

# 15 INDICTED ON L. I. JURY INDICTS 15 IN JUKE BOX STUDY IN JUKE BOX STUDY

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## O'Rourke, an Aide of Hoffa, in Group Charged With Coercion in Nassau

Special to The New York Times.

MINEOLA, L. I., May 28 — John J. O'Rourke, a top-ranking leader in the International Brotherhood of Teamsters, and fourteen other persons, were indicted tonight after an investigation of racketeering in the juke box industry in Nassau County.

Most of those indicted by the Nassau County grand jury were charged with conspiracy, coercion, extortion and attempted extortion.

Mr. O'Rourke is president of the Teamsters Joint Council in New York City and long a stalwart of James R. Hoffa, president of the teamsters. Besides him, those indicted included Joseph DeGrandis, president of teamsters' Local 266 in Manhattan, and Ernest R. Zundel, secretary treasurer of the same local.

### Charge Local Was Front

After the indictments were returned, District Attorney Manuel J. Levine and Assistant District Attorney William Cahn issued a statement. This declared that the extortion counts were based on evidence that Local 266 of the teamsters was not a bona fide union but had been organized "purely for the purpose of extorting and coercing, and restraining individuals from the proper conduct of their business."

It was charged that the local had organized a system of "labor fees" against owner-operators of juke boxes and coin-operated amusement devices in Long Island. The union was said to have levied "initiation fees" of \$25 for the owner-operators, plus \$5-a-month dues, plus 65 cents a month for each machine in operation.

The men indicted were charged with threatening strong-arm retribution against those who

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did not pay the "fees" and with assigning pickets to their places of business.

By midnight six of the fifteen indicted had been brought in under bench warrants. These were Mr. O'Rourke, Mr. DeGrandis, Mr. Zundel, Herbert Jacob, part owner of the Nu-Way Vending Machine Company of Brooklyn, and two brothers, Vincent and Philip Losquadro, who were described as operators of an ice-and-coal business in Brooklyn and also as dealers in juke boxes.

Mr. Cahn said that he expected further arrests during the night. He said thirty Nassau were searching the city and Nassau and Suffolk Counties for nine others indicted.

Mr. O'Rourke was in custody less than an hour after the indictments had been handed up to Supreme Court Justice Bernard Meyer. Mr. O'Rourke is the Hoffa-selected official who, last December, replaced Thomas L. Hickey in the \$20,000-a-year post as the teamsters general organizer here. The ouster of Mr. Hickey, for many years a leader of the anti-racket forces in the teamsters, had been recommended by Mr. Hoffa.

Mr. O'Rourke was one of the teamster officials who invoked the Fifth Amendment against possible self-incrimination when questioned by Senate investigators in 1957. He has long been intimately associated with Mr. Hoffa.

Earlier this year when the teamsters moved to throw unlimited funds into Puerto Rico to meet competition from the American Federation of Labor and Congress of Industrial Organizations, Mr. O'Rourke was the teamsters' top organizer on the scene.

Local 266 was one of the targets of a larger Senate rackets committee investigation, earlier this year. Robert F. Kennedy, chief counsel of the committee, questioned witnesses about charges that some coin-machine operators in New York City had used violence and union pickets to preserve and expand their enterprises.

At that time, Mr. Kennedy implied that there had been no great change in the juke box rackets situation except that Local 266 appeared to be spreading its authority in the coin-machine field.