

Watch Smuggling Ends

U. S. Customs Agents Uncover
Plot That Was Originated
in Atlanta Prison

By C. S. Van Dresser

WHILE incarcerated in the Federal penitentiary at Atlanta after having been convicted of illegally running more than a million dollars' worth of expensive Swiss watch movements into the United States, the wily brain of Paul Rabkin, arch-smuggler, conceived and put into operation a gigantic scheme to defraud Uncle Sam out of untold thousands of dollars of rightful revenue.

Under the very eyes of close prison censorship, criminal Paul Rabkin directed details of the organization of an international smuggling ring without once being detected. Not until after he had served his stretch was his clever and audacious conspiracy definitely suspected.

It sounds incredible that one man could so hoodwink Federal agents while actually in prison, but the work of astute New York Customs Agent Van Wie and United States Treasury Representative Samuel Brummer stationed at Milan, Italy, uncovered the plot and laid bare the evidence that was eventually to reconvict this king-pin smuggler of America. Even at that, the Canadian immigration officials and the Canadian Royal Mounted Police had to be called in to assist in the capture of the racketeer.

Paul Rabkin is now in the Federal penitentiary at Lewisburg, Pa., and his ring has been completely annihilated. But here's the story:

One morning in early 1932 ace Customs Inspector Van Wie approached the desk of Alvin MCK. Sylvester, Assistant United States Attorney in the New York City area.

"Listen, Chief," said the customs man. "I know this sounds screwy, but that last big seizure of smuggled Swiss watch movements looks to me like the work of Paul Rabkin."

"Say, Van Wie," returned the attorney. "I've got enough troubles of my own without you Customs Service fellows giving me more of your far-fetched ideas. How could Rabkin have anything to do with all these smuggled watch movements that have been turning up lately? He's in the Atlanta pen and won't be out for a month yet."

"I know, Chief, but what about his son, August? He's not in jail."

"Why, young Rabkin is on his honeymoon in Europe, isn't he?"

"Honeymoon, my eye. You can bet your bottom dollar he's in Switzerland buying up a load of watch movements to ship to his old man the moment he gets out of Atlanta."

Now let's go further back:

It all started in 1929 when Paul Rabkin was convicted of smuggling expensive Swiss watch movements into the United States. As the duty on the more valuable movements runs as high as \$10.75 each, the wily contraband runner had made himself a fortune in the several years of his operation before his conviction. It is not known the amount of watches he got illegally into the United States, but he was convicted of smuggling a million dollars' worth, which is probably but a fraction of the amount he really handled and sold at an enormous profit.

He had a vast organization in those days, with agents in Switzerland and Belgium; receiving stations in America disguised as dealers in antiques and furniture, and a complete system of distribution in the form of seemingly legitimate jewelry stores and mail-order houses. In fact, two of his chain of retail shops operated out in the open and were known as the "Federal Mail Order House" and the "Super Fine Watch Company."



Customs Agents arrested August Rabkin as he arrived at the New York pier

So the Customs Service heaved a sigh of relief when Paul Rabkin, the kingpin watch smuggler of America, was sent away to Atlanta in 1929 after having been convicted of wholesale watch smuggling.

But now, hardly more than two years later, watches were beginning to be smuggled in even greater quantities than before Rabkin was sent to Atlanta. As near as customs men could determine, the methods were the same.

Samuel Brummer, of the Milan (Italy) office, notified Customs Service headquarters in New York City that the suspected young Rabkin had purchased 3000 fine Swiss watch movements worth a good many thousand dollars. The customs agents were pretty sure an attempt would be made to smuggle them into the United States. But how?

All the questionable antique and furniture importing shops in New York were subjected to thorough scrutiny, but nothing was learned. However, the customs agents overlooked one bet.

Unknown to them a certain Morris Dubofsky had opened a modest paper-importing establishment on Broome Street, New York City. The name of his firm was the "Meray Box Stationery Corporation." For about a year Dubofsky imported writing paper from Switzerland and nobody paid any attention to him.

Since Agent Brummer's advice had come from Italy, men of the Customs Service were going over incoming shipments on New York's piers with a fine-toothed comb, searching for concealed watch movements. On the morning of August 19, 1932, a large packing case arrived on the Ile de France addressed to the "Meray Box Stationery Corporation."

Agents checked the consignment and learned that the "corporation" was not listed in the telephone directory. This looked suspicious, so the packing case was examined and 3000 valuable Swiss watch movements were discovered hidden in boxes of writing paper.

On that same day Paul Rabkin, who had been out of Atlanta for six months, and shadowed night and day by Federal men, was observed in close conversation with Morris Dubofsky at the shop on Broome Street. This bit of evidence seemed definitely to prove that the arch-

This is another of the series of "inside" true stories on how the United States Customs Agents wage a successful war on dope racketeers and smugglers.

smuggler was again at his old racket and had engineered the watch shipment just discovered.

When Morris Dubofsky arrived at his shop to claim his "writing paper," Agent Van Wie nabbed him. It looked like an open-and-shut case against Paul Rabkin. But the hitch came up when Dubofsky refused to admit that Rabkin had anything to do with the shipment. It was a stalemate for the Customs Service, for they actually had nothing on Rabkin. However, if it could be proved that young August Rabkin had shipped the watch movements from Switzerland, then the father could be charged with a conspiracy case.

Dubofsky was arraigned and held to prevent him from tipping off the elder Rabkin. The hard-working Samuel Brummer was asked to get the evidence in Switzerland against August Rabkin. This the Milan agent proceeded to do, but to make things more complicated, young Rabkin got in trouble with the watch company over nonpayment of a bill and fled to France. The company carried the suit across the border and August Rabkin was arrested in Paris in October, 1932. He got out of that difficulty in time to sail November 23 on the S. S. Bremen for New York.

The customs agents awaited his arrival with glee, and when the boat docked nabbed him for he had no idea he was wanted in the United States. Now the case was complete. The information supplied by Customs Agent Samuel Brummer that young Rabkin had shipped the packing case in which was hidden 3000 watch movements provided the final bit of evidence necessary to convict the entire smuggling ring. Dubofsky was already certain of conviction, due to the fact that he had received the illegal shipment.

Paul Rabkin was sentenced by Judge Knox, of the Southern District of New York, to four years and a fine of \$10,000. At the same time Dubofsky got three years and six months. A week later young Rabkin started serving a stiff sentence.

"I remember the case well," he continued. "Rabkin appealed after he was sentenced by Judge Knox. His appeal was denied and he was to start serving his stretch the following December.

"When that day rolled around the wily old smuggler was not to be found. He had scammed—disappeared into thin air. And were the boys sore! They had gone to a lot of trouble to build up a perfect case on the old rascal, and they'd been under plenty of pressure from higher up due to the complaints of the American watchmakers. So when Rabkin vanished they took it as a personal insult and went after him with a vengeance.

"The first clue trickled in a few months later when an illegal load of Swiss watch movements was discovered crossing the Canadian border into the States. I'll have to hand it to the Canadian immigration officials and the Canadian Royal Mounted Police for, after we told them who we wanted, they rounded up Rabkin in short order.

"Yes, he was working the same racket, this time in Toronto. As the Canadian duty on foreign watches was but a fraction of what it was here, the old devil was importing watches into Canada from Switzerland, paying the duty and then smuggling them into the States.

"I had to go to Toronto to make the identification and present legal data showing why Rabkin was subject to deportation. The Canadian authorities co-operated wholeheartedly and furnished a competent escort for him through the port of Fort Erie, Ontario, to the Black Rock Station, Buffalo.

"The boys made sure he didn't get away that time and the mastermind watch smuggler now has plenty of leisure to repent his ways while serving his sentence at the Federal Penitentiary at Lewisburg, Pa."