

Texas Crime Investigating Committee – Item Inventory

Sam Serio & C. H. Cavness Testimony

Testimony of Sam Serio and Testimony of C. H. Cavness – Part 1, 1951-06

TESTIMONY OF SAM SERIO
June 1, 2, and 4, 1951

AND

TESTIMONY OF C. H. CAVNESS
June 4, 1951

TESTIMONY OF THE WITNESS, SAM SERIO, (JUNE 1, 2 AND 4, 1951) AND THE
STATE AUDITOR, C. H. CAVNESS, (JUNE 4, 1951) GIVEN BEFORE THE HOUSE
SPECIAL CRIME INVESTIGATING COMMITTEE, CIVIL APPEALS COURT ROOM, IN
AUSTIN, TEXAS

B E F O R E

HON. FRED MERIDITH, CHAIRMAN
HON. WAGGONER CARR, MEMBER
HON. HORACE B. HOUSTON, JR., MEMBER
HON. CHARLES MURPHY, MEMBER
HON. BILL WOOD, MEMBER

TRANSCRIPT OF PROCEEDINGS

AGNES E. MILLER
STENOTYPE REPORTER

MORNING SESSION9:00 O'CLOCK A. M.JUNE 1, 1951AUSTIN, TEXAS

CHAIRMAN MERIDITH: Gentlemen of the Committee, please come to order and, Clerk, will you call the roll?

(Reporter's note: Clerk called the roll, following Members being present: Representatives Carr, Houston, Murphy and Meridith)

CHAIRMAN MERIDITH: A quorum being present the Committee will open the business of the day. Will these witnesses please answer as their names are called: Rose Maceo?

MR. DIBRELL: Louis Dibrell. I appear as attorney for Mr. Rose Maceo as well as for all of the subpoenaed witnesses who are here.

I hand you herewith statement made by me in behalf of Mr. Maceo with affidavits attached of Doctors Marr and Towler. The substance of the statement of the affidavits is in the professional opinion of those doctors that Mr. Maceo's attendance would be extremely hazardous to his life.

CHAIRMAN MERIDITH: Let the record show, please, reading of this affidavit that has been presented by Mr. Dibrell.

(Reporter's note: The instrument was Marked Exhibit No. 1 and is as follows)

* * * * *

TO THE HONORABLE REUBEN E. SENTERFITT, Speaker of the House of Representatives, and THE HONORABLE FRED V. MEREDITH, Chairman, House Special Crime Investigating Committee:

ROSARIO (ROSE) MACEO, one of the persons upon whom there has been this 31st day of May, 1951, served a certain Subpoena Duces Tecum dated May 30, 1951, which subpoena likewise commands his personal attendance as a witness at a Hearing before the Special Crime Investigating Committee of the House of Representatives, to be held at the Court of Criminal Appeals Court Room at Austin, Texas, not later than 9:00 O'clock A. M. June 1, 1951, by and through Louis J. Dibrell, his attorney, hereby respectfully makes known that his physical condition and state of health is not such as to permit him to comply with the commands of such subpoena. Affidavits of William L. Marr, M. D., of the professional partnership of Doctors Marr and Schwabb, and of Martin L. Towler, M. D., of the professional partnership of Drs. Harris, Ford, Towler & Otto, in support of such assertion are attached hereto and made part hereof.

By reason of the facts stated in such affidavit, Rosario Maceo hereby respectfully prays that he be relieved from compliance with such subpoena.

/s/ Louis J. Dibrell
Louis J. Dibrell
903 Medial Arts Building
Galveston, Texas.

Attorney for Rosario (Rose) Maceo.

DOCTORS MARR AND SCHWAB
Internal Medicine
Suite 611 U. S. National Bank Bldg.
Galveston, Texas
May 31, 1951

TO WHOM IT CONCERNS:

Mr. Rose Maceo has been subpoenaed to appear before an investigating committee for questioning. It is my belief that to do so will gravely affect his health. He is, and has been, a seriously sick man for the past several years, and especially so the past year. He has been advised repeatedly to avoid physical exertion and emotional or stress situations. Any of which may provoke an irreversible condition.

There have been several hospitalizations during the past several months, and he has consulted many physicians for various troubles, some of which are enumerated below:

1. He has had hypertensive heart disease for many years, recently developing as a result of this, congestive heart failure.

2. Hypertensive encephalopathy, extensive and associated with, (a) thrombosis of the central artery of the right eye with resultant loss of vision in that eye, (b) two subsequent thromboses involving other vessels of the brain resulting in weakness of the right arm and leg.

3. Mental depression in which shock treatment was administered several times, and was discontinued only because his reactions were so severe that his life was considered endangered by such treatments.

4. Later he was operated with removal of both stellate ganglia in hopes of preventing further thrombotic episodes and to help in the care of his depression.

The above are cited to emphasize to you why I believe that Mr. Maceo should at all times avoid situations of stress. Furthermore

I firmly believe such situations may provoke changes that could result in his death.

If I can be of further information or help in any way please call on me.

Very truly yours,

/s/ William L. Marr
WILLIAM L. MARR, M. D.

WLM:vls

THE STATE OF TEXAS)

COUNTY OF GALVESTON)

BEFORE ME, the undersigned authority, a Notary Public in and for Galveston County, Texas, on this day personally appeared WILLIAM L. MARR, M. D., who being by me first duly sworn upon his oath says: My name is William L. Marr, and I am a practicing physician in Galveston, Texas. I am one of the personal physicians of Mr. Rosario Maceo, of Galveston, Texas. The facts and opinions stated in my letter attached to this affidavit as to Mr. Maceo's physical condition and state of health are true and correct.

/s/ William L. Marr
WILLIAM L. MARR

SUBSCRIBED AND SWORN to before me by the said William L. Marr, M. D., this 31st day of May, 1951.

/s/ Norma H. Boney
NOTARY PUBLIC in and for
Galveston County, Texas.

(SEAL)

DRS. HARRIS, FORD, TOWLER & OTTO
Neurology & Psychiatry
Office John Sealy Hospital
Galveston, Texas
May 31, 1951

Titus H. Harris, M. D.
Hamilton Ford, M. D.
Martin L. Towler, M. D.
John L. Otto, M. D.

TO WHOM IT MAY CONCERN:

This is to certify that Mr. Rose Maceo of 2412 O, Galveston, Texas, has been under my care and treatment off and on Since December of 1947.

When I first saw him in consultation with Dr. William L. Marr during December of 1947, he was known to be suffering from a Hypertensive Heart Disease. In addition to this condition he was found to be suffering from a nervous breakdown diagnosed as Pathologic Depression. He remained continuously under my care and treatment for his state of Depression until May of 1948, and has had periodic recurrences of this condition since that time.

I have also continued to see Mr. Maceo for a condition diagnosed as Hypertensive Encephalopathy. During October of 1949 he was admitted to St. Mary's Infirmary for a condition subsequently diagnosed as Thrombosis of the central artery of the right eye which led to a complete loss of vision in that eye. During February of 1950 I saw him in consultation again in St. Mary's Infirmary with a condition diagnosed as Cerebral Thrombus or Angiospasm, which was a complication of his Hypertension. Because of his persistent Hypertension and repeated Cerebro-vascular accidents (strokes) he was submitted to an operative procedure, referred to as a Bilateral Stellate Ganglionectomy during March and April of 1950. During August of 1950, he had another minor Cerebro-vascular Accident (stroke) and was again hospitalized

in St. Mary's Infirmary.

Throughout the three and a half years that I have had occasion to see Mr. Maceo there has been some gradual progression of his Hypertensive Encephalopathy in spite of all of the various treatment procedures that we have resorted to and his condition has become much more critical during the past year. Because of our findings I have urgently advised Mr. Maceo against subjecting himself to any type of physical, mental or emotional stress and have pointed out to his wife that such stress may be sufficient to provoke a fatal intensification of his Hypertensive Encephalopathy or his Hypertensive Heart condition.

MLT/sw

/s/ M. L. Towler
Martin L. Towler, M. D.

THE STATE OF TEXAS)

COUNTY OF GALVESTON)

BEFORE ME, the undersigned authority, a Notary Public in and for Galveston County, Texas, on this day personally appeared MARTIN L. TOWLER, M. D., who being by me first duly sworn upon his oath says: My name is Martin L. Towler, and I am a practicing physician in Galveston, Texas. I am one of the personal physicians of Mr. Rosario Maceo, of Galveston, Texas. The facts and opinions stated in my letter attached to this affidavit as to Mr. Maceo's physical condition and state of health are true and correct.

/s/ M. L. Towler
Martin L. Towler

(SEAL) SUBSCRIBED and sworn to before me by the said Martin L.
Towler M. D., this 31st day of May, 1951.

/s/ Norma H. Boney
NOTARY PUBLIC in and for
Galveston County, Texas.

* * * * *

CHAIRMAN MERIDITH: What is the will of the Committee,
gentlemen? Would you like disposition of this matter later
be made, some decision on it?

REPRESENTATIVE CARR: I so move.

REPRESENTATIVE MURPHY: I second the motion.

CHAIRMAN MERIDITH: Mr. Carr moves the medical statement
with regard to the absence of the witness, Rose Maceo, will
be considered by the Committee later on in this meeting;
seconded by Mr. Murphy. All in favor say, aye; opposed, no.
Carried.

A. J. Adams?

MR. DIBRELL: Adams is here and -- no, Mr. Adams is not
here. He's the one that has not been served.

CHAIRMAN MERIDITH: Sam Serio?

MR. DIBRELL: Mr. Serio is here, and on behalf of Mr.
Serio I wish to present the following sworn statement as to
his position. I'm not familiar, of course, with the procedure
you want to follow, but if you wish I'll be glad to read it
as a sworn statement.

CHAIRMAN MERIDITH: What is the nature of the statement,
Mr. Dibrell?

MR. DIBRELL: The nature of the statement is in explanation of the failure of Mr. Serio to produce the records and items listed in the Schedule A attached to the subpoena; statements are set forth in the sworn statement, the justification for not complying with that part of the subpoena. The statement concludes with the statement that nothing said in it is to be construed as indicating or making any refusal on such witness' part to comply with such other portions of the requirement of the subpoena that he cared without derogation or abandonment of the statements contained in there.

CHAIRMAN MERIDITH: Frank Maceo?

MR. DIBRELL: He's here and there is a counterpart statement for him as to which the same thing as I have said in respect to Mr. Serio has been repeated.

CHAIRMAN MERIDITH: With respect of failure to bring records?

MR. DIBRELL: That's correct.

CHAIRMAN MERIDITH: The same motion and statement made by Frank Maceo?

MR. DIBRELL: For information in studying them, they are identical statements except as to names and precise time or approximate time of service.

CHAIRMAN MERIDITH: The same situation as to Victor J. Fertitta, failure to bring records?

MR. DIBRELL: Same statement.

CHAIRMAN MERIDITH: R. N. Cox?

MR. DIBRELL: I have a statement. Mr. Cox is here and I have a statement to file for Mr. Cox which is not that same statement. Mr. Cox's position, as stated in his statement, is subject to no control or such control of records and possession as listed in Schedule A as would permit or even enable him to comply. He likewise wishes it understood that such possession does not indicate any refusal to comply with the subpoena insofar as he can.

CHAIRMAN MERIDITH: Same motion with respect to the statement of R. N. Cox, his failure to produce records.

You have any other statements you would like to present at this time, Mr. Dibrell, limiting, excluding witnesses?

MR. DIBRELL: I have no further sworn statements. The petition, an attempt to summarize in that.

CHAIRMAN MERIDITH: In other words, that covers your statement concerning all the witnesses?

MR. DIBRELL: If this Committee will permit and, of course, control the substance, I would like briefly to state as a lawyer, the position with the idea it may be of interest, I say may be of some interest and possible value to you in your consideration of these statements that are presented.

CHAIRMAN MERIDITH: All right, sir.

MR. DIBRELL: This lists in paragraph A, I mean Exhibit A, some 22 names of business establishments or enterprises.

Reading the subpoena will immediately demonstrate it calls for every conceivable kind of record. The subpoena, in our opinion, calls for a considerable study for the purpose of determination on the part of these witnesses as to whether or not they would, regardless of what they did, be fully complying with the subpoena. The subpoena, amongst other things, directs them that they do diligently and carefully search for these records and produce prior to their testimony. For your information I'll say to you that some of these things are simply names given to a certain place, something like that, no business with respect so far as they are concerned and no records as such in respect. To illustrate what I mean, like this is known, well, you might have a conference room, named a certain conference room, but no records of any kind or character in respect to them. One such place is inquired about as to which these people do not have any power to produce the records because they don't have any records. A particular place, the Marine Room, is the lower dancing room, pavilion, municipally owned on the Galveston Pleasure Pier, big concrete pier built by the City of Galveston on the Gulf of Mexico, and operated by a corporation. These people and their connections are only minority stockholders.

The inability from our standpoint, it's physically impossible to comply with these things. We have, at least no alternative, but to so state their position.

Now, I also, solely for the purpose of your consideration and advice, that if this Committee should see fit to adjourn for a meeting for any length of time, this hearing, in respect to the production of records and other things, that we will undertake to comply with the terms of the subpoena, the production of records and these men to give you in detail anything we can furnish you. The simple fact of the matter is, we had to leave and get up here about nine o'clock last night, didn't have time to do it.

CHAIRMAN MERIDITH: Mr. Dibrell, is there any person present who is custodian of the records?

MR. DIBRELL: Mr. Serio is the custodian of the records and I venture to guess that Mr. Serio knows more about those records than any other person or combinations of people put together.

CHAIRMAN MERIDITH: He's the person in charge of the bulk of the records?

MR. DIBRELL: He is the auditor, so to speak, of all of these records and is now in charge and control of them and has been for some length of time.

CHAIRMAN MERIDITH: Is Mr. Serio an auditor?

MR. DIBRELL: Well, he isn't a CPA. I don't even know whether he has had any study, but in the general sense of the word, auditor by virtue of having been brought up and created most of the records. He is not delegated as an auditor.

CHAIRMAN MERIDITH: He prepared them, he and under his

direction?

MR. DIBRELL: Yes, sir.

CHAIRMAN MERIDITH: He has prepared the records of which he has charge?

MR. DIBRELL: He is Secretary-Treasurer.

CHAIRMAN MERIDITH: Has he brought any records at all?

MR. DIBRELL: He has not brought any records.

CHAIRMAN MERIDITH: Not a single record?

MR. DIBRELL: He has not brought any records.

REPRESENTATIVE CARR: Mr. Chairman, I move we put Mr. Serio on the stand and ask him a few questions along that line.

CHAIRMAN MERIDITH: Or have a closed session for the purpose of going into the statements?

REPRESENTATIVE CARR: All right, I wanted to talk to him before, I want to know what action I might want to take.

CHAIRMAN MERIDITH: That's a suggestion, suppose we have a little Committee meeting in the absence of the witnesses, for the purpose of determining the procedure.

REPRESENTATIVE CARR: That's fine. I withdraw that motion.

CHAIRMAN MERIDITH: Suppose all the witnesses present stand and be sworn.

MR. DIBRELL: Let me ask this question. Any of you gentlemen know where there is a room where we can go sit?

Frankly, out in the halls you can't even think, much less do anything else.

CHAIRMAN MERIDITH: Has the Sergeant-at-Arms provided any chairs at all?

MR. DIBRELL: No.

REPRESENTATIVE MURPHY: He went down to the House Chamber, said he would be back.

CHAIRMAN MERIDITH: Suppose all the witnesses be sworn before -- for the purpose of identifying you gentlemen, you are?

MR. COX: R. N. Cox.

MR. MACEO: Frank Maceo.

MR. FERTITTA: Victor Fertitta.

MR. SERIO: Sam Serio.

CHAIRMAN MERIDITH: These are the only four witnesses present?

MR. DIBRELL: That's right.

(Reporter's note: The four witnesses were duly sworn)

CHAIRMAN MERIDITH: All right, gentlemen, if you will retire and give us just a little time for a Committee meeting here.

(Reporter's note: Committee held a closed session)

CHAIRMAN MERIDITH: Gentlemen, please take seats. We just want to make a short statement to the group assembled here. The Committee feels seriously that probably each of the witnesses might be in contempt before this Committee for

failure to obey the subpoena duces tecum. However, we will take that up a little bit later in the meeting.

With respect to the medical statement concerning Mr. Maceo's condition, it is acceptable. And while the witnesses are here we want to proceed with some oral examination.

We will call Mr. Serio as the first witness. If you will, take that chair there. The other witnesses will be excluded from the room.

* * * * *

MR. SAM SERIO, being duly sworn,
testified as follows:

EXAMINATION

BY CHAIRMAN MERIDITH:

Q Will you please state your full name?

A Sam Serio.

Q And where do you live, Mr. Serio?

A In Galveston, Texas.

Q How long have you lived in Galveston, Texas?

A Oh, about 16 and a half years.

Q And before you came to Galveston your residence was where?

A Beaumont, Texas. Beaumont, Texas.

Q Beaumont. And what is your business, Mr. Serio?

A Bookkeeping, accounting.

Q How long have you practiced that profession?

A Oh, I would say about 30 years.

Q Are you a certified public accountant?

A No, sir.

Q Are you a public accountant?

A No, sir, I am just a bookkeeper.

Q Mr. Serio, by whom are you employed?

A Well, I guess I'm working for myself. I am an interested party in there.

Q (By Representative Carr) Will you speak up a little?

A I said I guess I'm working for myself, being a partner in the organization.

Q (By Chairman Meridith) Now, when you refer to organization, will you explain to us?

A Well, the list of those companies you have on that list there.

Q Are you interested in all of those businesses?

A Yes, sir.

Q Now, Mr. Serio, for the purpose of the record, in what way are you interested in Studio Lounge?

A Well, it's just another room being operated in the ---

Q Is it a business in and of itself?

A Well, it's, well, I don't know, have so many restaurants and places all over that, each one makes their own report, all combined in one operation over all.

Q Where is the Studio Lounge located?

A In the Turf Building.

Q That's in the city of Galveston?

A Yes, sir.

Q Who else is interested in the Studio Lounge with you?

A Well, it's several partners in there.

Q Is it incorporated?

A Well, no, sir, the Studio Lounge isn't.

Q Sir?

A No, it's not incorporated.

Q Is it a partnership?

A It is a partnership, yes.

MR. DIBRELL: Mr. Serio, see if you can keep your voice up a little more, please.

Q (By Chairman Meridith) Can the microphone catch his voice?

Suppose you move your chair forward some. What other businesses are operated, Mr. Serio, in the Turf Building?

A Well, we have the Turf Grill, and we have the Tap Room in there.

Q Now, are each of those separate businesses?

A Yes, sir.

Q All right, sir, just go ahead with the list of businesses.

A I believe the Western is included in that building.

Q Go ahead, please, sir.

A And we have another club room in there, and the office building is in there, and the oil operation company is there.

Q I'm still having a little difficulty in hearing you, Mr. Serio, if you could talk just a little louder, please, sir.

A You want to put this over by the table? ®

CHAIRMAN MERIDITH: How far will that microphone pick up his voice?

CHIEF LAWS: Not very far.

Q (By Chairman Meridith) This is a picture of the Turf Building, is it not, Mr. Serio?

A Yes, sir.

Q Now, how many stories to that building?

A Three stories.

Q Now, what is on the first floor?

A Well, we have the Turf Grill, the Tap Room, Pool Room, and have a place that we check, cash checks for the general public, and we have a small office on that first floor.

Q Now, what businesses are operated on that first floor?

A We have a room there where we give baseball and football results.

Q What's that room known as?

A Well, we call it the Cigar Stand, that's the way it is known, as Turf Grill and Cigar Stand.

Q And who operates that business?

A That's part of the partnership.

Q Now, does the same partnership own and operate all the businesses operated in the Turf Building?

A Yes.

Q Now, can you give us the people who are interested in that partnership, please?

A Quite a few of them. There's Rose Maceo; as you know, Sam Maceo Estate now, he is deceased; Frank Maceo; Victor C. Maceo; Victor A. Maceo; Vincent Maceo; Sam T. Maceo.

Q Now, is Victor A, is that V. A. Maceo?

A I think that's Vincent A. Maceo.

A And then is it Vic A. or Vic C. Maceo?

A Vic C. and there's a Vic A.

Q Two Vic's?

A Yes.

Q All right, sir.

A That may be the original partnership. You know we have increased the partnership since. If you'll name those off for me I can tell you.

Q This isn't the partnership list here.

A Oh, I see.

Q That's what I wanted was a to-date list of the partnership.

A All right, then, A. J. Adams; myself; O. E. Voigt. Let me see a list, supposed to be 17.

Q Did you name A. J. Adams?

A Yes, sir.

Q Did you name D. D. Alexander?

A No, sir, he's not in there.

Q He's no longer interested in the partnership?

A No, sir.

Q C. D. Burphy?

A No, sir, never was.

Q C. D. Burphy was never interested in the partnership?

A No, sir.

Q Was he ever interested in the Turf Athletic Club?

A That's something I don't remember, might have been one time. We incorporated that Athletic Club, he might have been an officer.

Q How long has it been since C. D. Burphy has been interested in the business?

A He never was interested in the business.

Q Even though he may have been named as one of the incorporators?

A He might have, if I remember right, that has been quite some years ago.

Q Did you name R. N. Cox?

A Mr. Cox is a bookkeeper in the office.

Q Is he interested in the business?

A No, sir, just one of the bookkeepers. We have about, well, he's one in the office there, about 15 people in the office, he's just one of them.

Q But not interested in the partnership?

A No, sir.

Q Just an employee?

A Just an employee.

Q G. A. Derrick?

A G. A. Derrick, no, he was an employee.

Q He's not interested in the partnership?

A No, sir, he may have been an officer in the Club or something, I don't know. I can't answer that question because that's going way back.

Q Is he at present employed by the partnership?

A I haven't answered that question because I don't remember whether he is or not. A lot of these employees come and go and sometimes they lay off and sometimes they come back.

Q To say the least, he is not interested in the partnership?

A He's not interested in the partnership.

Q Anthony J. Fertitta?

A Yes, he's a partner.

Q Victor Fertitta?

A Yes, he's a partner. I knew I missed a bunch of them.

Q Is there another Fertitta?

A Frank J.

Q Frank J. Is he a partner?

A Yes, sir.

Q Frank Maceo?

A Yes, sir.

Q Rose Maceo?

A Yes, sir.

Q Is Sam Maceo's Estate now interested in the partnership?

A Yes, sir.

Q Who are the heirs of Sam Maceo?

A His wife and children.

Q How many children are there?

A Three children.

Q And their ages?

MR. DIBRELL: I don't believe -- I have no desire to interrupt the proceedings -- but I think the witness is having to testify to legal conclusions which he is not qualified to testify, as to whether Sam Maceo's Estate is

in this partnership or not, or these children or these heirs. The estate, the administration of the estate has just begun.

CHAIRMAN MERIDITH: We appreciate that fact.

Q (By Chairman Meridith) How old are Sam Maceo's children?

A Oh, they're six and eight, I guess, seven.

Q All three of them children?

A All minors, seven, eight, something like that.

Q And what is Mrs. Sam Maceo's name?

A Edna.

Q Edna. Is she residing in Galveston now?

A Yes.

Q And Vic C. Maceo?

A Yes.

Q You say is a partner and Vincent C. Maceo?

A Vincent A.

Q Vincent A. Now, is there any other Maceo who is interested in the partnership?

A I'll have to check that list.

Q I have called Frank, Rose, Sam's heirs, Vic C.

A I wouldn't remember.

Q One, two, three, four.

A S. T. Maceo is not on there, is he?

Q No.

A Lorenza Griellotte.

Q His given name is what?

A Lorenza, L-o-r-e-n-z-a, Griellelte, G-r-i-e-l-l-e-t-t-e. That's 14. Oh, yes, Joe T. Maceo.

Q Joe T.

A John Arena. R. L. Fabj.

Q Now, is that R. L. Fabj Maceo?

A No, just Fabj. That's all of them, 17, I think.

Q Let's see, that's Lorenza Gri ---

A Ellette.

Q Let's see if I have all of the Maceo's. There's Frank Maceo, Rose Maceo, Vic C. Maceo, Vincent A. Maceo, Griellelte Maceo, Sam T. Maceo, Joe Arena Maceo ---

A No, no, John Arena.

REPRESENTATIVE HOUSTON: He has written down 17.

A I just got the initials.

REPRESENTATIVE HOUSTON: Oh, I see. He's doing his best.

A I just put the initials down, I just wanted to be sure.

Q (By Chairman Meridith) That's one, two, three, four, five, six, seven of the Maceo family, eight counting Mrs. Sam Maceo?

A One, two, three, four, five, six, seven.

Q And Mrs. Sam Maceo?

A That's right, that's eight.

Q Now, are all of the Maceo's whom you have listed residents of Galveston?

A Yes, sir.

Q Now, is Lionel Pelirene interested in the partnership?

A No, sir.

Q How long has it been since he has been interested?

A He might have been an officer of the Club.

A Was he at one time President of the Club?

A He might have been.

Q How long has it been since he has been interested?

A Well, I mean, he was just President, never was interested, just an officer.

Q Just an officer?

A Yes, sir, he never was interested in the business.

Q And I believe you named O. E. Voigt?

A Voigt, yes, sir.

Q There are 17 partners in all?

A Seventeen in all.

REPRESENTATIVE HOUSTON: Mr. Chairman, can he tell us what businesses, the names of the businesses operated by that string of partners?

CHAIRMAN MERIDITH: That's what we are going into next.

Q (By Chairman Meridith) Is the partnership operated under one name or many names?

A Well, like I say, the Turf Grill is one place, then we have the Turf Cocktail Room and Bar, the Tap Room and Oyster Bar, I mean all those different places. The partnership is operated under one name if that's what you want.

Q That's what I'm getting at.

A Maceo & Company.

Q Maceo & Company.

A That's the partnership.

Q That's the name of the partnership?

A That's the partnership.

Q Of the 17 partners you have named?

A Yes, sir.

Q Now, are all of these partners equally interested?

A No, sir, they have various interests in there.

Q Could you tell me what interest each of them has?

MR. DIBRELL: Mr. Chairman, may I make a suggestion?
I'm certain Mr. Stone would be glad to prepare a list from
Mr. Serio's initials he has and then he can pass the list
to Mr. Serio and he can supply the percentagewise interest.

CHAIRMAN MERIDITH: You mean he can do that now?

MR. DIBRELL: While you are going ahead with the examina-
tion.

Q (By Chairman Meridith) Now, how many businesses are there that
the partnership operates, separate businesses?

A Well, you have them pretty well covered.

Q Is that list that we have in the subpoena ---

A Pretty well complete.

Q A complete list?

A I don't know if any of them are missing, the names we carry
bank accounts in.

Q My inquire was whether or not you operate any other business under the partnership named in this list we have on the subpoena.

A Well, I notice that you don't have the Stewart Beach Catering Company. I notice they missed that one. I can't remember anything right off hand. I just happened to notice the Stewart Beach is not on there.

Q Now, are each of these businesses operated as a partnership?

A No, sir. The Murdoch Bath House Company is a separate corporation that all of these partners do not have an interest in it.

Q Who is interested in the Murdoch Bath House Company?

A On that list I'll show you, interested in the corporation, the Gulf Properties, Inc. is another one not interested, by all the partners. Galveston Pleasure Pier, Inc. is not interested.

Q Those are still corporations?

A Yes, sir. There's another corporation, I just happened to think, it's not interested in the partnership, that's San Luis Corporation.

Q St. Louis?

MR. DIBRELL: San Luis Corporation.

CHAIRMAN MERIDITH: All one word?

MR. DIBRELL: No, it's two words.

Q (By Representative Carr) San Luis what?

A Corporation.

MR. DIBRELL: I'm trying to help, if you want me to stay quiet, just trying to supply those things we can.

A Beach Amusement Park, Inc. That's a corporation but the partners are all interested in that. There's not another one there.

Q (By Chairman Meridith) Is that the same thing as the Beach Athletic Club?

A No, sir. Is the Beach Athletic Club in there? That's not ours, the Beach Athletic Club.

Q That's not operated by the partnership?

A No, sir. Give me that list, I can check it off for you, see if they're all on there, so many of them.

REPRESENTATIVE HOUSTON: Just go right down the list.

A Well, the Beach Athletic Club is not ours.

Q (By Representative Houston) Just scratch that off. That's not yours?

A No, sir. Now, the Balanese Room is, I figure, the partnership. I can name all these if you want.

Q (By Chairman Meridith) Go down the list so the record will show.

Q (By Representative Houston) When you say partnership you are referring to Maceo & Company?

A Yes, sir.

Q The 17?

A Yes, sir.

Q The Balanese Room is operated by the partnership?

A The partnership. The Chilli Bowl is operated by the partnership. The Tap Room and Oyster Bar, partnership. Crystal Sportland, that's the partnership. Galveston Novelty Company, just a bank account, but the partnership, no company at all, just nothing to it.

Q Bank account in that name?

A Bank account in that name.

Q (By Chairman Meridith) Now, just a minute, about the Galveston Novelty Company, what did you say about it?

A It's just a bank account, no account in that name except it's a wash-out bank account, in and out. We use it, deposit money and take it out. I mean, no books or anything on that. Galveston Pleasure Pier, that's a corporation owned by the, not by the partnership.

Q Same people interested in the partnership interested in the corporation?

A No, sir.

Q Right there, Galveston Pleasure Pier, can you tell me the stockholders, incorporators of that corporation?

A I'll get them off that list there he's making up, the partnership and the people that own the corporation. Gulf Properties, Inc. is owned by, not the partners.

Q Still incorporated?

A It is incorporated, yes, sir. The Gulf Room is just another room, been leased out, I mean it's nothing there, just an empty room, use it for parties, special dinners or something like that, but we have this room leased to outsiders.

Q (By Representative Houston) Who?

Q (By Representative Carr) Who is that leased to?

A One of the Veterans' organizations has leased it, run it for themselves.

Q Do you recall which organization?

A Vincent Maceo Post, Veterans of Foreign Wars.

Q They pay rent to whom?

A They pay rent to the Murdoch Bath House Company, Inc.

Q (By Chairman Meridith) What building is that in?

A Murdoch Bath House.

Q All right, Hollywood?

A That's owned by the, not in existence, I mean nothing there but a warehouse, just sitting out there, hasn't been open in several years.

Q Of course, Maceo & Company, that's the partnership, Maceo Catering Company?

A That's the company that caters food for these parties at home, parties that we had at the Gulf Room, places like that, private parties mostly.

Q (By Representative Carr) Is that a partnership?

A It is part of the partnership.

Q (By Chairman Meridith) What is the business of that catering company?

A It's catering food, strictly food. Now, here's the partnership interest and the same people own the corporation, that's their interest in the corporation.

Q (By Chairman Meridith) You are referring to all the other corporations?

A Yes, sir, not all the corporations, some of the corporations owned by the partnership.

Q You mean some of the corporations ---

A Are owned ---

Q The stock is owned entirely by the complete list of partners?

A That's right.

Q Well, now, you have, is this a percentage figure?

A That's percentage, 15 per cent, seven and a half and five.

Q Now when you have designated corporation, is this the percentage too?

A That's the percentage, ownership in the corporations.

Q Now, does this same percentage hold true for each of these, each of the corporations?

A Yes, all those that are owned by the corporations, that's the percentage they own and the corporations owned by the partners is the other percentage. See, the partnership has bought some of the corporations, stock in the corporations.

MR. DIBRELL: Mr. Chairman, I think I can make about a one-minute statement of what you're hearing from the witness.

CHAIRMAN MERIDITH: All right, sir, go ahead.

MR. DIBRELL: There were originally four or five partners a number of years ago.

A Right.

MR. DIBRELL: They bought properties, acquired properties and had businesses. Over the years new partners had been taken in, new partners that had been taken in had not been taken in to a full percentage interest of all they owned. The Gulf Properties is a corporation to which the individuals transferred their ownership in all the real estate and

improvements, I've forgotten exactly when, but about 1936, it's in the Secretary of State's office. That corporation existed, the holding company for those real estate properties and improvements and for no other purpose. But the new partners, some that were taken in fairly recently, did not acquire any stock in that corporation. All of the businesses including these various restaurants, various named rooms, this catering company, are actually simply different trade or business names under which Maceo & Company operates insofar as the books and records are concerned. They all merge just like one department in the business with another department in the keeping of the books. The Murdoch Bath House Company is a corporation that has been in existence for many, many years in Galveston and the old department simply purchased from Dr. Gavin, Judge Pierce's Estate and somebody else, the stock that was held and they have held that corporate existence. A lot of these newer partners have acquired no stock interest in that. The Galveston Pleasure Pier, Inc. was likewise a corporation that was originally formed a number of years ago by Dr. Gavin and Jack Pierce, all who are now dead long since, and that stock was purchased by this older bunch. This Beach Amusement Park exists for the purpose of operating a regular amusement park on the beach front, where they have rides and Ferris Wheels and, oh, things that are in my opinion a little dangerous from the standpoint of personal liability, hence the incorporation for the operation of it.

All of the people have an interest in that corporation, stock-wise, the same as they do in the operating partnership. Most, if not all, of the active businesses; that is, businesses that I would say daily engaged in business with the exception of the Beach Amusement Park and with the Exception of the Stewart Beach Catering Company which is not listed on this list, are operated simply as a part of the operations of Maceo and Company. All of the other entities that have any actual separate existence of their own are corporations that do a little more, a little more than simply hold the title to the various real estate. Now, that's briefly the way the thing is built up and explains why a lot of these people's interest in one of the other things, does not coincide with the stock or something else like that, but all of these businesses and without doing anything other than begging the question, legitimate or otherwise, are business operations of Maceo & Company.

Q (By Representative Houston) Where were you on the list, Mr. Serio?

A There's another corporation not on here, that's Miss Hollywood. That's the corporation that has the -- Miss Hollywood, Inc.; as we go along these things will come to me, quite a number of them.

Q (By Chairman Meridith) What kind of a business is Miss Hollywood, Inc.?

A It's the incorporation of a boat, pleasure boat that we keep there for the entertainment of customers or anybody that wants to use it. We also have another corporation that's not on here, that's the

Derby Amusement Company which we tore down a year ago, but the corporation is still in existence, may rebuild. It's a merry-go-round on the beach.

Q Derby Amusement Company?

A Yes, sir.

Q Now, this Miss Hollywood, all of the partners own that?

A Yes, that belongs to all of the partners. They own that stock. All the partners own the stock in the Beach Amusement Park and the Derby Amusement Company.

Q And Miss Hollywood?

A Miss Hollywood, yes.

Q All the partners?

A Yes, they own that stock.

Q I believe we have gotten down here on our list to Maceo Catering Company. Now, Murdoch Amusement Company.

A That's another one we have on top of Murdoch's Pier.

Q That's just a partnership business?

A Yes, sir.

Q And Murdoch Bath House?

A That's the bath house itself. That should be, that's Murdoch Bath House Company, Inc. That operates as a corporation.

Q Do all the partners own stock in that?

A No, sir.

Q That's on this list?

A That's a corporation, yes, sir.

Q Now, Murdoch Bingo.

A Well, that's the same as Murdoch Amusement Company, all one.

Q Do you operate them under separate names?

A Well, we operate under Murdoch Amusement Company on our records, a lot of people call it bingo.

Q Is that partnership or is that a corporation?

A Partnership.

Q And Murdoch Sportland?

A That's another room on top of the Murdoch Building.

Q What kind of a room is that?

A Well, that's an amusement room, might call it.

Q What kind of amusements?

MR. DIBRELL: I suggest, Mr. Serio, you claim immunity against answering that question.

A If it meets the Board's approval, I would rather not answer that question, might tend to incriminate me.

Q (By Chairman Meridith) May I make this suggestion, Mr. Serio, Mr. Dibrell, if you will just let the witness answer the questions if he wants to, that would be his motion.

MR. DIBRELL: Well, of course, wholly subject to the rules and regulations of the Committee but I am supposed and entitled to advise him, the right of counsel is of impractical value to a witness.

CHAIRMAN MERIDITH: If the witness desires to seek the counsel and advice he has that privilege but rather you wouldn't prompt the witness.

MR. DIBRELL: I understood him to answer. If you prefer

he do ask me about any question, proceed along that line.

Q (By Chairman Meridith) You claim your answer to the question as to what kind of amusement is carried on in Murdoch's Sportsland would incriminate you?

A Yes.

Q Now, the Q Club.

A That's not ours.

Q You know who owns the Q Club?

A Well, I couldn't tell you exactly who owns it, several changes been made in there. One of the partners had an interest in there one time but he sold out. Just who owns it, I couldn't tell you exactly.

Q You own any interest at all?

A No, sir.

Q Do you collect any money from it at all?

A You mean the operating of that business?

Q Yes, sir.

A No, sir.

Q Where is the Q Club?

A It's behind the Buccaneer Hotel on Q.

Q And is the Q Tap Room part of that same business, two separate names, Qy Club and the Q Tap Room?

A I couldn't answer that question because I don't know. I mean ---

Q You know where it is located?

A I know where the club place is located. I know it's the Q Club. I don't know what's in there because a lot of places in town that

I don't go in and I don't know what's in there.

Q But I understood you to say that the partnership, Maceo & Company, collects no money of any kind from the Q Club?

A The operation of the Q Club?

Q (By Representative Carr) In what way does Maceo ---

A One of the Maceo boys was interested in that, he sold out when he came into our partnership. That's how Maceo ---

Q What Maceo was that?

A Vic A.

Q How long ago was that?

A That was prior to his coming into the partnership in October, October 1st, 1950, just about six months ago.

Q Who did he sell his interest to?

A Now, I couldn't tell you who he sold it to because I didn't have nothing to do with that transaction.

Q Do your books show?

A Oh, no, my books don't. No, I never had no books on it at all, never had no checks on it.

Q Does he have any interest in the real estate at this time?

A The Q Club?

Q Yes, sir.

A Who?

Q Any of them.

A Any of us?

Q Yes, sir.

A No, sir.

Q Any of the Maceo interests?

A We don't have any interest at all in the Q Club. I mean, it's a separate company, I mean a separate operation just like any of these other places. Now, one of the Maceo boys was interested in there prior to October 1st or thereabouts, he sold out and come into the partnership.

Q Has no connection at all in the real estate or operation or lease or anything, any way?

A No, sir, if we do I don't know anything about it.

Q (By Chairman Meridith) Getting back to my previous question, I don't believe you answered it, does Maceo & Company, the partnership, collect any for any purpose from the Q Club?

A Well, I'd rather not answer that question; it might tend to incriminate me, might be some things. We don't operate the club. We have nothing to do with the operation, management, anything like that.

CHAIRMAN MERIDITH: In connection with the Q Club, what's the will of the Committee with regard to his refusing to answer the question.

REPRESENTATIVE HOUSTON: I suggest, Mr. Chairman, you go on down the list, you can come back to those things.

CHAIRMAN MERIDITH: Is that the will of the Committee?

REPRESENTATIVE CARR: Either way.

CHAIRMAN MERIDITH: O. K.

Q (By Chairman Meridith) Now, the Stewart Beach Catering?

A That's a food concession we operate out at the beach.

Q And that is partnership?

A Yes, sir.

Q And the Streamline Dinner Club?

A That's a, we have a sort of a lunch counter and club room, entertainment.

Q Where is the Streamline Dinner Club located?

A It's on the Alvin Highway, I mean the highway to Alvin, I don't know what road it is.

Q How far out of the city of Galveston?

A It's about 30 miles, 28 miles, something like that.

Q Is that a partnership owned business?

A Yes.

Q And you say you have a food counter there?

A Yes, food counter.

Q Is there more than one building, the Streamline Dinner Club?

A No, sir, just one building.

Q Is there any other building or buildings that the partnership operates in connection with the Streamline Dinner Club?

A No other building except that one.

Q Now, is there any other business conducted there?

A Well, it's a, like I say, there is a club room there.

Q Do you have any other business with the name Streamline attached to it?

A No, sir.

Q Is there a Streamline Cafe?

A Yes, sir.

Q Is there a Streamline Club?

A Yes, sir.

Q And is there a Streamline Dinner Club?

A Well, I don't know, there is another Streamline Cafe there, on the corner, but it doesn't belong to us, we don't have nothing to do with the operation.

Q You don't own it?

A No, sir, don't have anything to do with that.

Q And the Streamline Club, do you own it?

A Well, that's the Streamline Dinner Club, that's one name.

Q Streamline Dinner Club and the Streamline Club are one and the same?

A Yes.

Q And the partnership does not own the Streamline Cafe?

A No, sir.

Q Now, did you answer my question as to whether you conducted any other business at the Streamline Dinner Club besides the food counter?

A Well, I would rather not answer that question, might tend to incriminate me.

Q (By Representative Carr) Do you refuse to answer the question?

A No, I just rather not answer it, if it meets ---

Q Well, I think we ought to have a meeting of the issue. Do you refuse to answer the question on the grounds that it will incriminate you?

MR. DIBRELL: Are you asking my advice? Yes, you

refuse, I suggest you refuse.

Q (By Chairman Meridith) All right, the S^Tudio Lounge?

A That's been closed for about a year now, still closed.

Q Closed for a year?

A Well, it has been closed since last Labor Day, last September.

Q That's a partnership?

A Operation.

Q And where is the Studio Lounge?

A On the second floor of the Turf Building.

Q And what kind of a business was it?

A It was sort of a dinner club.

Q The Fish House?

A The Fish House is a restaurant that's at Murdoch's; it's leased out, we don't operate it.

Q To whom is that leased?

A Well, I think, several people have leased it, the last one up there, a fellow by the name of D'Abergo.

Q You collect nothing from that business other than rentals?

A Rentals, yes, sir.

Q The Turf Athletic Club?

REPRESENTATIVE CARR: Mr. Chairman, may I ask a question on the Fish House?

CHAIRMAN MERIDITH: Yes.

Q (By Representative Carr) Mr. Serio, is your rental on that a fixed amount per month or is it a percentage of the business, receipts?

A Percentage of the cafe receipts.

Q Depends on the amount of receipts as to what the rental is each month?

A Yes, that's based, in the summer time it's one per cent and in the winter time it's a lower per cent.

Q Will you name those percentages, please, sir?

A In the summer time it's twelve and a half per cent of the gross.

Q And the winter time?

A In the winter time it's 10 per cent of the gross.

Q Now, where does that gross receipts, who are they paid to?

A The partnership.

Q To the partnership, direct to the partnership?

A Yes.

Q Are the checks made out to the partnership?

A Yes, well, I guess they are made out to the partnership, I don't remember now. I haven't got a check this month. It's made out, the Fish House, credit that account, Fish House account on our books.

Q Have you ever seen any of those checks?

A Yes, I have seen them, I'm sure it's Fish House account.

Q Well, they make the check payable to the Fish House account?

A Yes.

Q And then where is that in those books, where does that money finally end up in the partnership?

A In the partnership.

Q Was the Fish House constructed and originated by the Maceo interests?

A Yes, sir.

REPRESENTATIVE CARR: That's all, Mr. Chairman.

Q (By Chairman Meridith) All right, we'll move on to the Turf Athletic Club.

A Well, that's the name we use for the Studio Lounge, that's the same thing.

Q (By Attorney General Daniel) What?

A Studio Lounge.

Q (By Chairman Meridith) I still don't understand your answer.

A I say that at one time that was a corporation included the Studio Lounge.

Q But it is merely a partnership interest now, it's not incorporated?

A I don't recall whether we dissolved that corporation or not. Do you recall on that?

MR. DIBRELL: I recall very vividly, if the Committee would like to know.

CHAIRMAN MERIDITH: If you'll make a statement.

MR. DIBRELL: The Athletic Club was one of the first of the so-called clubs incorporated. The charter of the Turf Athletic Club was revoked by judgment of the Travis Court of Travis County, Texas.

ATTORNEY GENERAL DANIEL: In Gerald Mann's administration.

CHAIRMAN MERIDITH: Operated now as a partnership?

MR. DIBRELL: Trade name.

Q (By Chairman Meridith) What kind of business is carried on in the Turf Athletic Club?

A Well, that's the Studio Lounge, the Turf Athletic Club.

Q Well, now, the Studio Lounge, I believe you stated, was closed?

A Yes.

Q Has been closed since September?

A Last September.

Q And so the Turf Athletic Club is now closed?

A That part of it is. See, the Balanese also is known as the Turf Athletic Club.

Q Well now, what else is known as the Turf Athletic Club, the Balanese, Studio Lounge?

A And the Western Room. Those three rooms are under the heading of the Turf Athletic Club, the Western Room and Studio Lounge and Balanese Room.

Q The Westerner is over in the Turf Building?

A Yes, sir.

Q The Balanese is in, on Pedro?

A Yes, sir.

Q And the Studio Lounge is where, the Turf Building?

A Turf Building also.

Q Now, under the name Turf Athletic Club you are operating how many businesses at the present time?

A Three.

Q They are what?

A Balanese, Studio and the Western Rooms.

Q That's what I'm trying to get at. You say no longer operating the Studio Lounge?

A Well, still alive. I mean, we haven't taken the furniture out,

furniture still in there; closed though, it's not in operation at the present time, hasn't been since last October, September some time.

Q Well, then, you are at present operating the Balanese and the Westerner?

A Yes, sir.

Q Under the name of Turf Athletic Club?

A That's right.

Q Well now, the Balanese Room then is what kind of a business?

A It's a dinner club.

Q Is there any business there other than the serving of dinners?

A Well, I would rather not answer that question because ---

Q On what grounds?

A On the grounds it might incriminate me.

Q You refuse to answer?

A Yes, sir.

CHAIRMAN MERIDITH: Any other questions about the Turf Athletic Club?

REPRESENTATIVE CARR: I have one, Mr. Chairman.

CHAIRMAN MERIDITH: All right.

Q (By Representative Carr) Mr. Serio, this Studio Lounge was closed in September of 1950. Why was it closed?

A We only kept it open in the summer time, summer operation.

Q Have you opened it up since?

A No, sir, we haven't, might have had a party or two up there for some special occasion. I mean, it's not open. I mean the parties

using the room is a part of the Turf Grill, we serve special parties up there, maybe two or three during the year, but it wasn't open.

Q Well, when is it due to be opened?

A Well, supposed to open in the summer, but we are not opening this summer.

Q Why not?

A Well, decided not to open it, that's all. It's always been a losing proposition for one thing. We figured we'd try to operate one year without opening, just can't get enough people in town.

Q What did you have in there to attract the crowds?

A We had a dinner club up there, too.

Q I'm talking about the Studio Lounge.

A Yes, there's a dinner club, serve the food up there.

Q Just couldn't get enough people in there to eat?

A No, the parking facilities are bad, people can't park.

Q Don't you have other places to eat in the Turf Grill besides the Studio Lounge?

A Yes.

Q Are you planning on closing any of them?

A No, not right now.

Q What floor is the Studio Lounge on?

A Second floor.

Q Do you plan to use it in connection with the race parlor on the second floor, racing parlor, parlor where you have the big room and racing sheets on the wall?

A I didn't get that question.

Q I say, are you using, planning to use it in connection with handling the crowd in your racing parlor on the second floor?

A We are not planning on using that room at all for the present time.

Q Going to lock it up?

A Lock it up except for special party, somebody might come down here that wanted it to be used, served food and ---

Q (By Chairman Meridith) Is the room being used for any purpose at all now?

A No, sir, it is closed. I think probably used it twice this year for special parties, organizations there wanted to have a special dinner for some guest and people entertain there with a dinner.

Q Used for the partnership purposes, you don't lease it out?

A No, sir, we don't lease it out.

Q I believe that just about covers the Athletic Club and businesses operated, Western Room and Balanese Room. Now, what business is operated in the Westerner Room?

A Just another room we have in the building.

Q What kind of business is operated in it?

A I would rather not answer that question.

Q For what reason?

A For the reason it might incriminate me.

Q You refuse to answer on that ground?

A Yes, sir.

Q Now, the Turf Cigar and News Stand, I believe it's located in the

Turf Building?

A Yes, sir.

Q What business is operated there?

A That's the room where we get, that's where the pool room is, and the cigar stand.

Q Pool room?

A Pool room and cigar stand.

Q Is the pool room a club room, open to the public?

A It is open to the public.

Q Any other business carried on in connection with the Turf Cigar and News Stand.

A I refuse to answer that part of it on the grounds it might tend to incriminate me.

Q Do you have any wire service of any kind in the Turf Cigar and News Stand?

A I refuse to answer that on the grounds it might tend to incriminate me.

Q Do you have any kind of broadcasting equipment in there?

A No, we have a radio there.

Q Do you have any kind of a loud speaker other than the radio?

A In that room? No, sir.

Q Now, the Turf Grill, what kind of business is that?

A It's a cafe.

Q Is there any business conducted in the Turf Grill other than the cafe?

A No, sir.

Q That's a partnership?

A Yes, sir.

Q Now, the Turf Package Store, is that in the same building?

A That's in the same building, but it is leased out.

Q Can you tell us who that is leased to?

A James B. Crabb.

Q And the partnership collects that ---

A Rent.

Q Flat rental?

A Well, it's a flat rental, yes, sir.

Q Or is there a percentage?

A Well, we get some kind of a percentage.

Q Now, that's paid to the rentals on that percentage, is paid to Maceo & Company, the partnership?

A Yes, sir. We get a flat rental on the package store. I was thinking of something else.

Q No percentage?

A No percentage. It's a flat rental.

Q The Turf Tap Room?

Q (By Representative Carr) A question on the package store. Mr. Serio, does James Crabb have any connection with any other business in Galveston?

A The only connection he has he manages the Beach Amusement Park.

Q He is manager of the Beach Amusement Park?

A Yes, sir.

Q And that is a partnership?

A It's a corporation.

Q The Beach Amusement Park is a corporation?

A Yes, sir.

Q With the directors and so forth being Maceo interests?

A That's right.

Q Does he control any other property around there that you know of?

A No, that's the only thing he owns, but he works on a salary and he has this sort of a side line.

Q He works in the Amusement Park on a salary?

A Yes.

Q As manager?

A Yes, sir.

Q Is that a percentage salary?

A No, sir, flat salary.

Q And then he owns the Turf Package Store?

A Yes, sir.

Q Did he purchase that from the Maceo interests?

A No, he opened that himself.

Q He opened that himself. He's renting, he opened it when you first built the place?

A That's right.

Q (By Chairman Meridith) The Turf Tap Room, is that in the Turf Building?

A Yes, sir.

Q What kind of a business is that?

A It's just a, might call it a beer parlor and sandwiches.

Q Any business conducted in that room other than the sale of beer?

A No, regular bar, you know, for beer and sandwiches.

Q No other business there?

A No, sir.

Q And that's a partnership venture?

A Yes, sir.

Q (By Representative Carr) Any other business in the Turf Package Store besides the liquor sales?

A No, sir, it's a retail liquor store.

Q No slot machines in there?

A No. (Indicated by shaking his head)

Q No bets taken?

A No, sir.

Q No wire service?

A Nothing in there but just a few bottles of whisky, not big enough to turn around.

Q (By Chairman Meridith) Now, the Western Room I believe we already have been over?

A Yes, sir.

Q And the Western Room is operated under the name of the Turf Athletic Club?

A Yes, sir.

Q Is there any wire service in the Western now?

A Might have a radio up there.

Q That's the only thing?

A Yes, sir.

Q Any electric contrivances of any kind there? What kind of a ---

REPRESENTATIVE CARR: Let him answer that.

Q (By Chairman Meridith) Do you have any kind of broadcasting or receiving equipment in it?

A No, sir, just a radio.

Q What kind of a room is the Western?

A Club room.

Q Club room?

A A club room.

Q Dinner and dancing?

A No, no dinner or dancing.

Q What do they do at the Western Room?

A Well, I would rather not answer that question, might tend to incriminate me.

Q You refuse to answer what kind of business is carried on in the Western Room?

A Yes, sir.

Q Would you say it's just a club room, how is it equipped? How is it furnished?

A Just furniture, I guess.

Q Does it have a dance floor?

A No, sir, no dance floor.

Q Does it have game tables?

A I refuse to answer that because it might tend to incriminate me.

Q Now the Pool Room, it's a separate room in the Turf Building?

A Yes, sir.

Q You keep a separate book account for it?

A Just receipts that come in.

Q Is it open to the public?

A Yes, sir.

Q Any other business carried on in that room other than ---

A No, sir.

Q The game of billiards?

A That's all.

Q Now, the check cashing room, do you keep a separate banking account on it?

A Well, that's just money that they use to cash checks and every day turn it over and take to the bank. It's an accommodation there for the customers.

Q Now, are the, I believe you stated there is a small office, small office in the Turf Building?

A Yes.

Q Is there any other office space in the Turf Building?

A Yes, there's a regular, general offices up on the third floor.

Q How many rooms in the general office?

A Well, we have general accounting room which is a pretty good sized room and about four different private offices.

Q Is that the general office headquarters for Maceo & Company?

A Yes, sir.

Q Now, are all of the records of those various partnership interests and corporations kept in the general office there?

A Yes, sir.

Q And in the Turf Building?

A Yes, sir.

Q Now, could you tell me, Mr. Serio, whether all of the records that were requested in this subpoena duces tecum, are they in the Turf Building?

A Well, most of them are there. A lot of them, you know, as you go along you have to transfer records out, they pile up and accumulate. We have quite a bit stored away in the warehouse.

Q You mean retired records?

A Well, after six months or a year, why, we just can't keep them all up there, we just don't have enough space.

Q Now, do you keep the records at any other location other than your warehouse and these general offices? In the Turf Building?

A No, that's all.

Q Now, the records in the warehouse are they closed records, retired records, for previous years that you have merely stored there?

A That's right.

Q For convenience and storage purposes?

A That's right.

Q All of your active records then are in the general offices in the Turf Building?

A Yes.

Q Now, we have gone through this list of businesses that we have been talking about, both partnership and corporate. As I understand your answer, all your records are in the general

office?

A Yes.

Q Now, are those records under the control of any person other than yourself?

A No, they are in my control and I have several bookkeepers up there, keep different sections of it. I mean, too much for one man to do, I mean ---

Q Now, what is your title in the partnership, Mr. Serio, General Manager?

A General Accountant.

Q General Accountant?

A Yes, sir.

Q What size office force do you have to assist you?

A Have about 14 people in the office besides myself.

Q Now these 14 people are employed how, how many of them are bookkeepers that you have?

A There's, well, I don't know, they all tie in together. Everybody has a different job, all of their work ties in one book, you know, goes into the general book.

Q Can you give me a list of those employees, please, sir?

A You mean their names?

Q Yes, sir. Would you like to write them out? And give me what their duties are, please, sir.

A Well, pretty hard to segregate their duties, I mean, they all work on the books.

Q What I am interested in, those people who work on the books and those who are merely office boys or porters.

Q No office boys in there. I mean, they all work on it because we have so many cafes and so many things that we got to analyze, all the food checks and breakdown.

Q All 14 of these employees are people who do work on the books in some form?

A That's right. All this work ties right in with the books. I mean, they have to have their part of the work that ties into that. It's just like any kind of accounting office. It's pretty hard to tell. This Payroll clerk and everything else.

Q They are all bookkeepers then?

A I don't know whether you consider them bookkeepers or what you call them, but I mean their work is analysis and working up the information that we need for the various different departments to tell what's going on, so we can tell what each place is doing.

Q Just carry on with your list, please, sir.

A Let me get Mr. Cox to do that.

MR. STONE: May we have Mr. Cox do that?

CHAIRMAN MERIDITH: Are you going to get that information for us?

MR. STONE: Yes.

MR. DIBRELL: May I ask the indulgence of this Committee to straighten out what I think Mr. Serio probably made a mistake on, that is, this Marine Room that you asked about. I would like to ask him ---

REPRESENTATIVE HOUSTON: Go right ahead.

MR. DIBRELL: Do you have any records in that office of the Marine Room?

A No, sir, that room wasn't brought up in here, I don't believe.

MR. DIBRELL: Well, it's in Schedule A.

CHAIRMAN MERIDITH: You have some more questions about the Turf?

EXAMINATION

BY REPRESENTATIVE CARR:

Q Mr. Serio, there are three floors in the Turf Room?

A Turf Building.

Q Turf Club and the third one I believe is called the Western Room or Westerner Room?

A Western.

Q Western?

A Yes, sir.

Q No Westerner, the Western Room?

A Yes, sir.

Q And that's where at the rear of that room that the general offices are?

A No, sir.

Q Where are the general offices?

A On the other side of the third floor, on the west side.

Q Which way does this Turf Grill face, which direction?

A The office up here on the left side.

Q Which direction does it face?

A It faces south.

Q Faces south, on the south side then?

A No, sir, well, it's the south and the whole top part of that Turf Grill section.

Q Right here?

A That's right. That's the general offices.

Q Back behind the general offices there you have the club room that you are referring to?

A Which club room?

Q Well, what is behind, where is the Western Room?

A Over on the other side.

Q Around the corner here?

A There are two buildings there if you will notice; see, there's an offset.

Q I see. Then the Western Room is over here on the corner, southeast corner?

A It's on the east side of the building and the office is on the west side.

Q I see, and in there then is where you have what you call a club room?

A That's the Western Room.

Q That's the Western Room. And in there state whether or not there are several dice tables?

A That I cannot answer on the grounds it might tend to incriminate me.

Q Just state whether or not you have dice tables, not asking you

whether you operate them or not, I'm asking you, do you have dice tables?

MR. DIBRELL: I suggest this, you refuse on the grounds that your answer would tend to incriminate you.

A I still refuse to answer on the grounds it might tend to incriminate me.

Q (By Representative Carr) Do you have any sort of tables in there?

A You might call it coffee tables.

Q Coffee tables. Do you serve coffee in there?

A Sometimes.

Q Do you serve liquor by the drink in that Western Room?

A I can't answer that on the grounds that it might tend to incriminate me.

Q Do you serve any sort of liquor in the Western Room?

A I just said I didn't want to answer it on the grounds that it might ---

Q You refuse?

A I refuse, yes, sir.

Q Have you ever seen any liquor being consumed in that room?

A I refuse to answer that on the grounds that it might tend to incriminate me.

Q Just to say that it was consumed?

A I still refuse to answer on the grounds it might tend to incriminate me.

Q Then the general offices back behind the Western Room to the

west, are they? Whose offices, yours and who else has an office in there?

A Well, we have an office in there, then the oil company, Oil Operations have an office in there.

Q Now, what oil company is that?

A Sam Maceo Oil Operations which are incorporated.

Q Where are his oil holdings?

A Well, scattered all over the state, different places.

Q He has his office back there, too?

A Yes, sir.

Q Now, who else has offices?

A The Galveston Isle Publishing Company.

Q The Galveston Isle Publishing Company?

A Yes, sir.

Q What do they publish?

A Monthly magazine, semi-monthly, monthly magazine, just a magazine.

Q What type of magazine?

A I don't know, just a magazine you can read. I don't know just what you would call it, how would you explain it -- it's a magazine.

Q Well, is it advertising something?

A Well, it doesn't, it advertises some of the rooms but mostly it's news, people come to town and give them a write-up or something like that.

Q I see. Is that distributed over Galveston for reading?

A For reading purposes, yes, sir.

Q Now, who owns the Galveston Isle Publishing Company?

A That's owned by the partnership.

Q Owned by the partnership?

A Stock is owned by the partnership.

Q Do you have regular subscribers to this magazine?

A No, sir, just a few publications that we distribute.

Q Where do you distribute it?

A We just send it to people all over the country that want it, people write in, want us to send it to them.

Q Advertising Galveston and Maceo interests?

A It advertises Galveston, yes.

Q Who has the ownership of this Maceo oil offices or interests you talked about?

A This Maceo oil operation, just a company that operates and gets together various deals that are sold to people that want to get an interest, that want to share in the drilling of wells and things. I mean, just an operating company.

Q Well, do they have any ownership besides Sam Maceo?

A Yes, it's a corporation and Rose is interested in it. I have an interest in it. Henry Puretta is interested and a couple of Mitchell boys are interested in it.

Q Couple of the Mitchell boys. Now, who are they?

A They are not here, just a couple of geologists.

Q They live in Galveston?

A No, they live in Houston.

Q What are their names?

A George and Johnnie Mitchell.

Q George and who?

A Johnnie.

Q Johnnie. Are they connected in any way with the Turf Club?

A No, sir.

Q Have any interest in any other Galveston property?

A No, sir.

Q And is that all ---

MR. DIBRELL: Just a minute, you don't mean to testify as a fact they don't have any interest in any other Galveston property, do you?

A I don't know, what was that question?

MR. DIBRELL: I don't want this witness to ---

Q (By Representative Carr) They have any other interest in Galveston property that you know of?

A Well, I guess they have an interest in their mother's estate, those boys do. I mean, I wasn't thinking at the time.

Q I'm going slow with you. Now, do they have any interest in any other Maceo interest?

A No, no interest in the Maceo interests at all.

Q Do they have any interest that you know of in any bars or businesses in Galveston?

A Not that I know of. If they have I don't know anything about it.

Q Now, have you named all of the partners who are interested in the Maceo Oil Company?

A Now, that's people that own the stock and the operating company,

that's an operating company.

Q It is a corporation?

A Yes, they operate wells and take care of these wells for these different fields that they have.

Q Do you have any people besides the Maceos who are interested in the Maceo interests and the oil company?

A Have we got any people?

Q Well, maybe I didn't make myself clear. Are there any people interested in the oil company who are also interested in the Maceo interests?

A Not in that corporation operating them. They take a deal and drill a well somewhere, then this well here, I mean like to sell you a piece of it, him a piece, anybody that wants to take it, it's just, whoever wants a share in the drilling of that well, that's how that is done, but I mean it's several like that, the people, oh, it's just like buying royalties, stuff like that, only they participate in the drilling of it. The corporation doesn't have anything to do except they work up those deals.

Q Are these general offices where you keep your records of Maceo interests?

A Yes, sir.

Q Now, where you in those offices when you were subpoenaed?

A Yes, sir. No, well, it was served up there in the office, yes, I was downstairs.

Q Were you there at the time?

A Well, I was in the Grill at the time.

Q In the Grill. You were in the building?

A I was in the building.

Q Have you been in the general offices any time since you were subpoenaed?

A No, sir, I was in my private office.

Q Where is your private office?

A Right up there on the third floor alongside the general offices, another room.

Q Any records of the Maceo interests in your private office?

A No, sir, I don't keep any records in my private office.

Q No letters, contracts, anything of that type?

A I suppose memorandums and such, they all come through there.

Q Have you read this subpoena?

A I don't know whether I read it all or not. I read the top part of it.

Q Do you know what it required you to do?

A I didn't read everything, I just read the top section of it, some of the paragraphs. There was so much of it.

Q You haven't read all of the subpoena?

A You mean, I might have missed a few words.

Q Have you been through it?

A Oh, yes, I've been through it, but I mean I couldn't tell you all that's in there because there's so much in there.

Q Well, then your testimony at first that you had only read the top part is not correct?

A No, because, well, I mean, I went through, probably didn't digest

every word in there as I should.

Q Did you read every word down through there to find out just what you were to bring up here?

A Yes, I think I read most all of those, practically everything in there.

Q Now, where were these account sheets?

A What account sheets?

Q The account sheets that you were asked to bring up here today? Any account sheets up there in that office?

A There's all of them up there besides others that have been stored away.

Q All right, now, were they up there in the office where you were, in the general office?

A Yes, they were up there.

Q Are they in file cabinets?

A Files, safes, desks, everything else.

Q You know where they are?

A I could lay my hands on them. I mean, take some time to get them.

Q Did you make any attempt to lay your hands on any account sheets after you got this subpoena?

A Yes, I tried to get some but figured I couldn't get them all together.

Q Well, which ones did you try to get?

A Huh?

Q Which ones did you try to get to bring up here today?

A I had, we were working on the income tax return and the more I

read that the bigger it got. I just knew I couldn't get them all together.

Q Did you read this, that you were to bring that income tax return up here?

A Yes.

Q You had it in your hand?

A I had it laid away then, and had Mr. Cox to get it out for me.

Q Sir?

A I had Mr. Cox to get it out for me, and then I got to reading all of that, I said, we can't get all this stuff up here.

Q Did you make any effort to pick up the income tax return that you had in your hands to bring up here this morning?

A I didn't pick it up. I mean, I had it to put it together and started getting the records together then stopped, I said, we can't get them together.

Q Well, did you make any attempt to bring up any part you got together yesterday?

A Yes, I made an attempt to get these returns and some of the stuff.

Q Let's go into that now. How much attempt did you make?

A I put it in a folder.

Q Where is the folder?

A It's in the office, I left it there.

Q Is it a big folder?

A Fair sized.

Q Could you have lifted the folder?

A Oh, yes.

Q You could have brought it if you had wanted to?

A Yes, but then they asked for so much.

Q Wait, I'm just asking you about the particular records you had in the folder that you could have brought if you had wanted to. Now, you do not deny that you could have brought those records if you had wanted to this morning?

A Not all of them.

Q I mean the ones you had in the folder, just answer yes or no.

A Well, I could have brought that part of it, yes.

Q And you were advised after reading this subpoena that you were supposed to bring those records with you today?

A Well, after reading all this, I said, we just can't get any more.

Q I'm asking about those particular records in that particular file. You were advised at that time that you were to have them up here this morning, is that not correct?

MR. DIBRELL: Do what you want.

A No, I told Mr. Dibrell myself, we can't bring these records, no way to haul these records.

Q (By Representative Carr) Haul that one little bundle?

A No, I'm talking about what ---

Q Let's talk about the same thing. I'm talking about this one bundle, you were advised that was part of the records that you were subpoenaed to bring up here this morning, were you not?

A That's right.

Q And you got them together for that purpose?

A I had Mr. Cox get them together.

Q For that purpose?

A I was going to get the other people started working on the other---

Q Just a minute, did you get those together for the purpose of bringing them up here?

A I was getting them together to bring them all up here. I found out that I couldn't bring all, so I decided I better not bring none at all until I found out what I could ---

Q So you didn't bring anything then?

A I didn't bring it because I couldn't haul that stuff over at one time.

Q Well, could you have hauled all of the account sheets over here?

A I couldn't have gotten them up last night in that short a time.

Q Could you have gotten up any part of them last night and today or last night and yesterday afternoon?

A Oh, I could have gotten some up.

Q Did you make any effort to get any of them up?

A Well, it, all I had to do was to get them in there but I mean I couldn't get them all, you asked for all the records.

Q Well, did you make any effort to get any of them up here?

A I made an effort, I got, like I say, these here returns, I had him put it aside, I had him start working on cancelled checks and bank check books and stuff like that, and then the more I read into it the worse it got and I said, we just can't take it all up there and I know there ain't no use taking just a few items up there. I would rather take all they want up there at one time.

Q Yes, sir, and you didn't bring any, did you?

A No, sir, I didn't bring any.

Q Now, did you make any effort to bring any, did you start out with any?

A I started out with it but I stopped, I couldn't get it all together.

Q How far did you get out of the office with it?

A Well, in the office, and I left them there.

Q You didn't take out of the office?

A I didn't take them out of the office.

Q Did you bring any letters with you this morning?

A No, sir.

Q Did you bring any account statements with you this morning?

A I didn't bring anything because I couldn't get it all together.

Q Did you bring any memoranda?

A No, sir.

Q Are all the memoranda there in your office?

A Well, yes, all this stuff is in the office.

Q Right where you were?

A That's right.

Q Did you attempt to bring any of that that was in your office?

A No, sir, I couldn't.

Q Your ledgers, are they in the office?

A They are all in the office. If I had to take all that stuff you asked for I couldn't, I would have to close up the place. Those people work on it every day, and I know that.

Q Let me ask you this, would it ever be that you could get out of that office without closing up the office?

A What's that?

Q You just made a statement you couldn't bring this without closing up the business.

A All of it.

Q All right, you refuse any time to bring all of that up here regardless of the time we give you because you would have to close your business?

A I didn't say that. I said I would have to close up the office if I brought all this stuff up here.

Q You object to closing the office to bring it all up here?

A Well, I don't know; if you insist on it I guess I wouldn't.

Q Do you call a subpoena an insistence?

A I don't know, don't know too much about law.

Q Now, how about all the rest of this stuff you've been subpoenaed, you bring anything?

A No, sir.

Q Did you bring that stuff in your office right where you were all yesterday afternoon and last night?

A I didn't bring anything.

Q You didn't bring anything and you knew you were subpoenaed to bring that with you this morning?

A I was subpoenaed to bring all this with me and it was impossible.

Q Did you read the subpoena and was advised of those facts?

A It was impossible for me to get all this stuff.

Q I'm asking you, did you read the subpoena so you were advised of what you were to bring up here today?

A Yes, I read it.

Q And you failed and refused to do so, as stated in your affidavit?

A Well, I wouldn't say it that way.

Q You signed the affidavit?

A Yes, sir.

Q Now, could you have gotten the visitors' lists of the different organizations listed in the subpoena?

A No, I would have had somebody to get that together.

Q Did you attempt to do that?

A No, sir.

Q Did you attempt to get any of the membership cards and addresses and connections, lists and customers' lists, and so forth?

A Well, I don't know where all that stuff is.

Q Did you make any attempt to find out where it was?

A No, sir, I didn't.

Q Did not the Rangers or the officers who served the subpoena on you offer to help you move those records up here to Austin?

A No, sir.

Q Do you know whether or not they offered to help anybody?

A I don't recall them offering to help.

Q Now, what time were you served yesterday with this subpoena?

A Oh, I don't know, around ten o'clock.

Q In the morning?

A Ten, eleven, between ten and eleven, I guess.

Q In the morning?

A In the morning.

Q Did you read the subpoena at that time?

A No, sir, read it afterward.

Q What time did you read the subpoena?

A I don't know.

Q Well, approximately.

A I mean they brought it down. We were talking about different things there and I just knew it was a subpoena and they just handed it to me.

Q Did you read the subpoena?

A Yes, I read it.

Q Was it, you read the subpoena personally?

A To tell you the truth, I don't remember all we did up there yesterday.

Q Now, you have testified both ways.

A I read the subpoena and I don't know whether the man read it to me or not. Is that what you mean, the Ranger?

Q I'm asking you, did you read it yourself?

A I read it, didn't fully read it when he was there but read it after he left.

Q All right now, what time did you leave Galveston last night to come to Austin?

A Getting ready to leave about eight, left there about nine something.

Q When did you start gathering up your records after you read this

exhibit, this Exhibit A to the subpoena served on you?

A Yesterday afternoon.

Q About what time?

A Oh, about two or three o'clock.

Q And then what time was it you finally stopped and said, I won't bring anything?

A Oh, I guess four or five o'clock, I don't know exactly.

Q Worked on it about an hour?

A That's right.

Q After you stopped, after that hour, you make any other attempt to get any of this material?

A No, just too many items in there to get, I couldn't get them all in that short a time.

Q What time did you sign the affidavit saying you could not get it together?

A What time was it I signed the affidavit?

Q I'm asking the witness.

A I don't remember, I didn't look at my watch.

Q Afternoon or night?

A It was at night.

Q What time at night? How much before you left?

A Didn't sign that yesterday.

MR. DIBRELL: If you don't know you got a right to say you don't.

A Well, I don't know then.

Q (By Representative Carr) Did you contact your attorney in the

afternoon?

A Yes, sir.

Q Did you know when he started writing up the affidavits?

A I don't know.

Q What time did he call you saying the affidavit was ready?

A I don't remember the time. Yesterday I couldn't tell what time anything was going on. I was in the office all evening, very, very busy.

Q Busy doing what?

A I don't know. I was doing a lot of things. I just don't remember what I was going, to tell you the truth.

Q Well, were you trying to get any of the records together?

A Well, all this thing on my mind and everything else.

Q Now, did you read the affidavit you signed?

A Well, Mr. Dibrell read it to me.

Q He read it to you?

A Yes, sir.

Q He read it out loud to you?

A Well, read it, talking.

Q Beg your pardon?

A Just talking out loud, I mean, not ---

Q Well, did he read it to you or tell you what was in it?

A Well, he read most of it, read it and told me just like he told the Committee here.

Q Read it and told it to you?

A Yes, sir.

Q Then you signed it?

A Yes, sir, told me exactly what was in it, might not give me word for word but he told me exactly what was in it.

Q Now, how did you come up here last night?

A In an automobile.

Q What time did you arrive?

A About two o'clock this morning.

Q How long does it take you to drive from Galveston to Austin?

A Well, we left there about, after I got these fellows together, it was about a quarter to ten, 9:30.

Q About five and a half hours maybe, something like five hours?

A Let's see ---

Q It would have been possible for you to have come to Austin this morning in time for the hearing, would it not, Mr. Serio?

A I didn't know how long it would take me.

Q You never been to Austin before?

A I was here several years ago.

Q Did you have any idea how far Austin was?

A No, sir, I didn't even think about the mileage, how far it was. I knew I was going to have to get up pretty early this morning to get down here on time. I tried to be down here on time this morning.

Q You didn't think about staying last night and trying to find these records before you got up here this morning, did you?

A Like I say, couldn't have gotten all those records in that short a period.

Q You didn't attempt to, did you, Mr. Serio?

A I started but I couldn't go through with it because I knew it was impossible to get them together.

Q You didn't bring anything?

A No, sir.

Q Even those you got together for the purpose of bringing?

A No, sir.

Q Now, this second floor of the Turf Room, you have in there a large room on the second floor?

A Yes, sir.

Q And you have a counter in that room?

A Counter?

Q Counter, c-o -u-n-t-e-r. You have a type of counter in the room?

A On the second floor?

Q Yes, sir.

A Well, there's two lounges on the second floor.

Q I'm talking about the large room, that's not the Studio Lounge, is it?

A Well, what part of the Turf?

Q Well, you tell me what you have on the second floor of the Turf Building.

A I have a large room on the annex on the second floor.

Q Is that the room where the race sheets are on the wall?

A It's another large club room.

Q Sir?

A It's another large club room.

Q That's not the Studio Lounge?

A No, sir.

Q That's another large room?

A That's right.

Q And there is a counter there in that room, along the race sheet wall?

A I would rather not answer that question, might tend to incriminate me.

Q You refuse to answer it?

A Yes, sir.

Q Do you refuse to answer whether or not there is a counter in the room?

A Well, I think there is a sectional counter in there.

Q Behind it is there a race sheet on the wall, horse race sheet?

A That I refuse to answer.

Q Do you have several men working behind the counter during the day?

A I refuse to answer that.

Q Do you have some cashiers in there?

A That's the same.

Q Beg pardon?

A I refuse to answer that.

Q As to whether or not there are cashiers in the room?

A Have cashiers all over the building.

Q Well, I'm asking you about this room.

A Well, I just refuse to answer anything pertaining to that room on the grounds that it might incriminate me.

Q All right, now do you have any chairs in this big room?

A Yes, we have chairs in there.

Q How many chairs do you have in there?

A I don't know.

Q About a hundred?

A I couldn't say.

Q Could you be approximate on it, give us an idea?

A No, sir, I couldn't tell you whether one hundred or five hundred.

Q Less than a hundred?

A I couldn't tell you because I don't know.

Q Now, you go off in, from that parlor room into a little card room, don't you?

A Have a little anteroom in between.

Q In there you have cards?

A Well, we don't operate anything there. We just have some tables there, customers come there and entertain themselves.

Q How do they entertain themselves?

A Well, fellows come in and play bridge, rummy.

Q Gin rummy?

A Yes.

Q Is that all?

A I don't know what else they play because I'm not up there.

Q Do you have any idea of what they have up there besides gin rummy?

A That's the only thing I have seen them up there lately on, is gin rummy and bridge and if they have anything else I don't know because I'm not in there. I never go in there.

Q You have been up there?

A I know there are card tables there, that they play cards, the customers play between themselves.

Q Just come up there and play cards?

A Yes, sir.

Q Any money on those tables at any time you have been up there?

A Well, I haven't noticed. I never go up there, except that I do know they do play bridge up there, various games. I don't know what kind of games they play because I'm not up there all the time.

Q You have a bridge room for the boys?

A It's a card game that they play, what they call short cards, I mean you or anybody could go up there and play at any time, nobody molest or bother you.

Q (By Representative Houston) This Western Room or Club, aren't those private clubs, do you have to belong to the Club?

A You consider that ---

MR. DIBRELL: If you're asking, I would suggest you refuse to answer.

Q (By Representative Houston) All I asked was, they're not, are they open to the general public or are they private clubs where you have to have membership or I'll say, are they open to the general public?

A I'll have to refuse to answer that.

Q Are they private clubs?

A Same answer.

Q When a person wants to go in there is no membership list you

check before you let him in?

A I'll have to refuse to answer that question also.

Q (By Representative Carr) Is it that you don't know or you just refuse to answer?

A Refuse to answer.

Q Now, on the first floor of that Turf Club, you have over there, over on the, let's say the southeast corner or the east side, you have a bar in there?

A On the first floor, yes, sir, a bar.

Q And do you serve drinks from the bar?

A Beer and Coca Colas.

Q No mixed drinks?

A No, sir.

Q You're saying that you do not serve mixed drinks from this bar on the first floor?

A No, sir.

Q Now, in that room you have a baseball board?

A We have returns there that we give customers information.

Q How do you get the returns on that board?

A Western Union.

Q Sir?

A Western Union.

Q Western Room?

ATTORNEY GENERAL DANIEL: Western Union.

Q (By Representative Carr) You got a ticker in there?

A Yes, it's a ticker that brings results and customers can read

them on the board.

Q Brought in over this ticker wire, you place on the board for the use of your customers?

A Yes, sir.

Q Now, is it leased from Western Union?

A Yes, sir.

Q You pay a rental for this ticker?

A Yes, sir.

Q Your books reveal what that rental is?

A I'm sure they do.

Q Now, do you have any slot machines in this room?

A I refuse to answer that question on the ground it might incriminate me.

Q Do you deny you don't have any in the room?

A I refuse to answer that question.

REPRESENTATIVE MURPHY: Mr. Chairman, I think we have found in previous meetings that there really is no place where we can stop unless you make one. I would like to move we adjourn or recess for lunch to two o'clock if there's no objection.

REPRESENTATIVE CARR: That's fine.

REPRESENTATIVE HOUSTON: Is two o'clock convenient?

MR. DIBRELL: Adequate.

CHAIRMAN MERIDITH: Motion made -- recessed to two o'clock.

WHEREUPON IT BEING 12:15 O'CLOCK P. M. THE HEARING WAS RECESSED TO
2:00 O'CLOCK P. M.

AFTERNOON SESSION

2:00 O'CLOCK P.M.

JUNE 1, 1951

AUSTIN, TEXAS

CHAIRMAN MERIDITH: Gentlemen, I guess we will resume.
Sorry, ladies and gentlemen of the press.

MR. SAM SERIO, having been duly sworn,
testified further as follows:

EXAMINATION

BY CHAIRMAN MERIDITH:

Q Mr. Serio, I believe that before we recessed for lunch we had
gotten down on our list of businesses down to the San Luis
Corporation?

A Yes, sir.

Q That's spelled S-a-n L-o-u-i-s?

A No, L-u-i-s.

Q L-u-i-s?

A Yes, sir.

Q What is the business of the San Luis Corporation?

A They just own a vacant lot. There was a building on it but it's
been torn down since.

MR. DIBRELL: Talk louder, Sam, I can't hear you myself, seriously.

Q (By Chairman Meridith) We had Mr. Serio talking right one time this morning, talked right for all of us to hear. What was the building that was formerly on that vacant lot?

A Tokyo Dance Hall.

Q Now, that's owned by the partnership?

A No, sir, the corporation.

Q The corporation. Who are the incorporators of that?

A In the San Luis?

Q Yes.

A Well, they are practically all the same, all our corporations are about the same.

Q Was the San Luis on your list that you gave us this morning?

A I don't know there's much difference in that, I'm Secretary-Treasurer of all of them.

MR. DIBRELL: You asked, as I understood, who the incorporators were. Will you permit an explanation?

CHAIRMAN MERIDITH: Yes, sir.

MR. DIBRELL: That's another one of the corporations that was formed a number of years ago, originally was formed to build a hotel in Galveston. The hotel never was built. The property, the site that was acquired had this old building on it. These people simply acquired the stock from the stockholders and have continued the corporation, but who the original incorporators, I haven't the slightest

idea.

Q (By Chairman Meridith) Now, do you still maintain a bank account in the name of the San Luis Corporation?

A Yes, sir.

Q Is it an active account?

A Yes, sir.

Q How does that account stay active if it's nothing but a vacant lot?

A Well, the sign boards on there, we get rental for that. What I mean, it's no improvements out there, we rent space for a watermelon stand, stuff like that, I mean no improvements on there that cost anything to us. I mean, we rent it for a parking lot.

Q Parking lot, watermelon stand, sign boards?

A And sign boards. I mean we get revenue from that.

Q Is that on straight revenue rental basis?

A Yes, sir.

Q Or any percentage of gross receipts in connection with the rental?

A No, sir.

Q Stewart Beach Catering Company, what kind of business is that?

A That's a food concession at Stewart Beach. We rent that space from the city of Galveston, pay rent.

Q Who operates the concession?

A Maceo & Company.

Q And how many concessions are there?

A We only have the food and cold drinks.

Q You operate that by direct employees?

A Yes.

Q And what does that include, hamburger stands?

A Hamburger stands, cold drinks, beer, you know.

Q None of those are leased out by you, you just operate them direct by your own employees?

A That's right.

Q Now, Miss Hollywood, Inc. I believe you stated that was owned by this same percentage which is on the list?

A Partnership.

Q And partnership, you told me about?

A That's right.

Q And that is a pleasure boat as you described it?

A Yes, sir.

Q That you used for the entertainment of your customers?

A That's right.

Q What size boat is that?

A I don't know, about 45 or 50 feet, I don't know exactly.

Q How many will it sleep?

A Oh, I think it will sleep about six or eight people.

Q Is that the only boat that you own?

A Yes, sir.

Q That is the only boat that Miss Hollywood, Inc. owns?

A That's right.

Q Now, does Maceo and Company own any other boat?

A No other boat. That's the name of the corporation, Miss Hollywood,

Inc., but the name of the boat is Miss Balanese. Maybe that might clear that up. We sold the boat, Miss Hollywood, years ago.

Q I believe I have seen that Miss Balanese down there. It's longer than 45 or 50 feet?

A I don't know.

Q Won't it sleep more than six or seven people?

A I couldn't give the exact information on that, I don't know exactly.

Q What size party will that accommodate?

A Oh, I guess it will take out 25 or 30 people.

Q Now, when you say that you use that for the purpose of entertaining your customers, what kind of entertainment?

A Well, I mean we use it as, along with that goodwill work we do. Do quite a bit of it. We rent it out, anybody wants to use it, any organization wants to use it.

Q You say that is in connection with the goodwill work?

A Yes.

Q In connection with any one of these businesses in particular?

A None, just the whole organization as a whole.

Q And the Derby Amusement Company. What kind of a business is that?

A That was the merry-go-round that was on the beach there in Galveston that we bought that stock. But a year ago we moved it and dismantled it. It's now all dismantled. It's not in operation.

Q Does the Derby Amusement Company do business of any kind now?

A At the present time they do not. Might pay some taxes or

something on that equipment they've got.

Q No other equipment other than the merry-go-round?

A That's all.

Q And that is partnership?

A That's right.

Q Business. Now, the Beach Amusement Park. Would you say that was a corporation?

A Corporation.

Q What is the Beach Amusement Park?

A It's just like any other amusement park, has various different rides and fun houses and things of that type.

Q Where is that located?

A On the Boulevard at 24th Street, just a block from the Bucaneer, Bucaneer Hotel.

Q It's not where the Scenic Railway is?

A No, it's on this side of it, the Scenic is behind it. This is west of the Bucaneer Hotel.

Q Do you know the Home Plate Cigar Stand?

A Yes, sir.

Q Do you know who owns it?

A I don't know who owns it now.

Q Maceo & Company ever own it?

A We have an operating agreement with the people that owned it.

I don't know whose name it is in now, used to be Mr. Quinn.

Since he died I don't know who took it over. I never have asked who operates it. We have a working interest with those people.

Q Now, will you explain that to the Committee, please, sir, what you mean, working interest with them?

A I mean we have a percentage of the place.

Q What kind of business do they have?

A I would rather not answer that question, it might tend to incriminate me.

Q I appreciate there are a lot of these questions you would rather not answer, Mr. Serio, but do you refuse to answer that question?

A Yes, sir.

Q As to what kind of business they do operate?

A Yes, sir.

Q You do say you have a percentage?

A Percentage deal.

Q Percentage deal with them. Who is the manager of that place?

A A fellow by the name of Gago.

Q You know his first name?

A Tudor Gago.

EXAMINATION

BY REPRESENTATIVE CARR:

Q Will you go then a little further, Mr. Serio, into that percentage deal, What kind of deal you have with this company, the Cigar Stand?

A You mean what percentage we have?

Q What kind of arrangement do you have with them, this percentage deal you're talking about.

A We have a percentage for the operation of a part of that business.