

Help. We Lost the Thunderbird

by Steve Fischer

Cliff Jones was an attorney in Las Vegas in the early 1940's. Most people knew him by his nickname "Big Juice," because it was a moniker he'd earned well. Big Juice was an early deal maker in Las Vegas. He put people together, casino owners with bankers, bankers with mobsters. He introduced people who wanted to do business, and got a piece of every transaction he was involved in.

Marion Hicks was a Los Angeles real estate developer who enjoyed Las Vegas in the late 1930s. Marion was friendly with Kirk Kirkorian, who was starting a small air-charter service between Los Angeles and Las Vegas, so Hicks was present on many of the flights.

In fact, Hicks liked Las Vegas well enough so that in 1941, he, Jones, architect John Grayson and entrepreneur J. K. "Kell" Houssels, pooled their money to build the El Cortez Hotel in downtown Las Vegas. The total construction cost was \$245,000. The El Cortez was a successful small casino with a nice active horse book.

In the days before World War II, most of the Las Vegas hotels and casinos were owned by locals. Out-of-town ownership didn't start until the end of the war. The Cortez sat on a half-city block, one block off Fremont Street, two blocks from the red light district, and three blocks from the Union Pacific railroad station and Greyhound depot. Accessibility-wise, it was a fairly good location. There was a two-story garden terrace building behind the



casino with 79 rooms and 8 two-bedroom suites. A room at the El Cortez started at \$6.

Construction went well and came in under budget. In the days before the war, this was fairly easy to do. Boulder Dam was completed and many construction workers who worked on the dam decided to make Las Vegas their home, so there was a good labor pool. In addition, Hicks, the visible managing partner of the El Cortez, was an easy guy to work for. The complete construction of the hotel took only nine months, start to finish.

Instead of building on Fremont Street, they asked: "Why not build out-of-the-way, out in the country where it's nice and peaceful and quiet? The hotel can have nightly barbecue and not be bothered by the drunks going from one casino to the next." So Marion Hicks and Kell Houssels decided to build the El

Cortez where it was, off the beaten path.

Sometime in 1944 or the beginning of 1945, Hicks was approached by Ben "Don't Call Me Buggy" Siegel who was representing his boss, Meyer Lansky. Siegel made Hicks a deal for the El Cortez. The agreed-upon price was \$600,000. Siegel paid in cash. Hicks took the money and moved out of the El Cortez owners suite. Since the original ownership groups' investment was about \$125,000, they made a tidy \$475,000 profit in only four years.

Ben now owned about half of the El Cortez Hotel and completely owned the horse book. One of his bodyguards, "Fat Irish" Green, ran the book for him. The El Cortez was showing a nice, modest profit, but three miles south of town on Highway 91 there was a hotel under construction, the Flamingo, with a sizable stake from Ben. With Ben and

Meyer now venturing into the resort hotel business, they let it be known to casino owners and mobsters around the country that the El Cortez was for sale.

In Minneapolis, Davie and Charles “Chickie” Berman were experiencing a lot of local heat. As gamblers and club owners, they were being leaned on heavily, and they wanted to try somewhere with greener pastures and warmer winters. So Davie Berman flew to New York to meet with Meyer Lansky with the intent of buying the El Cortez. Meyer gave his permission for Davie to return to Las Vegas and negotiate with Siegel to purchase the hotel. As part of the deal, Lansky wanted a finder’s fee of \$160,000, in cash and up front. Davie Berman had expected this wrinkle and brought a suitcase full of cash with him. He paid Lansky the \$160,000, thanked him for allowing him to buy the El Cortez, and headed back to Minneapolis.

There he met with his partners and, between them, raised \$1.3 million in cash. The Minneapolis contingent was comprised of Davie; his brother Chickie; Davie Berman’s best friend, Israel Alderman, better known as “Ice Pick Willie”; and Moey Sedway. Once they arrived in Las Vegas to consummate the deal, they checked into the El Cortez and were met by Ben Siegel’s representative, Gus Greenbaum, who had come in from Phoenix for the meeting.

According to Susan Berman’s book, *Memories of a Gangster’s Daughter*, while Davie was downstairs in the owner’s office negotiating with Marion Hicks, his brother Chickie took the satchel with the entire \$1.3 million and went looking for some action. Moey Sedway and his men found Chickie at a high-stakes craps game at the Las Vegas Club. By the time they could stop

him, Chickie had already lost over \$900,000. (In late 2000, Susan Berman was found shot to death in her New York apartment. Lots of secrets were told in her *Gangster’s Daughters* books and her TV interviews). She had a big mouth! And she was too well connected to have that big of a mouth!.

Anyway, back to 1945 Las Vegas, and brother Chickie. Crestfallen, Davie and Chickie returned to Minneapolis. Davie Berman promised his partners that the original million three would be repaid, but he needed to borrow another million to meet his purchase obligation. Davie was given the second million and flew back to Las Vegas. This time Chickie stayed back home in Minneapolis. The \$1.3 million purchase was completed and the ownership of the El Cortez changed hands again.

For years, Guy McAfee worked as vice squad captain at the Los Angeles Police Department. Apparently, though this was only rumored, he made so much money from his police job that he was able to buy acres of land just south of Las Vegas. McAfee owned, among other things, the property the Last Frontier Hotel was built on and the “91 Club” casino that stood on the land. At the time, Las Vegas Boulevard was known as Highway 91. The 91 Club was making Guy McAfee a fair amount of money, so in 1946 McAfee was approached by Jones and Hicks who said, “We have a proposition for you. We’d like to buy the land you got across from the El Rancho and we want to put in a casino and hotel.” A deal was struck, title to the land passed to Jones and Hicks, and construction of the Thunderbird Hotel began.

The Thunderbird was never much of a hotel. It opened with only 46 rooms and a nice, modest casino. But

it took all the resources that Big Juice, Hicks and their partners could come up with. To open the doors, their out-of-pocket expense was nearly \$1,500,000, but they were able to cut some corners. Since Hicks was in the construction business in Los Angeles, he also became licensed in Nevada. They built the Thunderbird with Hicks as general contractor and with his own construction crew. There were several minority partners in the Thunderbird in 1948. These included Tutor Scherer, gambler, casino owner and soon to be poet laureate of Nevada. (In the mid-to-late 1950s, Fabulous Las Vegas magazine routinely devoted a full page to Tutor’s poetry or prose.) Guy McAfee also had a small piece of the Thunderbird action.

It must be pretty exciting when you can be in your own casino on opening night after all the months of planning and work, knowing the mortgage will soon be paid off. You’re finally going to be able to stand in your

own craps pit, behind one of the high tables and watch all the players throwing their money at you as quickly as you can take it in. This was pretty heady stuff. It didn’t quite

work out that way, however, on opening night, September 2, 1948. The new owners were dressed to the nines.

Their wives were there and the place was flowing with excitement. There was a tradition in Las Vegas, back several decades ago, that when a new hotel opened, all the other casino



owners would show up and give the place lots of action on the craps tables.

Two casino owners, Jake Katleman of the El Rancho Vegas and Farmer Paige, another Los Angeles gambler who moved to Las Vegas and opened the Pioneer Club, were present. They were playing at the same craps table and, between them, had two complete chip rails filled with purple and yellow chips. There was a lot of back-slapping, free flowing drinks, noise and excitement – and sweat rolling down the faces of Jones and Hicks. Big Juice was having trouble catching his breath as he watched Katleman and Paige, two of his friends and rival owners, make point after point on the table. The come-out roll was the only time a seven showed on the dice. Hard-ways and all the sucker proposition bets were coming in roll after roll after roll.

Katleman and Paige finally left the craps table, gave tips to the dealers and, with two security guards escorting them, brought rack after rack of funny-colored chips to the cashiers cage. The cashier, with the Thunderbird owners watching over his shoulder, counted the chips and announced the amount: one hundred and sixty-one thousand, three hundred dollars! The total cash in the Thunderbird's cashiers cage, back room safe, Big Juices wallet and some extra just-in-case money amounted to a little over \$41,000. Oops, they were a few bucks short. And Katleman and Paige, both pretty nice guys, weren't going to say, "Hey, don't worry about the hundred and sixty thou. That was just for fun, right?" They wanted their money.

Big Juice and Marion Hicks told Jake and Farmer to come to the office. Then Marion asked if they could have two days to pay up the "one sixty large." Jake Katleman, unlike his nephew, Beldon, who

owned the El Rancho Vegas a few years later and was a pretty miserable character, said, "Sure, we'll see you Thursday for dinner and pick up the money then." After Jake and Farmer left, Big Juice and Marion just sat looking at each other. They had just lost the Thunderbird. Unbelievable, who'da thunk it? It was bad enough to lose \$161,000, but worse to lose it to other casino owners.

Neither Big Juice nor Marion were kids, so they knew where that kind of money could be found. The Mob not only had funds readily available, but thought Las Vegas was a true blue-chip investment. So Hicks called a friend of his, George Sadlo, from Texas. Sadlo was very well-connected with Meyer Lansky. Hicks explained the problem and asked Sadlo if he'd contact Meyer to tell him that they needed 160 Large. Of course, they would be willing to talk to Meyer about a partnership.

Meyer was already deeply involved in the Flamingo and the hotel and casino, under the expert guidance of Gus Greenburg was making money hand-over-fist for the Chicago Outfit, plus all the other people who had their hands in the Flamingo's financial pie. George Sadlo called Lansky that night in September 1948. Meyer was living on the top floor of the Hotel Nacional in Havana and a deal was put together over the phone. In exchange for a still-unknown percentage in the Thunderbird, Lansky would have \$160,000 in cash delivered to Big Juice and Marion's offices the very next day.

In exchange for this favor, here's what Meyer wanted: his percentage in the Thunderbird; involvement in the skim that everyone was anticipating (remember this was essentially day one and nothing had started yet); and, most importantly, for his brother, Jake, to have a job at the

Thunderbird. Nothing fancy, just something that would keep him out of trouble, pay him a legitimate wage and allow him to wear a clean shirt to work each day.

The deal was reached and the 160 Large was delivered to the Thunderbird's offices. (Does this sound a little like the first Godfather movie when Fredo Corleone went to Las Vegas to work for Moe Green?) The money was handed over to Katelman and Paige, and, on September 3, 1948 at about noon, the Thunderbird Hotel and Casino was Mob-owned.

During the Kefauver Committee meetings held in Las Vegas less than two years after this arrangement was made, Cliff Jones was called as a witness. By this time

Big Juice had gotten into politics and had risen to be lieutenant governor of Nevada. But because of testimony at these hearings,

both Jones and Hicks had their gambling licenses revoked. It was something concerning Jake Katelman and George Sadlo's hidden ownership in the hotel. (Cliff

Jones later admitted in court that his 50% ownership was pared down to 11% after the loan.) The license revocation lasted less than a day. Friends

of friends spoke to the Nevada Tax Commission guys, and Big Juice and Marion got their licenses back. But the Mob



was now in the Thunderbird to stay.

Most people reading this story have heard of Meyer Lansky. (If you're a fan of the Godfather movie trilogy, think of the Hyman Roth character played by Lee Strasberg.) Meyer had a brother whose nickname was Jacob. When the gang got hungry, Jake was the one they sent out for Danish and coffee. And he nearly always remembered to get it and bring it back. Jake was the kind of man who was very lucky to have a good brother like Meyer. Meyer took care of Jake the way you're supposed to when you're worth a few zillion dollars and have a brother who always means well, but somehow doesn't do everything correctly.

Starting back in the '20s, Meyer let Jake help him out in a number of his business ventures. No one laughed at Jake Lansky because he was Meyer's brother. Ben Siegel liked him, Tony Accardo liked him, Frank Costello liked him and so did Santo Trafficante. With friends like that, it was understandable that everybody liked Jake. At one time Meyer owned one of the two casinos at the Hotel Nacional in Havana, the so-called Casino International. Jake was made casino manager there.

He had a business card that read: Hotel Nacional, Jacob "Jake" Lansky, Casino Manager. Two other men who worked for Meyer were also on the floor of the Casino International, Merle Jacobs and Edward Cellini, but neither of them had business cards saying they were the casino manager.

Merle Jacobs was in charge of the casino's money and Eddie Cellini was in charge of everything else. That catch-all designation meant taking care of the dealers, pit bosses, customers and all other mundane things to keep a high-volume casino running well. On the other hand, the

International's casino manager, Jake, made sure that customers who were playing got the right drinks that they ordered, that the bartenders showed up to work on time and that the maintenance crew got the floors vacuumed each night. Jake carried out his casino manager job duties very well and Meyer was quite happy that his brother had found gainful employment. When Meyer built the giant Riviera, not the one in Las Vegas but the Riviera in Havana, he made sure the casino was run by two professionals: Dino and Eddie, the Cellini brothers. Fortunately, by this time, Jake had found a home in Las Vegas and was out of the action.

Jake Lansky drove a new 1948 Cadillac Coupe DeVille, black in color, with Illinois license plates. Guess where that car was parked every single day? It was in the Thunderbird's owner's parking place. It soon became obvious to the Las Vegas police and FBI, after a few months, that a car registered to Jake Lansky was being parked right out in the open, and it wasn't that hard to trace the license registration. That's because Jake was living at the Thunderbird. This started the investigation as to the hidden ownership and led to revocation of Big Juice and Hick's gambling license. (If you see a postcard from the Thunderbird, look at the car parked closest to the front door. That's Jake Lansky's Cadillac.)

Later, when Jake moved to the Sahara, he was specifically told not to park his Illinois-registered Cadillac out front. As a matter of fact, it was suggested that he not even bring it to the hotel. Jake was given minor jobs around the hotel to keep him busy. But the one he liked best was picking up visiting VIPs who were visiting the Sahara. He'd meet them at McCarren airport and make sure they got safely to the Sahara.



Some of the names on the Thunderbird chips

He was a very careful driver and seemed quite happy with his new duties at the Sahara. In his pocket he had business cards, just like the one at the Thunderbird, that read: Sahara Hotel, Jacob "Jake" Lansky, Casino Executive.

A real quick Ash Resnick story. Ash actually was President of the Thunderbird at one time and he had a bodyguard named Sonny Liston, yeah, that Sonny Liston! Anyway, word on the street has always been that Sonny took a dive in Cassius Clay vs Liston I and Cassius Clay vs Liston II. In both fights Clay was a 1 to 15 dog in fight 1 and a 1 to 8 underdog in fight 2. Liston did dive in both fights and Ash Resnick had a smile that lasted the final twenty years of his life. He bailed out of the Thunderbird, bought into Caesars and became an Executive Host there. (This was after Liston was murdered).



Ash's friend Joe Louis who was really down on his luck was hired by Ash to be a greeter at Caesars.

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