

## U.S. Details Bribe Case

The official word of the charges brought against District Attorney Jim Garrison and nine other persons came from the office of Atty. Gen. John N. Mitchell in Washington.

The release from the Justice Department gave this account of the investigation and arrest.

**DISTRICT ATTORNEY** Jim Garrison, two New Orleans police officers and two other persons connected with pinball machine operations were arrested today on federal charges of bribery, illegal gambling and obstruction of law enforcement.

Atty. Gen. John Mitchell said arrest warrants were issued last night after U.S. Attorney in New Orleans Gerald Gallinghouse filed a criminal complaint developed from a year-long investigation.

According to a 113-page affidavit filed with the U.S. attorney, payments of up to \$1,500 a month were being made to Garrison and the policemen to protect illegal gambling in coin-operated pinball machine operations.

**TAPE RECORDINGS** of some of the actual transactions are part of the government's case, according to the affidavit.

A former member of Garrison's staff acted as a conduit for exchange of money and also recorded the conversations. Investigations were conducted by the Justice Department's New Orleans Strike Force in cooperation with Gallinghouse's office, the IRS and the FBI, Mitchell said.

Treasury agents of the IRS made the arrests.

In addition to Garrison, 50, the complaints named:

—**Frederick A. Soule Sr.**, 51, a police captain assigned as an investigator to Garrison's office.

—**Robert N. Frey**, about 38, a police sergeant who commands the depart-

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ment's vice squad.

—**Louis M. Boasberg**, 60, a partner in New Orleans Novelties Company and N. O. Novelty Sales Co.

—**John J. Elms Jr.**, 29, a partner in the TAC Amusement Co.

—**Lawrence L. Lagarde**, 52, a partner in TAC Amusement.

—**Harby S. Marks Jr.**, 57, an employe of the New Orleans Novelty Co.

—**Robert Mims**, about 40, a principal stockholder of REN Enterprises Inc., a holding company of Lucky Coin Machine Co., AMA Distributors Inc., RDM Corp. and LECASEPIERIE Inc.

—**John Elmo Pierce**, 54, owner and operator of Pierce Amusement Co. of New Orleans.

—**John Aruns Callery**, 63, a lobbyist for the pinball machine industry in the Louisiana Legislature.

The four-count complaint under which the warrants were issued charged all 10 men with illegal gambling, use of bribery to obstruct law enforcement, interstate travel in aid of racketeering—in this case illegal gambling—and conspiracy to violate the above laws.

**THE AFFIDAVIT**, signed by Floyd D. Moore, chief of the intelligence division of the Internal Revenue Service district, which includes Louisiana, names Gervais as the man who acted as cooperating witness and who set forth activities in which he was involved with those arrested.

Besides being chief investigator on Garrison's staff from 1962 to 1965, he also has worked as a private investigator and was a New Orleans policeman from the mid-1940s until 1962.

In the affidavit Gervais said he was the intermediary to whom bribes were paid by certain pinball machine owners and dealers and who delivered the payments to the law-enforcement officials. He said he had been cooperating with the IRS since June, 1969, and with the Strike Force since its inception in July of 1970.

The Justice Department stated that Gervais for the past nine years was the conduit through Callery for payments from pinball machine dealers to Garrison which ranged from \$2,000 to \$3,000 on a bi-monthly basis.

**FBI RAIDS** last November caused a cutback in the operations, Gervais allegedly reported, and the payments dropped to \$1,000 to Garrison and \$500 each to Soule and Frey, the department said.

With Gervais' consent and with the

approval of the U.S. attorney general and the commissioner of the Internal Revenue Service, the IRS began recording conversations between Gervais and those named in the complaint.

According to the affidavit, the recorded conversations include actual payoffs to Garrison in March and May, 1971; Soule stating he had \$75,000 in a safe deposit box which he had collected from Callery, and Soule saying he received \$750 monthly between 1962 and 1968.

**IN DESCRIBING** the arrests, Gallinghouse said today that Marks delivered \$2,000 to Gervais last night and Gervais then delivered \$1,000 in marked bills to Garrison. Following the transaction, IRS agents obtained arrest warrants for the 10 persons and a search warrant for Garrison's premises to recover the marked money.

This morning, the Justice Department continued, Gervais delivered the remainder of the \$2,000 in marked bills, giving \$500 each to Soule and Frey.

Meanwhile, the department said, FBI agents executed about 275 search warrants on pinball locations in New Orleans and Baton Rouge and another 85 locations in Gulfport, Biloxi, Pascagoula and other Mississippi Gulf Coast locations to seize gambling machines.

**ATTY. GEN. MITCHELL** said the coin-operated machines are illegal in both Louisiana and Mississippi if a player can receive money from them by gambling. He estimated the illegal pinball racket in Louisiana grosses \$1.5 million a year.

Federal agents seized 354 gambling-type pinball machines last October for failure to pay the federal tax on them. Last November they seized about 3,000 similar machines and more than 1,000 slot machines which were not registered with the attorney general as required by federal law.

Maximum penalty on conviction for illegal gambling is five years in prison and a \$20,000 fine. The same maximum penalties apply on conviction on obstruction of law enforcement and interstate travel to aid racketeering. Conviction on the conspiracy counts would bring a five-year term and a \$10,000 fine.

**MITCHELL ALSO** praised the customs bureau, the Secret Service, the Labor Department and the Postal Inspection Service for their contributions to the strike force investigation.