

If you missed Ed Hertel's Illegal chip seminar at the convention last month, you missed a good one. Bits and pieces about the Dallas Mafia wars have shown up in several past "Illegal Of The Day," posts. Ed's seminar was the most complete story of Benny Binion and the Dallas Mafia wars I have ever seen. Great job Ed!

Ed found the AR chips just prior to the convention and in time to make the seminar.

Enter ED Hertel:

I was a happy man when I received the below chip. In my research into Dallas gambling, I came across a fun story but never thought I would be able to identify a chip to go along with it. I love it when a good story comes together.



AR TX1

Ordered by:

Johnny Andrews
Jefferson Hotel
Dallas, TX – 1942

Most of the time, getting a hotel address from a chip shipment is meaningless. Gamblers were known to move around and hotels were used as temporary residence rather than the actual location for gambling. In Dallas, Texas, however, that was not the case as all the inner city gambling took place in hotels throughout the city. Suites would be rented out long-term and sometimes entire floors would host gambling tables (primarily craps).

During the early 1940s, Dallas was firmly under the control of Benny Binion. Anyone wanting to open their own game needed the blessing of Binion, who was more than willing to give it in exchange for 25% of their revenues. Under this agreement, the operators would enjoy all the perks that went along with being associated with Binion, such as protection from the police and the use of Benny's many connected "friends" in the judicial system.

It was during these booming heydays of the early 1940s (the Dallas Gambling War wouldn't ignite for a few more years) that partners Johnny Andrews and Jerry Rosenberg (the "A" and "R" from the chips) managed the games at the Jefferson Hotel. The game was successful and became a favorite spot for

Dallas' upper class whose clientele appreciated the finer things. Unlike some of the rougher "all business" gambling hotels, the Jefferson catered to both men and women.



AR TX2

Not everyone in Dallas was thrilled with the city's reputation for being a haven to gamblers. The police, although mostly in Binion's pocket, did have a responsibility of at least having the outward appearance of disapproval. In both a show of public concern as well as way to raise revenue, the police conducted occasional raids on the various hotels. They were normally warned ahead of time and none of the equipment would be seized. Those found gambling would be given a small fine (an informal gambling tax) and it would be business as usual.

At least that is how it was supposed to work.

On the night of July 31, 1943, police entered the Jefferson Hotel's casino and were surprised to find a packed house. Apparently someone forgot to phone ahead and give the operators the head's up. To make matters worse, the raiders had in tow a newspaper reporter who was supposed to tell the readers how much good the cops were doing. The story instead:

Judges Reported Found Gambling
DALLAS, Aug. 13—(AP)—A Dallas bar association committee will investigate reports that two Dallas district judges were caught by police in a gambling raid here recently, says bar president J. L. Lipscomb.
He announced last night the committee had been asked to "get the true facts."

AR TX3

This was a public relations nightmare. Two of Dallas' own judges caught shooting craps? The good citizens of Dallas demanded an investigation and a grand jury was quickly assembled. For the next few weeks, the city's gamblers collectively held their breath. If they were to be found guilty it would mean immense pressure on everyone involved in gambling. This could be the death blow to Binion's empire before it really hit its stride.

But, of course, it wasn't. The grand jury came back and did not implicate any judges. Whether the reporter was mistaken, or as he reported that the judges used fake names, they could not find enough evidence to proceed. Johnny Andrews and Jerry Rosenberg would pay their fines and it was back to business.

Judges Not Implicated In Grand Jury Report

DALLAS, Aug. 21 (U.P.)—After rumors had circulated for the past three weeks that two district judges were arrested in a gambling raid July 31, the Dallas county grand jury had made its report on the case today, and it did not mention any judges.

The only persons named in the jury's indictment were Johnny Andrews and Jerry Rosenberg, who were charged with keeping a place where people gambled.

Thirty-five persons were arrested at the time of the raid, which took place in a downtown hotel. According to the rumors—never verified—the two judges allegedly involved paid \$10 fines under assumed names.

AR TX4

The "AR" chip is an example of an artifact that almost crumbled a gambling empire and an important piece of Dallas gambling history.

Side fact: One of the two judges was reported to be Sarah Hughes. Twenty years after being accused of gambling she would be the one who swore in Lyndon B. Johnson aboard Air Force One following Kennedy's assassination in Dallas.

My note: This is the 2nd Dallas IOTD tie to the Kennedy assassination we have seen this month. The Dallas Mafia wars were one of the bloodiest in the "Era Of The Illegals." I feel safe in saying Benny Binion directed much of the murder, mayhem, and bombings. Some of it after his move to Las Vegas.