

This is "Illegal Of The Day" #243. We have seen various big name persons, celebrities, and groups involved with the "Era Of The Illegals." Every time I think we have seen it all something else pops up in the research. How about a national political party running an illegal joint? \*vbg\* Now maybe we have seen it all, but don't bet on it! \*vbg\* Thanks to Ed Hertel for finding the ARC chips and some excellent research.

When I first got these chips I assumed I wouldn't find much in the way of illegal gambling. I know the opinions vary, but I don't consider fraternal chips in the same category as "illegals". Yes, I know they were frequently raided and cited for gambling, but to me, I see these more like members sitting down to play poker instead of a house promoting gambling. I'm sure to most there is no distinction, but to me I've always separated fraternal chips from illegals. As such, I was not at first pleased when the below chips were identified as:



ARC1att2

Chips delivered to:  
Active Republican Club  
711-8<sup>th</sup> Ave  
New York, NY  
1932

I figured I would find that these chips were probably pulled out every now and then when the members wanted to play a friendly game, but nothing more. I was pleasantly surprised as I started to dig and found that this was not the case.

Before the Active Republican Club even started at its new location on New York's West 44<sup>th</sup> Street in 1922 it already had a reputation. The five story residential building next to the Hotel Claridge had been vacant for over four years, although you wouldn't know it from the attention it received. It seems it had been the location of the famous club of gambling kingpin Honest John Kelly, heir to the empire cultivated by Richard Canfield. For the last four years, police had been posted outside the doors on a 24/7 watch of the building, taking names of everyone who walked in. (And just for good measure a detective was on duty down the street watching the policemen!) Needless to say, business was slowed considerably.

In 1922, Honest John Kelly abandoned the lease and it was taken up by the politically motivated Active Republican Club of the Fifth Assembly District. The city officials would quickly learn that although the name had changed, the activity inside the building did not.

The December 21, 1922 New York Times reported:

## **HONEST JOHN KELLY'S OLD CLUB IS RAIDED**

### ***Broadway Crowd Jeers as Police Descend on Place Now Occupied by Republican Organization.***

The Active Republican Club of the Fifth Assembly District, in the days of its glory the sumptuous gambling house of Honest John Kelly, was raided by the police at 12:30 o'clock this morning. The club adjoins the Hotel Claridge in Forty-fourth Street, a few steps off Broadway, and the unexpected appearance of policemen in plain clothes and others in uniform drew a crowd of late revelers in the theatre-restaurant district, many of them in evening dress. Despite indignant protests by club members, the raiders went through the place from cellar to roof, marshaling some thirty men down the stairs and into waiting patrol wagons that made frequent flying trips between the club and the West Forty-seventh Street Station. When all the thirty had been lined before the Desk Lieutenant to be booked, under supervision of Deputy Inspector Troy, the wagons were sent back to haul furniture and equipment to the station. Loads of poker tables and chairs and blankets filled with cards and chips were lugged down the stairs while the Times Square crowd watched, some manifesting their indignation by boos and jeers.

ARC2att2

Honest John's old location was up to its old tricks!

The head of the club, and Republican leader of his district, Herman W. Beyer would claim that the poker played was low stakes and only paid for minimal club expenses. This however would be refuted by a man who passed through town and proceeded to loss \$63,000 and one of the club's "friendly" poker games. The Active Republican Club's reputation was starting to grow and thus prompted the police to conduct the raid.

Of the thirty men arrested that night, 27 would be immediately released without charges. The three remaining were individually mentioned in the original complaint and held for the investigation. These too would eventually fade as witnesses and evidence started to dry up. It seems nobody wanted to press the politically connected club. Even the police chief seemed to be rebuffed as his reinstated around the clock stakeout was overturned on an injunction and the club was free to go about its business.

During the 1930s, gambling in the state of New York was flourishing. To the north, the resort town of Saratoga Springs was converting its summer lake houses and clubs into gambling dens. The colors of the Active Republican Club chips are similar to the various Saratoga Springs clubs. Very few chips had denominations, but they all came in white, brown and green. Assuming all the clubs kept the same color scheme, we can infer from the Outhwaite's and Riley's Lake House chips that the denominations were \$1 white, \$5 brown and \$25 green.

The Active Republican Club kept itself out of the limelight until 1941 when they would once again be the center of a gambling crackdown. This time, the new District Attorney (and future governor) Thomas E. Dewey was cutting his teeth against gambling and found the ARC a perfect target.

### ***Gambling Drive Nets Republican Leader***

New York, Feb. 6 (AP).—District Attorney Thomas E. Dewey's first move in a drive against professional gambling has resulted in the arrest of a Republican leader in a raid on a G. O. P. club house.

Louis Schreiber, 40, party chief of the Fifth Assembly District, south, and two others were held in \$2,500 bail each after a grand jury information named them common gamblers.

Schreiber, with Max Geller, 38, and Harry Shaw, 42, were accused of conducting a professional gambling establishment in the active Republican club, just off Times Square, which was raided January 14.

Louis Schreiber would plead guilty to the charges and ordered to pay \$500 and serve four months in jail.

And with that ends this story of a club I almost dismissed without giving a second thought. I love surprises.

My notes: In the 1940's the five New York Mafia families were in their heyday. Thomas Dewey turned out to be their "Worst Nightmare." <g> His nickname was the "Gang Buster."



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Credit To:

[http://en.wikipedia.org/wiki/Thomas\\_E.\\_Dewey](http://en.wikipedia.org/wiki/Thomas_E._Dewey)

One of his biggest prizes was gangster Dutch Schultz, whom he had battled as both a federal and state prosecutor. Schultz's first trial ended in a deadlock; prior to his second trial, Schultz had the venue moved to Malone, New York, then moved there and garnered the sympathy of the townspeople through charitable acts so that when it came time for his trial, the jury found him innocent, liking him too much to convict him.

Dewey and La Guardia threatened Schultz with instant arrest and further charges. Schultz now proposed to murder Dewey. Dewey would be killed while he made his daily morning call to his office from a pay phone near his home. However, New York crime boss Lucky Luciano and the "Mafia Commission" decided that Dewey's murder would provoke an all-out crackdown. Instead they had Schultz killed.

One more tidbit on Dewey:

"He led the liberal/moderate faction of the Republican Party."

I bet the Active Republican Club wasn't too happy with him. \*vbg\*

"Illegal Of The Day" #243 comes to an end in our quest for the history of our chips. I for one look forward to #244, #245, etc. \*vbg\*