FACES LIQUOR QUIZ

N.Y. Journal - 10/17/29

George Remus, erstwhile rum king, is being sought by Federal agents on the supposition that he may be involved, if not the master mind, in $1,000,000 booze ring raided in New York City and vicinity.

Branding two prisoners, seized in the gigantic cleanup of the North Jersey coast last night, as principals in a huge liquor conspiracy, United States Attorney Phillip Forman demanded high bail when they were arraigned in the Federal Court here today.

In all, thirteen men faced United States Judge William N. Runyon, who speedily agreed to the bail asked by Mr. Forman and set it at once.

A heated argument arose between Mr. Forman and Frederic M. P. Pearse, former assistant United States Attorney, who declared the bail to be excessive.

"These men did not commit murder; I do not see why they should be held in such high bail," Mr. Pearse said. He was referring to Harold Lindauer, who was held in $25,000 on two charges, and Malcolm MacMasters, radio operator of the secret station at Atlantic Highlands, who was held in $30,000. MacMasters and Lindauer had been characterized earlier by Mr. Forman as the principals in the radio and liquor conspiracy.

Reduction Is Refused

Judge Runyon, however, refused to reduce the bail set and continued the arraignment of the prisoners.

The bail ranged from $1,000, fixed for two material witnesses, all the way up to $15,000, for some of the principals.

Mr. Pearce calmly assured reporters that "all the men would get bail this afternoon."

In asking bail for Lindauer, Mr. Forman said: "The Government feels that Lindauer is a principal in the conspiracy and that he aided and abetted in the radio violation, in operating a station without having it registered. The Government feels that the radio violation is of extreme importance, as it is situated on the Atlantic Coast and is an extreme hazard to the Federal authorities."

Mr. Pearse was not of this opinion.

"The United States is at peace with the world," he said. "I do not see where a radio station would jeopardize the Government."

Here Mr. Forman interrupted.

"I am told," he said, "that the agents found sawed-off shotguns and ammunition at the station. We may be at peace

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(Associated Press)

NEW YORK, Oct. 17.—Foreign agencies, in England and in Canada, were linked today by Federal attorneys with the $1,000,000 rum smuggling syndicate whose fortified arsenal, radio station, and warehouses extending all the way from Highlands, N. J., to Atlantic City, were simultaneously raided by Fede agents and New Jersey State Troopers last night.

Both U. S. Attorney Charles H. Tuttle and Assistant U. S. Attorney Robert Watts referred to the syndicate as "an international ring, with agencies in England, Canada, and elsewhere."

At the same time they revealed that the syndicate operated not only along the Jersey coast but practically controlled all illegal importation of liquor from Maine to the Virginia capes.

Mr. Watts said the ring had "financial connections with American banks, but whether this meant that the banks were actually engaged in financing its operations or merely carried its accounts was not made clear.

"This ring not only was conducting smuggling of contraband on an enormous scale, with ramifications in England, Canada, and elsewhere," said Mr. Tuttle, "but was, by practices which will be revealed in the course of prosecution, virtually monopolizing this business of illegal importations.

Mr. Tuttle said prosecution of more than a dozen prisoners arrested in connection with last night's raids would be carried forward at once.

Inquiry today at the local offices of thes coast guard and the custom bureau revealed that neither office had been told in advance what the program of last night's raids was to be.

Coast Cutters at Work

Six coast guard cutters, which worked during the raids in pairs off Sandy Hook, City Island, and Montauk Point, were dispatched out of the New London, Conn., base, under sealed orders that had come from Washington.

The sealed orders assigned the destroyers to assist 10 customs bureau speedboats, carrying 100 agents, in intercepting any small craft en route to shore with liquor from the larger ships outside the harbor. The customs boats were stationed also off Coney Island Creek, Atlantic Highlands, and Rockaway Beach. The destroyers and customs boats got nothing, however.

It was also learned today that all of the larger schooners and motor craft seized by the government off this section of the Atlantic Coast in the last three or four months have been equipped with both receiving and sending radio apparatus, capable of handling low wave lengths to communicate with the syndicate's station and also high wave lengths, which would permit interception of coast guard messages.

There was a rumor here today that a big ship, carrying a $1,000,000 cargo of liquor, was somewhere off shore in nearby waters, but it could not be verified.

James Murphy, Malcolm McMasters, Al Lilien, William Lilien, Ralph Bitter, Andrew Richards, and Harold Lindauer were named today by Mr. Watts as "the board of directors of the syndicate."

"Murphy, who is now in Canada," he said, "was the traffic manager. McMasters operated the radio station."

The "board of directors," he said, had been well advised, through an excellent system of espionage, of the movements of government forces, and through its legal advisers well tutored in criminal law.

Special Hotel Operated

An amusing feature of the syndicate's operations, Mr. Watts said, was its operation of the Albion Hotel at Atlantic Highlands for and by members of the gang.

"When a government agent went there a few weeks ago and tried to get a room," he said, "they acted all upset and appeared at a loss to know how much to charge him."

The prisoners arrested in this distrist, "mostly underlings," Mr. Watts said, will be arraigned today and bail

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