Office Memorandum. UNITED STATES GOVERNMENT

Mr. Ladd

FROM

Mr. Rosen Killy wm

SUBJECT:

WARREN OLNEY III Special Inquiry

DATE:

January 14, 1953

SYNOPSIS:

Olney highly recommended but while Chief Counsel of California Commission on Organized Crime was sued in \$300,000 libel suit filed 3-6-50, Oakland, California, by George W. Rochester, accusing Olney of making a false statement to the press that Rochester influenced the California Attorney General's Office on behalf of bookie-wire service after Rochester had been bribed by Jack Dragna, owner of the Universal Sports News. Jury acquitted Olney. No formal action taken by Bar Association against Olney on Jury acquitted charges based on libel suit and made by Rochester to Grievance Committee.

Father considered loyal and outstanding lawyer. Contact of confidentia informants negative.

PURPOSE:

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED and DATE 10-31-90 BY50/

To advise concerning certain information developed on **67C** appointee and his deceased father, which is being included in the summary memorandum being transmitted to Mr. Herbert Brownell, Jr.

DETAILS:

The investigation developed no derogatory information on Olney, who is highly recommended by Governor Earl Warren and many others. However, he has been Chief Counsel of the California Governor's Commission on Organized Crime since November, 1947, doing outstanding work. On 3-6-50, a \$300,000 libel suit was filed at Oakland, California, by George W. Rochester alleging Olney made a false statement about Rochester to the press. The statement accused Rochester, who was Chief Counsel for the Legislative Small Loan Investigating Committee (of the California Legislature in 1949, of influencing the California Attorney General's Office on behalf of the bookie-wire service after (Rochester had been bribed with \$360 by Jack Dragna. Dragna was owner of the Universal Sports News, which was head office for the bookiewire service. The jury acquitted Olney.

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Also, no formal action was taken by the Bar Association against Olney on charges based on the libel suit and made by Rocheste to the Grievance Committee, as it was the opinion of the members that the charges were merely a method used by Rochester to try to intimidate and coerce Olney.

The Labor Youth League and the Civil Rights Congress have been cited by the Attorney General, and the Independent Progressive Party has been cited by the California Committee on Un-American Activities. The father's name was also on a 1937 list of members of the American Council of the Institute of Pacific Relations which was also cited by the California Committee on Un-American Activities. All persons and outstanding in the legal profession, having been a member of the California Supreme Court and a member of a reputable San Francisco law firm for many years until his death.

Contact of reliable confidential informants familiar with some phases of un-American activities in the San Francisco Bay area was made with negative results as to appointee or any member of his family.

ACTION TAKEN:

The above information has been included in the summary from the investigation, which is being transmitted to Mr. Herbert Brownell, Jr.