

Text of Pinball Affidavit

(Editor's Notes: The States-Item continues today with the fourth 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.)

(18) ON NOV. 16, 1970, Charles Pace of Palace Amusement Company met with Gervais in Room 376 of the Fontainebleau Motor Hotel in New Orleans, La. Pace said that on Tuesday, Nov. 10, 1970, John Elmo Pierce of Pierce Amusement Company visited him and told Pace he had been sent by Louis M. Boasberg of New Orleans Novelty Company; that Pierce said he (Pierce) would be the "pickup man" to collect money from each of the dealers and that Pace should contribute five hundred dollars a month; that he (Pace) was visited by Louis Boasberg of New Orleans Novelty Company on Friday, Nov. 13, 1970, and that the latter acknowledged sending Pierce three days earlier to solicit \$500 a month from Pace; that he (Pace) said to Boasberg "tell me here my money is going to go at. You know where yours is going"; that Boasberg refused to say where "the bite is going", but that when questioned specifically about the District Attorney, Boasberg replied, "Well, you don't think I'm going to leave, that we are going to leave that stone unturned, do you?"

Pace and Gervais also made reference to a meeting between Pace and Robert Nims of Lucky Coin Machine Company, Inc., in September, 1970. At that time Nims asked Pace to contribute to a fund among local pinball dealers to be paid out for protection of gambling type pinball machines in New Orleans. Nims suggested that Pace's share should be around \$700 a month, which would be about \$10 a machine. Pace told Nims that he would go along with the proposed collection only if Pershing Gervais, who

as "Garrison's man", said "yes" to the deal, and Pace suggested that Nims get together with Gervais on the matter.

Pace and Gervais also made reference to a meeting that Gervais had on Oct. 15, 1970, with Robert Nims of Lucky Coin Machine Company, Inc., and John Aruns Callery. At that meeting Nims and Callery were seeking Gervais' evaluation of proposed payoffs for protection of pinball machines in New Orleans through John J. Elms Jr., of TAC Amusement Company who claimed to have a "connection" with certain officials whom he would not name.

(19) ON NOV. 24 and 25, 1970, special agents of the Federal Bureau of Investigation executed approximately one thousand three hundred fifty (1,350) search warrants throughout the states of Louisiana and Mississippi for locations containing gambling-type pinball machines owned by persons and companies which had not registered with the Attorney General of the United States as required by the Gambling Devices Act of 1962, Title 15, United States Code, Section 1173(a)(3). Approximately 3,000 gambling-type pinball machines and more than 1,000 slot machines were seized for forfeiture, as well as one hundred fifty thousand dollars (\$150,000) in cash.

(20) ON NOV. 30, 1970, Pershing Gervais talked by telephone from Room 376 at the Fontainebleau Motor Hotel in New Orleans with Charles Pace of Palace Amusement Company. Pace told Gervais that he lost more than 70 machines (the current retail price of a new Bally in-line gambling type pinball machine then being approximately \$2,000) in the FBI raids of Nov. 24 and 25, 1970, and that the FBI also seized between thirty and forty thousand dollars in cash from him at that time. (During the pinball raids of Nov. 24, 1970, while executing a search warrant for the garage and trunk of an automobile in the garage portion of No. 8 Central Park Drive, Metairie, La., special agents of the Federal Bureau of Investigation, accompanied by special agents of the Intel-

ligence Division, Internal Revenue Service, seized ninety thousand, three hundred thirteen dollars (\$90,313) in cash belonging to Charles Pace, from the trunk of a white Lincoln 4-door sedan).

(21) ON DEC. 1, 1970, Pershing Gervais talked by telephone from Room 376 at

the Fontainebleau Motor Hotel in New Orleans with Capt. Frederick A. Soule Sr., who said he heard that the whole pinball industry in Louisiana was likely to fold up as a result of the FBI raids of Nov. 24 and 25, 1970. Soule also said that Louis Boasberg of New Orleans Novelty Company may be taking over some pinball locations belonging to Charles Pace of Palace Amusement Company and Robert Nims of Lucky Coin Machine Company, Inc. Soule said that Boasberg told him (Soule) that there would be no payoff this month because things are so bad, and that he (Boasberg) has been subpoenaed to appear before a federal grand jury with all his records and is very upset about it. Soule said he explained to Sgt. Robert Frey, commander of the New Orleans Police Department Vice Squad, that "the gate was closed" as far as payoffs were concerned, but that Boasberg might possibly reopen it after the first of the year.

(22) ON DEC. 1, 1970, John Aruns Callery met with Pershing Gervais in Room 376 of the Fontainebleau Motor Hotel in New Orleans and told him that because of the FBI raids of Nov. 24 and 25, 1970, most of the dealers in New Orleans were out of gambling type pinball machines except Louis M. Boasberg of New Orleans Novelty Company, who had been registered with the Attorney General of the United States as required by the Gambling Devices Act of 1962 and that because of this development and the fact that Boasberg was in Chicago, Callery did not have the payment that was due for District Attorney Jim Garrison on Dec. 1, 1970.

Callery went on to discuss with Gervais the arrangement whereby Callery had always refrained from taking bribe money directly from Boas-

berg, even when they were partners together in the pinball business, and money collections from the pinball dealers, including Boasberg, were made by another individual who gave it to Callery, who passed it on to public officials for protection of the pinball industry, and that when he (Callery) was in partnership with Boasberg, the monies paid to public officials were covered in the partnership book as partners' draw, that they paid taxes on it, and that if they were ever asked about it their cover story would be that they could not recall for what or to whom they paid the money:

CALLERY: Oh, I don't want to get into it, but, uh, I have never — I have never actually done anything with him (Boasberg).

GERVAIS: Then you are a lucky . . .

CALLERY: I mean, it was handled by somebody else. I told you about that insulation.

GERVAIS: Yeah. I guess I remember you said something about it.

CALLERY: In other words, I even went through another guy.

GERVAIS: Yeah, but you know him for years, though, uh?

CALLERY: Who?

GERVAIS: Boasberg.

CALLERY: Oh, I been — I was in business with him for, for — from 1945 until 1967.

GERVAIS: That's the best commentary I know to be in business with a guy and not trust him. How the — could anybody that's not in business with him trust him? If you was in business with him and wouldn't trust him.

CALLERY: Well, as I say, I mean, I, uh, I handle a lot of things but I handle them in such a way that, uh—

GERVAIS: One man always between you. That's the way to do it—insulation.

CALLERY: I handle a lot of things and, of course, I, I handle a lot of things personally that he (Louis Boasberg) didn't even know I handled, you know—

GERVAIS: You know where I bet you a lot of — blow-up is going to come from too, though? That young punk (John Elms Jr.) over there at TAC (TAC Amusement Company).

CALLERY: That's, boy, that's a — I'm just frightened to death of him. He (John Elms Jr.) came to that meeting Saturday morning. Of course, nothing was said there other than they were trying to

decide whether — he wanted to decide whether to go back in the business or not (because of the FBI pinball raids of Nov. 24 and 25, 1970, described in paragraph 19 above), you know, so I—I hesitated going to it but Rooney (Robert J. "Bob" Rooney president of State Novelty Company, Inc., Baton Rouge, La.) asked me to do it because he wanted to, he was trying to make a decision in Baton Rouge, you see.

GERVAIS: What, every operator was there, all of them?

CALLERY: Rooney, John Elms, Nims, Louis, myself. You see what I am afraid of right now, I am afraid that they may be tailing him.

GERVAIS: Who?

CALLERY: Louis.

GERVAIS: Well, let's put it this way —

CALLERY: I, I don't know. I keep watching, I don't know —

GERVAIS: If you was the agent in charge of the people, whoever it is working on that, would you be tailing him?

CALLERY: I don't think he's smart enough to know whether they are tailing him or not.

GERVAIS: Oh, no, he isn't.

CALLERY: Of course, I look —

GERVAIS: Of course, let me say this though, if he's scared, but —

CALLERY: I always look behind me, you see, when my car's () to see if anybody's

GERVAIS: But, you see, when you get that way, every other guy you see you know he's an agent.

CALLERY: But I don't worry too much about it, I just figure they figure that —

GERVAIS: If they tail ya, they tail ya, that's all.

CALLERY: I mean, I think you ought to be very careful about how you talk on the phone, I am sure you are, you don't, uh —

GERVAIS: Listen, like I tell everybody you got liberty to say any (..) thing if it comes to a showdown cause I ain't going to say (..) nothing!

CALLERY: (laughter)

GERVAIS: You know, you know what they tell me, they say — listen, uh —

CALLERY: You see, they've got, uh, uh, they got all of Louis' records. They

took all of his records.

GERVAIS: I wonder what they got in his records.

CALLERY: Eight years, eight years (The Gambling Devices Act of 1962, Title 15, United States Code, Sections 1171-1178, provides that every person required to register under the Act must keep records of certain specified information which records must be made available at all reasonable times to the Federal Bureau of Investigation for inspection and copying.) They got everything.

GERVAIS: You think they got all his contributions and his gifts in there.

CALLERY: Oh, I am sure he does.

GERVAIS: Well, all them people'll be in trouble.

CALLERY: No names.

GERVAIS: But they will make him account for it.

CALLERY: No, they won't. He don't have to say he forgot, he can say what the hell, uh, I, I, presume they will ask me a lot of that stuff. Sure, I would, I would have to say, well, I gave a political contribution but I can't remember who — just like I did — with that other thing.

GERVAIS: Yeah. Well, I am sure it will all come to that. Then I would say that this punk over here (John Elms Jr.) is going to play the role of a — who is his lawyer?

CALLERY: (..)

GERVAIS: What the ()? (..) is a dumb kind of (..).

CALLERY: (laughter)

GERVAIS: How'd he wind up with ()?

CALLERY: There's nothing in the records that would be damaging, you see, what I mean it's a — lot of it would show, it would show, it would show money withdrawn out of the business and charged to the partners. You see, that was handled

that way. What the hell, you do what you want, you know what I mean, if you took money as long as you pay taxes on it.

GERVAIS: Right.

CALLERY: See, that's just the way I covered it, that's the way I handled it.

GERVAIS: Yeah, but you think Boasberg did? Tight as he is?

CALLERY: Well, now in the last three years, I can't answer for that. But, I mean, up til the time I—

GERVAIS: You, you mean like the draw. You make the draw charged against you.

CALLERY: No, no, charge it against their, prorate it among every partner.

GERVAIS: Among the partners, right, shows a draw.

CALLERY: A draw.

GERVAIS: Who, so that now becomes income.

CALLERY: No, no, we pay taxes on it.

GERVAIS: That's what I'm saying—it now becomes income for you.

CALLERY: That's right, that's right.

GERVAIS: So you got to pay tax.

CALLERY: Yeah, they might say, well, what you draw it (()) — but I never —

GERVAIS: Well, (()) —

CALLERY: I just drew it out the business —

GERVAIS: I give it to some whore.

CALLERY: Here's the, here's the taxes, taxes been paid.

GERVAIS: That's all right. (Tomorrow: The Fifth Installment)