

INTELLIGENCE UNIT

CHICAGO

(Name of Division)

Chicago, Illinois,  
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Chief, Intelligence Unit,  
Bureau of Internal Revenue,  
Washington, D.C.

We are now located in Room 1028, #7 South Dearborn Street. We have three tables and chairs loaned to us by the office building. I have today made a request upon the Area Coordinator for some office furniture and will know in a day or two whether he will supply same to us. Miss Donahue has been assigned to this office, and we are now in a position to perform our work without repeated interruptions. We all feel real pleased over our new location. Kindly continue to send mail to me at Post Office Box 1101. The telephone number of this office is Randolph 5254.

I had a conference today with Mr. Clawson, the new First Assistant U.S. Attorney regarding the possibilities of the conspiracy indictment against Al Capone, Ralph Capone, Peter Penovich, Louis Alterie, Louis La Cava, and others. Mr. Clawson is inclined to favor a conspiracy indictment, and is looking up some conspiracy cases. He will also discuss the matter with Attorneys Froelich and Green. If it is considered advisable to proceed along this line, you will be further informed.

Mr. Louis Alterie was one of the persons connected with the Hawthorne Smoke Shop, the gambling house of which we have the records. We had him appear before the grand jury and he denied having any connection with the gambling establishment. As we have witnesses to disprove his testimony, he was charged with perjury. He is represented by Attorney Hess, who formerly was an Assistant U.S. Attorney. Mr. Hess is not a gangster lawyer. He has indicated that he will try to get his client to tell us the truth. We are in hopes that we may get some valuable evidence if Mr. Alterie decides to talk in preference to facing a trial for perjury.

*Frank J. Wilson*  
Special Agent.