

Confidential

LIQUOR INDUSTRY LETTER

Circulated Privately to Businessmen Engaged in Distributing or Retailing Liquors

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November 17, 1944

Dear Sir:

Holiday trade brings warning from U. S. Secret Service. Emphasizing the need for caution, and the fact that liquor stores and taverns are most often selected by counterfeiters as the logical places for passing bad checks and counterfeit bills, Mr. Rowland K. Goddard, Supervising Agent of the U. S. Secret Service has requested us to send the following notice to every store and tavern operator in the state:

W A R N I N G

Because the rush of the Holiday Season will soon be here, the following information is of more importance than ever. The United States Secret Service, Treasury Department, cautions you to be more careful in accepting Government or Commercial checks, especially from strangers, and to

"KNOW YOUR ENDORSERS -- REQUIRE IDENTIFICATION"

The United States Government is issuing approximately 1,000,000 checks on the Treasurer of the United States every working day. They go to Social Security beneficiaries, farmers, war veterans, to parents, wives and other dependents of American soldiers and sailors, as allowance or allotment checks. Many thieves are stealing these checks, forging the endorsement, and passing them to careless merchants who do not require proper identification. The Government does not honor checks unless they bear the endorsement of the rightful payee. The Secret Service has prescribed the following simple precautions to be taken by merchants and others who cash government and commercial checks, to protect them from loss through acceptance of stolen or forged checks:

1. KNOW YOUR ENDORSERS. Whenever a stranger asks you to cash a check, insist that he identify himself to your satisfaction as the rightful owner of that check.
2. BEFORE CASHING ANY CHECK FOR A STRANGER, ask yourself this question: "IF THIS CHECK IS RETURNED AS A FORGERY, CAN I LOCATE THE FORGER AND RECOVER MY LOSS?"

3. Insist that all checks BE ENDORSED IN YOUR PRESENCE. If a check is already endorsed, ask that it be endorsed again; then compare the handwriting of the two signatures.
4. Have ALL checks initialled by the EMPLOYEE who pays out the money. This will help fix responsibility if a check is returned.

The crime prevention campaign of the U. S. Secret Service is designed to protect YOU, but we must have your help to make it effective. So do your part - KNOW YOUR ENDORSER -- REQUIRE IDENTIFICATION. Be especially careful in cashing checks for juveniles. Many judges have ruled, in cases where merchants have cashed stolen checks for juveniles, that the merchant, by not exercising proper caution, had contributed to juvenile delinquency.

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The Secret Service is anxious to call your attention, too, to the necessity of being alert for COUNTERFEIT MONEY. If you will write the undersigned, we will be glad to send you a folder, issued by the Service, entitled "KNOW YOUR MONEY." The average handler of money can learn how to detect counterfeit bills or coins without much difficulty. Once you know what good money looks like, you can easily detect bad money.

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There is another type of fraudulent currency which is causing the Secret Service some concern. It is made from genuine notes, so manipulated by the crooked passers as to present a \$5, - \$10, - or \$20 denomination on one side and \$1 on the reverse side. The passer always presents the note with the larger denomination up. Your protection against this fraud is to look at both sides of any note from \$5 up. By doing so you will never be the victim of this type of spurious money.

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In handling the CARD CHECKS issued by the Government, do not bend, fold, or punch holes in them. These checks are handled by delicately adjusted electric machines, and mutilation causes the machines to jam or register incorrectly.

Join the Secret Service educational campaign:

KNOW YOUR MONEY -- KNOW YOUR ENDORSERS

Rowland K. Goddard,
Supervising Agent.
District 13, U. S. Secret Service
P. O. Box One, Denver 1, Colorado

Dimly lighted taverns, crowded bars and liquor stores, during the rush hour, are indeed natural "suckers" for the counterfeiter or check passer -- we hope this timely warning will save you money.

Increased number of violations is danger signal. Sales to minors and to intoxicated persons, though not to be compared to previous months, increased during the past two weeks. Several violations were reported, but they came, in most cases, from places which are not a credit to our Industry. Tavern owners and package store dealers who have a real investment in a permanent, legitimate business are not violating the law. Enforcement authorities and wholesalers are definitely pledged to eliminate those places which will not, and can not, properly supervise sales. Every individual in this business has a real responsibility to the public and to his Industry. If we are going to continue in business, with the respect of our fellow citizens and businessmen, we must live up to our responsibility.

Ceiling prices to be enforced more rigidly, according to word received from OPA. Recent tax adjustment caused much confusion -- many dealers raised prices above ceiling particularly on beer -- OPA now intends to bring all liquor prices in line with actual ceiling.

Nebraska Drys whipped in election say they'll bring up issue again in three years according to Nebraska law. The vote was 366,707 against prohibition, 123,341 votes for prohibition -- a wet majority of 3 to 1. Credit can be given to the self-regulation program within the state. Former Governor Keith Neville spearheaded the opposition to the dry referendum.

Mrs. Helen Sprackling, director of Allied Liquor Industries' Women's Division, commenting on the Nebraska election made the following comment: "The problem of the conscientious tavern owners is made more difficult because they have no way of convincing that large part of the public that never enters a tavern that their operation is typical of the Industry as a whole, while the violator is an exception. Unfortunately the public thinks in terms of the exception."

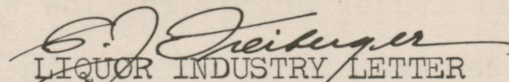
Holiday Liquor Stocks are expected to meet all reasonable needs in Colorado. Colorado wholesalers anticipating the demand for holiday sales, are of the opinion that normal sales demand based on previous years can be met. Unlimited stocks will not be available. There should be enough liquor for home entertainment and public tavern needs. Rum and cordials should be plentiful, whiskey supplies, particularly rye, should be adequate, but Scotch and bourbon stocks will remain depleted.

Quantities of liquor available have been predicated on the recent war production board announcement permitting United States distillers another liquor producing "holiday" in January. W.P.B. made no mention of possible bourbon production despite the forecast of an all-time record corn crop for 1944. No bourbon has been produced since 1942.

Improvements in the over-all alcohol situation, indicate that the "holiday" coming in January would be reflected in increased tavern and store sales of rum, brandy and cordials during the Christmas and New Year season, to make way for whiskey stocks in January.

Forecast by Liquor Store and Dispenser, national publication on prospective supplies: Bonded whiskey, generally unchanged; bourbon, worse; blends, better, with customers probably limited to one or two bottles; gin and brandy, better, but not too plentiful; cordials, plentiful; Scotch, bad; rum, excellent; wines unchanged; beer, generally bad. (Colorado brewers expect to be able to take care of demand.)

Sincerely,


LIQUOR INDUSTRY LETTER
P. O. BOX 2250
DENVER, 1, COLORADO

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