

# THE STATES-ITEM

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New Orleans, La.

10 Cents

# GERVAIS DENIES GOVERNMENT SOUGHT PEACE WITH DA

Testimony on A-2, D-13.

**EDITOR'S NOTE:** The following story was compiled by States-Item staffers Lanny Thomas, Allan Katz, Ed Lepona and Bill Rainey.

Pershing Gervais testified today his previous claim that he was coerced into becoming a government undercover agent was false. He said he made it because he wanted to come back to New Orleans and he feared harassment and retaliation by Dist. Atty. Jim Garrison.

Gervais, a surprise rebuttal witness in the pinball bribery trial of Garrison and two pinball executives, said his statements about coercion, made in the summer of 1972, were "absolutely false."

They were made, he said, when he was in Canada where the government had sent him to live after he gathered tape-recorded information that led to the arrest and indictment of Garrison and nine others on a charge of conspiracy to obstruct law enforcement.

giving and taking bribes to protect pinball gambling.

"Once I decided I was coming back," Gervais said, "I had to make peace with Garrison so I wouldn't be the subject of harassment and retaliation."

Gervais said it was only a few days ago that he decided to testify for the government in the trial of Garrison, John Arms Callery and Robert Nims. He said U.S. Atty. Gerald J. Gallaghery had asked him to testify.

Before the trial started and he had declined. He decided to testify, he said, after Garrison investigators Louis Ivon and Lynn Loisel testified he was a shakedown artist and made other allegations against him.

HE SAID he also wanted to clear up allegations the two made against lawyer Burton Klein. The investigators said Gervais once accepted a bribe from Klein to influence the outcome of

Gervais, once a close friend and chief investigator for Garrison, gave the U.S. District Court jury a step-by-step account of how government agents wired him for sound and sent him with marked money to make bribery payoffs to Garrison and former police Capt. Frederick A. Soule Sr., who has pleaded guilty in the case.

The former government spy also testified tape recordings of his conversations with various defendants are "exactly the same" as his conversations with Garrison and others.

Under cross-examination by Garrison, Gervais admitted he owes the federal government \$8,000 in back income taxes and said the government has never asked him to make a payment on that debt.

That admission came during lengthy questioning by the DA, who took over the cross-examination after Virgil Wheeler, who represents Callery, questioned Gervais at length.

Gervais told Garrison he filed amended income tax returns but said the government has never charged him with any crime in connection with his tax problems.

He testified he has been granted immunity from prosecution on charges stemming from his testimony in the current trial, with the exception he could be prosecuted for perjury or contempt.

"Do you feel it is unlikely you will be prosecuted by the federal government for anything?" Garrison asked.

"I do not expect to be prosecuted," Gervais replied.

Under questioning by Wheeler, Gervais admitted being fired from the New Orleans Police Department and said the firing was for three reasons, one of which he could not remember.

"One was that I was in New York with a woman who I was not married to," Gervais said.

He said another reason was that he was engaged in a business without the

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Yesterday's testimony on D-19.

The government continued questioning its star witness, Pershing O. Gervais, today getting him to track minute details of his alleged payoffs to Dist. Atty. Jim Garrison and others accused in the pinball bribery trial.

The courtroom was filled to capacity this morning when Gervais entered the room to continue testimony he began yesterday.

Gervais carried with him an attache case and sauntered to the witness stand.

Asst. U.S. Atty. Mike Ellis asked Gervais to recount his

meetings with Harby Marks and with Garrison after March 1971.

GERVAIS SAID he did not know Marks until Louis M. Boasberg, president of New Orleans Novelty Co. and a codefendant in the case who has entered a plea of guilty, introduced him.

"Boasberg identified him as a trusted employe," Gervais said.

He told Ellis that Marks "was set up to deliver money to me which I would give to Soule and to Garrison." Gervais said Marks first delivered \$2,000 to him, "\$1,000 for Soule and Frey and \$1,000 for Garrison," in early March of 1971.

The delivery took place in Gervais' room in the Fontainebleau Motor Hotel at Tulane and Carrollton avenues, Gervais said.

The government informer said his meetings with Marks were tape recorded and Internal Revenue Service agents were in an adjoining room. Gervais said that when Marks turned over the money in a brown envelope, "I counted it in his presence and audibly so it could be picked up by the tape."

GERVAIS TOLD Ellis he turned over the money and listened to the government tape immediately after Marks left the room.

Ellis asked Gervais if the recording was identical to the conversation which took place between Marks and him.

"It was exactly the same as I could humanly determine," Gervais said.

Gervais told Ellis the government then gave him \$1,000 in marked money and prepared him to record a conversation with Capt. Frederick Soule, then commander of the Vice Squad.

Gervais said Soule came up to his room shortly after Marks, and this meeting also was monitored and recorded. He said after the money was exchanged, he listened to the government tape immediately afterwards, "and it was exactly the same."

GERVAIS SAID some change was made in preparing him to meet Garrison at his residence.

He told Ellis that previously he had carried a small microphone in his left coat pocket but it was causing a lot of noise.

Gervais said IRS agents rigged him up so the receiver was placed under his arm for his meeting with Garrison.

Gervais said he was given \$1,000 in marked money before meeting Garrison, and he was searched by IRS agents before leaving his room at the Fontainebleau.

He said he drove to the Garrison residence at 4600 Owens Blvd., in his own car with IRS agent Arlie Puckett in the trunk of the car with a recording unit and a receiving unit.

Gervais said he parked directly in front of the DA's residence and entered through the side door.

He said he gave the \$1,000 to Garrison.

ELLIS ASKED Gervais if the name, Charles P. Cable, came up in this meeting with Garrison. "It was a name that Garrison asked me about repeatedly," said Gervais.

Gervais said Garrison "wanted me to check him out, to see if we could place him at a certain time in the Fontainebleau Hotel."

Ellis pulled out a piece of note paper and Gervais said it was in his own handwriting and it contained the name of Charles P. Cable and the dates Nov. 18-23.

Gervais said the note was one item he turned over to IRS agents after his meeting with Garrison.

Gervais said that after delivering the money to Garrison he drove to City Park, where agent Puckett got out of the trunk and removed his recording equipment.

Gervais said his car was searched and he was again personally searched when he returned with agents to the Fontainebleau.

ELLIS ASKED him if he listened to the taped recordings of his meeting with Garrison. Gervais said he listened to the tape immediately afterwards, "and it was excellent. It was exactly the same conversation."

Ellis asked Gervais if he had listened to the tape recently, and he said he had. "Is it exactly the same conversation" Ellis asked.

Gervais replied, "It is." Ellis asked Gervais if he, at any time of the year, possessed the tape recording.

"No sir, never, not at any moment," Gervais said.

Gervais then told Ellis that he met Marks a second time in May of 1971 to receive another \$2,000.

He said agents followed the same procedure they used at

the initial meeting, giving him marked money and recording and monitoring the conversation. He said his later meeting with Soule, where he gave him another \$1,000 was also taped, following the same procedures.

Gervais also told of a second alleged payoff made to Garrison at the Fontainebleau Hotel.

He said Garrison's chief investigator, Louis Ivon, told him the DA had taken a room in the motel side of the Fontainebleau.

Gervais said IRS agents had him under surveillance as he entered Garrison's room at the Fontainebleau.

Q. Did you hand the money to him? Ellis asked.

A. I did. He said Puckett followed him back to his own room after he delivered the money and there he was searched and they listened to the taped conversations.

He said that conversation on tape is the same now as was spoken that day in the room.

GERVAIS THEN testified he recovered some marked bills he had delivered to Garrison. He said he learned that Steve Bordelon, an investigator for Garrison, had paid a bill at the hotel with "big bills" and "it occurred to me that the marked money might be among those bills."

Gervais said he contacted the hotel manager and told the manager he needed to cash a check. The manager arranged for the cashier to cash the check, he said, and he then recovered some of the marked money.

Ellis asked, "After that date, did you again receive money for delivery to Garrison?"

A. Yes, for Marks.

Q. How much?

A. \$2,000.

Gervais then identified money he said was brought to him by Marks. The money that was delivered, he said, was substituted with bills from a government fund and they were treated with a fluorescent powder and marked.

Q. The same day Marks brought you money, did you have a phone conversation with Garrison?

A. Yes.

He said Garrison called him at the Fontainebleau to explain that he was going to rehire Frank Klein and for that not to upset Gervais.

Gervais said during that phone conversation, he ar-

anged to meet Garrison that night at his home. The government claims this was the night of June 29, 1971, the night before Garrison was arrested.

Gervais said IRS agents again equipped him with a body transmitter, gave him \$1,000 in marked money and searched him before he went to Garrison's home.

Gervais said he drove to Garrison's residence in a station wagon and met the DA in a downstairs study. "I gave him the envelope and he put it in his top desk drawer and locked it," said Gervais.

That envelope, he added, contained the \$1,000.

Returning to the Fontainebleau Motor Hotel, the tape recording was played and it accurately reflected the conversation in Garrison's home, Gervais said.

Gervais said he listened to that tape again recently and that it has not been changed.

Gervais also testified that he gave \$1,000 of the \$2,000 that Marks had given him to Soule. He said he told Soule "a preconceived story" in order to bring Soule and Police Sgt. Robert Frey for a meeting on the morning of June 30, 1971.

Frey was to get a portion of that \$1,000, Gervais said, and he urged that they meet that morning so Soule would give him the money and the money would be in Frey's possession when he was arrested by federal agents.

In reference to the \$4,000, Gervais said he gave to Garrison in 1971, Ellis asked him, "Was it for the same purpose as that for which you delivered money from the years 1962 to 1970?"

A. "It was."

Q. Was the purpose of it to protect pinball gambling?"

A. Yes.

Gervais then told the court he left New Orleans on the morning of June 30, 1971, for Canada, where he was to live under an agreement worked out by the government. About two months after he arrived in Canada, he returned to New Orleans "furious, disenchanted and disappointed."

"The moment I left New Orleans not a thing worked right. This is built up in me. My family was very unhappy and I came back."

Gervais said he talked to John Wall, then head of the Organized Crime Strike Force

in New Orleans, and IRS agents and they indicated they would try to improve the situation.

About six or seven months later, however, he decided to return to New Orleans permanently, he said. He said at this point he telephoned Garrison and tried to make peace. He said he then came back and Garrison assured him there would be no problem.

He said that he moved from Canada to Pass Christian, Miss., and then moved from Pass Christian to Brookhaven, Miss., last December.

It was at this point in the testimony that he refuted allegations that he once made that the government coerced him into being an undercover agent.

He said he made those statements in television interviews because he thought it was "the prudent thing to say if I came back to New Orleans" but he said those statements were "absolutely false."

The first defense attorney to cross-examine Gervais was Virgil Wheeler, representing John Aruns Callery.

Q. Are you still under oath?

A. Of course. Yes, I am.

Q. Yesterday and today?

A. Yes.

Q. You related your history of being on the New Orleans Police Department—and that you were finally fired.

A. Yes.

Q. You were finally fired.

A. There were three reasons, only two of which I clearly remember. One was that I was in New York with a woman who I was not married to. The second was that I was engaged in a business without the permission of the superintendent of police.

Q. Were you in New York with a woman to whom you were not married?

A. Yes.

Q. Was her name Martha Kaiser?

A. She was one of the people.

Q. What was the third reason for your being fired?

A. I don't remember exactly.

Q. Could the reason have been that you went to New York to convert diamonds to cash?

A. (Laughing) No, sir, absolutely not.

Q. Do you recall if, at the time you were dismissed, there was a big police investigation going on?

A. Yes. Many policemen were in trouble.

Q. Was that about the time that you first met with Norban Perry?

A. It was about that time.

Q. What did Mr. Perry want?

A. He wanted the kind of information that IRS agents are always interested in—undeclared income.

Q. Let me clarify that Mr. Perry was an IRS agent. Did Mr. Perry tell you that you were under investigation?

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A. Not at that initial contact. They sought my cooperation.

Q. Did you cooperate?

A. I remember meeting them at the door and saying, "You guys have come to the right place."

Q. Did you testify for the IRS in subsequent trials?

A. One time. You represented the man, Mr. Wheeler. It was Mr. Paternostro.

Q. Did you make a deal with IRS that you would not be prosecuted in return for your cooperation?

A. Not that I recall.

Q. Let's go to the time when you say you began receiving money from Mr. Callery. Was that about 1963?

A. I would suppose so.

Q. Tell us about the occasion when you first met with Mr. Callery and the person who asked you to meet with him.

A. Mr. Garrison told me to meet with Mr. Callery. Later, I received periodic payments.

Q. Where were the payments delivered to you?

A. In most instances at the A&G Restaurant at Canal and Broad.

Q. Prior to Mr. Callery's coming on the scene, had you ever received any payments of bribe money for protection of the pinball industry?

A. Not one cent.

Q. You are certain?

A. Absolutely certain.

Q. After you left the DA's office in 1965 where did you receive the bribe payments?

A. At the Fontainebleau.

Q. After you left the DA's office, did you and Capt. Soule have other illegal transactions?

A. We did.

Q. Who approached whom?

A. My attitude is, he approached me. We were having a conversation and our arrangement grew out of it.

Q. What was your arrangement with Soule? Were you protecting handbooks and lotteries?

A. Handbooks, lotteries, yes.

Q. Dice games, card games, massage parlors?

A. No. Not those. A steam bath place. A friend of Mr. Soule's.

Q. During 1966, '67, '68, '69 and '70, did this relationship continue between you and Mr. Soule?

A. Yes.

Q. Did you ever discuss with Mr. Soule the fact that you received money from the pinball industry?

A. Soule approached me and said that we had a mutual friend in the pinball business. After some talk, we later identified that party as being Mr. Callery. This made us pals, so to speak. Soule told me that certain people were approaching him over and over. He asked me to handle them if he sent them to me and I agreed.

Q. Did Soule tell you how much he was getting?

A. No, sir. No details.

Q. When did you learn from whom and how much?

A. I think he told me later on. He went into specifics when they were trying to correct the pinball industry.

Q. When was that?

A. After the federal government raided the pinball machines.

Q. What happened then?

A. It was a new ball game. There was nothing left to protect. Mr. Callery brought Mr. Boasberg to me and we bargained over the terms of protection for the resurrection of the pinball industry.

Q. Were you later the subject of an investigation by IRS?

A. I was the subject of an investigation. I called Mr. Norban Perry of IRS and asked him to meet with me at the Fontainebleau.

Q. What did you discuss?

A. I asked them if the investigation of me was completed? I told them I was confident that they would not find anything when the investigation was completed. I offered to work with them to get information about illegal activities after their investigation of me was over.

Q. Did you tell them at that time that you knew of illegal payoffs?

A. I did not tell them of any details.

Q. What was your problem with IRS at that time? Did you have income tax problems?

A. They were investigating me.

Q. Was it a problem?

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A. I would have to say it was a problem, but I certainly felt secure.

Q. Did you discuss the allegations against you with the IRS agents?

A. I did not.

Q. Did you ask for immunity from prosecution?

A. I did not.

Q. What happened at the third meeting with Puckett in the room at the Fontainebleau?

A. We worked out an arrangement whereby Puckett was assigned to gather whatever intelligence I could furnish. The Internal Revenue investigation of me produced nothing. They could find nothing, therefore we were ready to proceed.

Q. Did you tell Puckett any details of payoffs?

A. No.

Q. What kind of agreement did you reach?

A. That I would furnish and disclose payoff information providing my identity would not be disclosed.

Q. Did you agree to furnish information relative to pinball payoffs?

A. I agreed to furnish intelligence about what I knew about corruption, graft or whatever. It was a blanket agreement.

Q. Following that third meeting, which agents did you meet with?

A. From then on I met with Puckett. He was my principal contact.

Q. Did you discuss any conditions under which the government would relocate you and your family?

A. Not initially, but after I agreed to tape.

Q. Did you make any tapes prior to November of 1970?

A. I can't remember, whatever's on the affidavit is the

date we began.

Q. What were the terms of your agreement with the federal government?

A. That they would relocate me and my family to another country, with a whole new identification and a meaningful job and at a salary of \$22,000 a year.

Gervais told Wheeler that his family met him in Boston, and they drove to Montreal and across Canada to Vancouver where he began his new job on June 30, 1971.

He described his duties as traffic engineer with General

Motors and said, "That was one of the things which I became disenchanted with."

Gervais said, "I did not feel it was a meaningful job."

He said his duties were mainly to check that rail cars were moving and this required about two days of work each week.

Q. Did you receive money from the government prior to your moving to Vancouver?

A. None.

Gervais said afterwards the government made up the difference between the \$18,000 a year which GM paid him and the \$22,000 which he had demanded.

Q. When did you return to this country?

A. I can't remember the exact date, but it was about 60 days after I moved.

Q. Did you have any further conversation with Mr. Moore or Mr. Wall (IRS agents)?

A. I did not.

Wheeler produced an agreement and asked Gervais to identify it. Gervais said, "It was an agreement which I insisted upon." He said the pact outlined conditions whereby he would remain in Vancouver.

Wheeler noted that one condition of the agreement was that Gervais would not re-enter the country without specific clearance from the Justice Department.

Q. Was this imposed on you?

A. Of course.

Q. Why?

A. You'll have to ask the Justice Department.

Referring to a government letter dated Sept. 28, 1971, in which an agreement was spelled out that Gervais could not re-enter the United States without approval of the Justice Department, Wheeler asked Gervais if he were not concerned about "that imposition?"

Gervais said he concluded that the reason for the provision was that re-entry into the United States had created "a grave problem for the Justice Department."

Gervais said that prior to his initial departure from the U.S., he and the government had an understanding but they did not discuss his return to the country.

"It was my idea to leave," he said. "Nothing would have delighted the government more for me to come back and testify."

Wheeler questioned Gervais at length about a government

document indicating he had told IRS agents about a bribery scheme as early as July, 1969.

Gervais said he did not recall the date he first told the IRS about the bribes but had fed IRS agents information about bribes for some time before he began monitoring and recording conversations.

Jim Garrison then began his cross-examination of Gervais.

Q. Do you recall where we first met?

A. At Jackson Barracks.

Q. Do you recall when?

A. It would have been prior to World War II.

Q. Perhaps early 1941?

A. Yes.

Q. Before we both began wearing glasses?

A. Yes.

Q. Do you remember where we went from Jackson Barracks?

A. I recall we went to Camp Shelby, Miss.

Q. What outfit were we in?

A. The Washington Artillery of the Louisiana National Guard.

Q. What kind of a relationship would you say we had in those years?

A. As related to what?

Q. You recently described our relationship as being 'acquaintances.' Would you say that when we were in the Army we were good friends?

A. My good friend was Charlie Weiss. You were a friend. We did not socialize.

Garrison tried to ask further questions about their Army life but Judge Christenberry upheld objections from the prosecution that it was irrelevant.

Q. Later, after I became DA, did you become my chief investigator.

A. Yes.

Q. Do you remember when some people in the city were accusing you of having taken a bribe in the Beilosh case?

A. Yes I do.

Q. Do you remember what my position was?

A. Yes. You asked me if I took the money. I said I did not and you defended me.

Q. Do you recall the nightly raids we made on the clip joints in the French Quarter?

A. Yes. It was my idea, as I recall.

Q. Well, we'll share the credit for it. Do you remember when I got in trouble with the judges whom I accused of interfering with our investigation?

A. Yes.

A. Let me tell you this. I'm very sensitive about that and I don't want to go into it.

At this point, Judge Christenberry ordered Garrison to move to other areas of questioning.

Q. Do you recall the seafood party at Jaeger's given for you after you left the DA's office where I presented you with a plaque?

A. Yes, I do.

Q. Do you know why I gave you that plaque?

A. Frankly, no.

Q. In the four or five years after 1965 when you left the DA's office, isn't it true we saw very little of each other?

A. Very little.

Q. Did I ever visit your residence?

A. No, you never did.

Q. Did I ever visit you at the Fontainebleau?

A. I have no recollection of it.

Q. Did you visit my house frequently?

A. Not frequently, but on some occasions.

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# Opponents

Pershing O. Gervais, left, key government witness, and Dist. Atty. Jim Garrison, attorney-defendant, arrive for today's session of the five-week-old bribery trial. (States-Item photos by Tony Vidacovich.)