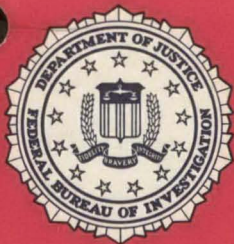


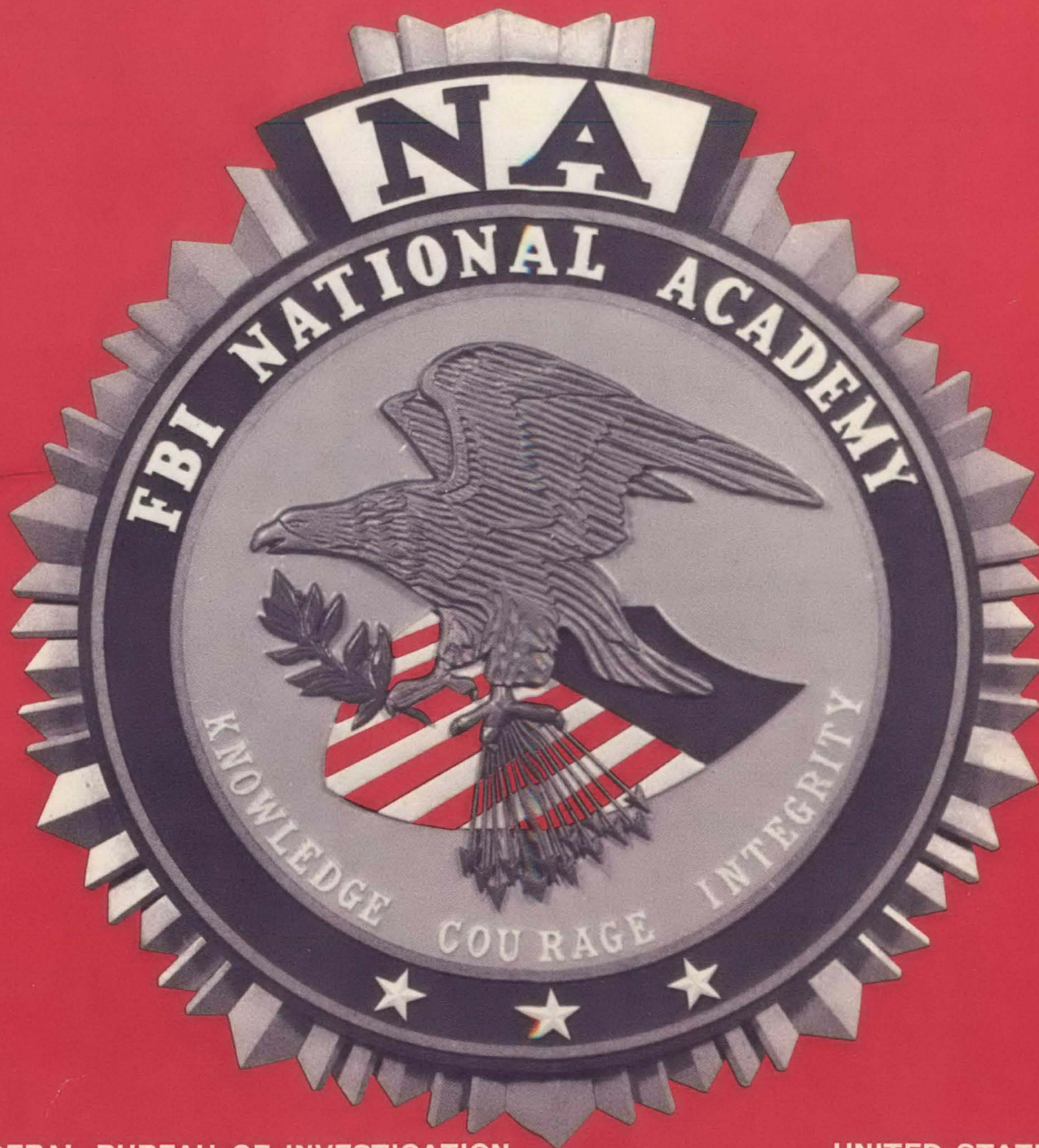
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JULY 1970



FBI

LAW ENFORCEMENT BULLETIN



FEDERAL BUREAU OF INVESTIGATION

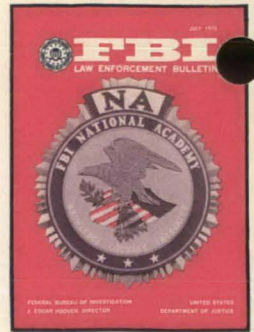
EDGAR HOOVER, DIRECTOR

UNITED STATES

DEPARTMENT OF JUSTICE

JULY 1970

VOL. 39, NO. 7



THE COVER—The FBI National Academy Seal. See article on 35th Anniversary of Academy, page 2.

FBI

LAW ENFORCEMENT BULLETIN

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MESSAGE FROM THE DIRECTOR . . .

. . . To All Law Enforcement Officials

THERE IS SOMETHING DISTRESSING about free people having to restrict and alter their daily pursuits and activities because of brazen criminals.

Is it right that bus passengers in many metropolitan areas must always have the exact fare because busdrivers cannot carry money to make change without being robbed? Is it right that motorists in some cities must buy gasoline in amounts for which they have exact money, or use credit cards, to keep station attendants from being held up by thugs? Is it right that downtown merchants in some areas should lose their customers, and perhaps their businesses, because citizens are afraid to venture into crime-infested streets?

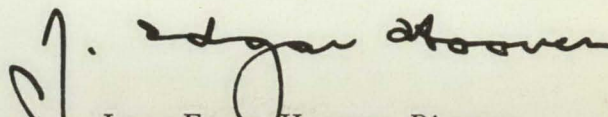
Let us face it. Are we, as a free society under the rule of law, shaping our own destiny, or are we being pushed and boxed in by those who defy the law and have no respect for the rights of others?

The truth of the matter is that more and more of our Nation's total energy and effort is needed to protect people against crime. For instance, more theft-prevention devices are being installed in new automobiles. More homes are being equipped with bigger and more complex door locks. Banks are taking action to reduce the amount of cash exposed to bank robbers. In some cities, police patrol school corridors and grounds to keep troublemakers from disrupting classes and assaulting students. The list goes on and on. We are attempting, in effect, to erect a protective

barrier between society and the criminal. However, history dating back to Biblical times teaches us that high walls as such do not necessarily provide sanctuary. If we are to find relief from crime, we have to shore up our legal walls to prevent lawbreakers from slipping back and forth through loopholes to prey on the public and then hide behind legal sanctions to avoid just and adequate punishment. If we are to contain the spiraling crime rate and bring a higher degree of security back to the law-abiding citizens, then we must make justice swift and certain. In spite of what some courts and legal theorists may proclaim, justice is all-inclusive; it means justice for the victims and the public as well as for the accused.

Soon, we will have to stop granting concessions to marauding criminals and stop reshaping our lives to conditions thrust upon us by excessive crime. I am fully convinced that one of the most effective moves we could make to combat crime in the 1970's would be to speed up and improve our judicial processes so that the time element between a criminal violation and its disposition in court is sharply reduced. The old truism notwithstanding, it would appear that not all criminals and their attorneys today believe that "justice delayed" is "justice denied."

Let us stop reacting aimlessly to the pressing demands of the lawless. Rather, let us start applying the legal remedies and safeguards of the law which is meant to penalize those who break it, not those who abide by it.



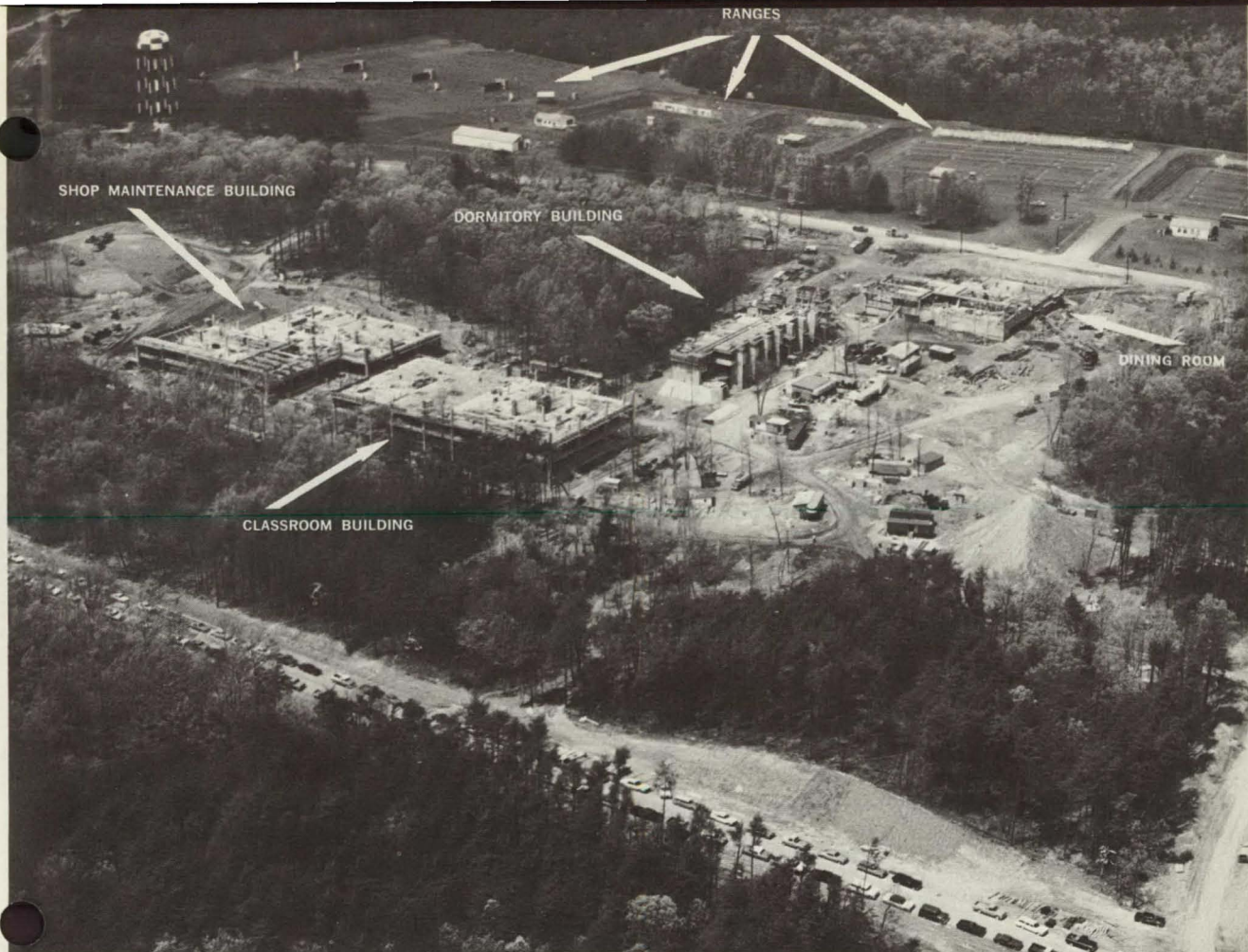
JOHN EDGAR HOOVER, *Director*

Change Through Training

The Bulletin is pleased to salute the FBI National Academy on its 35th Anniversary. It is significant to note, as we glance back at the outstanding accomplishments of the FBI Academy in the past, that the key to its success has been its forward-looking, progressive programs to help achieve effective law enforcement throughout the country and the free world. While there is still much to be done, the Academy and FBI Director J. Edgar Hoover, who launched the training school on July 29, 1935, can be proud of its record of service.

In the true sense, training is a requisite of preparedness. Thirty-five years ago, Director J. Edgar Hoover, in appraising our fast-changing, complex society and the rapidly rising crime rate, recognized that if law enforcement was to be even minimally prepared to meet its responsibilities, professional training was imperative.

With the cooperation of local and State law enforcement officials, the FBI, under the leadership of Mr. Hoover, laid the groundwork for a "Police Training School" which would, so far as possible, provide an answer to every problem normally arising in law enforcement work. After months of planning and preparation, 23 police officers from agencies throughout the country assembled at FBI Headquarters in Washington, D.C., on July 29, 1935, to attend the opening session of what today is known as the FBI National Academy. The 12-week course was free. Transportation and subsistence while in Washington were the only expenses.



An aerial view of construction progress of the new FBI Academy.

"There is nothing more permanent than change, and nothing that meets with more resistance. Yet nothing stands still. Everything either moves forward or falls backward. Man has progressed through the centuries because man has had the intelligence to meet change with change. Individuals, too, must heed that lesson of the race. And, of course, men can master change by training today for the opportunities which new conditions will open tomorrow. It was good advice a generation or so ago, and it is even better advice today."

—Jacob M. Braude

the attending officers had to pay. Today, all expenses connected with the training of the student officers are paid by the FBI.

The curriculum of the opening session of the Academy covered a broad range of subjects from the manage-

ment level to practical application of enforcement duties.

Commenting on the opening of the training school in his message to law enforcement officials in the August 1935 Bulletin, Mr. Hoover stated, "It is hoped that the men, after under-

going the course of instruction, will return to their communities equipped to inform their respective departments in the new things learned concerning crime problems."

In so stating, the Director pinpointed what has been a primary objective of the Academy over the years. Since it is not feasible to accept and train all law enforcement officers in a 12-week course in Washington, the FBI strives for the next best thing. It endeavors to qualify every graduate as an instructor or administrator.

On May 27, 1970, graduation ceremonies were held for 99 officers of the 85th Session of the Academy. This brought the total number of officers who have received this specialized training in the past 35 years to 5,734, including 183 officers from 40 foreign countries. Some 28 percent of the



The Academy dining room begins to take shape as seen in this view from the road which separates the Academy site from the FBI firing ranges.

graduates still active in law enforcement hold top executive positions in their agencies. Consequently, over the years, the FBI has trained a nucleus of carefully selected officers in the latest methods and trends in crime detection and investigative procedures. Thus, when the officers return to their various departments, they are prepared to organize and set up their own police schools and make available to their fellow officers the knowledge and practical experience gained at the Academy.

New Facilities

Currently, new training facilities which will greatly enhance the scope and capacity of the National Academy are being constructed at Quantico, Va. With completion date set for 1972, the new facilities will enable the Academy to train 10 times as many officers a year—2,000 as compared

to 200. In addition, 1,000 other officers can be handled in shorter, specialized training courses.

The spacious and modern training complex underway at Quantico is a tribute to the continuing efforts of Director Hoover to professionalize law enforcement and to his firm belief that brains, science, and hard work are the most effective weapons against crime.

Upon completion, the multiple-building training center will feature two seven-story dormitories containing 356 bedrooms accommodating two men each. The classrooms will have the latest and most advanced audiovisual teaching and training aids. This giant stride forward in training facilities and equipment is truly in keeping with the spirit of the FBI National Academy and the aggressive determination for excellence which has caused it to be called the "West Point of Law Enforcement."

Change has been a constant factor of the National Academy agenda. From the outset, the police training has been tailored to the needs and desires of the agencies requesting the training. The curriculum of the first session was drawn up by the FBI with the assistance of a committee of police chiefs. Since that time, every succeeding curriculum has been closely examined, revised, and expanded to meet the needs of the times.

Advanced Studies

Currently, in addition to the practical and specialized subjects, officers are trained in such advance fields as sociology, psychology, criminology, police-community relations, police ethics, police management, public speaking, and highly sophisticated laboratory techniques.

The faculty of the National Academy
(Continued on page 25)



The First National Bank drive-in facility provided an excellent place to exhibit the patrol car.

Good Public Relations Is Good Business

By
LT. JACK W. JOHNSON
Police Department,
Burlington, Iowa



"... to provide an opportunity for parents and children to become acquainted with police officers."

In February 1969, the possibility of establishing a police-community relations (PCR) unit in the Burlington Police Department was discussed at a staff meeting of the police command. After presentations of information showing a definite need for such a unit, a decision was made to proceed with the plans immediately. Police Chief R. E. Dunham outlined the goals and objectives of the unit, and officers interested in this area of service were asked to submit their names.

There was a feeling of frustration at first concerning the development of the unit. We realized a police-community relations unit would be exposed to a broad field of involvement, and that there was so much ground to

cover it would be impossible to do this in a short time. We read and researched publications and gathered helpful information from other police departments who were fortunate enough to already have a PCR unit. A lot of time was used in planning.

On April 1, 1969, our police department officially formed a two-man police-community relations unit. I was appointed director of the special unit, and Officer Ronald E. Mason was selected as the other member.

With our first project, we wanted to reach a large number of young people and adults alike to attract their attention to this special unit.

Officer Mason and I decided that in order to do this we would open a citizen contact and information center. We also decided to coincide this venture with the first day of the annual Burlington, Iowa, Steamboat Days celebration. This would give us exposure to many people from our own city and those who were visiting for the event.

Project Site

We found a convenient place for such a project. This was the First National Bank Drive-In located on North Main Street. We explained our plan and purpose to the bank officials and they gave us their wholehearted support.

The drive-in facility was excellent for our specific objective. The roof gave us cover. The site was located close to the sidewalk, and only a block from the carnival location and the crowds. A real asset to us was the glass-enclosed partition or walkway leading into the main bank.

The newspaper and radio stations gave excellent coverage, both before and after the project, on what we were trying to do and what had been accomplished.

The real purpose of the project is to provide an opportunity for parents



**Mr. Robert E. Dunham, Chief of Police,
Burlington, Iowa.**

and children to become acquainted with police officers. Through such contact we hoped to encourage public support for law and order from the parents and the young people. On Saturday, June 7, 1969, we opened the booth. Our hours were after bank closing which was 12 p.m. on Saturday and from 2:30 p.m. to 9 p.m. on

**Officer Ronald E. Mason is the second member
of the 2-man unit.**



weekdays. This is how we set up the project:

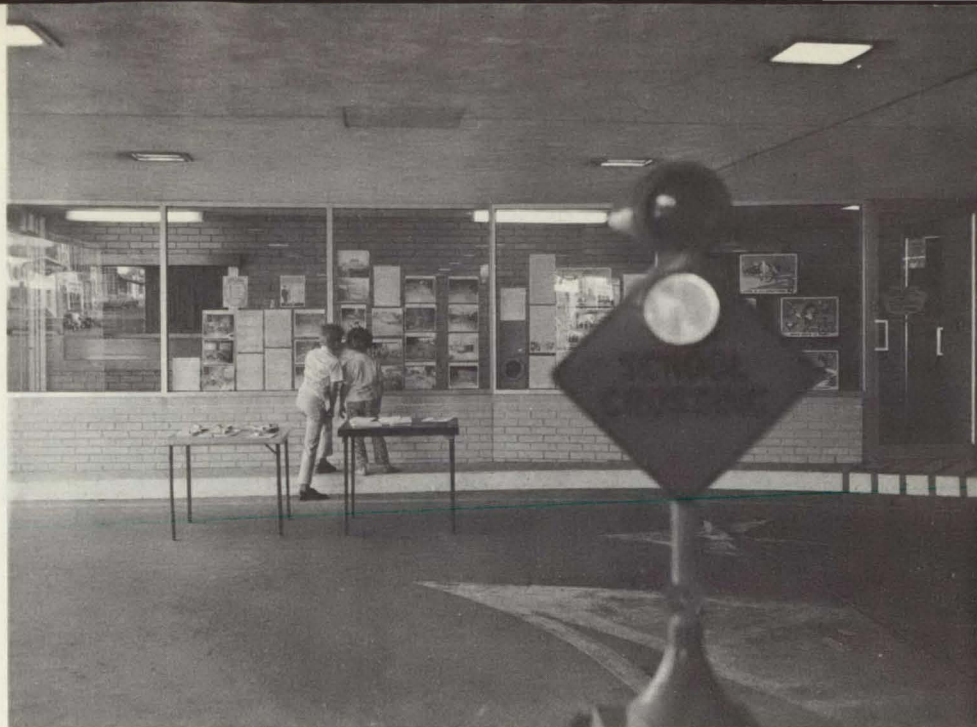
1. We displayed one of the new patrol cars in the entrance-way parallel with the sidewalk. A shotgun (unloaded) was displayed in the electrically locked gun-rack, and handcuffs were hung on the dash. Displayed in the rear-window deck were two of our riot helmets and a police baton.
2. The police radio was left on and channeled through the car's public address system.
3. Our miniature electric school stop sign with written instructions on its use in relation to the regular stop signs at school locations was displayed.
4. Two card tables were placed near the glass-partitioned walkway and stacked with informative handout pamphlets. These were:
 - a. Our own narcotics pamphlet and a reprint from "Reader's Digest" entitled: "But, Mom Everybody Smokes Pot."
 - b. Another "Reader's Digest" reprint, "Five Common Frauds and How to Avoid Them."
 - c. Prevention points on home burglary.
 - d. FBI "Child Molester" color posters for young children.
 - e. What to do about annoying phone calls.
 - f. A special message pamphlet from law officers to parents, teachers, citizens, and children on molestation prevention.
 - g. "What Knowing All the Answers Can Mean to You," by the Iowa State Bar Association.
 - h. CRIME ALERT bumper stickers and AAA safety slogan litter bags.
 - i. Summer Recreation Schedule: Burlington Department of Parks.
5. On the glass partition numerous items were posted and explained in an informative way. They were written with a typewriter having large letters for easy reading.
 - a. Purpose of CHILD ALERT. Poster and backside instructions shown.
 - b. The 41 topics taught at the required 4-week course for recruits at the police academy.
 - c. FBI NCIC (National Crime Information Center), where and how used.
 - d. Our contact points and services rendered through our police teletype.
 - e. Our radio and telephone contacts and services.

- f. Sample teletype messages.
 - g. Color prints from Walt Disney used for explaining safety in the school classrooms.
 - h. Enlarged 8" x 10" black and white official Burlington Police photos showing vehicle accidents (fatality, wrecked stolen auto, bicycle, etc.).
 - i. 8" x 10" photos of police communication center.
6. We demonstrated the patrol-car radio and public address system. We explained the electric gun lock system and answered all the questions from adults and the young alike. Many of the young people had a great desire to get into the patrol car and we encouraged them to do this.
 7. We had 2,000 plastic "Honorary Police" buttons which we gave to the young people as a memento of their visit. The buttons had plastic attachment pins so as not to cause injuries.
 8. Also for the very young, we distributed plastic hand puppets on which were imprinted a school safety patrol boy. These were furnished by the AAA Motor Club.
 9. On the outside drive, near the sidewalk and facing street traffic, we exhibited a 5' x 4' sign which read:

BURLINGTON, IOWA
POLICE-COMMUNITY
RELATIONS UNIT
WELCOME

The first day we opened, a Saturday, the response was very good. This was parade day and we had 800 visitors. In 2 days we had depleted our supply of 2,000 buttons. At the end of the third day we estimated that the total 3-day visitation was over the 3,000 mark. This included adults and children of grade school age, most of whom were with their parents. The teenage response was greater than we had anticipated. Officer Mason and I manned the booth for the 3 days. We did not mind the long hours each day as we felt the public response offset this. We wondered whether the parents were bringing in their children, or the youngsters were bringing in their parents.

Once our goals and objectives were set through meetings and planning, the unit gained momentum. Many spe-



Many youngsters found the numerous items posted to be very interesting.

cial programs were put into effect. The Crime Alert system was instituted. More and more citizens are becoming aware of this, and it has been beneficial to our department. Great strides were made in alerting the public to drug abuse. We accomplished this by speeches to church groups, schools, PTA, youth groups, and by a series of special drug abuse programs. The seminars, staffed by our own unit and other members of our department, re-

ceived a big assist from representatives of various professions, including the bar, schools, medical and pharmacy, and experts from other enforcement agencies.

The previously mentioned program, Child Alert, is a citywide PTA project for the prevention of child molesting. It received strong support from our unit through appropriate film showings and appearances throughout the

(Continued on page 31)

Children were encouraged to explore the patrol car.



Insurance frauds are more than an offense against the insurance industry. They are crimes against all citizens who buy insurance.

Insurance Fraud—A CRIME

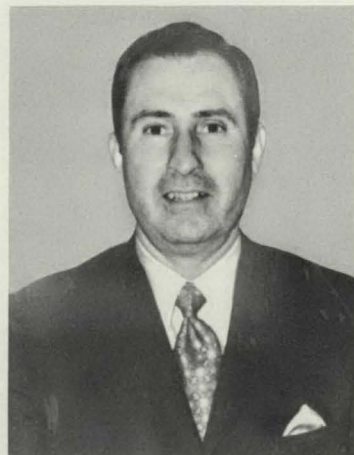
As a rule, damage to tobacco during a hail storm would show all the leaves broken downward. This tobacco plant shows one leaf broken upward and another leaf broken downward.



By

W. G. O'NEAL

Chief Investigator,
North Carolina Department of
Insurance,
Raleigh, N.C.



Before discussing insurance fraud, I would like to give some brief information on the Investigation Division of the North Carolina Department of Insurance. This division serves a dual role in the investigation of criminal offenses.

First, we conduct all criminal investigations dealing with violations of the insurance laws of North Carolina, including fraud, and, secondly, we serve the same function as a State fire marshal's office in the investigation

the crime of arson and unlawful burnings. By having this dual authority, we have the opportunity to investigate all types of insurance fraud. At the present time we have nine investigators who are duly sworn law enforcement officers with full powers of arrest.

There is a great need for an effective fraud suppression program, and the first element is adequate fraud laws. In our State it is a felony to knowingly file a false or fraudulent insurance claim.

Secondly, there must be active investigations and enforcement of the fraud laws. There are many officers who feel that fraud is an offense against the insurance industry, and, therefore, the public has not been injured. Nothing could be further from the truth. If a fraudulent fire insurance claim is paid, this expenditure, in part, results in an increase in premium rates to the public.

Crime Against All

Accordingly, insurance fraud is a crime against all citizens who buy insurance and should be of interest to the law enforcement officer. Thirdly, the average citizen does not look on insurance fraud as a crime in spite of the fact that he is paying the bill.

Let us take a look at several actual insurance fraud cases in order that we might better understand this problem.

The first case involves a fraudulent life insurance claim. The subject of this investigation became upset over the failure of her son-in-law to adequately support her daughter and their children. When the daughter and her husband separated, the subject decided to report the son-in-law as dead to the insurance company in order that her daughter might collect the proceeds of his life insurance policy.

Following are the facts developed in investigation: The subject's

daughter was married on June 21, 1961. On May 23, 1966, the son-in-law purchased a life insurance policy naming his wife the beneficiary. On December 5, 1966, they separated and the husband moved away.

On October 18, 1967, the subject went to the Register of Deeds in the county where the son-in-law's father had died on November 2, 1951, and secured two copies of the father's death certificate. These certificates showed that the father died as a result of "cerebral vascular accident, massive." The subject then altered the death certificate to fit her son-in-law as to age and also showed that he died on September 2, 1967, and after cause of death she added "result of water skiing accident." This false death certificate was then forwarded to the life insurance company requesting payment.

When the insurance company noted the changes on the death certificate, they requested that an independent investigating firm verify the death certificate and have the beneficiary complete a "claimant's statement." The claimant's statement was completed by the subject and returned to the insurance company showing that the son-in-law died in a water skiing accident at Buzzards Bay, Mass., on September 2, 1967.

The independent investigator reported to the insurance company that there was no death certificate on file for the son-in-law. Upon receiving this information, the insurance company reported this claim to our Department, and investigation revealed that the son-in-law was alive and further that the death certificate furnished to the company was originally issued to the son-in-law's father who died in 1951.

When our investigator went to the Register of Deeds' office to check on the death certificate, he learned that the son-in-law had just left after securing a marriage license. He was



Mr. Edwin S. Lanier, Commissioner of Insurance, Raleigh, N.C.

located about 40 miles away and was very surprised to learn that a death claim had been filed in his name.

A confession was obtained from the subject who admitted altering the death certificate and filing the false claim. She was charged with filing a fraudulent insurance claim, convicted and received an active prison sentence.

Bizarre Cases

One of the most bizarre cases of fraud occurring in our State involved fraudulent claims filed against several insurance companies writing accident and health insurance. A citizen found the accident policy he held provided that the loss of four fingers on one hand constituted "loss of hand" as defined in his policy. This policy provided for a lump sum payment in the event of the loss of either the entire hand or the loss of four fingers on one hand. This individual acquired several additional policies containing the same provision. He visited a doctor in a neighboring town who agreed to inject his hand with some deadening agent. Next, he went to a local rental agency and rented a 4-inch rip saw. He then went home and had his brother saw off four fingers on his left hand.

This individual then filed several

insurance claims and collected a total of \$3,125. Experiencing no difficulty in collecting this sum of money, he contacted a friend and explained the operation to him. His friend agreed to participate in this scheme and bought several insurance policies, rented a rip saw, and amputated four fingers on his left hand. As a result of this, he filed his claims and collected a total of \$3,000. He then paid his advisor \$1,250 for his counseling in this operation.

Later these two individuals sought out a third victim and assisted him in buying several accident insurance policies. As before, they went to a neighboring town and contacted the same doctor who agreed to deaden this individual's hand. After receiving the injection, they again rented a rip saw and amputated four fingers on his left hand. As a result of the claims filed by this individual, he collected \$1,250 from the insurance companies.

Act Intentional

A report was made to the local police department advising that several individuals had lost fingers, and it was believed that this act was intentional. As a result of this information being furnished to the police department, they requested that our Department assist them in the investigation of this matter. Following the ensuing investigation, the brother of the first individual was charged with three counts of maiming. He was convicted and received an active prison sentence.

The first subject was charged with 14 counts of filing a false and fraudulent insurance claim (by stating that he had lost his fingers in an accident when in truth and fact they were lost by a deliberate act). He was convicted and received an active prison sentence. The second individual was charged with three counts of filing a false and fraudulent insurance claim, convicted, and received an active prison sen-

tence. The third individual was charged on two counts of filing a fraudulent claim, convicted, and received an active prison sentence.

The brother of the third individual was charged with one case of maiming, as he helped cut off his brother's fingers, and he was convicted and received an active prison sentence. The doctor in the neighboring town was charged on two counts of being an accessory before the fact in the maiming cases and was convicted and received a suspended sentence.

Crop Loss Claims

One of the most detailed and time-consuming fraud investigations involved claims filed alleging hail losses in tobacco crops. North Carolina is a leading manufacturer of cigarettes and also a leading producer of tobacco. While the tobacco plant is growing in the field, it is extremely vulnerable to damage from hail; therefore, most tobacco farmers insure their crops against this peril.

In the late growing season of 1965, this Department received information that farmers in one county who had purchased insurance from two particular insurance agents were collecting hail payments when no hail occurred. The tobacco growing season lasts from early May until September, and due to the short growing season, all of the tobacco had been harvested before an investigation could get under way.

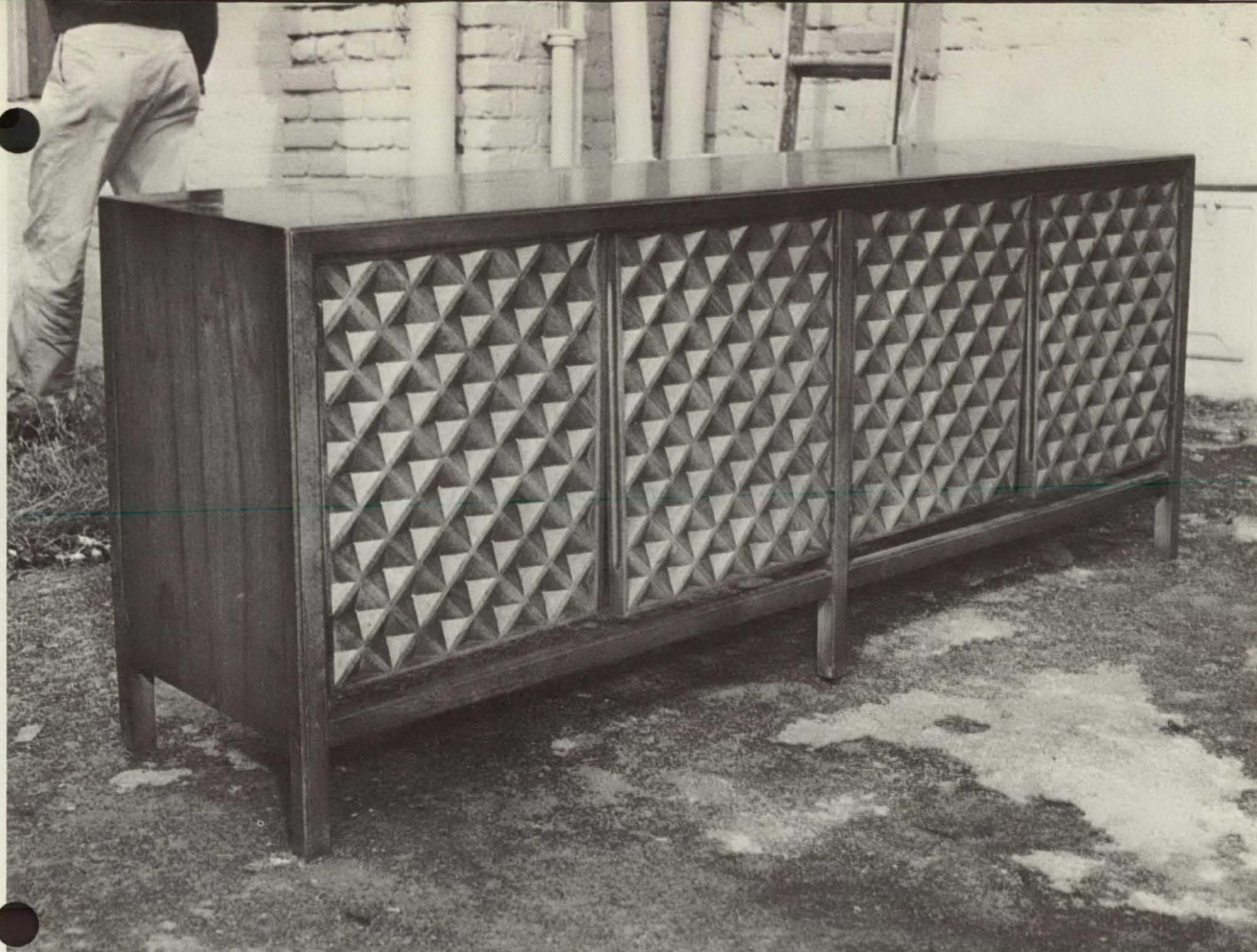
We did check the hail losses of the two suspected insurance agents and found that they collected hail premiums of \$148,573. The insurance company paid losses to the farmers in the amount of \$295,843 which is a loss ratio of almost 200 percent. After checking the loss ratio of other agents and finding it far below this amount, we felt a full-scale investigation should start in 1966. This investigation began in May 1966 and ran con-

tinuously through October 1967. It revealed that claims were filed when no hail fell as well as evidence of man-made damage.

As our investigation proceeded, we solicited the assistance of a fraud inspector with the U.S. Postal Service. As a result of our combined efforts, two insurance agents, three insurance adjusters, and seven tobacco farmers were tried and convicted of fraudulent activity in the filing of hail insurance claims. All 12 defendants received active prison sentences as well as fines totaling \$16,500, and they were also required to pay back to the insurance companies \$71,611.67.

One insurance agent admitted that he had assisted in the filing of \$94,672.28 in fraudulent hail claims on tobacco losses in 1965. This scheme was carried out in the following manner: The agent conspired with the farmer to defraud the insurance company. The farmer and agent would then insure several acres of tobacco in the names of persons who had no interest in the crop, usually in the name of a tenant or sharecropper. The agent then conspired with the insurance adjuster, and when there was a hail storm anywhere in the area, the agent and the adjuster would get together and make out a false hail claim and submit it to the insurance company. The farmer, agent, and adjuster would then split the proceeds three ways, each receiving 33⅓ percent. In all of these instances the farmer would have his true tobacco crop insured in his own name and would collect under that policy in the event that hail actually struck his tobacco.

Tobacco hail losses in this county in 1965 amounted to \$319,286 and losses dropped from this amount to \$58,660 in 1967 while this investigation was in progress. This gives you some indication of the fraudulent activity in this particular area. These are the types of losses which are passed directly back to the farmer by



This is one of the pieces of furniture which was claimed to have been damaged in a fire. The waffle-type doors of the buffet are not structurally sound and do not close properly.

an increase in hail insurance premiums, and, therefore, the farmer himself was being injured in this instance and not just the insurance companies alone.

Fire Losses

We have examined fraud in life insurance, accident and health insurance, and crop insurance; now let us take a look at fraud in connection with fire insurance. This particular case involves a claim filed by a large furniture manufacturing concern after a small fire occurred in a spray booth where furniture was painted.

The fire department in one of our large furniture manufacturing cities started keeping accurate records on losses in furniture factories. They

were concerned because they would answer an alarm at a factory and, after the fire was extinguished, the fire prevention personnel would estimate the damage as being several hundred dollars.

Later they would learn from the insurance company that the damage amounted to several thousand dollars. The fire chief had discussed this situation with one of our investigators and indicated that he was going to call for assistance from this Department if he learned of a similar fire in the future.

Shortly after this, an alarm was received and the fire department responded and extinguished a fire in a spray booth. The fire department noted that the building was equipped with overhead sprinklers and that 27

sprinkler heads were activated as a result of this small fire. Eight pieces of dining room furniture were actually involved in the fire and 42 pieces damaged by water. This loss was estimated to be somewhere in the vicinity of from \$4,000 to \$5,000, including damage to the building and furniture. Later the fire department received information that an insurance claim had been filed by the furniture factory claiming a loss of \$22,745.

Our Department was then requested to assist in the investigation. Investigation revealed that the factory had manufactured a dining room buffet with waffle-type doors, and that after the buffet had been manufactured, they determined that it was not struc-

(Continued on page 31)



An Electronic Wonderland

By
HARRY C. HUSKISSON
Chief of Police,
Knoxville, Tenn.



When the finishing touches were being applied to the new Public Safety Building in Knoxville about a year ago, a local newspaper referred to the splendid structure as the "New Police Palace" and stated that it had more electronic gadgets than a television show.

In spite of its numerous excellent features, I suppose we must admit that the new quarters fall short of being a palace—but not by much. We feel it is one of the finest and most modern police and safety installations in the country, and its electronic wizardry, aside from being fascinating, comes close to moving police administration and communications into the next century.

The new Public Safety Building is a tribute to the citizens of Knoxville,

the Mayor, the city council, and other city officials who supported the enterprise from the beginning to its completion.

It is located just outside the main business district with easy access to the expressway. It has 90,000 square feet of floor space in four floors and a basement and cost \$2 million, excluding equipment. There is ample parking for employees and visitors. A fenced area is provided for police vehicles. The basement contains locker rooms, training facilities, a firing range, a photo laboratory, a rollcall room, the paddy wagon entrance, a garage for motorcycles, and a lunch room.

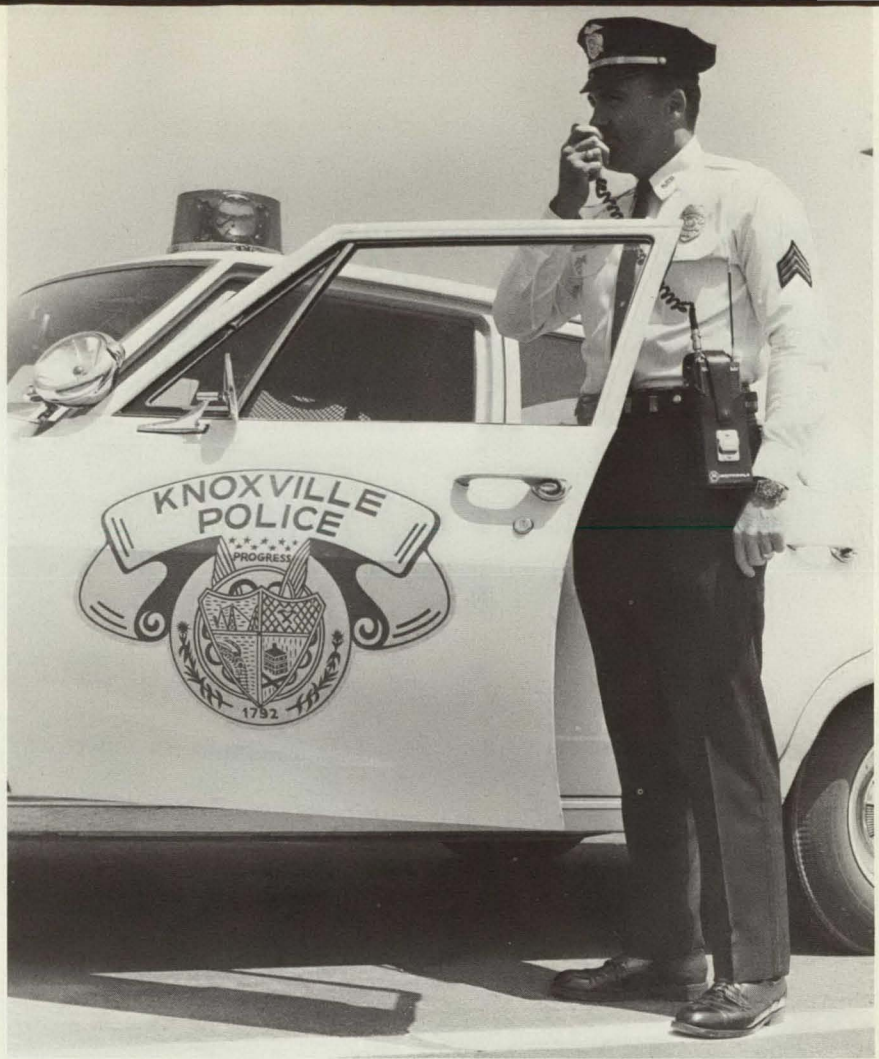
Briefly, here are some of the other developments incorporated into the building or made possible by it:

1. A pneumatic tube system large enough to carry criminal folders. This eliminates personnel constantly running between offices.
2. An intercom system throughout the building makes everyone available instantly.
3. There is a security elevator which can be operated from the receptionist's desk at the main entrance. This restricts the traffic flow to only those with a need to use this service.
4. Ample locker space is provided for the officers. There are separate locker rooms for patrolmen, sergeants, lieutenants, captains, and commanders.
5. The training academy has its own specially designed facilities.
6. Police photographers have facilities for processing colored as well as black and white photographs.
7. Escape-proof passageways through which prisoners are transferred from jail to court.
8. A closed-circuit television system which extends to the courtroom, and the Chief of Police, if he desires, can sit in his office and hear the testimony of officers and defendants which can be video taped if needed.

The Municipal Court is located in a wing adjoining the first floor. The first floor, which includes the main entrance, houses the Records Bureau, the Juvenile Bureau, the Communications Center, Offices of the Assistant Chief, Traffic and Patrol Detachments, Women's Bureau, Planning, and other administrative offices. The jail takes up the entire second floor. Located on the third floor are the Detective Bureau and Fire Prevention Bureau. Offices of the Chief of Police, Director of Public Safety, Criminal Intelligence, Internal Inspection, and the Conference Room are located on the fourth floor.

Since our department moved into its new quarters, complaints of "brutality" against its members have all but ceased. We feel there is a reason for this, and other law enforcement agencies planning new facilities may want to consider features which we believe are responsible.

Two years ago such complaints, most of which were unfounded, were



A portable radio system is used along with the two-way radio patrol cars enabling an officer to be in constant communication with the dispatcher when he leaves the automobile.

being received almost daily. Each complaint had to be investigated. The expense in time lost from other duties and costs involved were becoming alarmingly high.

The City of Knoxville was in the process of constructing a new public safety building at this time. Included in the plans for this facility were provisions for installing the most modern communications and records systems, as well as placing the best available equipment throughout the building.

Was there, then, anything that could be done, as far as equipment was involved, that might help solve this problem of "brutality" complaints? Analysis showed that such complaints most often resulted from alleged actions after a prisoner had

arrived at headquarters. The solution would, therefore, require a means of closely supervising all persons booked and incarcerated from the time of their arrival until their release or departure.

The decision to install closed-circuit television was made after much discussion. Wide publicity was given to this decision during the construction phase of the building and the subsequent opening of the new Public Safety Building. Consequently, a "brutality" complaint is rarely received today.

The patrol wagon has a special entrance to the building at the basement level. From the time the wagon is driven into the entrance, a television camera relays the scene to



A close-up look at the console in the dispatcher's office where all communications with other law enforcement agencies in the area are handled.

various police offices. The officer knows this; some prisoners are aware of it.

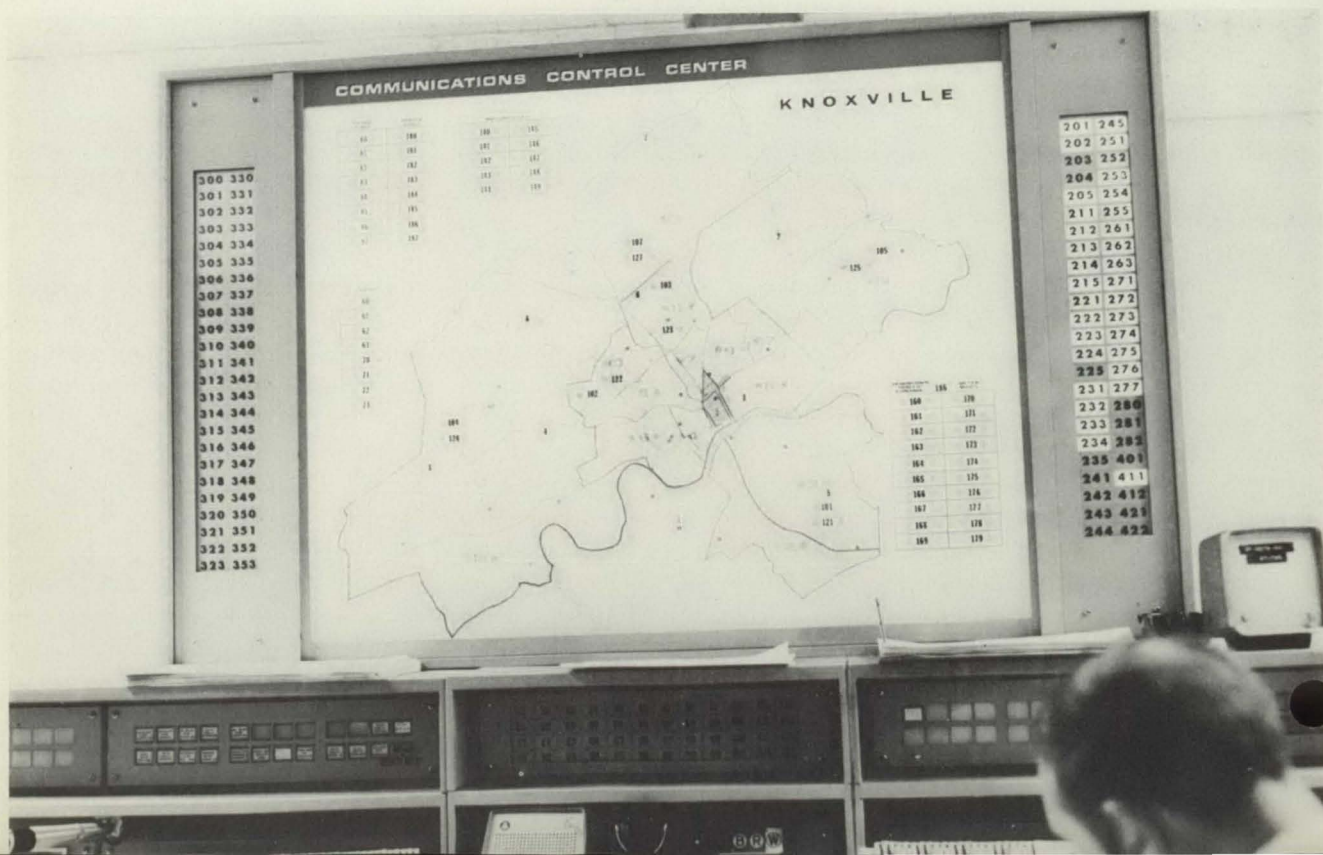
Television cameras are stationed along the route the prisoner will follow from the entrance level through the booking office on the second floor of the four-story building, including the elevator. There are no blind spots; the cameras overlap to avoid this.

These cameras relay the action to several monitors, and at least two—the jail office and the building captain's office—are manned at all times. By simply pressing a button at any time, a video tape of the proceedings can be made.

No more does "John Doe" claim without cause that he has been mistreated, for there have been "eyes" watching. Nor does an officer risk unnecessary roughness, for he also is watched and he knows it.

While there have been instances of both in the past, none has occurred since the Knoxville Police Department moved into the new facilities.

The dispatcher's office where all communications are handled shows the control map of the city with lights to indicate assignments for all police cars.



The closed-circuit television system at about \$30,000, and it is paying for itself. Any chief who has spent time himself, or who has assigned other staff personnel, to check out "brutality" complaints knows what is involved.

At Knoxville, the time-consuming, demanding investigations have been all but eliminated. This can be attributed to our new monitoring system.

Video Tape

Another great advantage of closed-circuit television for law enforcement agencies is the use of video tape. Video tape provides excellent evidence for court. The judge can see for himself the actions of a defendant after arrest. For instance, the actions, speech, and appearance of suspects charged with driving while intoxicated are recorded for all to see and hear.

The monitoring system also provides observation of work areas, such as the complaint processing office, the dispatcher desk, and the records section, among others.

Recently, the chief of police from a neighboring city called concerning a certain subject. It was easy to have a clerk in the records section pull the subject's criminal folder and place it before a camera, which transmitted it visually to the monitor in my office. I read him the full report in a matter of minutes.

The rollcall room for traffic and patrol officers is on the basement level; the chief's office is on the fourth floor. The closed-circuit television allows me to listen to or give briefings without leaving my office. It also allows the records section to transmit a picture of a subject to the rollcall room without having the file removed from the section.

Communications is vital to law enforcement agencies; and the better



Mr. Walter A. Bearden, Director of Public Safety, Knoxville, Tenn.

the system, the better the enforcement capability will be.

Along with other changes, we decided to switch to portable, two-way communications in our patrol cars. Previously, with a radio unit fixed in a cruiser, the officer had no contact with headquarters or other officers when he left the vehicle. Now, he takes the portable unit with him, remaining in contact at all times. This has allowed our department to reduce most cars to one-man patrols, provid-

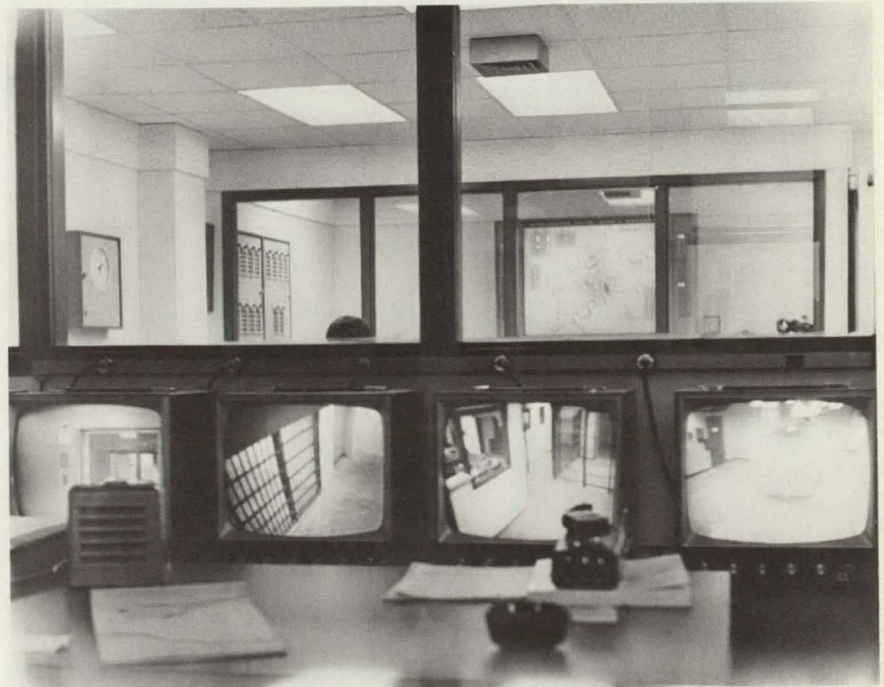
ing two vehicles with one man each instead of one car with two men each. Our coverage, of course, is almost doubled.

The communications system has four channels: *A* for traffic and patrol; *B* for detective and juvenile officers; and *C* is a common frequency of the Police Department utilized by all divisions within the department. This frequency enables the uniform officers to communicate with the plainclothes officers and vice versa. Further, it enables all officers to have direct communication with the Records Bureau. It is also the emergency back-up frequency to be used in the event of failure of channels *A* and *B*. *D* is for administrative purposes only.

This system enables us to monitor or use an inter-city network which serves Knox County and 19 adjoining cities and counties; thus, our dispatcher can hear what is happening throughout the metropolitan area.

In addition, other systems that can

(Continued on page 27)



A view of the closed-circuit television receivers in the building captain's office where he can visually oversee a number of rooms.

the forty thieve



FOREWORD

Man's inability to resist temptation is as old as man himself. Given the necessary circumstances, nearly any man might be tempted to steal. He could be in any position in any business, anywhere. Whether or not he will yield to temptation cannot be determined in advance, as we know all too well.

The willingness of one man to trust another—or to accept the responsibility of being trusted—is basic to all business and commerce. The incidence of employee dishonesty, the betrayal of trust, is of alarming proportions. Its impact on the business community, indeed, cannot be fully measured.

You will find the stories of "The Forty Thieves" interesting, we feel, and thought provoking. But you will also find them tragic. They represent not only money lost. They also represent mental anguish, destroyed families, shattered hopes, broken people, loss of faith and, indeed, life.

In previous studies on the subject of embezzlement, we have tried to draw a portrait of the typical embezzler, based on compilations of data and statistics drawn from company claim files. However, in the final analysis, it has to be concluded that there is no such thing as a typical embezzler. The personal characteristics, the background, the job status, the motives and the economic position of embezzlers are as varied as humanity itself.

W. J. JEFFERY,
Chairman of the Board and President,
United States Fidelity and Guaranty Co.

The 40 thieves stole money. They also stole: appliances, tools, lumber, gasoline, liquor, beer, clothing, zippers, lace goods, woolens, furs, furniture, boxes of food and a copy of TV Guide, color television sets, refrigerators, stereo hi-fi sets, stereo tapes and record albums, dehumidifiers, aluminum, copper cable, automobiles, and more. In short, they stole money and almost everything money can buy—or that can be converted to money. They were thieves who betrayed the trust of other people in order to steal. They were embezzlers.

The article, "The Forty Thieves," is a reprint of excerpts from a booklet by the same title prepared and published by the United States Fidelity and Guaranty Co., Baltimore, Md. It is reproduced in the Bulletin with special permission of the United States Fidelity and Guaranty Co. The article is being presented in two parts; the second and concluding part will be published next month.



“embezzlement—*n*—fraudulent appropriation of property by a person to whom it has been entrusted.”



The accompanying stories of forty cases of employee dishonesty present a cross section of a crime that is widespread in American business. In fact, today, no business is safe from the threat of dishonest employees. Embezzlement, say the experts, is increasing at the rate of 15 percent each year and is now believed to be costing U.S. companies nearly \$4 billion annually. According to a management consultant who specializes in the study of employee dishonesty, there is a better than even chance of sizable dishonesty in any firm at any given time. The losses to employers from embezzlement exceed those caused by fire in substantial measure. A large percentage of all business failures is attributable to employee dishonesty.

Who Embezzles?

Perhaps one reason people tend to be tolerant of the embezzler is that they do not feel personally threatened by his transgressions. The embezzler seldom has to resort to force or violence. The victim of his purloin-

ings is usually an impersonal, inanimate company or corporation. Thus many people feel that, as individuals, they are in no danger from him. They do not consider the fact that the embezzler takes money from all of us in the form of higher prices for the products and services of industry.

Perhaps, also, some people can see something of themselves in the embezzler, and thus they may judge him leniently. The embezzler is frequently a member of the middle or upper class. Often he is college educated and has been exposed to all the ethical values that Western civilization holds dear. Usually, he does not consider himself to be a “real criminal.” He is convinced that he is just “borrowing” the money or taking something which the employer “owes” him.

But despite the sometimes benign image of the embezzler, the fact remains that he is dangerous and does serious harm to thousands of American businesses every year—to the management, to the stockholders and to the employees of these businesses and to depositors in financial institutions.

The American embezzler lives in every State in the Union, in large cities and small towns. He may be employed in any business, industry or financial institution; he may be a public official. He can hold any position from company president to un-

lettered stock clerk. It is not necessary that he handle money. If he has the intent to embezzle, the opportunities to put his intent into practice will present themselves to him.

Damage to Business

An estimated 1,500 firms are forced to the wall of bankruptcy every year. Of this number, more than 30 percent result from employee dishonesty. It is calculated that 25 percent of the profits on sales made by the Nation's retailers go down the drain because of internal dishonesty. Manufacturing firms have a similar experience, although the true extent of their losses is often obscured by their differing methods of cost accounting. A study by the National Industrial Conference Board of 473 companies indicated 20 percent of all companies, and 25 percent of those with more than 1,000 employees, found employee theft of tools, equipment, materials or company products a “real problem.” More than half the companies indicated that the problem included both white-collar and blue-collar workers. The profit margin in most industries today is narrow. The loss of just a few thousand dollars is often enough to put a small firm out of business. Even in a large firm, the financial picture can be significantly altered by employee dishonesty.

And this most costly of crimes is

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becoming costlier every year. An estimate of overall losses from embezzlement is a rather imprecise thing for the reason that many losses are not reported and many are undetected, but the most authoritative estimates place the loss at some \$4 billion a year. The amount increases with each passing year as the number of embezzlements continues to grow.

How Do They Steal?

There are literally hundreds of known ways of stealing from an employer, and security experts warn that new methods or new twists in existing methods are being devised almost every day. Business thieves are extremely resourceful and will take advantage of every weakness in an employer's operations, such as unpoliced trash barrels, employee parking areas too close to receiving lots, and factory exits that are not supervised.

At the white-collar office level, pilfering of the petty cash, kiting in the accounts receivable, over-extension in cash returns, falsification of records on accounts payable, and other forms of embezzlement, involving even larger losses to the employer, are common. More often than not, poor supervision, bad or antiquated office procedures or bookkeeping methods and too much trust in key personnel make it all too easy for the dishonest employee to steal from the company shelves or coffers, sometimes for years without detection.

The essential difference between "white-collar crime," as embezzlement is often called, and robbery or burglary is that white-collar crime is invariably concerned with the violation of trust. Unlike burglars, embezzlers are employees in positions of trust. They already have the key or the right combination. Many have access to company funds, by one means or another. They can find ways also to

falsify records and cover up defalcations.

The ways of the industrial thief are manifold. Whether it is the appliance store repairman who carts new merchandise out of the store by attaching false repair tickets, the store clerk who places expensive merchandise in boxes marked for cheaper items, the sales girl who wears store clothing home under her own, or the supermarket manager who sets up his own cash register and check-out lane, the men and women who steal more than \$10 million a day from American business are the everyday people we all know and work with. Employee dishonesty accounts for a third of the undercover work of the famous Pinkerton Detective Agency, and it is reported that the schemes that agency uncovers can boggle the imagination.

In an article in *The Wall Street Journal*, a 33-year-old data-processing specialist was quoted as saying, "I could steal a company blind in three months and leave its books looking balanced." He added that it is a simple matter for a crook with technical know-how and a little imagination to program a computer to fleece a company and fool its auditors. According to him, executives seldom question the reliability of financial results that come from complex million-dollar machines. "They simply forget that the machines have been built to do whatever the operators direct," he explains. "There's nothing to stop them from working quite efficiently for a crook."

Why Do They Steal?

The embezzler often seems to be a pretty nice fellow on the surface. So what makes him steal? The motive may grow out of any one of a whole range of human emotions, ambitions, difficulties, and desires. The traditional causes, and those which appeal to the public's imagination—gam-

bling, drinking and the "other woman"—are still predominant, with drug addiction now a factor as well. But there are other less dramatic reasons, such as the expense of operating a small business on the side, the need for home improvements, or heavy medical expenses. Or the embezzler may feel a need to get even with his employer for real or fancied wrongs.

The President's Commission on Law Enforcement and Administration of Justice says "Corporate and business white collar crime is closely associated with a widespread notion that, when making money is involved, anything goes."

One of the chief reasons an employee will steal is that he has been living beyond his income, a fairly common practice in these days of high taxes, installment buying, and large families with higher living and education costs. Another common reason is the existence of an extended illness in the family, which consumes the family savings.

Embezzlement is an insidious crime. It usually starts with small thefts and grows as the embezzler becomes bolder. Even after an employee has been caught in the act, the employer will often try to "play it down." He may be embarrassed that someone in whom he has placed his faith and confidence has taken advantage of him, or, ironically, he may pity the employee and refuse to prosecute because of his feeling for the employee or his family. Unfortunately, this attitude can encourage other employees to try their luck at dipping into the till. If a greater amount of publicity were given to embezzlements within private industry, far more employers would be aware of the serious exposure existing within their own businesses. Paradoxically, embezzlement increases in times of prosperity. Employees become over-extended for credit, loan interest notes are of

"You will find the stories of 'The Forty Thieves' interesting, we feel, and thought provoking. But you will also find them tragic. They represent not only money lost. They also represent mental anguish, destroyed families, shattered hopes, broken people, loss of faith and, indeed, life."

higher and labor shortages prevent employers from fully checking the references of job applicants. Inflation and spiraling costs of living put increasing strain on the ability of employees to resist the temptation to embezzle.

What Can Be Done?

Where embezzlement is concerned, no area of an organization is beyond suspicion. Employers should institute procedures that will permit them to detect dishonest actions in any division of the firm as soon as possible. The procedures should be such that supervision and verification at all stages of an operation promptly bring to light any irregularities and lead to the detection of a dishonest employee.

It is generally good practice not to put one employee in complete charge of any one phase of administration where accounts receivable or payable are involved; for example, a credit manager should not be permitted to receive money and at the same time be in charge of posting and deposits and the preparation, mailing and distribution of monthly statements to clients.

Cashiers or accountants should prepare the reports of receipts, which should be verified by someone else who would be responsible in turn for deposits and the posting of ledgers.

Shipping and receiving, whenever possible, should be two completely separate operations and the responsibility of at least two individuals, each having to submit individual returns to the accounting office.

Collection receipts and bank de-

posits should be verified as to their individual entries and not as to totals only. And this should be done by someone other than the person preparing the statement. Also, the monthly itemized statement should be verified with the bank.

Spot-checks, audits, and inventories should be made at frequent intervals, and on a surprise basis, and the results compared with other results that will corroborate them or prove them in error.

Depending on the nature of the business, there should be periodic revisions of the auditing and security measures to avoid a pattern that can easily be detected and taken advantage of by dishonest employees.

Keys should not be distributed among too many of the personnel and the safe combination should be known by as few persons as possible.

Finally, fidelity bonds covering the employees can be a deterrent. Firms that purchase fidelity coverages regard the insurance as part of their inventory-control and theft-protection programs. Security experts claim that fidelity insurance has an important deterrent effect on employees who might otherwise succumb to the temptation to steal. Experience shows that employees who know they are bonded are far less likely to steal from their employer than those who are not bonded or are unaware that they are covered by a bond. Even when all the recommended precautions have been taken, this is no guarantee that embezzlement will not occur. But it should be less likely to occur, and more easily discovered when it does occur.

The Thieves' Stories

The 40 case histories that follow were taken from actual claims made under fidelity bonds written by The United States Fidelity and Guaranty Co. More than 40 people were involved in these 40 embezzlements. In some instances the thief worked alone, as in the case of the timid clerk in the religious bookstore. In other cases, several people worked in collusion. Some cases ended in prison, some in flight, some in suicide, and some simply ended.

Each case is an intriguing, often tragic, human interest story. The motivation of the thieves runs the gamut from mere opportunity to desperate need of funds to feed and clothe a family. If the collected stories prove anything, they prove that embezzlement is a crime that is committed by all kinds of people in all kinds of situations for all kinds of reasons. They prove this because, although names have been changed, all of the stories are true.

Now, meet the 40 thieves.*

Cocktail Lounge Receipts Go to the Races

As bookkeeper for a company that operated a cocktail lounge in an ocean resort, Lillie W. had complete charge of bank deposits, checking accounts and cash receipts. She answered to no one except to a firm of accountants who periodically audited the books. Finally she did not even answer to them—she skipped town when they found evidence of false statements in her accounts, leaving her company short more than \$18,000.

For 3 months, Lillie W. had stalled the regular visit by the accountants, using one ruse or another to postpone

*Because of space limitations, all 40 of the thieves' stories cannot be printed. A representative number, covering as many embezzlement areas and techniques as possible, have been included.

(Continued on page 29)



A restaurant manager uses a card dialer telephone to contact the computer at American Express headquarters to get authorization for a dinner party check.

This is the conclusion of the two-part article on credit card theft. In this issue, Mr. Lipson discusses mail theft problems, cancellation bulletins, techniques of some card thieves, and new, sophisticated equipment to improve security when authorization is checked by businessmen honoring the cards.

Crime and the Credit Card

By
MILTON LIPSON

Vice President,
Corporate Security,
American Express Co.,
New York, N.Y.

Credit cards are particularly vulnerable to thievery during the time they are in transit from the issuer to the customer. A large number of cards have been stolen from the mails. Postal authorities have cooperated in every way possible to apprehend those responsible. Arrests and conviction of postal employees in connection with credit card thefts from the mails have occurred in many areas of the country.

Within the last few years, many of the credit card issuers have learned to coordinate their mailing activities with officials of the Bureau of the Chief Postal Inspector to reduce the risk of loss in the mails to a minimum. Theft from the mails remains a major source of credit cards to professional criminal groups.

The mail-type exposure continues after delivery, particularly if the destination is a mailroom of a large concern or apartment complex. An example of this type came to light recently when a suspect, questioned in the act of using an alleged stolen credit card by American Express Special Agents in California, identified himself as an employee of the American Bankers Association (ABA). He said his identity could be verified by a telephone call to Vice

President Smith (name fictitious) of the ABA at its main office in New York. Special Agents first contacted the ABA personnel office and learned that the alleged vice president was actually an employee in its mailroom. The employee later confessed the theft of the card involved and of others.

Even cards in the possession of an authorized cardholder, with his name signed in the appropriate panel, are sought by professional thieves. They are stolen by burglars, holdup men, pickpockets, car thieves, prostitutes, hotel thieves, purse snatchers, and other criminals.

Liability for credit card charges by unauthorized persons is governed by contract. Many companies relieve the cardholder of all liability for fraudulent misuse from the moment the company is notified of the loss. American Express does so, but imposes a maximum liability of \$100 if for any reason the cardholder does not make such notification.

Limitation of Bulletins

Once the number of a stolen card is known to the credit card company, it is usually placed on a warning or cancellation bulletin, copies of which are sent to all honoring service establishments. These establishments are charged with consulting these bulletins. If one of them honors a bulletinized card, it usually becomes liable for the loss.

These cancellation bulletins have become voluminous. They cannot be made up and distributed to service establishments on a national basis in a period of less than 5 to 10 days after notice of a loss is received by the issuing company. Because it takes too much time to prepare, print, and mail bulletins, attempts to use special bulletins between regular issues did not prove satisfactory.

The thief soon became aware of the bulletins and of their built-in de-

ficiencies. He had little difficulty in obtaining access to them through friendly operators or employees of various service establishments who received them. It has not been uncommon for police officials and special agents of the card companies, in witnessing illegal sales of credit cards, to see those involved take cancellation bulletins from their pockets to determine whether or not the stolen cards being traded are listed. The built-in delay of the cancellation bulletin system gave the thief a period of relative safety during which he could misuse a stolen card.

To combat this, credit card companies began to improvise systems that would avoid the cancellation bulletin problems. In conjunction with its bulletin, American Express began to use a card file system which was updated immediately on notification, listing all reported and stolen cards from the closing time of the last cancellation bulletin. Service establishments were provided with a telephone number to call on all uses beyond a predetermined or authorized amount. When such a call was received, the updated card system was searched. The telephone numbers and time the authorization office was open were printed on the bulletin. This manual authorization system, as an adjunct to the cancellation bulletin, proved effective but slow.

The cancellation bulletin included a statement of the authorization unit's regular office hours. The unit was advertised as being closed from 6 p.m. Sunday to 9 a.m. Monday, normally slow business hours. Professional thieves who had access to the bulletin quickly took advantage of this published safe period and rammed many fraudulent charges through during these hours.

A new method of updating authorization, capturing detail more quickly and speeding the answer back to the service establishment, was

needed. In the case of American Express, it was built into a computer which now houses all negative information and is updated instantly upon the arrival of new material. Service establishments with touch-tone telephones touch-tone directly into the computer over a WATS line network and use the same keyboard to input their own service establishment serial number, the number of the questioned card, and the dollar amount of the transaction.

Fast Service

In more than 85 percent of all such calls, the computer, using its vocabulary of 60 words, responds automatically, informing the caller that the transaction is authorized and issuing a precoded number. These entire transactions take approximately 30 seconds. When no touch-tone pad is available, ordinary telephone calls are placed to company personnel with touch-tone pads who process information directly into the computer.

When negative information is on line, such as the report of the loss of a card, the computer is programmed to inform the caller to hold the line. The call is automatically transferred to one of a group of authorizers seated in front of cathode ray tubes on one of which the entire history of the questioned card is simultaneously flashed.

In cases involving lost or stolen cards, the authorizer and the inquiring service establishment arrange for a call to the local police to apprehend the user.

Presently, American Express is handling 120,000 authorization calls a month, on a 24-hour-day, 7-day-week basis.

Still classified as business secrets are details of new sophisticated equipment which will further automate authorization calls. One of these pieces of equipment, existence and use of

which have been announced, is an airline ticket vending machine created and being tested jointly by American Express, American Airlines, and International Business Machines Corp. at O'Hare Field in Chicago. This machine dispenses airline tickets, validated by a specially designed card. The entire operation, including the search for available carrier space, the assignment of a flight, the validation of the credit card used, and the issuance of a ticket, is performed within 45 to 60 seconds. Included in the design of the machine are access to the negative file and a procedure to notify authorities of an attempted use of a stolen credit card.

Other card issuers have their own variation of an authorization system. None that I know of are as extensive as the one used by American Express on a national and international basis.

From its entry into the credit card field in 1958, American Express has maintained the philosophy that each and every known criminal misuser of a credit card should be arrested and prosecuted. This conclusion was reached on the basis that this is the best method of discouraging criminal

credit card thief to obtain another stolen credit card, return, and again.

The proof of the effectiveness of the American Express philosophy, supported by an adequate team of investigators and operational machinery designed to work with them, lies in company fraud loss figures. American Express reduced dollar losses in 1969 to a point below the losses it experienced during the previous year. This absolute reduction is emphasized because the volume of credit card business increased by more than 30 percent during 1969.

The misuse of a credit card leaves a broad trail for law enforcement agents to follow. Every time a stolen credit card is used, the user or passer exposes himself to the scrutiny of witnesses and in most cases leaves evidence in the form of a signature on each record of charges. Every credit card company can, within varying short periods of time, reproduce the entire trail from its own records.

A classic example of the effective use of a trail of clues is illustrated in a case involving a murder in Bronx County, N.Y. The homicide squad of

"Every time a stolen credit card is used, the user or passer exposes himself to the scrutiny of witnesses and in most cases leaves evidence in the form of a signature on each record of charges."

attacks and that to do otherwise would be to encourage criminals to continue their illegal activities. As a deterrent, collection of the amounts involved from the criminal is of secondary importance to arrest and prosecution.

Some companies in the credit card field do not follow the same line of reasoning. It is sufficient for them if the stolen card is confiscated. Collection takes priority over prosecution. This is literally an invitation to the

the New York City Police Department was investigating a case in which the murder victim was found seated in an automobile. In determining the ownership of the car, police learned it had been rented from a car rental firm with an American Express card. Contacting the Inspector's Office at American Express, detectives were able to quickly obtain the information that the card involved had been reported as stolen sometime before

Some 30 records of charges had been received since the date of the theft. The handwriting on these records differed from that of the true cardholder. One of the records was of the rental charge for the car mentioned above. Handwriting experts indicated that the same person had signed all 30 charges. Thus, the investigating detectives had a list of 30 places in which investigations could be conducted, and they also had physical evidence proving that the person who had rented the car must have been in all of these places. Sales clerks, waiters, and others were interviewed and, within a short time, a description of such detail was obtained that the investigating detectives were able to return to the service establishments with a series of photographs. Four who had witnessed the signing of a record of charges were able to make positive identification; others, tentative identification. The man whose picture was selected was apprehended first on a charge of forgery. He was later indicted and convicted of the homicide.

There is ample evidence that the credit card industry has attracted the attention of both organized criminal groups and professional criminals. Among those members of organized crime and persons closely associated with them who have been convicted of involvement in the fraudulent misuse of credit cards are a number of ranking members of La Cosa Nostra families.

Mr. Charles A. Miller, Director of the Post Office's Fraud and Prohibited Mailings Division, has publicly stated that his service has also found evidence of Mafia involvement in credit card cases.

A Hustler

The existence of other professional criminal interest was one of the conclusions made in the study financed by the Department of Justice's Law Enforcement Assistance Act program entitled "Crime as a Profession." This study found that the modern professional criminal is a "hustler," one who is in constant search of opportunities

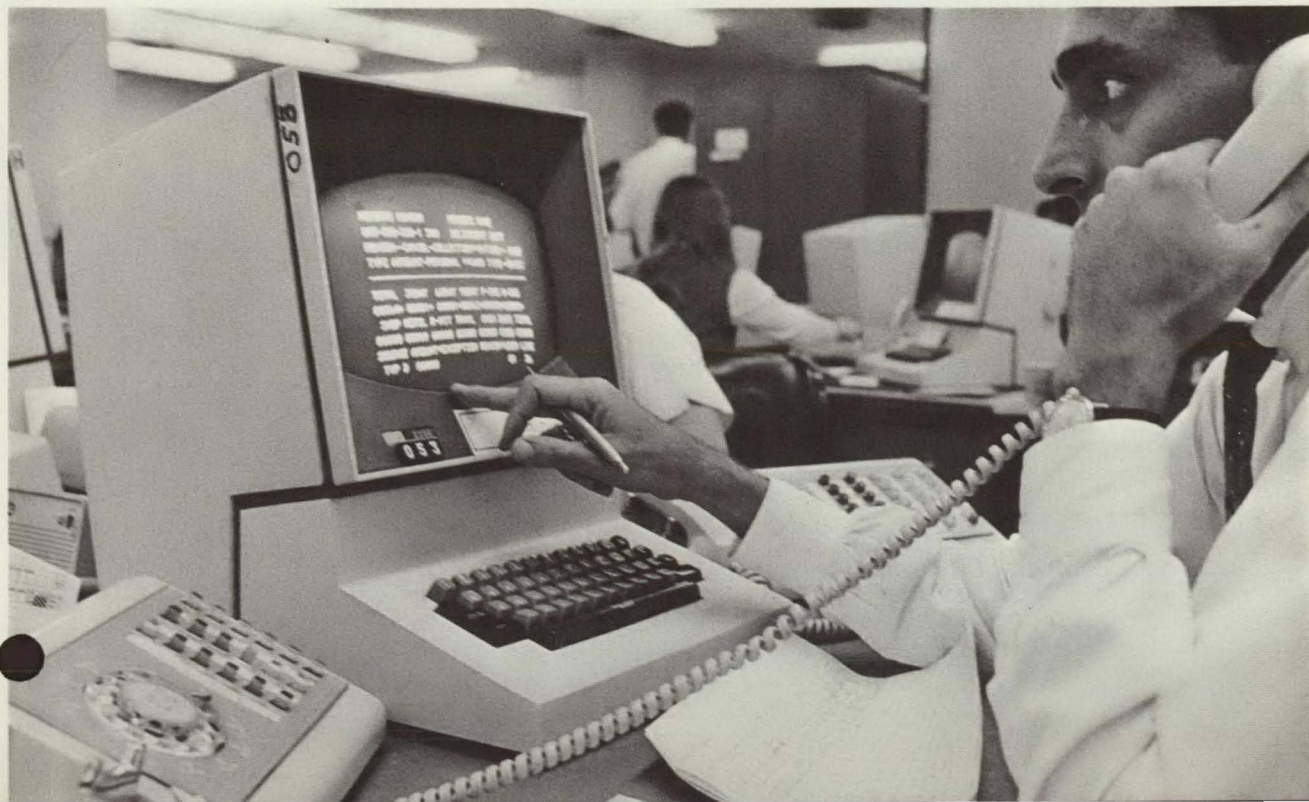
"to make a buck" in whatever way possible. This professional, the study declared, is turning his attention to new crimes. Credit card crime was listed as one of them.

This conclusion is borne out by the experience of American Express Special Agents who, in 1969, paved the way for the arrest of 1,182 persons in connection with credit card frauds. We found that a great majority of those arrested had prior criminal records for crimes in the following categories: homicide, bookmaking, robbery, burglary, auto theft, check fraud, and narcotic violations, including both peddlers and users. It is of interest to note that a number of those arrested for credit card fraud in various parts of the country were, after apprehension, found to be recent escapees from penal institutions.

A much larger percentage of persons apprehended in connection with credit card misuse have turned out to have been on bail stemming from other criminal charges.

In their probing for weak links in credit card security systems, criminals

A credit authorizer at American Express headquarters, responding to a telephone request for credit authorization from a business establishment, reviews card history on screen of cathode tube display station.



focus on possible alliance with service establishment owners, or employees, or both. As recently as 2 years ago, senior security officials of major petroleum companies indicated that as much as half of their entire fraud loss could well be the outgrowth of such alliances. The most glaring evidence of this type of arrangement appeared in Cook County, Ill., immediately following the unsolicited mailing of bank credit cards. More than 70 separate indictments involving such conspiracies have been filed there.

Waiters' Scheme

American Express Special Agents have uncovered evidence indicating criminal activity on the part of itinerant waiters. The modus operandi of these waiters is to seek employment in establishments that permit the waiter, himself, to operate the imprinter. The waiter, while returning a credit card to a customer, adjusts the table setting, and slips the card under a plate or another object on the table. If the customer asks for the card, it is, of course, found immediately and returned with the profuse apologies of the waiter. If the customer leaves the premises without the card, it is pocketed by the waiter. Later, when receiving a cash payment, the waiter pockets the cash, imprints the card, and forges the customer's name. Some of these waiters exchange cards in an attempt to destroy the trail.

There is no doubt that the credit card industry is becoming more aware and more proficient in combating credit card frauds.

Many companies now engaged in this business have begun to establish, enlarge, and professionalize their own security forces.

Some which have used credit investigators or placed responsibility for fraud control in their controller's departments are now recruiting recently retired Federal agents or police offi-

cers to handle this important work.

In major metropolitan areas such as New York, Miami, Los Angeles, and San Francisco, credit card special investigators are holding regular meetings in conjunction with local and Federal law enforcement officials. These meetings have been most useful to all parties concerned, and the exchange of information has resulted in the identification, arrest, and prosecution of known violators.

American Express printed a handbook for its own Agents' use which is an exposition of all of the provisions of the newly adopted credit card fraud amendments taken from the Weinstein-Farar Model Law and now included in the New York Penal Code. This has been made available to all credit card investigators and copies have been requested for training purposes by local law enforcement departments.

In many areas, despite the effective cooperation between credit card investigators and local law enforcement officers, a problem still exists. Their best efforts are often negated by needlessly lenient prosecutors and judges.

The credit card crime is one involved in movement. The largest losses are caused by professionals who ha-

bitually and rapidly move from one city to another, who cross the country, and who may travel abroad as well. No local law enforcement agency keeps segregated statistics or intelligence on credit card misuse. To find these statistics, one would have to bisect the general statistics under the headings of robbery, burglary, forgery, receiving stolen property, and the like. Similarly, intelligence information would have to be sought from squads or files assigned to these same major classifications.

Conclusion

The credit card is the most rapidly growing form of commercial value in use in the country today. Its rate of increased use during the 1970's is expected to be more rapid than that of the past decade. Unfortunately, with this healthy growth there will also be a corresponding increase in exposure to criminal attack affecting all areas of law enforcement. The convenience of the credit card and its relative safety compared with the use of cash—where rising crime rates indicate that it is prudent not to carry much money—warrant greater law enforcement attention to this mounting problem. FBI

TRANSPORTING STOLEN PROPERTY

Law enforcement officers in the Southwest report an increase in the use of rental trailers for the transportation of stolen property. The closed trailer behind a car conceals the stolen goods.

Horse trailers are also being used to transport stolen goods. The stolen goods are placed in the front portion of the trailer in the area ordinarily used for saddles, harness, and food supplies for the animal.

*SAC, Albuquerque,
"Hot Sheet" dated
12-16-69*

ROUND TRIP THEFT

A juvenile being interviewed by an FBI Agent admitted that he had stolen approximately 68 automobiles during a 3-year period. He explained that his girlfriend lived in a neighboring town approximately 40 miles away in the same State. Many times, when he visited her, he would steal the first car available, make the round trip, and abandon the automobile. Local authorities were relieved to learn who was responsible for leaving stolen cars in the same general area over a long period of time.

*SAC, Chicago memo dated
FBI Law Enforcement Bulletin
3-31-70*

FBI NA

(Continued from page 4)

emy consists of a staff of full-time FBI instructors, supplemented by FBI experts in various fields. It also includes a number of nationally known visiting faculty members—outstanding criminologists, police officials, and educators selected from higher institutions of learning for their unique and special contributions to law enforcement.

Rigid Qualifications

Beginning with the opening session in 1935, qualifications for appointment to the Academy have been high and rigid. The officer must be nominated by the head of the agency, and the application is considered by the FBI without regard to race, creed, color, or national origin. In effect, an agency in selecting a man to meet the requirements as to age, physical condition and health, education, character and reputation, and advancement potential will, in most instances, have

Each officer is shown the complete operations of the National Crime Information Center located at FBI Headquarters, Washington, D.C.



Officers receive individual firearms instruction from experts of the FBI Laboratory.

chosen its best all-around officer to fulfill the purpose for which the Academy was created—to turn excellent officers into trained instructors and administrators.

The history of the FBI National Academy, although brief when con-

sidered in terms of the law enforcement profession, is one marked by the dedication and determination of men to improve themselves to better serve their country and their fellow man. In the demanding task of enforcing the law, competence based on

A document examiner explains ways in which written documents can be traced.





As an NA officer watches, a Laboratory examiner in the Serology Unit points out minute details on a piece of evidence which may link it to the crime under investigation.

training and knowledge is a valid hallmark. Competence engenders respect and confidence, and, subsequently, the cooperation and assistance of the public. And to be effective, law enforcement must have public cooperation and assistance.

Adhering to the proven principle that law enforcement is an individual community responsibility, the FBI National Academy has as its primary goal the preparation of police officers to fully meet this responsibility.

Today—as it was 35 years ago and as it will be 35 years from now—men can master change through training. It is the solemn purpose of the FBI National Academy to assist Federal, State, and local police officers, through training, to master the crime problem.

FBI



A course in public speaking is one phase of the training offered, and each member of the class is given the opportunity to speak on a subject of his choice.

WONDERLAND

(Continued from page 15)

be monitored and used are: Tennessee Highway Patrol (which has a division office in Knoxville); the University of Tennessee Safety and Security Department; the city's utilities agency (electric, gas, and water); the city's service department (streets, sewers, etc.); the traffic engineering department (separate from the Police Department); Civil Defense; and the FBI National Crime Information Center network.

The specially designed communications system has the various burglar alarms of commercial establishments connected into it. These alarms can be tested from the console.

The console controls all these nets from one microphone. The dispatcher can tell which nets are in use by the panel lights which display "busy" or "mute."

This covers the radio communication part of our system. Now, let us trace a complaint to see how the system operates.

The department has two telephone numbers: one for administrative matters, the other for emergency use. Also, there are joint fire-police alarm boxes throughout the city. Complaints normally come in on the emergency lines which are answered by female complaint processors. This procedure saves time by eliminating the necessity of going through the switchboard; and in an emergency, seconds can make a big difference. The processor notes on a computer card the nature of the complaint and other necessary data as she talks with the complainant. If it is an extreme emergency, the processor flips a switch which turns on a white light on the dispatcher's console. He is alerted and can listen in on the call and perhaps have a car assigned before the complainant has completed the report.

Once the complaint card has been completed by the processor, she stamps the time on it and sends it via conveyor belt to the dispatcher. He stamps the time of receipt, decides which car should be assigned, and radios the assignment. Again the complaint card is stamped with the time. When the assigned officer completes his investigation, the dispatcher stamps the card a fourth time, places it on a conveyor belt, and it goes to the records section.

This complaint card, after the beat officer or detective is given the assignment to investigate, goes into a rack beside the dispatcher. There is a numbered slot for each card. Placement of the card in the slot automatically triggers a change on the large master control board facing the dispatcher.

This control board has a large map of the city which is color coded. Zones are within blue lines; patrol districts

are within red; traffic (separate accident and enforcement cars) is in black. There are two lights with each car number: red for on assignment, white for unassigned.

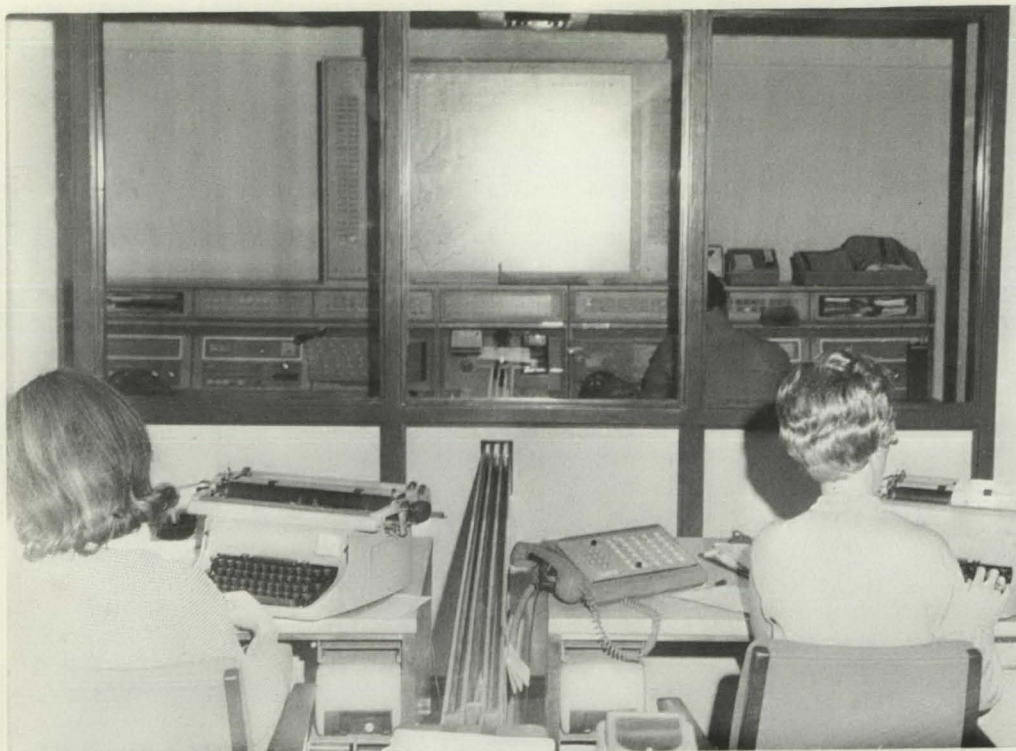
When the complaint card goes into the slot, the white light next to the car's number goes off and the red light goes on. When the assignment is completed, the card is removed and the red light extinguishes and the white brightens.

In addition, staff officers and vehicles not assigned to zones are listed with red and white lights on the margin of the map. Thus, with a quick glance to the board, the dispatcher can rapidly analyze the status of all cars.

Going into full detail concerning the operations and capabilities of this sophisticated system would obviously require too much space. Suffice it to say that the system, which cost

An officer is shown at the control panel which operates all the doors of the jail. Closed-circuit television receivers show a prisoner from the time he enters the building until he is placed in a cell.





The complaint processor's room is situated near the dispatcher's office which makes it convenient for assignments to be given to the officers who will handle the investigations.

\$400,000, has tremendous capability, and has improved the department's operations tremendously.

The main transmitting tower for this system is located on the highest point in the city with a landwire from the safety building. There are eight repeater towers throughout the city, providing clear voice communications. The system has a triple emergency potential, with a secondary main tower on the roof of the safety building.

The new records setup appears to be working out better than anticipated. Let me explain briefly how our reports system operates.

An officer on the beat gets his assignment. After completion, he makes out either a crime report or a miscellaneous incident report, using the same number as on the original complaint. A crime report is for the more serious incidents and is prepared on master material, making it possible to reproduce it quickly and easily. Periodically during each shift, a sergeant will meet each beat officer, pick up his reports, and take them to

headquarters. A clerk in the records section takes the crime report, matches it with the complaint, then prints via offset printer the necessary number of copies and begins the filing process.

The miscellaneous incident report is made in single copies.

Complaints are filed by number; the crime and miscellaneous reports are filed by type of complaint. They are cross referenced, and a card is placed in the master index file by name of complainant and the individuals involved.

The Knoxville Police Department currently has more than 500,000 index cards and some 71,000 criminal folders. Dead files, reports over 5 years old, and other data are put on microfilm.

Knoxville has installed a mechanized filing system. In addition to the speed it provides, there is a major advantage that should be pointed out—space. We had used all of the file space in our old building.

The 5-foot tall, manually operated filing cabinets previously used would

not come close to fitting in the space used by the new automatic system; and we now have twice the filing space. Too, the mechanized units are 9 feet tall and extend into the ceiling 1 foot, making the maximum use of space.

All calls made to the complaint processors and the communications traffic between the dispatcher and cars on all four channels are taped. This practice has helped in the verification of either citizen or internal complaints. The taping machine is equipped with an automatic timing device.

The jail occupies the entire second floor. Separate cell areas are provided for adult males and females and juvenile males and females. There also is space for mental patients, and a maximum security area of four spaces is observable from the jail office. The jail has sleeping space for 250 prisoners, and it can accommodate several hundred more in an emergency for a short time. Numerous electronic security controls and devices make the Knoxville Jail one of the most secure city facilities in the Nation.

THE FORTY THIEVES

(Continued from page 19)

meetings and cancel audit schedules. Finally a showdown came and the audit was begun, bringing to light untrue ledgers, false entries, hidden bank checks, contrived adding machine tapes, and fabricated bank account totals. The situation was made more chaotic for the accountants when it was discovered that, some weeks earlier, Lillie W. had gotten a maintenance employee to load a cardboard box full of papers in the trunk of her car and had driven off.

Apparently, the bulk of Lillie W.'s thefts occurred during the time she was stalling the audit. She was married, but was running around with another man and "paying the bills." It came to light that she was known throughout the town as a "big spender" in bars and lounges, and that she had a reputation as a sizable horseplayer. The warrant for her arrest on charges of grand larceny could not be served because she could not be found. She has not been heard from since.

Amount of loss, \$18,539.26—
Amount of bond, \$10,000.

Credit Cards Misused by Tractor-Trailer Trio

A large manufacturing company maintained a fleet of nearly 70 tractor-trailers to deliver its products across the country. The trucks were fully serviced before each trip, but the drivers were given company credit cards because some of the trips lasted several days and involved hundreds, and often thousands, of miles.

The company, which had been formed some 15 years earlier, originally ordered its drivers to bring in copies of all charges incurred on the road, and to turn in any worn part—such as a tire or battery—that had to be replaced en route. As the company

grew to be a leader in its field and the trucking operation became increasingly complex, the regulation of the drivers became exceedingly lax. Bobby J., Henry P., and Charlie A., three drivers with about 10 years' service each, began to take full advantage of the haphazard record keeping. They started to use the company's credit cards to make fictitious purchases of fuel and automotive merchandise, getting cash instead and splitting this with employees of certain truck stops along the way. It later turned out that the three drivers got away with their scheme for as long as they did because the fleet dispatcher was also involved in the plan.

Loss Discovered

The loss came to light when the company's accounting department noticed that the three drivers were making an inordinate number of emergency purchases while on the road, often buying several tires on a single trip, and using a disproportionate amount of fuel. When the matter was reported to management, a full investigation started.

Discrepancies were found in the records of all three drivers. Evidence showed that Bobby J., for example, often would pull into the same truck stop when starting on trips and take on 100 gallons of fuel. But the truck stop was only 250 miles away from the plant, and Bobby J. always left the plant with his tanks full to their capacity of 100 gallons. In another instance, there was a charge showing the purchase of 100 gallons at this same truck stop when the driver who allegedly made the purchase was, on that date, making a delivery in a State hundreds of miles away.

Faced with mounting evidence as records were reconstructed, all three men admitted their guilt, as did, ultimately, the fleet dispatcher.

Amount of loss \$18,999—Amount of bond, \$100,000.

The Stereo Sound for a Wife and Nine Children

Although he was illiterate except for being able to sign his name, Tom R. had been employed for several years as head shipper in the branch warehouse of a large concern dealing in gas appliances and related equipment. On a salary of \$70 a week, he had to support his wife and their nine children who ranged in age from 2 to 15 years old. The pressure of family expenses finally got too much for Tom R. and, 4 years after he started working, he began to steal things from the warehouse.

An inventory taken at year end, soon after Tom R. began his thefts, showed a merchandise shortage of considerable proportions. When the loss first came to light, the general manager of the business asked the local manager if it could have been caused by Tom R., pointing out that he had a large family and could be in financial difficulty. The local manager responded that, as far as he was concerned, Tom R. was an honest employee and one to be trusted. Suspicion was also diverted from Tom R. when he shortly became ill and could not go to work for a month. During this time, the disappearances of merchandise from the warehouse continued. Tom R. was later to admit that, while he was out sick, he made a number of trips at night to the warehouse, each time taking 12 humidifiers. During the period of his illness, he recounted, he stole some 120 humidifiers all told. Some he sold to a "fence" in quantity; others he sold to individuals for \$25 "cash money" each. The retail value of each humidifier was \$87.50.

Locks on the warehouse door were changed, and other safeguards were instituted. The pilferage continued. Finally, private detectives were called in to maintain surveillance of the warehouse on a dusk to dawn basis. A few days later, just after 7 a.m.,

the detectives saw a car back into the shipping and receiving area. The driver walked around the corner and entered the warehouse by the front door. Shortly the same man opened the shipping door and began putting merchandise in the car. The detectives approached the man and asked him if he had a bill of sale. When he said "no," they identified themselves and asked him to go into the building with them and wait for the start of the business day. The man agreed; he was Tom R.

At first Tom R. told the detectives he had never taken anything from the warehouse before without a bill of sale. By the time the other employees arrived at the start of the business day, however, he was making a full confession. The confession was written down, read back to him in front of witnesses, including the manager who had thought him honest and to be trusted, and then Tom R. signed it.

Tom R.'s confession detailed the theft of an almost incredible number of small appliances and fixtures over a short period of time. Yet, as is often the case, it had its touch of pathos. "The money I got for the stock I sold I spent as I got it on all kinds of stuff we needed at home," Tom R. said, "stuff such as clothes for my family and myself . . . I bought a (used) car. I also bought a stereo from Mr. ——— for \$250. He gave me a receipt for \$400 for the stereo just so that I could show my family that I could buy some expensive things for them. . . ."

Amount of loss, \$11,340.97—
Amount of bond, \$10,000.

Swimming Pool Salesman Gets in Over His Head

Thirty-nine years old, married, with four children, Henry M. worked for a sporting goods dealer selling swimming pools and recreational equipment. He was a good salesman, but his high living and gambling

eventually caught up with him.

Henry M. had been employed just over a year when his employer became aware of large past due accounts in merchandise which had been sold by him. A check with customers revealed that most of the accounts had long since been paid in full.

Confronted with the evidence, Henry M. acknowledged that he had receipts which he had not turned in. He promised to bring them in himself the next day, but instead he sent his son with \$900 in checks and the keys to the company car. Within a matter of days Henry M. was on his way to California, followed shortly thereafter by his family. It was hop and skip from then on as he tried to keep ahead of the company's investigator. At last report, he was still on the move.

Amount of loss, \$5,330—Amount of bond, \$10,000.

Boyfriend Demanded Money for Food, Fun, and Frolic

Janet D. was hired to assist several girls in the office of a wholesale candy and tobacco distributor. Although not highly educated, she learned the office procedures well and often worked as substitute cashier. When the regular cashier resigned, Janet D. knew the bookkeeping system so well that she was promoted to cashier.


It was on her 19th birthday, she later told investigators, that she first took money from her employer. The amount, she said, was \$300—and it was spent on an abortion which she indicated was performed on her the following weekend.

Apparently Janet D. did not dip into the till for some months following the illegal operation, until she met Alfred G. at a teenage hangout. He had a police record, was out of a job, and needed money for car payments. He told Janet to get the money for him, or his car would be repossessed. For some time she resisted his pres-

sure but then gave in and took several hundred dollars more. After this was easy for Alfred G. to keep up the pressure. Janet provided the money for utility and rent payments on his apartment, gave him cash, and bought him expensive gifts including a diamond ring, a stereo set, and a watch. They often made pleasure jaunts together, such as to "drag races" at a nearby city. On these excursions, Alfred G. later bragged, they always traveled "first class" and Janet paid all of the bills for hotel rooms, transportation, meals, and entertainment.

Janet's employer had a triplicate system of invoices—the duplicate copy going to the customer as he picked up his order, the original copy to a clerical employee, and the triplicate being put in the cash drawer along with the cash or check in payment for the order. However, Janet was often allowed to handle both the original and triplicate invoices. She would take money from the cash drawer in the amount of an invoice and then destroy both copies of the invoice. She also substituted some customers' checks for money that she took from the drawer. And this apparently led to the ultimate discovery of her embezzlement which, in a period of a few months, amounted to \$10,326.

Janet D. had told her employer, just before she was found out, that she was shortly going to leave the company to get married and move to another State. Then her bubble burst. Her embezzlement was discovered and her boyfriend was charged in an extortion plot directed at a local businessman. Janet's mother and a friend of the family made a partial repayment of the loss and undertook a rehabilitation effort in her behalf. At last report, she was working as a waitress and clean-up girl in a restaurant.

Amount of loss, \$10,326—Amount of bond, \$25,000. 

(To be continued next month)

PUBLIC RELATIONS

(Continued from page 7)

entire school system. Other special programs are: A car theft campaign (our car theft total shows 20 less stolen in 1969), speeches to senior citizen groups on fraud and swindle, and wide publicity on the break-away car hazard.

Our accomplishments in a 9-month period have had good effects. The PCR unit has talked to approximately 7,000 people, not counting several thousand other contacts. Almost all officers recognize PCR and practice the concept of police-community relations during their tour of duty. Our police department has definitely concluded that every law enforcement agency should consider a police-community relations unit. FBI

INSURANCE FRAUD

(Continued from page 11)

turally sound as the doors would not open and close. These defective pieces of furniture had been stored in the factory warehouse located some 5 miles from the actual factory. After this small fire, the superintendent of the furniture factory sent two trucks and trailers to the warehouse across town and brought back 124 defective buffets which were uncrated and moved into the area where the fire had occurred, after which they were saturated with water. Then the superintendent reported the loss to the insurance company and stated to the adjuster that all of the furniture, including the 124 defective buffets, were damaged in the fire. The superintendent was indicted, tried, and convicted of filing a fraudulent insurance claim.

We could go on listing the different types of fraud which are perpetrated against insurance companies. As indi-

cated earlier, one of the basic problems encountered is the fact that the general public does not feel that it is a criminal violation of law to defraud an insurance company. Also there is a great need for all law enforcement officers to be aware of the fact that this is a criminal violation of law. In some instances there may be a Federal violation if a fraudulent document is placed in the U.S. mail and travels interstate. We solicit your assistance in reporting any suspected fraudulent activity to the proper authorities. FBI

"CLEAN" BREAK

Recently, three prisoners in a mid-western county jail volunteered to clean their respective cell areas if provided with cleaning materials. They were furnished a cotton string mop and an abrasive-type powder cleaner.

After doing an exemplary job in their cells, they volunteered to clean the inside of the entire cellblock area.

The jailer noticed they worked hard but only on a small portion of the *SAC, Butte memo dated 3-24-70, "Hot Sheet"*

A CHANGE IN ATTITUDE

In these times of hostile feelings toward law enforcement officers by many members of the black community, a recent incident that occurred in a midwestern city is encouraging.

The FBI arrested a fugitive wanted by authorities in another State for False Pretense. This man was known as a political activist and considered to be very militant by members of the black community. The day after his arrest the man telephoned the local FBI Office and stated that he had grave misgivings about "copping out," but felt morally obligated to inform the FBI of his feelings about his arrest.

In the past, he related, he had felt *Jones to Bishop memo dated 5-21-70 re: SAC, Minneapolis memo dated 5-2-70*

cellblock area each day. He realized too late that they were using the strings from the mop to saw their way to freedom.

By soaking the mop strings in water and sprinkling the abrasive powder on them, the prisoners were able to improvise a saw by working the string back and forth on the window bars. After much effort they were able to sever two bars and escape.

KEY EVIDENCE

Officers of a midwest police department were interviewing two juveniles who had been stopped for violating the hitchhiking ordinances. They noted that one of the young boys had a key chain with a miniature license plate attached. An FBI NCIC inquiry was made on the number, and the immediate reply reported that a car bearing that number had been stolen in another State. Further investigation revealed that the two youths had committed the theft and had abandoned the car but kept the keys.

J.J. Daint to Bishop Memo 12-10-69

the utmost contempt for law enforcement officers, including local, State, and Federal. However, he continued, the confident, courteous, patient, and professional manner of the arresting Agents changed his entire mental attitude regarding law enforcement. He stated further that, on the night following his arrest, he had engaged in a heated argument in behalf of the FBI with an acquaintance who is known as a radical, emotional, vociferous militant in this same city. His treatment by the arresting FBI Agents, he concluded, had given him new faith in law enforcement and renewed optimism concerning cordial relations among the races.

WANTED BY THE FBI



DEWEY CATRON, JR., also known as: Dewey Junior Catron.

Interstate Flight—Armed Robbery

Dewey Catron, Jr., is being sought by the FBI for unlawful interstate flight to avoid prosecution for armed robbery. On June 1, 1968, Catron and an accomplice allegedly robbed a family at gunpoint in Tahlequah, Okla. At the time of the robbery, Catron was free on bond from a previous robbery in which he and another accomplice reportedly robbed a couple in Hot Springs, Ark., of \$14,000 in money and jewelry. Catron's accomplices in each crime have been located and convicted of robbery.

Federal warrants were issued for Catron's arrest on June 14, 1968, at Muskogee, Okla., and on August 16, 1968, at Hot Springs, Ark.

Catron has been convicted of burglary, escape from a penal institution, assault and battery with intent to kill, unlawful entry, and forgery.

Description

Age ----- 31, born Feb. 10, 1939,
San Joaquin County,
Calif. (not supported
by birth records).
Height ----- 5 feet 7 inches.
Weight ----- 160 to 175 pounds.
Build ----- Medium.
Hair ----- Black.
Eyes ----- Brown.
Complexion ----- Dark.
Race ----- White.

Nationality ----- American.
Scars and marks ----- Cut scar and raised
round scar on upper
right arm, scar on
left hand and thumb;
tattoos of crossed ar-
rows above "CAT-
RON" on right arm,
crossed arrows and
"DEWEY" on left
arm, birds on chest.
Occupations ----- Construction worker,
cook, electrician, oil
well worker and tile
setter.
FBI No. ----- 240, 728 C.
Fingerprint clas-
sification ----- 24 L 5 U 12
I 1 Ua

Caution

Catron is being sought for robbery in which firearms were used; therefore, he should be considered dangerous.

Notify the FBI

Any person having information which might assist in locating this fugitive is requested to notify immediately the Director of the Federal Bureau of Investigation, U.S. Department of Justice, Washington, D.C. 20535, or the Special Agent in Charge of the nearest FBI field office, the telephone number of which appears on the first page of most local directories.

BRAZEN CAR THEFT RING

Police in a midwestern State have uncovered an unusual car theft ring. Leaders of the ring paid young car thieves \$400 to steal high performance "muscle cars" in models of popular make automobiles.

The stolen automobiles were driven to garages where they were stripped virtually to the frame. The chassis, still bearing registration plates, were hauled to locations where the police would be sure to find them.

When the owners were notified by police of the locations of the stripped vehicles, the victims then filed claims with their insurance companies. Usually, the insurance companies made total settlements on the cars and sold the chassis to a salvage company.

The car theft ring bought the stripped cars from the salvage company for about \$350 each, reinstalled the parts, restoring them to complete automobiles, and resold them for over \$2,000 apiece.

This was a profitable operation until the police received a tip and, following investigation, obtained warrants for the arrests of members of the ring. *SAC, Detroit 4-10-70*

HEADLIGHTS HELP PREVENT ACCIDENTS

Florida has a law which requires the use of low beam headlights during the daytime when driving in rain, smoke, fog, or when visibility is reduced to 500 feet or less. Parking lights or any auxiliary lights do not meet the requirements of the law.

A Florida Highway Patrol official stated that this law is apparently unknown and/or often ignored by some local residents and many of the out-of-State visitors. Adherence to this law, he added, would reduce accidents caused by poor visibility.

Florida News Release

FBI Law Enforcement Bulletin

1970
☆U.S. GOVERNMENT PRINTING OFFICE: 1970 O-385-741

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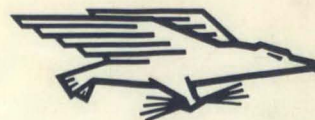


Deputy Attorney General Richard G. Kleindienst (right), and his father, Mr. Alfred R. Kleindienst, recently visited FBI Headquarters and were photographed with Director J. Edgar Hoover.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535

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INTERESTING PATTERN



The interesting pattern presented here is classified as a tented arch. This impression cannot be considered a loop inasmuch as the only possible looping ridge does not enter on one side of the pattern and pass out or tend to pass out the same side it entered. Also, no whorl is present because a complete circuit is not formed nor does the ridge in front of the left delta formation extend past or recurve in front of this delta formation.