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BENJAMIN BINION

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MISCELLANEOUS

The Wall Street Journal, Pacific Coast edition, reported in September, 1953, that Las Vegas, Nevada is one of the nation's top boom towns. The report states that the whirl of the roulette wheels, the clatter of slot machines, and the pop of champagne corks are playing a medley of booming business for this gambling mecca in the Nevada desert.

A representative of the Boulder Club reports that there was a 500% increase over their 1948 level. ~~JAKE KOZLOFF~~ of the ~~Golden Nugget~~ reported that the volume is up 25% over last year and has doubled since 1948. KOZLOFF reported that 40,000 persons visited the Golden Nugget on Decoration Day, 1953, as compared with 24,000 the same day in 1949. *NEW*

The Journal further reported that the famed "strip" is the newest and most flamboyant addition to the city, and that the El Rancho Vegas Hotel is planning to build a new swimming pool twice the size of its present one, and will also add 300 rooms, and will build "a new play house", total cost \$1,000,000.00. ~~WILBUR CLARK~~ of the ~~Desert Inn~~ is quoted as having stated that they plan to build a 135-room 5-story Brazilian type addition to the Desert Inn. Parking and housing have become severe problems. A strip hotel owner was quoted as saying "Let's face it. Sure, we've got the desert air, nice weather, annual rainfall of only 4.84 inches; Hoover Dam is nearby, the mountains only 35 miles away for winter skiing, but if we didn't have legal gambling, this town would not be in business". *NEW*

A. ORGANIZED GANGS

Informants SU-295-C, SU-336-C, SU-325-C and SU-283-C advised that there are no organized gangs operating to their knowledge in the Las Vegas area.

Chief of Police AL KENNEDY, Sheriff GLEN JONES, Chief of Detectives JACK BARLO, and Captain L. L. PEYTON, Chief Criminal Deputy, Clark County Sheriff's Office, all advised that there are no organized gangs operating in the Las Vegas area.

B. INDIVIDUAL RACKETEERS AND MOBSTERS

~~HENRY BINION~~, Was.
FBI No. 206216 *NEW*

BINION is at the present time a 47% owner of the ~~Horse Shoe Club~~ located at Second and Fremont Streets, Las Vegas, Nevada. He recently sold 45% to JOE BROWN, formerly of New Orleans, Louisiana, who reportedly had gambling interests in 14 parishes of Louisiana. 5% was sold to W. C. "BILL" ~~BORSETT~~, also of New Orleans, and reported to be a nephew of ~~JOE BROWN~~. *LA-NEW*

BINION entered a plea of guilty to 8 counts of an indictment charging him with evasion of income taxes from 1945 through 1948. BINION has made numerous trips in the very recent past to Austin, Texas in connection with this tax matter, and SU-336-C stated that BINION said on December 7, 1953, that his date for sentence had been set for December 14, 1953, and that if he came back after his appearance on that date, he would be very happy.

BINION has paid over \$500,000.00 in delinquent taxes in connection with the 8-count indictment on which he entered pleas of guilty to four counts, and four counts were reportedly dismissed.

Owners with BINION of the Horse Shoe Club are reported at the present time to be ROBERT "DOBY DOC" GAUDILL, W. C. DORSETT, and JOE BROWN. GAUDILL is the owner of 2 $\frac{1}{2}$ %; BINION owns 47 $\frac{1}{2}$ %, and BROWN and DORSETT own the remaining 50%.

~~EDWARD CLIPPINGER~~
Aka Eddie

NEW CALIF.

NEW

EDDIE CLIPPINGER is still operating Roxie's Formyle, a house of prostitution, located four miles outside of Las Vegas on the Boulder City highway. This house of prostitution sits approximately 200 yards off the Boulder City highway; however, it is marked with a well lighted sign. The house itself is obscured from view by hills and a growth of trees from the highway.

CLIPPINGER was interviewed by SAs BRYON G. WHEELER and LEO E. KUYKENDALL on December 2, 1953, relative to a White Slave Traffic Act violation, at which time CLIPPINGER advised that he was of the opinion that one of the victims mentioned by agents had been employed at his house of prostitution some time in the past but he could not recall when. During the interview, CLIPPINGER stated that he was a member of the Los Angeles Police Department at one time immediately after World War I, and that he remained in this department for about 3 years. Part of the time he was on the patrol, and during the time he was so assigned, he made 3 arrests; and that he was on the Vice Squad for approximately one year and made no arrests. CLIPPINGER stated, "I was not much copper, I was strictly a businessman".

CLIPPINGER advised that at the present time he had approximately 10 girls prostituting at Roxie's Formyle, and that he had approximately 20 male employees such as maintenance men, bouncers, greeters, etc. CLIPPINGER stated that it was almost impossible for him to identify a prostitute who had been in his place of business by name or description; however, he would be willing to advise of those who had worked at Roxie's if he had an opportunity to view their photographs.

SU 94-137

taken out of the petty cash fund recently and divided as follows:

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GUY McAFEE	\$25,000
ROSCOE THOMAS	20,000
ART HAM, SR.	10,000
TONY LUCY	10,000
BUCK BLAINE	5,000
BILLY GREEN	5,000

Informant stated that BLAINE and GREEN are the men who take "the boxes" off of the tables at the Golden Nugget.

ART BRICK, who furnished this information to SU-283-C, is a part owner of the Golden Nugget and was extremely dissatisfied with the distribution of the aforementioned money.

HORSE SHOE CLUB

There has been a change in the operation and ownership of the Horse Shoe Club since the last report of June 30, 1953. FCI JOHN EUBANK, SU-336-C and SU-283-C have advised that JOE BROWN, formerly of New Orleans, Louisiana, and his nephew, W. C. DORSETT, had purchased 50% of the Horse Shoe Club from BENNY BINION. On October 28, 1953, FCI JOHN EUBANK, an employee of the Horse Shoe Club, telephonically contacted the Resident Agency at Las Vegas and stated that BINION had returned from one of his court appearances in Texas and at that time was moving records and personal belongings out of his office at the Horse Shoe Club and stated he had received information that BINION had made the statement that he expected to get some penitentiary time.

JOE W. BROWN

SU-283-C has advised that JOE W. BROWN of New Orleans, Louisiana, was first associated in gambling interests with SAM SMITH and L. B. HAMILTON of Houston, Texas, and that in 1927 BROWN moved to New Orleans and purchased the "Jailai Fronton" for the price of \$400,000.00. SU-283-C stated that BROWN's partners in this venture were E. J. SMITH, who presently has a club located across the Sabine River from Orange, Texas, in Louisiana. Also, SAM SMITH who bought his share in the Jailai Fronton with a small bag of diamonds which he sold to OAKLEY HARRIS and Sheriff CLANCY of Bernard Parish, Louisiana. CLANCY reportedly had a 25% interest in the Jailai Fronton establishment. SU-283-C stated that BROWN was previously implicated, with BILL HILLIS, SEYMOUR WEISS and JOE FISHER, in an oil fraud case, and that WEISS and FISHER were prosecuted in this case and sent to jail. SU-283-C advised that WEISS now is the operator of the Roosevelt Hotel in New Orleans, and that BILL HILLIS was not prosecuted in connection with the oil fraud because he was made Ambassador to Greece for the U. S. Government, and that JOE W. BROWN escaped

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HILLIS