

Las Vegas

ONE DAILY WOMAN OWNED DAILY NEWSPAPER

6

SIXTEEN PAGES

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Recollections of Las Vegas' Good Old, Bad Old Days

DICK ODESSKY

Fly
- on the -
Wall

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*Fly on the Wall: Recollections of Las Vegas'
Good Old, Bad Old Days*

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To Shirley "the Nag" LaMar, without whose constant prodding this book would never have become a reality. And to my wife Joyce, who has put up with me for more years than she might want to admit.

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Peter Echeverria: The strongest and fairest chairman of the Nevada Gaming Commission I ever had the pleasure to know.

Glenn Neely: A gaming boss whose mold was broken just after he was born.

Sid Wyman and Carl Cohen: Two wonderful men and superb gaming operators, who watched over me during my tender years.

And Steve Delmont: My friend.

Table of Contents

Introduction: A Fly Is Born	1
1. Good Old Days	4
2. Flamingo Fun	17
3. Subdividing the Valley	34
4. Everyone's a Comedian	46
5. That's Entertainment	61
6. The Promoters	71
7. Crime and Punishment	95
8. The Gamblers	113
9. The Bosses	129
10. The Owners	143
11. The Stardust	182
12. The Newspapermen	198
13. The Skim	209
14. The Heat Is Turned Off	216
Epilogue	227
Index	229

Introduction

A Fly Is Born

Everything gets turned on its head in Las Vegas.

Back in the early 1950s, the people who ran the casino business found themselves in a strange position. These guys, who'd been criminals all their lives before migrating to southern Nevada, had become so comfortable operating within the law that now *they* had zero tolerance for crime. The word was out: Anyone breaking the law in Las Vegas had better hope he was caught by the police, because if "the boys" got to him first ... well, you can figure out the rest.

Despite this unlikely transformation, the casino owners and executives were being besieged by an unfriendly press from all corners of the continent. It was a no-win situation. When they replied honestly to probing questions, their answers were twisted to fit the agendas of the reporters. When they realized they couldn't trust the press and began keeping their mouths shut, they were pilloried for hiding the truth.

My own position in the Las Vegas scheme of things was similarly topsy-turvy. I started out as a newspaperman, reporting on the events of the time. I was young and green

and in my glory. After all, these were Las Vegas' good old, bad old days, and everyone in the world wanted to read everything they could about what the nasty hoodlums who ran the town were up to.

Rustling up the subject matter for compelling copy was never a problem, but I knew one thing: I had to do everything possible to be honest and fair. I saw no reason to sensationalize. Nor did I feel it was my place to report personal scandal. Truth is, I probably used less than 20 percent of the information I gathered or that was fed to me.

I also refused to use a person's past against him. I knew the criminal records of virtually everyone in the gambling business, but I felt responsible for covering only their Las Vegas activities. If they were able to come to Nevada and convince the Gaming Control Board and Gaming Commission to license them, who was I to judge them further? I now believe it was the way I handled those early confidences that earned me the trust of the people who ran the Las Vegas show.

The boys liked talking to me. And as luck would have it, I seemed always to be in a position to oblige them. I started out working as a cub reporter at the *Las Vegas Sun* at the tender age of 19, just after the grand opening of the Sahara and the Sands took the town by storm. In 1960 I became the youngest public-relations executive in Las Vegas when I landed a job at the Flamingo. I stayed till 1967; I left while the feds were busy putting many of my Flamingo bosses in jail. In the '70s I worked as the marketing director at the Stardust during the era glorified by the movie *Casino*. Then I returned to the newspaper business, writing a six-day-a-week column at the *Valley Times*.

My modus operandi—the switching back and forth between casino flack and newspaper hack—led many to wonder about my motives. My writings at the *Valley Times*

in particular—frequent condemnations of my former employers at the Stardust, which ultimately played a part in the demise of that dishonest operation—raised suspicions that I might have been a “mole” for federal agencies in their attempts to cleanse Las Vegas of its underworld influence. I’ve always found this suggestion laughable, since I’d also been accused of being a “cop hater” by one-time Los Angeles Chief of Police William Parker.

No, I was simply gravitating to where the action was—a habit that enabled me to become the proverbial fly on the wall during the most exciting quarter of a century in Las Vegas history.

Good Old Days

Sometime around 1830, a Mexican trader decided to try to find a shortcut off the Old Spanish Trail between Santa Fe and Los Angeles. Rumors that he was also looking for some loose slots to play to the contrary, his true motivation was in prolonging his life and the life of his horse.

Twenty miles or so from the last water hole, the trader was greeted by nothing but blazing hot sand, a few circling vultures, and – what was this? – a trickle of fresh water coming up out of the ground. He'd discovered one of many small springs, along with grass, trees, and even a creek, that existed, amazingly, in the middle of one of the harshest deserts on Earth. Little did he know that he stood near the spot that would one day be the heart of Glitter Gulch.

So far as is known, the trader never returned to build a home, a resort hotel, a themed restaurant, or even a 7-Eleven. He did, however, name the spring and the valley that surrounded it "Las Vegas," which in Spanish means "the Meadows."

For the next 70 years, Las Vegas was left to serve its purpose as the end of the world. One salient event occurred

when the famous Western explorer and cartographer, John C. Fremont, stopped overnight by the springs in May 1844. His report to Congress on his surveys of the West was a national bestseller and created the impetus for the railroad builders who opened the frontier.

In fact, it was the San Pedro, Los Angeles and Salt Lake Railroad that, in the early 1900s, surveyed the valley area that the Mexican trader had found and determined it to be a fine stopping place for its steam locomotives en route from the coast to Salt Lake City.

In 1905, the railroaders staked out a town site, then held a big auction to sell off parcels of what would soon be the town of Las Vegas. Many of the parcels went unpurchased, but the railroad didn't mind. It hadn't paid much for the land to begin with. Las Vegas was now another railroad village.

From Burros to Buggy

About the only strangers to pass through the area were some of the sourdough gold and silver miners, who were eking out a living prospecting the surrounding mountains. A poke of gold dust or a nugget or two meant mounting their burros and riding into town to sell their pickings; while there, they'd grab a bath, down some booze, and play some backroom faro. And though most of the townspeople were Mormons, whose religion forbade them from partaking in the vices, nothing prevented them from *taxing* the vices to help pay for improvements to the town.

Things didn't start to get serious in Las Vegas till 1930, when the U.S. government decided it was time to make use of the billions of gallons of water that flowed from the far-off Rocky Mountains, through the vast Western deserts,

and into the Pacific Ocean by way of the Colorado River. The feds picked a canyon 35 miles east of Las Vegas as the location for the giant dam that would stop up the river and create behind it one of the largest reservoirs in the world.

So while the rest of the country was suffering through the Great Depression, Las Vegans were watching thousands of workmen climb off trains each day to be bused to the tent city erected at the dam site, knowing that come the weekend, these same workers would be right back in town, with full pockets, looking for a good time.

Meanwhile, the political bosses up in Carson City, Nevada's capital, were busy enacting the laws necessary to provide the state with legalized gambling and quickie divorces. When downtown began to fill up with wide-open casinos and celebrity divorcees were covered in the southern California press, Las Vegas had arrived.

The completion of Hoover Dam in 1935 allowed the residents to catch their collective breath until World War II, when thousands of servicemen were deposited at the old Las Vegas Gunnery School, now Nellis Air Force Base. The downtown casinos welcomed the airmen with lively entertainment, full-shot cocktails, and a fair roll of the dice. Having been subjected to shoddier treatment by quick-buck merchants in other parts of the country, the servicemen appreciated the fair shake extended in Las Vegas, where the operators knew that they'd still wind up with their share of the Gunnery School payroll without having to resort to cheating at the tables or watering down the drinks. Judging by the number of former Gunnery trainees who returned to settle in Las Vegas after the war, that philosophy paid off.

Las Vegas' horizons expanded again when hotel tycoon Tommy Hull got a flat tire just south of town during a drive from Los Angeles to Salt Lake City in 1940. While he waited for a tow truck to arrive, Hull counted the out-of-state cars

passing by on the old Los Angeles highway (now the Strip) and had a vision of what the patch of desert where he was stuck could become.

Hull acquired the land at the intersection of what is now Las Vegas Boulevard South and Sahara Avenue, and in 1941 opened El Rancho Vegas—at the time the only structure of any kind within a three-mile radius and the last human activity from Las Vegas to Baker, California, 90 miles away.

Hull, who also owned the famed Hollywood Roosevelt Hotel and the El Rancho Sacramento, installed a huge swimming pool right next to the highway, enticing motorists into the resort. The hotel itself was a series of single-story bungalows that surrounded a central building housing the casino, lobby, and restaurants. Everything was swamp-cooled (the air-conditioning of the time).

A year later, Hull's hotel was joined, about two miles south on Highway 91, by the Last Frontier, built by movie-theater magnate R. E. Griffith. Both resorts ran smoothly, but fairly quietly, through World War II, with visitor counts held down by gasoline rationing. The operators of the gambling houses were still happy. They had plenty of business coming in from the Gunnery School, along with busloads of soldiers arriving every weekend from an Army base in Tonopah, about 230 miles northwest.

What would soon become known as "the Strip" got a big boost in 1946, when New York underworld figure Benjamin Siegel opened his Flamingo Hotel. Siegel had grown up as a street punk in New York City, where he was befriended by another budding Jewish hoodlum named Meyer Lansky. As Lansky moved up in the ranks of the underworld, he took his boyhood friend along with him. Lansky eventually became the boss-of-bosses of the Mafia in the United States, succeeding Charles "Lucky" Luciano, after Luciano was deported by the feds to his native Sicily.

Lansky, who'd served as the key financial expert for the mob for many years, quickly overcame some hard feelings over a Jew being named the top man in the traditionally Italian organization. Lansky moved his headquarters to Miami Beach to be closer to the mob's major gambling action throughout the Caribbean.

In the early 1940s, when Lansky decided that Las Vegas might be ready for development by his organization, he sent Ben Siegel, who'd picked up the nickname "Bugsy" (which he hated), to the desert wasteland to survey the situation. Siegel first muscled into the downtown joints, so he wasn't unfamiliar with the environment when he started scouting property on the old L.A. Highway to achieve a personal dream: of building a palatial resort close to all the glamour in Hollywood. (Siegel's real estate agent knew his way around the desert. He'd been selling property to unsuspecting southern Californians who, whether shrewd or stupid, wound up owning some of the most valuable real estate in the world.)

Siegel knew exactly what he wanted for the site of his Flamingo Hotel. First, he'd determined that it shouldn't be within sight of the two existing hotels or downtown. He wanted an exclusive location and settled on acreage more than two miles south of the Last Frontier, around the first bend in the road leading out of Las Vegas.

He also wanted to be on the east side of the two-lane highway. The other hotel owners had built on the west side, making it easier for traffic from Las Vegas to enter their properties. But Siegel wasn't concerned with the local residents; he was after the money crowd from Los Angeles, especially Hollywood. A location on the right side of the road would give the northbound traffic easier access to the sweeping driveway he had in mind for the Flamingo. In later years, it became obvious that he'd been correct in

this choice. As additional hotels were planned, they were all located on the east side of the road. The west side was used only when all of the choice spots across the street were taken.

Though he was a little ahead of his time in that regard, Siegel couldn't save the Flamingo—or himself—with location. The New York hood had a million dollars of his own money, plus several million of his partners' money, allocated to build his ultra-luxurious dream resort in the middle of nowhere. That budget was badly bruised when he insisted on using prime copper piping for the plumbing throughout. This was in the months following the end of World War II, when copper was still in the hands of the military, and Siegel had to plunge into the black market where he paid highly inflated prices.

Siegel also traveled to areas of the Middle East, where the climate was similar to the southern Nevada desert, to find exotic trees and plants which, he was assured, would flourish in Las Vegas. Even more money was wasted on Siegel's high-priced romance with mob moll Virginia Hill, whom he lavished with extravagant gifts. And then there was Siegel's "public-relations" work in Hollywood: his socializing with entertainers and movie stars to attract them—and, in turn, all their fans—to his new casino. Pipe, palms, perfume, and parties alone came close to eating up the entire building budget.

By the time the Flamingo was ready to open, Siegel had spent more than \$5.5 million. He had to swear on his life that he'd repay his partners all their money, plus huge profits, within a year. However, the grand opening of the Flamingo, on December 26, 1946, was a dismal flop. A torrential rainstorm kept the Las Vegans away. Local dignitaries, unhappy with the brash New Yorker, didn't show up either. And most of the Hollywood stars he'd cultivated

seemed to have other things to do that night.

About the only positives to come out of the opening were Siegel's discoveries that live flamingos couldn't stand the desert climate (he lost only two of the regal birds before he canceled his order for 100 more) and that his plan for dressing all of the casino dealers in tuxedos would not be acceptable to either the employees or the relaxed Westerners.

Meanwhile, throughout the long grand opening, Siegel was receiving disturbing phone calls from both Miami and New York. Though he initially did a good job of bluffing his way through, his stories quickly got old. After only a few weeks, with no sign of business improving to the point where the property could hope to pay for itself, the Flamingo closed. Siegel had simply spent too much money.

The casino reopened two months later and seemed to be on the verge of turning a profit, but Siegel's fate had been sealed. Lansky did everything he could to help Bugsy, but even he couldn't save his childhood pal from the wrath of the investors. In May 1947, Siegel took a couple of slugs in the head as he sat reading a newspaper in the Beverly Hills apartment of his girlfriend Virginia Hill. Bugsy's body was still warm when Moe Sedway, Morris Rosen, and Gus Greenbaum walked into the Flamingo and took over.

I showed up a few years later.

The Columnist from New York

I'd been introduced to Las Vegas in 1945 by my parents, who periodically loaded my brothers and me into the car and made the miserable eight-hour drive from Los Angeles, straight across the hot Mojave Desert. My dad would rent an "air conditioner" at a desert service station. This unit, called

a hydrofan, hung on the passenger window of the car. It was necessary to add about a gallon of water to it every 10 miles or so. The water would pour over the fan blades and the cooler air was supposed to blow into the car. However, when the tank was full, the hydrofan would douse the passengers with a heavy spray. As soon as the water was used up, it was super hot once again. At 12 years old, I thought this was all pretty funny.

My folks could get a room with two double beds for \$6 or \$7 a night at El Rancho Vegas. All-you-could-eat "chuck-wagon" dinners, the forerunner of the buffet, were a buck. Seeing a top-flight entertainer in a fancy showroom was free. If you wanted to eat during the show, you could pay \$2.50 or \$3 for a complete steak dinner. Gambling subsidized all costs incurred to attract the players and Las Vegas was the least expensive holiday spot in the land. These trips were fun for us kids, too, because we were able to spend all day in and around the hotel swimming pools, or even occasionally slip a nickel into a slot machine and pull the handle. But none of us even dreamed about Las Vegas as a possible future home. It was hot, desolate, and rather ugly. And we were city folk.

In high school, my ambition was to be a professional basketball player, until an injury spelled the end of my athletic career. I then became interested in journalism, worked my way up to sports editor of the school newspaper, and landed a position in a program for high-school sports writers sponsored by the *Los Angeles Examiner* (a now-defunct Hearst newspaper). The Scholastic Sports Association put a bunch of L.A. high-school kids to work writing, copyediting, laying out, and proofreading a weekly spread on high-school sports in the sports section. Then, when I graduated high school, I was offered a job at the *Examiner* as a copy boy. I also went to East L.A. College. But I couldn't carry

the full-time school load and work at the same time, so I gave up school.

In 1953, after three years at the *Examiner* and prior to my 20th birthday, a friend advised me that there was a job opening for a cub reporter at the *Las Vegas Sun*. I'd never even heard of the paper, which was fairly new and reportedly funded by the Printers Union in an effort to cut into the business of the established *Las Vegas Review-Journal*. The idea of two daily papers in a market of 44,000 was ridiculous.

Still, I called the editor. I should have been suspicious when he hired me over the phone. But I found out only after I arrived and reported for work that I'd been hired not just as a starting reporter, but as the *only* full-time reporter on the minuscule staff. My duties were to cover all city and county offices, whatever breaking news stories there might be, along with anything else that had to be done.

Not knowing any better, I jumped into the frying pan feet first. Only two weeks later, I found myself in the fire when Bill Willard, the paper's entertainment columnist, quit. I was informed that I would also be writing the daily entertainment column. It was all pretty heady stuff, especially to a green newsman who wasn't even old enough to be inside the casinos legally.

I expanded the column to cover hotel and casino news and quickly became at least acquainted with most of the gambling and political movers and shakers, as well as with the entertainers who were appearing in Las Vegas.

One day, Walter Winchell, at the time the leading newspaper columnist and radio commentator in the country and a regular visitor to Las Vegas, dropped in at the offices of the *Sun*. His column appeared in our paper, as well as in hundreds of other newspapers all over North America. In those days, when TV was still in its infancy, Winchell held the top-rated radio show, which was broadcast around the

country every Sunday night and began with his staccato greeting, "Good evening Mr. and Mrs. North and South America and all the ships at sea . . ."

Winchell congratulated me on my appointment as entertainment columnist and asked if I was heading out to the Strip. He needed a ride. There were seven hotels along Las Vegas Boulevard in 1953, with the Sahara and Sands hotels having just opened their doors, and the El Rancho Vegas, Last Frontier, Flamingo, Thunderbird, and Desert Inn in full swing. Winchell invited me to "make the rounds" with him and we started at the Sands. This new property had been built under the auspices of the Meyer Lansky interests. Jake Freidman, operator of a successful Texas casino, was brought in to run the Sands.

Winchell was unmistakable to the casino patrons that afternoon. His dark-blue custom-made suit, trademark fedora, and silver hair were known to the masses, who'd seen his picture in newspapers and magazines even before he began appearing on his own television show and then as the narrator on the hit TV series, "The Untouchables." He signed a couple of autographs as we walked. While we were passing the large open cocktail lounge of the new hotel, he slowed and then stopped. He was looking toward the center of the room, where seven or eight men were seated around a table, with another half-dozen seated a discreet distance behind them.

Winchell let out a low whistle. "Your education is about to begin," he told me. He gestured toward the center table and pointed out a man who was looking directly at him. "Okay, that's Hymie Barranga, from Detroit." He then pointed around the table and reeled off the names of some of the most notorious gangland figures in the country. "This has got to be serious—for these guys to get together out here. Vegas is supposed to be clean, and here you've got a Mafia

council meeting right in the middle of the newest joint in town."

I admitted that I was bewildered by the whole scene. Winchell patiently explained that council meetings were generally called to determine the future of someone who had been accused of some sort of wrongdoing against the "family." The outer circle of men were the bodyguards who protected the members of the council. I asked Winchell if their being seen together by him would scare them off.

"Never happen," he responded. "Within a day or two, some pretty important fish will be found dead." It was just the next day that the body of a top Miami Beach gang leader was discovered along a country road in Florida.

Winchell introduced me to men I'd heard of and to plenty of others whose names meant nothing to me at the time. Most of the names that I recognized had been introduced to all of America during live telecasts of the organized crime hearings that had recently gripped the nation.

The Senator from Tennessee

Television was just coming of age in the early 1950s when Estes Kefauver, the United States senator from Tennessee, along with his Committee to Investigate Organized Crime, traveled throughout the country and held televised hearings on the activities of the mob. Viewers were treated to a continuous parade of witnesses whom they'd read about in the headlines and seen in the movies over the years. As far as the American public was concerned, the Kefauver hearings were all there was on the tube.

The soft-drawling senator and his cohorts from Congress and the media put the spotlight on jurisdictions around the states where criminal activities were most prevalent. Kefau-

ver's committee identified illegal casinos in New York, Kentucky, Arkansas, Florida, Missouri, Illinois, and California and subpoenaed their suspected owners to testify in front of the cameras. That was when some sharp attorney rediscovered the Fifth Amendment to the Constitution, which states that no man can be forced to testify against himself. The droning phrase, "I refuse to testify on the grounds that my testimony may tend to incriminate me," was popularized during the Kefauver hearings.

The illegal casinos drew heavy attention, thanks to the great photographic opportunities. Pictures of cops using axes on gambling tables and slot machines, and reputed hoods being hustled off to jail in handcuffs made for compelling images on front pages and the six o'clock news.

The message wasn't lost on the owners, who were plenty savvy after years of operating successfully underground. The word was spread: "Close up and clear out." Some had to walk away from multimillion-dollar businesses after Senator Kefauver exposed them and the local authorities could no longer look the other way in return for payoffs. Some headed for the Caribbean; others made a beeline for Nevada. In Las Vegas, the Desert Inn opened in 1950, then the Sands and Sahara in 1952. But in the mid-1950s, the Caribbean gravy train dried up when Fidel Castro and his revolutionary forces liberated Havana and kicked out the casino operators almost all in the same day.

That placed virtually all legal casino gambling available for American consumption in Nevada. The underworld controlled the resort industry and, strangely enough, with the exception of the federal income-tax evasion, operated completely within the law. There were no payoffs to cops or politicians. There was no fear of trouble between competitors after it was agreed that there would be absolutely no violence in Las Vegas. The operators were honorable

in their business dealings: Written contracts were almost unheard of, a handshake was enough to finalize any deal, and when a boss told you something, you could take it to the bank. The period from about 1950 until the mid-1970s will go down in history as the “golden years” of Las Vegas.

I don’t know whether Kefauver realized just how deeply he hurt the underworld, but evidence of it was all over Las Vegas. Virtually every man in any sort of executive position within a local casino operation had a criminal record. If nothing else, there were at least some gambling offenses, which could never be denied. Those individuals, incidentally, made up the majority of the “underworld” in Las Vegas. And here I was, getting a tour of the landscape, less than two years after Kefauver, by Walter Winchell himself.

I was 19 years old, too young to hang around the casinos where I had to gather most of the information for my column and stories. Yet I found myself chatting, on a daily basis, with the town’s top politicians, assorted business leaders, notorious hoodlums, and other colorful characters you find hanging around gambling joints. The Sands had just opened, so I spent a lot of my time there; that’s where the news was being made. A pair of underworld bosses, Carl Cohen and Sid Wyman, kept an eye on me and made sure I didn’t stray from the straight and narrow.