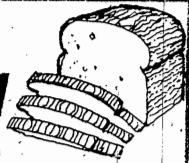


**Our quest for
the perfect bread**

Good Food, Page 63



**City's best list
of ski conditions**

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Snow

Colder on Thursday,
with a high in 20s. De-
tails on Page 118.

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CHICAGO
Sun-Times

Thursday, Jan. 19, 1978

15c city and suburbs; 25c elsewhere

★★★★★
**Turf
Final**

Angry with Israel

Sadat cuts off talks

Begin's lecture on terms believed a factor; Page 2

**An honest cop is
no match for clout**

By Pamela Zekman
and Zay N. Smith

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The Mirage kept waiting for Lou Cuddy to
make his move.

That's how payoffs usually start. The official, the inspector or the cop stalls around and hints that maybe "something can be worked out."

But Cuddy, a police investigator who checks applications for liquor licenses, never budged. He just kept saying, "It's got to be done right."

The Mirage had finally met someone who followed the law.

But even as Cuddy tried to do his duty, the clout artists in City Hall were making sure it would all be for nothing. This is Chicago, remember.

The Mirage — a tavern operated for four months by The Sun-Times and the Better Government Assn. at 731 N. Wells — first saw Cuddy on July 8. It was Cuddy's job to inves-



Council's spineless step, an editorial; Page 45.

State Revenue Department announces special unit to probe tax cheating; Page 7.

investigate the tavern—its background and financing—before the city would grant a license.

The Mirage kept its wallet handy, just in case. It had talked with tavern owners across the city who said they routinely gave payoffs to licensing officers. "I gave mine \$100," one tavern owner said. "It was, sort of, you know, good will."

But the first thing Cuddy did was hand over

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Copyright 1978 The Chicago Sun-Times. Sun-Times Photo by Jim Frost

HIS JOB is to investigate applications for liquor licenses. And, unlike other city licensing officials the Mirage encountered, Officer Lou Cuddy took his duties seriously. He was photographed at his desk through a window at the Area 6 Licensing Unit.

St. Louis judge is FBI pick

Chicagoan Frank McGarr fails to get nod as director; Page 3

Cop tries to enforce liquor license law

Continued from Page 1

a written warning that any effort to influence him with a gratuity would be considered a bribe and prosecuted as a felony.

The Mirage would apply for two different liquor licenses before it was through. Cuddy would always play it straight.

Cuddy, working out of the Area 6 Licensing Unit, 2452 W. Belmont, announced that he wanted fingerprints, identification papers and affidavits. He wanted all kinds of other information, too. Who was going to handle the Mirage's vending machines? Did the front window offer a clear view of the tavern interior, as required by law?

July became August. Cuddy said he was sorry, but he couldn't go any faster. The fingerprints were still being processed. He wanted more information.

The Mirage, meanwhile, was being wooed by about two dozen vending operators. And the operators, wise to the ways of Chicago, said they knew what was up.

"They're playing games with you," said Kem Thom, owner of the Western Music Co. "You gotta have someone call for you. You gotta have someone at City Hall."

The vending operators, unbeknownst to the Mirage, started calling Cuddy to see what



The Sun-Times and the Better Government Assn. ran a Near North Side bar, the Mirage, for four months to investigate corruption and fraud in the tavern business. This is the 11th article of a continuing series.

of the Mirage. He now announced, in fact, that he was starting to wonder about that red-head who seemed to be running the Mirage behind the scenes. The red-head was Sun-Times reporter Pamela Zekman.

"We'll have to check her out," he said. It was later learned that Cuddy believed the Mirage planned to become a girlie joint — with reporter Zekman as the madam. But all the Mirage knew at the time was that Cuddy had sent the liquor license application to downtown police headquarters for what might be an interminable vice check.

This had gone far enough. The Mirage decided to try a little clout — not with Cuddy but around him. On Aug. 5, it called Frank Bruno, the precinct captain and administrative aide to Cook County Board President George W. Dunne.

Bruno said he would look into the matter right away. He asked no money for the use of his clout. He cared only about votes. A precinct captain provides favors all year. He expects obedience, in return, at election time.

Bruno, never a man to mess around, called back in five minutes. He said the Mirage could pick up its license later the same day.

Jeff Allen, who played the role of Mirage owner, went to City Hall and saw Sgt. Vince Gavin, the policeman there in charge of liquor licenses. Gavin said the Mirage's license had been tentatively approved the day before but was being stalled because a few people still wondered if the Mirage was going to be a girlie joint.

Among those people, he said, was Mayor Bilandic.

"Are you going to have go-go girls?" Gavin asked. "I was talking to the mayor and he was concerned that you were going to have go-go girls and he told me to ask you."

Allen said there would be none of that. He added that he was flattered the mayor had taken such an interest in a little neighborhood tavern like the Mirage.

Allen took his license. Gavin offered some advice.

"You be nice to Frank Bruno," he said. "He called down here this morning about your license. You're in his area. You be nice to Frank Bruno."

Allen headed over to the other side of City Hall to be nice to Frank Bruno. Bruno said he was glad to be of service. No thanks necessary. "If there's anything you need, give me a call," he said.

And what of poor Cuddy? He was taking it in stride. His superiors had decided to push the license through, and that was that. Cuddy was philosophical, too, about all those calls from the Mirage's vending operators. He said he was used to these annoyances — used to all the attempted "hustlin'."

"The law is the law," he sighed. "But Chicago's Chicago."

And what should the Mirage make of Cud-

dy? Was he merely being very cautious in the wake of the recent tavern-shakedown scandals? Or was he an honest cop?

The Mirage decided in early October to try the licensing process again. It already owned a liquor license that permitted it to stay open until 2 a.m. Now it would apply for a 4 o'clock license, which is much harder to obtain.

This would be done strictly for enlightenment. The Mirage had a firm date, Oct. 31, to stop operating and would never be able to use such a license.

City Hall informed the Mirage that it would have to circulate petitions and obtain the signatures of half the voters who lived within 400 feet of the tavern. The Mirage picked up a voter-registration list and went to work.

But there was a Chicago-style problem here. The Mirage couldn't find all the voters on its registration list.

"You must have an old list," said the landlady at a building across the street. "That man moved away a long time ago."

It wasn't an old list. It was just a good old Chicago list. More than 30 voters were missing from within 400 feet of the Mirage — 18 from that landlady's building alone.

Yet Rosario Morales, the assistant precinct captain under Frank Bruno, said this was no problem. He told the Mirage it should "find three people, give the people three different kinds of pencils and then have them take turns signing names."

The Mirage said thanks, but no thanks. It wanted the petition to be fake.

That means, alas, that the petition would also be a little unkempt. Counterfeit petitions signed by people with three pencils are neat and clean and nice. But when you actually go to the trouble of spending weeks with a petition, carrying it from door to door, passing it from hand to hand, that piece of paper suffers.

The Mirage's petition suffered especially when somebody made a mistake and threw it in the garbage with the coffee grounds. All in all, it was a petition destined to make Officer Cuddy an angry man once again. He received the petition on Oct. 28 and immediately called the Mirage.

"What did you do with these lists, put them in a blender?" he shouted. "I can't read these signatures. Who do you think I am—Houdini?"

But Cuddy started checking the signatures. He checked them one by one. And then he called back with the bad news. He calculated

'I still would advise you to get more signatures, just to make sure. It's got to be done right.'

that there were 169 registered voters within 400 feet of the Mirage. The Mirage, with only 66 signatures, was far short of the required half.

The Mirage protested that the registration list was filled with ghost voters. But Cuddy said there was nothing he could do. He had to follow the list.

Alice in Wonderland never had it as bad as Cuddy in Chicago. Cuddy wanted to go by the letter of the law. That meant he had to enforce phony voter-lists.

"You'll have to supply affidavits that these people are no longer registered there," Cuddy said. "I have no other choice."

But even that was an impossible task. The affidavits would have to come from the landlords. One of the crucial landlords was himself a ghost.

It was time to try some more clout. The Mirage would close its doors in three days. There wasn't time to do it Cuddy's way.

The Mirage had been saving some clout for a rainy day. It learned early that one of the tricks of doing business in Chicago is to buy your insurance from a politically connected

insurance agency. The Mirage had shopped carefully here.

It first tried Near North Insurance Agency, owned by Cook County Board President George W. Dunne. Everybody in the neighborhood said this was the company that did the big favors. But Near North, it turned out, wasn't interested. An agent for the firm said it preferred dealing with such clients as the Ritz-Carlton and was discouraging small taverns.

The snobs.

So the Mirage went to another, smaller firm reputed to be helpful. It bought from the Marzullo & Romano Insurance Agency. This seemed a pretty good deal. Ald. Vito Marzullo (25th) was the symbol of plentiful power. Joe Romano did the dealing.

But the clout was not as advertised. Romano, told of the Mirage's problems, stalled for days. The anticipated closing date of Oct. 31 came and went.

And the Mirage was getting worried. It could pretend it was "closed for redecorating" for only so long. It would have to give up its building soon — and all hope of following the licensing process to the end.

The Mirage decided to call Ald. Marzullo, who, as it happens, shouts even louder over the telephone than Officer Cuddy.

"I can't help you on this!" Marzullo shouted. "You gotta see the alderman of that ward! We got strict orders! In my ward, I'd be able to help you, but the place is not in my ward!"

The Mirage had obviously wasted its insurance premiums.

There was one last chance. It was time to call Frank Bruno again. He had done it once; maybe he could do it again.

"I'll call ya right back," Bruno said.

It worked this way. Bruno called Sgt. Gavin at City Hall. Gavin called Cuddy and ordered him to let up. Cuddy was then forced to tell the Mirage that one simple affidavit, signed by the Mirage's owner, would do. But Cuddy wasn't about to collapse entirely.

"I still would advise you to get more signatures, just to make sure," he said. "It's got to be done right."

The Mirage went door to door again and raised the number of signatures to 79. It delivered the petitions and the affidavit to Cuddy on Nov. 3.

Six days passed. Nothing happened. "I'll finish work on this as soon as I can," Cuddy said.

The Mirage, in its heart, wanted to see Cuddy do it the right way and make it stick. But it also did its duty as a Chicago tavern and encouraged Bruno to keep pushing.

And on Nov. 9 even as Cuddy was toiling away over the petition, Bruno called the Mirage. "I just wanted to tell you your license is ready," he said.

Jeff Allen went to City Hall to pick up a license that would never be used. He stopped by Bruno's office to thank him again.

"You got around pretty fast after you got to know me," Bruno said.

"I understand the petition is still in Cuddy's office," Allen said.

"Yeah. Gavin did this as a favor for me since you were in my precinct. He used to be Mayor Daley's bodyguard, you know."

"Well, if any of the names on that petition aren't right, will that affect the license?"

"You got that slip of paper, don't you?" Bruno said. "There's nothing they can do."

Bruno was right. There's nothing people like Cuddy can do. Except maybe keep trying.



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OFFICER CUDDY became perturbed when vending operators who wanted the Mirage's business called Cuddy on their own to see if he would hurry up the paperwork on the tavern's liquor license application. "What in the hell is going on?" he demanded.

might be arranged. It was just another service for prospective customers. But it hardly worked out the way they thought it would.

Cuddy called the Mirage on Aug. 4. He was angry. "What in the hell is going on?" he asked. "What have you been doing, talking to everyone there is?"

The sudden bunch of telephone calls had only served to make Cuddy doubly suspicious

Hit by shakedown? A hot line for you

Ever been the victim of crooked city, county or state employees?

Have you ever been forced into illicit dealings with businessmen such as accountants, bookkeepers, vending machine operators or other salesmen?

The Sun-Times would like to hear specific

details — names, dates and places. Because of reader interest in our series on the Mirage, a tavern we operated for several months, we have set up a special Shakedown Hot Line for you to call.

We will protect your anonymity, if you wish. The number is 321-2527.

COMING FRIDAY:
Liquor salesmen offer illegal gifts, 'fixes' with product