

This is "Illegal Of The Day" 319-Tennessee 6.
 Ed found the chips and the write up is all his.
 Take it away Ed!

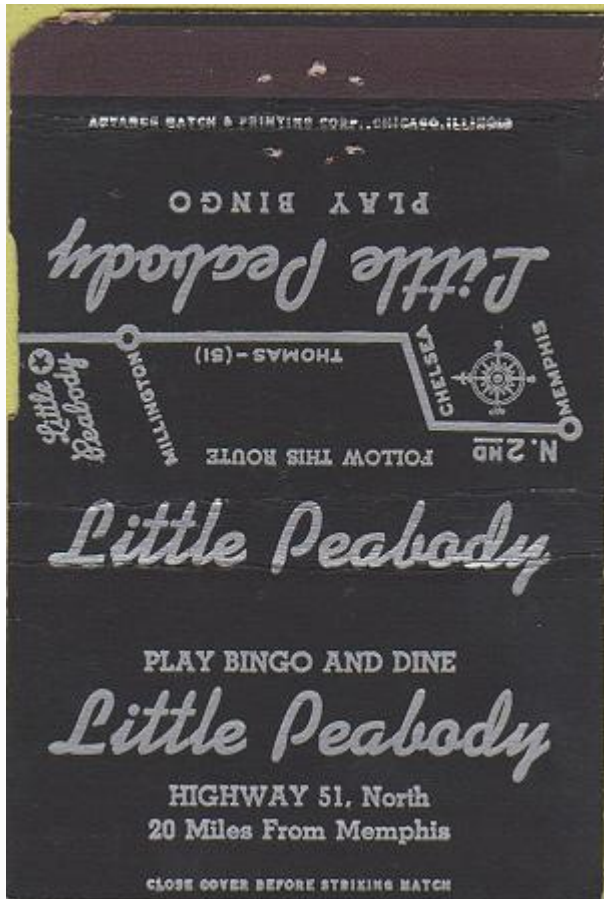
Today's IOTD is just one short story in a much larger and interesting war between borders. We've touched into the Desoto County of Mississippi before, and today we are jumping just over the border into its rival of Memphis, Tennessee, and a small club called the Little Peabody.



The history of this short lived club starts with the ordering of some chips from the Mason company in 1939 by a local Memphis man named L.K. Morgan in 1939, and ends a few months later when the state's governor took it upon himself to bring some justice to what he thought was rampant lawlessness (by bending the law himself).

Morgan, L. K. 1323 Agnes Memphis, Tenn.	Spec. Mono. Both sides in Gold "Little Peabody" (in script)	<i>Little Peabody</i>
2/2/39	7000 B-9 Hub Checks 5000 Red 2000 Lavender: Inv. #6234	
3/20/39:	8000 B-9 1 9/16" S.E. Hub Checks; 5000 Vermillion - 3000 Lavender. Inv. #5885	<i>Little Peabody</i>
Morgan, L. K. 1323 Agnes Memphis, Tenn.	Spec. Mono. "LITTLE PEABODY" one side, \$25.00 reverse side Both sides in gold.	<i>Little Peabody</i>
3/20/39:	300 B-10 1 9/16" S.E. Hub Checks - Orange Inv. #5885	
		\$2500
Morgan, L. K. 1323 Agnes Memphis, Tenn.	Spec. Mono. "LITTLE PEABODY" one side, \$100.00 reverse side Both sides in gold.	<i>Little Peabody</i>
4/19/39:	200 B-10 1 9/16" S.E. Hub Checks - Black. Inv. #1032	
		\$10000

(Note - any time you see a \$100.00 chip from the 1930s, you know some real gambling was happening!)



As the matchbook conveniently maps out, the Little Peabody Club was located about 20 miles outside of Memphis on US Highway 51, just north of the Shelby County line in what they believed to be safe Tipton County. This feeling of security would be bent, and ultimately broken, at 11pm on the night of May 6, 1939 when State Highway Patrolmen for West Tennessee raided the club, leaving in their wake a trail of smashed gambling equipment.

STATE PATROLMEN RAID NIGHT SPOTS

Liquor in West Tennessee Resorts Seized Under New Law

MEMPHIS, Tenn., May 7.—(P)—Squads of state highway patrolmen swinging axes, raided two West Tennessee night spots last night, using for the first time authority granted by the 1939 legislature in its effort to strengthen enforcement provisions of the new local option liquor law.

Sgt. Fred Mayo said stocks of liquor were confiscated and gambling equipment destroyed at the "Little Peabody," about 15 miles south of Covington, and at the "Dinner Bell," near Mason.

Two groups of patrolmen, numbering 11 in all, under the direction of Assistant Chief C. J. West of Memphis arrived at the resorts almost simultaneously. Four arrests were made, two at each place.

Crowds at both places were herded out and told to leave while patrolmen smashed up gaming devices.

In the club, among the 300-400 patrons, the patrolmen found two roulette wheels, four dice tables and eight slot machines. They arrested the two people who had been identified as operators, Byron Hughes and Frank Lowe, and shut the club down. (L.K. Morgan who ordered the chips, no doubt being used as local dropoff before opening, was not among the owners.)

As the days passed, other gambling spots met the same fate and many people started to wonder who was responsible for all the chaos. After all, up till this point, these clubs had been able to operate pretty much untouched. When

interviewed by the newspaper, the Tipton sheriff claimed to have no knowledge of the raids and said they were a "complete surprise".

It didn't take long before the true source of all the mayhem was unearthed. Tennessee Governor Prentice Cooper, who ran on a platform of cleaning up the state, had ordered the clubs shut down. Not only that, but he wanted it done by the state and without local assistance. It is the last point where he might have overstepped his powers. The local roadhouses hired attorneys and filed harassment claims against the state, claiming the Highway Patrol lacked the authority to enforce gambling and liquor laws.

The second half of 1939 would be an all-out war waged against the police and the roadhouses. By the end of October, the governor declared, "We've got those places on the run now." His Highway Patrol had raided 150 illegal gambling and liquor establishments in two months, seizing and destroying more than \$20,000 of equipment and liquor. He said, "We don't know of a single joint operating openly in violation of the law."

The ironic thing is, the courts were agreeing with the roadhouses in that the highway patrol was indeed out of their jurisdiction. Case-and-point... going back to our Little Peabody Club raid. Remember Byron Hughes and Frank Lowe, operators of the club? They had been found guilty of running an illegal gambling club and sentenced to one year in jail. They appealed on the grounds that the state did not have the right to raid their club, and therefore, they should not have been arrested. The courts agreed and overturned their sentence.

But of course, it's not the sentencing that really matters; it's the inconvenience, disruption and expense of the raids. By the continuous raids and destruction of equipment, the state was getting their way. They were either closing down these clubs, or they were driving them further underground. Something tells me the governor knew exactly what he was doing.

My note: Once again, close to 80 years have passed and we now know the "The Rest Of The Story."