

Minnesota: return of the Syndicate

by Philip Valenti

“Is Mob Making a Move on Area Casinos?” So read the banner headline of the Sunday, June 19, 1991 *Duluth News-Tribune*. The newspaper exposed a secret 1988 meeting in Toms River, New Jersey, organized by Carmen and Thomas Ricci, known as associates of the Bruno/Scarfo organized crime family. The Riccis controlled Greyhound Electronics and B&C Enterprises, which produced and maintained video gambling machines. In 1990, the Riccis, Nicodemo Scarfo, Jr., and others were indicted for racketeering and conspiracy. The case ended in a plea-bargain.

A multimillion-dollar operation

With Scarfo's help, the Riccis had been supplying video gambling systems to the Gambino crime family in New York, and to other purchasers in Michigan, Florida, California, and Minnesota. An earlier dispute between the Bruno/Scarfo and Lucchese gangs over control of SMS Manufacturing, another New Jersey video poker outfit, had resulted in a clubbing murder in Toms River.

The guest of honor at the Riccis' 1988 meeting was Darrell “Chip” Wadena, Tribal Chairman of the White Earth Chippewa Reservation, and president of the entire Minnesota Chippewa Tribe. Also present were Minnesota Chippewa Tribe attorney Kent Tupper, and Victor Collucci of Providence, Rhode Island.

According to the *News-Tribune*, “Collucci is the director of special product sales at G-Tech, the world's largest on-line lottery firm. G-Tech runs the Wisconsin lottery and more than a dozen other state lotteries. . . .

“Collucci, Tupper, and four other men own Creative Games Technology, Inc., a company that leases video gambling machines to casinos at the Leach Lake, Bois Forte, and Grand Portage Chippewa reservations. . . .

“Collucci, Tupper and one of their partners—Cyril Kauchick of Gilbert—participated in establishing Bois Forte's Fortune Bay Casino between 1984 and 1986. Tupper is also attorney for Bois Forte and for Fortune Bay. Kauchick is the casino's general manager and president of the casino board.

“Another partner in the firm, Eddie D'Ambra, also of Providence, works for Gamma International, which provides satellite bingo at Fortune Bay and 55 other Indian and chari-

table bingo halls in the country.”

The Riccis had already sold the White Earth Chippewas 30 video gambling machines, and were now offering to finance the construction of a new casino on the reservation. A deal was made, but supposedly fell through later.

White Earth's \$10 million Shooting Star Casino opened in September 1991. Wadena still refuses to explain where the money came from, citing “sovereign immunity.” Fifty-four Indians were arrested at a sit-in protest against the deal, and opponents have demanded a congressional investigation.

Several White Earth members have since confessed to rigging a tribal election in favor of a key Wadena supporter.

Arguing the need to “compete” with “Indian gaming,” a coalition called Revenue for Minnesota, led by the Minnesota Licensed Beverage Association, plans to lobby the legislature in 1993 to legalize video gambling machines in bars.

‘The Minneapolis Combination’

Gambling, murder, and political corruption have a rich history in Minnesota. The so-called Minneapolis Combination, nominally headed by the late Isadore Blumenfeld, a.k.a. “Kid Cann,” was a major part of gangster Meyer Lansky's National Crime Syndicate.

According to *MPLS-St. Paul* magazine in November 1991, the Minneapolis Combination split in the 1945 elections, with gang leader Dave Berman backing Mayor Marvin Kline for reelection, while Blumenfeld had connections to the successful challenger, Hubert Humphrey.

Berman was forced out of Minneapolis, while Blumenfeld's illegal sports and casino gambling operations flourished under Humphrey. Berman moved to Las Vegas, Nevada, where he helped set up the Flamingo and other casinos.

One of the major players in the Minnesota “Indian gaming” market today is Grand Casinos, Inc., which operates two casinos on Indian land in Minnesota, and has plans to expand to reservations in Wisconsin and Louisiana, plus dockside gambling facilities in Mississippi.

The president, chief executive officer, and chairman of the board of Grand Casinos, Inc. is Lyle Berman, described in company literature as “a world class professional poker player,” who “frequently participates in professional gambling tournaments in Nevada.” Reliable sources connect Lyle Berman to the infamous Bermans of the Minneapolis Combination.

All of this has proceeded under the nose of Minnesota Attorney General Hubert “Skip” Humphrey, who brazenly claims to be opposed to the expansion of gambling in the state. Humphrey is the darling of the organized-crime linked Anti-Defamation League (ADL), which has long been a major influence in Minnesota politics. Among Humphrey's financial backers are the ADL's Honorary Chairman, Burton Joseph of Minneapolis, and ADL National Commissioners Robert Latz and Stephen Lieberman.