it being sworn to. But you may interrogate the witness as to what he knows about the information you have.

Mr. KENNEDY. I talked to Mr. Callahan, of this company, and the Esso Co. You know Mr. Callahan?

Mr. BAKER. That is the owner, sir?

Mr. KENNEDY. Yes.

Mr. BAKER. I probably sat with him on that negotiation.

Mr. KENNEDY. He said he talked to you, and he said that the \$1,000 was sent out in August of 1957 to their representative at the Rambler Motel, and he said \$1,000 was sent out in 3 envelopes.

Mr. BAKER. That is his representative, Mr. Kennedy, and if he tells you that, that might be.

Mr. KENNEDY. He said the reason that the \$1,000 was sent out there was to try to work out labor problems. It was \$1,000 in cash, in 3 envelopes. Now, did you assist them in working out their labor trouble?

Mr. BAKER. No, I assisted our local union in getting a contract signed.

Mr. KENNEDY. But you did consult with Mr. Weinheimer about this matter?

Mr. BAKER. He talked to me about his problems.

Mr. KENNEDY. And did you agree to try to assist him?

Mr. BAKER. No, I did not.

Mr. KENNEDY. Now, then I asked him, "Did Baker assist you in the labor problems," and the answer was, "He tried. As a matter of fact he came to Pittsburg, as I told Mr. Sheridan."

Did you go to Pittsburg?

Mr. BAKER. I went to Pittsburg.

Mr. KENNEDY. In connection with his labor problems?

Mr. BAKER. Not in connection with that.

Mr. KENNEDY. Did you consult about his labor problems there?

Mr. BAKER. I went to the union office and sat down and discussed the strike that was in progress, and we wanted to get that ended.

Mr. KENNEDY. Was it in connection with this company?

Mr. BAKER. The company was on strike.

Mr. KENNEDY. And it was in connection with local 211 of the Teamsters?

Mr. BAKER. I don't know the exact number of the local of the union.

Mr. KENNEDY. This was the same company, was it not, that Mr. Weinheimer represented?

Mr. BAKER. I believe it was.

Mr. KENNEDY. And they were having labor difficulties in that area, and you went back there and consulted with them?

Mr. BAKER. It is my job to try to end strikes, as well as organize them.

Mr. KENNEDY. It is your job when you get paid \$1,000, evidently, Mr. Baker.

Mr. BAKER. I never got paid \$1,000, sir.

Mr. KENNEDY. Pittsburgh is in the Central Conference of Teamsters, isn't it?

Mr. BAKER. Pittsburgh is not; it is in the Eastern Conference, sir.

Mr. KENNEDY. What is that?

Mr. BAKER. It is in our Eastern Conference.

MR. KENNEDY. As a central conference organizer, what were you doing in Pittsburgh, Pa.?

MR. BAKER. It doesn't mean that I haven't left the area, if I have to go into another area to try to settle a strike difficulty, going to New York, or anywhere in the country, if you can help a brother teamster.

MR. KENNEDY. The situation is that we have \$1,000 in cash that was sent out to a representative of this company, sent to the Rambler Motel, and he said he needed the money in order to avoid labor difficulties. The \$1,000 in cash was sent out in 3 envelopes, in \$100 bills, and again he stated that this money was sent out in the form of \$100 bills. Shortly after these envelopes arrived, you appeared at the desk and paid your bill with a \$100 bill that was taken out of an envelope that looked exactly or appeared to be exactly the same as the envelope in which the money was sent.

Then shortly after that you appeared in Pittsburgh, Pa., in connection with their labor difficulties, when it was outside of the Central Conference of Teamsters.

MR. BAKER. It happens I go to a lot of areas.

MR. KENNEDY. When I asked you the question in the beginning you denied that you had paid your bill with a \$100 bill; you denied there was an envelope involved and you said you got it out of your pocket or out of your wallet.

MR. BAKER. Mr. Kennedy, I said I did not recall how I paid it, out of what pocket, or wallet, or whatever it was, and I did not recall.

MR. KENNEDY. You denied that you got the money from an envelope.

MR. BAKER. It is possible that I had an envelope in my pocket.

THE CHAIRMAN. Let us nail it down. Did you get \$1,000 or any part of \$1,000 from Weinheimer?

MR. BAKER. No, sir.

MR. KENNEDY. That is Weinheimer?

MR. BAKER. No, sir.

MR. KENNEDY. Did you go to Pittsburg for the purpose of undertaking to settle the strike for this company?

MR. BAKER. No, sir; not for that purpose alone.

MR. KENNEDY. What other purpose did you go for?

MR. BAKER. I went in there in a taxicab situation also.

MR. KENNEDY. You had a taxicab situation, and you had this strike?

MR. BAKER. And several things I went in for at the time.

MR. KENNEDY. What is that?

MR. BAKER. There were several things I went in there for at the time.

MR. KENNEDY. Did you while there undertake to settle this strike?

MR. BAKER. I went in there to see what I could do in trying to get the people back to work.

MR. KENNEDY. Did you undertake to settle the strike?

MR. BAKER. I undertook to get in there and see that the strike would be settled, sir.

MR. KENNEDY. Did you succeed in settling it?

MR. BAKER. I believe I had something to do in having it settled. It continued for a week or two later, I believe.

MR. KENNEDY. Did you get the men back to work?

Mr. BAKER. Eventually they went back to work, but I don't remember whether I had anything to do with immediately settling the strike. There were quite a few negotiations.

The CHAIRMAN. The committee will have to stand in recess for a little while, until the members go to the Chamber and vote.

(A short recess was taken.)

(At the reconvening of the committee, the following members are present: Senators Ives and Curtis.)

Senator IVES. The hearing will come to order. Counsel, will you please call the next witness?

TESTIMONY OF CARMINE S. BELLINO—Resumed

Mr. KENNEDY. I have a question for Mr. Bellino, while waiting for Senator McClellan.

Senator IVES. Mr. Bellino has already been sworn.

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. We had some talk this morning about the sanitarium and the weight-reducing excursions of Mr. Baker.

Mr. BELLINO. Yes, sir.

Mr. KENNEDY. Do you have there what the record shows as far as the various sanitariums that Mr. Baker has gone to in order to reduce?

Mr. BELLINO. Yes, sir. We have a total of \$3,421.67 which has been spent in connection with Mr. Baker's reducing. The one this morning was at Battle Creek Sanitarium, at that time, at that institution, he was at that institution from October 8, 1953, to October 31, 1953. Immediately after that he was connected with a health club in Detroit. The only bills that we can find that were paid for by the union were bills covering December 5, 1953, to January 15, 1954, at which time joint council 43 paid \$150. Then he went to the Lake Side General Hospital. He was there from September 22, 1954, to October 11, 1954, a total of \$635.73 being paid by the labor health institute.

From there he went to the St. Joseph Memorial Hospital. He was there from September 8, 1955, to October 8, 1955. He paid a total of \$790 in cash. Then he went to Des Moines, the Mercy Hospital, August 7, 1957, to September 6, 1957, where a total of \$952.70 was paid.

Five hundred and thirteen dollars was by check from the St. Louis Labor Health Institute. The balance of \$439.70 was paid in cash on June 3, 1958, by an unknown individual.

The total expenditures were \$3,421.67.

Senator CURTIS. Mr. Chairman?

TESTIMONY OF ROBERT BERNARD BAKER—Resumed

Senator IVES. Senator Curtis.

Senator CURTIS. How many pounds did you get off for this \$3,000?

Mr. BAKER. May I ask what length of time—how much time in all of these.

Senator CURTIS. Mr. Bellino, when was the first hospitalization?

Mr. BELLINO. The first one was in 1953. But I might mention in that connection one of the newspaper clippings show at the Mercy

Hospital in Des Moines he reduced 80 pounds, and the paper clipping shows it was at a cost of \$10 each. Actually it would be about \$11 a pound for reducing.

Mr. KENNEDY. What was that?

Mr. BELLINO. He reduced 80 pounds, at a cost of around \$11 a pound to reduce.

Mr. BAKER. To answer the Senator's question, I believe the poundage is there on the table, on each particular hospital, that I lost in weight. But this was not a loan for losing weight. It was the fact that it just became a sickness with me, and in putting on weight I did not feel any too good, and I had to have hospitalization, because while treating me they also was reducing fat that would be around the heart or any other—the tough breathing that I might have had.

Senator CURTIS. As soon as Mr. Bellino completes putting in the figures, I have other questions to ask.

Mr. BELLINO. We found that Barney Baker stopped fighting in 1938 and became a heavy eater. At one time it says here he had 38 pounds of meat at one time, and another time he had 3½ pounds of spaghetti. He once weighed a total of 385 pounds.

Mr. KENNEDY. You have the other records from the other hospitals there, other sanitariums?

Mr. BELLINO. I have put them all in.

Mr. KENNEDY. Have you?

Mr. BELLINO. Yes.

Mr. KENNEDY. You summarized them all?

Senator CURTIS. Mr. Baker, you testified that you met Mr. Farrell in the Del Rio Cafe in Omaha. You have been in the Del Rio Cafe a number of times, have you?

Mr. BAKER. Yes, sir.

Senator CURTIS. Who do you know in that cafe?

Mr. BAKER. I used to go in there and eat, sir. There was no one in particular that I actually knew, the manager, I don't even know his name.

Senator CURTIS. Do you know Joe Miloni?

Mr. BAKER. Not by name, sir.

Senator CURTIS. You don't know him at all?

Mr. BAKER. Not by name. I may know him. I don't know him by name.

Senator CURTIS. Do you know Anthony Spominato?

Mr. BAKER. I don't remember the name, sir.

Senator CURTIS. You don't remember him by the name of Tony?

Mr. BAKER. I don't think there was a Tony connected with the place there. I don't know. The name don't sound familiar.

Senator CURTIS. Who would you know there among the customers?

Mr. BAKER. I went to eat there with other organizers in the area. It is a good place to eat, and there is where we used to eat every day, practically.

Senator CURTIS. What other organizers would eat there?

Mr. BAKER. Well, anybody that would be from the local union up around that area. We had an organizing campaign going on there at the time.

Senator CURTIS. Who's your attorney for the Teamsters in Omaha?

Mr. BAKER. Mr. Greenberg, I think. I am not sure. I believe it was Mr. Greenberg. I am not positive.

Senator CURTIS. Greenberg or Weinberg?

Mr. BAKER. Weinman, did you say?

Senator CURTIS. Weinberg or Greenberg?

Mr. BAKER. Weinberg? It could be.

Senator CURTIS. Do you know Mr. Boyle?

Mr. BAKER. Mr. Boyle?

Senator CURTIS. Yes, Mr. Bernie Boyle, an attorney there.

Mr. BAKER. I have met quite a few attorneys. I don't know whether I have met Mr. Boyle or not. If I seen him, I might recognize him. I might.

Senator CURTIS. That is where you met Farrell?

Mr. BAKER. I met him there, sir.

Senator CURTIS. Have you had any business enterprises with Farrell? Have you been in any business with him?

Mr. BAKER. I don't know of any business I have with Mr. Farrell. I have answered that question several times.

Senator CURTIS. Have you had any gambling operations with Mr. Farrell?

Mr. BAKER. No, sir.

Senator CURTIS. Do you know Mr. Jake Moore?

Mr. BAKER. Yes, sir.

Senator CURTIS. How long have you known him?

Mr. BAKER. Since 1954—1956.

(The witness conferred with his counsel.)

Senator CURTIS. Have you had any business enterprises with Mr. Moore?

Mr. BAKER. No, sir.

Senator CURTIS. Have you engaged in any political activity with him?

Mr. BAKER. Sir?

Senator CURTIS. Have you engaged in any political activity of any kind with Mr. Moore?

Mr. BAKER. No, sir.

Senator CURTIS. Have you assisted him in making political contributions for the Teamsters or others?

Mr. BAKER. No, sir.

Senator CURTIS. Do you know Governor Loveless, of Iowa?

Mr. BAKER. I met the gentleman at the convention in 1956. He was not the Governor then.

Senator CURTIS. Our records show here that the Teamsters made a contribution to his campaign. Did you handle that?

Mr. BAKER. No, sir.

Senator CURTIS. Did Mr. Moore handle it?

Mr. BAKER. I don't know, sir.

Senator CURTIS. He had a very prominent place in politics, did he not—Mr. Moore?

Mr. BAKER. I believe he was the State chairman at one time, of Iowa.

Senator CURTIS. In Iowa?

Mr. BAKER. Yes, sir.

Senator CURTIS. Do you know Ray Mills?

Mr. BAKER. Ray Mills?

Senator CURTIS. In Des Moines.

Mr. BAKER. What does he do, sir?

Senator CURTIS. He is a labor leader.

Mr. BAKER. A labor leader? I don't know. I don't think I met Mr. Ray Mills, sir. Is that the Ray Mills the political man?

Senator CURTIS. Yes.

Mr. BAKER. I don't think I ever met Ray Mills. I don't believe I ever met him.

Senator CURTIS. Did he ever serve as mayor?

Mr. BAKER. I believe that was his title at one time.

Senator CURTIS. Did you assist in his campaign?

Mr. BAKER. No, sir.

Senator CURTIS. Do you know Ed Hartzler?

Mr. BAKER. Ed Hartzler is the Teamsters' Union man in Des Moines.

Senator CURTIS. What is his business?

Mr. BAKER. I believe he is either secretary or president of a local union. I am not sure.

Senator CURTIS. That is local 90?

Mr. BAKER. I believe that is right, sir.

Senator CURTIS. Do you know a Mr. Watson in local 90, in Des Moines?

Mr. BAKER. I think I do. I believe I did meet Mr. Watson; yes.

Senator CURTIS. How much time have you spent around Omaha?

Mr. BAKER. Well, I believe around—the best that I can remember sir—might be around 7 months. I don't know exactly. Or 8 months. I don't know.

Senator CURTIS. Where do you live when you are in Omaha?

Mr. BAKER. Blackstone Hotel, sir.

Senator CURTIS. The Blackstone Hotel?

Mr. BAKER. Yes.

Senator CURTIS. What kind of accommodations do you take there?

Mr. BAKER. A room.

Senator CURTIS. Not a suite?

Mr. BAKER. I don't believe I had a suite there. I don't believe I had a suite there, Senator.

Senator CURTIS. What employers do you know in Omaha?

Mr. BAKER. I met quite a few in organizing cartage companies in Omaha.

Senator CURTIS. In organizing what?

Mr. BAKER. Cartage, local cartage companies.

Senator CURTIS. What union leaders do you know in Omaha? Other than Teamster leaders, union officials?

Mr. BAKER. I did meet the Gordon Prebel, who is the State federation of labor president. I believe that is his name.

Senator CURTIS. He is not there any more.

Mr. BAKER. Well, at that time he was the president of the State federation of labor.

Senator CURTIS. I am not so sure about that at present.

This is something we will go into in detail another time. But did you assist with any of the boycotts, secondary boycotts, carried on in Omaha?

Mr. BAKER. I wouldn't know which would be the secondary boycotts, sir, that you mention.

Senator CURTIS. Did you assist with any boycotts in Omaha?

Mr. BAKER. Not to my recollection.

Senator CURTIS. You never were there when any of them were going on?

Mr. BAKER. I don't know. Any specific case I might then recollect, but I don't know of any that were cited for secondary boycott. There might have been.

Senator CURTIS. I want to ask you something else. How long did you live here in Washington?

Mr. BAKER. I lived here I guess around 6 years, sir.

Senator CURTIS. From about 1946 to 1952?

Mr. BAKER. Yes, sir.

Senator CURTIS. Your employers were the DGS store warehouse?

Mr. BAKER. Yes, sir.

Senator CURTIS. And what union?

Mr. BAKER. Local 730, warehouse union.

Senator CURTIS. Who else did you work for?

Mr. BAKER. I say Freize, a produce market company.

Senator CURTIS. Who else?

Mr. BAKER. That is the only two companies I worked for.

Senator CURTIS. You spoke this morning of being employed by the Democratic National Committee. Were you employed on salary?

Mr. BAKER. No, sir.

Senator CURTIS. What did you mean by being employed?

Mr. BAKER. Well, I assisted the National Democratic Party Committee in 1952, and I worked in talking to various labor groups supporting the candidates.

Senator CURTIS. Were you on the payroll in any manner?

Mr. BAKER. No, sir, not a payroll; no, sir.

Senator CURTIS. Did you get expenses?

Mr. BAKER. I did get expenses, sir.

Senator CURTIS. Who appointed you?

Mr. BAKER. I believe—I will have to check. May I speak to my attorney, sir?

Senator CURTIS. Yes.

Senator IVES. I think I can answer that, if I can interrupt.

I think Mr. Rauh appointed you, didn't he? According to the article that came out in the Washington Evening Star at that time, he did.

Mr. BAKER. I want to check.

Senator IVES. All right.

(The witness conferred with his counsel.)

Mr. BAKER. It could be maybe Joe Rauh recommended me for the labor division.

Senator IVES. Will the Senator from Nebraska please yield while I refresh the witness' memory on this?

Senator CURTIS. I have the same article before me. Are you talking about the Harriman campaign?

Senator IVES. I am talking about the campaign in 1952 here in the District.

Senator CURTIS. I am talking about his service for the Democratic National Committee. You stated this morning you were employed by them and now you say it was on an expense basis.

You don't know who appointed you?

Mr. BAKER. I believe probably the recommendation that I work there could have been made through Mr. Rauh. Who was in charge of that particular department?

Senator CURTIS. The Washington Star of June 14, which was read into the record yesterday, in reference to Mr. Harriman's campaign, says:

Mr. Harriman's campaign manager, Joseph Rauh, Jr., announced formation of the United District Labor Committee for Harriman. Cochairman, Robert Baker, president of Teamsters Local 730, A. F. of L., and George L. B. Weaver, assistant to the secretary-treasurer CIO.

That was the Harriman committee, wasn't it?

Mr. BAKER. That was the labor division, did you say, Senator?

Senator CURTIS. Yes.

Mr. BAKER. For the Harriman committee, sir?

Senator CURTIS. Yes.

Mr. BAKER. Yes, sir.

Senator CURTIS. You knew Mr. Rauh, too, in connection with the Americans for Democratic Action, didn't you?

Mr. BAKER. Yes, sir.

Senator CURTIS. Did you meet him in any other capacity?

Mr. BAKER. No, sir.

Senator CURTIS. And you don't know whether he got you your appointment with the Democratic National Committee or not?

Mr. BAKER. I don't remember, sir, who recommended me to work for that particular division.

Senator CURTIS. Well, for any division of the Democratic National Committee, who recommended you?

Mr. BAKER. Well, I am saying. It could be. I don't know exactly who did.

Senator CURTIS. Just what were your duties with the national committee?

Mr. BAKER. Speaking to labor groups.

Senator CURTIS. Where did you go to speak to labor groups?

Mr. BAKER. All through Maryland.

Senator CURTIS. Where else?

Mr. BAKER. Around the country.

Senator CURTIS. Whereabouts?

Mr. BAKER. Southern Illinois, I believe, Missouri.

Senator CURTIS. What part of your expenses, if any, were paid by the Teamsters?

Mr. BAKER. The Teamsters, sir?

Senator CURTIS. Yes.

Mr. BAKER. They didn't pay no expenses for me at all, sir.

Senator CURTIS. They were all paid by the national committee?

Mr. BAKER. All I had with the Teamsters was a title. That was in resignation at the time, I believe so.

Senator CURTIS. Did you attend any political meetings with Joseph Rauh?

Mr. BAKER. Yes, sir.

Senator CURTIS. Where?

Mr. BAKER. Various sections of Washington, D. C.

Senator CURTIS. Several of them?

Mr. BAKER. He was at several. I was there visiting.

Senator CURTIS. You know him quite well?

Mr. BAKER. I know Joe Rauh; yes

Senator CURTIS. How many Americans for Democratic Action meetings did you go to?

Mr. BAKER. One. That was the convention I wanted to hear a president speak at that convention, I believe.

Senator CURTIS. President of what?

Mr. BAKER. Of the United States of America. I believe he was there to speak, or some notable.

Senator CURTIS. What year was that?

Mr. BAKER. 1952, sir.

Senator CURTIS. Was it President Truman?

Mr. BAKER. I believe so.

Senator CURTIS. Where was the meeting held?

Mr. BAKER. In one of the leading hotels here, I believe, I don't exactly remember.

Senator CURTIS. And Gibbons was there?

Mr. BAKER. Yes, sir.

Senator CURTIS. What other Teamster leaders or representatives affiliated or attended meetings of the Americans for Democratic Action?

Mr. BAKER. I don't know of any, sir.

Senator CURTIS. Gibbons?

Mr. BAKER. Gibbons, yes. He was known. But I don't know of any others. There could be quite a few others. I don't know.

Senator CURTIS. Were you here when ex-Governor Ratner of Kansas testified?

Mr. BAKER. No, sir.

Senator CURTIS. But you have been in Wichita?

Mr. BAKER. I didn't hear you.

Senator CURTIS. You have been in Wichita, Kans.?

Mr. BAKER. Yes, sir.

Senator CURTIS. You were there in connection with the taxicab strike?

Mr. BAKER. No, sir.

Senator CURTIS. Never at any time?

Mr. BAKER. The taxicab strike?

Senator CURTIS. Or trouble with the taxicabs organizing them.

Mr. BAKER. I organized taxicabs in Wichita.

Senator CURTIS. What part did you have in this contract that resulted in the payment of \$15,000 to the cab owners of Wichita?

Mr. BAKER. I don't know of any, and I had nothing to do with it, if there was any made.

Senator CURTIS. You never consulted with Governor Ratner about that?

Mr. BAKER. No, sir.

Senator CURTIS. Not at any time?

Mr. BAKER. No, sir.

Senator CURTIS. You did not know—

Mr. BAKER. I am sorry, Senator. Pertaining to moneys?

Senator CURTIS. \$15,000 from the Teamsters to the cab owners.

Mr. BAKER. No, sir; I never did, sir.

Senator CURTIS. You never heard of it?

Mr. BAKER. I was never assigned to anything that I should know about it.

Senator CURTIS. I never asked you that.

Mr. BAKER. I am sorry. No, Senator.

Senator CURTIS. Did you ever hear of it?

Mr. BAKER. No, Senator.

Senator CURTIS. You never heard anything about a payment of \$15,000 from the Teamsters to the cab owners in Wichita?

Mr. BAKER. No, sir.

Senator CURTIS. You were in and out of there several times?

Mr. BAKER. No, sir.

Senator CURTIS. But you were part of the time?

Mr. BAKER. I was there once.

Senator CURTIS. Just once?

Mr. BAKER. Once.

Senator CURTIS. How many times have you been to Mr. Ratner's office?

Mr. BAKER. I was in Mr. Ratner's office once, sir.

Senator CURTIS. What did you talk about then?

Mr. BAKER. He was showing me the office. It was a new office building. I was with another gentleman. He was showing us around his office, sir.

Senator CURTIS. You did not know that the Teamsters put up \$15,000 and it was put in escrow in the Fourth National Bank in Wichita—

Mr. BAKER. I do not—

Senator CURTIS. And then turned over to the cab owners when the men were in the union?

Mr. BAKER. No, sir; I don't.

Senator CURTIS. But you helped with that organizing?

Mr. BAKER. I started the first meeting. I organized the cab drivers. I had a meeting with a small group. Then I was assigned elsewhere in a different area. Whoever was there must have followed through.

Senator CURTIS. Do you know Dave Weinberg, in Omaha?

Mr. BAKER. Dave Weinberg? Is that the attorney you are referring to, Senator?

Senator CURTIS. Yes.

Mr. BAKER. Yes.

Senator CURTIS. How well do you know him?

Mr. BAKER. Just to talk to him about business. Or have dinner with him or something.

Senator CURTIS. Do you know Bernie Boyle?

Mr. BAKER. Bernie?

Senator CURTIS. Bernie Boyle, an attorney there.

Mr. BAKER. I might have met him once; I don't know if I do know him or not, sir.

Senator CURTIS. Do you have any business interests in Omaha?

Mr. BAKER. No, nothing at all, sir.

Senator CURTIS. You have no interest in any night clubs?

Mr. BAKER. No, sir.

Senator CURTIS. Did you ever have?

Mr. BAKER. An interest in a club? No. Where you make money?

Senator CURTIS. Where you make or lose money either one.

Mr. BAKER. No.

Senator CURTIS. Were you ever out to the Capri Club at Carter Lake?

Mr. BAKER. Yes, sir.

Senator CURTIS. Who runs that?

Mr. BAKER. Who runs it today, do you mean?

Senator CURTIS. Who ran it when you were out there?

Mr. BAKER. There was a gentleman out there that has a restaurant out there. He has some odd name. I just don't remember his last name, but I know him very well.

Senator CURTIS. You do know the owners?

Mr. BAKER. Yes, if you—if you mention the fellow's name, you probably have it there.

Senator CURTIS. I don't have.

Mr. BAKER. I am sorry, Senator.

Senator CURTIS. You never had any interest in there?

Mr. BAKER. The only interest I had was when they formed the club there. That place closed down and they formed a club and put me in as one of the executives of the club.

Senator CURTIS. You were an executive of the club?

Was that the Capri Club?

Mr. BAKER. Yes. That was later on. That was a club, a membership club, and they put my name in there.

Senator CURTIS. What office did you have?

Mr. BAKER. I don't know. They gave me a title.

Senator CURTIS. But you were an officer of that?

Mr. BAKER. They put my name down as an officer of the club.

Senator CURTIS. What did your membership cost you?

(The witness conferred with his counsel.)

Mr. BAKER. It was a social club. It was not a night club. It was social.

Senator CURTIS. What you joined was a social club?

Mr. BAKER. What I understand was a social club, sir.

Senator CURTIS. What kind of social activities were carried on?

Mr. BAKER. Can I speak to my attorney?

Senator CURTIS. Yes.

(The witness conferred with his counsel.)

Mr. BAKER. I can explain that, sir, in this manner. The fellow that owned the club when it was closed down wanted to form a social club, and naturally, he figured if he used my name as an executive of the club that he would get members from the official body of labor organizations that I was connected with, and they would patronize the club itself.

I gave him permission to use my name.

(At this point, the following members were present: Senators Ives and Curtis.)

Senator CURTIS. Did you ever attend the club?

Mr. BAKER. I wasn't there too long after that, and I never attended the club after it was closed, sir, and when they started this new function.

Senator CURTIS. When you had your residence at the Blackstone Hotel, it is rather a nice hotel out on the west end of downtown?

Mr. BAKER. It is.

Senator CURTIS. A very nice hotel?

Mr. BAKER. Yes, sir.

Senator CURTIS. What kind of transportation did you have?

Mr. BAKER. Well, an automobile.

Senator CURTIS. What kind of automobile?

Mr. BAKER. A friend of mine loaned me a car, a Cadillac, or Chevrolet, and I had a Cadillac at one time.

Senator CURTIS. It was loaned to you?

Mr. BAKER. Yes, sir.

Senator CURTIS. By whom?

Mr. BAKER. Loaned to me by a fellow that is a friend of mine up there, in Omaha, Nebr.

Senator CURTIS. What is his name?

Mr. BAKER. Mr. Novack, sir.

Senator CURTIS. Mr. Novack?

Mr. BAKER. Yes, sir.

Senator CURTIS. It wasn't a Cadillac furnished by the Teamsters?

Mr. BAKER. No, sir.

Senator CURTIS. Did they pay rent on it?

Mr. BAKER. No, sir.

Senator CURTIS. What is Mr. Novack's business?

Mr. BAKER. I think he is, or I know he is in the used car or new car business.

Senator CURTIS. Now, do you know a man by the name of Apple?

Mr. BAKER. Is that his right name or a nickname, sir?

Senator CURTIS. His name was Jack Apple when he was in the penitentiary, in Kansas.

Mr. BAKER. I never knew him at the time, sir.

Senator CURTIS. At what time?

Mr. BAKER. When he was in the penitentiary.

Senator CURTIS. Did you know him before?

Mr. BAKER. No, sir.

Senator CURTIS. Did you know him afterward?

Mr. BAKER. Yes, sir.

Senator CURTIS. What capacity did you know him?

Mr. BAKER. Only through the fact that he once came in to Chicago where I was working, and he introduced himself to me, and told me his name was Jack Apple, and that he just came out of the penitentiary, and that is the only time I ever saw him.

Senator CURTIS. You did telephone former Governor Ratner about Apple, didn't you?

Mr. BAKER. About Apple?

Senator CURTIS. Yes.

Mr. BAKER. Senator, can you give me in reference to what?

Senator CURTIS. I will tell you about it.

Mr. BAKER. I will appreciate it.

Senator CURTIS. Would you recognize this phone number, Main 1284 at St. Louis?

Mr. BAKER. I guess that is the Teamster office.

Senator CURTIS. That is where you called from?

Mr. BAKER. Yes, sir.

Senator CURTIS. And did you call Governor Ratner and ask if your friend, Gus Zapas, of Chicago, could visit Jack Apple in the penitentiary?

Mr. BAKER. I called Payne Ratner's office but could not speak to Payne Ratner and I don't believe he was there, and I believe I spoke to his secretary or someone in the office.

Senator CURTIS. What did you tell the secretary?

Mr. BAKER. I asked the secretary if they would ask Mr. Ratner if we could arrange a special visit for Mr. Zapas, to visit a friend of his, in that penitentiary.

Senator CURTIS. Now, by special visit, you meant one where he wouldn't have to talk through wire mesh, and where the guard wouldn't overhear it?

Mr. BAKER. That is right, they do that.

Senator CURTIS. Who was the friend?

Mr. BAKER. Gus Zapas is my friend.

Senator CURTIS. Who ask you to make that call?

Mr. BAKER. Well, I believe Gus Zapas was discussing in my presence that he would like to visit somebody in the penitentiary in Kansas and didn't know how to go about it, and he would like to get there, and there was some visitation in the penitentiary. I told him that I may be able to do something in that line. I would call a friend of mine. I then made the phone call.

Senator CURTIS. Now, did they get the arrangement made?

Mr. BAKER. No, sir. I never heard from his office at all.

Senator CURTIS. Now, what appears to be a memorandum from the Payne Ratner file says:

And it is a call from Baker, operator 9—

and this number you have identified—

arranging for a friend, Gus Zapas, of Chicago, to visit Jack Apple, Federal penitentiary, and not have to talk through a wire mesh. Exceedingly difficult to talk but was able to arrange for Zapas to talk to Apple without having to talk through wire mesh. However, the Federal rule that a guard must be present so could listen in on the conversation, but Governor has arranged for the guard to wander off, and if Zapas and Apple talk in low voices he will not hear the conversation.

Is that the arrangement that you made?

Mr. BAKER. I don't know about the guard stepping aside.

Senator CURTIS. You just got through saying you called for a special visit?

Mr. BAKER. Yes, a special visit.

Senator CURTIS. Where there was no wire mesh and no guard listening?

Mr. BAKER. I didn't say no guard listening, and I just said arrange for a special meeting, Senator.

Senator CURTIS. Now, also, this memorandum from Ratner's office says—

Procedure: Zapas has to write Warden Looney just stating he wants to visit Apple.

Did you tell Zapas that? Did he relay this back?

Mr. BAKER. I don't recall ever telling Zapas anything, and I didn't hear any more from the visit, sir.

Senator CURTIS. It says:

Don't mention Governor's name, but warden will know what it is and he will write Zapas and tell him he can visit with Apple. If Zapas has no criminal record, should have no difficulty. However, if Zapas has criminal record, might be little difficult.

Did you get that information?

Mr. BAKER. No, sir.

Senator CURTIS. Then it says: "Counting on him having Hoffa been in touch with Governor when he gets out this way."

What did that mean?

Mr. BAKER. I never heard of that, Senator. I don't know what it means at all.

Senator CURTIS. Did you ever pay any money to Payne Ratner?

Mr. BAKER. Me pay money?

Senator CURTIS. Yes.

Mr. BAKER. No, sir.

Senator CURTIS. Did you ever carry any money to him?

Mr. BAKER. No, sir.

Senator CURTIS. You never delivered any Teamster money to Payne Ratner?

Mr. BAKER. No, sir, Senator.

Senator CURTIS. No money of any kind?

Mr. BAKER. No, sir.

Senator CURTIS. Did you ever bring to Payne Ratner any money to be used for political contributions?

Mr. BAKER. No, sir.

Senator CURTIS. Did you discuss political contributions?

Mr. BAKER. No, sir.

Senator CURTIS. Did you discuss political contributions to any governors or candidates for governors with Payne Ratner?

Mr. BAKER. No, sir.

Senator CURTIS. Now about judges of the Supreme Court?

Mr. BAKER. No, sir.

Senator CURTIS. You know nothing about that?

Mr. BAKER. No, sir.

Senator CURTIS. Do you know how the money got to Payne Ratner for this?

Mr. BAKER. I don't know if Payne Ratner got any money, Senator, and I don't know anything about that.

Senator CURTIS. Did you ever bring any Teamsters money into town, and give it to Smith, the Teamster representative there in Wichita for the purpose of handing on to Ratner?

Mr. BAKER. No, sir, you are talking about the Teamsterman Sam Smith?

Senator CURTIS. Yes.

Mr. BAKER. No, sir.

Senator CURTIS. Did you ever deliver any packages to Payne Ratner?

Mr. BAKER. No, sir.

Senator CURTIS. No packages of any kind?

Mr. BAKER. No, sir.

Senator CURTIS. What are in these packages that Governor Ratner writes about back and forth with the Teamsters' Union?

Mr. BAKER. I really don't know.

Senator CURTIS. You have no idea?

Mr. BAKER. I never heard of that word, the packages.

Senator CURTIS. Have you paid any attention to the political end of it?

Mr. BAKER. No, sir.

Senator CURTIS. You have given no attention to the political end of the Teamster activity at all?

Mr. BAKER. You are talking about what?

Senator CURTIS. Contributions to candidates?

Mr. BAKER. No, sir.

Senator CURTIS. Did you ever raise any political money for anybody?

Mr. BAKER. I didn't, sir.

Senator CURTIS. Did you ever raise any for Harriman?

Mr. BAKER. I didn't, sir.

Senator CURTIS. Did you have anything to do with it?

Mr. BAKER. In what respect?

Senator CURTIS. Raising the money, or delivering it, or collecting it?

Mr. BAKER. No, sir.

Senator CURTIS. You never delivered any campaign money to Harriman or to any of his committee?

Mr. BAKER. I didn't deliver any money to Mr. Harriman or any of his committee.

Senator CURTIS. Did you ever discuss any of these matters with Jake Moore?

Mr. BAKER. No, sir.

Senator CURTIS. Now, he has been State chairman of the Democratic Party in Iowa, hasn't he?

Mr. BAKER. He has, sir.

Senator CURTIS. He is your father-in-law?

Mr. BAKER. A fine gentleman and wonderful man.

Senator CURTIS. He is your father-in-law?

Mr. BAKER. He is, sir.

Senator CURTIS. You never discussed these things with him?

Mr. BAKER. No, sir.

Senator CURTIS. You never discussed the political situation, who the Teamsters would support?

Mr. BAKER. Senator, I was in love with his daughter and I wasn't interested in politics. Excuse me; I am not trying to be funny in any way; I just had to express myself.

Senator CURTIS. That is all at this point.

Senator IVES. If there is nobody else here, I want to say to the witness that we are about to adjourn until tomorrow morning at 10:30, and I want him to be here at 10:30, because I think that you will probably be the first one called tomorrow morning.

In closing, I want to say, and I am constrained to say, and I am sorry to have to say it, but in the light of the testimony that has been given by this witness, I am constrained to observe that he symbolizes all that is wrong with the Teamsters.

With that we will adjourn until tomorrow at 10:30.

(Whereupon, at 4:20 p. m., the committee adjourned, to convene at 10:30 a. m. Thursday, August 21, 1958.)

APPENDIX

EXHIBIT No. 28

1. 1911

2. 1912

3. 1913

4. 1914

5. 1915

6. 1916

7. 1917

8. 1918

9. 1919

10. 1920

11. 1921

12. 1922

13. 1923

14. 1924

15. 1925

16. 1926

17. 1927

18. 1928

19. 1929

20. 1930

21. 1931

22. 1932

23. 1933

24. 1934

25. 1935

26. 1936

27. 1937

28. 1938

29. 1939

30. 1940

EXHIBIT No 30A

Handwritten text, possibly a name or date, mostly illegible.

Handwritten text, possibly a name or date, mostly illegible.



1937
CENTRAL STATES CONFERENCE OF TEAMSTERS - 1127 PIPE STREET - ST. LOUIS 1, MO

EXHIBIT No. 300

300
710
100

STANDARD OIL COMPANY OF INDIANA
INDIANAPOLIS, INDIANA

NO. 101

STANDARD OIL COMPANY OF INDIANA

NO. 101

STANDARD OIL COMPANY OF INDIANA

NO. 101



EXHIBIT No. 34

EXHIBIT No. 34—Continued

EX-110

RATNER, MARION - DISTRICT
ATTORNEY AT LAW
604 NORTH BENTLEY STREET
WICHITA, KANSAS
ANNOUNCEMENT

September 22, 1954

ROBERT H. RATNER
DONALD S. GARDNER
LEONARD RATNER
ARVID H. RATNER, JR.
SUSANNA GARDNER
DORIS S. RATNER, JR.
WANDA GARDNER, JR.
GENERAL F. ROSE
CORTIS GALEY
DONALD S. RATNER

Hon. Wint Smith
Congressman from Kansas
House of Representatives Office
Washington, D. C.

Dear Wint:

This is the third or fourth letter I have written you without receiving a reply. Of course, the letters have not received your personal attention. I am sure of this because I know you well enough to know that you would not knowingly treat me this way. I have asked in each letter if any date had been set or any plans adopted by your sub-committee on investigation of union welfare funds.

As you know, I am interested in this, particularly from the standpoint of the Union Casualty Life Insurance Company of Mount Vernon, New York.

I will be grateful for an early reply.

With my very best personal regards, I am,

Sincerely,

MR:vb

cc - Muskato, Kansas

EXHIBIT No. 37

RATNER, MATTOX & RATNER
 ATTORNEYS AT LAW
 204 NORTH MARKET - P. O. BOX 215
 WICHITA, KANSAS

TO THE ORDER OF
 RAYMOND M. KELLEY
 \$100.00
 ONE HUNDRED DOLLARS
 RATNER, MATTOX & RATNER
 WICHITA, KANSAS

574
 10/11/33
 10/11/33
 10/11/33

WICHITA STATE BANK
 WICHITA, KANSAS

15

PAY TO THE ORDER OF
 ANY BANK, BANKER OR TRUST CO.
 ALL PAID
 \$100.00
 HAYWARD STATE BANK
 WICHITA, KANSAS
 OCT 11 1933

WICHITA STATE BANK
 WICHITA, KANSAS

EXHIBIT No. 50

*Chauffeurs, Teamsters and Helpers*

LOCAL UNION No. 135 A. F. OF L.

1233 SHELBY STREET
INDIANAPOLIS 3, INDIANA

EXHIBIT No. 52

March 16, 1955

Mr. Jack B. Kammins
 115 North Pennsylvania Street
 Indianapolis 4, Indiana

Re: State Cab, Inc.

Dear Mr. Kammins:

Pursuant to our conversation, I am enclosing herewith my original letter to you of March 9 and following my discussion with Mr. San Soucá, I am also listing below the earned premium charges from January 17 to February 25:

Exchange #X62240	\$654.97
Exchange #X62247	169.85
Rems #8F543175	21.00
	<u>\$845.82</u>

The only one omitted is the earned premium charge on the Workmen's Compensation since this cannot be developed until the final audit is received.

I trust that I will hear from you soon in order to bring this matter to a successful conclusion.

Very truly yours,

Hershel B. Mendelsohn

cc: A. Dorfman
 cc: Gene SanSouce

*Hot
 Glenn*

4/15
~~4/25~~

5/10
5/13
5/19

EXHIBIT No.



ALRO INSURANCE AGENCY, INC.

INCORPORATED IN THE STATE OF NEW YORK

10 EAST 42ND STREET, NEW YORK 17, N.Y. TEL. BR 1-014

A. EN...
HERZ...
SAMUEL N. FLEMMING

EXHIBIT No. 54



UNION CASUALTY & LIFE INSURANCE COMPANY

AGENCY

100 North Madison St

Chicago, Indiana

Subject 2449

AV

Faint, mostly illegible text in the center of the page, possibly a letter or report.

General Agent
Insurance Co.

EXHIBIT No. 59

Long Distance
Calls

1955

apl 27 - Harlan Rowe -
Kenwood 12551
Detroit

apl 25 - E R Biedler
Greenbrook 13800
Detroit

~~apl 2~~
May 2 - Herbert Grossberg
Woodward 54900
Detroit

apl 28 } James Hoffa
 } Woodward
May 2 } 11241
 } Detroit
 } ME 6 3561

Memo
2/21/58
James Hoffa -
Steel Corp Co.

EXHIBIT No. 56A

PALMER HOUSE

CHICAGO

TELEPHONE CALL

ROOM NUMBER 7189 DATE 6-2MR. Samuel P. WeinsteinMESSAGE: Please callMr. GoodmanCall before 14 upon arrival

EXHIBIT No. 57

Particular T. L. Call

② James Hoffa - Detroit
 Woodward 1-1241
 Apr. 29.
 May 2.

① Herbert D. Dwyer
 Detroit.
 ✓ Woodward 5-4900.
 May 6. & 26.

③ Phil Goodman, atty.
 Chicago, Ill.
 May 3 & May 19.

Harlow Rowe &
 (Woodward 12601)

✓
 E. R. J. Little,
 Twinbrook 13800

Both of Detroit have
 been called

EXHIBIT No. 57A

Edith Probststein — 47A

Herbert Dransberg, — Detroit.

W. D. Dransberg

Talked to him by tel on July 9, 1935

He is an accountant and tax expert.

Talked to Eare w. lily ab. & top
problems connected with sale of State
Eare Co

James Huffer — Detroit W. D. Dransberg 1-1241

V.P. of Union of D. T. D.

Talked to Eare about

selling insurance to union men in
district. Hardly knew Eare.Eare appeared. Huffer says Eare
was very cozy

EXHIBIT No 60

5-10-55



No 5586

1955 MAY 11 41

NAME A. Dorelman
PLEASE WRITE PLAINLY TO INSURE GOOD SERVICE

STREET 9 E. Huron

CITY Chicago Ill

ARRIVED	DEPARTED	ROOM	RATE	CLERK	ACCOUNT NO.
5/10	5/11	915	5 ⁰⁰ 5 ⁰⁰ ADD	F	41513

5-10-55

604

THE MAROTT

WELCOME

9 27
10
MAY 1955

Goodman

N^o. 5577
Baronia

NAME P. Goodman & -

PLEASE WRITE PLAINLY TO INSURE GOOD SERVICE

STREET 9 E Huron St

CITY Chicago, Ill

ARRIVED	DEPARTED	ROOM	RATE	CLERK	ACCOUNT No.
5/10	5/11	911	10.00	T-	41504 41505



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