## Secrets of the Secret Service

A Bogùs Count "Made" Thousands of Dollars in Counterfeit Money, but Never Passed a Dollar of It Himself

-THE LUSTIG CASE

## By JOHN JAY DALY

W. H. MORAN, Chief of the Secret V. Service, half a century chasing counterfeiters up and down the land, knows a master when he meets one. No one challenged the questionable title of Jim the Penman until Czechoslovakia's gift to America—Count Viktor Lustig—recently came on the scene.

A man with forty aliases and forty arrests and only one sentence, the Count now serves a stretch of twenty years on "The Rock"—Alcatraz, in the Harbor of San Francisco near the Golden Gate.

Luxurious limousines, liveried chauffeurs, penthouse apartments, beautiful women, yachts, holidays on the Riviera, Winters in Florida, Summers in Canada—this was the life of the Count until Chief Moran's men put their fingers on him.

Records in the United States Treasury Department, memoranda in forty police stations in forty cities throughout the land, additional data in Paris, Berlin, London and Prague, Czechoslovakia, tell the story of Count Lustig's cleverness. Though he swindled everybody else, he was a "fall guy" for gamblers.

The Count was a traveling man. Behind him he left a trail of "queer" money in five, ten, twenty and hundred dollar bills. In the course of his notorious career he got away with \$2.000,000 in counterfeit money through a number of "passers." Just how many of these passers nobody will ever know, but 410 were arrested and more than 200 convicted. Their sentences aggregate almost 400 years' imprisonment.

The Count was a bail-jumper. He jumped bail bonds from \$1500 to \$20,000 each. Gamblers put up the money so they could have him around. What he took from others the gamblers got from the Count. Their motto with him was, "Never give a sucker an even break."

Once in San Antonio, after arrest in Del Rio, Tex., under the name of J. R. Richards, the Count jumped a \$1500 bond at 10 o'clock in the morning and at 2 o'clock that afternoon wheedled a cattleman out of \$4500. Gamblers took that money, too.

That episode, by the way, gives a clear idea of how the Count operated. He had visited Del Rio to interest some wealthy prospects in the sale of a machine to manufacture money. While there officers picked him up as a fugitive from justice and found on his person certain damaging papers. He was indicted, but the indictment was dismissed.

Since the Fall River (Mass.) police were looking for this man, he was turned over to their keeping. They took him to San Antonio. There he was released on habeas corpus proceedings. Just as he was walking away a free man, Texas State authorities stepped in and placed him under arrest—a swindling charge against him at Laredo. He was held for a while and released. The case never came to trial. Again arrested in San Antonio, he jumped bail.

The Count is a linguist. Speaks six languages perfectly. He is at home in any company. He was born Viktor Lustig on January 4, 1889, in the little town of Rechenberg, outside Prague, in

what was then Bohemia—a part of old

Austria.

Records disclose the bogus Count came from honest parents. Quite poor. Too poor to suit the son blessed with good looks.

A quarter of a century after the Count shook the dust of his old home town from wayward feet he went back to the Continent on the fastest ocean liner, first class, and was entertained by social leaders of three countries. The Count had spread enough "queer" money to buy himself a yacht which sailed English waters — nobility his guests. That insured his social standing. He returned to America a better man socially than when he left.

Long Island and its estates were immediately opened to the celebrated Count Lustig, and while he was the Count on Long Island he was, to list only some of his various aliases. Robert Lamar in Omaha, Robert Duval in St. . Louis, George Shobo in Los Angeles, Charles Gruber in San Francisco. Charles Gromar in Detroit, Albert Phillips in Indianapolis, Robert Miller in New York City, John R. Kane in Oklahoma City, J. R. Richards in Washington, G. R. Werner in Fort Worth, Robert George in Miami, C. H. Baxter in Spokane, Victor Lustig in Denver, Victor Gross in Chicago.

These and thirty others were his names. Now he is known merely as No. 300-AZ in Alcatraz.

"Twas a merry life while it lasted, but, as Chief Moran sagely remarked the other day, "The Count will do no more counterfeiting."

The Count's forte lay r the gullibility of his clients—wealthy persons for the most part—whose consciences were guilty as his, for he turned them all into potential counterfeiters. Here is how the Count worked:

Just off the boat from Europe, in his penthouse apartment in New York the Count would "throw a party." In return, the Count would be invited over to somebody else's apartment for a round of hospitality, though the Count did not drink. While at a party some one got him to tell of his travels. He

told, then, of hobnobbing with Baron von Schweitzhogg in Berlin and how the Baron sponsored a young chemical engineer. This engineer, it seemed, had discovered a chemical formula whereby money could be counterfeited.

"How does this invention work?" they would ask the Count.

"Some time when you're over to my apartment I'll show you," he would

In his apartment the Count produced a formidable black box—built like a huge camera.

"Don't fool with money," the Count would say, prepared for his demonstration. "Let's duplicate arLiberty Bond."

He'd go to his safe and get out a Liberty Bond—two, in fact, though he showed only one.

Previous to this the Count had arranged the numbers on one Liberty Bond so they coincided with the numbers on another bond—both good. He did this by getting two bonds in the same serial, with only the last number to be changed. Thus 181 easily became 184.

So the Count would put the changed 184 bond in the box, let it stay there while the chemicals operated—much in the fashion that photographs are developed.

After a while the Count turned a crank. Out came the original No. 184 bond, ostensibly made off the bond that had been changed.

"Perfectly gorgeous," some young thing would remark.

"It is perfect," the Count said, with truth, "and I'll prove it to you. . ."
"How?"

"Tomorrow take it down to your bank—your father's bank—and have it cashed."

Agreed, next day the Count and the heiress would go to a bank. The cashier, naturally, would turn over good coin of the Nation for the perfectly good Libery Bond.

The Count would confess, then, that he had advanced the young chemical engineer, inventor of this contraption, the sum of \$5000 to further his education.

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"Five thousand dollars," the girl would muse. "If I reimburse you, would you let me have that machine?"

The Count smiled as he hooked his victim. "My dear," he would say, "what would you want—what would you do—with such a machine?"

"Oh, just have some fun—play tricks on dad," she'd say. "Show him that I can make money as easily as he can."

By cajoling her father or her banker or whoever it might be, the young girl would place in the hands of Count Lustig the sum of \$5000 for a phoney machine supposed to duplicate

Of course, the machine never worked unless the Count operated it. Victims always buried their pride and said nothing. That is one reason the United States Secret Service was a long time putting the finger on Count Lustig. There was nobody to appear against him.

United States Liberty Bonds.

Up and down the United States the Count plied his trade. He sold his contraption everywhere. One day Secret Service men swooped down on the Count as he left the Park Avenue apartment of his sweetheart.

In a plea for leniency the Count promised to surrender a counterfeiting plant—in full operation. "Dapper Dan" Collins, a noted character, was delegated to act as liaison officer. Even he did not trust the Count. \*So "Dapper Dan" asked Secret Service men to be with him when he broke open an envelope containing the desired information.

All the Count turned over to the Secret Service was a lot of bogus currency made by his engraver, Watts. This was \$50,000 in counterfeit bills which the Count was unable to pass.

For double-crossing them the Secret Service men determined to end the Count's career. He was imprisoned in the New York Detention Home. Some time later he escaped, disguised as a window washer.

The Count had another old sweetheart in Pittsburgh. Soon as he made his escape the Count hit the trail for the Smoky City. The Count, when he visited that bailiwick, bore his girl friend's name. Secret Service men, shadowing this girl, caught the Count. He was arrested and brought back to New York to face two charges—counterfeiting and escape from prison. That did the trick. He got twenty years.