

Secrets of the Secret Service

THE ENGELSHER CASE

Broadway Boys Swing Across Country in Whirlwind Fashion—Girl Proves Their Undoing

By JOHN JAY DALY

ZANGWILL ENGELSHER and Larry Leibson, two Broadway boys, were star members of the famous "Cowboy" Tessler gang that operated in New York City.

With forty robberies and several murders on their record, most of the Tessler gang ran afoul of the police. Landed in Sing Sing. The gang went out of circulation.

Engelsher and Leibson evaded arrest. They decided to desert the big town, go west and show up on the Pacific Coast, by the Golden Gate.

Engelsher traveled under the alias George Benson. Larry Leibson had two aliases—Laurion S. Cavelli and Larry Benson. The youths decided to quit ordinary crimes to become counterfeiters.

Where they secured their spurious money—almost perfect reproduction of Federal Reserve Bank \$20 notes—the Secret Service may never know; but the two Broadwayites bent on beating their way west let loose a flood of spurious currency that fooled inhabitants of a dozen States and the District of Columbia.

They traveled in a high-powered roadster down the Atlantic seaboard to Miami, westward across Louisiana and Texas to San Francisco.

En route they visited Atlantic City, stopped off in Philadelphia to view the Liberty Bell, saw the sights in Washington, D. C., headquarters of the Secret Service. After a trip to the Bureau of Engraving and Printing, where Uncle Sam makes real money, the boys hastened to the races at Miami. "Bookies" bet "good money" against their counterfeit currency. Night clubs, hotels, restaurants, garages and gas stations accepted the phony twenties. Banks let them pass.

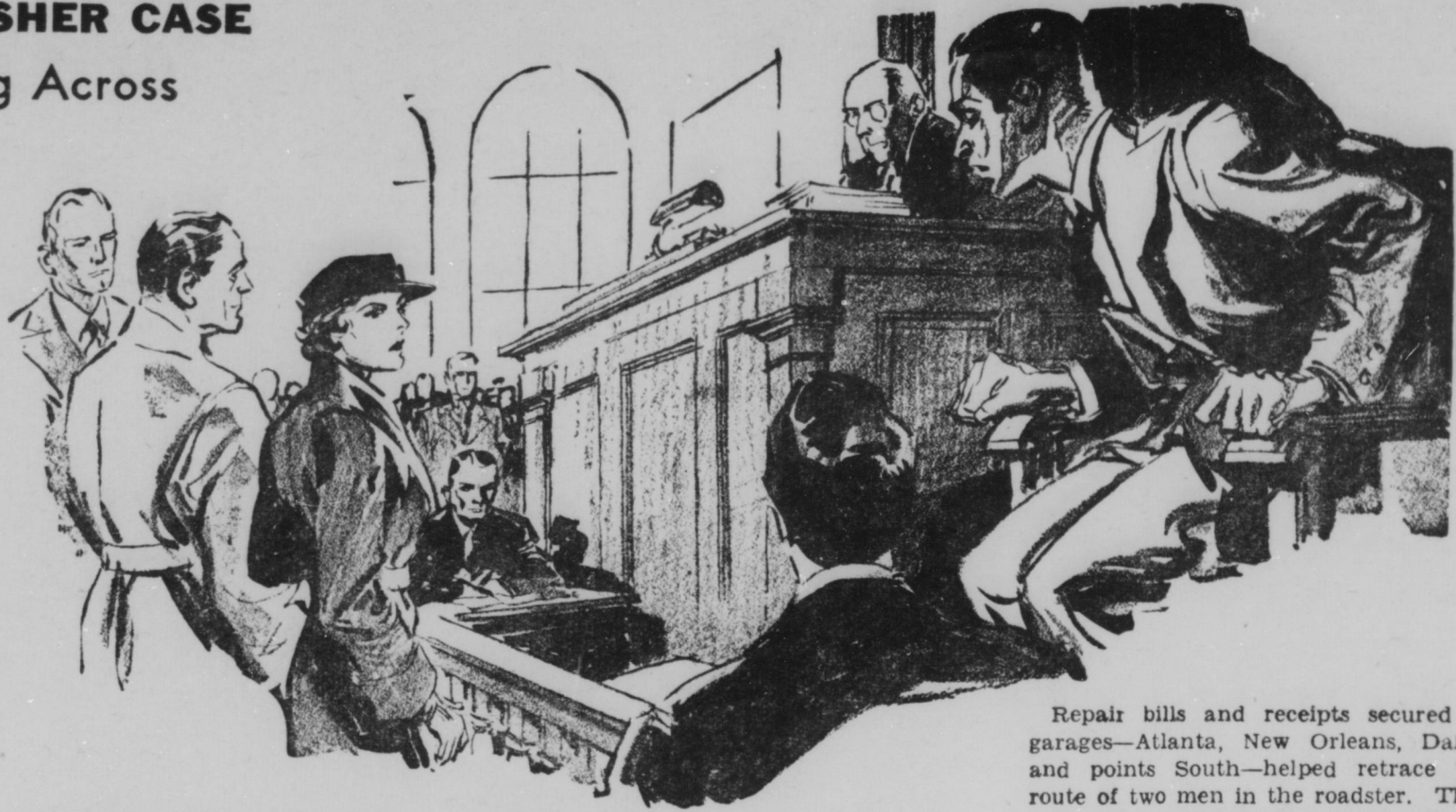
A young society girl in Miami was attracted by the easy manner of Engelsher. He had verve. She believed her Prince Charming had stepped out of the story book. Later, he forsook her for a girl of the Golden West.

Because Leibson possessed a talent for shaping rhymes, chimes and jingles he set himself up as a lyricist and scenario writer when he and his traveling companion got to Hollywood. Actually, Larry had the screen moguls buying his wares. When he entertained, in return for hospitality, some of the notables found themselves possessors of unaccountable \$20 bills. They began to wonder whence came the counterfeit money.

Quietly, the Secret Service was notified. Leibson and Engelsher departed for precincts unknown. Nevertheless, when the lyricist got tangled up with the Secret Service the most loyal friends he had were in Hollywood. Some of the biggest men there wrote letters pleading for mercy. Names signed to those notes are known all over America. They neglected, however, to send the boy money—even some of his own.

In Los Angeles, Engelsher met up with a singer in a Hollywood night club. With her, he and Leibson started in a roadster toward San Francisco.

Hollywood had been milked for all it was worth. The two bad men from Broadway determined to get action in the region once graced by the old "Forty-niners." In San Francisco the Easterners registered at different hotels.



Suddenly before the Judge appeared the young Miami society girl whom Engelsher had abandoned. Her story convicted him

Engelsher, in the role of a bridegroom, stopped at the swanky St. Francis, presided over by a former Baltimorean, James H. McCabe. Rated as one of the best hotelmen in the business, the astute "Jimmy" McCabe turned over the bridal suite to what seemed like a big butter and egg man from the Atlantic Coast. The bridegroom registered from Durham, N. C.

Leibson, as a bachelor, was content with more modest quarters. He went to the ultra-respectable William Taylor.

Comfortably situated, the boys were ready to "turn on the works"; have a good time on spurious money.

"Tex" Strange, Secret Service agent who broke the case, described the particular bill passed by these two men as "a honey." Only Government experts could tell it from the real article. Consequently, merchants on Market Street let go thousands of dollars in expensive merchandise, turned over to the counterfeiters—until one day a clerk in a leather goods store grew suspicious of Engelsher.

Because this clerk afterward became the victim of old-fashioned New York gangster methods, his car riddled with bullets, Secret Service men are loath to disclose his identity. They refer to him as Jack Wilson. On Upper Market Street Wilson first encountered "Zangy," as the boys call Engelsher.

"Zangy" purchased a lady's handbag. As Wilson recalled the transaction, the man was hard to sell. He wanted the best in the house. He got it. Paid for the purchase with spurious currency. Promised to bring his wife next day and buy a trunk.

Wilson, the clerk, put the bill in a special compartment of the cash register. While his customer examined other articles in the store the clerk studied the phony money. He decided it was counterfeit. "Zangy" left the store. Wilson followed.

On the way, "Zangy" met up with Larry Leibson, who had been "working the other side of the street." The two New Yorkers went into a women's hosiery and glove store and purchased enough gifts to outfit a Zeigfeld chorus.

Traffic Sergeant Rausch supervised activities at the corner of Fifth and Market Streets as Wilson ran up and said: "Sarge, I believe I've discovered a pair of counterfeiters."

"You do?" the sergeant said. "If that's so, we'll have to call the Secret Service. Where are your counterfeiters?"

Engelsher and Leibson were nearing a cigar store.

"There they are," Wilson said. The sergeant went over to investigate. "Zangy," the ever ready, when the officer stepped up to him, said:

"Just a moment while I make a phone call, Sergeant."

"Zangy" had a newspaper under his arm. He entered the phone booth. When he came out the paper was gone. Leibson disposed of a bundle by throwing it into a trash barrel.

The suspects were taken to the Inspector's Bureau for investigation—merely as a precaution. Even some of the wary officials thought their money was good. One of them said: "I wish it was mine." Until "Tex" Strange, of the Secret Service, came along. An expert eye then appraised fourteen \$20 Federal Reserve notes for what they were worth—nothing. It was the old sixth sense of the Secret Service.

Back at the cigar stand, Secret Service men retrieved a bundle of bills hidden in a newspaper, discarded in the telephone booth. Other notes were found in the trash barrel.

With purchase receipts from Market Street stores, Secret Service men uncovered a long list of counterfeit activities. On the men arrested were several hundred good dollars received in change—and the keys to their hotel rooms.

At the St. Francis Hotel, "Zangy" had a private safe-deposit box. Manager McCabe opened this for the Secret Service. A veritable fortune in jewels—mostly pearls—came to view. All the valuables had been purchased with counterfeit money, a later check-up proved. In the deposit box there were 140 of the \$20 Federal Reserve notes—\$2800 in counterfeit money.

Now the trail led backward. In "Zangy's" room was a telegram from a Joe Gould, telling the traveler to "keep the car as long as needed." That divulged the ownership of the roadster.

Secret Service agents in New York, Dallas, Miami, El Paso and other places went on the job. Across from Nogales, Ariz., in old Mexico, they found a Japanese proprietor of a night club who had been "gypped" plenty by the Broadway boys. The Jap gave out good Mexican pesos for phony American money—in change. Plus a good time.

Engelsher and Leibson denied having seen each other—until "Zangy" gave Larry "a ride out of Los Angeles." Through a check-up of hotel phone calls between the men, "Tex" Strange of the Secret Service nailed that lie.

Repair bills and receipts secured in garages—Atlanta, New Orleans, Dallas and points South—helped retrace the route of two men in the roadster. They scattered a small fortune in counterfeit money.

Through the New York underworld, "Zangy" was liberated on a \$10,000 bond pending his trial. Leibson, who pleaded guilty forthwith, got ten years on McNeils Island. His friends in Hollywood failed him on the money end.

One lad in prison and one at large, Wilson, the clerk who really put an end to their activities, drove at night over the Skyline Boulevard to Santa Cruz. At least, he started toward that point. A car full of hoodlums riddled the Wilson auto with bullets. Wilson escaped with his life. That this was done by gangsters with a New York underworld background came to light the next day. Traffic Sergeant Rausch's wife received a telephone call. The voice said: "If you want to see your husband any more tell him to lay off the Engelsher case. You know what happened to Wilson!"

Whoever did the shooting thought Wilson was killed. He slumped in his seat as if he were hit.

San Francisco and a pending trial got on the nerves of Engelsher. He wanted to see Los Angeles again and his Hollywood haunts—particularly the nightclub singer who had left him flat when storm signals showed. She was one jump ahead of the Secret Service men.

With these thoughts in his mind, Engelsher jumped his bond. Again the Secret Service had to get their man. They found him in New York—back at his old tricks learned with the "Cowboy" Tessler gang.

By one of those old-fashioned hoaxes, Engelsher lured a diamond salesman into a trap. Diamonds valued at \$7000 were at stake. Engelsher, in the midst of the deal, knocked the man over but not out. The salesman came up with a gun in his hand. Police were called. "Zangy" once more was in the toils of the law.

Back to San Francisco, Engelsher went in handcuffs. There, the last of the drama was enacted. He was held on \$50,000 bond.

On the stand, confronted with a stack of counterfeit notes passed at the Miami racetrack, Engelsher swore he had never been there.

Before the Judge, under the guidance of Secret Service men, stood the young society girl the counterfeiter threw over in Florida. He broke down and confessed.

Engelsher joined his compatriot, Leibson. He was sentenced to ten years on McNeils Island. Thus ended the tour of two New York gangsters to the Golden Gate.