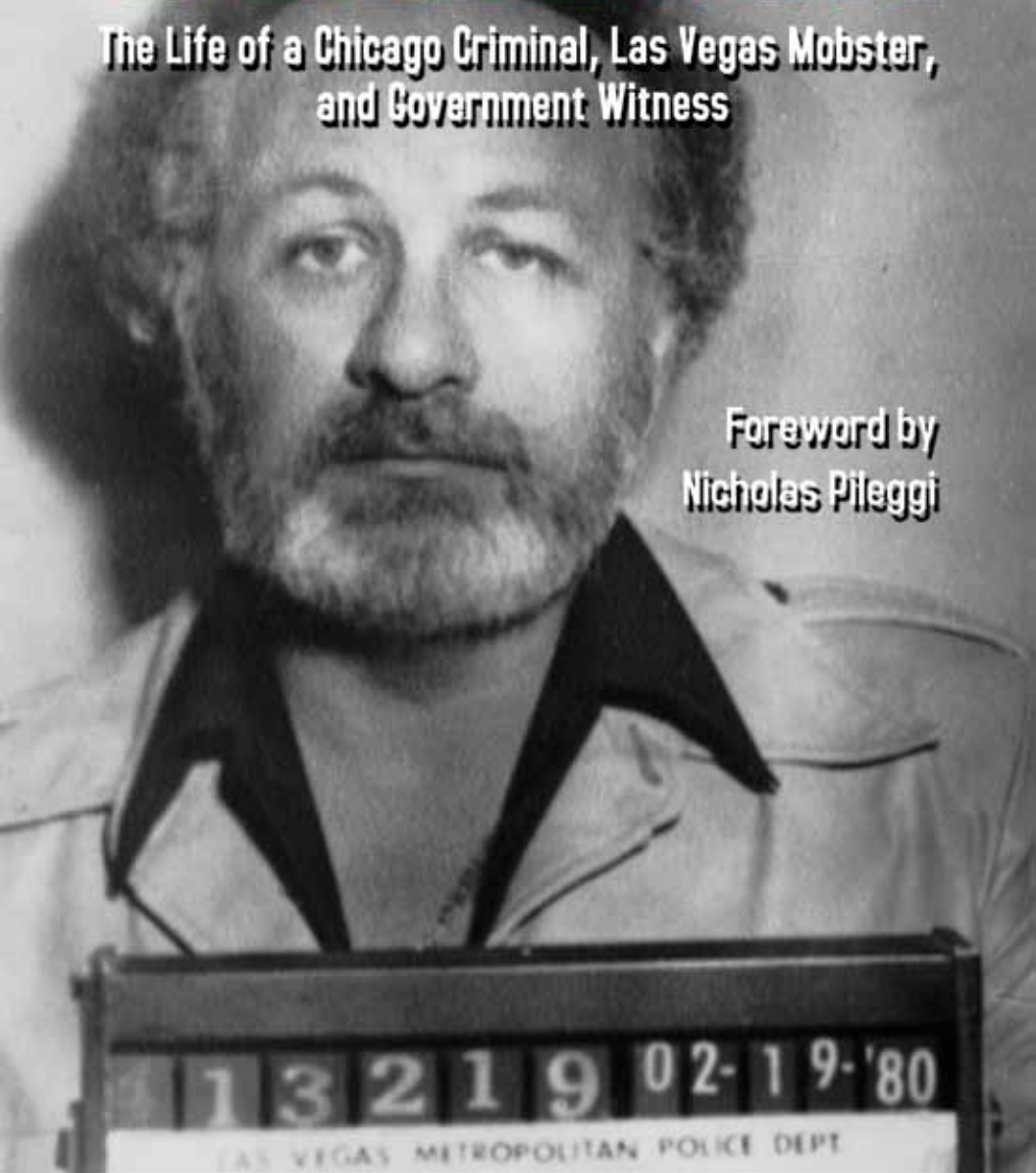


CULLOTTA

The Life of a Chicago Criminal, Las Vegas Mobster,
and Government Witness

Foreword by
Nicholas Pileggi



Dennis N. Griffin and Frank Cullotta

With contributions from Dennis Arnoldy

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Foreword

Frank Cullotta is the real thing.

I found that out when I was working on *Casino*, a book about the skim at the Stardust Hotel in Las Vegas. The story was about Anthony Spilotro, the mob boss of Las Vegas, and his relationship with Frank Rosenthal, the man who ran the mob's casinos. Cullotta was an invaluable source for me, because by the time I started writing the book, Spilotro had been murdered and Rosenthal, who'd miraculously survived getting blown up in his car, was reluctant to give interviews.

But Frank Cullotta was alive and he'd not only known all of the major characters central to the book, he'd been one of them. He and Spilotro had been boyhood pals back in Chicago and it was Spilotro who convinced Cullotta to migrate west to a felony paradise. Cullotta had run the robbery, extortion, and murder departments for Spilotro's Vegas mob.

Spilotro and Cullotta extorted cash from every illegal book-maker, drug dealer, and burglar operating in Las Vegas. Those who refused wound up buried in the desert. Soon, no one refused and

Spilotro became the indisputable boss of Las Vegas.

The police called Cullotta's high-tech burglary crew "The Hole in the Wall Gang," due to their penchant for breaking into buildings by blasting through walls.

The gang operated with very little trouble for years. Ultimately, however, one of the crew turned police informant to stay out of jail. He blew the whistle and Cullotta and his Hole in the Wall Gang were arrested in the middle of burglarizing Bertha's, a large Las Vegas jewelry store.

The size and sophistication of the Cullotta crew surprised many in Las Vegas, especially when it was revealed that Cullotta had access to all the local police and FBI radio frequencies, not to mention a former Las Vegas police sergeant stationed outside Bertha's as a lookout. While sitting in jail, Cullotta concluded that he'd been set up by Spilotro to take a hard fall. After much agonizing, he decided to roll and testify against his former partners and friends.

By the time I contacted the Justice Department, Cullotta had already testified and served his time. He was now a free man. The only way for me to personally contact him was through Dennis Arnoldy, the FBI agent who had debriefed Cullotta in safe houses and federal prisons.

Arnoldy said he couldn't guarantee anything. Cullotta was in the Federal Witness Program living "somewhere in America." But Arnoldy did say he'd somehow get Cullotta my number.

When Cullotta called the next day, I was surprised to find that he wasn't hiding somewhere in America. In fact, he was in Las Vegas, the city where some of the most dangerous men in the state had already tried to kill him. He suggested that we meet in the morning in the parking lot of a Las Vegas shopping mall not far from the Strip.

The next morning I was there. No Cullotta. I checked my watch. He was five minutes late. Then, suddenly, Cullotta appeared. He just popped up. I was startled. I didn't see him coming until he was right on top of me. He stood close. He was solidly built and wore a small narrow-brimmed canvas rain hat. I was even more surprised when I realized he was alone. No federal marshals or FBI agents were watching his back. He leaned against a car fender and listened to my pitch about the book. He agreed to meet again, but mostly he said he wanted to make sure I got it right, especially the part about why he decided to testify against his former pals.

Cullotta turned out to be an invaluable resource. His memory was phenomenal. He's the kind of person who remembers his license-plate numbers from decades ago, and this is a man who usually owned three or four cars at once. Equally important to me, Cullotta had been either a participant in or an observer of most of the book's important events. He either set up or committed robberies and murders. He was often the third person in the room during domestic disputes between Spilotro, Rosenthal, and Rosenthal's wife, with whom Spilotro was having an affair. In fact, Spilotro's fear that Cullotta would report back to the bosses in Chicago, who'd forbidden the affair, caused Spilotro to try and kill Cullotta. The failed murder attempt turned Cullotta into a government witness.

One of a non-fiction writer's major concerns is knowing if the people you're interviewing are telling the truth. That problem becomes even more acute when dealing with cops, lawyers, and crooks, to whom lying is not unknown.

In Cullotta's case, however, he'd already been debriefed by the FBI and testified under oath in court about everything we were discussing, which could all be checked in the public record or in the

volumes of FBI summaries. I felt confident that Cullotta was telling the truth, because his extraordinary immunity deal depended upon it. Cullotta's freedom would end the minute he was caught in a lie and he'd immediately be sent to prison, where he was bound to get killed. Therefore, I was in the unique position of interviewing someone whose life literally depended upon his telling the truth.

Martin Scorsese, the director with whom I wrote the script for *Casino*, realized Cullotta's value immediately and hired him as a technical advisor during the production of the film, which was shot on location in Las Vegas.

Before he could start working on the film, however, Universal Pictures insisted that Cullotta hire a bodyguard. They would pay for the extra protection, but they insisted he have security around the clock.

Cullotta hired an attractive young security guard he knew who had a serious crush on him. He also got her to carry two guns. As a convicted felon, he couldn't legally carry a gun. There was no law, however, that said someone couldn't carry a gun for him.

Cullotta had either been involved in most of the mayhem depicted in the film—his character as Joe Pesci's right-hand man was played by Frank Vincent—or knew the participants well enough to help the actors and director with the kinds of details necessary to capture the characters and mood.

During the film, the Joe Pesci character decides to kill one of the gang's associates who had become an informant. Pesci sends a hit man to do the job, but chaos erupts and the hit man winds up chasing the informant all around his Las Vegas house, in and out of rooms, until he finally kills him near the swimming pool and dumps the body into the water.

Before shooting the scene, Scorsese asked Cullotta how such a bizarre murder might have happened. Cullotta explained that Jerry Lisner, the victim, had failed to go down after he'd been shot because, "I didn't have a silencer at the time and I had to use 'half-loads,' bullets where you take out some of the powder to lessen the noise.

"Lisner and I are coming out of the den and I pull the stick out and pop him two times in the back of the head. He turns around and looks at me. 'What are you doing?' he asks me. He takes off through the kitchen toward the garage. I actually look at the gun, like, 'What the fuck have I got? Blanks in there?' So I run after him and I empty the rest in his head. It's like an explosion going off every time.

"But he doesn't go down. The fuck starts running. It's like a comedy of errors. I'm chasing him around the house and I've emptied the thing in his head. I'm thinking, what am I gonna do with this guy? I grab an electric cord from the water cooler and wrap it around his neck. It breaks.

"Finally I catch him in the garage and he hits the garage door button, but I hit him before it goes down and it's like he just deflates.

"There was blood all over the place. My worry was that I'd leave a print in blood somewhere on his body or clothes. I hadn't worn any gloves, because Lisner wasn't dumb. He wouldn't have let me in the door if he saw me wearing gloves. Because of the danger of my prints being on his body or clothes, I dragged him to the pool and slid him, legs first, into the water. He went in straight, like a board. It was like he was swimming."

Scorsese dismissed the actors. He had Cullotta recreate the Lisner murder scene on film. The man you see in the film, chasing

the victim around the house, emptying bullets into his head, and finally tossing him in the pool, is the real Frank Cullotta, the same man who did the actual murder for which he was given immunity. I cannot think of another film in which the killing being depicted on screen is reenacted by the man who committed the original murder.

It was much later, after the movie was done, that most of the people working on the film realized what had happened that day. But by then Cullotta was writing his own book and living somewhere in America.

Nicholas Pileggi

Introduction

During the 1970s and into the mid-1980s, the dominant organized-crime family operating in Las Vegas hailed from Chicago. Known as the Outfit, they removed large amounts of money from the Sin City casinos they controlled before it was ever recorded as revenue. This particular form of theft was referred to as the “skim.” They also received income from street crime rackets such as burglary, robbery, and arson. This era was dramatized in the 1995 movie *Casino*.

Las Vegas law enforcement was aware of the mob’s presence and the need to rid the streets and casinos of its influence and corruption. But the two agencies with the primary responsibility of battling the criminals—the FBI and the Las Vegas Metropolitan Police Department—were experiencing their own difficulties. The feds had image problems due to agents accepting comped meals and shows from the casinos they were supposed to be monitoring. The Las Vegas Metropolitan Police Department was sent into chaos in 1978 when FBI wiretaps recorded two of its detectives providing information to the mobsters. But changes were on the way.

The FBI began importing fresh troops from other offices to replace agents who were either reassigned or took early retirement as a result of the fallout from the comp scandal. And in November 1978, the voters of Clark County elected a new sheriff, a reformer who vowed to clean up Metro's Intelligence Bureau and declared war on organized crime. It wasn't long after the new sheriff took office in 1979 that the two agencies began to cooperate and launched a full-court press against their organized-crime foes.

Also in 1979, there was a personnel change on the criminal side. A career thief, arsonist, and killer from Chicago arrived in Vegas to take charge of the mob's street crimes. That man was Frank Cullotta.

Cullotta had been invited to Sin City by the Outfit's man on the scene, Tony "the Ant" Spilotro. Cullotta's friendship with Spilotro dated back to their days as young toughs and thieves on the mean streets of the Windy City. His duties included assembling and overseeing a gang of burglars, robbers, arsonists, and killers. The crew Cullotta put together became known as the Hole in the Wall Gang, because of their method of breaking into buildings by making holes in the walls or roofs. In addition to stealing, the gang provided muscle in enforcement matters and otherwise did Spilotro's bidding. For the next three years, Tony, Frank, and their crew ruled the Las Vegas underworld.

During that time the battle between law enforcement and the mobsters ebbed and flowed, with victories and setbacks for both sides and no apparent winner. But in 1982, a 1979 murder and a failed 1981 burglary contributed to a major turning point in the war: Frank Cullotta, Spilotro's lifelong friend and trusted lieutenant, switched sides and became a government witness. Suddenly,

the law had a source who not only knew the workings of the gang from the inside, but was willing to talk about it.

Having a cooperating witness with Cullotta's knowledge could provide the government with the breakthrough it needed to bust the mob's back, but only if his information was credible. It was a sure thing that any criminal defense attorney would challenge Cullotta's veracity. It would certainly be brought out during any court proceedings that the government's chief witness was a career criminal and an admitted killer, a man who had made a deal with prosecutors in order to obtain a lighter sentence. Under those circumstances, how much value would Cullotta actually be?

To address those issues, government lawyers decided not to use any information Cullotta imparted to them or their investigators as the basis for charges or in court, unless it was double- or triple-checked for accuracy. The man assigned the task of determining Cullotta's truthfulness was Dennis Arnoldy, the FBI's Las Vegas case agent for the Spilotro investigations.

For the next five years, Arnoldy debriefed the erstwhile gangster, obtaining the intimate details of life inside Spilotro's crime ring, and transported him to appearances before various grand juries, courts, and commissions. During that time a personal relationship developed between the two men that continues today.

In my book *The Battle for Las Vegas—The Law vs. the Mob*, I told the story of Spilotro's Las Vegas years primarily from the law-enforcement perspective. That book contained many insights that were disclosed to the general public for the first time. While researching *Battle*, I had the opportunity to talk with Frank Cullotta and became convinced that his life story would be a fascinating read and provide the other side of the Las Vegas mob story. It

turned out that Frank had already been having the same thoughts.

Now, he has taken this opportunity to tell the tale. Some people, including his own brother and sister, might not be pleased to see it in print. But Frank believes that this is the only venue available to him to get his account on the record. In these pages, he discloses criminal activities for which he has either received immunity or the statute of limitations has long since expired. The story takes the reader beyond *Battle* and into the often dangerous, sometimes humorous, but always exciting real-life world of cops and robbers.

This book is by no means an attempt to make excuses for Frank's conduct. He did what he did, he is what he is. It's highly unlikely that this straight-from-the-shoulder account of his career as a criminal will make him a candidate for sainthood.

The story begins with Frank's early years growing up in Chicago, where he embarked on his decades-long career as a criminal. As Frank advanced from juvenile crimes into burglary and armed robbery, he met and became friends with other hooligans, one of whom was Tony Spilotro. The two men again joined forces in Las Vegas, where Frank was Tony's main man.

Although Spilotro got most of the notoriety, it will become clear here that Frank was an accomplished criminal in his own right. He planned and carried out the most daring robberies and burglaries committed by the Hole in the Wall Gang. In addition to thieving, Frank and his crew served as Tony's enforcers, shaking down bookies and drug dealers and plotting or committing murders.

To get a feel for the two men and their relationship, Frank relates some of their individual and joint escapades in Chicago, including the true circumstances behind the so-called M&M murders. The movie *Casino* contains a scene based on those killings, in

which actor Joe Pesci's character places a man's head in a vise and squeezes until the victim's eye pops out.

Next Frank takes us to Las Vegas and tells the real story of life inside Spilotro's Sin City gang, their battles with the law, and why he switched sides. Dennis Arnoldy adds insights from the law's perspective, providing the reader with the unique opportunity of examining specific events from opposing viewpoints.

If you're a true-crime or organized-crime enthusiast, a *Casino* fan, or simply interested in Las Vegas history, I don't think you'll come away disappointed from reading *Cullotta*.

Denny Griffin

Las Vegas, March 2007

Part One

**From the Windy City
to Sin City**

Murder in Las Vegas

At approximately 4:30 a.m. on October 11, 1979, a dead man was found floating face down in the swimming pool of his residence at 2303 Rawhide Avenue in Las Vegas. He'd been shot in the head several times by a small-caliber handgun. The corpse was that of 46-year-old Sherwin "Jerry" Lisner. His wife Jeannie, a cocktail waitress at the Aladdin, found the body. She'd left work early, after becoming concerned when her husband failed to answer her telephone calls, and made the grisly discovery.

According to investigating police officers, Lisner had put up quite a fight. Bullet holes were discovered throughout the dwelling and blood was found on the walls and floor leading from the garage, through the residence, and out to the pool. Although the house had been ransacked, the cops didn't believe robbery or burglary was the motive. They declined to speculate on the reason Lisner was killed, but they did have a theory on how the murder went down. The killer knocked on the garage door, surprising Lis-

ner. When he answered the knock, the shooting started. Although wounded, the victim attempted to escape his assailant, running through his home with the would-be killer in close pursuit and bullets flying. After a valiant effort to survive, Lisner's luck ran out when he reached the pool. No murder weapon was found and no suspect named.

But the police had their suspicions on the why and who of it. They knew that the dead man had mob connections and was in legal trouble. He'd been arrested by the FBI on July 11 and charged with interstate transportation of stolen property, aiding and abetting, grand larceny, and conspiracy. Free on \$75,000 bail, Lisner was scheduled to go on trial October 29 in U.S. District Court in Washington, D.C.

Lisner was also believed to have been acquainted with Chicago Outfit enforcer and Las Vegas organized-crime kingpin Tony Spilotro. And it was rumored that the deceased had been negotiating with the FBI to work out a deal in the federal cases pending against him in Washington. Could those negotiations have included providing incriminating information against Spilotro, one of the FBI's prime targets?

Metro investigators knew all this and suspected that Spilotro might well be behind the killing. However, they couldn't immediately prove their suspicions and kept their thoughts to themselves.

As it turned out, the cops were pretty close to the truth in their idea of what occurred at Lisner's house that night. But they were wrong about Lisner being surprised by the arrival of his killer; he'd expected him. And the victim had drawn his last breath in his living room, not outside by the pool.

There was no error, however, in law-enforcement's belief that

Tony Spilotro was behind the murder. When the soon-to-be dead man answered his door that evening, he invited his murderer inside. In a matter of moments the visitor began to fire a total of ten bullets aimed at his host's head, with several finding their mark. The assassin wasn't Tony Spilotro himself, but he was there at Tony's behest. The man was Spilotro's trusted associate who ran a crew of burglars and robbers known as the Hole in the Wall Gang. His name? Frank Cullotta.