

Here comes Ed Hertel again. I am considering putting him on the payroll. <g> Oh wait! We don't have a payroll. <g> We only offer long and tedious hours researching and you have to pay for your chips. We do guarantee a lot of self satisfaction in your work.

New ID for a very old and bad ID. Take it away Ed.

This week's Illegal of the Day is headed for Mississippi, but not the part of the state I expected. Instead of being on the Gulf coast in Biloxi, we are heading north 180 miles to up the "Gold Coast" of Rankin County, Mississippi.

We collectors have seen these chips for years:



Eastside 1&2att2

They have been attributed to the East Side Club in Biloxi, Mississippi, for as long as I have been collecting, and that has been a considerably long 20 years. In all this time, nobody bothered to actually look to see if there even was an East Side Club in Biloxi. It looks like Tom Henderson, Mississippi collector and researcher, was the first to question.

After the Illegal Seminar at the 2013 Convention, Tom introduced himself and said he had a clue as to where these chips belong. (Unfortunately, the Jones records for these chips are missing.) First off, in all his research, he had never found the club in Biloxi. His second hint was when he found some of these chips (and others) at an estate sale in the early 1970s of a known Rankin County gambler named J.H. Steed.

And so my research began into an area of the country I knew little about. Let's go to Rankin County, Mississippi, and see if we can find out something about these chips and this Steed guy.



Although not as widely known as Biloxi for its illicit activities, Rankin County was a major hotspot for bootlegging, illegal gambling and anything else outside of the law. Nicknamed the “Gold Coast”, it consisted of illegal black-market businesses which stretched along Flowood Road outside of Jackson. Club owners found that the county police were much easier to work with than the strict Jackson city police. Their patrons, mostly from urban Jackson, enjoyed the convenience of having their vice within reach, but away from their more wholesome home lives.

It was here that J.H. “Doc” Steed moved into the gambling business. Steed had been a small time hoodlum for decades. In 1923 he was sentenced to four years for violating the narcotics act. He only had to serve two of those years, and after his release in 1925 he decided to give up the narcotics and turn to gambling.

Although out of reach of the Jackson police, the clubs did not operate with complete impunity. There were the occasional state crackdowns and casino doors were sometimes decorated with the Mississippi National Guard padlocks. To ensure that Steed’s cash flows would continue in these times of temporary stoppage, he had interests in Mississippi’s Desoto County, on the northern border with Tennessee. This area was rough and the club owners were brutal. The favorite tool for solving problems seems to have been a shotgun. (If you want a refresher, check out the Tennessee Illegal of the Day about Bob Barryman - <http://www.marlowcasinochips.com/links/genetrimble/illegaloftheday/BobBerrymanTN.pdf>) It was here in Desoto County that Steed’s “Mississippi Night Club” operated and blended in perfectly with the rough and tumble ways of the area. In 1938, Steed and his wife were included in a lawsuit brought on by a Memphis woman who was beat up by the drunk host of the club. (I’m assuming this was a typical Tuesday night.)

By 1939, the city of Jackson was starting to tire of its associated reputation with the county to the east and started a crackdown. Although they couldn’t touch the clubs in the next county, they could certainly harass the operators. Armed with a list of thirty Gold Coast operators, Jackson police stopped and searched anyone they found in the hopes of sending a message. In February 1939, Steed was caught on the streets with \$7,000 in cash and an illegal pistol. He was charged with “vagrancy”, which was a rather vague charge applied to people who operated a business recognized as illegal, and eventually fined. Although not a devastating charge, it did show that Jackson would not tolerate any funny business inside their city limits.

Outside of Jackson, the state was also showing some strength and hit the Rankin County clubs. From the Daily Herald's February 8, 1939 paper was this clip about Steed's clubs:

My note: Like Ed. I had my East Side chips listed as Biloxi.

Steed, police said, lived in Jackson while conducting operation of several "Gold Coast" establishments across the Pearl river.
Director Walsh said Steed reputedly operated the Maple Grove club, the Blue Peacock, and the Club Royal. Equipment in these clubs was destroyed by National Guardsmen in raids earlier in the week.

Eastside5att2

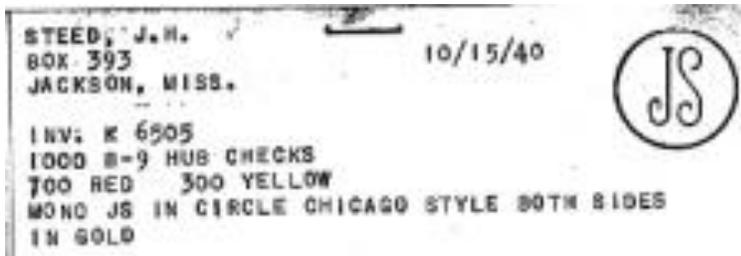
It mentions three of Steed's clubs, the Maple Grove Club, the Blue Peacock and the Club Royal. There were Maple Grove chips found at Steed's estate sale, which helped me attribute a couple previously unidentified chips of mine.



Eastside6att2

My note: I need this chip. Cough it up if you have a trader. <g>

I've seen these in orange and dark red as well. Although I have not identified any chips from the Blue Peacock or the Club Royale, Steed did order some chips from the Mason company in 1940:



Eastside 7&8

My note: I got the JS in circle chip back in 2001. I stuck it in my "Home Game" file and never made the connection to the Gold Coast and Rankin County till Ed sent the research to me.

(Does anyone know why some old chips have a small drill hole at 12 o'clock? This isn't the first one I've seen.)

My note. Let me take a shot at that question. Years ago a fellow illegal chip collector was doing some research for me in Kansas City. I have the notes somewhere. Mason had an office in KC called The Kansas City Card CO. He found a retired Mason salesman that had quite a few chips, all with the small drill hole. The Salesman told him they were once mounted in a sample book. Not unusual at the time. Paulson notched all produced chips and gave one to each salesman. One of them gave me a chip case with roughly 1,000 notched samples in it back around 2003 or there about. Several were 1 of a kind in the hobby at that time. I made at least 1 Hard Rock collector very happy with them. Rest in peace friend.

Unfortunately, the JS hub chip is a nightmare for chip researchers. Any time a chip has the initials of a gambler with multiple clubs and no address, it's usually a dead-end in identifying which specific club it belongs to.

Gambling and bootlegging continued into the 1940s, and it was during this time that Steed operated his East Side Club. The 1950's were not so kind to the illicit clubs as all around the country attitudes towards vice were turning. Steed continued to operate his clubs and continued to make the newspapers. He got involved in bookmaking and was dragged into the constitutional debate about the legality of the gambling "stamp" when his name was outed as being one of eight people in the area who applied for the stamp. This government requirement of gamblers to pay a \$50 fee and a percentage of the illicit profits to the IRS seemed doomed to fail from the get-go. I can imagine that Steed was less interested in constitutional law and more interested in making money and hassles like this were not helping that cause.

My note: Did you know that Keno workers in casino's today must apply for this "Gambling Stamp." The reason, under federal law Keno is a lottery. When hired they sign the form and the casinos send the papers in and pay the \$50. When I was Keno manager at the Fiesta I got a notice from the IRS that I did not pay one year. The Fiesta had screwed up and took care of it.

I know this IOTD didn't say much about the East Side Club, but I saved my favorite article for last. From the Daily Herald, February 21, 1951:

Sheriff Mashburn Raps Suit Filed In Gambling Loss

Brandon, Miss., Feb. 21 (AP) Sheriff Troy Mashburn labeled a Rankin county woman's suit to return of \$17,399 she says her husband lost gambling "a cheap means of blackmail apparently perpetrated for political purposes."

Mashburn was named as co-defendant in a suit filed against Mr. and Mrs. J. H. Steed by Mrs. Bernice Mechatto. In her bill of complaint Mrs. Mechatto charged that:

Her husband, Jimmy, was fed free whisky and became a habitual gambler at the Eastside Club operated by Steed; and

Sheriff Mashburn was liable on his bond for the money Mechatto lost because he knew Steed operated a gambling house but refused to do anything about it.

Mashburn said Mr. and Mrs. Mechatto and their attorneys had been working on the suit for several years "and could have filed it in plenty of time to be heard before the forthcoming elections."

Chancery Clerk Bryan Duncan said Saturday the suit was filed too late for docketing at the present term of court and will be heard in September.

Mashburn cannot succeed himself as Rankin county sheriff and tax collector. He has not said whether he will be a candidate for any other office.

In his statement today Mashburn said he believes the suit "was instigated by my political enemies to embarrass my office."

He charged that Mechatto was indicted by a Rankin county grand jury in September, 1946, for violation of the state liquor law.

I love these type of lawsuits. This woman's husband participated in illegal gambling and instead of blaming the husband, she blames the casino and the sheriff who failed to close it down. Nice! (I believe there was another of this type of suit in Saratoga, New York, where a husband lost an entire fleet of cabs to one of the lake houses. That one was also filed by an angry wife.)

Although the clubs were hassled by these legal problems and hit with the occasional raid, the Gold Coast of Rankin County continued unabated until the appeal of Prohibition made the trek out of town unnecessary. J.H. Steed continued to live in the area until he finally whispered away into the colorful history of the Mississippi's Gold Coast of Rankin County.

I want to thank Tom Henderson for turning me on to the Rankin County history and helping me with some of the research.

Thank you Ed Hertel.