

The Government's Case: II

Pinball Bribery Affidavit Text

(Editor's Note: The States-Item continues today with the second installment of the text of the affidavit charging pinball bribery filed against Dist. Atty. Jim Garrison and others by Floyd D. Moore, special agent for the Internal Revenue Service.

(The affidavit will be quoted verbatim, except that obscene terms will be deleted.

(Another installment will be printed tomorrow.)

AFFIDAVIT FOR COMPLAINT

AND SEARCH WARRANTS

On June 30, 1971, before Morey Sear, United States Magistrate in and for the Eastern Judicial District of Louisiana, personally appeared the undersigned affiant, Floyd D. Moore, who being duly sworn, deposes and says:

(1) I am Chief, Intelligence Division, Internal Revenue Service for the Internal Revenue Service District of New Orleans and have held such position since September, 1967. The New Orleans District covers the State of Louisiana.

(2) Since September, 1967, I have supervised investigations conducted by Special Agents of the Intelligence Division, Internal Revenue Service, in the State of Louisiana, including potential violations of the criminal provisions of the Internal Revenue Laws, to wit, Title 26, United States Code, Section 7201 — "Attempt to evade or defeat tax," and Title 26, United States Code, Section 7206 (1) — "Fraud and false statements," by Jim Garrison, aka James Carothers Garrison, District Attorney, Parish of Orleans, Captain Frederick A. Soule Sr., New Orleans Police Department assigned as an investigator to the staff of District Attorney Garrison, Pershing Gervais, and other individuals, some named herein and others un-named, who have been and are engaged in illegal gambling businesses in the State of Louisiana.

(3) As a result of evidence discovered in the foregoing investigations and evidence dis-

covered in investigations of potential violations of other Internal Revenue laws relating to gambling devices, I have, in the past 8 months supervised a portion of an investigation of offenses involving the Louisiana pinball industry and certain public officials including law enforcement officers, and as a result of my personal direction of that investigation and of reports made to me by federal agents under my supervision, as well as reports to me from agents of other federal Agencies, I am familiar with the circumstances of the offenses involving violations of certain sections of the "Organized Crime Control Act of 1970", including Title 18, United States Code, Section 1511 — "Obstruction of state or local law enforcement," and Section 1955 — "Prohibition of illegal gambling businesses," as well as violations of Title 18, United States Code, Section 1952 — "Interstate and foreign travel or transportation in aid or racketeering enterprises" and Section 2 — "Principals"; and Title 18, United States Code, Section 371 — "Conspiracy to commit offenses or to defraud United States"; which have been and are being committed by certain persons among whom are Jim Garrison, also known as James Carothers Garrison, District Attorney for the Parish of Orleans, Louisiana; Captain Frederick A. Soule Sr., New Orleans Police Department; Sergeant Robert N. Frey, Commander of the New Orleans Police Department Vice Squad; Louis M. Boasberg, holder of a partnership interest in New Orleans Novelty Company and New Orleans Novelty Sales Company, both partnerships, New Orleans, Louisiana; John J. Elms Jr., a partner in TAC Amusement Company, New Orleans, Louisiana, a partnership; Lawrence L. Lagarde, a partner in TAC Amusement Company, New Orleans, Louisiana; Harby S. Marks Jr., an employee of New Orleans Novelty Company, New Orleans, Louisiana; Robert Nims, principal stockholder of REN Enterprises, Inc., a holding company

for Lucky Coin Machine Company, Inc., AMA Distributors, Inc., RDM Corporation and Le Cafetier, Inc., all of New Orleans, Louisiana; John Elmo Pierce, owner and operator of Pierce Amusement Company, a sole proprietorship, New Orleans, Louisiana; John Aruns Callery, New Orleans, Louisiana; Pershing Gervais, former chief investigator in the Orleans Parish District Attorney's Office; Charles Pace, owner and operator of Palace Amusement Company, New Orleans, Louisiana, a sole proprietorship; and Santo Di Fatta, former owner and operator of New Orleans Coin Machine Company, New Orleans, Louisiana, a sole proprietorship.

(4) I HAVE personal knowledge from my own investigations and from investigations conducted by Special Agents under my supervision of the following background information on the individuals mentioned in Paragraph (3) above:

a. Jim Garrison is currently the District Attorney for Orleans Parish, Louisiana. He was first elected to this office in November 1961 and he took office in May of 1962. He was elected to his third consecutive four-year term in November of 1969 and began his third term in May of 1970. His name was officially changed to Jim Garrison in 1961. Prior to this date, his name was James Carothers Garrison.

b. John Aruns Callery has been involved in various phases of the pinball industry for many years. He is the lobbyist for the pinball machine industry in the Louisiana state legislature. He formerly had an interest in New Orleans Novelty Company (1947-1968), New Orleans, Louisiana, a company dealing in various amusement devices and in the Bally in-line gambling type pinball machines. In 1968 he was president of State Novelty Company, Inc., Baton Rouge, Louisiana, a business also engaged in the placing of Bally in-line gambling type pinball machines in public places for use by the general public. In 1968 and 1969 he was a stock-

holder and director in Business Loan and Investment Corporation, which company held at least 50 per cent of the stock of State Novelty Company, Inc.

c. Frederick A. Soule, Sr., is currently a Captain of Police assigned to the investigative staff of the District Attorney's Office, Orleans Parish, Louisiana. From May 5, 1962, to June 30, 1968, Soule was Commander of the Vice Squad, New Orleans Police Department, New Orleans, Louisiana. Soule was employed by New Orleans Novelty Company, New Orleans, Louisiana, during the late 1930's and early 1940's.

d. Sergeant Robert N. Frey is presently Commander of the Vice Squad, New Orleans Police Department, New Orleans, Louisiana. He has held that position since April 2, 1969. Among other things, the Vice Squad is in charge of enforcing the State of Louisiana and City of New Orleans gambling laws, including Article 90 of the Louisiana Criminal Code, R.S. 14:90 — "Gambling," and New Orleans City Code, 1956, Section 27-2.2 — "Same (Gambling generally — Defined) — Prohibited."

e. Louis M. Boasberg is a partner in New Orleans Novelty Company and New Orleans Novelty Sales Company, both of New Orleans, Louisiana. Boasberg has been engaged in the pinball business since the 1930's. He is the sole "prime" distributor of Bally in-line gambling type pinball machines for the States of Louisiana and Mississippi. He sells machines to other dealers through New Orleans Novelty Sales Company. New Orleans Novelty Company places its gambling type pinball machines in various bars and other public places for use by the general public.

f. John J. Elms Jr. and Lawrence Lagarde are the principal figures in TAC Amusement Company, a partnership, New Orleans, Louisiana. The principal business of TAC Amusement Company is placing Bally in-line gambling type pinball machines and juke boxes in bars, restaurants

and other public places in the greater New Orleans metropolitan area as well as elsewhere in the state for use by the general public. Lawrence L. Lagarde who is the general manager and a partner, has been associated with TAC Amusement Company for more than 30 years. John J. Elms Jr. inherited an interest in TAC Amusement Company upon the death of his father in 1969. Lagarde and Elms also control Operator's Sales, Inc., a corporation which buys and sells gambling type pinball machines.

g. Harby S. Marks Jr., has been employed by Louis Boasberg and-or New Orleans Novelty Company since about 1940.

h. Robert Nims is the principal stockholder of REN Enterprises Inc., a holding company for Lucky Coin Machine Company Inc., AMA Distributors Inc., RDM Corporation and Le Cafetier, Inc., all of New Orleans, Louisiana. Lucky Coin Machine Company Inc., was in the business of placing Bally in-line gambling type pinball machines and still is in the business of placing juke boxes and amusement devices in public places such as bars and restaurants for use by the general public. AMA Distributors, Inc., is a corporation used by NIMS for the purpose of purchasing and selling Bally in-line gambling type pinball machines, amusement devices and juke boxes.

i. John Elmo Pierce is the owner and operator of Pierce Amusement Company, a sole proprietorship, New Orleans, Louisiana, which owns and

places Bally in-line gambling type pinball machines in public places for use by the general public.

j. Charles Pace is the owner and operator of Palace Amusement Company, a sole proprietorship, New Orleans, Louisiana, a company which placed Bally in-line pinball machine type gambling devices in public places for use by the general public.

k. Santo Di Fatta, is the former owner and operator of New Orleans Coin Machine Company, New Orleans, Louisiana, a company which placed Bally in-line pinball machine type gambling devices in public places for use by the general public.

l. Pershing Gervais was first employed by the New Orleans Police Department during the mid-1940's. He left this employment around 1952 or 1953, when he became self-employed as a private investigator and did investigative work for the New Orleans Metropolitan Crime Commission. In 1962, he became employed as Chief Investigator on the staff of Jim Garrison, Orleans Parish District Attorney. He left that employment in October, 1965. Since then he has been engaged as a private investigator; in the bailbond and surety bond business; president of Industrial Bonding Agency, Inc.; and formerly was a stockholder in the Emerald Door Inc., and has owned and operated other such bars and lounges in New Orleans, Louisiana, and has also owned and operated Bally in-line gambling type pinball machines and has placed such gambling devices in public places for use by the general public. During the year 1967, Gervais worked for General Bonding Agency, New Orleans, Louisiana, on a fee basis. Pershing Gervais has assisted Special Agents of the Internal Revenue Service in investigations in the past, including the investigations, indictments, and federal jury trials in the 1950's of E. J. Paternoster, a former Superintendent of the New Orleans Police Department as well as Milton L. Durel, Thomas J. Brooks and Mateo J. Azcona, all former members of the New Orleans Police Department.

(Tomorrow: The Third
Installment)