

Carol Portman
7245 Cornell
University City, MO 63130
314-726-3269
Fax 314-726-1825
email cmportmn@inlink.com

August 18, 1999

Mr. John M. Kelso
Section Chief, FOI/PA Section
Federal Bureau of Investigation
935 Pennsylvania Avenue N.W.
Washington, DC 20535

FREEDOM OF INFORMATION ACT REQUEST

Dear Mr. Kelso:

I respectfully request that I be furnished with a copy of all Federal Bureau of Investigation files and records pertaining to my late father, MARCUS J. MICHLES, formerly of Fremont, Ohio. I hereby agree to pay all costs incurred for search, duplication and review of records per the Freedom of Information Act (5 U.S.C. 552) and/or the Privacy Act of 1974 (5 U.S.C. 552(a)).

The information needed for you to search your records is as follows:

Marcus J. Michles
Born December 12, 1905 in Bellevue, Ohio.
Served in the U. S. Army from July (could be February) 7, 1921 to February 6, 1924
Resided in Fremont, Ohio upon his discharge
From December, 1929 to September, 1947 resided at
1056 Rawson Place, Fremont, Ohio
From September, 1947 to approximately 1972 resided at
108 South Park Avenue, Fremont, Ohio
From approximately 1972 to 1988 resided at
1711 McPherson Boulevard, Fremont, Ohio
In 1988 he moved to Florida

He died May 27, 1994 in Maitland, Florida. A photocopy of his obituary as it appeared in the Fremont News Messenger, Fremont, Ohio on May 29 (?), 1994 is enclosed.

1,994* -
1,905* =
89*000 *

My late mother's name also could ~~also~~ appear in the records. Her information:

Beatrice Carolyn Shlesinger Michles
Born February 8, 1907, in Cleveland, Ohio
Married Marcus J. Michles on December 18, 1929 in Toledo, Ohio
Died April 8, 1978, in Fremont, Ohio

Marcus J. Michles was the subject of a FBI investigation in the 1950's. He also could have been investigated in the 1940's. At the time he was doing business as the Marcus J. Michles Company, 900 North Front Street, Fremont, Ohio. An earlier business name was Michles Auto Wrecking.

As indicated above, I am a daughter of Marcus J. and Beatrice S. Michles. I am requesting this information for family reasons. My identity is verified by the following notarized Affidavit of Identity.

Thank you very much for your assistance.

Cordially,

Carol M. Portman (nee Carol Lee Michles)
7245 Cornell
University City, MO 63130
314-726-3269

Subscribed and sworn to before me this ____ day of August, 1999.

Notary Public

My Commission Expires:



U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20535

MS CAROL M PORTMAN
7245 CORNELL
UNIVERSITY, MO 63130

SEP 03 1999

Request No. 906413-000

Subject: MICHLES, MARCUS J

Dear Requester:

- This acknowledges your Freedom of Information-Privacy Acts (FOIPA) request submitted to the FBI.
- Based on the limited information you provided, we cannot make an accurate search of our records. Please furnish your complete name, alias, date and place of birth, prior addresses, employment, and any specific data that would permit us to locate the documents you seek.
- We ask that you provide your notarized signature or, in lieu of a notarized signature, you may submit a declaration pursuant to Title 28, United States Code, Section 1746. This procedure is designed to insure that documents, if located, are released only to an individual having right of access to the information.
- If you want a search of our Criminal Justice Information System records for any arrest record that might pertain to you, please comply with the enclosed instructions set forth in Attorney General Order 556-73. Fingerprint impressions are needed for comparison with records in the Criminal Justice Information System to insure that an individual's record is not disseminated to an unauthorized person.
- We are currently searching the indices to our central records system files at FBI Headquarters for any documents which may pertain to your request. Upon completion of this search you will be notified of the results.
- Provide the complete name, date and place of birth for the subject of your request. If subject is deceased, give date of death and any proof of death you have.
- The large number of FOIPA requests received by the FBI has caused delay in processing your request(s). We solicit your understanding and assure you that we will process your request(s) in due course.

Your request has been assigned the number indicated above. Please use this number in all correspondence with us.

Sincerely yours,

John M. Kelso Jr., Chief
Freedom of information –
Privacy Acts Section
Office of Public and
Congressional Affairs

Enclosure

Carol M. Portman
155 N. Hanley Road #101
St. Louis, MO 63105
314-726-3269 Fax 314-726-1825
carportman@sbcglobal.net

August 10, 2015

Dear Zoe and Brian.....

Each of you requested something different...and since one didn't know what the other requested, it seemed you both would like the same information.

The FBI report...you are receiving is about 1/3 of the report. File "01" I tried to put in chronological order...it was making me dizzy. I gave up with file "02" ...have fun. I left the 'blacked out' areas in to give you an idea how much was deleted. There is only one deleted section that I want to know who was 'spying' on Grandpa in Fremont. I understand I can still get the deleted information. As yet I have not pursued the route. When your Uncle Darwin told me how to get the report, he forgot to tell me to request a specific kind of report...that would not have deletions.

I do not know if Grandpa knew the history of the source of the plane...it decorated the grounds of a high school. I am sure he did not know that the FBI eavesdropped on the individuals who made the plans to transport the plane by being in the hotel room adjacent to the individuals making the plans. I thought the report mentioned the fire in the yard when Grandpa screamed "throw water on the plane (which was in a crate)." We were told that was when the FBI became involved. If Grandpa knew differently he did not share it. Also I knew of only one plane.

The organizations were Materials for Palestine which became Materials for Israel at the time Israel became a state. Grandpa was generous to Israel. Grandpa purchased the non-armored supplies from Camp Perry when it was closed as a military base. Many items...beds, mattresses, a truck, a jeep...were sent to Israel via Materials for Israel. The contact in Detroit I assume was Sally Fields...who learned of the jeep and went to Fremont to get Grandpa to ship it to Israel. She became overwhelmed when she saw all of the stuff. Grandpa

was invited to a major dinner for Chaim Weisman in New York City. While there he was trusted with thousands of dollars to take to an office. He kept the brief case in his lap at lunch. Grandma ask that he put it on an empty chair...until he told her the contents.

The scrap metal yard was a 'holding' spot because Grandpa had a railroad siding...easy to deliver, etc.

Grandpa was offered a trip to Israel with a chauffeur 24/7. I said I wanted to go...and off I went.

Grandpa would not leave the USA...always said he was glad his mother did not miss the boat.

Between this letter and the report...it is time to give your eyes a rest.

Love to you both...it was great seeing you.

EXPLANATION OF EXEMPTIONS

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552

- (b) (1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified pursuant to such Executive order;
- (b) (2) related solely to the internal personnel rules and practices of an agency;
- (b) (3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;
- (b) (4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;
- (b) (5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;
- (b) (6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
- (b) (7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of a confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or (F) could reasonably be expected to endanger the life or physical safety of any individual;
- (b) (8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or
- (b) (9) geological and geophysical information and data, including maps, concerning wells.

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

- (d) (5) information compiled in reasonable anticipation of a civil action proceeding;
- (j) (2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;
- (k) (1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;
- (k) (2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k) (3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;
- (k) (4) required by statute to be maintained and used solely as statistical records;
- (k) (5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k) (6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;
- (k) (7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

1096

David T. Anderson
Chairman, HUD Board of Contract Appeals
 Kevin G. Chavers
President, Government National Mortgage Ass'n
 Nelson A. Diaz *General Counsel*
 Susan M. Gaffney *Inspector General*
 Alan W. Heifetz *Chief Administrative Law Judge*
 John A. Knubel *Chief Financial Officer*

DEPARTMENT OF THE INTERIOR (1849)

1849 C St., N.W.
 Washington, DC 20240-0001
 Tel.: (202) 208-3100 Fax: (202) 208-6956

As the Nation's principal conservation agency, DOI has responsibility for most of our nationally owned public lands and natural resources. This includes fostering the most beneficial use of our land and water resources, protecting our fish and wildlife, preserving the environmental and cultural values of our national parks and historic places, and providing for the enjoyment of life through outdoor recreation. DOI assesses our mineral resources and works to ensure that their development is in the best interest of all people. DOI promotes citizen participation in caring for public lands and natural resources; has a major responsibility for American Indian reservation communities and for people who live in island territories under United States administration. The following bureaus fall under DOI jurisdiction: Bureau of Indian Affairs, Bureau of Land Management, Minerals Management Service, Office of Surface Mining, Bureau of Reclamation, U.S. Geological Survey, Bureau of Mines (see separate listings in Chapter 12 for latter two), National Biological Survey, National Park Service, Fish and Wildlife Service, Territorial and International Affairs, and Policy, Management and Budget.

Bruce E. Babbitt *Secretary*
 John Garamendi *Deputy Secretary*
 Anne Shields *Chief of Staff*
 John D. Leshy *Solicitor*
 Robert Armstrong
Asst. Secretary, Land & Minerals Management
 Bonnie R. Cohen
Asst. Secretary; Policy, Management and Budget
 Ada E. Deer *Asst. Secretary, Indian Affairs*
 George T. Frampton Jr.
Asst. Secretary, Fish & Wildlife & Parks
 Patricia J. Beneke *Asst. Secretary, Water and Science*
 Mollie H. Beattie *Director, U.S. Fish and Wildlife Service*
 Melannie Beller
Director, Congressional & Intergovernmental Affairs
 Michael P. Dombek *Director, Bureau of Land Management*
 Michael Gauldin *Director, Communications*
 Barry E. Hill *Director, Hearings and Appeals*
 Roger G. Kennedy *Director, National Park Service*
 Wilma A. Lewis *Inspector General*
 Eluid Martinez *Commissioner, Bureau of Reclamation*
 H. Ronald Pulliam *Director, National Biological Service*
 Cynthia Quarterman .. *Director, Minerals Management Service*
 Robert J. Uram
Director, Surface Mining Reclamation & Enforcement

DEPARTMENT OF JUSTICE (1870)

10th and Constitution Ave., N.W.
 Washington, DC 20530
 Tel.: (202) 514-2000 Fax: (202) 514-4371

The Department of Justice is responsible for federal law enforcement, crime prevention, crime detection, prosecution and rehabilitation of offenders. It acts as legal counsel to the executive branch; rendering legal advice and opinions, upon request, to the President and the heads of the executive departments. Conducts all suits before the Supreme Court in which the United States is concerned. The Federal Bureau of Investigation, a unit of the Department of Justice, is listed separately.

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 Jamie S. Gorelick *Dep. Attorney General*
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 Walter E. Dellinger III *Acting Solicitor General*
 Eleanor Dean Acheson
Asst. Attorney General, Office of Legal Policy Development
 Loretta Collins Argrett .. *Asst. Attorney General, Tax Division*

Anne K. Bingaman *Asst. Attorney General, Antitrust Division*
 Stephen R. Colgate
Asst. Attorney General for Admin, Justice Mngt. Div.
 Andrew Fois *Asst. Attorney General, Legislative Affairs*
 Robert S. Litt
Asst. Attorney General, Criminal Division (Nominated)
 Frank W. Hunger *Asst. Attorney General, Civil Division*
 Deval L. Patrick *Asst. Attorney General, Civil Rights Division*
 Laurie O. Robinson .. *Asst. Attorney General, Justice Programs*
 Lois J. Schiffer
Asst. Attorney General, Environment & Natural Resources
 Shelley G. Altenstadter
Chief, Interpol-U.S. National Central Bureau
 Michael R. Bromwich *Inspector General*
 Thomas A. Constantine
Administrator, Drug Enforcement Administration
 Carol DiBattiste *Director, Executive Office for U.S. Attorneys*
 Eduardo Gonzales *Director, U.S. Marshals Service*
 Kathleen M. Hawk *Director, Bureau of Prisons*
 John M. Hogan *Chief of Staff to the Attorney General*
 Margaret C. Love *Pardon Attorney*
 Anthony C. Moscato
Director, Executive Office for Immigration Review
 Doris M. Meissner
Commissioner, Immigration & Naturalization Service
 Joseph Patchan *Director, Exec. Office for U.S. Trustees*
 Edward F. Reilly Jr. *Chairman, U.S. Parole Commission*
 Delissa A. Ridgway
Chair, Foreign Claims Settlement Commission
 Richard Scruggs *Counsel for Intelligence Policy and Review*
 Michael E. Shaheen Jr.
Counsel, Office of Professional Responsibility
 Carl Stern *Director, Public Affairs*
 Jeffrey L. Weiss *Acting Director, Community Relations Service*

FEDERAL BUREAU OF INVESTIGATION - DEPARTMENT OF JUSTICE (1908)

9th and Pennsylvania Ave., N.W.
 Washington, DC 20535
 Tel.: (202) 324-3000 Fax: (202) 324-4705

The principal investigative arm of the Department of Justice, the FBI is charged with gathering and reporting facts, locating witnesses, and compiling evidence in cases in which the Federal Government is an interested party.

Louis J. Freeh *Director*
 Weldon L. Kennedy *Dep. Director*
 Howard M. Shapiro *General Counsel*
 Robert B. Bucknam *Chief of Staff*

DEPARTMENT OF LABOR (1913)

200 Constitution Ave., N.W.
 Washington, DC 20210
 Tel.: (202) 219-6666

The Department advises the President on the development and execution of workforce policies and administers and enforces laws relating to wage earners, their working conditions, their employment opportunities, and their pension and health benefits.

Robert B. Reich *Secretary*
 Cynthia Metzler *Acting Dep. Secretary*
 Vince Trivelli *Chief of Staff to the DOL Secretary*
 Jack F. Otero
Dep. Under Secretary, International Labor Affairs
 Bernard Anderson
Asst. Secretary, Employment Standards Administration
 Timothy M. Barnicle
Asst. Secretary, Employment and Training
 E. Olena Berg
Asst. Secretary, Pension and Welfare Benefits Admin.
 Joseph A. Dear *Asst. Secretary, Occupational Safety & Health*
 Susan R. King *Asst. Secretary, Public Affairs*
 Anne H. Lewis *Asst. Secretary, Policy*
 J. Davitt McAteer *Asst. Secretary, Mine Safety and Health*

relief].

(5) A denial of a continuance where respondent had to assert fifth amendment because of parallel criminal proceeding was upheld by one court. *Witter v. INS*, 113 F.3d 549, 555-56 (5th Cir. 1997) [Difficult litigation choices do not infringe on fifth amendment].

f. Explanation of rights. Under 8 CFR § 240.10(a)(1), the IJ must not only inform the applicant of the right to counsel, but must ascertain on the record if s/he desires counsel. *Matter of Michel*, Int. Dec. #3335 (BIA 1998) [Reversed removal order where IJ never asked respondent if he wanted counsel]. Under 8 CFR § 240.10(a), a respondent must be informed of his rights, including right to counsel, to free legal services, to present evidence, cross-examine witnesses, and to appeal. Under 8 CFR § 240.11, an alien must be informed of his right to apply for withholding of deportation. Pursuant to 8 CFR § 240.11(a) the IJ must also notify the respondent of relief available to him under the Act, particularly pursuant to cancellation, adjustment and registry, if the respondent has "apparent eligibility" for such relief. 8 CFR § 240.11(a)(2). "Apparent eligibility" means "that where the record fairly reviewed by an individual who is intimately familiar with the immigration laws - as IJs no doubt are - raises a reasonable possibility that the petitioner may be eligible for relief, the IJ must advise the alien of the possibility and give him the opportunity to develop the issue." *Moran-Enriquez v. INS*, 884 F.2d 420 (9th Cir. 1989) [Reversed deportation order where respondent apparently eligible for § 212(h) relief]; *Duran v. INS*, 756 F.2d 1338 (9th Cir. 1985) [Test applied to former § 243(h)].

g. Termination of proceedings. INS cannot cancel the NTA once proceedings commenced under § 3.14. 8 CFR § 242.7(a), (b), but it can seek to terminate them because the NTA was improvidently issued. *Matter of Vizcarra-Delgadillo*, 13 I&N Dec. 51 (BIA 1968).

5. Discovery:

a. FOIA - 8 CFR § 103; 58 Fed. Reg. 31,147-50 (June 1, 1993). INS offices ordered to respond to requests on a first in, first out basis unless there are complex and routine cases together requiring a two-tier system. Memo, Martinez, Asst. Comm. Records Systems Division, CO 1491-P (April 29, 1992), reprinted in 69 *Interpreter Releases* 916-18 (July 27, 1993). Under the settlement agreement reached in *Mayock v. INS*, ___ F.Supp. ___, Case No. C-85-5169-Cal (N.D. Cal.

May 22, 1992), INS has established a national policy which also permits requesters who demonstrate "exceptional need or urgency" to have his or her request processed out of turn on an expedited basis. To obtain expedited treatment the requester must show that an individual's life or personal safety would be jeopardized or that substantial due process rights of the requestor would be impaired by the failure to process immediately and the information sought is not otherwise available. *Ray v. U.S. Dept. of Justice*, 770 F.Supp. 1540 (S.D. Fla. 1990) [INS ordered to comply with 10 day time requirements set forth in 5 USC § 552(a)(6)(A), (B) and (C) and required not to invoke 10 day extension more than one time per FOIA request]; *Arevalo-Franco v. U.S. INS*, 889 F.2d 589 (5th Cir. 1989) [Venue for alien that makes FOIA claim may be place of his/her residence]; *Lawyers Committee for Human Rights v. INS*, 721 F.Supp. 552 (S.D.N.Y. 1989) [Government bears burden of asserting FOIA exemption].

The government has often succeeded in challenging FOIA requests. *U.S. Dept. of State v. Ray*, 112 S.Ct. 541 (1991) [Upholding privacy exception to request for names of Haitians forcibly returned]; *Essential Information v. USIA*, 134 F.3d 1165 (D.C. Cir. 1998) [Internet and programming materials of USIA are exempt from disclosure under Smith-Mundt Act]; *Mapother v. Dept. of Justice*, 3 F.3d 1533 (D.C. Cir. 1993) [FOIA requested material withheld in Waldheim Report on grounds that it falls within exemption 5 (deliberative process) and exemption 7A (enforcement proceeding) because court found that the possibility that someone excludable under INA § 212(a)(3)(E)(i) such as Waldheim might bring a challenge to his listing on AVLOS/NAILES Lookout constitutes an enforcement proceeding under 7A]; *Maynard v. CIA*, 986 F.2d 547, 564 (1st Cir. 1993) [INS search not inadequate simply because it took 17 months to locate request]; *Badalamenti v. U.S. Dept. of State*, 899 F.Supp. 542, 546 (D. Kan. 1995) [Dept. of State properly withheld certain documents pertaining to plaintiff's extradition]; *Cudzich v. U.S. INS*, 886 F.Supp. 101, 106-08 (D.D.C. 1995) [Withheld documents under investigation-by-other-agency theory of (b)(7)(A) and refusal to reveal C.I. (b)(7)(D)]; *Buffalo Evening News v. U.S. Border Patrol*, 791 F.Supp. 386 (W.D.N.Y. 1992) [Upheld extensive redaction of I-213s on internal, investigatory and privacy grounds]; *Ray v. U.S. Dept. of Justice*, 778 F.Supp. 1212 (S.D. Fla. 1991) [Upholding privacy and investigatory exception concerning request for information about investigations of INS employees]; *Medina-Hincapie v. Dept. of State*, 700 F.2d 737 (D.C. Cir. 1983) [Upholding exemption under INA § 222(f) to disclosure of visa documents]; *DeLaurentis v. Haig*, 686 F.2d 192 (3d Cir. 1982)



U.S. Department of Justice

Federal Bureau of Investigation

Washington, D. C. 20535

Carol Portman
7245 Cornell
University City, Mo 63130

MAY 15 2000
Request No. 906413

Re: Marcus J. Michles

Dear Requester,

This is to acknowledge receipt of your communication dated April 30, 2000 expressing your willingness to pay the estimated fees of \$50.00.

The FBI has over 300 employees assigned full time to comply with the disclosure provisions of the FOIPA. Despite this commitment, a significant increase in the number of request received has strained our resources and resulted in a tremendous backlog of requests awaiting review. At the end of May 1999, our total requests on hand in various stages of processing numbered over 8,400. These requests will require the review of an estimated 1.8 million pages.

The responsive records pertaining to your request are currently being prepared for assignment to our Disclosure and/or Classification Unit. Such preparation can be time consuming. In order to reduce unnecessary correspondence, we will notify you only after the processing of your request has been partially or fully completed. We solicit your patience and understanding and assure you will process your request.

Sincerely yours,

John M. Kelso, Jr.
Section Chief
Freedom of Information-
Privacy Acts Section
Office of Public and
Congressional Affairs



U.S. Department of Justice

Federal Bureau of Investigation

Washington, D. C. 20535

Ms. Carol M. Portman
7245 Cornell
University, Mo 63130

APR 25 2000

Request No. 906413

Re: Marcus J. Michles

Dear Requester:

This is in further response to your Freedom of Information-Privacy Acts (FOIPA) request.

Documents which appear to be responsive to your request consist of approximately 600 pages. If all pages are determined to be releasable, duplication cost of \$ 50.00 could result, representing a charge of ten cents per page. No fees are assessed for the first 100 pages of duplication. It is emphasized that this is only an estimate; and that the actual charges, after completion of processing of these records, will most likely be less. No duplication fees will be charged for pages that are withheld in their entirety pursuant to any FOIPA exemptions.

Department of Justice regulations (Title 28, Code of Federal Regulations, Section 16.11 and 16.49) require notification to a requester when anticipated charges exceed \$25. This letter constitutes such notification.

Please indicate in writing your willingness to pay the estimated fees so that further action can be taken on your request. No payment should be submitted at this time. If you wish to reduce the scope of your request to meet your needs at a lower cost, please advise this office at your earliest convenience.

Sincerely yours,

John M. Kelso, Jr.
Section Chief
Freedom of Information-
Privacy Acts Section
Office of Public and
Congressional Affairs

Carol Portman
7245 Cornell
University City, MO 63130
314-726-3269
Fax 314-726-1825
email cmportmn@inlink.com

April 30, 2000

Request No. 906413

Re: Marcus J. Michles

Mr. John M. Kelso, Jr
Section Chief, Freedom of Information-Privacy Acts Section
Office of Public and Congressional Affairs
U. S. Department of Justice
Washington, DC 20535-0001

Dear Mr. Kelso,

In response to your letter of April 25, 2000, referencing the cost of copying the record of the above individual, please be advised that I am willing to pay the estimated amount of \$50.00.

Sincerely yours,

Carol M. Portman



SUBJECT: MARCUS J. MICHLES

FILE NUMBER: HQ-2-1115 (VOL. 1)

SUBJECT: MARCUS J. MICHLES

FILE NUMBER: HQ 2-1115 (Vol. 1)

XXXXXX
XXXXXX
XXXXXX

XXXXXXXXXXXXXXXXXXXXX
X NO DUPLICATION FEE X
X FOR THIS PAGE X
XXXXXXXXXXXXXXXXXXXXX

FEDERAL BUREAU OF INVESTIGATION

This case originated at SEATTLE, WASHINGTON

CV. File No. 2-26

b7C

Report made at CLEVELAND, OHIO	Date when made 4-29-49	Period for which made 2/11,15,16,18,21,23; 24;3/1,4,11,12,14, 15,16/49	Report made by [REDACTED] EDS
Title MC CARTY BROTHERS MACHINE COMPANY, Seattle, et al., formerly carried as (Richard Brothers Machine Company)		Character of Case EXPORT CONTROL NEUTRALITY ACT	

Synopsis of Facts:

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 5/17/10 BY 39063 ECU/cuc/jlc

Railroad freight cars No. 56246 from Spokane, Washington, CG 11025 from Ephrata, Washington, and IC 61198 from Seattle, Washington, arrived Fremont, Ohio and the three airplanes contained therein presently stored in junk yard of MARCUS MICHLES. MICHLES has opened checking account at Colonial Bank Fremont, Ohio to pay for freight on the above mentioned railroad cars which account receives credits from the Chase National Bank, New York City. Total credits to date \$6,000 believed received from man named [REDACTED]. MICHLES advised informant he was "purchasing agent" for a "Palestine Club."

*1 copy Campbell via Johns 11-12-49
5-10-49 Mark (for)
1 copy Neal via Johns 5-10-49 Mark (for)*

b7C

- P -

REFERENCE:

Bureau file No. 2-1115.

Report of [REDACTED] dated February 17 last and referenced Bureau letter to Houston dated March 8, last entitled [REDACTED] NEUTRALITY ACT." Seattle teletype March 11, last, Cleveland

COPIES DESTROYED R341 AUG 7 1961

EX-111

Approved & Forwarded: <i>R. J. [Signature]</i>	SAC	Do not write in these spaces 2-1115-67
Copies of this report		RECORDED - 25
6 - Bureau	3 - Miami (Info)	INDEXED - 25
4 - Seattle (2-27)	1 - Houston (Info)	
2 - Chicago (2-41)	1 - San Francisco (Info)	
2 - Detroit	1 - Denver (Info)	
3 - Los Angeles	1 - Portland (Info)	
3 - New York City (Info)	2 - Cleveland	
3 - Newark (Info)		

63 MAY 11 1949

b7C

CV. F.O.
2-26

Reference: teletype to Bureau and Seattle March
6 last, Seattle teletype March 4, last.

- P -

Details: At Fremont, Ohio

It should be noted that the Newark Office is origin in case entitled "Foundry Associates, Inc., Neutrality Act" according to Bureau letter in instant Bureau letter dated February 25, last in instant case. The Bureau advised by letter to Houston on March 8 that [REDACTED] is an alias of [REDACTED] a subject in both the Foundry case and the Mc Carty Brothers Case, formerly entitled Richardi Brothers Machine Company, Seattle.

b7C

It should also be noted that the Cleveland Office has a file on one [REDACTED] alias, [REDACTED] which case is entitled "Palestine Situation, Recruitment Program Neutrality Act." [REDACTED]

To date there has been no contact noted between [REDACTED] and MARCUS MICHLES, Fremont, Ohio.

As of March 15, 1949, three airplanes have arrived at the MARCUS MICHLES junk yard 911 North Front Street in Fremont. These planes have been removed from their flat cars and are stored on crateing at the edge of the MICHLE's property, Railroad car numbers 56246, CG 11025, and IC 61198 carried these planes.

CV. F.O.

2-26

b2 Sources of information [redacted] advised that MARCUS MICHLES
b7D maintains two accounts at the Colonial Bank in Fremont, Ohio and that
b7C as of January 30, 1949 he changed one account to read MARCUS MICHLES' special account and that on January 30, the account was opened with a \$3,000 credit coming from a man named [redacted] through the Chase National Bank of New York City. MARCUS MICHLES advised source [redacted] that he was a purchasing agent for a "Palestine Club" who was furnishing money for instant account.

The following activities as taken place in this account.

Credits- January 26, last \$3,000 deposit,

February 28, last \$3,000 deposit,

Both received from the Chase National Bank, New York City. January 30, check made payable to NICKLE PLATE RAILROAD \$1,583.56. This check was to pay the freight on the first railroad car received in Fremont by MICHLES.

March 3, 1949 a check in the amount of \$1,439.82 made payable to the NICKLE PLATE freight agent in Fremont for freight charges on the second railroad car received.

March 4, 1949, check in the amount of \$1,495.36 made payable also to the NICKLE PLATE agent for the charges on the third car.

b2 As of March 10, last source [redacted] advised the balance of this
b7D account was \$844.04 after four checks believed to be in the approximate amounts of \$250.00 issued to MARCUS MICHLES' Company March 4th last; \$250.00 issued on same date to MARCUS MICHLES' Company, and \$300.00 on March 8, issued to the MARCUS MICHLES Company. Source [redacted] believed that several small checks have also been written against this account which are not presently available.

b7C It is probable that the person referred to above [redacted] is identical with [redacted] mentioned on page 20 of the report of Special Agent [redacted] at Seattle, Washington dated February 18, last.

CV. F.O.
2-26

b7C

[REDACTED]

Source of information [REDACTED] advised that MICHLES is in contact with numerous junk yard owners and businessmen in the vicinity of Fremont. He was in contact on several occasions in January and February 1949 with

b2

[REDACTED]

b7D

b7C

who are involved in the Barker-Karpis Case, in that he and his brother arranged to fly several members of his gang from Toledo to the state of Texas. [REDACTED] have a bad local reputation and are alleged to be "fences."

The following persons in Cleveland were contacted by MICHLES during January and February 1949,

b7C

[REDACTED]

[REDACTED]

[REDACTED]

P E N D I N G

CV. F.O.
2-26

LEADS

THE CLEVELAND DIVISION

At Cleveland, Ohio

Will attempt to identify and obtain background information
on [REDACTED]

b7C

THE CLEVELAND DIVISION

At Fremont, Ohio

Attempt to obtain information regarding activities MARCUS
MICHLES and report regarding shipment of planes from his junk yard.

THE DETROIT DIVISION

At Detroit, Michigan

Will attempt to identify the owner of telephone number
[REDACTED] and obtain pertinent background information on this individual.

b7C

Will attempt to identify and get background information regarding
[REDACTED]

THE CHICAGO DIVISION

At Chicago, Illinois

Will attempt to identify and obtain background information
regarding [REDACTED]

WIFE

COMMUNICATIONS SECTION

APR 25 1949

TELETYPE

*4-25-49
No action
EMG.*

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 39063 ELW/ucp/k

C+

b7C

b7C FBI CLEVELAND

4-25-49

9-25 PM

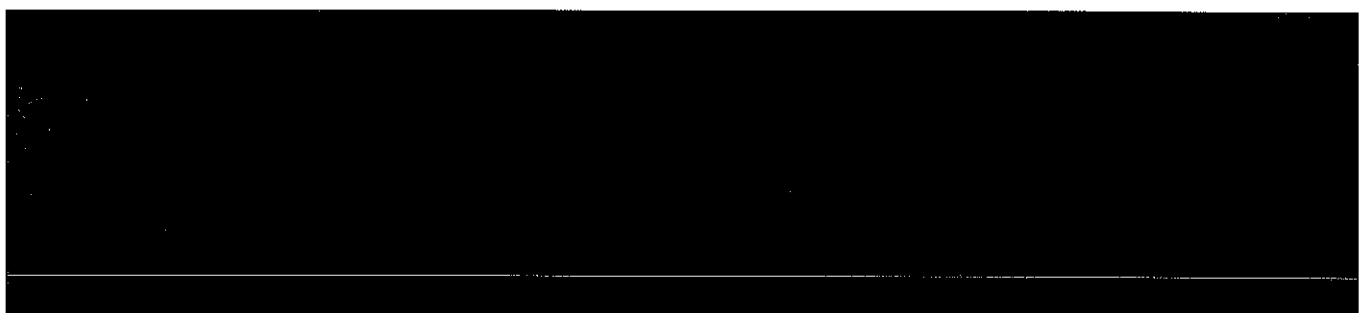
EDT

RCM



DIRECTOR, FBI AND SACS NEW YORK, SEATTLE AND HOUSTON URGENT *C!*

MC CARTY BROTHERS MACHINE CO., ETAL, FORMERLY RICHARDI BROS. MACHINE CO., EXPORT CONTROL, NEUTRALITY ACT. MARCUS MICHLES, FREMONT, OHIO, HAS RECRATED THE FOUR PLANES THAT HAVE BEEN STORED NEAR HIS JUNK YARD, NINE ONE ONE N. FRONT ST. AND PLANES HAVE BEEN PLACED IN SEVEN SMALLER BOXES. INFORMANTS FREMONT ADVISE MICHLES INTENDS STORING INSTANT PLANES FOR SHORT TIME AND THEN RESHIPPIING TO EAST COAST.



MICHLES DEPARTED FREMONT WITH WIFE AND [REDACTED] APRIL TWENTYTHREE, LAST DRIVING MICHLES-S FORTYSEVEN MAROON FOUR DOOR PACKARD SEDAN, BEARING FORTYNINE OHIO LICENSE NO. THREE FIVE NINE O, ALLEGEDLY ENROUTE NYC TO ATTEND A PARTY [REDACTED]

END PAGE ONE

*THE NEW Campbell
State
4-29-49
KWC*

3 MAY 6 1949

SPUC

PAGE TWO

b7C

[REDACTED]

APPEARED TO HELP MICHLES-S MEN TO RECRATE INSTANT PLANES. MICHLES
RECENTLY IN CONTACT WITH ONE [REDACTED]

[REDACTED] WHO IS POSSIBLY IDENTICAL WITH PERSON
SUPPLYING FUNDS TO PAY FREIGHT BILLS AND EXPENSES INCURRED IN SHIPPING
PLANES TO FREMONT. [REDACTED]

[REDACTED]

INVESTIGATION: FREMONT CONTINUING.

ABBATICCHIO

E CORR FOURTH LAST LINE WD DASH SHD BE INSERTED BETWEEN WDS NINE
AND TEN

END

A IN O PLS

WA 9-32 PM OK FBI WASH DC CAR

NY OK FBI NYC JD

W OK FBI HO ES

SE OK FBI SE RDP

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 5/17/00 BY 39163 ELW/CL/92

April 29, 1949

McCARTY REPTURD MACHINE COMPANY, ET AL
SEATTLE, WASHINGTON

The Cleveland Office of this Bureau has advised that Marcus Michles of Fremont, Ohio, has recreated the four planes that have arrived at Fremont, Ohio, and have been stored near his junk yard at 911 North Front Street, Fremont, Ohio. These four planes have been placed in seven smaller boxes, and informants at Fremont advise that Michles intends to store the instant planes for a short time and then reship them to the East Coast.

b7C

[REDACTED]

Michles departed from Fremont, Ohio, with his wife and [REDACTED] on April 23, 1949, driving Michles' 1947 maroon four-door Packard Sedan, bearing Ohio license number 31590, allegedly en route to New York City to attend a party

[REDACTED]

[REDACTED]

[REDACTED]

Michles has reportedly been in contact with [REDACTED] who is possibly identical with the person who supplied the funds to pay the freight bills and expenses incurred in the shipment of these planes to Ohio.

As additional information is received, you will be advised.

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

W. GORMAN:WMJ

way

filed 12/15/49

ENCLOSURE

3-1115-67

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **Seattle**

FILE NO. **2-175**

27
72

b7C

REPORT MADE AT Washington, D.C.	DATE WHEN MADE 3/1/49	PERIOD FOR WHICH MADE 2/25/49	REPORT MADE BY [REDACTED] JVV:MB
TITLE McCARTY BROTHERS MACHINE COMPANY, Seattle; et al			CHARACTER OF CASE EXPORT CONTROL NEUTRALITY ACT

SYNOPSIS OF FACTS:

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 3902 ELN/cac/pl

*1 copy Campbell
via Brown CC-124B
3-7-49 [unclear]
1 copy special
3-9-49 [unclear]*

Materials For Israel not registered with the Attorney General as an agent of a foreign principal.

- RUC -

REFERENCE:

Teletype from Cleveland Office dated February 17, 1949
Report of Special Agent [REDACTED] dated February 18, 1949 at Seattle, Washington.

DETAILS:

AT WASHINGTON, D.C.

Confidential Informant [REDACTED] known to the Bureau, advised the reporting agent that the records of the Foreign Agents Registration Section of the Department of Justice failed to disclose any registration, as an agent of a foreign principal, in the name of the organization known as "Materials For Israel."

For the information of the Seattle Office, it is noted that the undeveloped lead for the Washington Field Office set out in the report of Special Agent [REDACTED] dated February 18, 1949 at Seattle, Washington has been duly covered and reported on in a teletype to the Seattle Office dated February 10, 1949 re **RICHARDI BROTHERS MACHINE COMPANY, Export Control**

- REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN -

COPIES DESTROYED
R 341 AUG 7 1961

G.I.R.-7

APPROVED AND FORWARDED: *[Signature]*
SPECIAL AGENT IN CHARGE

DO NOT WRITE IN THESE SPACES

2-1115-36

F B I
11 MAR 1 1949

RECORDED - 137
INDEXED - 137
EX-16

- COPIES OF THIS REPORT**
- ⑤ Bureau
 - 2 - Seattle AMSP
 - 2 - Cleveland AMSP
 - 2 - Washington Field

58 MAR 1 1949

b7C

b2
b7D

b7C

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

FEB 24 1949

TELETYPE

Mr. Tolson.....
Mr. Clegg.....
Mr. Glavin.....
Mr. Ladd.....
Mr. Nichols.....
Mr. Rosen.....
Mr. Tracy.....
Mr. Egan.....
Mr. Gurnea.....
Mr. Harbo.....
Mr. Mohr.....
Mr. Pennington.....
Mr. Quinn Tamm.....
Mr. Nease.....
Miss Gandy.....

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/12/92 BY 3026/awp/afp

FBI CLEVELAND

2-24-49

5-13 PM EST

EZ

b7C DIRECTOR AND SACS SEATTLE AND NEW YORK URGENT

RICHARDI BROTHERS COMPANY, SEATTLE, EXPORT CONTROL, NEUTRALITY ACT.

RAILROAD CAR CG ONE ONE NAUGHT TWO FIVE ARRIVED FREMONT, OHIO, (70)

FEBRUARY TWENTYTWO, LAST. RAILROAD CARS NO. FIVE SIX TWO FOUR SIX

AND CG ONE ONE NAUGHT TWO FIVE BOTH BEING HELD RAILROAD YARD FREMONT

AND MICHLES ADVISED THAT HE WISHED THEM UNLOADED AT HIS JUNK YARD

FEBRUARY TWENTYFIVE, NEXT.

b7C

ON FEBRUARY NINETEEN, LAST, MICHLES, WHILE HAVING LUNCH AT HOTEL
FREMONT, RECEIVED THREE LONG DISTANCE CALLS FROM DETROIT, MICHIGAN.
INVESTIGATION CONTINUING.

ABBATICCHIO

SEATTLE ADVISED

ACK PLS WA 5-17 PM OK FB F WA DC SK

NY PLS OK FBI NYC MAR

DISC PLS

OM

51 MAR 10 1949
766

G.I.R.-7

RECORDED BY
5/15/92

RECORDED 87

12-1115-37
FBI
19 MAR 4 1949

EX-159
RELEASED

5-Rue

*Rec 12 of 18 - 2-18
DR - B...*

COMMUNICATIONS SECTION

FEB 17 1949

TELETYPE

Mr. Tolson.....
Mr. Clegg.....
Mr. Glavin.....
Mr. Ladd.....
Mr. Nichols.....
Mr. Rosen.....
Mr. Tracy.....
Mr. Egan.....
Mr. Gurnea.....
Mr. Harbo.....
Mr. Mohr.....
Mr. Pennington.....
Mr. Quinn Tamm.....
Mr. Nease.....
Miss Gandy.....

b7C

ln

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY SP-6 JWS/ser/jpk

FBI CLEVELAND 2-17-49 11-11 PM

RCM

DIRECTOR, FBI AND SAC SEATTLE

RICHARDI BROS., NEUTRALITY ACT. REMYTEL INSTANT DATE FREMONT FREIGHT
AGENT ADVISES U. P. CAR FIVE SIX TWO FOUR SIX ARRIVES FREMONT
MORNING FEB. EIGHTEEN INSTANT. WILL ADVISE OF DISPOSITION.

ABBATICCHIO.

END.

H

WA 11-12 PM OK FBI WA WA

SE OK FBI SE DAC

DISC

*No action
necessary
for file*

E.I.R.-7

RECORDED - 43

49

12-1115-39
F B I
11 MAR 1 1949

63 MAR 14 1949

S/la

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/10 BY 39232/ML/KPE/K

FEB 17 1949
TELETYPE

Mr. Tolson	.....
Mr. Clegg	.....
Mr. Glavin	.....
Mr. Ladd	.....
Mr. Nichols	.....
Mr. Rosen	.....
Mr. Tracy	.....
Mr. Egan	.....
Mr. Gurnea	.....
Mr. Harbo	.....
Mr. Hendon	.....
Mr. Jones	.....
Mr. Mumford	.....
Mr. Quinn Tamm	.....
Mr. Nease	.....
Miss Gandy	.....

FBI CLEVELAND 2-17-49 4-03 PM EST MKF

DIRECTOR AND SACS WASHINGTON FIELD AND SEATTLE

RICHARDI BROS. MACHINE CO., SEATTLE, EXPORT CONTROL, NEUTRALITY

ACT. RE SEATTLE TEL FEB TEN LAST. MARCUS MICHLES CONTACTED

NICKEL PLATE FREIGHT AGENT, FREMONT, OHIO FEB FOURTEEN LAST AND

ADVISED HE HAD RECEIVED BILL OF LADING FOR FLAT CAR IC DASH

61198 SIX ONE ONE NINE EIGHT LEAVING SEATTLE FEB NINTH LAST. FIRST CAR

SHIPPED JAN TWENTYFOURTH LAST NO. 56246 FIVE SIX TWO FOUR SIX FROM

SPOKANE ATTEMPTED TO BE TRACED BY NICKEL PLATE AGENT. C. AND N. W.

TRACING CLERK, CHICAGO, ADVISED THEY HAD NO RECORD RECEIVING THIS CAR

TO FEBRUARY THIRTEENTH LAST. SUGGEST TRACING CLERK U. P. R. R.

SPOKANE ATTEMPT LOCATE LATTER CAR TO ASCERTAIN NOT DIVERTED ENROUTE.

WASHINGTON FIELD IS BEING REQUESTED TO ADVISE CLEVELAND IF ORGANIZATION

MATERIALS FOR ISRAEL IS REGISTERED AS AGENT OF FOREIGN PRINCIPLE.

BUREAU ADVISE CLEVELAND IF IT HAS BEEN INVOLVED IN SIMILAR CASES AND

OTHER PERTINENT DATA REGARDING BACKGROUND, INDIVIDUALS INVOLVED INSTANT

CASE. NO INDICATION FREMONT, OHIO THAT

VISITED MICHLES AROUND FEB SEVENTH LAST

NOT DETERMINED AS

TO WHAT ARRANGEMENTS MICHLES MADE WITH PERSON BELIEVED TO BE OWNER OF

AIRPORT LOCATED NEAR FREMONT. A CONFIDENTIAL SOURCE ADVISES MICHAELS

HAS NOT CONTACTED ANY INDIVIDUALS KNOWN TO BE CONNECTED INSTANT CASE

FROM BUSINESS PHONE DURING JAN LAST. INVESTIGATION CONTINUED

ABBATICCHIO

SEATTLE ADVISED

END

Mr. Fletcher
Baumgardner

b7C

b7C

RECORDED - 115
INDEXED - 115
2-25-49
TWO COPIES WFO

12-115-44
23 MAR 7 1949

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

1212
TELETYPE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/1/88 BY [signature]

Mr. Tolson	.....
Mr. Clegg	.....
Mr. Glavin	.....
Mr. Ladd	.....
Mr. Nichols	.....
Mr. Rosen	.....
Mr. Tracy	.....
Mr. Carson	.....
Mr. Egan	.....
Mr. Gurnea	.....
Mr. Harbo	.....
Mr. Hendon	.....
Mr. Pennington	.....
Mr. Quinn Tamm	.....
Mr. Nease	.....
Miss Gandy	.....

6-1-49
800

FBI CLEVELAND 3-6-49 7-13 PM RGM
DIRECTOR, FBI AND SAC SEATTLE

b7C

MC CARTY BROS. MACHINE CO., FORMERLY RICHARDI BROS. MACHINE CO.

ETAL EXPORT CONTROL, NEUTRALITY ACT. RE SEATTLE TEL MARCH FOUR LAST.
FREIGHT CAR NUMBER IC ⁶SIX ⁶ONE ¹ONE ⁹NINE ⁸EIGHT CONTAINS AIRPLANE
FROM SEATTLE. ARRIVED MICHLES JUNK YARD FREMONT, OHIO MARCH THREE
LAST AND SAME IS TO BE UNLOADED ON MICHLES PREMISES. TWO PRIOR
PLANE SHIPMENTS UNLOADED MICHLES JUNK YARD AND PRESENTLY STORED THERE.

b7C

ABBATICCHIO

RECEIVED - REICHER

END

WA 7-15 PM OK FBI WA JG

SE 346,8 OK FBI SE AFL RECORDED - 58

DISCN

53 MAR 18 1949

EX-141
EX-16

12-1115-45
6 MAR 8 1949

RECEIVED

6-1-49

COMMUNICATIONS SECTION

Handwritten initials and signatures

MAR 11 1949
TELETYPE

Handwritten initials

FBI, SEATTLE 3-11-49 4 03 PM PST MJC
DIRECTOR, AND SACS NEW YORK CITY, CLEVELAND, LOS ANGELES URGENT

MCCARTY BROS. MACHINE COMPANY, SEATTLE. EXPORT CONTROL NEUTRALITY ACT

b7C

[REDACTED]

ON MARCH SIXTH LAST OPERATORS

CONSUMMATED PURCHASE OF P FIFTY ONE FIGHTER AT WILBUR, WASH.,
FOR FIVE HUNDRED DOLLARS. PLANE TRUCKED TO SEATTLE, DOUBLE CRATED
AND SHIPPED ON THIS DATE AS AIRCRAFT SALVAGE, BILLED BY [REDACTED]

[REDACTED] TO SURPLUS SUPPLY, LTD., NINE ELEVEN NORTH FRONT STREET,
FREEMONT, OHIO. CAR NO. CNW 4 3 0 5 3
UP, CNW AND NICKEL PLATE. [REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 39023/SP/KAC/AC

[REDACTED]

2-1115-51

1949

Handwritten initials

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

APR 8- 1949

TELETYPE

*NA
GMM*

Mr. Tolson	
Mr. E. A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Hendon	
Mr. Pennington	
Mr. Quinn	
Mr. Nease	
Miss Gandy	

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 1/17/88 BY [redacted]~~

FBI CLEVELAND 4-8-49 4-45 PM EST MKF

DIRECTOR, SACS SEATTLE, NEW YORK, NEWARK

Baumgardner

b7C

MC CARTY BROTHERS MACHINE COMPANY, ETAL. EXPORT CONTROL. NEUTRAL-
 ITY ACT. C AND NW RAILROAD CAR NO. FOUR THREE ONE FIVE THREE, CONTAIN-
 ING BOXED PLANK ARRIVE FREMONT APRIL SIX LAST AND BOX HAS BEEN UN-
 LOADED WITH OTHER THREE AT MARCUS NICHLES JUNK YARD, FREMONT, OHIO.
 NICHLES HAS RECEIVED SEVERAL CREDITS FROM THE ACCOUNT OF [redacted]
 AT CHASE NATIONAL BANK, NEW YORK CITY, AND HAS PLACED SAME IN A
 SPECIAL ACCT. AGAINST WHICH HE DRAWS CHECKS TO PAY FREIGHT CHARGES
 ON ABOVE SHIPMENTS. NYC ATTEMPT IDENTIFY [redacted] IF NOT ALREADY KNOWN.
 NICHLES INDICATES INTENDS SHIPPING ALL FOUR ITEMS WITHIN TWO WEEKS.

ABBATICCHIO

CORRECTION LAST LINE SECOND WORD INDICATED

SE ADVISED

END AX IN OBR PLS

WA 4-48 PM OK FBI WA FEJ

NY OK FBI NYC JD

NK OK FBI NK CEG

DISCMMCV OPR CV

63 APR 22 1949

G.L.R. 7

FEDERAL BUREAU OF INVESTIGATION

U. S. DEPARTMENT OF JUSTICE

RECORDED 4-50

INDEXED 50

APR 12 1949

EX-11

57

SE 2-27

REFERENCE: Seattle teletypes to El Paso dated 1/29; 2/1/49
(Cont) El Paso teletype to Seattle dated 2/1/49
Seattle teletype to Houston dated 1/29/49
Seattle teletype to Los Angeles dated 1/28/49
Seattle teletype to Detroit dated 1/22/49;
Detroit teletype to Seattle dated 1/27/49

DETAILS: At Seattle, Washington

This investigation was predicated upon receipt of information on January 19, 1949 from the Butte Office concerning the purchase of an F-51 fighter plane formerly owned for three years by the Clarkston, Washington, High School, sold to the Richardi Bros. Machine Company, Seattle, for salvage. The work order was signed by [redacted] Boeing Field, Seattle, and the manner of crating indicated overseas transportation. Further information obtained indicated that the plane was crated by truck to Spokane to be loaded on a Union Pacific flatcar there.

b7C

No machine company by the name of Richardi Bros. Machine Company could be located in Seattle. There was no [redacted] located at Boeing Field in Seattle. Inquiries at the King County Airport, however, revealed that a [redacted] was an independent airplane operator located at the field.

The Clarkston, Washington, Herald newspaper on January 21, 1949 carried an article referring to a fighter plane sold for \$1,500.00 to the McCarty Bros. Machinery Company of Seattle, Washington for salvage. This plane was indicated as a P-51.

CLARKSTON PLANE

At Spokane, Washington

The following investigation was conducted by SA [redacted] on 1/21, 22, 24/49:

[redacted] Union Pacific Railroad Freight Office, advised that one [redacted] arranged for the transportation by UPRR of a large crate containing airplane salvage destined for New York. This crate, as observed by the Agent, was approximately 32 feet long, 8 feet wide and 8 feet high. There were no markings on the outside of the box other than on one end in heavy red crayon was marked "heavy end" and on the opposite end was marked "light side". The uniform bill of lading, which was signed [redacted] designated the cargo to [redacted]. The UPRR freight car was No. 56246. The permanent post office address of the supplier was given as [redacted].

b7C

On January 22 [redacted] Union Pacific Railroad, advised that he was contacted by phone from Seattle by [redacted] and was instructed to destroy entirely the original uniform order bill of lading and directed the shipment to Surplus Supplies, Ltd., 911 North Front Street, Fremont, Ohio. [redacted] stated that he requested [redacted] to confirm this change in order by wire, and subsequently advised he received a wire from [redacted] in which he stated merely, "This will confirm our previous conversation." [redacted] stated he then called [redacted] at the Mayflower Hotel in Seattle and requested that another wire be sent to him directing specifically the shipment he wished made of the cargo so that it would be a matter of record for his files. In the second wire, according to [redacted] requested that the cargo be shipped on a straight bill of lading to Surplus Supplies, Ltd., 911 North Front Street, Fremont, Ohio, to travel by the way of Union Pacific to Council Bluffs; Chicago and Northwestern to Chicago; Nickel Plate Railroad to make delivery at Fremont, Ohio. [redacted] advised the original uniform order bill of lading made out and signed by [redacted] would be maintained in his records, as well as the telegram directing the change in consignment. The flatcar carrying the shipment, according to [redacted] would leave Spokane on or about January 24, 1949 and, depending upon conditions, would probably reach Fremont in ten days to two weeks.

[redacted] UPRR, pointed out [redacted] to Special Agent [redacted] on January 21, 1949 and Agent observed [redacted] at the Union Pacific Freight Office. On the same date, under pretext, Agent was introduced to truck drivers by the name of [redacted] were the individuals who trucked the Clarkston plane from Lewiston, Idaho to Spokane. This plane was trucked by H. E. Rolph Trucking Lines, Inc., of Clarkston, Washington. The truck number was 2921, IOC number 28365.

b2
b7D

On January 24, 1949 Confidential Informant [redacted] furnished the serial number of a Lewiston plane, which is believed to be identical to the Clarkston plane inasmuch as the two cities are adjoining. This number is K-51-~~W-111111~~. Further information as obtained from [redacted] concerning the Lewiston (Clarkston) plane appears under the heading "Ephrata Plane".

AIRPLANE

SANDEPOINT, IDAHO, PLANE

49
26
b2
b7D
b7C

Confidential Informant [redacted] furnished information to the effect that [redacted] had in his possession on January 25, 1949 a telegram dated October 16, 1948 which stated: "State Department clearance not required for domestic purchase. Aircraft license issued by Department required export. (signed) [redacted] Munitions Division, Department of State."

[redacted]

b2

b7D

b7C

The Butte Office on February 1, 1949 advised that [redacted] Sandpoint, Idaho, was contacted in October, 1948 by one TOM WHEELER and [redacted] both claiming residence in Tucumcari, New Mexico. They desired to purchase P-51 airplanes for racing purposes. [redacted] advised that he sold a P-51 fighter plane, serial No. 44-11815, which was originally acquired from the Army through War Assets, to WHEELER and [redacted] only after obtaining clearance from [redacted] Munitions Division, Department of State. [redacted] displayed a wire from [redacted] dated Oct. 19, 1948 which is similar to the wire furnished by [redacted] furnished a wire by [redacted] War Assets Administration, Washington, dated November 23, 1948, stating, "This is your authority to dispose of P-51, Serial 44-11815, in accordance with paragraph 7 on agreement form. No formal bill of sale will be issued by WAA. Advise this office when purchaser takes delivery of equipment CDR/11/OURAM." [redacted] and WHEELER paid the school \$217.00 and paid WAA \$1400.00.

b7C

The school officials were suspicious of WHEELER and [redacted] and secured from WHEELER an affidavit reading in part, "Affiant states on oath that affiant is acting for himself and for his partner, [redacted] of Tucumcari, State of New Mexico, in certain negotiations for the purchase by affiant and his said partner of one certain 44-11815 P-51 airplane, now owned by Independent School District No. 1, Bonner County, State of Idaho. That affiant states on oath that the above mentioned airplane is fit for scrap only and that said airplane will not be used for commercial purposes or otherwise and that the same will not be flown by affiant, his partner, nor any other person whatsoever acting as their agent, servant or employee and that said airplane will be converted to scrap by affiant and his said partner as soon as the said airplane can be delivered to the establishment of affiant and his said partner at Tucumcari, State of New Mexico. (signed) TOM H. WHEELER."

On November 25, 1948 WHEELER informed [redacted] that he and his partner had suffered financial difficulties and had suddenly been forced to dispose of the plane for which sale was consummated November 23, 1948, but assured [redacted] that the plane was still to be scrapped and that he had secured an affidavit from purchaser [redacted] that was identical to the one given by WHEELER to [redacted] [redacted] did not see the affidavit but told WHEELER he was holding him to the agreement.

TOM WHEELER left Sandpoint by personal plane BT-15 trainer and was killed in a plane crash at Emmuclaw, Washington November 30, 1948.

The Sandpoint plane was shipped November, last, by way of Northern Pacific Railroad waybill No. 51 by [redacted] per TOM WHEELER, Agent, consigned to Apex Transportation Company, 82 Beaver Street, New York, New York, routed Northern Pacific; Chicago, Burlington & Quincy; New York Central; freight collect carload lot.

SE 2-27

The information concerning TOM WHEELER's death in the airplane crash was not confirmed by the Seattle Office.

EPHRATA PLANE

b2
b7D

The following information was obtained from Confidential Informant [redacted] on January 24, 1949:

b7C

b2
b7D
b7C

[redacted] ship the Ephrata plane to Surplus Supplies, Ltd., 911 North Front Street, Fremont, Ohio. The route of the Ephrata plane was indicated as Great Northern to Council Bluffs; Chicago Northwestern to Chicago, Illinois; and Nickel Plate for delivery at Fremont.

b7C

[redacted] Great Northern Station Agent at Ephrata advised a crate containing a plane was loaded on a CG flatcar No. 11025 enroute to Surplus Supplies, Ltd., 911 North Front Street, Fremont, Ohio. The transportation of the plane to the freight office was by D. S. Catlow Trucking, Ephrata, Washington. [redacted] advised that the only external mark on the crate was the Fremont address. This car departed Ephrata January 31, 1949.

WILBUR PLANE

b2
b7D
b7C

On January 26, 1949 [redacted] furnished information that [redacted] and [redacted] were purchasing a plane through [redacted] Wilbur, Washington, Schools. Informant advised that the Wilbur plane was purchased by [redacted] through [redacted] and [redacted]

According to the same informant, [redacted] ship this plane to the Surplus Supplies, Ltd. at Fremont, Ohio. The serial number of this plane was not known to any of the informants.

SE 2-27

contacted the freight agent of the Nickel Plate Railroad at Fremont on the 27th of January and advised that he was expecting three railroad cars shipped from the West Coast and desired that he be notified upon the arrival of these cars, inasmuch as he desired these cars to be placed on a siding until he obtained a buyer, after which he would reship the cars in question.

b7C Cleveland has also identified an individual by the name of [REDACTED]

and also were recently seen in the company of MICHLES and believed to be in charge of shipments through his junk yard.

ACTIVITIES OF SUBJECTS IN STATE OF WASHINGTON
FROM JANUARY 21 to FEBRUARY 3, 1949

b7C [REDACTED]

b2
b7D
b7C [REDACTED]

b7C [REDACTED]

At Seattle, Washington

The following investigation was conducted by SA [REDACTED] and the writer:

[REDACTED]

[REDACTED]

[REDACTED]

Assistant Attorney General Alexander M. Campbell
Criminal Division

April 22, 1949

Director, FBI

MCCARTY BROTHERS MACHINE COMPANY, ET AL
SEATTLE, WASHINGTON
NEUTRALITY ACT
EXPORT CONTROL ACT

Reference is made to my memorandum to you dated March 4, 1949,
in the captioned matter.

There are enclosed for your additional information the original
and one copy of a memorandum furnishing you with additional data.

Enclosure

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 39025 [signature]

PROCEED - 113

no.

2-1115

G. I. R. - 7

RECEIVED
F B I
APR 22 5 11 PM '49

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

COMMUNICATIONS SECTION
MAILED 9
APR 22 1949 P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

[Handwritten signatures and initials]

CV. F.O.
2-26

SOURCE OF INFORMATION PAGE

b2 Source of Information [REDACTED] Colonial Bank, Fremont,
Ohio.

b7D

b7C Source of Information [REDACTED] Ohio Bell
Telephone Company.

Informant symbols used at the request of informants.

CV. F.O.
2-26

L E A D S

THE LOS ANGELES DIVISION

At Los Angeles, California

Will identify and obtain background information on [REDACTED]

b7C

At Hollywood, California

Will identify and obtain background information on [REDACTED]
and identify possessors of phone numbers [REDACTED]

THE NEWARK DIVISION

At Jersey City, New Jersey,

Will identify and obtain background information on M. PASHELINSKY, 675 Garfield Avenue, Jersey City, and will obtain disposition of the 2 railroad cars mentioned herein, as requested by referenced teletypes of February 4th and February 10th.

THE NEW YORK DIVISION

At New York City

If this information is not already known, will identify and obtain background information regarding [REDACTED]

Information copies are being forwarded to the various offices at the request of the Bureau inasmuch as they have had leads either in instant case or in related cases.

CV. F:O:
2-26

b7C Referenced teletype from Seattle dated March 4 last indicating that one [redacted] who was in the office of MARCUS MICHLES, Fremont, Ohio on [redacted] last contacted [redacted] and that apparently this contact determined the date of the shipment of the first were "Clarkston Plane, arriving Fremont, Ohio. It is possible that this reference to [redacted] who, according to [redacted] was to have contacted MICHLES regarding the airplane shipments. [redacted]

The following investigation was conducted by Special Agent [redacted] in Shelby, Ohio.

[redacted] Police Department, Shelby, Ohio advised that the Shelby Iron & Metal Company 151, No. Broadway, Shelby, has been operated as a scrap iron company for about 35 years. He said the company was originally begun by MAX OXMAN, a junk-dealer who has since deceased; [redacted]

SE 2-27

January 22, 1949

b2
b7D
b7C

Confidential Informant [redacted] advised that [redacted] pertained to the uniform bill of lading in regard to the shipment of the plane from Spokane, Washington, to Fremont, Ohio.

[redacted] changing the routing of the Clarkston plane from New York to Surplus Supplies, Ltd. at Fremont, Ohio.

b7C

[redacted]

[redacted]

[redacted]

January 24, 1949

b2
b7D
b7C

[redacted]

[redacted]

[redacted]

[redacted]

b7C

On the same day it was also ascertained that the subjects had discussed the methods of dismantling planes, crating and shipping.

Special Agent [redacted] advised that one of the individuals, believed to be [redacted], had a bill of sale which listed aircraft numbers and other

b2
b7D
b7C

information. It reflected that aircraft was purchased for salvage parts, which would make it difficult for authorities to trace the transactions. This bill of sale was from the Houston Scrap and Salvage Company, 7152 Navigation, Houston, Texas, and was signed by [REDACTED]. On the same date [REDACTED] reported information concerning the bill of sale which was in the possession of [REDACTED] from the Houston Scrap and Salvage Company. This bill of sale was to be used for the purpose of convincing any authorities investigation or making inquiries as to the purchasing of fighter airplanes that these purchases were made for salvage.

b7C

[REDACTED]

b7C

[REDACTED]

[REDACTED]

January 25, 1949

The following information was obtained by Special Agent [REDACTED] through conversation overheard through the adjoining door of room 1007, Mayflower Hotel:

[REDACTED]

[REDACTED]

It was indicated that some material was legally directed to Canada and from there was sent to some overseas point, believed to be Cairo, Egypt.

The following information was obtained from [REDACTED] concerning the materials referred to in Canada:

b2
b7D

XXXXXX
XXXXXX
XXXXXX

FEDERAL BUREAU OF INVESTIGATION
FOIPA
DELETED PAGE INFORMATION SHEET

18 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552

Section 552a

(b)(1)

(b)(7)(A)

(d)(5)

(b)(2)

(b)(7)(B)

(j)(2)

(b)(3)

(b)(7)(C)

(k)(1)

(b)(7)(D)

(k)(2)

(b)(7)(E)

(k)(3)

(b)(7)(F)

(k)(4)

(b)(4)

(b)(8)

(k)(5)

(b)(5)

(b)(9)

(k)(6)

(b)(6)

(k)(7)

Information pertained only to a third party with no reference to the subject of your request or the subject of your request is listed in the title only.

Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

_____ Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

_____ Page(s) withheld inasmuch as a final release determination has not been made. You will be advised as to the disposition at a later date.

_____ Pages were not considered for release as they are duplicative of _____

_____ Page(s) withheld for the following reason(s): _____

The following number is to be used for reference regarding these pages:

HQ 2-1115-34 pg. 11-28

XXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X for this page X
XXXXXXXXXXXXXXXXXXXX

XXXXXX
XXXXXX
XXXXXX

SE 2-27

LEADS

Copies of this report are furnished to the Butte, Chicago, Detroit, El Paso, and Miami offices inasmuch as they were previously requested to conduct investigation by teletype and investigation in their divisions may be requested in the future.

All offices are requested not to conduct open interviews of the subjects at the present time pending receipt of further information concerning their activities.

CLEVELAND OFFICE

AT FREMONT, OHIO

Will continue to follow the shipments of planes from the West Coast to the East Coast through the Surplus Supplies, Ltd. Will also advise the office covering the port of embarkation so that Customs authorities may determine the destination of the shipment in question. *cm*

DENVER OFFICE

AT DENVER, COLORADO

[REDACTED]

b7C

HOUSTON OFFICE

AT HOUSTON, TEXAS

[REDACTED]

LOS ANGELES OFFICE

AT GLENDALE, CALIFORNIA

[REDACTED]

SE 2-27

b2
b7D
b7C

[REDACTED]

NEW YORK OFFICE

AT NEW YORK CITY, NEW YORK

b7C

Will conduct appropriate investigation concerning [REDACTED] and other subjects involved in the shipment of planes outside the United States.

[REDACTED]

Can

Will check the arrival of a P-51 shipped from Sandpoint, Idaho and attempt to ascertain its point of embarkation. This plane was shipped November, 1948 enroute New York City via Northern Pacific Railroad under Waybill No. 51 (this number probably erroneous), by [REDACTED] per TOM WHEELER, Agent. The shipment was going to Apex Transportation, 82 Beaver St., NYC, freight collect.

Can

b2
b7D
b7C

[REDACTED]

NEWARK OFFICE

AT PATERSON, NEW JERSEY

b7C

Will furnish information concerning [REDACTED] and other subjects concerning their participation in any of the mentioned organizations in the business of transporting planes and other implements of war outside the United States.

Can

PORTLAND OFFICE

AT PORTLAND, OREGON

b7C

[REDACTED]

AT SALEM, OREGON

b7C

Will furnish information concerning the purchase of a P-51 plane on the part of [REDACTED] at Salem.

Can

SE 2-27

SAN FRANCISCO OFFICE

AT REDWOOD CITY, CALIFORNIA

b7C

Will identify and furnish information with reference to [REDACTED] and his possible connection with shipments of implements of war outside the United States. *cow*

b2

b7D

San Francisco's attention is also called to the names and addresses which were furnished by [REDACTED]

WASHINGTON FIELD OFFICE

AT WASHINGTON, D. C.

Will check with the International Board of Trade, Commerce Department, concerning the subjects of this case as to their possessing export licenses. *7*

Will also check with the State Department concerning the subjects of this case and determine whether any license has been obtained for the export of arms or implements of war. *cow*

SEATTLE OFFICE

AT SEATTLE, WASHINGTON

b7C

Will continue to follow the activities of [REDACTED] and other subjects in the Seattle area. *cow*

CONFIDENTIAL INFORMANTS

b2

b7D

b7C

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Highly confidential source known
to Special Agents [REDACTED]
and [REDACTED]

Highly confidential source known
to Special Agent [REDACTED]

[REDACTED]

[REDACTED] National Bank
of Commerce, Seattle, Wash.

Highly confidential source known
to Special Agents [REDACTED]
and [REDACTED]

[REDACTED]

Pacific Telephone & Telegraph Co.,
Spokane, Washington

[REDACTED]

Mayflower Hotel, Seattle, Wash.

Assistant Attorney General Alexander M. Campbell
Criminal Division
Director, FBI

March 4, 1949

MCCARTY BROTHERS MACHINERY COMPANY, SEATTLE,
WA RICHARDI BROTHERS MACHINE COMPANY, ET AL,
NEUTRALITY ACT, EXPORT CONTROL ACT
Bureau file #2-1115

There are enclosed for your information one copy each of
the following investigative reports in the above-captioned matter:

Report of Special Agent [redacted] dated
February 18, 1949, at Seattle.

b7C

Report of Special Agent [redacted] dated
February 17, 1949, at Butte.

Report of Special Agent [redacted] dated
February 17, 1949, at Cleveland.

You will observe that several of the subjects involved
in these transactions are the same subjects that are involved in
the case entitled "Foundry Associates, Inc.," about which informa-
tion has previously been furnished to you.

Reference is made to the attached report of Special Agent
[redacted] dated February 18, 1949, at Seattle, which reflects
the purchase of a P-51 airplane at Salem, Oregon. This plane appears
to be identical with the one about which information was furnished you
by memorandum dated December 24, 1948, entitled "Foundry Associates,
Inc., Neutrality Act."

b7C

As additional information is received, you will be
promptly advised.

Enclosures

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/12/00 BY SP-6 [redacted]

RECORDED - 133
FBI
45 MAR 10 1949

COMMUNICATIONS SECTION
MAILED 12
★ MAR 1 1949 PM
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

RWC

GAS

[Handwritten signature]

2-1115

~~CONFIDENTIAL~~
BY SPECIAL MESSENGER

Date: March 4, 1949

To: Mr. Jack D. Neal
Associate Chief
Division of Security
State Department
515-22nd Street, Northwest
Washington, D. C.

From: John Edgar Hoover - Director, Federal Bureau of Investigation

Subject: ^(P)MCARTY BROTHERS MACHINE COMPANY, SEATTLE,
WA RICHARDI BROTHERS MACHINE COMPANY, ET AL,
NEUTRALITY ACT, EXPORT CONTROL ACT

There are enclosed for your information one copy each of the following investigative reports in the above-captioned matter:

Report of Special Agent [redacted] dated February 18, 1949, at Seattle.

Report of Special Agent [redacted] dated February 17, 1949, at Butte.

Report of Special Agent [redacted] dated February 17, 1949, at Cleveland.

You will observe that several of the subjects involved in these transactions are the same subjects that are involved in the case entitled "Foundry Associates, Inc.," about which information has previously been furnished to you.

Reference is made to the attached report of Special Agent [redacted] dated February 18, 1949, at Seattle, which reflects the purchase of a C-47 airplane at Salem, Oregon. This plane appears to be identical with the one about which information was furnished you by memorandum dated December 24, 1948, entitled "Foundry Associates, Inc., Neutrality Act."

Additional information is received, you will be promptly advised.

COMMUNICATIONS SECTION
BY
SPECIAL MESSENGER Being furnished to you for your confidential information and should not be disseminated outside of your agency.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

RWC:GAS

DECLASSIFIED BY 3903 EML/ELG/RLK
ON 5/17/00
514716
0771-5
NO

b7C

b7C

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

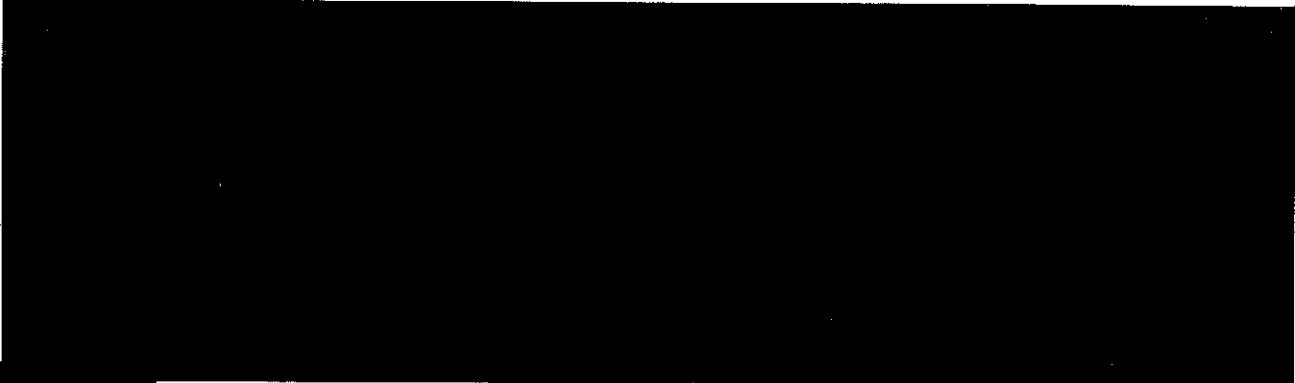
RECORDED - 58
EX-107
MAR 9 1949
F B I
- 1115-47
45

Q.L.R.-1

SEARCHED BY
INDEXED BY
SERIALIZED BY
FILED BY

PAGE TWO

b7C



CLEVELAND TO CONTINUE TO SURVEIL, TO TRACE AND REPORT
MATERIALS THROUGHOUT FREEMONT, OHIO.



WILCOX

CORRECTION - PAGE ONE - LINE TWELVE - SECOND WORD SHD BE



END

ACK PLS

WA 7-13 PM OK FBI WA DC SK

YL OK FBI NYC MAR

CV OK FBI CV MM

LA OK FBI LA CSB

DISC PLS

NO

This case originated at SEATTLE File No: 2-27

Report Made at SEATTLE, WASHINGTON	Date When Made <u>2/18/49</u>	Period for which made <u>1/19-2/3/49</u>	Report made by [REDACTED]
Title McGARTY BROTHERS MACHINE COMPANY, Seattle;			Character of Case EXPORT CONTROL NEUTRALITY ACT

FROM WHEELER, MARGUS MICHAEL
MATERIALS FOR ISRAEL, INC. (Formerly carried)
MICHROSOFT BROS. MACH. CO.

b7C

Synopsis of fact: Subjects engaged in purchasing of airplanes and other materials on West Coast for Egypt and Israel. Fighter planes purchased at Sandpoint, Idaho; Salem, Ore.; also Clarkston, Ephrata, Wilbur and Seattle, Wash. Planes from Washington shipped by railroad, funneled through Fremont, Ohio, junk yard enroute to East Coast for overseas shipment for Israeli fighting force. Jewish faction also in business of recruiting personnel for Israeli forces. Information received reflects planes presently in Vancouver, Canada, believed to be destined for Cairo, Egypt; however, operators experiencing difficulty in obtaining license in Vancouver.

CC [REDACTED]
REQ. [REDACTED]
ANS. BY: [REDACTED]

b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 3902/SP/MLP

REFERENCE:

*Copy Campbell
by memo 2-4-49
copy Paul by memo
2-4-49*

Telephone call to Bureau 1/25/49
Seattle teletypes to Bureau dated 1/22, 26, 28, 31/49; Miami teletypes to Seattle dated 1/28; 2/1/49
Seattle teletype to Butte dated 2/1/49; Butte teletypes to Seattle dated 1/19, 21/49
Seattle teletype to Miami dated 1/21/49; Miami teletype to Seattle dated 1/31/49
Seattle teletypes to Cleveland dated 1/26, 27, 28, 29; 2/3/49
Cleveland teletypes to Seattle dated 1/29; 2/1, 3/49
Seattle teletypes to New York dated 1/22, 27, 28, 29; 2/2/49
New York teletypes to Seattle dated 1/27; 2/1/49
Seattle teletypes to Newark dated 1/29; 2/1/49
Newark teletypes to Seattle dated 2/1, 2/49

SET

Approved and Forwarded: <i>J. Wilcox</i>	SAC	Do not write in these spaces
Copies of this report		
6 - Bureau	3 - Los Angeles	<p>COPIES DESTROYED R 341 AUG 11 1961</p> <p>12-1115-30 F B I 13 FEB 21 1949</p> <p>RECORDED - 21 INDEXED - 21</p>
2 - Butte	3 - Miami	
2 - Chicago	3 - New York	
4 - Cleveland	3 - Newark	
2 - Denver	2 - Portland	
2 - Detroit	2 - San Francisco	
2 - El Paso	2 - Washington Field	
2 - Houston	8 - Seattle	

62 MAR 4 1949

All offices should consider the possibility that the same subjects are involved in this latter transaction as those involved in the captioned matter. This investigation should receive expeditious attention and the Bureau should be advised of all important developments by teletype followed by a report.

RECORDED - 28
2-1115-33

SAC, Seattle

March 4, 1949

Director, FBI

R. J.

MCCARTY BROTHERS MACHINE COMPANY, SEATTLE,
WA RICHARDI BROTHERS MACHINE COMPANY, ET AL,
NEUTRALITY ACT, EXPORT CONTROL ACT
Bureau file #2-1115

Reference is made to the report of Special Agent [redacted] dated February 18, 1949, at Seattle in the above-captioned matter, and to letter from Seattle to the Bureau dated February 18, 1949, requesting that the Bureau advise whether copies of reports in this case should be furnished to the local Army, Navy and Air Force Intelligence Services. The Bureau has no objection to copies of these reports being furnished to these agencies.

b7C

Reference is also made to the above report wherein it was reflected that a P-51 plane, serial #44-11815 was purchased at Salem, Oregon. This plane appears to be the same one which was the subject of Portland teletypes to the Bureau and Newark dated November 18, 1948, and November 22, 1948, entitled "Foundry Associates, Inc., Neutrality Act." This plane arrived at Jersey City, New Jersey, on December 17, 1948, and was trucked by the Parisi Trucking and Heavy Haulage Company, 56-66 48th Street, Laurel Hill, Long Island, to the latter's address on December 24, 1948, and New York was advised by teletype from Newark entitled "Foundry Associates, Inc., Neutrality Act," dated December 24, 1948.

Portland, Newark and New York are requested to submit report under the caption "McCarty Brothers Machine Company, Seattle, was, et al, reporting the purchase, transportation and arrival at ultimate destination respectively of the above plane. Houston, New York and Newark's attention is directed to page 9 of the referenced report wherein it was stated that subject [redacted]

G. A. R. -7

[redacted] had in his possession a bill of sale from Houston Scrap and Salvage Company, Houston, Texas.

b7C

Reference is further made to Houston teletype to the Bureau and New York dated February 25, 1949, New York teletype to the Bureau and Newark dated February 28, 1949, and Bureau teletype to Houston, Newark and New York dated March 1, 1949, entitled [redacted] Unsub, wa, [redacted] Parisi Heavy Haulage Corporation, Harris
Houston Salvage and Scrap Company, Neutrality Act, Export Control Act, wherein it was stated that P-51 fighter planes had been [redacted] Harris Warehouse Corporation, Perth Amboy, New Jersey, and to Parisi Heavy Haulage Corporation, Woodside, Long Island.

b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/80 BY SSA/BJW/ce/gh

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

COMMUNICATIONS SECTION
 MAR 1 1949 P.M.
 cc: New York
 FEDERAL BUREAU OF INVESTIGATION
 U.S. DEPARTMENT OF JUSTICE
 Houston

cc: Cleveland
Miami
Portland

[Handwritten signature]

52 MAR 15 1949

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: Feb. 18, 1949

FROM : SAC, Seattle

SUBJECT: McCARTY BROTHERS MACHINE COMPANY, et al
EXPORT CONTROL; NEUTRALITY ACT

Rerep SA [redacted] dated 2/18/49 at Seattle and Butte teletype to Bureau dated 1/19/49.

The Bureau and all offices receiving copies of this report have previously received communications by teletype entitled RICHARDI BROTHERS MACHINE COMPANY, Seattle, EXPORT CONTROL, NEUTRALITY ACT. Investigation conducted reflected that McCARTY BROTHERS MACHINE COMPANY were involved in the purchase of the plane at Clarkston, Washington and not the RICHARDI BROTHERS.

The Bureau is requested to instruct the Seattle Office, as well as other offices concerned, whether copies of this report should be furnished locally to the intelligence services of the Army, Navy and Air Corps. The Seattle Office is retaining sufficient copies for local distribution in the event the Bureau so desires.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 39063 [signature]

LMI:JG
2-27

*copies Seattle, L.A.,
ex: NY, Newark, Cleveland,
Phoenix, Portland
RWS 3-4-49*

RECORDED - 27

12-1115-33
F B I

13 FEB 21 1949

[Handwritten signature]

*SEARCHED
SERIALIZED*

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY SP063 ELW/ccc/yl

2/10/49

FBI WASH FIELD

2/10/49

3:15 p.m.

DIRECTOR AND SACS SEATTLE, BUTTE, NEW YORK AND MIAMI

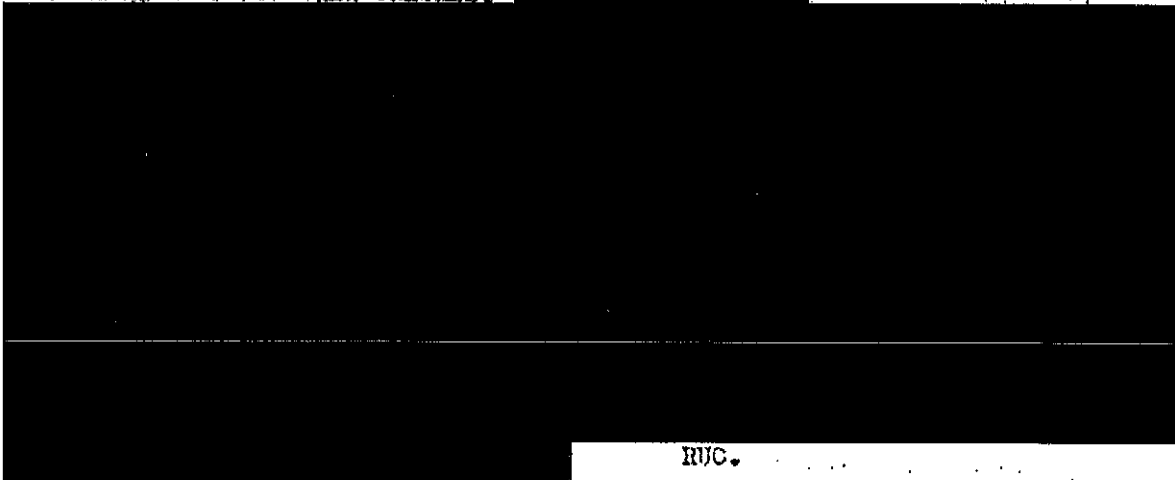
URGENT

b2
b7D
b7C

RICHARDI BROS. MACHINE CO. EXPORT CONTROL, NA. RE SEATTLE TEL JAN TWENTY ONE

AND FEB TWO. RE BUTTE TEL FEB ONE.

KNOWN TO BUREAU ADVISED RECORDS OF MUNITIONS DIV, STATE
NO EXPORT LICENSES ISSUED TO INDIVIDUALS AND ORGANIZATIONS LISTED REFERENCED
TELS INASMUCH AS LICENSES TO EXPORT MUNITIONS INCLUDING AIRPLANES AND
AIRPLANE PARTS MUST BE OBTAINED FROM STATE RECORDS OF OIT DEPT. OF
COMMERCE HAVE NOT BEEN CHECKED. ALSO ADVISED ONE



RUC.

JVJ:PAL
2-176

RECORDED - 34
INDEXED - 34

12-1115-32
13 FEB 18 1949

Handwritten initials or mark.

19614

PAGE TWO

FLAT CAR CG ONE ONE NAUGHT TWO FIVE. SEATTLE PLANE CRATED AND LOADED
ON FLAT CAR IC SIX ONE ONE NINE EIGHT, ALSO DESTINED FOR FREMONT,
OHIO, BY WAY OF UPRR TO COUNCIL BLUFFS, CNW CHICAGO, NICKEL PLATE
DELIVERY. CAR OR SHIPMENT TO DEPART SEATTLE PENDING UPON WEATHER.
CLEVELAND WILL CONTINUE TO TRACE SHIPMENTS AND ADVISE OFFICES
COVERING DESTINATIONS OF CARS AND FACILITATE COVERAGE THROUGH CUSTOM
AUTHORITIES.

WILCOX

END AND ACK IN ORD

WA 9-53 PM OK FBI WA DC SK

NY OK FBI NYC JD

MC

2-14066

BT 2-9

Reference: Butte teletype to Bureau, New York, Miami, Seattle, Washington Field, El Paso and Cleveland, February 1, 1949.
Bureau teletype to Butte, February 2, 1949.
Washington Field teletype to Butte, February 10, 1949.

Details:

AT SANDPOINT, IDAHO

b7C

On October 21, 1948, [redacted] made inquiry of the reporting agent concerning TOM H. WHEELER and [redacted] both claiming residence at Tucuman, New Mexico, who had contacted [redacted] relative to their purchase of a P-51 airplane owned by the Sandpoint High School. [redacted] stated that in August, 1946, the Sandpoint High School had purchased from War Assets Administration a new P-51 airplane, which had been ferried to Sandpoint and had been used in aircraft instruction courses given by the school for practical training. [redacted] said that the plane had served its purpose for the instruction courses, was too "hot" to fly and too expensive to operate for personal flying by himself or other local flyers, and the school would be glad to dispose of the plane if they could get their money out of it.

[redacted] said that WHEELER and [redacted] claimed that they had been looking for just such a P-51 as the Sandpoint High School had, stating that it was of an advanced model and especially suitable for re-working into a racing plane for such events as the Bendix Race, and that they would like to purchase the plane, combine parts of it with an older model they already had, and thus acquire their finished racing airplane. [redacted] said he was somewhat suspicious of WHEELER and [redacted] having heard or read that planes such as the P-51 were being exported illegally for use in the Palestine area as war-craft, and accordingly, he was desirous of making all possible inquiry to protect the Sandpoint Schools from complicity in such a possible law violation.

A teletype was sent from the Butte Division to El Paso, requesting inquiry at El Paso concerning WHEELER and [redacted] the El Paso Division replying by teletype that WHEELER and [redacted] had been associated in an airport operation, WHEELER being a relative stranger, [redacted]

This information was furnished

to [redacted] by the reporting agent.

14067

b7C

██████████ said he had also made inquiry of the Department of State relative to the sale of the airplane, and had been advised by telegram dated October 19, 1948, "State Department clearance not required domestic purchase. Aircraft license issued by Department required for export". Signed ██████████ Munitions Division, Department of State, Washington, D.C.

██████████ said he had made inquiry of the War Assets Administration relative to the sale of the airplane, and had been advised by telegram dated November 23, 1948, "This is your authority to dispose of P-51 aircraft, serial number 44-11815, in accordance with paragraph seven on agreement form. No formal Bill of Sale will be issued by WAA. Advise this office when purchaser takes delivery of aircraft. End/CDR/11/OURAM". Signed, ██████████ War Assets Administration, Washington.

██████████ said that in view of the above information, he was completing the sale of the P-51 to WHEELER and ██████████ inasmuch as the school was receiving the full amount they had originally invested in the airplane.

On January 31, 1949, ██████████ was interviewed at his office concerning the details of his transaction with WHEELER and ██████████ stated that he had been first contacted by ██████████ and in subsequent negotiations ██████████ had been the spokesman with WHEELER appearing to act as the subordinate. ██████████ said WHEELER and ██████████ contacted him several times, and when it appeared that the sale would go through, ██████████ left and WHEELER remained in Sandpoint apparently to take care of the crating and shipment of the plane. ██████████ said that WHEELER paid him the \$217.00 for the plane and furnished the \$1,400.00 which was paid to War Assets as the difference between the school purchase price and the purchase price of such a plane to the general public. ██████████ said he did not see ██████████ after early November, but was in constant contact with WHEELER who was anxious to expedite the approval of the sale.

Early in November, 1948, as ██████████ said he could best recall, two men flying a Fairchild model 24 airplane had arrived to confer with WHEELER and WHEELER had told ██████████ that these men were assisting financially in the plans to purchase the plane, but did not identify the men further to ██████████ said the Fairchild had a rough-sounding engine, and he believed it had been flown to Coeur d'Alone, Idaho, for service.

██████████ said that after some indication had been received from ██████████ and after the Department of State had indicated no disapproval of the sale, WHEELER had prevailed on ██████████ to let him crate the plane just in the hope that the sale would be approved and time would thus be saved in shipping preparation. ██████████ said that WHEELER had the plane all crated about

mid-November, 1948, but he would not let WHEELER move the plane pending full approval of the sale from War Assets, which approval was finally received, as reported above, on November 23, 1948, and the sale was completed on that date.

b7C

Prior to this date of November 23, 1948, [redacted] said he had secured an Affidavit from WHEELER to furnish interested Governmental agencies:

"AFFIDAVIT"

STATE OF IDAHO)
County of Bonner) ss.

TOM H. WHEELER, being first duly sworn, deposes and on his oath says: That he is a resident of Tucumcari, State of New Mexico, of the age of 34 years, and that he made this affidavit at the request of [redacted] of Sandpoint, Idaho, acting as attorney for Independent School District No. 1, Sandpoint, Bonner County, State of Idaho.

That affiant is acting for himself and for his partner, [redacted] of Tucumcari, State of New Mexico, in certain negotiations for the purchase by affiant and his said partner of one certain 44-11815, P-51 airplane, now owned by Independent School District No. 1, Bonner County, State of Idaho.

That affiant states on oath that the above mentioned airplane is fit for scrap only and that the said airplane will not be used for commercial purposes or otherwise, and that the same will not be flown by affiant, his partner, nor any other person whatsoever, acting as their agent, servant, or employee, and that said airplane will be converted to scrap by affiant and his said partner as soon as the said airplane can be delivered to the establishment of affiant and his said partner at Tucumcari, State of New Mexico.

TOM H. WHEELER

Subscribed and sworn to before me this 1st day of November, 1948.

[redacted]
Notary Public in and for the State of Idaho, residing at Sandpoint, therein. My Commission expires 4/16/49."

14069

BT 2-3

b7C

██████████ said that as part of the same transaction, the following document had been prepared:

"November 1, 1948

In return for \$217.00 paid by Tom Wheeler and ██████████ of Tucumcari, New Mexico, this document is to act as a Bill of Sale for surplus aircraft # 44-11815. This aircraft is being sold as scrap and is not to be used in any flight capacity.

Witness my hand and seal this first day of November, 1948.

██████████ (s)

██████████ (s)

(Witness)

Independent School District #1
Sandpoint, Idaho"

██████████ said that on November 26, 1948, he had seen WHEELER at the airport where WHEELER was arranging for the transportation of the crated plane to the railroad for shipment. ██████████ said WHEELER told him that he and ██████████ had been just advised that their financial backers had "pulled out", and in view of financial reverses both had suffered, WHEELER had just made a sale of the plane to a buyer from Miami named ██████████. ██████████ said he immediately believed something was wrong with this turn of events, and told WHEELER he was holding him to the Agreement, but WHEELER said he had secured from ██████████ an Affidavit like WHEELER had given ██████████. ██████████ said that there was no doubt that ██████████ would fulfill the terms, although ██████████ said he did not see the Affidavit WHEELER claimed to have. ██████████ said that as this occurred during the Thanksgiving school vacation, he did not take any immediate action and learned on Saturday, November 27, 1948, that the plane had already been shipped. ██████████ said he located WHEELER at the airport in Sandpoint, but WHEELER was departing in his personal plane, a BT-15 Trainer, for Seattle and was never again seen by ██████████.

██████████ had in his file on the plane sale a clipping from the Spokane Chronicle of December 1, 1948, reading:

"Seattle, December 1. (AP)

A private pilot tentatively identified as Tom H. Wheeler, formerly of Glendale, California, was killed when his single-engined plane crashed in the Cascade foothills about five miles northeast of Enumclaw yesterday afternoon. The name was on papers found in the wreck. They showed he was an

BT 2-9

airplane mechanic. Witnesses said the plane dove out of a heavy overcast and went into flames when it hit. It was a BT-15 basic trainer."

b7C

██████████ Northern Pacific Railroad, Sandpoint, stated that on November 26, 1948, TOM H. WHEELER for ██████████ shipper, ██████████ had shipped one wooden box labeled "Wrecked Airplane Parts, freight collect, to the Apex Transportation Co., 82 Beaver Street, New York, New York. ██████████ said the shipment was made on Northern Pacific waybill # 51, dated November 25, 1948, in car CBQ 91,533, and was routed Northern Pacific, Minnesota Transfer, Chicago Burlington and Quincy, and New York Central. ██████████ said that the crate was so large it made the flatcar look almost like a boxcar, and said the loading charges were \$269.50, which were collected by mail from ██████████, as he recalled, and that the tentative weight was 10,000 pounds, with a tentative freight rate of \$616.00, but that the weight and freight rate would be determined at the point of destination. ██████████ said the crate was loaded on November 25, 1948, Thanksgiving Day.

AT COEUR D'ALENE, IDAHO

██████████ Aviation Industries, Frank's Field, said that on November 6, 1948, a Fairchild model 24 owned by ██████████ had been brought in for engine repairs. ██████████ said the plane was red with black trim, NO 47590, and was piloted by ██████████. ██████████ said no address was secured for ██████████.

██████████ Aviation Industries, said that the Fairchild had been flown in on November 6, 1948, and that the Number 2 cylinder had to be replaced, the work being completed on November 17, 1948, but because of extremely inclement weather, the plane had been left at the shop until December 1, 1948. ██████████ said that about November 15, 1948, ██████████ had telephoned him from Seattle asking that the repairs be hurried, and as ██████████ could best recall had given him a telephone number beginning ██████████ but ██████████ said he had lost the slip on which he had written the telephone number. ██████████ said that on December 1, 1948, ██████████ had picked up the plane, paying the bill of \$108.75 in cash, and securing a receipt in the name of ██████████. ██████████ said that the reason he recalled the incident so well was that ██████████ had no book for the plane and repair work done on the plane should have been entered in the log book, but ██████████ said the book had been misplaced, and subsequent correspondence directed to ██████████ at his above given address had received a reply relative to the log book repair entry.

b7C

██████████ said that ██████████ had inquired as to the possibility of Aviation Industries making some repairs on a B-17 bomber located at Lewiston, Idaho, in which ██████████ was interested, and also inquired as to the possibility of getting parts for a new P-51 located at Sandpoint, Idaho. ██████████ said he told ██████████ that they did not have parts for such planes and nothing further was mentioned by ██████████ in that regard.

AT LEWISTON, IDAHO

On January 19, 1949, through investigation conducted by SA ██████████ and SA ██████████ the Bureau, Washington Field, and Seattle Division were informed by teletype that an F-51 fighter plane, formerly owned for three years by the Clarkston, Washington High School, had been recently sold for salvage to RICHARDI BROS. MACHINE COMPANY, Seattle, Washington.

The plane was reliably reported to be in excellent flying condition, and was presently being crated at Zimmerly Airport, Clarkston, the work order being signed by ██████████ Boeing Field, Seattle. It was determined that the manner of crating indicated overseas transportation, and the plane was to be trucked to Spokane, Washington, for rail shipment.

On January 21, 1949, the Bureau and Seattle Division were informed by teletype that the F-51 fighter plane in crate left Clarkston January 20, 1949, for Spokane, Washington, in a Rolph Transportation Company truck, number PUC 151, ICC No. 28165, believed to be loaded on a Union Pacific Railroad boxcar.

REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN

U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

TELETYPE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 1203 JLN/ocf/gk

Form with fields for Title, No., and Other Agency.

CONE TWO STATIONS

WASHINGTON 2 NEW YORK 2 FROM NEWARK 9 3-06 P

b7C DIRECTOR AND SACS NEW YORK AND SEATTLE U R G E N T

RICHARDI BROS. MACHINE CO., SEATTLE, EXPORT CONTROL, NEUTRALITY ACT.

REMYTEL DATED FEBRUARY EIGHT LAST. NKP CAR NUMBER TWO TWO NAUGHT NAUGHT ONE CONSIGNED BY ~~SURPLUS~~ SUPPLIES LIMITED FEBRUARY ONE TO ~~M. X~~ PASHELIN-SKY SIX SEVEN FIVE GARFIELD AVE., JERSEY CITY, NJ, ARRIVED AT NEWARK AVE. TERMINAL OF NY CENTRAL RAILROAD, JERSEY CITY, NJ, ON MORNING OF FEBRUARY NINE FORTYNINE. INSTANT CAR TO BE RESHIPED VIA ~~LAKE~~ VALLEY RAILROAD TO VENDOR-S WAREHOUSE FOOT OF LINDEN AVE., JERSEY CITY, NJ, FOR STORAGE OR DISPOSTIION. [REDACTED] US CUSTOMS

NYC, ADVISED REGARDING ABOVE INFORMATION AND NO FURTHER ACTION CON-TEMPLATED BY NWK OFFICE

SE WITH RE ADVISOR
62 MAR 3 1949
BOTH HOLD PLS

DE-INDEXED
DATE 1/14/03

MC KEE RECORDED - 34
INDEXED - 34

12-1115-30
17 FEB 18 1949

EX-25

5 Rec

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19617

FBI SEATTLE

2-10-49

6-45

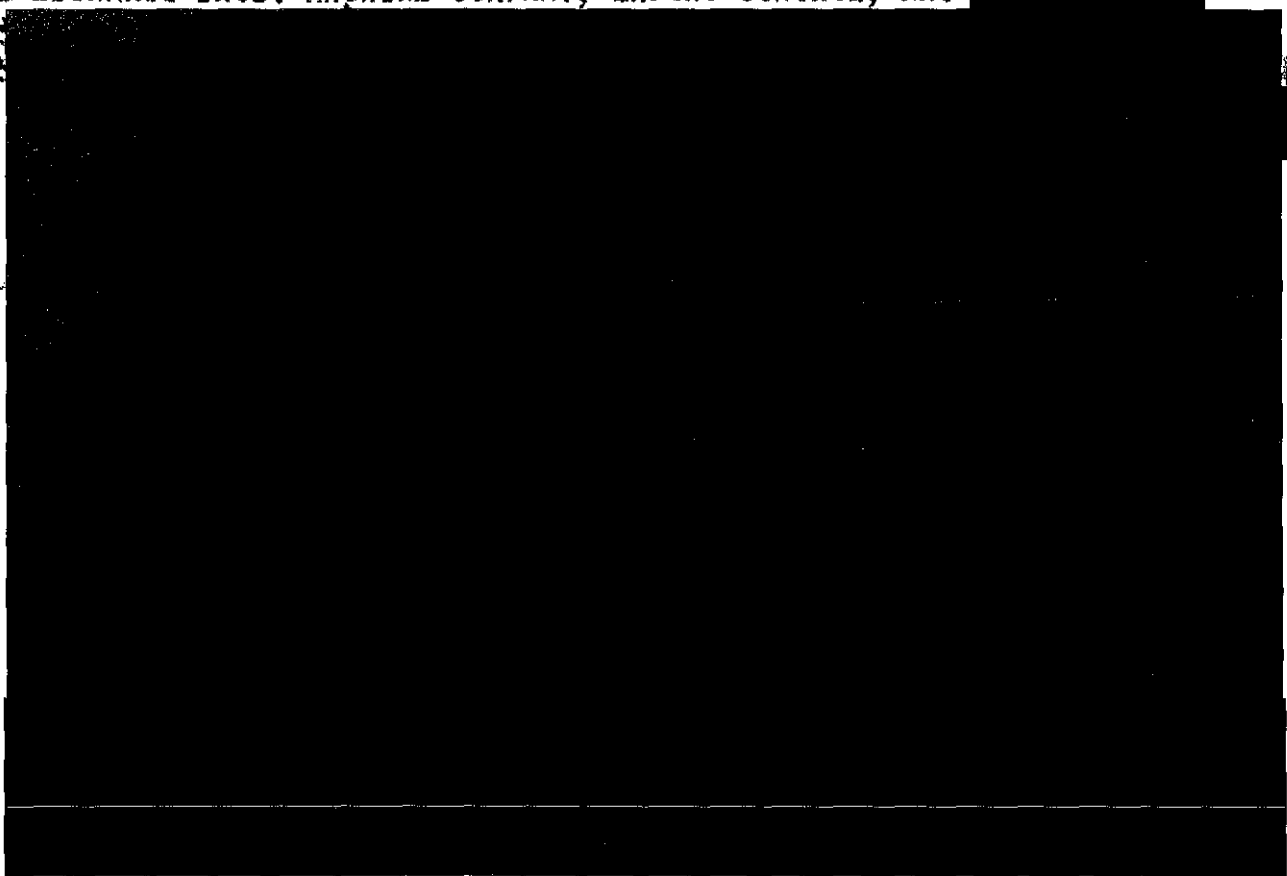
PM PST

RDP

DIRECTOR AND SACS NEW YORK, AND CLEVELAND

U R G E N T

RICHARDI BROS. MACHINE COMPANY, EXPORT CONTROL, NA.



b7C

NO INDICATIONS RECEIVED HERE INDICATING CANCELLATION OF SHIPMENTS TO EAST COAST. EPHRATA, WASH., PLANE DEPARTED JANUARY THIRTYFIRST TO SURPLUS SUPPLY LTD, FREMONT, OHIO, BY WAY OF COUNCIL BLUFFS, CNW TO CHICAGO, NICKEL PLATE DELIVERY, ABOARD.

END OF PAGE ONE

62 MAR 6 1949

EX-25

INDEXED - 34

RECORDED - 34
2-11-5-31

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FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **SEATTLE, WASHINGTON**

FILE NO. **14065**

b7C

REPORT MADE AT BUTTE, MONTANA	DATE WHEN MADE 2/17/49	PERIOD FOR WHICH MADE 1/31; 2/1,2,7,8,9,14/49	REPORT MADE BY [REDACTED]	PSE
TITLE RICHARDI BROG. MACHINE COMPANY, SEATTLE			CHARACTER OF CASE PER TRALITY ACT	

SYNOPSIS OF FACTS:

[REDACTED] Sandpoint, Idaho, was contacted in October, 1948, by TOM W. WHEELER and [REDACTED] both claiming residence Tucumcari, New Mexico, who desired to purchase for racing purposes P-51 Airplane, serial 44-11815, acquired new by school from TAA in August, 1946. [REDACTED] being suspicious of purchasers' intentions cleared with TAA and Department of State prior to sale, also secured from WHEELER affidavit that plane was to be shipped to Tucumcari for scrap and not to be flown, finally making sale on November 23, 1948. On November 25, 1948, day prior to shipment of plane, WHEELER informed [REDACTED] he and partner had suffered financial reverses by backers pulling out, and had made sacrifice sale of plane to [REDACTED] who by WHEELER shipped plane on November 26, 1948, via Northern Pacific Railroad waybill 51, freight collect, to Apex Transportation Company, 82 Beaver Street, New York. [REDACTED] stated that in early November, WHEELER was contacted at Sandpoint by individuals flying Fairchild model 24 plane who WHEELER identified as being associated with him and HUGGINS, individual identified through plane as [REDACTED] WHEELER killed November 30, 1948, in crash of personal plane at Shumclaw, Washington.

Photo
 CC TO: [REDACTED]
 REQ. REC'D 8-31
 SEP 15 1947
 ANS. BY: [REDACTED]

*Keep copy complete by return 3-4-49 Rec
 copy full by return 3-4-49 Rec*

**COPIES DESTROYED
 R841 AUG 7 1961**

- RUC -

**REMOVED BY
 STOP DESK**

APPROVED AND FORWARDED: <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES 2-1115-29
COPIES OF THIS REPORT 5 - Bureau 3 - Seattle 3 - New York 3 - Newark 3 - Los Angeles 3 - Miami 2 - Butte	RECORDED - 1 INDEXED - 1

82 MAR 1 1949

CV. F. O.
2-26

b7C

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

* * * * *

[REDACTED] Materials for Israel of New York City is expected to contact MARCOS MICHLES in the near future to arrange for securing "airport facilities."
[REDACTED]

[REDACTED] has advised that to date there have been no new strangers noted accompanying MICHLES in the City of Fremont, and it is probable that [REDACTED] has not arrived as of February 9, 1949.

The Newark Office was requested by teletype dated February 4th last to check the arrival of Car #22001, consigned to M. PASHELINSKY, and by teletype dated February 10th, 1949 to check the arrival and disposition of NKP Car

CV. F. O.
2-26

b7C

15182, both of which were consigned to PASHELINSKY from Surplus Supplies, Ltd., the latter car being forwarded February 4, 1949.

ENCLOSURES TO BUREAU, SEATTLE, and NEW YORK: -

Photostatic copies of the following:

1. [REDACTED]
2. List of items dated February 1, 1949, Fremont, Shipment Car No. NKP 22001.
3. [REDACTED]
4. [REDACTED]

- PENDING -

CV. F. O.
2-26

LEADS

THE CHICAGO DIVISION

At Chicago, Illinois

b7C

THE DETROIT DIVISION

At Detroit, Michigan

THE LOS ANGELES DIVISION

At Los Angeles, California

At Hollywood, California

THE NEWARK DIVISION

At Jersey City, New Jersey

Will identify and obtain background information on M. PASHKELINSKY, 675 *Car*
Garfield Avenue, Jersey City, and will obtain disposition of the 2 railroad
cars mentioned herein, as requested by referenced teletypes of February 4th
and February 10th.

CV. F. O.
2-26

NEW YORK DIVISION

At New York City

b7C

[REDACTED]

THE CLEVELAND DIVISION

At Shelby, Ohio

[REDACTED]

At Fremont, Ohio

Will follow the arrival and disposition of Railroad Cars #56246 and CG 1105, due to arrive from Ephrata, Washington.

b2

Will recontact Source of Information [REDACTED] for additional information regarding any contacts of MARCUS MICHLES,

b7C

- PENDING -

CV. F. O.
2-26

INFORMANT PAGE

b2

Source of Information [REDACTED]

b7D

b7C

Source of Information [REDACTED]

[REDACTED]

Bell Telephone Company,
Fremont, Ohio.

Source of Information [REDACTED]

[REDACTED]

Hotel Fremont, Fremont,
Ohio.

Information copies are being forwarded San Francisco and Miami Offices, inasmuch as they have had prior leads in this case and may be presently conducting an investigation.

XXXXXX
XXXXXX
XXXXXX

FEDERAL BUREAU OF INVESTIGATION
FOIPA
DELETED PAGE INFORMATION SHEET

4 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552

Section 552a

(b)(1)

(b)(7)(A)

(d)(5)

(b)(2)

(b)(7)(B)

(j)(2)

(b)(3)

(b)(7)(C)

(k)(1)

(b)(7)(D)

(k)(2)

(b)(7)(E)

(k)(3)

(b)(7)(F)

(k)(4)

(b)(4)

(b)(8)

(k)(5)

(b)(5)

(b)(9)

(k)(6)

(b)(6)

(k)(7)

Information pertained only to a third party with no reference to the subject of your request or the subject of your request is listed in the title only.

Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

_____ Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

_____ Page(s) withheld inasmuch as a final release determination has not been made. You will be advised as to the disposition at a later date.

_____ Pages were not considered for release as they are duplicative of _____

_____ Page(s) withheld for the following reason(s): _____

The following number is to be used for reference regarding these pages:

HQ 2-1115-28 pg. 5-8

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X Deleted Page(s) X
X No Duplication Fee X
X for this page X
XXXXXXXXXXXXXXXXXXXXX

XXXXXX
XXXXXX
XXXXXX

FEDERAL BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

FBI-194

- Mr. Tolson
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Egan
- Mr. Gurnea
- Mr. Harbo
- Mr. Mohr, JR.
- Mr. Pennington
- Mr. Quinn Tamm
- Mr. Nease

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/10 BY 3208/ELW/ace/jk

TELETYPE

FBI, CLEVELAND 2-1-49 P 6-50 PM M

DIRECTOR, SACS DETROIT AND SEATTLE

RICHARDI BROTHERS MACHINE CO., SEATTLE EXPORT CONTROL, NEUTRALITY ACT

RE CLEVELAND TEL JANUARY TWENTYNINTH LAST. MARCUS MICHLES, OWNER

b7C SURPLUS SUPPLIES, LTS. FREMONT, OHIO AGAIN CONTACTED

NICKEL PLATE RR. JAN. THIRTYONE LAST AND STATED HE EXPECTED AN AIRPLANE

TO ARRIVE ON RAILROAD CAR NO. AS GIVEN, PROBABLY FEB. TWO, NINETEEN

FORTYNINE WHICH CAR HE WISHED PLACED ON HIS SIDING AND TO REMAIN THERE

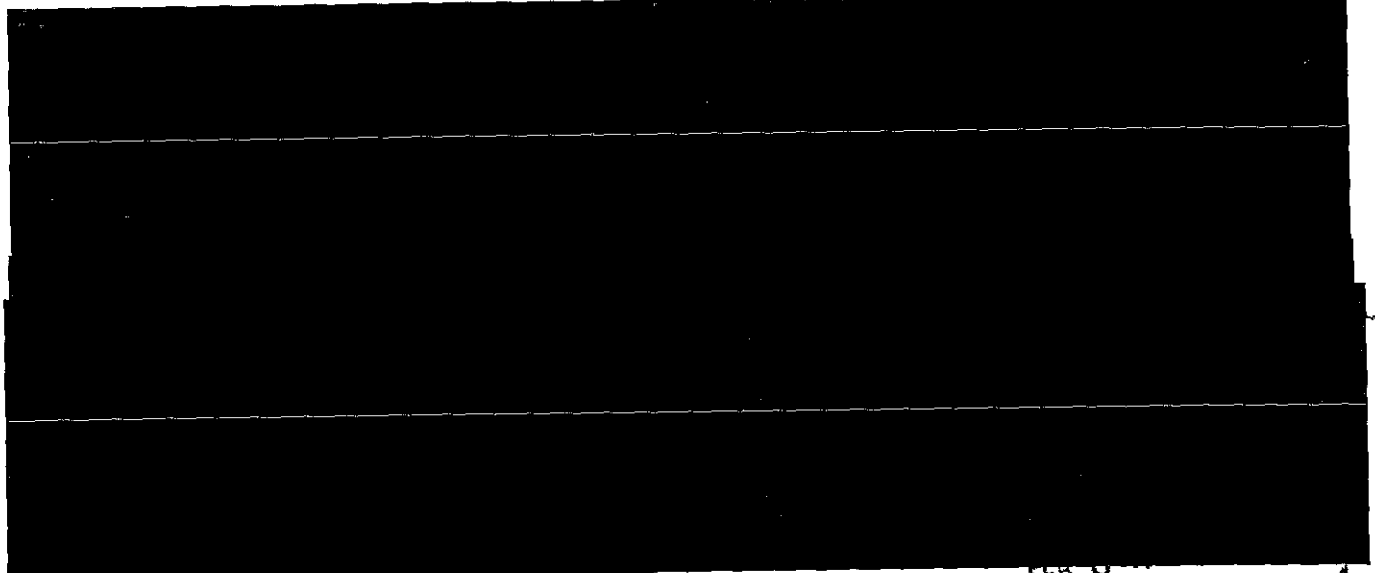
QUOTE UNTIL HE FINDS A BUYER UNQUOTE FOR SAME WHEN HE WILL RESHIP IT.

MICHLES ALSO TOLD HE EXPECTED TWO OTHER RAILROAD CARS

SEVERAL DAYS LATER CONTAINING AIRPLANES AND USED AIRPLANE PARTS WHICH

WILL ALSO BE RESHIPED. RE STRANGER SEEN IN COMPANY MICHLES JANUARY

TWENTYNINTH LAST. IDENTIFIED AS



INDEXED - 110 EX-59

FEB 3

5-10

PAGE TWO

DEFINITELY ASCERTAIN IF CONNECTED INSTANT CASE. FOR INFORMATION OF DETROIT A GROUP OF INDIVIDUALS IN VICINITY SEATTLE ARE BELIEVED PURCHASING PLANES IN UNITED STATES FOR ILLEGAL OVERSEAS SHIPMENT TO EITHER JEWISH, EGYPTIAN, OR ARABIAN BUYERS. THREE AIRPLANES ARE KNOWN TO BE ENROUTE FROM STATE OF WASHINGTON TO SURPLUS SUPPLIES, LTD., FREMONT WHERE IT IS BELIVED THEY WILL BE RESHIPED TO AN EASTERN PORT FOR OVERSEAS DELIVERY. THE FOLLOWING NAMES GIVEN SEATTLE OFFICE BY INFORMANT AS BEING INVOLVED IN PURCHASING AND RESALE OF PLANES

b7C

ABBATICCHIO

END

ACK

CORR LINE ELEVEN PAGE ONE INSERT WD QUOTE BETWEEN WDS FOUR AND FIVE
ACK IN ORDER.

WA 6-58 PM OK FBI WASH DC WJR

DE OK FBI DE NWW

M SE OK FBI SE TJH

DE

JVNLOPR

OK FBI SE MJC

DICE

SECRET

FEDERAL BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JAN 29 1949

TELETYPE

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

Mr. Tolson.....
Mr. Clegg.....
Mr. Glavin.....
Mr. Ladd.....
Mr. Nichols.....
Mr. Rosen.....
Mr. Tracy.....
Mr. Egan.....
Mr. Gurnea.....
Mr. Harbo.....
Mr. Mohr.....
Mr. Pennington.....
Mr. Quinn Tamm.....
Mr. Nease.....
Miss Gandy.....

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6/2/90 BY SP-5 JWC/ucj

FBI CLEVELAND 1-19-49 2-26 PM EST SMK

DIRECTOR AND SAC SEATTLE

b7C RICHARDI BROTHERS MACHINE CO., SEATTLE, EXPORT CONTROL, NEUTRALITY

ACT. RE SEATTLE TEL JANUARY TWENTYEIGHT LAST. SURPLUS SUPPLIES
CO., NINE ONE ONE NORTH FRONT ST., FREMONT, OHIO, IS JUNK YARD AND
WHOLESALE STEEL CO, OWNED AND OPERATED BY MARCUS NICHLES, ONE NAUGHT
EIGHT SOUTH PAUK ST., NATIVE OF FREMONT, WHO BEARS FAIR GENERAL
REPUTATION AND NOT KNOWN TO HAVE ENGAGED IN ANY SHADY BUSINESS DEALS
BUT KNOWN AS QUOTE SHARP BUSINESS MAN UNQUOTE LOCALLY.

NICKEL PLATE RR, FREMONT, ADVISED NICHLES CONTACTED HIM TWO DAYS AGO
AND TOLD HIM HE EXPECTED THREE RAILROAD CARS SHIPPED FROM WEST COAST
AND HE WOULD ADVISE FREIGHT AGENT OF THE ROUTING UPON ARRIVAL, WHICH IS
EXPECTED WITHIN FEW DAYS. [REDACTED] WILL NOTIFY CLEVELAND OFFICE
UPON ARRIVAL OF CARS AND ADVISE ALL DETAILS REGARDING ROUTING. NICHLES
SEEN BY [REDACTED] IN COMPANY OF WELL DRESSED
YOUNG MAN, STRANGER IN FREMONT, LAST FEW DAYS. ATTEMPT BEING MADE TO
ASCERTAIN IDENTITY OF STRANGER AND DETERMINE IF POSSIBLY CONNECTED
INSTANT CASE. INVESTIGATION CONTINUING.

ALLATICCHIC

END.

DATE IS 1-23-49

SEATTLE ADVISED

2-30 PM CLEVELAND

60 FEB 17 1949

RECORDED - 60

EX-125

12-1115-17
F B I
13 FEB 8 1949

5-100

RECORDED - 62
EX-95

2-1115-15

~~PERSONAL AND CONFIDENTIAL~~

Date: February 21, 1949

b7C
b7D

To:



From: John Edgar Hoover - Director, Federal Bureau of Investigation

Subject: RICHARDI BROS. MACHINE COMPANY
SEATTLE, WASHINGTON
Neutrality Act

DECLASSIFIED BY 59063 BAW/KUC/DF
ON 5/17/88 406413

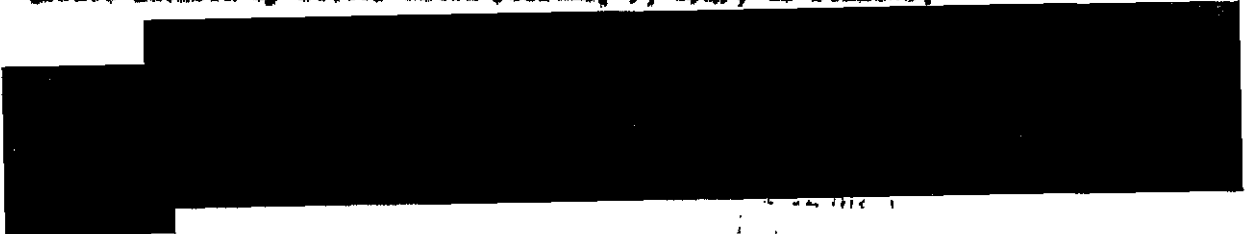
b7C



are engaged in purchasing aircraft in the Seattle area using the name of the captioned company. It is believed these planes are designated for overseas shipment.

One plane, an P-51 owned by the Clarkston, Washington, High School, was purchased in January, 1949, by this group and was shipped by rail to Fremont, Ohio, where it was subsequently rerouted to Jersey City, New Jersey. A second plane, a P-51, was recently purchased at Ephrata, Washington, and shipped by rail to Fremont, Ohio. Both were crated for overseas shipment.

It has been indicated through sources available to the Seattle Office that other planes may have been shipped to Canada and that efforts are presently being made to secure export licenses from Canadian officials for shipment of these planes to Egypt. In this connection the Seattle Office advised by letter dated February 9, 1949, as follows:



It is noted that [redacted] have been procuring [redacted] materials for Israel, Inc. [redacted] represents a Jewish organization believed to be [redacted] have also been involved with other individuals in the procurement of planes believed destined for Egypt.

- Mr. Tolson
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Egan
- Mr. Gurnea
- Mr. Harbo
- Mr. Mohr
- Mr. Pennington
- Mr. Quinn Tamm
- Tele. Room
- Mr. Nease
- Miss Gandy

cc - Foreign Service Desk
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

60 MAR 7 - 1949

NLF
JAN 1949

Handwritten notes and signatures

b7C

[REDACTED]

"It has been learned from a confidential source that the destination of the planes is not definitely known; however, there has been mention of the planes going to Cairo, probably by the way of Nicaragua.

[REDACTED]

b2

b7D

b7C

[REDACTED]

[REDACTED]

b7C

[REDACTED]

b2

b7C

[REDACTED]

b7C

It is requested that you make this information available to the appropriate Canadian authorities. You should furnish the Bureau with any information concerning the identity of any aircraft in the possession of [REDACTED] presently awaiting exportation from Canada. The Bureau, as you are aware, is only interested in the possible exportation of airplanes which have been procured in the United States.

CV. F. O.
2-26

Reference:

Teletype from Seattle dated January 27, 1949.
Teletype from Seattle dated January 28, 1949.
Teletype from Butte dated February 1, 1949
Teletypes from Cleveland to Director and
Seattle dated January 29, 1949.
Teletype from Cleveland to Bureau, Detroit
and Seattle dated February 1 and February 3,
1949.
Teletype dated February 4 from Cleveland to
Bureau, Seattle, New York, Detroit and Newark.

Details:

At Fremont, Ohio

Referenced teletype from Seattle dated January
27 last indicated that the following persons
were engaged in the illegal purchase and sale of airplanes and parts for shipment
to Jewish Egyptian or Arabian armed forces:

b7C



Instant teletype also reflected that an airplane was purchased at
Clarkston, Washington, directed to Spokane and shipped via railroad on or about
January 22nd last to Fremont, Ohio, care of Surplus Supplies, Ltd., 911 North
Front Street. This plane was to be shipped on Railroad Car #56246. A second
plane was also being purchased at Ephrata, Washington, and a third plane was
being purchased at Wilbur, Washington. The plane purchased at Clarkston and
shipped to Fremont, Ohio was identified as K-51, Serial NT 4411818. It is
possible that this is intended to mean a P-51.

On January 29 last, [redacted] advised that a
well dressed stranger was seen in company of MARCUS MICHLES. According to [redacted]
[redacted] MARCUS MICHLES is the sole owner and operator of Surplus Supplies,
Ltd., one of the names used by MICHLES in his business of operating the town's

b7C

CV. F. O.
2-26

largest junk yard and wholesale steel brokerage business. MICHLES has the general reputation of being a "sharp business man" and he has a rather poor name locally because he has passed on numerous occasions insufficient funds checks to the various tradespeople in Fremont.

On February 1, 1949 [REDACTED] advised that the above stranger was [REDACTED] a representative of Materials for Israel, Inc.

b7C

MICHLES on January 27th contacted [REDACTED] Nickel Plate Railroad in Fremont and told him that he expected several railroad cars shipped from the West Coast and that he would advise freight agent of the re-routing upon arrival. MICHLES again contacted [REDACTED] on January 31st MICHLES told him he expected an airplane to arrive on Railroad Car #56246 of the Union Pacific and that he wished this car placed on his siding and to remain there "until I find a buyer," and advised that he would then reship this plane. He further advised [REDACTED] that he expected 7 other railroad cars in the future containing airplanes and used airplane parts.

On February 1st last [REDACTED] advised that MICHLES again contacted him and stated that he expected Flat Car #CG 1105 from Ephrata, Washington to be sent by Great Northern C and NW, and the Nickel Plate railroad, which car was consigned January 31st last.

[REDACTED] further advised that a check of Nickel Plate records indicated that Nickel Plate Car #22001 was consigned by Surplus Supplies, Ltd. on February 1st last to Mr. M. PASHELINSKY, 675 Garfield, Jersey City, New Jersey, and that NKP Waybill #434 dated February 2nd last accompanied this car. [REDACTED] said according to the waybill, this car contained "Contractor's supplies."

Source of Information [REDACTED] advised that as a matter of fact this car contained the following items, together with the value attributed to them by [REDACTED]

b7C
b7D
b7C

CV. T. O.
2-26

1 large airplane jack	\$ 4,500
4 bore sight jacks @ \$750 each	3,000
6 wing jacks at \$150	1,800
1 GMC 6 X 6 truck	2,500
31 rolls of plane conduit @ 25¢ a foot	1,162.50
100 airplane boosters @ \$85.00 each	8,500
185 airplane tubes	4,625
37 airplane tires	3,145
1 battery charging unit	500
4 hospital units	1,600
2 plane wings	300
Total:	<u>\$31,632.50</u>

b7C

[REDACTED] advised on February 5th that Surplus Supplies, Ltd. consigned a Freight Car #NKP 15182 on NKP Waybill #483 on February 4 last via NKP to Buffalo and New York Central to Jersey City, with the consignee listed M. PASHLENSKY. [REDACTED] advised that this shipment contained used airplane tires and tubes.

b2

b7D

b7C

Someone connected with the ~~WICHLES~~ WICHLES COMPANY also was in contact on January 31st with one [REDACTED]

b7C

[REDACTED] It is not known whether this latter contact was made by [REDACTED] or has any connection with instant case.

b2

b7D

b7C

b7C

FEDERAL BUREAU OF INVESTIGATION

This case originated at SEATTLE, WASHINGTON

W. File No. 2-26

Report made at CLEVELAND, OHIO	Date when made 2/17/49	Period for which made 1/29-2/10/49	Report made by [REDACTED]	b7C JLG:ejc
Title RICHARDI BROTHERS MACHINE COMPANY			Character of Case NEUTRALITY ACT	

Synopsis of Facts: An airplane believed sold Seattle, Wash. by [REDACTED]

[REDACTED] ICE alleged shipment overseas, is consigned to Surplus Supply, Ltd., Fremont, Ohio, a junk yard owned and operated by KAROL MICHLES. MICHLES visited on [REDACTED]

[REDACTED] had obtained 2 carloads of material from MICHLES, one of which contained airplane parts. Latter freight car consigned to J. PANEHINSKY of Jersey City.

[REDACTED] to contact MICHLES in Fremont to arrange for a deal with person having airport facilities.

[REDACTED] MICHLES contacted [REDACTED] Nickel Plate RR, Fremont, and advised he expected an airplane to arrive from Spokane, Washy on or about 2/3/49 and expected 7 more carloads in future containing airplanes and parts.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 5/17/00 BY SP1/MLD/STW

b7C

B.I.R.-7

CC WOT
REQ REC'D 8-31
SEP 15 1967
ANS BY [REDACTED]

*1 copy complete by [REDACTED] 3-4-49
by [REDACTED] 2-1-49
2-1-49*

GRNOLE II

COPIES DESTROYED

ENCLOSURE BEHIND FILE

- P -

APPROVED & FORWARDED <i>[Signature]</i>	SAC	DO NOT WRITE IN THESE SPACES
Copies of this report		RECORDED - 4
5 - Bureau (Enc.)	3 - Miami	INDEXED - 4
3 - Seattle (Enc.)	3 - Newark	FEB 21 1949
2 - Chicago	3 - New York (Enc.)	
2 - Cincinnati	1 - San Francisco (Info.)	
2 - Detroit	5 - Cleveland	
3 - Los Angeles		

31 40 11 1949

PAGE THREE

b7C

IT IS PROBABLE THAT AT-
TEMPT IS BEING MADE BY MICHLES TO ARRANGE STORAGE SPACE AT SLAGER-S
AIRPORT FOR EXPECTED PLANE. MICHLES ADVISED NICKEL PLATE FREIGHT AGENT
FEB. THREE, LAST, THAT HE ALSO EXPECTS FLAT CAR NO. CG ONE ONE NAUGHT
FIVE FROM EPHRATA, WASH., TO BE SENT BY GREAT NORTHERN C AND N W AND
NKP RAILROADS CONTAINING AN AIRPLANE WHICH WAS CONSIGNED JAN. THIRTYONE,
LAST. CHECK OF NKP RECORDS REVEALED THAT NKP CAR NO. TWO TWO NAUGHT
NAUGHT ONE WAS CONSIGNED BY SURPLUS SUPPLIES LIMITED FEB. ONE TO M.
PASHELINSKY, SIX SEVEN FIVE GARFIELD, JERSEY CITY, NJ, AND NKP WAYBILL
NO. FOUR THREE FOUR DATED FEB. TWO, LAST, ACCOMPANIED, AND INDICATED
CAR CONTAINED QUOTE CONTRACTOR-S SUPPLIES UNQUOTE. THIS CAR CONTAINS,
ACCORDING TO [REDACTED] ONE GMC DUMP TRUCK, AIR-
PLANE TIRES AND TUBES, ELEVEN AIRPLANE JACKS, THIRTYONE ROLLS PLANE
CONDUIT, ONE HUNDRED AIRPLANE BOOSTERS, ONE BATTERY CHARGING UNIT,
TWO AIRPLANE WINGS, AND FOUR HOSPITAL UNITS, TOTAL VALUE THIRTYONE
THOUSAND SIX HUNDRED TWENTY DOLLARS. CAR LOADED FEB. TWO, LAST, BE-
LIEVED TO CONTAIN MOSTLY USED TIRES AND TUBES AND HAS NOT BEEN CONSIGNED

PAGE THREE

b7C



FOR INFO CHICAGO, SEATTLE IN REFERENCED

TEL ADVISED GROUP OF MEN ENGAGED IN ILLEGAL PURCHASE AND SALE OF
PLANES FOR OVERSEAS DELIVERY TO EITHER ISRAEL OR EGYPT AND MICHLES IS
APPARENT CONTACT FOR TRANSPORTING AIRPLANES FROM WEST TO EAST COAST.



MICHLES IS
AWAITING ARRIVAL MOMENTARILY OF A PLANE SENT FROM SPOKANE, WASH.

INVESTIGATION FREMONT CONTINUING.

ABBATICCHIO

END

1-59 PM OK FBI WA

OOD OK FBI NY

OK FBI DE

OK FBI SE HLM

M

3

4

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

FEB 10 1949

TELETYPE

Mr. Tolson	
Mr. E. A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Hendon	
Mr. Pennington	
Mr. Quinn	
Mr. Nease	
Miss Gandy	

Mr. Fletcher

FBI CLEVELAND 2-19-49 2-40 PM EST NKP

DIRECTOR AND SACS, SEATTLE, NEW YORK AND NEWARK

URGENT

RICHARDI BROS. MACHINE CO., SEATTLE, EXPORT CONTROL, NEUTRALITY ACT.

REMYTEL FEB. FOURTH LAST. SURPLUS SUPPLIES, LTD., FREMONT, O.

b7C CONSIGNED NICKEL PLATE RR CAR NO. ONE FIVE ONE EIGHT TWO, FEB. FOUR LAST ON WAYBILL NO. FOUR EIGHT THREE TO M. PASHELINSKY, SIX SEVEN FIVE GARFIELD, JERSEY CITY, NJ. ROUTED VIA NKP TO BUFFALO AND NEW YORK CENTRAL TO JERSEY CITY AND CONTAINING USED AIRPLANE TIRES AND TUBES.

ABBATICCHIO

LINE FIVE, WORD FOUR IS JERSEY

LINE SIX, WORD NINE IS CONTAINING

SE, NY AND NK ADVISED

AK AND HOLD

50 FEB 23 1949 287 LS

Washington

Baumgardner

EX-125

RECORDED
INDEXED
STOP DESK

RECORDED - 62

INDEXED - 62

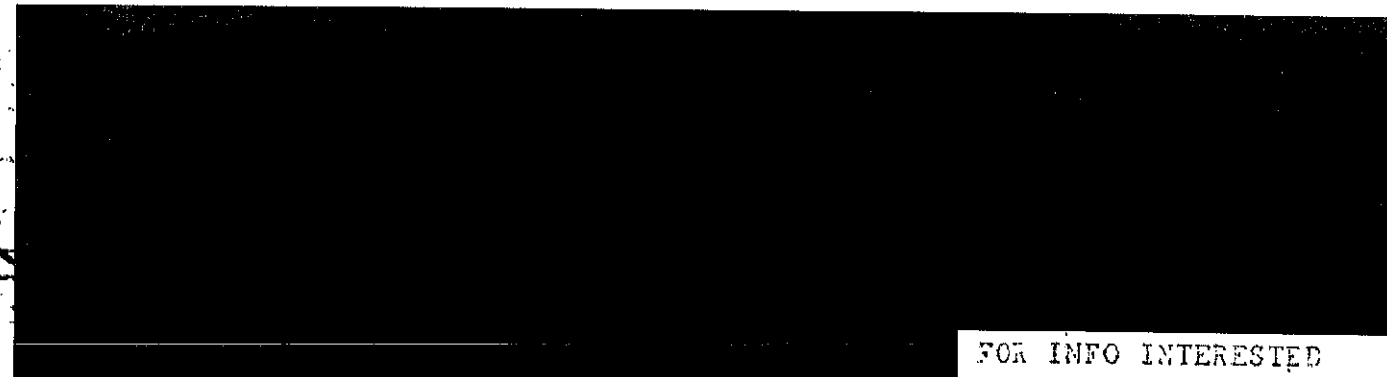
2-11-49
37 FEB 15 1949

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/22/00 BY 39063 [signature]

SKW

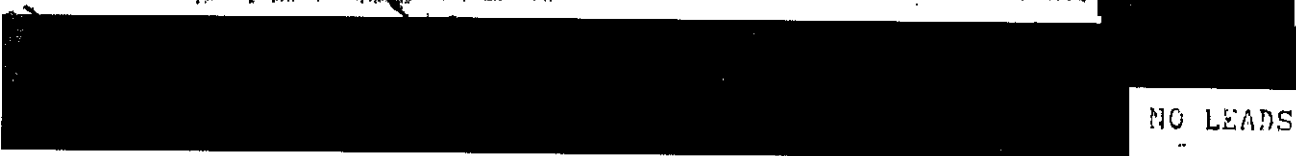
PAGE FOUR

b7C



FOR INFO INTERESTED

OFFICES, FOLLOWING ADDITIONAL PERSONS INVOLVED IN ILLEGAL PURCHASE AND SALE OF AIRPLANES FOR SHIPMENT TO EITHER ISRAEL OR ARABIA.



NO LEADS

BEING SET FORTH FOR CHICAGO OR DETROIT OFFICES IN ABSENCE OF REQUEST FROM BUREAU. NEWARK ATTEMPT DISCREETLY ASCERTAIN ARRIVAL AND DISPOSITION OF NKP CAR NO. TWO TWO NAUGHT NAUGHT ONE IN ABSENCE ADVICE CONTRARY FROM BUREAU. INVESTIGATION FREMONT CONTINUING.

ABBATICCHIO

END

OK FBI NYC JD

4-53 PM OK FBI WASH DC RE

OK FBI DE HOM

OK FBI NK CEC

SECK FBI SE PAGE ONE 6TH LINE WHAT IS WCR BETWEEN NYC AND THE WORD SHE

WXX IN WHICH

4

OK FLIS RE

DISC

94-444

XXXXXX
XXXXXX
XXXXXX

FEDERAL BUREAU OF INVESTIGATION
FOIPA
DELETED PAGE INFORMATION SHEET

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552

Section 552a

(b)(1)

(b)(7)(A)

(d)(5)

(b)(2)

(b)(7)(B)

(j)(2)

(b)(3)

(b)(7)(C)

(k)(1)

(b)(7)(D)

(k)(2)

(b)(7)(E)

(k)(3)

(b)(7)(F)

(k)(4)

(b)(4)

(b)(8)

(k)(5)

(b)(5)

(b)(9)

(k)(6)

(b)(6)

(k)(7)

Information pertained only to a third party with no reference to the subject of your request or the subject of your request is listed in the title only.

Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld inasmuch as a final release determination has not been made. You will be advised as to the disposition at a later date.

Pages were not considered for release as they are duplicative of _____

Page(s) withheld for the following reason(s): _____

The following number is to be used for reference regarding these pages:

HQ 2-1115-27 pg. 2

XXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X for this page X
XXXXXXXXXXXXXXXXXXXXX

XXXXXX
XXXXXX
XXXXXX

FEDERAL BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
TELETYPE SECTION

FEB 4 - 1949

TELETYPE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 2142/MLP/afj

FBI CLEVELAND 2-4-49 4-26 PM EST EJS

DIRECTOR AND SACS SEATTLE, NEW YORK, DETROIT, AND NEWARK

URGENT

RICHARDI BROS. MACHINE CO., SEATTLE, EXPORT CONTROL, NEUTRALITY ACT.

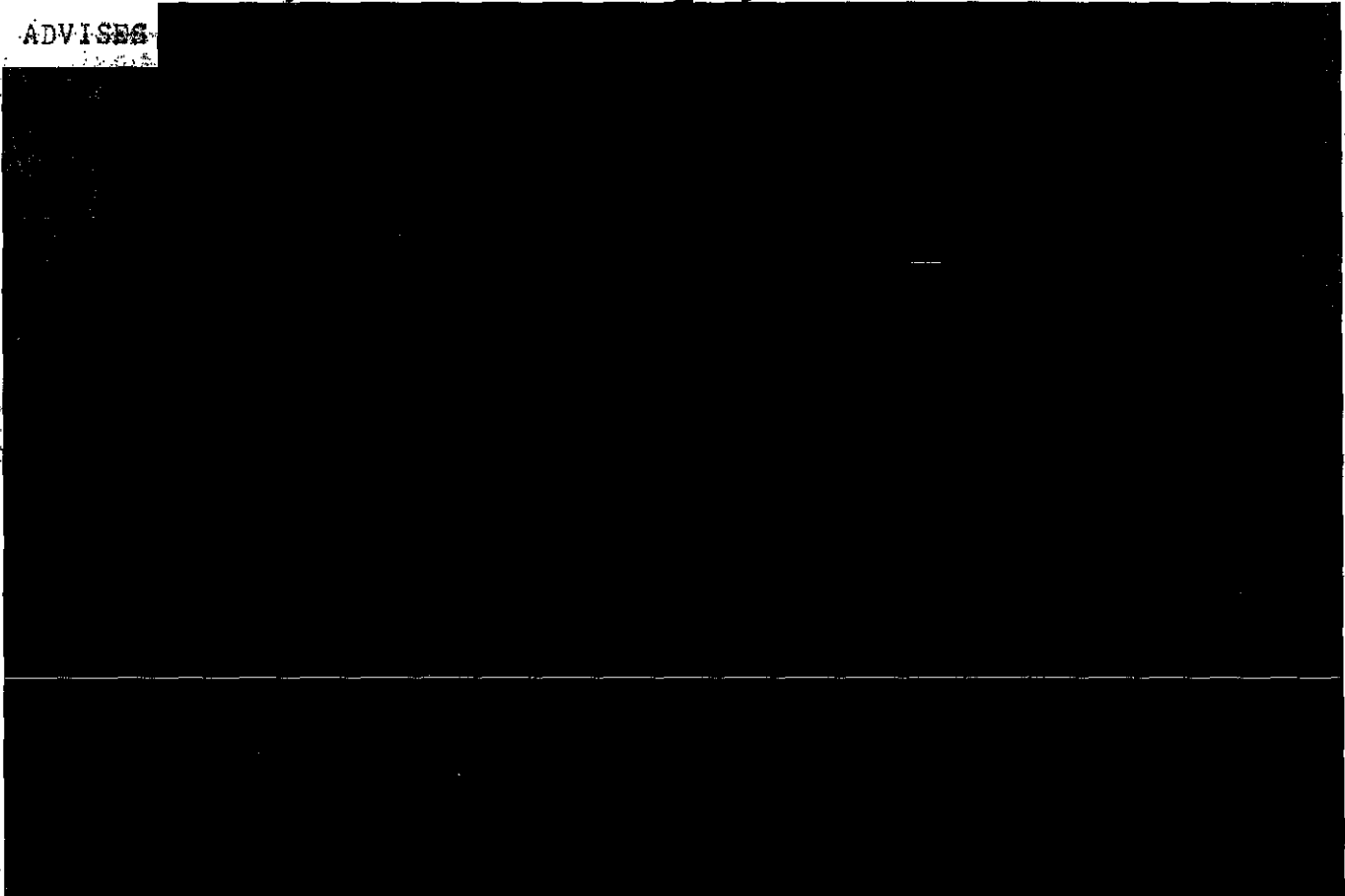
67C

REMYTEL THIRD INSTANT. STRICTLY CONFIDENTIAL SOURCE, FREMONT, OHIO,

67D

ADVISES

Mr. Tolson	.....
Mr. Clegg	.....
Mr. Glavin	.....
Mr. Ladd	.....
Mr. Nichols	.....
Mr. Rosen	.....
Mr. Tracy	.....
Mr. Egan	.....
Mr. Gurnea	.....
Mr. Harbo	.....
Mr. Pennington	.....
Mr. Quinn Tamm	.....
Mr. Nease	.....
Miss Gandy	.....



Seattle instructed to submit report

RECORDED - 113

12-1115-27

INDEXED - 113

FEB 17 1949

67 FEB 28 1949

EX-76 EX-1

542

P FIFTYONE, SERIAL FOUR FOUR DASH ONE ONE EIGHT ONE FIVE IN ACCORDANCE WITH PARAGRAPH SEVEN ON AGREEMENT FORM. NO FORMAL BILL OF SALE WILL BE ISSUED BY WAA. ADVISE THIS OFFICE WHEN PURCHASER TAKES DELIVERY OF EQUIPMENT CDR DIAGONAL ELEVEN DIAGONAL OURAM UNQUOTE. [REDACTED] AND WHEELER PAID SCHOOL TWO HUNDRED SEVENTEEN DOLLARS AND PAID WAA b7C FOURTEEN HUNDRED DOLLARS. WHEELER ARRANGED FOR CRATING PLANE. SCHOOL OFFICIALS STILL SUSPICIOUS OF WHEELER AND [REDACTED] AND SECURED FROM WHEELER AFFIDAVIT READING IN PART, QUOTE AFFIANT STATES ON OATH THAT AFFIANT IS ACTING FOR HIMSELF AND FOR HIS PARTNER, [REDACTED] [REDACTED] OF TUCUMCARI, STATE OF NEW MEXICO, IN CERTAIN NEGOTIATIONS FOR THE PURCHASE BY AFFIANT AND HIS SAID PARTNER OF ONE CERTAIN FORTYFOUR DASH ONE ONE EIGHT ONE FIVE P DASH FIFTYONE AIRPLANE, NOW OWNED BY [REDACTED] INDEPENDENT SCHOOL DISTRICT NO. ONE, BONNER COUNTY, STATE OF IDAHO. THAT AFFIANT STATES ON OATH THAT THE ABOVE MENTIONED AIRPLANE IS FIT FOR SCRAP ONLY AND THAT SAID AIRPLANE WILL NOT BE USED FOR COMMERCIAL PURPOSES OR OTHERWISE AND THAT THE SAME WILL NOT BE FLOWN BY AFFIANT, HIS PARTNER, NOR ANY OTHER PERSON WHATSOEVER ACTING AS THEIR AGENT, SERVANT OR EMPLOYEE AND THAT SAID AIRPLANE WILL BE CONVERTED TO SCRAP BY

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

FEB 1 - 1949

TELETYPE

Q-1
Mr. Glutsky
1742

FBI BUTTE

2-1-49

2-55PM

IAP

DIRECTOR, FBI, SACS NEW YORK, MIAMI, SEATTLE, WASHINGTON FIELD,

EL PASO, CLEVELAND

b7C

RICHARDI BROS. MACHINE CO., SEATTLE, EXPORT CONTROL NEUTRALITY ACT.

RE SEATTLE TEL JANUARY TWENTYSEVEN LAST.

SANDPOINT, IDAHO, WAS CONTACTED IN OCTOBER, NINETEEN FORTYEIGHT BY TOM WHEELER AND [REDACTED] BOTH CLAIMING RESIDENCE TUCUMCARI, NEW MEXICO, WHO DESIRED TO PURCHASE FOR RACING PURPOSES P DASH FIFTYONE AIRPLANES, SERIAL FOUR FOUR DASH ONE ONE EIGHT ONE FIVE, ACQUIRED BY SCHOOL FROM WAA IN AUGUST, NINETEEN FORTYSIX. SCHOOL HAD FOUND AIRCRAFT INSTRUCTION IMPRACTICAL AND WAS WILLING TO SELL BY FIRST CLEARING WITH FOLLOWING GOVERNMENT OFFICES -

[REDACTED] CHIEF MUNITION DIVISION, DEPARTMENT OF STATE, WIRED UNDER DATE OF OCTOBER NINETEEN, NINETEEN FORTYEIGHT QUOTE STATE DEPARTMENT CLEARANCE NOT REQUIRED DOMESTIC PURCHASE AIRCRAFT LICENSE ISSUED BY DEPARTMENT REQUIRED FOR EXPORT UNQUOTE. [REDACTED] WAR ASSETS ADMINISTRATION, WASHINGTON, WIRED UNDER DATE NOVEMBER TWENTYTHIRD, NINETEEN FORTYEIGHT QUOTE THIS IS YOUR AUTHORITY TO DISPOSE OF

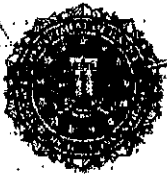
TWO COPIES WFO

S. Lee

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HEREIN IS UNCLASSIFIED
DATE 5/17/10 BY [REDACTED]

~~INDEXED - 108~~ RECORDED - 108 2-11-49

EX-3
37 FEB 4 1949



United States Department of Justice
Federal Bureau of Investigation
Washington 25, D. C.

February 2, 1949

PERSONAL AND CONFIDENTIAL

IN REPLY, PLEASE REFER TO
FILE NO.

Mr. Tolson	
Mr. Clegg	
Mr. Glavin	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Mohr	
Mr. Pennington	
Mr. Quinn Tamm	
Mr. Nease	

MEMORANDUM FOR THE ATTORNEY GENERAL

RE: RICHARDI BROTHERS
MACHINE COMPANY, SEATTLE
NEUTRALITY ACT

b7C

[REDACTED]
appears to be one of the principals of a group engaged in procuring airplanes in the name of the above-entitled company for shipment out of the United States. One plane, an F-51 Fighter, has already been purchased as salvage from the Clarkston, Washington, high school. It was in good flying condition and has been crated for overseas shipment.

It is felt that to adequately cover the activities of this group and to ascertain the type of planes and equipment being acquired by it, it is necessary that a technical surveillance be installed. Accordingly, it is respectfully requested that you approve the installation of this technical surveillance at [REDACTED]

KEEP IN F. B. I. FILES

2/11/49 C.F.S.

Respectfully,

J. Edgar Hoover
John Edgar Hoover
Director

DECLASSIFIED BY 39063 EFW/clc/24
ON 5/17/00

906413

SE 39

RECORDED - 77

EX-118

12-1115-25
F B I
11 FEB 14 1949

2-8-49
wire - Seattle
906413

b7C

FEBRUARY 15, 1949

SAC, SEATTLE
CLEVELAND

701

RICHARDI BROS. MACHINE COMPANY, NEUTRALITY ACT. SUREP OF INVESTIGATION

CONDUCTED YOUR OFFICES TO DATE. REPORT SHOULD BE CAPTIONED AS ABOVE WITH
and Los Angeles
THREE COPIES DESIGNATED NEW YORK, NEWARK, MIAMI, IN ADDITION TO COPIES FOR
YOUR OFFICES AND BUREAU. EXPEDITE.

HOOVER

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/27/00 BY 3206 [signature]

G. R. -7

RWC: [signature]

RECORDED - 12-1115-24
EX-6
EX-1
37 FEB 16 1949

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R841 AUG 7 1961

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
RECEIVED FEB 15 5 42 PM '49

FEB 15 1949

TELETYPE

[Handwritten signature]

60 FEB 20 1949

8-10 PM

[Handwritten initials/signature]

COMMUNICATIONS SECTION

FEB 7 1949

TELETYPE

Mr. Tolson.....
Mr. Clegg.....
Mr. Glavin.....
Mr. Ladd.....
Mr. Nichols.....
Mr. Rosen.....
Mr. Tracy.....
Mr. Egan.....
Mr. Gurnea.....
Mr. Harbo.....
Mr. Mohr.....
Mr. Pennington.....
Mr. Quinn Tamm.....
Mr. Nease.....

Mr. Fletcher
1742

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 1202 [signature]

WASHINGTON 12 FROM NEWARK 7 4-57 P

DIRECTOR AND SAC CLEVELAND URGENT

RICHARDI BROS. MACHINE CO. SEATTLE EXPORT CONTROL, NEUTRALITY ACT. b7C

RE CLEVELAND TELETYPE TO NEWARK FEBRUARY FOUR LAST. REQUEST
 CLEVELAND CONTACT NICKEL PLATE RAILROAD FREIGHT AGENT AT FREMONT OR
 CLEVELAND, OHIO AND ASCERTAIN ROUTIN^g AS SHOWN ON SHIPPING ORDER.
 THIS INFORMATION NECESSARY IN ORDER TO DETERMINE CARRIER ON WHICH
 NKP CAR NUMBER TWO TWO NAUGHT NAUGHT ONE WILL ARRIVE BY AT JERSEY
 CITY, N. J. OBTAIN OTHER PERTINENT INFORMATION FROM SHIPPING ORDER
 AND WAY BILL. EXPEDITE. SUTEL.

CV WILL BE ADVISED.

ACK AND DISC PLS

MC KEE

RECORDED - 77

EX-69 EX-76

12-1115-21
 FEB 10 1949
 I

53 FEB 18 1949

SKW

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

FEB 8 - 1949

TELETYPE

Mr. Tolson	.....
Mr. Clegg	.....
Mr. Glavin	.....
Mr. Ladd	.....
Mr. Nichols	.....
Mr. Rosen	.....
Mr. Tracy	.....
Mr. Carson	.....
Mr. Egan	.....
Mr. Gurnea	.....
Mr. Harbo	.....
Mr. Mohr	.....
Mr. Pennington	.....
Mr. Quinn Tamm	.....
Mr. Nease	.....
Miss Gandy	.....

WASHINGTON 17 NEW YORK 12 FROM NEWARK

8 16-

DIRECTOR AND SAC SEATTLE,

URGENT

RICHARDI BROS. MACHINE CO., SEATTLE EXPORT CONTROL, NEUTRALITY

RECLEVELANDTEL DATED FEB FOUR LAST IN WHICH NEWARK OFFICE WAS REQUESTED TO DISCREETLY ASCERTAIN ARRIVAL AND DISPOSITION OF RKP CAR NO. TWO TWO ZERO ZERO ONE. TELETYPE TO NEWARK FROM CLEVELAND DATED FEB EIGHT FORTY NINE INDICATED ROUTING OF INSTANT CAR BY NICKEL PLATE RR TO BUFFALO AND BY CENTRAL RR TO NEWARK. INQUIRY AT JERSEY CITY TERM REFLECTS ALL RECORDS RE ARRIVAL AND DISPOSITION OF INSTANT CAR MAINTAINED IN NY CITY AND CAN BE SECURED THROUGH OFFICE OF INSPECTOR

b7C OR [REDACTED] NY CENTRAL RR POLICE, ST. JOHNS BARK STAT-

NY CITY. NY HANDLE AND ADVISE.

NO KEE

BOTH HOLD PLS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 39023/SPK/PL

RECORDED - 42

EX-126

2-1113-20
F B I
11 FEB 10 1949

SW

53 FEB 18 1949

Office Memorandum

UNITED STATES GOVERNMENT

VERNMENT

TO : H. B. Fletcher

DATE: January 25, 1949

FROM : F. J. Baumgardner

SUBJECT: TELEPHONE CALL FROM SAC J. B. WILCOX OF SEATTLE
4:50 P. M., January 25, 1949, re
RICHARDI BROTHERS MACHINE COMPANY
EXPORT CONTROL ACT
NEUTRALITY ACT

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Holmes _____
- Miss Gandy _____

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 3906 JEL/wjcl/kl

b7C

At the above time, SAC Wilcox of the Seattle Office called concerning the captioned matter. He stated that an individual identified as [redacted] purchased a fighter plane at Clarkston, Washington, on January 23, 1949. This plane was crated and was originally scheduled to be shipped to New York. Mr. Wilcox stated it has been determined, however, that the plane will now be shipped from Spokane, Washington by train to Fremont, Ohio. He informed that [redacted] is presently staying at the Mayflower Hotel in Seattle, and is registered in room 1008. Mr. Wilcox stated that Agents of the Seattle Office have secured room 1007, and are in an excellent position to overhear conversations which take place in room 1008, with the aid of a microphone surveillance.

He requested Bureau authority to install a microphone surveillance and assured me that the installation could be made without any risk whatsoever, inasmuch as the hotel management is completely cooperative.

He also advised that two other men have now come into the picture: a [redacted]

[Large redacted block]

Investigation has also revealed that these three men have been attempting to purchase a second fighter plane at Ephrata, Washington. There is some indication that they have actually purchased a second plane at Ephrata. This plane will also be crated and shipped by train, presumably to Fremont, Ohio. Investigation has also revealed that these men have secured papers which, on the face, indicate the planes are junk. Mr. Wilcox stated that there is no question, however, that the planes are both in good flying condition.

INDEXED - 108 RECORDED - 108 FEB 1 1949

In addition to the request for a microphone surveillance on room 1008 at the Mayflower Hotel, Mr. Wilcox requested authority to install a similar microphone surveillance on room 307 at the Camlin Hotel. He stated, with respect to both hotels, that full protection could be assured, inasmuch as the management of both

FJB:ed

50 FEB 16 1949

196
Tel. to [redacted]
1 28 49
RWC

3-10

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

CC-150

RWC:WMAJ

URGENT

To: COMMUNICATIONS SECTION.

FEBRUARY 2, 1949

RECORDED - 108

Transmit the following message to: SAC, BUTTE

²⁻¹¹¹⁵⁻¹⁴
RICHARDI BROS. MACHINE COMPANY, SEATTLE, WA. REURTELS JANUARY NINETEEN

AND FEBRUARY ONE LAST. SUREP OF INVESTIGATION CONDUCTED YOUR OFFICE
BEARING ABOVE CAPTION WITH SEATTLE AS ORIGIN, DESIGNATING THREE COPIES
FOR SEATTLE, NY, NEWARK, LOS ANGELES AND MIAMI IN ADDITION TO APPROPRIATE
BUREAU COPIES. FOR YOUR INFORMATION, GROUP USING NAME FOUNDRY ASSOCIATES,
INCORPORATED, IS SECURING AMMUNITION, ARMS, AIRCRAFT, ET CETERA FOR
EXPORTATION TO JEWISH FIGHTING FORCES. [REDACTED]

b7C

[REDACTED] NEW YORK ARE AMONG MOST ACTIVE OF GROUP.

SEVERAL PLANES HAVE ALREADY BEEN EXPORTED. INSTANT MATTER UNDOUBTEDLY
RELATED TO IT. EXPEDITE.

HOOVER

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/19/00 BY 39063 [signature]

G.I.R.-7

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

RECEIVED TELETYPE ROOM
FEB 2 5 22 PM '49
F B I
U.S. DEPT OF JUSTICE

50 FEB 16 1949
SENT VIA

630 P.M.

Per [signature]

[Handwritten notes and signatures]

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI
FROM : SAG, SEATTLE
SUBJECT: RICHARDI BROS. MACHINE COMPANY
Seattle, Washington
EXPORT CONTROL, NEUTRALITY ACT

DATE: February 9, 1949

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/17/00 BY 3906 JELW/ucjpl

Re mytels dated January 21, 26, 28 and 31, 1949. V

b7C

[REDACTED]

It is to be noted that [REDACTED] have been procuring planes on the West Coast for [REDACTED] who represents a Jewish organization believed to be Materials For Israel, Inc. [REDACTED] have also been involved with other individuals in the procurement of planes believed destined for Egypt.

[REDACTED]

It has been learned from a confidential source that the destination of the planes is not definitely known; however, there has been mention of the planes going to Cairo, probably by the way of Nicaragua.

[REDACTED]

LMI:lg
2-27

AMSD

2-21-49
Bethel
RWC

RECORDED - 138

INDEXED - 138

EX-69

2-11-15-15
F B I
37 FEB 11 1949

G.P. R. 1-1

12

b7C

[REDACTED]

INFORMATION DEVELOPED THIS FAR DEFINITELY INDICATES THEY TIE-IN WITH
FOUNTRY ASSOCIATES GROUP, WHO ARE PURCHASING PLANE FOR JEWISH FIGHTING FORCES.
REPORTS SHOULD BE PROMPTLY PREPARED WITH THREE COPIES DESTINATED FOR NY, NEWARK,
LOS ANGELES, AND MIAMI. SEATTLE SHOULD REQUEST OFFICE COVERING ULTIMATE DESTINATION
OF PLANE IN US TO INFORM CUSTOMS OF CONTEMPLATED EXPORTATION THEREOF.

HOOVER

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

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U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JAN 21 1949

TELETYPE

830
cu

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JAN 28 1949

TELETYPE

Mr. Tolson	.....
Mr. Clegg	.....
Mr. Glavin	.....
Mr. Ladd	.....
Mr. Nichols	.....
Mr. Rosen	.....
Mr. Tracy	.....
Mr. Egan	.....
Mr. Gurnea	.....
Mr. Harbo	.....
Mr. Mohr	.....
Mr. Pennington	.....
Mr. Quinn Tamm	.....
Mr. Nease	.....

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/10/00 BY 3116/SM/act/l

b7C

FBI, SEATTLE

1-27-49

9-44

PM PST

RDP

DIRECTOR AND SAC NEW YORK CITY

RICHARDI BROS. MACHINE CO., SEATTLE, EXPORT CONTROL NEUTRALITY
ACT REMYTEL JANUARY TWENTY SEVEN LAST. FOLLOWING IS SUPPLEMENT
AND ADDITIONAL INFORMATION OF MYTEL FURNISHED BY

b2

b7C



CLARKSTON

HERALD NEWSPAPER CARRIED ARTICLE REFLECTING SALE OF HIGH
57 FEB 15 1949
END OF PAGE ONE

5-Ruc

PAGE TWO

SCHOOL FIGHTER PLANE, ORIGINALLY OBTAINED FROM ARMY, SOLD TO
~~MC CARTY BROS., SEATTLE,~~ FIFTEEN HUNDRED DOLLARS FOR SALVAGE.

CONFIDENTIAL SOURCE REPORTED MC CARTY HAS POSSIBLE FINANCIAL
INTEREST IN TWO PLANES.

b7C

INFORMATION FOR N.Y. TEL FROM BUTTE

ONE TWENTY ONE LAST ADVISED INFORMATION RECEIVED THAT OFFICE
POSSIBILITY OF PLANE PURCHASED BY UNKNOWN CO., AT SANDPOINT,
IDAHO, TRANSPORTED TO SPOKANE WHERE SHIPPED BY RR TO PIER FIVE.

END OF PAGE TWO

RECEIVED
NOV 14 1954

hotels are completely cooperative and there will be no risk attendant upon the installation of these microphone surveillances.

I advised Mr. Wilcox that if I did not call him back within thirty minutes from the time of our conversation, he would have Bureau authority to make the installations. I immediately relayed this information to Mr. Ladd, who authorized the installations in view of Mr. Wilcox' assurances that full security would be had in both instances.

Mr. Wilcox stated that his Office was going forward with the investigation and that all necessary leads were being forwarded to the appropriate Offices.

ACTION:

It is suggested that this memorandum be routed to the Internal Security Section.

PAGE FOUR

NEW YORK, N. Y., ROUTED NP, CBQ, NEW YORK CENTRAL, FREIGHT COLLECT
CARLOAD LOT. RUC

BANISTER

END

ACK PLS

WA

5-10PM OK FBI WASH DC SKR

NYC\$\$\$\$

PAGE THREE

AFFIANT AND HIS SAID PARTNER AS SOON AS THE SAID AIRPLANE CAN BE DELIVERED TO THE ESTABLISHMENT OF AFFIANT AND HIS SAID PARTNER AT TUCUMCARI, STATE OF NEW MEXICO, SIGNED TOM H. WHEELER UNQUOTE. ON NOVEMBER TWENTYFIVE LAST, WHEELER INFORMED [REDACTED] THAT HE AND PARTNER HAD SUFFERED FINANCIAL REVERSES AND HAD SUDDENLY BEEN FORCED TO DISPOSE OF THE PLANE FOR WHICH SALE WAS CONSUMMATED NOVEMBER TWENTYTHIRD LAST BUT WHEELER ASSURED [REDACTED] THAT PLANE WAS STILL TO BE SCRAPPED AND HE HAD SECURED AN AFFIDAVIT FROM PURCHASER [REDACTED] THAT WAS IDENTICAL TO ONE GIVEN BY WHEELER TO [REDACTED] DID NOT SEE AFFIDAVIT BUT TOLD WHEELER HE WAS HOLDING HIM TO AGREEMENT. TOM WHEELER LEFT SANDPOINT BY PERSONAL PLANE BT DASH ONE FIVE TRAINEE AND WAS KILLED IN PLANE CRASH AT ENUMCLAW, WASHINGTON, NOVEMBER THIRTY LAST. SANDPOINT P DASH FIFTYONE SHIPPED NOVEMBER LAST VIA NORTHERN PACIFIC RR, WAYBILL NUMBER FIFTYONE, BY [REDACTED] PER TOM WHEELER, AGENT, CONSIGNED TO APEX TRANSPORTATION COMPANY, EIGHT TWO BEAVER ST.,

b7C

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

aw CC-150

To: COMMUNICATIONS SECTION.

JANUARY 28, 1949

URGENT

Transmit the following message to:

SAC, SEATTLE

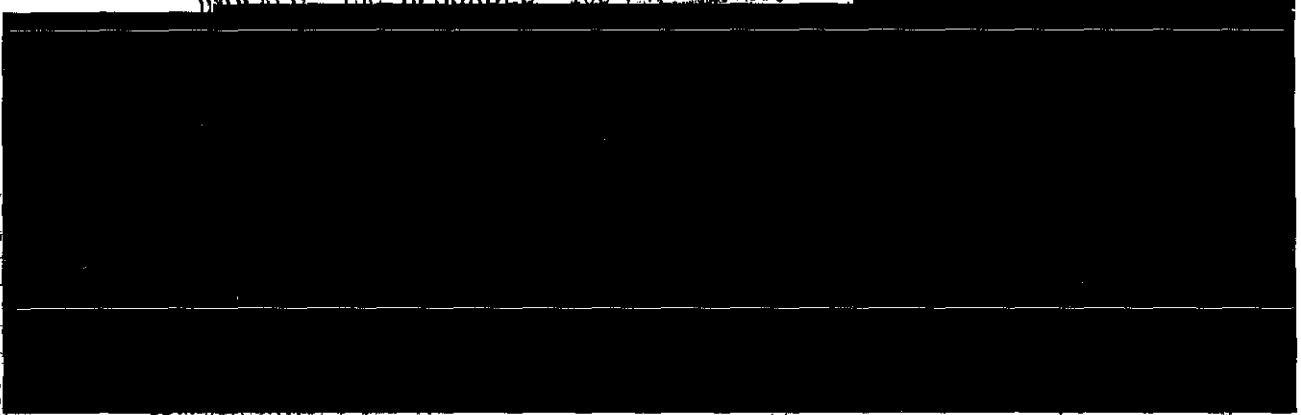
RICHARDI BROTHERS MACHINERY COMPANY, SEATTLE, WA. REURTEL JANUARY TWENTYSEVEN

b7C



ALL INFORMATION CONTAINED
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DATE 5/17/00 BY 3906 JEP/MLC/ST

INDEXED - 108 RECORDED - 108 12 - 1113-34



- Mr. Tolson
- Mr. E. A. Tamm
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Carson
- Mr. Egan
- Mr. Gurnea
- Mr. Harbo
- Mr. Hendon
- Mr. Pennington
- Mr. Quinn
- Mr. Nease
- Miss Gandy

KAN
JAN 28 1949

RWC:JC

6-38
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12-2-1968

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Section 552

Section 552a

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(d)(5)

(b)(2)

(b)(7)(B)

(j)(2)

(b)(3)

(b)(7)(C)

(k)(1)

(b)(7)(D)

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(b)(9)

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HQ 2-1115-8 pg. 3

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

NH
Chen

Mr. Tolson	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Carson	
Mr. Egan	
Mr. Gurnea	
Mr. Hendon	
Mr. Pennington	
Mr. Quinn Tamm	
Mr. Nease	
Miss Gandy	

TELETYPE

FBI BUTTE 1-19-49 4-05PM CEF

DIRECTOR, FBI AND SACS WASHINGTON FIELD AND SEATTLE
 RICHARDI BORS. MACH. CO., SEATTLE, NEUTRALITY ACT, EXPORT CONTROL
 INFORMATION RECEIVED THAT F DASH FIFTYONE FIGHTER PLANE, FORMERLY
 OWNED FOR THREE YEARS BY CLARKSTON, WASHINGTON, HIGH SCHOOL,
 RECENTLY SOLD FOR SALVAGE TO RICARDI BROS. MACH. CO., SEATTLE.
 PLANE RELIABLE REPORTED IN EXCELLENT FLYING CONDITION. PRESENTLY
 BEING CRATED AT ZIMMERLY AIRPORT, CLARKSTON. WORK
 ORDER SIGNED BY BOEING FIELD, SEATTLE. MANNER
 OF CRATING INDICATES OVERSEAS TRASK TRANSPORTATION. PLANE IS TO
 BE TRUCKED TO BOX CAR IN SPOKANE SOON. SUGGEST SEATTLE ENDEAVOR
 TO DESCREETLY ASCERTAIN ULTIMATE DESTINATION OF AIRPLANE AND THAT
 WASHINGTON FILX FIELD THEN DETERMINE WHETHER
 APPROPRIATE LICENSE COVERING SHILX SHIPMENT HAS BEEN GRANTED BY
 OFFICE OF INTERNATIONAL TRADE.

b7C

b7C

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 5/16/00 BY 3160/ELC/epk

END

ACK PLS

SE 6-09 PM L'OK FBI WA OVM

SEOK FBI SE MJC

DISCU 58 FEB 9 1949 213

BANISTER

SE 16

RECORDED 97

INDEXED 97

EX-126

2-115-1
 FEB 9 1949

COPIES WFO

She

NA 7:20P
1-2-49

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

The Spectator

TELETYPE

[REDACTED]

b7C

FBI, SEATTLE

1-22-49

5-35 PM PST.

AFL

DIRECTOR, FBI AND SACS NEW YORK AND WASHINGTON FIELD U R G E N T

RICHARDI BROS. MACHINE CO., EXPORT CONTROL, NEUTRALITY ACT.

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Hendon
Mr. Pennington
Mr. Quinn
Mr. Nease
Miss Gandy

REBUTTE

TEL TO BUREAU AND WFO JANUARY NINETEEN LAST.

b7C

[REDACTED]

ARRANGED FOR PURCHASE OF

F DASH FIVE ONE FIGHTER PLANE AT LEWISTON, WASH., REPORTEDLY IN EXCELLENT FLYING CONDITION. PLANE TRANSPORTED TO SPOKANE BY TRUCK ENROUTE VIA RR TO NEW YORK. PLANE CRATED SOLIDLY AND LOADED ON UPRR FLATCAR WITH NO NOTATIONS ON OUTSIDE OF CRATING OTHER THAN HEAVY END AND LIGHT END. PLANE REPORTEDLY READY FOR OVERSEAS SHIPMENT, DESTINATION UNKNOWN. UNIFORM BILL OF LADING REFLECTS SHIPMENT AS SALVAGE AIRCRAFT PARTS, [REDACTED]

[REDACTED] TO BE NOTIFIED UPON ARRIVAL THERE. ESTIMATED TIME OF TRAVEL TO NYC TEN DAYS TO TWO WEEKS. [REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/16/00 BY 3046 JEM/acc

57 FEB 10 1949

RECORDED - 37
INDEXED - 97

EX-126

NO 12-1112-2
F B I
13 FEB 2 1949

S. J. Lee

PAGE TWO

b7C RECORD ██████████ RICHARDI BROS., SEATTLE FILES. SEATTLE
AND NEW YORK WILL CONTINUE INVESTIGATE UNLESS ADVISED TO CONTRARY
BY BUREAU .

WILCOX

END

-ACK IN ORDER PLS

WA-

8-40 PM OK FBI WA DC VHI

NYC

OK FBI NYC HAA

SIAS PLS DISC

TWO COPIES

RECEIVED
FBI
AUG 11 1954
COMM. MAEL

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

TELETYPE

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DATE 5/16/02 BY 39023 ELW/CCP/K

FBI, SEATTLE 1-26-49 3 12 PM PST
DIRECTOR, FBI AND SAC, NEW YORK

MJC

IMMEDIATE ATTENTION

Mr. Tolson	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Harbo	
Mr. Mohr	
Mr. Winterrowd	
Mr. Egan	
Mr. Gurnea	
Mr. Hendon	
Mr. Pennington	
Mr. Quinn	
Mr. Nease	
Miss Gandy	

H. H. Hetches
MA
OK

RICHARDI BROS. MACHINE CO., SEATTLE, EXPORT CONTROL, NEUTRALITY ACT

b7C RENYTEL ONE TWENTYTWO LAST AND MY TELEPHONE CALL TO BUREAU ONE
TWENTYFIVE LAST.

CONTACTED UPRR, SPOKANE, CHANGING DESTINATION OF
FIGHTER PLANE MENTIONED IN RETEL FROM NYC TO FREMONT, OHIO.

INFO OBTAINED FROM SOURCE INDICATES RING IN OPERATION.
MEMBERS IN NY AND MIAMI AND OTHER PLACES IN U. S. PURCHASING
BOMBERS, FIGHTERS, GUNS AND ENGINES FOR OVERSEAS SHIPMENT,
DESTINATION UNKNOWN.

Baumgardner

1185-3
B. I.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JAN 27 1949
Am
TELETYPE

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

- Mr. Tolson.....
- Mr. Clegg.....
- Mr. Glavin.....
- Mr. Ladd.....
- Mr. Nichols.....
- Mr. Rosen.....
- Mr. Tracy.....
- Mr. Egan.....
- Mr. Gurnea.....
- Mr. Harbo.....
- Mr. Mohr.....
- Mr. Pennington.....
- Mr. Quinn Tamm.....
- Mr. Nease.....
- Miss Gandy.....

ALL INFORMATION CONTAINED
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DATE 2/16/00 BY SP-6 ELL/cw/pt

FBI, SEATTLE 1-27-49 44 0 PM PST NJC

DIRECTOR, SACS NEW YORK CITY, MIAMI, SAN FRANCISCO, CLEVELAND, PITTSBURGH, PHOENIX, ST. LOUIS, WASHINGTON, WASHINGTON FIELD OFFICE, WASHINGTON FIELD OFFICE

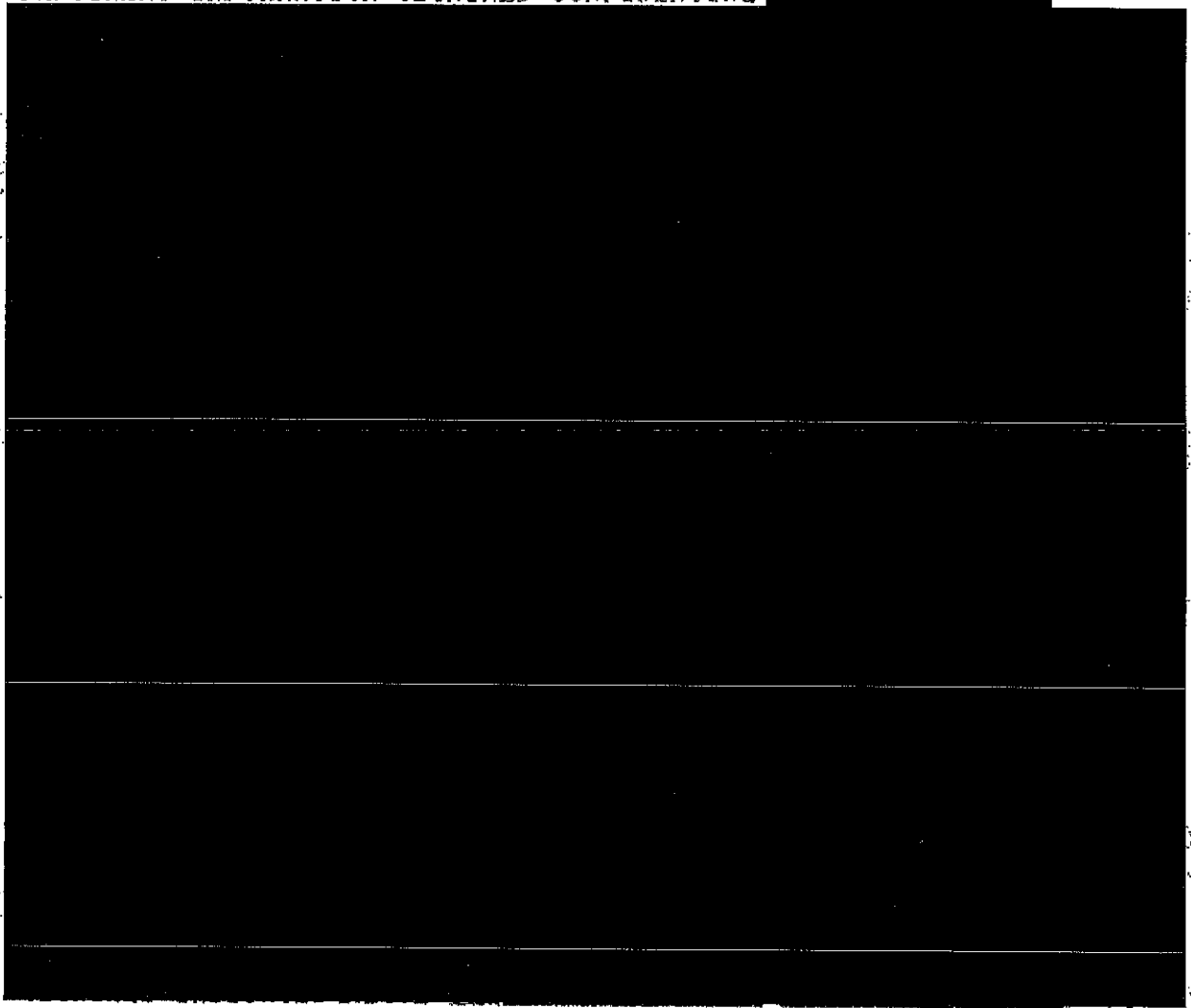
b7C AND LOS ANGELES U R G E N T

Q RICHARDS BROS. MACHINE CO., SEATTLE, EXPORT CONTROL. NA. RE MYTEL

TO BUREAU AND NYC JAN. TWENTYSIX LAST. THE FOLLOWING SUMMARY OF

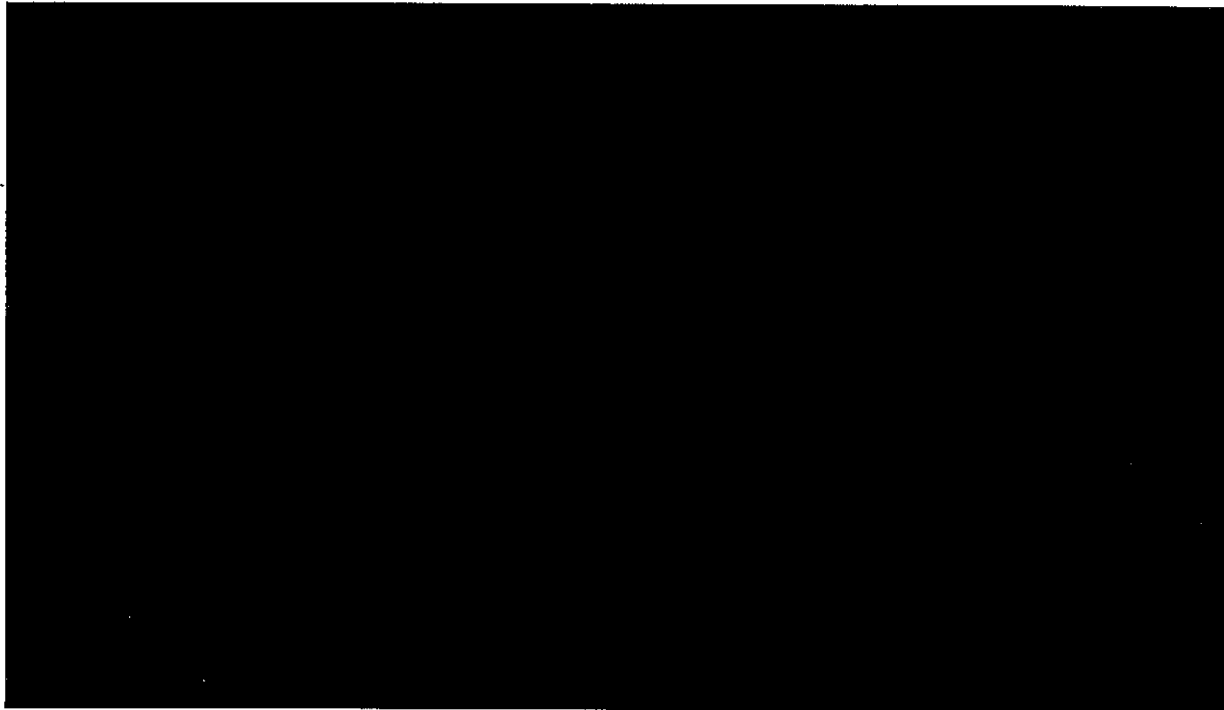
b2 PERTINENT INFORMATION OBTAINED CONFIDENTIAL

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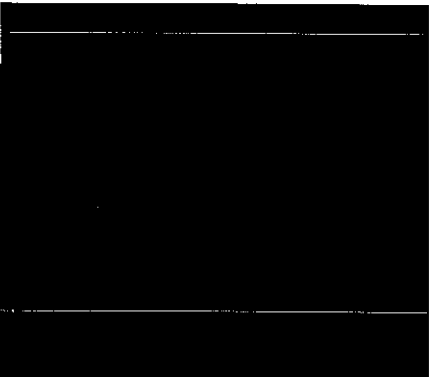


PAGE TWO

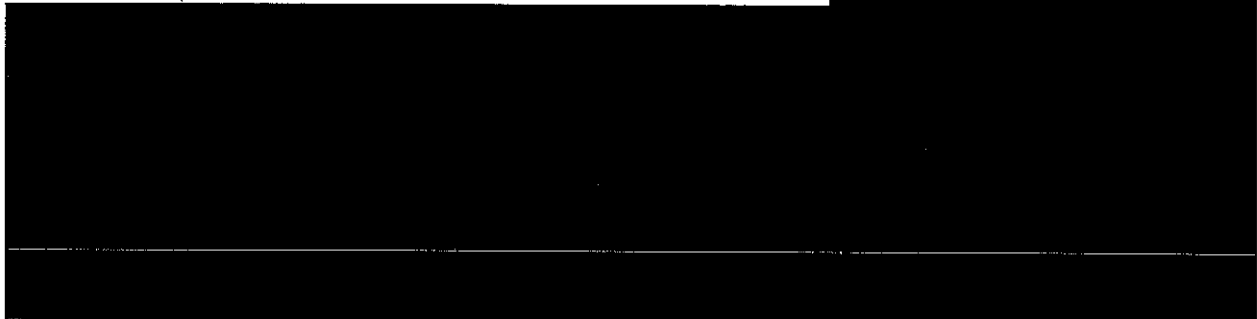
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TO DATE ONE PLANE PURCHASED AT CLARKSTON, WN., TRUCKED TO SPOKANE, WHERE SHIPPED BY RAILROAD. SECOND PLANE PURCHASED AT EPHRATA, WN., PRESENTLY BEING CRATED. THIRD PLANE READIED FOR PURCHASE AT WILBUR, WN., BELIEVED TO BE TRANSPORTED IN THE FUTURE TO SEATTLE. A PREVIOUS PLANE PURCHASED AT SANDPOINT, IDAHO. CLARKSTON AND EPHRATA PLANES BOTH BEING SHIPPED TO SURPLUS SUPPLIES, LTD., NINE ELEVEN NORTH FRONT ST., FREMONT, OHIO.



b7C



END PAGE TWO

PAGE FOUR

b7C



MIAMI IS REFERRED TO NYTEL ENTITLED MC CARTY ERCS. MACHINE
Co dated
~~ON~~ JAN. TWENTYFIVE LAST. BUREAU AND INTERESTED
OFFICES WILL BE FURNISHED WITH PERTINENT INFORMATION OBTAINED
FROM CONFIDENTIAL SOURCE. CLEVELAND WILL BE FURNISHED WITH
EXACT ROUTE OF PLANES SHIPPED TO FRENCHT. BUTTE MAKE DISCREET
INQUIRY AS TO PLANE SOLD AT SANDPOINT AND DESTINATION.

WILCOX

CORRECTION---

PAGE TWO- SEVENTH LINE FROM BOTTOM P NO IS "LTD.,"

PAGE THREE- SECOND LINE FOURTH WORD SHD BE "HOWEVER"

LINE FIVE LAST PARTY LINE SHD BE THIS WAY-- SOLD PLANES TO. HOWEVER

PAGE FOUR - FIFTH LINE FROM BTOM OF XXX BOTTOM OF PAGE SHD BE "CO.,

DATED JAN." ETC.

END

ACK IN ORD PLS

W 801PM OK FBI WA LS

NYC OK FBI NYC-MAR

MM OK FBU MM FTH

SF 4,0³~~8~~-892 FBI SF RN

AGM PLSSF OK FBI SF RN

CV 56³ OK FBI CV MM

BT OK FBI BT HR

LA OK FBI LA CSE

TNX DIS M

Called Ident.

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By

b7C

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FEDERAL BUREAU OF INVESTIGATION
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Section 552

Section 552a

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(b)(9)

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(k)(7)

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February 2, 1949

PERSONAL AND CONFIDENTIAL

DECLASSIFIED BY 39083 ELN/CLC/PL
ON 5/16/00

MEMORANDUM FOR THE ATTORNEY GENERAL

906413

RE: RICHARDI BROTHERS
MACHINE COMPANY, SEATTLE
NEUTRALITY ACT

EX-31

2 110-5

b7C

[REDACTED]
appears to be one of the principals of a group engaged in procuring airplanes in the name of the above-entitled company for shipment out of the United States. One plane, an F-51 Fighter, has already been purchased as salvage from the Clarkston, Washington, high school. It was in good flying condition and has been crated for overseas shipment.

[REDACTED]

It is felt that to adequately cover the activities of this group and to ascertain the type of planes and equipment being acquired by it, it is necessary that a technical surveillance be installed. Accordingly, it is respectfully requested that you approve the installation of this technical surveillance at [REDACTED]

b7C

Respectfully,

John Edgar Hoover
Director

cc - Mr. J. Nathan King 3710

MCC:rb

- Tolson
- E. A. Tamm
- Clegg
- Glavin
- Ladd
- Nichols
- Rosen
- Tracy
- Carson
- Egan
- Gurnea
- Harbo
- Mohr
- Pennington
- Quinn Tamm
- Nease
- Gandy

[Handwritten signature]

8 25
2 8-49

U.S. DEPT. OF JUSTICE
FEB 16 1949

FEB 15 16 PM '49

U.S. DEPT. OF JUSTICE

F B I

U.S. DEPT. OF JUSTICE

F B I

RECEIVED REAR ROOM

FEB 2 4 37 PM '49

61 N. 3

[Handwritten initials]

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

FEB 3 - 1949
Am
TELETYPE

2-1

Mr. Tolson	.....
Mr. Clegg	.....
Mr. Glavin	.....
Mr. Ladd	.....
Mr. Nichols	.....
Mr. Rosen	.....
Mr. Tracy	.....
Mr. Egan	.....
Mr. Gurnea	.....
Mr. Harbo	.....
Mr. Mohr	.....
Mr. Pennington	.....
Mr. Quinn Tamm	.....
Mr. Nease	.....
Miss Gandy	.....

9
4
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9/1/86 BY 3026/afp/pt
LG

FBI CLEVELAND 2-3-49 1-48 PM EST EJS
DIRECTOR AND SACS SEATTLE, NEW YORK, AND DETROIT

W. H. Mr. Fletcher
Baumgardner

b7C URGENT

b7D *o* RICHARDI BROTHERS MACHINE CO., SEATTLE, EXPORT CONTROL, NEUTRALITY
ACT. RE SEATTLE TEL JAN. TWENTYSEVEN, LAST, AND CLEVELAND TEL FIRST
INSTANT.

[REDACTED]

ADVISES PERSON BELIEVED TO BE [REDACTED] OF ITEMS RE-
CEIVED THROUGH MICHLES JUNK YARD WHICH IS BEING OPERATED AS SURPLUS
SUPPLIES LIMITED [REDACTED]

ITEMS INCLUDED ONE AIRPLANE JACK, DENTAL SUPPLIES,
ETC. ATTEMPT BEING MADE TO TRACE ROUTE OF THIS CAR. [REDACTED]

[REDACTED]

*Seattle returned
to carrier. JAL*
61 FEB 23 1949

EX-76

RECORDED - 113
INDEXED - 113

12-1115-26
F B I
17 FEB 17 1949

Shu

SUBJECT: MARCUS J. MICHLES

FILE NUMBER: HQ 2-1115 (Vol. 2)

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X FOR THIS PAGE X
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FEDERAL BUREAU OF INVESTIGATION
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Section 552

Section 552a

(b)(1)

(b)(7)(A)

(d)(5)

(b)(2)

(b)(7)(B)

(j)(2)

(b)(3)

(b)(7)(C)

(k)(1)

(b)(7)(D)

(k)(2)

(b)(7)(E)

(k)(3)

(b)(7)(F)

(k)(4)

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(b)(8)

(k)(5)

(b)(5)

(b)(9)

(k)(6)

(b)(6)

(k)(7)

Information pertained only to a third party with no reference to the subject of your request or the subject of your request is listed in the title only.

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HQ 2-1115-75 pg 3-11

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SE 2-27

b7C

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

b2
b7D
b7C

[REDACTED]

b7C

On March 8, 1949 Special Agent [REDACTED] and the writer observed at the Hi Line Lumber Company a semi-trailer truck with a P-51 airplane partially crated loaded on it. The wing of this airplane bore the number, 412129. The license of the truck was FA 20-163.

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(k)(1)

(b)(7)(D)

(k)(2)

(b)(7)(E)

(k)(3)

(b)(7)(F)

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(b)(8)

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(k)(6)

(b)(6)

(k)(7)

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HQ 2-1115-75 pg. 15-19

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SE 2-27

LEADS

Information copies are furnished the Chicago, Denver, Detroit, El Paso and Portland Offices in view of the contacts and activity of the subjects or associates in areas covered by these offices. Butte is also given a copy of information in view of the original information obtained from Butte concerning this investigation and also in view of the subjects' attempting to ship materials from Canada via Kingsgate, Canada, and Eastport, Idaho covered by Butte.

Copies are furnished to Newark and Miami per Bureau instructions.

THE CLEVELAND FIELD OFFICE

At Fremont, Ohio:

Will continue to maintain coverage on aircraft fuelling through the Surplus Supply Limited in Fremont.

THE LOS ANGELES FIELD OFFICE

At Glendale, California:

Will report investigation conducted or information obtained by interview of [REDACTED]

b7C

THE NEW YORK FIELD OFFICE

Will continue to maintain coverage on planes arriving in New York area through the Customs authorities. Will also identify [REDACTED]

b7C

b7D

THE SAN FRANCISCO FIELD OFFICE

Will report information concerning [REDACTED] exporting activities.

b7C

THE ST. PAUL FIELD OFFICE

At Pembina, North Dakota:

Will report the results of the inquiries at the Pembina Customs Office in reference to shipment of engines passing through Portal Customs Station. This request was made of St. Paul by letter. *ew*

THE SEATTLE FIELD OFFICE

Will continue to follow the activity of [REDACTED] concerning the purchase of aircraft for the Jewish group.

b7C

SE 2-27

CONFIDENTIAL INFORMANTS

b2

[REDACTED]

[REDACTED]

b7D

[REDACTED]

[REDACTED]

switchboard operator, Canlin Hotel, Seattle

b7C

[REDACTED]

[REDACTED]

Western Union, 113 Cherry Street, Seattle

[REDACTED]

[REDACTED]

Telephone Operator, Canlin Hotel, Seattle

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Mayflower Hotel, Seattle

Office Memorandum • UNITED STATES GOVERNMENT

UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: May 26, 1949

FROM : SAC, Detroit

SUBJECT: Mc GARY BROTHERS MACHINE COMPANY
Seattle, et al
EMPLOY CONTROL
NEUTRALITY ACT

b7C Reference made to the report of Special Agent [redacted] April 29, 1949, at Cleveland, Ohio, in which certain leads are set out for Detroit Division.

The telephone MA dison 6660 is that of the Lee Crest Hotel, a large apartment Hotel located at 610 Blaine, Detroit, Michigan.

b7C The balance of the leads set out in the referenced report were covered in the report of Special Agent [redacted] dated March 4, 1949, at Detroit Michigan. Detroit is considering this matter RUC.

MPC:FM
5:22

Cleveland
Seattle

~~ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED~~
DATE 5/12/88 BY SP-5/BJC/SL

G.I.R.-7

RECORDED - 30 102-1115-76

FBI
31 MAY 31 1949

EX-9

50564

JUN 7 1949

CONFIDENTIAL
BY SPECIAL MESSENGER

Date : June 7, 1949
To : Mr. Jack P. Seal
Associate Chief
Division of Security
Department of State
515 22nd Street, N.W.
Washington, D. C.
From : John Edgar Hoover, Director
Federal Bureau of Investigation
Subject : ^W GARY BROS. MACHINERY COMPANY
SEATTLE, W2 AL
NEUTRALITY ACT

DECLASSIFIED BY 39063 ELW/CCG/ok
ON 5/18/88
906413

Reference is made to my memorandum to you dated May 14, 1948.

Information has now been received that on March 21, 1948, [redacted] Covair Components Company, Long Beach, California sold a Packard Merlin engine, serial number 327796 or 331454 to [redacted]

b7C

[redacted] shipped it as "one box aircraft salvage" on the Southern Pacific Railroad, Long Beach, California, Waybill PB 514 to Surplus Supply Limited, 911 North Front Street, Fremont, Ohio. This shipment was sent collect and delivery was recorded as made through the Nickel Plate Freight Office at Fremont, Ohio. [redacted] stated that this engine is designed for P-51 planes.

Investigation is continuing to verify delivery of this engine.

The above is being furnished for your confidential information only and is not to be distributed outside your Department.

- Tolson
- Clegg
- Glavin
- Ladd
- Nichols
- Rosen
- Tracy
- Egan
- Gurnea
- Harbo
- Mohr
- Pennington
- Quinn Tamm
- Nease
- Gandy

RWO:vab
JUN 10 1949

RECORDED - 5
F B I
44 JUN 8 1949

EX-127

as
6

FEDERAL BUREAU OF INVESTIGATION

Form No. 1
THIS CASE ORIGINATED AT **SEATTLE**

NY FILE NO. **2-449** EKB:NAV

BK.
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REPORT MADE AT NEW YORK	DATE WHEN MADE 6/9/49	PERIOD FOR WHICH MADE 1/23,25-27; 2/7,28;3/17; 4/13;5/4/49	REPORT MADE BY [REDACTED]
TITLE McCARTY BROTHERS MACHINE COMPANY, Seattle; ET AL			CHARACTER OF CASE EXPORT CONTROL NEUTRALITY ACT

b7C

SYNOPSIS OF FACTS:

Investigation indicates Ultramar International Corporation, 450 Seventh Avenue, NYC, headquarters for group purchasing war surplus commodities for probable export to Israel.

[REDACTED]

NY files reflect subjects of instant matter definitely involved in similar pending alleged violations of same character.

- P -

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/18/00 BY SP6 JAW/ucj/ylk

REFERENCES:

- Bureau file 2-1115.
- Seattle teletypes, 1/22;1/26;1/28;2/2/49.
- Teletype to Newark, 1/27/49.
- Teletype to Bureau and Seattle, 2/1/49.
- Boston tel type, 1/31/49.
- Newark teletypes, 2/2;2/8/49.
- Reports of SA [REDACTED] Seattle, 2/18; 5/13/49.
- Cleveland teletypes, 2/3; 4/25/49.
- Report of SA [REDACTED] Cleveland, 2/17/49.
- Report of SA [REDACTED] Miami, 5/11/49.
- Report of SA [REDACTED] Philadelphia, 4/30/49.

*For authority for
connection, see
Serial 93, 716*

*1 copy Campbell
via [REDACTED] 8-5/49
1 copy [REDACTED] 8-5/49*

CO TO: Cia
REQ. REC'D 8-31
SEP 15 1949
ANS.
BY: [Signature]

APPROVED AND FORWARDED: Edward Scheidt
SPECIAL AGENT IN CHARGE

DO NOT WRITE IN THESE SPACES

- 5 - Bureau COPIES OF THIS REPORT
- 2 - Newark
- 2 - Seattle (2-27)
- 4 - New York (1 NY 97-1160)
- (1 NY 2-349)

COPY IN FILE

2-1115-79
FEDEC.
AUG 29 1949
U. S. DEPT. OF JUSTICE

RECORDED & INDEXED
[Signature]

cc - OSI

AE 78-3-51

COPIES DESTROYED
2241 AUG 7 1961

b7C

SE 2-27

MARCH 8, 1949

b2
b7D
b7C

[REDACTED]

MARCH 10, 1949

On this date [REDACTED] advised [REDACTED] that [REDACTED] the Wilbur plane and the bill of lading were both sent to Fremont Surplus Supply Limited, Fremont, Ohio. He also advised that the canopy and engine were coming from "down below". [REDACTED]

b7C

[REDACTED]

MARCH 14, 1949

b2
b7D
b7C

[REDACTED]

NY 2-449

REFERENCES: entitled "PALESTINE SITUATION, RECRUITMENT PROGRAM,
(cont'd) NEUTRALITY ACT, REGISTRATION ACT".
Report of SA [REDACTED] New York, 5/2/49,
entitled [REDACTED] INTERNAL SECURITY - R".
Teletype to Miami, 1/27/49.
Cleveland teletype, 2/4/49.

b7C

DETAILS:

Reference Seattle teletype dated January 22, 1949, sets forth that an individual, [REDACTED]

[REDACTED] arranged for the purchase of a P-51 fighter plane at Lewiston, Washington, which was subsequently transported to Spokane by truck en route to New York by railroad. The plane was crated and loaded on a Union Pacific Railroad freight car with no notations on the outside of the crating other than "heavy end" and "light end". The plane was reportedly crated for overseas shipment, destination unknown. The Bill of Lading reflected that the crate contained salvage airplane parts and that [REDACTED], was to be notified upon its arrival there.

Reference Seattle teletype sets forth further that [REDACTED]

Investigation reflects that [REDACTED]

Reference Seattle teletype dated January 26, 1949, sets forth that [REDACTED]

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HQ 2-1115-79 pg 3-6

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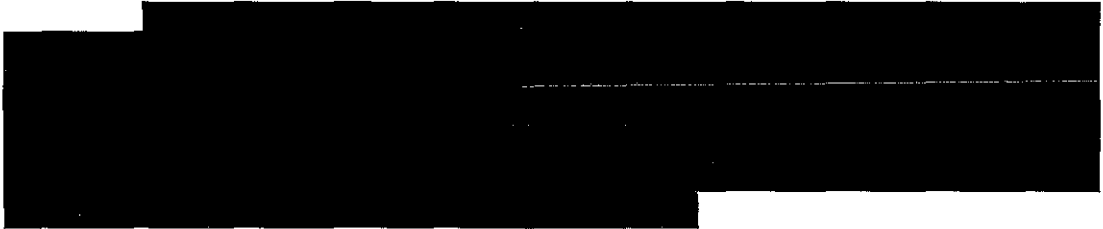
NY 2-449

b7C



Reference report of SA [REDACTED] Seattle, dated May 13, 1949, sets forth that the New York Office should continue to maintain coverage on planes arriving in the New York area through the customs authorities. It is to be noted that at no point during instant investigation has there appeared any indication of the ultimate New York City destination of any of the planes or other materials purchased by the principals in this case, other than the Parisi Heavy Haulage Corporation, 5466 48th Street, Woodside, Long Island, New York. This address has appeared more prominently in the Neutrality Act investigation mentioned herein before of [REDACTED]

[REDACTED] NEUTRALITY ACT. Investigation conducted by this office in the latter case reflects that the custom authorities here are fully apprised of the fact that the Parisi Corporation is being used by representatives of Palestine groups for storage purposes of commodities intended for export to Palestine, and that they are therefore maintaining a surveillance of the Parisi Corporation activities.



NY 2-449

A review of the files of the New York Office reflects that there are several groups of persons operating in much the same manner as the principals in instant investigation independently of each other but in all probability, controlled and directed by a certain few individuals.

In reference report of SA [REDACTED] Philadelphia, dated April 30, 1949, in the case entitled "PALESTINE SITUATION, RECRUITMENT PROGRAM, NEUTRALITY ACT; REGISTRATION ACT", information was obtained from

b7C

[REDACTED]

[REDACTED]

[REDACTED]

NY 2-449

b7C



- P E N D I N G -

NY 2-449

LEADS

NEW YORK

At New York, New York

Will continue to follow the activities of [REDACTED] in their activities involving the purchase and probable export, out of this country to Israel of commodities in violation of the Export Control and Neutrality Act.

b7C

Will make an inquiry at the Chase National Bank in an effort to determine the banking activities of [REDACTED] in relation to instant investigation.

Will follow the pending investigations of similar matters being conducted by this and other offices, and in which the same principals appear, to insure no overlapping of investigative efforts.

NK 2-72

Height	5'6 $\frac{1}{2}$ "
Build	Heavy
Hair	Gray
Eyes	Blue
Complexion	Dark
Place of Birth	Russia
Occupation	Junk Dealer
Residence	13 Vreeland Terrace Jersey City, New Jersey
Place of Business	Junk Yard, 675 Garfield Ave., Jersey City, New Jersey

b7C



REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN

NK 2-72

& Sons. This Concern has been engaged in this business approximately the past thirty years.

b7C

[REDACTED] 5th Precinct, Jersey City, New Jersey, Police Department, advised that he has known PASHELINSKY for approximately the past twenty years. He stated that PASHELINSKY enjoys a fairly good reputation, however, in the past had been subjected to three arrests by the Jersey City Police Department for receiving stolen goods.

[REDACTED] New York Central Terminal Agent, Jersey City, New Jersey, advised that the instant railroad cars, as set forth in referenced Cleveland teletypes of February 4th and 10, 1949, had arrived at the Newark Avenue Terminal of the New York Central Railroad in Jersey City, New Jersey, on the morning of February 9, 1949. He stated that orders had been received from the Consignee, M. PASHELINSKY, to have the instant car reshipped to the Vendors Warehouse, via Lenish Valley Railroad, foot of Linden Avenue, Jersey City, New Jersey. [REDACTED] stated that he had no further instructions pertaining to disposition of the instant cars or their ultimate destination other than that previously set forth.

[REDACTED] U. S. Customs, New York City Office, advised upon interview that since the arrival of the instant planes in Jersey City, New Jersey, and their storage in the Vendors Warehouse the U. S. Customs Office at New York City has maintained a constant surveillance of the instant planes. He further advised that the U. S. Customs at the present time is actively investigating this case and from all outward appearances will continue to maintain the surveillance that they have instituted and investigate the matter fully. [REDACTED] indicated that the instant crates in all probability contained planes and airplane parts and not contractor's supplies as stated by the consignor.

A check of the criminal records of the Jersey City, New Jersey, Police Department by [REDACTED] reflected the following criminal record for MORRIS PASHELINSKY under Jersey City Police Department #2575:

DATE OF ARREST	CHARGE	DISPOSITION
8/8/20	Receiving stolen goods	Not guilty, 10/2/23
4/5/37	Receiving stolen goods	No Bill, 6/22/37
8/22/40	Receiving stolen goods	No Bill, 11/8/40

The following is a description of MORRIS PASHELINSKY as taken from the files of the Jersey City Police Department;

Age	68 (1949)
Weight	214

NK 2-72

LEADS

NEW YORK DIVISION

AT NEW YORK CITY

b7C Will maintain liaison with [REDACTED] U. S. Customs for information pertaining to the ultimate disposition of the crates presently stored at Vendors Warehouse, Jersey City, New Jersey.

DENVER, DETROIT, HOUSTON, LOS ANGELES, MIAMI, PORTLAND AND SAN FRANCISCO DIVISIONS

A copy of this report is being furnished to each of the above offices for informational purposes at the request of the Bureau inasmuch as they had leads either in instant case or in related cases.

Assistant Attorney General
Alexander M. Campbell
Criminal Division

July 15, 1949

~~CONFIDENTIAL~~

Director, FBI

MC CARTY BROTHERS MACHINERY COMPANY
SEATTLE, WY AL
NEUTRALITY ACT

Reference is made to my memorandum to you of June 7, 1949.

There are enclosed the original and one copy of a memorandum dated July 15, 1949 containing additional information concerning this subject matter.

RECORDED

2-1115-85

DECLASSIFIED BY 39063 ELW/ucj
ON 5/18/00
90643

RECEIVED
JUL 15 1949 P.M.
FEDERAL BUREAU OF INVESTIGATION

JUL 15 1949
RECEIVED-TOLSON
FBI

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

UNCL 61 AUG 1 1949



b7C

Roc

CV. F.O.
2-26

INFORMATION PAGE

The Los Angeles Division has been designated two copies inasmuch as they have outstanding leads in instant case and other offices have been designated information copies at the request of the Bureau because of their interest in instant and related cases.

CV. F.O.
2-26

INFORMANT PAGE

b2	Confidential Informant [REDACTED]	is [REDACTED] Fremont Hotel
b7D		
b7C	Confidential Informant [REDACTED]	is [REDACTED] Ohio Bell Telephone Company Fremont, Ohio
	Confidential Informant [REDACTED]	is [REDACTED] Colonial Savings Bank Fremont, Ohio

L A 2-114

REFERENCE: Los Angeles teletype to the Bureau and Cleveland dated June 2, 1949.

DETAILS: AT LOS ANGELES, CALIFORNIA:

This report is being broken down into sub-headings for the purpose of clarity.

Investigation to Locate Available P-51 Planes

Prior to Arrival of [REDACTED] et al. --

b7C

[REDACTED] CHARLES DABB COMPANY, Glendale, California, known to the Los Angeles Office to be one of the widely known surplus airplane parts dealer, advised that he has no knowledge of any available P-51 plane within the Los Angeles Area other than the following:

He has understood that [REDACTED] Palm Springs, California, is alleged to have a P-51 surplus plane which she bought from some school.

[REDACTED] is known to have two P-51 planes which he uses for racing purposes.

A P-51 plane is located on CLOVER FIELD, Santa Monica, owned by the movie actor JIMMIE STEWART. This plane is used for racing purposes and is usually flown by [REDACTED]

[REDACTED] ROSEMEAD AIRPORT, advised he has no knowledge of any P-51 planes available in the Los Angeles Area.

[REDACTED] CLOVER FIELD, Santa Monica, advised that a P-51 plane owned by JIMMIE STEWART and flown by [REDACTED] was frequently located on the CLOVER FIELD AIRPORT. To the best of his knowledge, this plane is not for sale and is used by JIMMIE STEWART for racing purposes.

Another P-51 plane, bearing license NL-4607-V, type number 36A IVA, serial number 15986, bearing Air Corps Number AC-27396, was owned by [REDACTED] stated that he knew this plane was available but did not have the details concerning it. He stated that this plane had been on the field since about September of 1948 and several people had been observed to have been examining it; however, he did not recall any persons looking the plane over within the past few days.

b7C

Under an appropriate pretext, [redacted] was telephonically contacted and advised that P-51 planes were very scarce in the Los Angeles Area but that he had located one in a broker-deal and that the prospective purchasers were to arrive in Los Angeles within a few days. This contact was made on March 16, 1949. [redacted] stated that he did not know the location of the plane as the owner would not reveal this. When the buyers arrive in Los Angeles, [redacted] is to get in touch with the owner and bring the two together. The buyer is then to proceed to the location of the plane for the purpose of inspection. The price is in the \$10,000. bracket. [redacted] also stated that [redacted] was believed to have a P-51 plane which she purchased from some school. This plane was supposed to be located at the airport in Palm Springs, California, but she was having considerable difficulty in getting a clear title because of the school deal. She is alleged to want \$12,000. for this plane.

[redacted] advised that he had been in contact with some Seattle People who were desirous of purchasing P-51 planes or parts. He stated that his first contact with these people was when someone, name not recalled, had asked [redacted] about getting some P-51 parts for a man by the name of [redacted] who wants propellers, governors, motors, Packard-Merlin engines and the like. At the time of the original contact, [redacted] This was in the latter part of 1948.

Since that time [redacted] name has come up several times in connection with P-51 parts.

[redacted] stated that [redacted] of ARROW SALES, Pico and Alvarado Street, and [redacted] both of whom are brokers for surplus planes and plane parts, had approached [redacted] stating that some Seattle people were interested in P-51 parts and [redacted] had remarked that he wanted a P-51 plane for these Seattle people. This contact was made about a week before present interview, which was conducted on March 17, 1949.

[redacted] stated that the only P-51 plane in the immediate vicinity which was licensed and available was the plane owned by [redacted] which plane was located on CLOVER FIELD. It was [redacted] belief that if these people from Seattle had a line on a P-51 plane, it must be this plane owned by [redacted]

[redacted] also stated that he had been able to ascertain that [redacted] was expected to contact a man by the name of [redacted] upon his arrival in Los Angeles. [redacted] knew that a man by the name of [redacted] and [redacted] were close friends and stated that [redacted] had at one time owned a P-51 but [redacted] did not know if he had disposed of it.

On March 17, 1949, SA [redacted] was advised by notion

L A 2-114

picture actor JAMES STEWART that he owned a P-51 plane which was used for racing purposes and that this plane was not for sale. Mr. STEWART stated that he had never been approached by anyone who appeared to be interested in buying this plane.

Negative Criminal and Credit Checks

The following individuals were checked through the Los Angeles Police Department, Los Angeles County Sheriff's Office and the Retail Merchants Credit Association with negative results:

b7C

[REDACTED]

[REDACTED]

KINDLER CORPORATION OF NEW YORK CITY.

[REDACTED]

Positive Credit and Criminal Checks

[REDACTED]

b7C
b7D

[REDACTED]

[REDACTED]

[REDACTED]

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Section 552

Section 552a

(b)(1)

(b)(7)(A)

(d)(5)

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(b)(3)

(b)(7)(C)

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(b)(6)

(k)(7)

Information pertained only to a third party with no reference to the subject of your request or the subject of your request is listed in the title only.

Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

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_____ Page(s) withheld inasmuch as a final release determination has not been made. You will be advised as to the disposition at a later date.

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The following number is to be used for reference regarding these pages:

HQ 2-1115-104 pg. 5-8

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b7C

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] COVAIR COMPONENTS COMPANY, 3170 Cherry Street, Long Beach, advised that he had sold a Packard-Merlin engine for \$400. on March 21, 1949 to [REDACTED]

[REDACTED] stated that his company had delivered the engine to the SOUTHERN PACIFIC RAILWAY DEPOT in Long Beach and he understood that it was shipped to some place in Ohio.

[REDACTED] had no record reflecting the Serial Number of this engine but by process of elimination, through P-51 engines then on his lot and records maintained by him, he believed that the Serial Number of the engine sold to [REDACTED] was either V-327796 or V-331454.

On May 31, 1949, SA [REDACTED] was advised by [REDACTED] SOUTHERN PACIFIC RAILROAD, Long Beach, California, that Waybill PE-514, dated March 22, 1949, reflect shipment of "one box of Aircraft Salvage" 2,560 pounds, from Consignor [REDACTED]

XXXXXX
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FEDERAL BUREAU OF INVESTIGATION
FOIPA
DELETED PAGE INFORMATION SHEET

3

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Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552

Section 552a

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(b)(7)(F)

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(b)(5)

(b)(9)

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L A 2-114

The report of SA [REDACTED] dated April 29, 1949, at Cleveland, sets out a lead for the Los Angeles Office to identify the listing of phone numbers -- [REDACTED]

b7C

In an effort to determine whether or not [REDACTED] had shipped plane canopies or other P-51 parts to [REDACTED] the following inquiries were made:

The records of the UNION PACIFIC RAILWAY FREIGHT OFFICE, 730 East Lexington Drive, Glendale, failed to reflect any such shipment during the pertinent period.

[REDACTED] Aircraft Division, LYONS VAN & STORAGE, 2701 Ontario Street, Burbank, and [REDACTED] upon checking their records, advised that on January 12, 1949, this company had picked up seven P-51 windshields on the order of [REDACTED]. These seven windshields were picked up and brought to the company building for packing and shipping. The records reflect that on January 18, 1949, they were shipped to [REDACTED]. The records reflect the LYONS VAN & STORAGE worked Order Number 6843, dated January 12, 1949, their Invoice Number 1-B-523, dated January 17, 1949. The merchandise was shipped on the SOUTHERN PACIFIC on Bill of Lading under Way Bill Number 8-P-137.

On February 19, 1949, LYONS VAN & STORAGE received a check from the SOUTHERN PACIFIC in Miami by letter.

The records of the SOUTHERN PACIFIC RAILWAY, LCL Freight Office, contained no entry covering a shipment of canopies or other P-51 plane parts to [REDACTED] during the pertinent period. Similar checks were made at the Offices of the SANTA FE RAILWAY with negative results.

REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN

- L A 2-114

~~CONFIDENTIAL~~

b2

Los Angeles [REDACTED]

b7D

b7C

[REDACTED]
HOLLYWOOD DRAKE HOTEL
Hollywood Boulevard
Hollywood, California.

Los Angeles [REDACTED]

Switch Board Operator at the
HOLLYWOOD DRAKE HOTEL

Both of the above individuals requested
anonymity.

FEDERAL BUREAU OF INVESTIGATION

Form No. 1
THIS CASE ORIGINATED AT

SEATTLE

FILE NO. 2-26

REPORT MADE AT CLEVELAND, OHIO	DATE WHEN MADE 10/31/49	PERIOD FOR WHICH MADE 8/12; 10/5, 6, 17, 18/49	REPORT MADE BY [REDACTED] HIIIH
TITLE MCCARTY BROTHERS MACHINE COMPANY, Seattle, ETAL			CHARACTER OF CASE EXPORT CONTROL AND NEUTRALITY ACT

b7C

SYNOPSIS OF FACTS:

ADMINISTRATIVE REPORT

Listing of Masury, Ohio telephone number set forth. No derogatory information regarding subscriber in indices, Cleveland Office.

- P
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/18/00 BY 39063ELW/act/ptk

References:

Bureau File 2-~~115~~

Report of Special Agent [REDACTED] dated August 3, 1949 at San Francisco, California.

Details:

The following information was conducted by Special Agent [REDACTED]

AT YOUNGSTOWN, OHIO

Confidential Informant [REDACTED] of known reliability advised that the telephone Masury, Ohio number is that of [REDACTED] Ohio. The mail address of [REDACTED]

G. I. R. - 7 *ke*

b2
b7D
b7D

COPIES DESTROYED
R 341 AUG 7 1961

APPROVED AND FORWARDED: <i>R. J. Abbot</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 5 - Bureau 3 - Seattle 1 - San Francisco (information) 1 - New York (information) 2 - Cleveland	2-1115-105 NOV 2 1949 RECORDED - 117 INDEXED - 117 8

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FEDERAL BUREAU OF INVESTIGATION
FOIPA
DELETED PAGE INFORMATION SHEET

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

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Section 552

Section 552a

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(b)(7)(A)

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(b)(7)(B)

(j)(2)

(b)(3)

(b)(7)(C)

(k)(1)

(b)(7)(D)

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(b)(7)(E)

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(b)(7)(F)

(k)(4)

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HQ 2-1115-105 pg. 2

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CV.F.O.
2-26

INFORMANT PAGE

Confidential Informant [REDACTED]

b2
b7D
b7C

[REDACTED]
Ohio Bell Telephone Company
Youngstown, Ohio
(By Request)

Confidential Informant [REDACTED]

[REDACTED]
Masury, Ohio
(Protect Investigative Technique)

Director, FBI

SAC, New York

FOUNDRY ASSOCIATES INC.
NEUTRALITY ACT
FRAUD AGAINST THE GOVERNMENT
CONSPIRACY;

[redacted] was:

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/18/00 BY 3906 JELW/CC/PL

b7C

NEUTRALITY ACT;
MC CARTHY BROTHERS MACHINE COMPANY
Seattle, et al
NEUTRALITY ACT

Rebulet to NY February 27, 1950 in case entitled Foundry Associates Inc.

On March 30, 1950 SAC [redacted] contacted Customs Agent [redacted] in the New York area in order to coordinate the investigation involving shipment of airplanes to Israel. At the outset of this discussion [redacted] was asked about the particular P-51 plane, Serial #44-11811 mentioned in referenced letter. With regard to this particular plane, [redacted] advised that on December 21, 1948 their office was advised that a P-51 with this serial number was then at the Claremont Terminal, Jersey City, New Jersey, the consignee was Distributors Service Inc. at Vendor's Warehouse, Jersey City, New Jersey.

On December 23, 1948 [redacted] of the Pennsylvania Railroad Police advised that the case previously referred to as having been at the Claremont Terminal was picked up by a Parisi Heavy Haulage Corporation and that a person accompanying the driver of the Parisi truck paid \$1,811.00 freight charges. According to Customs Agent [redacted]

[redacted] had purchased plane P-51, Serial #44-11811, in Salem, Oregon and that arrangements were made for the shipment of this plane to New York with the expectation of exporting it to Israel. [redacted] advised that this plane was only one of four similar planes purchased in the Far West which were

- CC 2-454
- 2-469
- Houston
- Los Angeles
- Newark
- Portland
- Seattle

DESTROY 1-249

NOT RECORDED

ORIGINAL FILED

Letter to Director
NY 2-349

ultimately destined to be shipped to Israel. [REDACTED]

b7C

In connection with other planes that had been observed in the warehouse of [REDACTED] by Customs Agents, a spot check surveillance had been instituted by the Customs Agents in the vicinity of [REDACTED] warehouse in Long Island with the intent of ascertaining the ultimate destination of the crates that were stored there. [REDACTED] advised that one of these crates was in fact the crate that had arrived at the Claresmont Terminal on December 31, 1948 consigned to Distributors Service Inc.

On January 31, 1950 Customs Agents spoke to [REDACTED] of Parisi Brothers regarding this particular crate as, according to [REDACTED] it had been noted that this crate had been removed sometime before from the Parisi premises. When the Customs Agents interviewed [REDACTED] he stated that he recalled that his company had picked up this particular crate at Claresmont Terminal. He stated that they did this on the instructions of [REDACTED]

[REDACTED] advised that he was unable to give them any information regarding the contents of this crate, but he stated that he believed there was some kind of machinery in it. He stated that he got this impression from what [REDACTED] had told him. Customs Agents did not want to arouse [REDACTED] suspicion, and no mention was made to him of the fact that the Customs Agents believed that this crate contained a P-51 plane. [REDACTED] advised that they did not at this time want to interview [REDACTED] because they stated that he was involved in other cases which they are investigating, and they felt that they would expose their hand by an interview with [REDACTED] at this time.

Regarding the overall picture of the exportation of planes to Israel, [REDACTED] advised of these recent developments. [REDACTED]

Licensee [REDACTED] issued October 6, 1949 for ten Stearman bi-planes

Office Memorandum • UNITED STATES GOVERNMENT

DATE: April 21, 1950

TO : Director, FBI

FROM : SAC, New York

SUBJECT: MC CARTHY BROTHERS MACHINE COMPANY
SEATTLE, WASH.
NEUTRALITY ACT
(Bufile 12-1115)
Washington

Reference is made to Bureau bulletin #17, series 1950 dated April 6, 1950 which instructed the field to close all neutrality act cases with the exception of those which are awaiting trial and those awaiting prosecutive opinion either by the Department or the United States Attorneys in the field.

With regard to this case no active investigation has been conducted by the New York Office since October, 1949 with the exception of maintaining liaison with U.S. Customs, New York City.

Since this case is not awaiting prosecutive opinion or trial it is being considered RUC'D.

cc: Seattle

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/18/00 BY 3902/ELW/CCP/pt

RECORDED - 114

JPM;APK
2-449

12-1115-111
APR 22 1950
37
KAM

R
55 APR 28 1950

SAC, New York

5-4-50

DIRECTOR, FBI

MCCARTY BROTHERS MACHINE COMPANY
Seattle, et al
NEUTRALITY ACT

Re Seattle letter to the Bureau dated April 17, 1950.

The Bureau agrees that this case should be placed in a closed status. Since, however, the New York Office has been in close liaison with the U. S. Customs, New York City, regarding this investigation, it should advise those representatives of the Customs Service, with whom it has been in contact, that no further investigation of this matter is being conducted by the Bureau.

cc - SAC, Seattle (2-27)

Bureau: 2-1115

RECORDED - 65

EX-125

12 1115-113
MAY 9 1950
80

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/12/00 BY 3206 [signature]

MAY 5 9 15 AM '51
RECEIVED-TOLSON
F B I
DEPT. OF JUSTICE

RWC:awma

- Tolson _____
- Ladd _____
- Clegg _____
- Glavin _____
- Nichols _____
- Rosen _____
- T. Tracy _____
- Harbo _____
- Mohr _____
- Tele. Room _____
- Nease _____
- Gandy _____

DEPT. OF JUSTICE
FBI
MAY 2 1 37 PM '51

MAY 5 - 1950
FBI

RECEIVED READING ROOM
MAY 5 12 15 PM '51
DEPT. OF JUSTICE

Office Memorandum

UNITEL • UNITEL

GOVERNMENT

TO : Director, FBI

DATE: May 18, 1950

FROM : SAC, New York

SUBJECT: Mc CARTHY BROTHERS MACHINE COMPANY
Seattle, Et. Al.
NEUTRALITY ACT
(Bufile 2-1115)

R

Reference is made to Bureau letter to New York dated May 4, 1950.

Inspector [redacted] U.S. Customs, New York City was advised on May 15, 1950 that this office is conducting no further investigation in this case.

b7C

[redacted] was thanked for the cooperation rendered this office in connection with the investigation of this case.

5/18/50 [redacted] [redacted]

50557

RECORDED - 41
EX-124

2-1115-114
MAY 19 1950
3

[Handwritten signature]

[Faint stamp and handwritten notes]

ASSISTANT ATTORNEY GENERAL JAMES M. MC INERNEY
CRIMINAL DIVISION

May 4, 1950

DIRECTOR, FBI

CONFIDENTIAL

MCCARTY BROTHERS MACHINE COMPANY
SEATTLE, ET AL
NEUTRALITY ACT

DECLASSIFIED BY 39063 ELD/uct
ON 5/18/00
906413

Reference is made to my memorandum of April 3, 1950, which reported that four aircraft, previously stored at Marcus Michles' Junk Yard, Fremont, Ohio, were shipped to Stratford, Connecticut.

Other aircraft purchased by the subjects of this case are crated and stored at the following locations:

- 3 aircraft, Harris Warehouse Corporation,
358 Rector, Perth Amboy, New Jersey.
- 1 aircraft, Parisa Heavy Haulage Corporation,
5466 48th Street, Woodside, L. I., N. Y.
- 5 aircraft, Pennsylvania Railroad Freight Yard,
Greenville Junction, New Jersey.

b7C

On November 15, 1949, [redacted] U. S. Customs Service, New York City, advised that a spot check on the above-listed aircraft in the New York area determined that these aircraft had not been moved.

In accordance with the decision to discontinue investigations of alleged or possible violations of Section 452, Title 22, U. S. Code, no further investigation is being conducted in this matter.

FBI: 2-1115

RWC:rwma

RECORDED - 143

12-1115-112
MAY 9 1950

RECEIVED-TOLSON
FBI
DEPT OF JUSTICE
JAN 5 9 15 AM '50

RECEIVED REAR ROOM
FBI
MAY 5 12 42 PM '50

MAILED 16
MAY 5 - 1950
COMM - FBI

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2-1115 - 111

CONFIDENTIAL
BY SPECIAL MESSENGER

DECLASSIFIED BY 39063 ELW/cuc/pl
ON 5/18/00
906413

Date: May 4, 1950
To: Mr. Jack D. Neal
Associate Chief, Division of Security
Department of State
515 22nd Street, N. W.
Washington, D. C.
From: John Edgar Hoover - Director, Federal Bureau of Investigation
Subject: McCARTY BROTHERS MACHINE COMPANY
SEATTLE, ET AL
NEUTRALITY ACT

Reference is made to my memorandum of April 3, 1950, which reported that four aircraft, previously stored at Marcus Michles' Junk Yard, Fremont, Ohio, were shipped to Stratford, Connecticut.

Other aircraft purchased by the subjects of this case are crated and stored at the following locations:

- 3 aircraft, Harris Warehouse Corporation,
358 Rector
Perth Amboy, New Jersey
- 1 aircraft, Paried Heavy Haulage Corporation,
5466 48th Street
Woodside, L. I., N. Y.
- 5 aircraft, Pennsylvania Railroad Freight Yard,
Greenville Junction, New Jersey.

MAY 5 9 15 AM '50
RECEIVED-TOLSON
F B I
U. S. DEPT. OF JUSTICE

b7C

On November 15, 1949, [redacted] U. S. Customs Service, New York City, advised that a spot check on the above-listed aircraft in the New York area determined that these aircraft had not been moved.

- Tolson _____
- Ladd _____
- Clegg _____
- Glavin _____
- Nichols _____
- Rosen _____
- Tracy _____
- Harbo _____
- Mohr _____
- Tele. Room _____
- Nease _____
- Candy _____

In accordance with the decision to discontinue investigations of alleged or possible violations of Section 452, Title 2, U. S. Code, no further investigation is being conducted in this matter.

RWC:wma
[Handwritten signature]

MAY 5 1950
COMM. DIV.

[Handwritten initials]

Office Memorandum • UNITED STATES GOVERNMENT

W TO : DIRECTOR, FBI
W SAC, SEATTLE

DATE: April 17, 1950

SUBJECT: MCCARTY BROS. MACHINE COMPANY,
SEATTLE, ETAL
EXPORT CONTROL - NEUTRALITY ACT
Bureau file 2-1115.

Re Bureau Bulletin No. 17, Series 1950, Cleveland's letter to Director, dated 3-8-50 and New York letter to the Director dated 11-15-49.

The Cleveland Division advised that during the week of February 6, 1950, the 4 aircraft which were crated and stored at MARCUS WICKLES' junk yard, Fremont, Ohio, were repacked into seven crates and shipped to Stratford, Connecticut, consigned to the Ultra-Mar International Corporation, 450 7th Avenue, New York City.

Other aircraft purchased by the Subjects in this case are crated and stored at the following locations:

- 3 aircraft, Harris Warehouse Corporation, 358 Rector, Perth Amboy, New Jersey.
- 1 aircraft, Parise Heavy Haulage Corporation, 5466 48th St., Woodside, L. I., N.Y.
- 5 aircraft, Pennsylvania Railroad Freight Yard, Greenville Junction, New Jersey

b7C

On November 15, 1949, [redacted] U. S. Customs Service, New York City, advised the New York Division that a spot check on instant aircraft in the New York area determined that these aircraft had not been moved recently.

Pursuant to the instructions contained in Bureau Bulletin No. 17, Series 1950, this case is being placed in a closed status.

RMM:con
2-27
cc: New York City

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/18/01 BY 3903ELW/cuc/px

Let NY cc Seattle 5-4-50
Let McInerney 5-4-50
Let Neal 5-4-50
RWP

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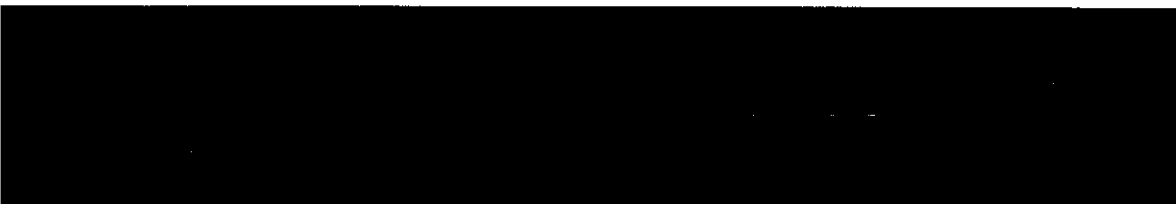
INDEXED - 114

12-1115-110
APR 28 1950
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FIVE

Letter to Director
NY 2-349

b7C



According to [redacted] it is the belief of the Customs Agents that the individuals now involved in the shipment of these planes were dismantling them and shipping them as parts for replacement in Israel. By this method they are able to get more parts for airplanes on individual licenses than they could if they had a definite number of airplanes set out in the licenses. [redacted] stated that the local office of customs in New York had notified the State Department of the situation as it exists in New York today and that they are now awaiting an official reply from the State Department regarding this latest development of the shipment of planes and munitions to Israel.

For the information of the Bureau there is quoted herewith an article that appeared in the "New York Mirror" of April 4, 1950. It is date-marked Washington, April 3 (UP):

"The Senate was told today the United States had no embargo on shipments to Israel of any weapons needed to maintain internal order or for defenses. Senator O'CONNOR (D.-MD.) said he had received such assurances from Secretary ACHESON. The Senator had called ACHESON'S attention to Jewish alarm over British arms shipments to Arab nations.

"O'CONNOR said he was assured the United States 'is ready to receive applications from all governments in the Near East including Israel for military equipment.'"

In view of the Bureau instructions set out in Bureau Bulletin No. 17, Series 1950, no further investigation will be conducted in the above captioned cases, unless advice is received to the contrary from the Bureau.

Letter to Director
NY 3-349

and component parts, the value at \$5,000.00.

b7C

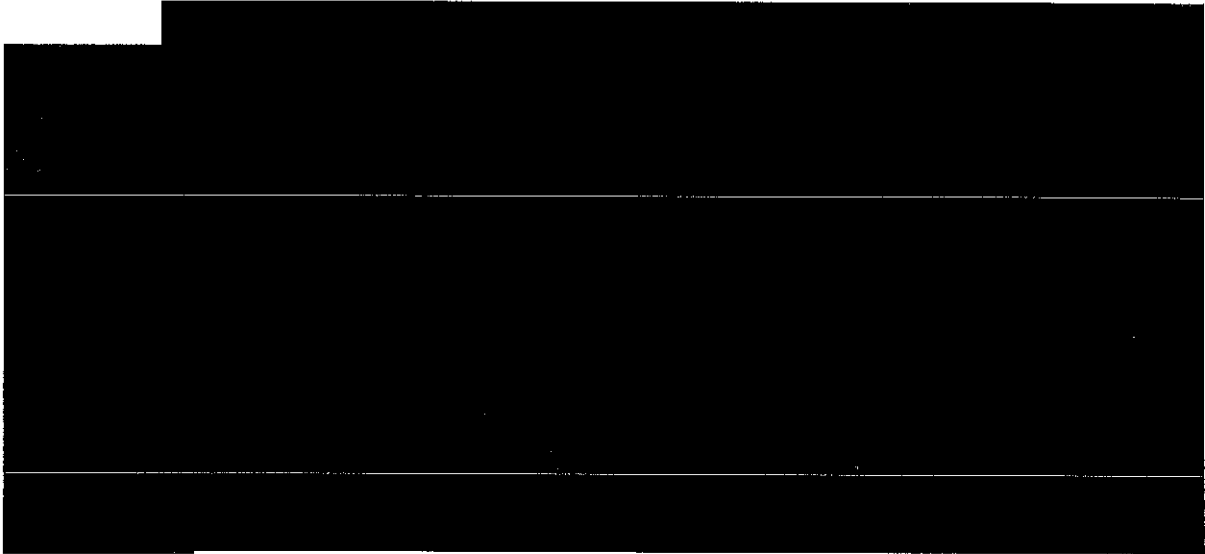
Licenses [redacted] issued January 17, 1950 for ten Stearman bi-planes valued at \$30,000.00 and \$5,000.00 value of replacement parts. In addition this license is good for ten continental engines, value of which is \$5,000.00.

License [redacted] issued January 12, 1950 for ten Packard engines as spares valued at \$10,000.00 and P-51 replacement parts valued at \$50,000.00.

On these three licenses, the following shipments have been made:

Under License [redacted] on October 6, 1949, nine Stearman airplanes and \$4,984.00 in parts were shipped.

The second shipment on March 27, 1950 aboard the SS HAIFA the following were shipped: Two Stearman bi-planes, one under License [redacted] and the other under License [redacted] were shipped. Also in this shipment were five continental engines valued at \$500.00 each and replacement parts for Stearman aircraft valued at \$540.00 (under License [redacted] and \$16.00 value in spare parts shipped on License [redacted]. On License [redacted] were shipped two P-51 wings described as replacement parts valued at \$200.00 each or a total of \$1600.00 in replacement parts and other parts such as rudders, elevator assemblies etc. valued at \$835.00.



April 3, 1950

~~CONFIDENTIAL~~
BY SPECIAL MESSENGER

TO: Mr. Jack D. Neal, Associate Chief
Division of Security
Department of State
515 22nd Street, N. W.
Washington, D. C.

FROM: John Edgar Hoover, Director, Federal Bureau of Investigation

SUBJECT: ² McCARTY BROTHERS MACHINE COMPANY, SEATTLE, ET AL
NEUTRALITY ACT

b7C

Reference is made to the report of Special Agent [redacted] dated September 6, 1949, at Cleveland, Ohio, a copy of which was furnished to you on September 19, 1949.

The Bureau has now been advised that during the week of February 6, 1950 the four aircraft mentioned in referenced report were shipped from the Marcus Michles junk yard, Fremont, Ohio, via the Nickel Plate Railroad, consigned to Ultra-Mar International Corporation, 450 Seventh Avenue, New York City. The destination of these aircraft was Stratford, Connecticut.

The four planes were shipped in seven boxes and one box was shipped on each of the following freight cars, waybills and dates:

Freight Car	Waybill	Date
Milwaukee 65650	408	February 3
Great Northern 21229	408	February 3
Union Pacific 56888	407	February 7
Illinois Central 60736	409	February 7
Chicago Northwestern 40223	409	February 7
Milwaukee 600294	431	February 8
Rock Island 90839	432	February 8

RECORDED
APR 4 1950
EX - 8
80

You may recall that previous information has been furnished to you concerning Ultra-Mar International Corporation and [redacted] in the matters entitled "Foundry Associates, Inc.; Neutrality Act," "Palestine Situation Recruitment Program; Neutrality Act; Registration Act," as well as in the captioned investigation.

b7C

- Tolson
- Ladd
- Clegg
- Glavin
- Nichols
- Tracy
- Harbo
- Mohr
- Tele. Room
- Nease
- Gandy

Any further information received regarding the movement of these planes will be furnished to you.

RWC:edd

APR 4 1950
COMM - FBI

DECLASSIFIED BY 5903 EFW/10/10/05
 ON 5/11/00
 EFW/06

RECORDED - 53

Assistant Attorney General James M. McInerney
Criminal Division

April 3, 1950

Director, FBI

~~CONFIDENTIAL~~

McCARTY BROTHERS MACHINE COMPANY, SEATTLE, ET AL
NEUTRALITY ACT

EX-134

Reference is made to the report of Special Agent [redacted] dated September 6, 1949, at Cleveland, Ohio, a copy of which was furnished to the Criminal Division on September 19, 1949.

b7C

The Bureau has now been advised that during the week of February 6, 1950 the four aircraft mentioned in referenced report were shipped from the Marcus Michles junk yard, Fremont, Ohio, via the Nickel Plate Railroad, consigned to Ultra-Mar International Corporation, 450 Seventh Avenue, New York City. The destination of these aircraft was Stratford, Connecticut.

The four planes were shipped in seven boxes and one box was shipped on each of the following freight cars, waybills and dates:

<u>Freight Car</u>	<u>Waybill</u>	<u>Date</u>
Milwaukee 65650	382	February 3
Great Northern 21229	381	February 3
Union Pacific 56888	408	February 7
Illinois Central 60736	407	February 7
Chicago Northwestern 40223	409	February 7
Milwaukee 60029h	431	February 8
Rock Island 90839	432	February 8

You may recall that previous information has been furnished to you concerning Ultra-Mar International Corporation and [redacted] in the matters entitled "Foundry Associates, Inc.; Neutrality Act," "Palestine Situation Recruitment Program; Neutrality Act; Registration Act," as well as in the captioned investigation.

b7C

Any further information received regarding the movement of these planes will be furnished to you.

- Tolson _____
- Ladd _____
- Clegg _____
- Glavin _____
- Nichols _____
- Tracy _____
- Harbo _____
- Mohr _____
- Tele. Room _____
- Holloman _____
- Gandy _____

RNC:edd

SEARCHED
SERIALIZED
INDEXED
COMM. FILED

APR 11 1950

[Handwritten signature and initials]

DECLASSIFIED BY 5/18/00
ON 3/20/03 ERM/PLC/STK
906415

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: March 8, 1950

AW FROM : SAC, Cleveland

SUBJECT: McCARTY BROTHERS MACHINE COMPANY, SEATTLE, ETAL
EXPORT CONTROL AND NEUTRALITY ACT
Bureau file ~~2-115~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/19/00 BY 39063 BAW/acp/L

b7C

Re Report of Special Agent [redacted] dated September 6, 1949 at Cleveland, Ohio.

During the week of February 6, 1950, four aircraft were shipped out of MARCUS MITCHLES' junk yard, Fremont, Ohio, via the Nickel Plate Railroad consigned to Ultra-Mar International Corporation, 450 Seventh Avenue, New York City, New York. Destination was designated as Stratford, Connecticut. The route was listed as "NKP--BFIO--DL and W--IH and NH". The four boxes were broken down to seven boxes and shipped one box per car on the following freight cars, waybills and dates:

<u>Freight Car</u>	<u>Waybill</u>	<u>Date</u>
Milwaukee 65650	382	February 3
Great Northern 21229	381	February 3
Union Pacific 56888	408	February 7
Illinois Central 60736	407	February 7
Chicago Northwestern 40223	409	February 7
Milwaukee 600294	431	February 8
Rock Island 90839	432	February 8

The New York and Seattle Offices have been advised of the above information.

In view of the fact that all investigation has been completed by this office, this case is being referred upon completion to the office of origin.

JFK:cmh
2-26

*Memo [unclear]
4-3-50 [unclear]*

RECORDED - 60
INDEXED - 60
12/1950
115-108
X-93
[Signature]

cc Seattle (2-27)
New York (2-449)

Am
Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI
 FROM : SAC, SEATTLE
 SUBJECT: McCARTY BROTHERS MACHINE COMPANY,
 Seattle, et al.
 NEUTRALITY ACT
 Bufile 2-1115

DATE: January 25, 1950

On October 14, 1949, this office advised that instant case would be placed in a pending inactive status, pending the shipment of crated aircrafts which are presently stored in New York City and Fremont, Ohio.

The New York Division has been requested to maintain contact with the U. S. Customs, New York City, and will report any developments in that division.

The Cleveland Office has been requested to follow and report on the activities of MARCUS MICHLES, Fremont, Ohio, who has four crated aircraft stored in his junk yard.

Unless advised to the contrary, this office will continue to carry this case in a pending inactive status while awaiting developments.

RMM:mrw
 2-27
 CC New York
 CC Cleveland

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 5/12/00 BY 39063 *slw/kech*

RECORDED - 36

~~INDEXED - 36~~

EX-110

1-2-1115-107
 JAN 30 1950
 4

51 FEB 2 1950
 314

CV.F.O.
2-26

LEADS

THE CLEVELAND DIVISION

At Fremont, Ohio

b7C

Will keep in contact with [REDACTED] who is following MICHLES' activities. (This lead has been previously set out in report of Special Agent [REDACTED] dated September 6, 1949 at Cleveland, Ohio).

Information copies are being furnished the San Francisco and New York Offices in view of the activity of subject and associates in areas covered by these offices.

- PENDING -

LA 2-114

b7C

[REDACTED] to Consignee SURPLUS SUPPLIES, LTD, 911 North Front Street, Fremont, Ohio. Shipment was made collect and delivery was made through the NICKEL PLATE FREIGHT OFFICE, Fremont, Ohio.

The Bureau and Cleveland were advised of the sale and shipment of this engine by teletype dated June 3, 1949.

b7C

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Office Memorandum

UNITED STATES

GOVERNMENT

TO : DIRECTOR, FBI

DATE: October 14, 1949.

FROM : SAC, SEATTLE

SUBJECT: MCCARTY BROTHERS MACHINE COMPANY, SEATTLE, ET AL
NEUTRALITY ACT
Bureau File 2-1115

13-1
B7-1

The Seattle Division has covered all investigative leads in instant case with exception of interviewing the subject [REDACTED]

b7C

Since no attempt has been made to export the planes procured by [REDACTED] an interview of [REDACTED] is not believed to be desirable at this time.

The New York Division is maintaining contact with the U. S. Customs, New York City and will report any developments in that division.

The Cleveland Division is following and will report on activities of MARCUS WICHLES, Fremont, Ohio, who has four crated aircraft stored in his junk yard at Fremont, Ohio.

Unless advised to the contrary, this case will be placed in a pending inactive status while awaiting developments.

O.K.

RMM:wk
2-27
CC: New York
CC: Cleveland

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/18/00 BY SP06 JELW/KCJ/JS

ab

G. I. R. - 2

2-1115-103

39
7-149

INDEXED - 63

EX-62

file

CV. F.O.
2-26

LEAD PAGE

THE CLEVELAND DIVISION

At Fremont, Ohio

b7C

Will keep in contact with [REDACTED] who
is following MICHLES activities.

P E N D I N G

CV. F.O.
2-26

b7C

[REDACTED] a call from MICHLE's place of business in Fremont, to [REDACTED] c/o the Israeli Embassy, Washington, D.C.

b2

b7D

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Confidential Informant [REDACTED] advised that on April 6, 1949, a check in the amount of \$3,000, drawn on the Franklin Trust Company of Patterson, New Jersey, and signed by [REDACTED] in the amount of \$3,000, was made payable to MARCUS J. MICHLES and he deposited same in his special account in the Colonial Savings Bank, Fremont. This check is numbered, 101, and [REDACTED]

A photostatic copy of instant check is being retained in the files of the Cleveland Field Division.

Informant [REDACTED] further advised on April 19, a \$5,000 cash credit was also deposited to MARCUS MICHLE's account, apparently from a check which was signed by [REDACTED] and drawn on the National Safety Bank and Trust Company, New York City. No leads are being set forth to the New York Office in this matter.

b7C

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

P E N D I N G

CV. F.O.
2-26

[REDACTED]

b7C

b2
b7D
b7C

[REDACTED]

b7C

[REDACTED]

The Detroit office, by letter dated May 26, 1949, advised that telephone number, Madison 6660 is listed to the LEE CREST Hotel, a large apartment hotel, 610 Blaine, Detroit, Michigan. This letter also pointed out that the rest of the leads in the report of Special Agent [REDACTED] dated April 29, 1949, were covered in the report of [REDACTED] dated March 4, 1949 at Detroit.

By teletype dated June 2, 1949, the Los Angeles Office advised that [REDACTED] of the Covair Components Company, Long Beach, sold a Packard Merlin engine, serial number, believed to be 3227796 or 331454 to [REDACTED]

[REDACTED] shipped same as one box air-craft salvage on Southern Pacific to Surplus Supplies Limited in Fremont. [REDACTED] freight agent for the Nickel Plate Railroad Company advised that instant air craft motor was undoubtedly contained in a 900 pound shipment which he has listed from the War Assets Administration Depot Long Beach, California, and which was actually delivered to MICHLES by the Wheeling and Lake Erie Railroad which sometimes takes overloads for the Nickel Plate. Instant crate was received by MICHLES, April 19, 1949 and was described as "Airplane Salvage."

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b7C

On April 4, 1949, Confidential Informant [REDACTED] advised that MICHLES, on this date, telephonically contacted one [REDACTED]

FEDERAL BUREAU OF INVESTIGATION

THIS CASE ORIGINATED AT SEATTLE CV FILE NO. 2-26

Report Made At. CLEVELAND, OHIO	Date When Made 9-6-49	Period for Which Made 3-11, 15, 17-1-27; 3-13, 15, 24, 17-1-11; 21, 22-49	Report Made By [REDACTED] eds
Title MC CARTY BROTHERS MACHINE COMPANY Seattle, ET AL		Character of Case EXPORT CONTROL; NEUTRALITY ACT	

Synopsis of Facts:

Photo
CC TO: *Cly*
REQ. REC'D 8-31
SEP 15 1949
ANS.
BY: *Cly J.L.*

The four planes from West Coast continue to remain at MICHLES Junk Yard, Fremont, Ohio. [REDACTED] was in Fremont [REDACTED] to discuss re-creating operations of instant planes. Photostatic copy of a check issued to MICHLES by [REDACTED] obtained from Fremont Bank. [REDACTED]

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 5/10/00 BY 34023 ECU/PAE/STP

- P -

References:

*1 copy Campbell via from 88-124-B
1 copy Neal via from 9-19-49 Neal (JL)*

Bureau file 2-1115.
Report of SA [REDACTED] dated April 29, last.
Teletype to Director, Seattle, New York and Newark, April 8, last.
Teletype to Director, New York, Seattle, Houston dated April 25, last.
Letter to Director and Seattle dated June 27, last.
Seattle letter to Cleveland dated June 22, last.

Details:

At Fremont, Ohio

[REDACTED] in the city of Fremont and in the constant company of MARCUS MICHLES at whose junk yard the four planes sent from the West Coast are now being stored. [REDACTED]

COPIES DESTROYED
R341 AUG 7 1961

App. & Fwd. <i>K. J. Abbot</i>	SAC	DO NOT WRITE IN THESE SPACES	
Copies of this Report		2-1115-97	
⑤ - Bureau	1 - Houston (Info)	INDEXED - 24	
2 - Seattle 2-27	3 - Cleveland (1-2-28)	12 SEP 8 1949	
2 - Los Angeles			
2 - New York City (info) 2-1119			
1 - Detroit (Info)			
1 - Newark (Info) 2-72			
1 - Miami (Info)			

COPY IN FILE

SEP 20 1949

b7C

b7C

b2
b7D
b7C

100-CSI-4
407
23

Director, FBI

June 27, 1949

through the First National Bank, New York City, was also deposited to this account. A photostatic copy of this latter check is being obtained from the files of the Cleveland Division.

b7C

[REDACTED]
[REDACTED] No apparent activity in the Michels' Junk Yard has been noted by the police department of Fremont.

On April 4, 1949, MICHELS' telephonically contacted [REDACTED] and there was noted on March 23, [REDACTED] from MICHELS place of business to [REDACTED] c/o Israeli Embassy, Washington, D. C.

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: June 27, 1949 96-

FROM : SAC Cleveland

SUBJECT: McCARTY BROTHERS MACHINE COMPANY,
SEATTLE, ET AL,
EXPORT CONTROL AND NEUTRALITY ACT

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/18/00 BY 39465 RLW/juc/pkl

b7C

Re June 2, 1949 teletype from Los Angeles indicating that on March 21, 1949 [redacted] Sovair Components Company, Long Beach, California, sold a packard Merlin engine, serial number believed to be 327796 or 331454, to [redacted]

On March 22, 1949, [redacted] shipped engine as one box of aircraft salvage on Southern Pacific Railroad to Surplus Supply Limited, Fremont, Ohio.

[redacted] Nickel Plate Railroad, Fremont, Ohio, advised that instant aircraft motor was undoubtedly contained in a 900 pound shipment which he has listed from the War Assets Administration Depot, Long Beach, California, and which was actually delivered to MARCUS MICHELS, owner of Surplus Supplies Limited by the Wheeling and Lake Erie Railroad, which sometimes takes overloads for Nickel Plate. Instant crate was received by MICHELS April 19, 1949, and was described as airplane salvage.

Airplanes heretofore received by MICHELS are presently stored in his junk yard in seven crates and it is believed that instant motor may have been included in one of instant crates. This, however, cannot be verified.

On April 19, 1949 a \$5,000 cash credit was deposited to MARCUS MICHELS' special account at the Fremont bank, received from the National Safety Bank and Trust Company, 1384 Broadway, New York City.

On April 6, 1949 a check in the amount of \$3,000, signed by [redacted]

JFM:mnk
2-26

- cc Seattle
- New York City
- Newark
- Miami
- Los Angeles

RECORDED - 63

INDEXED - 63

EX-123

12-1115-85
F B I
11 JUN 29 1949
G. L. R. - 1

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R341 AUG 7 1961

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **SEATTLE, WASHINGTON**

NK

FILE NO. **2-72**

ed

REPORT MADE AT NEWARK	DATE WHEN MADE 6/21/49	PERIOD FOR WHICH MADE 1/29, 2/1, 2, 4, 7, 8, 9, 3/10, 6/2, 3, 13/49	REPORT MADE BY [REDACTED]
---------------------------------	----------------------------------	---	-------------------------------------

TITLE MC CARTY BROTHERS MACHINE COMPANY Seattle, et al. WASH 1115-83	CHARACTER OF CASE EXPORT CONTROL NEUTRALITY ACT
--	---

SYNOPSIS OF FACTS:

Investigation reveals MORRIS PASHELINSKY owns and operates a junk yard at 675 Garfield Ave., Jersey City, N. J. Instant planes shipped from Fremont, Ohio, arrived Jersey City, N. J., 2/10/49 via Lehigh Valley Railroad and presently stored at Vendors Warehouse, Jersey City, N. J. Planes since time of arrival have been under constant surveillance of U. S. Customs Agents from NYC, U.S. Customs actively investigating case. Criminal record of PASHELINSKY set forth.

*1 copy Campbell
via phone CC-1218
6-29-49 (Jaw)
1 copy Neal
via phone 6-29-49
Jaw*

- R U C -

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/12/00 BY 39063 EUN/KCC/PL

REFERENCE:

Bureau File 2-1115
Seattle teletype to Newark dated 1/29/49.
Newark teletype to Seattle dated 2/1/49.
Newark teletype to Seattle dated 2/2/49.
Seattle teletype to Newark dated 2/4/49.
Reports of SA [REDACTED] dated 2/17/49 and 4/29/49 at Cleveland, Ohio.
Cleveland teletypes to Newark dated 2/4, 10/49.
Reports of SA [REDACTED] dated 2/18/49 and 5/13/49 at Seattle, Washington.
Report of SA [REDACTED] dated 6/9/49 at New York City.

COPIES DESTROYED
R 341 AUG 11 1967

DETAILS:

AT JERSEY CITY, NEW JERSEY

Investigation at 675 Garfield Avenue reflects this to be a junk yard doing business as M. PASHELINSKY & SONS

APPROVED AND FORWARDED: <i>S. H. [Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 5 - Bureau 2 - Seattle (2-27) 2 - New York (2-449) 2 - Cleveland (2-26) 1 - Detroit (Info) 1 - Portland (Info)		1 - Miami (Info) 1 - Houston (Info) 1 - San Francisco (Info) 1 - Los Angeles (Info) 1 - Denver (Info) 2 - Newark
1 - 2-1115-83 JUN 29 1949 PROPERTY OF FBI Confidential report and contents are loaned to you by the FBI and are not to be distributed outside of agency to which loaned.		RECORDED - 136 INDEXED - 136 EX-61 EX-49

*CC - OST - 4
AETC - 3-51
JUN 30 1949*

b7C

NY 2-449

b7C

Reference Cleveland teletype dated February 3, 1949, and the report of SA [redacted] Cleveland, dated February 17, 1949, which are primarily concerned with the activities of representatives of a group representing materials for Israel, Incorporated, 250 West 57th Street, New York City.

b2

b7D

[redacted]

phia

b7C

[redacted]

Reference Cleveland teletype dated February 4, 1949, reflects that a railroad car left Fremont, Ohio, on February 1, 1949, which the Waybill indicated contained contractors' supplies. The car was consigned by Surplus Supplies Limited to M. PASHELINSKY, 675 Garfield Avenue, Jersey City, New Jersey, and was accompanied by NKP Waybill #494, dated February 2, 1949. The New York Office was requested to discreetly ascertain the arrival and disposition of this car.

By reference teletype of Newark dated February 8, 1949, Newark advised that all records concerning the arrival and siposition of instant car were maintained in New York and could be secured at the New York Central Railway Offices there. Inquiry at the New York Central Railway Office on West Street, New York City, reflected that the car was on February 8, 1949, at the Lehigh Valley Railroad, Newark Avenue, Jersey City, New Jersey, and was to be routed to the Vendors Warehouse, Foot of Linden Avenue, Jersey City, New Jersey. The Newark Office was telephonically advised of this information.

NY 2-449

Reference is made to the lead set out in the report of SA [REDACTED] Seattle, dated February 18, 1949, to check the arrival of a P-51, shipped from Sandpoint, Idaho, in November, 1948, en route to New York City via Northern Pacific Railroad, under Waybill #51, by [REDACTED] per TOM WHEELER, Agent. The shipment was destined to the Apex Transportation, 82 Beaver Street, New York City, freight collect.

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Reference Cleveland teletype dated April 25, 1949, indicates that MARCUS MICHLES, who operates a junk yard at Fremont, Ohio, to which many of the materials purchased by the groups operating in this matter, have forwarded their supplies, is shown to be in frequent contact with [REDACTED] who is the principal figure in instant matter. The Cleveland teletype indicates that [REDACTED] is possibly identical with the persons supplying MICHLES with funds to pay the freight and expenses incurred in shipping planes and other materials to Fremont, Ohio. It is noted further, that the [REDACTED] mentioned in this teletype is a subject of the case entitled [REDACTED] "NEUTRALITY ACT" in which the Houston Office is the Office of Origin.

b7C

Reference report of SA [REDACTED] Miami, dated May 11, 1949, sets forth that [REDACTED]

b7C

SE 2-27

b7C On March 10, 1949 Special Agents [redacted] and [redacted] observed a crate located on a flat car spotted at the Union Pacific Railway loading dock near the intersection of 1st South and Atlantic Streets. On one end of the crate was "heavy end" in heavy paint or print and upon close observation it was noted that the crate consisted of two layers of ship lath separated by a sheet of tar paper or felt. The Agents identified this crate by writing directly under the words "Heavy End", the date "3-10" followed by the initials "WPC" and "RLH" followed by an arrow. The number of this freight car was CNW 43053. It was further ascertained at the Union Pacific Railway Office that this plane was destined for the Surplus Supply Limited at Fremont, Ohio. This information was furnished to the Cleveland Office.

b7C CONTINUING ACTIVITY OF [redacted]

MARCH 4, 1949

b2 [redacted]

b7D [redacted]

b7C [redacted]

MARCH 5, 1949



b7C [redacted]

SE 2-27

REFERENCES (Continued):

b7C

Report of SA [REDACTED] Houston, dated
3/24/49 entitled [REDACTED] was; [REDACTED]
[REDACTED] NEUTRALITY ACT

Report of SA [REDACTED] El Paso, dated 3/26/49
Report of SA [REDACTED] Seattle, dated 2/18/49
Teletypes to Bureau dated 2/18, 3/11 & 5/2/49
Letters to Bureau dated 2/9 & 3/25/49
Bureau letters dated 2/15, 3/1, 3/4, 3/30 & 4/28/49
Teletype to Chicago dated 3/17/49
Letter to Chicago dated 3/14/49
Chicago letter dated 3/8/49
Teletypes to Cleveland dated 2/10, 3/4 & 3/11/49
Cleveland teletypes dated 2/4, 2/17, 2/19, 2/24,
3/6, 4/8 & 4/25/49
Letter to Detroit dated 3/4/49
Houston teletype dated 2/9/49
Teletype to Los Angeles dated 2/8, 3/11, 3/15, 16 &
17/49
Los Angeles teletype dated 2/7 & 3/15/49
Los Angeles letter dated 4/19/49
Teletype to Miami dated 5/2/49
Teletypes from Miami dated 2/8, 2/11 & 5/3/49
Letter to Newark dated 3/10/49
Newark teletypes 2/8 & 2/9/49
Teletypes to New York dated 2/10 & 3/11/49
New York teletype dated 5/2/49
Letter to New York dated 3/4/49
Letter to St. Paul dated 5/2/49
Washington Field teletype dated 2/10/49.

DETAILS:

AT SEATTLE, WASHINGTON:

Investigation conducted as reported in the referenced report reflected the purchase of fighter planes in the Northwest United States area by [REDACTED]

b7C

These planes were purchased at Sand Point, Idaho; Clariston, Ephrata and Seattle, Washington, and were reported destined for Israel. This present report reflects the purchase of a fighter plane at Wilbur, Washington and the contemplated purchase of aircraft engines in Canada as well as other pertinent activities of subjects [REDACTED]

21 T

This Case Originated at: SEATTLE, WASHINGTON SE File No: 2-27-49

Report made at	Date When Made	Period for Which Made	Report Made By
SEATTLE, WASHINGTON	5/13/49	2/2 - 5/3/49	[Redacted]
Title:		Character of Case:	
McCARTY BROTHERS MACHINE COMPANY, Seattle, etal.		EXPORT CONTROL - NEUTRALITY ACT	

b7C

Synopsis of Fact:

[Redacted]

b7C

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Subjects, upon their return, renegotiated and purchased P-51 fighter plane at Wilbur, Wash. for \$500.00. [Redacted] signed affidavit that plane would not be used for flying purposes and would be reduced to component parts in 30 days. Plane trucked to Seattle where shipped by railroad on 3/10/49 to Surplus Supply Limited, Fremont, Ohio. Subjects presently arranging for purchase of aircraft engines in Canada for Jewish representatives.

copy [unclear] via form
cc-124 B
6-7-49
copy [unclear] via form
6-7-49

- P -

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/10/00 BY 3906 JEW/KCP

REFERENCES:

- Report of SA [Redacted] Butte, dated 2/17/49
- Report of SA [Redacted] Cleveland, dated 2/17 & 4/29/49
- Report of SA [Redacted] San Francisco, dated 2/21/49
- Report of SA [Redacted] Portland, dated 3/24/49
- Report of [Redacted] Detroit, dated 3/4 & 4/20/49
- Report of SA [Redacted] Denver, dated 3/30/49
- Report of SA [Redacted] Dallas, dated 4/18/49 entitled

b7C

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AUG 7 1961

INDEXED

7-11-4-57

was; [Redacted] NEUTRALITY ACT

Approved and forwarded:

J. B. Wilentz SAC

Do not write in these spaces

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- Butte (info) 3
- Chicago (info) 1
- Cleveland 2
- Denver (info) 2
- Detroit (info) 1
- El Paso (info) 1
- Houston 1
- Los Angeles 4
- Portland (info) 1
- St. Paul 2
- San Francisco 2
- OSI, McChord Field 1
- IAA-IFO #3 1
- DIO - 13th ND 1
- Seattle 4

12-1115-7

RECORDED 135

INDEXED - 135

MAY 17 1949

STAT [unclear]

CC TO: [unclear]

REQ. REC'D 8-31

SEP 15 1947

ANS. BY: [unclear]

58 JUN 8 1949

b7C

36-1
80

AWP:mas

Re: ¹¹McARTY BROTHERS MACHINE COMPANY,
Seattle, etal
Formerly carried as (RICHARDI BROTHERS
MACHINE COMPANY)
EXPORT CONTROL
NEUTRALITY ACT
Cleveland File 2-26
Bureau File 2-1115

COMMENTS:

b7C

This is a pending case, Seattle origin, assigned to Special Agent [redacted]

I. R. -8

Case was opened on teletype from Seattle dated January 27, 1949 and assigned Agent [redacted] on January 28, 1949. First investigative report submitted February 17, 1949.

Report sets forth undeveloped lead for Chicago, to ascertain identity and obtain information re one [redacted]

In the body of the report (page 2) and in a teletype dated February 1, 1949 the address set forth for this individual was [redacted]

Chicago Office by letter dated March 10, 1949 requested clarification and Cleveland letter of March 11, 1949 merely advised to cover lead as set forth in report.

In report of Special Agent [redacted] dated April 29, 1949 a new lead is set forth for the Chicago Office to identify one [redacted]

This is probably identical with [redacted] and some explanation to reconcile the lead in the report of February 17, 1949 and in the report of April 29, 1949 should have been set forth.

Serial 16 of instant file is charged out to Special Agent [redacted] since February 18, 1949 and should be returned or recharged as well past the forty-five day limitations.

It is further noted that the chargeout slip for Serial 16 appears in Section II of instant file instead of Section I.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/11/10 BY 39463/UCJ/ML

SELF-INSPECTION
CLEVELAND DIVISION
SAC ABBATICCHIO
APRIL 25, 1949

INDEXED - 125

2-1115-80

JUN 16 1949

In the report dated April 29, 1949 in this case, the last period date is shown as March 16, 1949. Due to the expressed interest of the Bureau in this case it is believed that more expeditious handling should have been afforded this matter.

It is noted that considerable investigation in this case has been conducted by Cleveland and other offices in conjunction with the United States Customs Service and that the Customs Service contemplates bringing prosecutive action in Houston. From a review of the Cleveland file in this matter, there appears to be little, if any, basis for investigation by the Customs Service and that if the Bureau continues to participate in this case any prosecutive action resulting should be on the basis of process obtained by the Bureau.

It is further noted that this matter was brought to the Bureau's attention by letter dated March 17, 1949.

EXPLANATION:

The typographical errors and excessive typing delay were due largely to an extreme shortage of stenographic personnel here, while the errors chargeable to Special Agent [REDACTED] and the Chief Clerk's Office have been corrected.

b7C

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUN 2 1949

TELETYPE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 5/18/00 BY 57063 ELW/pcl/kl

Mr. Tolson	.....
Mr. Clegg	.....
Mr. Glavin	.....
Mr. Ladd	.....
Mr. Nichols	.....
Mr. Rosen	.....
Mr. Tracy	.....
Mr. Egan	.....
Mr. Gurnea	.....
Mr. Harbo	.....
Mr. Mohr	.....
Mr. Pennington	.....
Mr. Quinn Tamm	.....
Mr. Nease	.....
Miss Gandy	.....

WASH FROM LOS ANGELES 4 2 11-15 AM

DIRECTOR ROUTINE

b7C

MCCARTY BROS. MACHINE CO., SEATTLE, ET AL, EXPORT CONTROL, NA.
ON MAR. TWENTYONE LAST [REDACTED] COVAIR COMPONENTS CO.,
LONG BEACH, CAL., SOLD PACKARD MERLIN ENGINE, SN BELIEVED THREE
TWO SEVEN SEVEN NINE SIX OR THREE THREE ONE FOUR FIVE FOUR TO

[REDACTED] ON MARCH
TWENTYTWO LAST [REDACTED] SHIPPED ENGINE, AS ONE BOX AIRCRAFT SALVAGE.
ON SON. PACIFIC RR, LONG BEACH, ON WAYBILL PE FIVE ONE FOUR TO
SURPLUS SUPPLY, LTD., NINE ONE ONE NO. FRONT ST., FREEMONT, OHIO,
COLLECT, AND DELIVERY RECORDED AS MADE THROUGH NICKEL PLATE RR
FREIGHT OFFICE, FREEMONT. [REDACTED] ADVISES THIS ENGINE DESIGNED FOR
P DASH FIFTYONE PLANES. CLEVELAND VERIFY DELIVERY ENGINE IN
FREEMONT AND ATTEMPT TO TRACE.

50 JUN 23 1949

CLEVELAND TO BE ADVISED

RECORDED - JUN 14 1949
INDEXED - JUN 14 1949
State Dept
C. D. 1116-81
R. E. H. JUN 14 1949
6/17/49
SKR

Assistant Attorney General
Alexander H. Campbell
Criminal Division

June 7, 1949

RECORDED - 114

Director, FBI
2-1115-81
MC CARY BROS. MACHINE COMPANY
SEATTLE, WASH.
NEUTRALITY ACT

Reference is made to my memorandum to you dated May 14, 1949.

Information has now been received that on March 21, 1949, [redacted] Covair Components Company, Long Beach, California sold a Packard Merlin engine, serial number 337796 or 331454 to [redacted]

b7C

[redacted] and on March 22, 1949 shipped it as "one box aircraft salvage" on the Southern Pacific Railroad, Long Beach, California, Waybill PB 514 to Surplus Supply Limited, 911 North Front Street, Fremont, Ohio. This shipment was sent collect and delivery was recorded as made through the Nickel Plate Freight Office at Fremont, Ohio. [redacted] stated that this engine is designed for P-51 planes.

Investigation is continuing to verify delivery of this engine.

E. I. R. - 8

RWC:vmk

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/18/00 BY 3905 [signature]

[Handwritten initials: CLM, HBE]

- Mr. Tolson _____
- Mr. Clegg _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
- Mr. Tracy _____
- Mr. Egan _____
- Mr. Gurnea _____
- Mr. Harbo _____
- Mr. Mohr _____
- Mr. Pennington _____
- Mr. Quinn Tamm _____
- Tele. Room _____
- Mr. Nease _____
- Miss Gandy _____

COMMUNICATIONS SECTION
MAILED 15
★ JUN 7 1949 P.M.

[Handwritten signature]

SUBJECT: MARCUS J. MICHLES

FILE NUMBER: HQ 93-23025

XXXXXX
XXXXXX
XXXXXX

XXXXXXXXXXXXXXXXXXXXX
X NO DUPLICATION FEE X
X FOR THIS PAGE X
XXXXXXXXXXXXXXXXXXXXX

FEDERAL BUREAU OF INVESTIGATION

Reporting Office CLEVELAND	Office of Origin CLEVELAND	Date 9/21/60	Investigative Period 9/15/60
TITLE OF CASE MARCUS J. MICHLES COMPANY		Report made by [REDACTED]	Typed By: das
b7C		CHARACTER OF CASE AFA	

~~XXXXX~~

- P -

LEADS

CLEVELAND:

AT TOLEDO, OHIO:

Will confer with Assistant United States Attorney **CARL F. LA RUE** to determine if the GAO Claim against the subject can be determined to be a preferred claim and if so immediately bring the matter to the attention of the Probate Court, Sandusky County, Fremont, Ohio, in order that it might be handled as such rather than being handled as a general creditor's claim.

7-6-17

AT FREMONT, OHIO:

Will maintain contact with Judge **BRONSON**, Probate Court, Sandusky County.

Approved <i>[Signature]</i>	Special Agent in Charge	Do not write in spaces below	
Copies made:		93-	13525 - 1
1 - Bureau			NOV - 30
1 - USA, Toledo			REC-33
2 - Cleveland (93-593)		6 SEP 22 1960	

- A* -

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STAT. SECT.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: USA, Toledo

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Report of: SA [REDACTED] Office: CLEVELAND, OHIO
Date: 9/21/60

Field Office File No.: CLEVELAND (93-593) Bureau File No.:

Title: MARCUS J. MICHLES COMPANY

Character: ASCERTAINING FINANCIAL ABILITY

Synopsis: AUSA, Toledo, Ohio, requested report as to financial ability of Marcus J. Michles Company, Fremont, Ohio, to pay a GAO claim for \$9,121.03 in connection with a Government Contract. Case #28671 filed 6/10/60 against instant company in Probate Court, Sandusky County, Fremont, Ohio, lists assets of \$97,298.26 and debts of \$169,906.00. Schedule of debts filed includes Government debt of \$9,121.03. Present status of local action is determining priority of lien holders. Probate Judge believes \$40,000.00 might be realized after sale of assets. If it can be shown that Government claim is a preferred claim entire amount could be collected. If not a preferred claim Government will be paid with general creditors.

- P -

DETAILS:

Investigation in this matter was predicated upon information contained in the following letter:

CV 93-593

"United States Department of Justice

United States Attorney
Northern District of Ohio
Toledo 2, Ohio
July 29, 1960

"Mr. E. E. Hargett
Federal Bureau of Investigation
900 Standard Building
Cleveland, Ohio

Re: Marcus J. Michles Company
911 North Front St.
Fremont, Ohio

"Dear Sir:

"There has been referred to our office for collection, a GAO Claim against the above-named company in the amount of \$9,121.03 in connection with a Government Contract.

"Please furnish us with a report as to the financial ability of said company and any other information that may be helpful to this office in collecting this account.

"Very truly yours,

RUSSELL E. AKE
UNITED STATES ATTORNEY

By Carl P. LaRue
Assistant United States Attorney"

At Fremont, Ohio

On September 15, 1960, JOHN W. BRONSON, Judge, Probate Court, Sandusky County, Fremont, Ohio, advised that there is a proceeding in the Sandusky County Probate Court against Marcus J. Michles Company, 911 North Front Street, Fremont, Ohio, under Case Number 28672 filed June 10, 1960.

CV 93-593

Assignment for the benefit of creditors was filed June 10, 1960.

On June 15, 1960, this court appointed CLARENCE HOMAN, Clyde, Ohio, as Trustee for Benefit of Creditors.

Notice by publication has been made.

Inventory and appraisal filed by Trustee on July 22, 1960, listing total assets of \$97,298.26.

The schedule of debts filed with inventory total \$169,906.00.

This schedule of debts includes the following claim:

Claim, Government scrap metal. Claimant is United States Atomic Energy Commission, United States Government, United States Department of Justice, United States Attorney, 212 New Federal Building, Toledo, Ohio, for \$9,121.03.

Judge BRONSON advised that the present status of this action is determining priority of lien holders on personal property and when this is determined the Trustee will sell the personal property.

Judge BRONSON stated that MARCUS J. MICHLES is the sole owner of Marcus J. Michles Company.

Judge BRONSON said that he believed there might be approximately \$40,000.00 realized after the sale of the assets to be distributed among the general creditors and suggested that if it could be shown that the claim of the Government is a preferred claim the total amount of \$9,121.03 might be realized. However, if the Government claim is not a preferred claim it would be settled on the same basis as the other general creditors. The amount realized then would be determined by the amount of money realized by the sale of the assets distributed to the general creditors on an equal basis. If this were the case the total amount of \$9,121.03 would not be realized.

Judge BRONSON stated that CLARENCE HOMAN, Trustee for Benefit of Creditors, would cooperate fully in furnishing the Government any and all information necessary in this action.

FEDERAL BUREAU OF INVESTIGATION

Reporting Office CLEVELAND	Office of Origin CLEVELAND	Date 11/25/60	Investigative Period 11/17/60
TITLE OF CASE MARCUS J. MITCHELL COMPANY		Report made by <div style="background-color: black; width: 100px; height: 15px;"></div>	Typed By: das
		CHARACTER OF CASE <p style="text-align: center;">APA</p>	

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REFERENCE

b7C Report of SA [REDACTED] Cleveland, 9/21/60


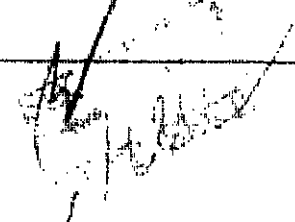
- P* -

LEAD

CLEVELAND:

AT TOLEDO, OHIO:

Will report recovery in this case.

Approved:  Special Agent in Charge	Do not write in spaces below
Copies made: 1 - Bureau (93-23025) 1 - USA, Toledo 2 - Cleveland (93-593)	93-23025-2
	NOV 28 1960 REC-58
	

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: USA, Toledo, Ohio

b7C Report of: SA [REDACTED] Office: CLEVELAND, OHIO
Date: 11/25/60

Field Office File #: CLEVELAND (93-593) Bureau File #: 93-23025

Title: MARCUS J. MICHLES COMPANY

Character: ASCERTAINING FINANCIAL ABILITY

Synopsis: AUSA, Toledo, Ohio, advised he has filed Proof of Claim in the amount of \$9,121.03 with Sandusky County Probate Court, Fremont, Ohio. He advised that the Proof of Claim reflects that the GAO claim is a preferred claim and as such will take precedence over the general creditors. He advised that he desired no additional investigation at this time.

- P* -

DETAILS: At Toledo, Ohio

On November 17, 1960, Assistant United States Attorney CARL F. LA RUE advised that on September 27, 1960, he filed a Proof of Claim with the Sandusky County Probate Court in the amount of \$9,121.03. He advised that since this was a preferred claim he expects that the claim will be given precedence over claims of the general creditors.

Mr. LA RUE advised that further investigation by the FBI is not desired at this time.

- 1* -

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE CLEVELAND	OFFICE OF ORIGIN CLEVELAND	DATE 8/27/65	INVESTIGATIVE PERIOD 8/10/65
TITLE OF CASE MARCUS J. NICHLES COMPANY		REPORT MADE BY SA [REDACTED]	TYPED BY jmp
		CHARACTER OF CASE APA	

b7C

REFERENCE

b7C Report of SA [REDACTED] 11/25/60, at Cleveland.

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APPROVED: <i>[Signature]</i> SPECIAL AGENT IN CHARGE COPIES MADE: 1 - Bureau (93-23025) 1 - USA, Toledo 1 - Cleveland (93-593)	DO NOT WRITE IN SPACES BELOW <div style="font-size: 1.5em; font-weight: bold; text-align: center;">93-23025-3</div> <div style="text-align: right; font-weight: bold;">EX-105</div> <div style="text-align: center; font-weight: bold;">25 AUG 30 1965</div> <div style="text-align: center; font-weight: bold;">STAT. SECT.</div>
DISSEMINATION RECORD OF ATTACHED REPORT	
AGENCY _____ REQUEST REC'D _____ DATE FWD _____ HOW FWD _____ BY _____	NOTATIONS _____ _____ _____

51 SEP 3 1965

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Toledo

b7C

Report of: SA [REDACTED]
Date: 8/27/65

Office: Cleveland, Ohio

Field Office File #: 93-593

Bureau File #: 93-23025

Title: MARCUS J. NICHLES COMPANY

Character: ASCERTAINING FINANCIAL ABILITY

Synopsis: AUSA, Toledo, considers debt uncollectible since company is defunct.

- C -

DETAILS:

On August 10, 1965, JOHN G. MATTIMOE, Assistant United States Attorney, Toledo, Ohio, advised that he considered this debt uncollectible since the company is defunct and no further funds are available. MATTIMOE stated he is closing his file in this matter.

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