

IF AT FIRST...

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Charles Wilson Tennant, Jr., was born on March 16, 1920 in Newell, a dirt poor community deep in the Appalachian hills of northeast Alabama.

In 1920, Newell's population was about 1,200. Today it is about 1,000. The principal employer then was the Knott Prospect mine, long since worked out, and the only noticeable agricultural product was, and still is, chewing tobacco. There are records of Tennants living in the area in 1836, and Tennants can be found there today.

But Charles Tennant dreamed of greater things than being just another statistic in the record of the Tennants of Newell, and sometime in his teens, he left to make a name for himself in the outside world.

And, depending on how you look at it, perhaps he did.

Tennant's first stop of record after leaving Newell was somewhere in North Carolina, where in 1942, at the age of 22, he was convicted of embezzlement and sentenced to seven months in the North Carolina Penitentiary.

After serving his prison term, he dropped out of sight until 1946, in Los Angeles, where he was charged with forgery and grand theft, and promptly disappeared again.

He re-appeared in Miami Beach on January 27, 1947, when he was arrested for failing to register as a felon because of his North Carolina conviction. From his fingerprints, the police discovered that they were also holding a fugitive warrant for his arrest stemming from his 1946

Los Angeles forgery and grand theft charges.

A date was set for his extradition hearing, but with two charges pending against him, one of them a fugitive warrant, a Miami Beach magistrate, in his infinite wisdom, released Tennant on \$200 bond.

A few days later, Tennant took a girlfriend out for dinner. They went to Surfside, then a small beach-front community just north of Miami Beach, with a public fishing pier that extended far enough out over the water to allow aspiring fisherman to try for the larger specimens without leaving dry land.

They sat on the patio of a restaurant opposite the pier, ordered drinks, and watched the activity on the beach subside as the sun set behind them. Then, they ordered dinner. However,

before they were served, Tennant complained of an upset stomach, and left, telling his companion that he was going to look for a drug store.

Several hours later, Tennant had not returned. The police were called, but a search turned up nothing. An angler who was fishing from the pier reportedly told police that at about sunset, he saw a lone figure swim out from the beach and disappear.

The following morning, Tennant's clothes and wallet were found on the beach beneath the pier, along with two suicide notes, one addressed to his female companion and the other to his sister.

His body was never found.

Herbert C. Engle came to Cincinnati in 1947 as an honorably discharged World War II Air Force pilot, was hired by Avco Manufacturing Company, and bought a modest house in Mt. Healthy.

He resigned from Avco a year later, and opened B & E Auto Sales at 9700 Colerain Avenue, on the site of the former Mt. Healthy airport. It was the early post-World War II period. Industry was still converting back to peacetime production, and the demand for consumer goods far exceeded the supply. In the case of big ticket items like automobiles, there was no shortage of buyers. The trick was finding cars to sell.

Engle, then not yet 30, was a robust figure, six feet tall, well over 200 pounds, with all the characteristics of a good salesman - gregarious, suave, super-confident and persistent. He was every anxious car buyer's best friend, and despite shortages, through a never clearly defined relationship with Howard Hively, a Cincinnati Ford dealer, and George Ewing, a Canton, Ohio, Chevrolet dealer, he was able to deliver the goods.

Before long, Engle's clientele included some of the most prestigious names in the community, among them, Val Boeh, a senior vice-president of The Central Trust Company, now part of PNC. Boeh took a liking to Engle and became his banker, and also somewhat of a mentor. Among other things, Boeh referred him to Joe Segal, a senior partner in Paxton & Seasongood, and one of Cincinnati's top corporate lawyers.

But despite making good money selling cars, in 1951, Engle decided that it would be more profitable to lease them. The car rental industry was then in its early embryonic stage. For example, Hertz didn't go into the car rental business until 1953. But regardless of where he got

the inspiration, in 1951, Engel changed his company's name to King Bee Leasing, and began leasing increasing numbers of Fords and Chevrolets.

I first met Engle in the summer of 1954, shortly after graduating from Harvard Law School. Like all good Harvard Law graduates, my first stops on the job hunt were Boston, New York and Washington, the then axis of the nation's blockbuster law firms. But in 1953 and 1954 the country was in a recession, and job offers were scarce. So I looked elsewhere, and eventually found a job at Paxton & Seasongood, then a prestigious 80-plus year old Cincinnati firm. Actually, Paxton & Seasongood didn't have any openings at the time, but its senior partner, Murray Seasongood, Harvard College '00, Harvard Law School '03, was shamelessly prejudiced in favor of graduates of what he always referred to simply as "the law school", and without consulting his partners, he put me in a small office, which I shared with three other associates, at the princely salary of \$200 per month.

Among other things, I was assigned to do grunt work for Joe Segal. King Bee was a relatively small corporate client with the sort of run-of-the-mill legal matters that a first year associate could cut his teeth on without making any serious mistakes, so Joe assigned its routine work to me.

For the next few years, King Bee appeared to prosper, and in early 1958, Engel asked me to review leases for two new rental locations, with the caveat that I not run up too much of my \$8 per hour time.

The following April, amid marching bands, ribbon-cutting ceremonies, balloons, pennants and other fanfare, Engle opened two new King Bee locations in downtown Cincinnati, one at 1130 Sycamore and the other at 3rd and Walnut. At the same time, he announced an ambitious program for a nationwide expansion of King Bee.

Backed by Central Trust floor-plan financing, Engle ordered hundreds of cars and trucks from Hively and Ewing in a wide variety of models, colors and options for delivery to King Bee locations in Cincinnati, Atlanta, Birmingham, Phoenix and Waco and Tyler, Texas.

Ever the consummate pitchman, Engle started commuting to the three Cincinnati locations by helicopter, and traveled to his other locations in his private plane flown by his personal pilot.

Herb Engle was on a roll.

When I joined Paxton & Seasongood in 1954, Murray Seasongood was, and for 44 years had been, the unchallenged and iron-fisted monarch of the firm. He was a brilliant, stubborn, larger-than-life character, and, as some of the more elderly among us know, a member of The Literary Club from 1912 until his death in 1983 at the age of 104, and its president for the 1932-33 term, as well as a prominent member of the Cincinnati political and philanthropic communities for most of the 20th century.

One of Mr. Seasongood's many office rules was that the work week consisted of six days, and that except for reasons acceptable to him, all associates *and* partners were expected to be present in the office all day, every day, including Saturday. Which is the reason I was in the office on a Saturday afternoon in mid-November, 1958, when Joe Segal wandered into my tiny cubicle, which by that time I occupied alone, sat down in the only chair, other than mine, for which there was space

"Are you doing any work for Herb Engle", he asked.

There were the two leases I mentioned earlier, but I hadn't done anything since then.

Joe had the sad eyes, sagging jowls, and gentle disposition of a basset hound. But he also had a basset hound's instinctive sense of smell, and he smelled trouble.

"He just called", he said. "He's on his way over. He didn't say what he wanted, but something's wrong, and I think you should be there."

"Sure," I said, as though I had a choice.

Minutes later, Engle lumbered into Joe's office and dropped his heavy frame into the client chair across the desk from Joe.

There were no handshakes, no "hello's" or "how are you's".

Just "Joe, I'm broke."

"Broke?"

"Yes, broke. Everything is gone."

"What happened," Joe asked calmly.

Engle proceeded to describe how he obtained almost 800 vehicles from Hively and Ewing for which he never paid a penny. After announcing the King Bee expansion program, he contacted the two dealers and told them that he needed about 800 vehicles to start the program, and wanted them to be his exclusive suppliers. But in exchange, they would have to accept orders without deposits, and he would not pay for any vehicles until 90 days after all of them were delivered.

Eager to get in on the ground floor, Hively and Ewing not only agreed to those terms, they also agreed to deliver the manufacturer's original certificates of origin for the vehicles without first registering them in Ohio, because, Engle told them, it would expedite his financing. Giving Engle unregistered certificates of origin was the equivalent of giving him blank checks.

Using a complex web of 10 corporations, Engle ordered a wide variety of vehicles for delivery in small lots to widely separated destinations. This delayed the appearance of a large balance in any one corporation's account, and also avoided having a suspiciously large number of vehicles at any one location.

As soon as a vehicle was delivered, Engle took the unregistered certificate to the Central Trust and borrowed its full loan value, and then he sold it. Most of the vehicles were sold at wholesale auctions in Alabama and Texas, where title certificates, most of which were held by Central Trust, were not required. In other words, he collected money twice for vehicles for which he paid nothing.

But the last of the vehicles were delivered during the previous August. His 90-day grace period was up, and Hively and Ewing were demanding payment.

"Right now," he said, "I owe them about \$1,200,000. I also owe Central Trust \$300,000, and I can't pay any of them."

"Where's the money", Joe asked.

"Gone", he answered. "I lost it. I went to Las Vegas and lost everything. But I...."

I was dumbstruck, but Joe, who had already analyzed the situation and all of its implications, interrupted Engle in mid-sentence.

"Herb", he said. "Don't say anything more. Just go out and hire the best criminal lawyer and the best bankruptcy lawyer you can find. And do it as quickly as you can."

Engle sat silently for several minutes and then, without a word, stood up and left.

A few months later, the Cincinnati newspapers exploded with front page headlines and what the Post Times Star called "a fantastic story" about King Bee's bankruptcy, missing millions, and duped car dealers. As more facts emerged, the frenzy of headlines continued, but after three months and 1,800 pages of testimony, King Bee's trustee in bankruptcy, with his team of Taft, Stettinius & Hollister attorneys, including John Clippinger, Murray Monroe and Bob Stachler, were still unable to unscramble the mess. King Bee's records were almost non-existent, and what little they found was either inaccurate or incoherent.

From creditors' claims, they did know that King Bee's total liabilities were about \$2,000,000. By tracing bank and other external records, they found that between February and November 1958, Engle withdrew over \$1,200,000 from various King Bee accounts, and that in October, a month before his meeting with Joe and me, he bought \$450,000 in U.S. Treasury bearer coupon bonds from a Dallas bank in \$1,000 and \$10,000 denominations. But the bonds were missing. They also found that he owned a hotel and two houses in Tyler, Texas, and some property in Denver. But that's about all they found.

Engle was completely uncooperative, delaying several bankruptcy hearings by claiming illness. When he was finally forced to testify, he suffered memory loss, answering 138 questions with "I don't know" or "I don't remember", and he continued to insist that he lost everything, including the bonds, in Las Vegas.

Finally, an exasperated Judge John Druffel found Engle guilty of perjury and ordered him held in the Hamilton County jail as a material witness in the King Bee bankruptcy.

There, he was fingerprinted.

The fingerprints were those of Charles Wilson Tennant, Jr.

Confronted by his former self, Engle confessed that he was, indeed, Tennant, that he had faked his 1947 suicide, fled Miami Beach, and made his way to Cincinnati. Somewhere along the way, he appropriated a new name and persona, reportedly from an obituary notice for a World War II Air Force veteran named Herbert C. Engle, who had conveniently died leaving no living relatives.

Again, the headlines erupted, sometimes calling him Engle, sometimes Tennant, and then explaining that Engle was Tennant, or that Tennant was Engle. To avoid confusion, I will continue to refer to him as Engle, the only name by which I ever knew him.

With his confession, Engle was indicted for perjury, concealing bankruptcy assets, interstate transportation of stolen property and mail fraud, to all of which he plead not guilty. But in May, 1960, after more than a year of manipulating the system, he changed his plea to guilty, and was sentenced to three years in the Milan, Michigan, federal penitentiary.

With Engle safely locked away, King Bee's trustee in bankruptcy and his attorneys turned to the job of finding and liquidating assets. Scouring the country, they recovered and sold some 275 new cars that had not yet reached the auctions. Central Trust held title certificates for

enough of them to pay off its \$300,000 secured claim and leave \$10,000 over for the Trustee. The remaining cars, the Colerain Avenue real estate, Engle's heavily-mortgaged plane, the Texas and Denver properties and miscellaneous other assets were sold for about \$800,000.

That left about \$850,000 still due creditors, mostly to Ewing and Hively. The only possible source of even partial payment was the \$450,000 in missing bonds, plus by then, another \$70,000 in matured but unredeemed coupons.

The FBI ran down dozens of leads. All banks in the Federal Reserve system were given a list of the bonds by serial number. But for three years, nothing showed up. No bonds. No coupons presented for redemption.

Engle was released from prison in July 1962. He worked at various menial jobs in Ohio and Indiana, and dutifully reported to his probation officer, but otherwise remained under the radar until April 12, 1965.

On that day, almost three years after Engle's release from prison, an attractive young woman, who identified herself as Doris C. Cain, of Ann Arbor, Michigan, presented \$70,525 in Treasury bond coupons for redemption at a Chemical Bank branch in downtown Manhattan. An alert teller checked the serial numbers and found them on the FBI's list. He gave her a receipt for the coupons and told her the money would be available the next day. She left, and did not return.

In May, Engle failed to report to his probation officer. A warrant was issued for his arrest for parole violation, but once again, he disappeared.

Over the next few weeks, the FBI received a series of reports of bonds popping up in widely separate locations: a Leesburg, Virginia bank; a Long Island office of Merrill, Lynch; the Litwin Jewelry store in Cincinnati; and a Dade County, Florida bank, which accepted a tainted \$10,000 bond as security for a loan to a borrower named Maurice J. Klopp.

On Friday, June 26, 1965, an FBI agent in Cincinnati notified Arnold Morelli, then a U. S. Attorney here, that a person calling himself Maurice J. Klopp had pledged three of the missing \$10,000 bonds to the Covington, Kentucky Trust & Banking Company as security for a loan. Morelli immediately called the bank. A teller, Ann Robertson, answered. As Morelli was explaining the reason for his call, Robertson interrupted him to tell him that at that moment, she could see Mr. Klopp entering the bank.

"Stall him," he shouted. "Keep him there any way you can."

A warrant was quickly issued for Klopp's arrest, and FBI agents raced to the bank and took him into custody. He was in the midst of negotiating another loan to be secured by two more \$10,000 bonds, which he had in his possession.

But Klopp was not Engle. He was, in fact, Maurice J. Klopp, a resident of Western Hills. Nevertheless, he was in possession of two of the missing bonds and had pledged three others, and he was charged with concealing bankruptcy assets and interstate transportation of stolen goods.

Klopp spent that weekend in the Hamilton County jail, during which time, according to Morelli, "constructive conversations" took place, whatever that means, and on Monday morning, Klopp asked to see Morelli again. He was ready to talk.

Klopp told Morelli that he met Engle in 1960 in the Milan penitentiary, where he was serving time for mail fraud and concealing bankruptcy assets in his own bankruptcy. Engle suggested to Klopp that when they got out of prison, they could dispose of the bonds together. Klopp agreed.

Doris C. Cain, the attractive young woman who presented the coupons to the Chemical Bank teller, was actually Mary Elizabeth Yochum, age 28, of Norwood, a secretary at Union Central Life who Engle met after his release from prison.

In March, 1965, Klopp entered an Ann Arbor bank and presented a power of attorney signed by a Doris C. Cain naming him as her attorney-in-fact. Ms. Cain, he explained, was an American expatriate who lived in Germany for many years, but was returning to take a position in Ann Arbor, and he was helping her with the details. One of the things she needed was an account at a local bank, which she would start with a deposit of \$55,000. The obliging bank officer gave Klopp the forms to open the account, which he signed for Ms. Cain, and he deposited the \$55,000.

He then went to an Ann Arbor real estate rental agency, and using the same story, leased an apartment for Ms. Cain and paid two months rent.

Obviously, Klopp's power of attorney had been signed by Yochum.

On April 12, 1965, Engle, Klopp and Yochum flew to New York City carrying \$230,000 in bonds in a brief case, and Engle and Klopp waited in Schrafft's restaurant in the Chrysler building while Yochum took the coupons to the Chemical bank.

When she returned empty-handed, except for the teller's receipt, Engle decided to try to sell the bonds at another bank. But when they got there, Engle lost his nerve.

"They have my picture," he said. "If I go in there, I'll be arrested. But they don't know you."

And he handed the briefcase to Klopp.

Klopp took the briefcase, walked into the bank, through the lobby, and out another entrance, and took off, and it was he, and not Engle, who had been traveling around trying to peddle the bonds in New York, Florida, Virginia and Cincinnati.

To complete his confession, Klopp led Morelli and the FBI to a safe deposit box at the Camp Washington branch of the Provident Bank, where they recovered the remaining \$120,000 in bonds that he stole from Engle.

The F.B.I. had captured a crook, but he was not the crook they wanted, and arrest warrants were issued for Engle and Yochum. The FBI also offered a \$10,000 reward for their capture. But once again, Engle disappeared, this time with an accomplice.

Finally, after five years of searching, on May 25, 1970, FBI agents, acting on a tip, caught up with them in Medford, Oregon, where they were then living as Mr. and Mrs. Marc P. Lawson and scamming the Medford locals.

By that time, they were also wanted in California as well as Ohio. After Klopp took off with his stash of bonds in New York, Engle and Yochum took off for Sacramento, where they became Mr. and Mrs. Carl C. MacKay. At their eventual trial in Cincinnati, a Sacramento attorney for Bank of America testified that as the MacKays, they spent two years there establishing themselves as a reputable couple worthy of a high credit rating. Then they went to work, quickly scamming hundreds of thousands of dollars from Bank of America in bad checks and defaulted loans. After that, using the same technique, as Mr. and Mrs. Neal H. Kurfiss, they scammed hundreds of thousands of dollars worth of jewelry as preferred charge account customers of Shreve & Company, the Tiffany of San Francisco.

Back in Cincinnati, Engle and Yochum were charged with and plead not guilty to 18 federal charges, and were held in the Hamilton County jail to await trial.

Then, in another display of his criminal genius, Engle hired F. Lee Bailey, then the country's most famous and flamboyant criminal lawyer, to defend them. He sent Bailey a \$25,000 check as a retainer, and a few days later, an attorney from Bailey's Boston office appeared before Judge David Porter with a motion requesting the admission of Bailey and his firm as chief defense counsel. The motion was granted.

Three weeks later, the same attorney was back before Judge Porter, this time with a motion to withdraw. Engle's \$25,000 check had bounced, and Bailey wanted out. Judge Porter denied the motion, ruling that although Bailey was "disappointed with the fee arrangement", that factor was "not in itself sufficient to grant [the] motion". Engle's ploy forced Bailey to defend them free of charge.

Bailey never made his much-anticipated Cincinnati appearance. Instead, his younger brother, William, a real estate lawyer, who had never tried a criminal case, represented them, with Cincinnati attorney Tom Conroy, serving as local counsel. After a four-day trial, the jury deliberated for one day and found both defendants guilty on most of the counts.

If this story were fiction, I could tie up all the loose ends and bring it to a neat, crisp conclusion. But non-fiction doesn't offer that luxury.

Klopp was indicted for his part in the 1965 bond caper, but died in jail in 1967 while awaiting trial.

Engle and Yochum appealed their convictions to the 6th Circuit Court of Appeals, but the appeal was denied.

Yochum was sentenced to three years in the Kentucky Institution for Women. She was paroled after serving part of her term, moved to Frankfurt, and has not been in the headlines since.

Engle, aka Charles Wilson Tennant, Jr., Mark P. Lawson, Carl C. MacKay, Neal H. Kurfiss, and who knows how many other aliases, was sentenced to 10 years, again in the Milan, Michigan penitentiary. He served about two years there and was transferred to the Sacramento penitentiary to facilitate his prosecutions for his exploits in California and Oregon. He served the balance of his 10-year term in California. Where he went from there remains a mystery.

As for the \$450,000 in bonds that Engle originally purchased, \$190,000 of the \$230,000 that Klopp stole from him were recovered or accounted for when Klopp was apprehended. The possibility of accounting for the remaining \$40,000 probably died with him in 1967.

As for the remaining \$220,000, Yochum testified that Engle kept them in a locked briefcase, that she never knew how many he had or whether he ever sold any, and that he never gave any to her.

And that's where the trail ends.

About a year ago, knowing that eventually I would have to write another paper, I went to the Federal District Court Clerk's office here to see if I could find any more recent information about Engle, possibly a parole record. However, a clerk told me that records of cases closed prior to the mid 1980's were not converted to any permanent form of record. Rather, she said, they were "archived", which meant that they were packed in cartons and sent to a National Archives and Records office somewhere in Chicago.

Vince Aug tells me that he and many of his colleagues on the bench thought that the National Archives and Records office was a joke, and that "archiving" was simply a euphemism for "shredding".

But the office does exist, in a warehouse on Pulaski Road, about eight miles south of the Chicago Loop. Engle's file resides there in a carton identified as Criminal Case #10,977, Accession #21 90 0046, Location #00821501, Agency Box 1 of 3. The files are open to the public, with a \$35 service charge and an appointment made at least a week in advance.

When I got there, a clerk pointed to a small reading room where I found a few stacks of dusty, dilapidated cartons leaning against a wall, and my name on a post-it note clinging to one of the cartons. I hauled it down, and spent the day poring over three feet of solidly packed trial transcripts and other hard copy records. The file added nothing to what I have reported tonight, but I did find one very intriguing item, particularly in light of this paper.

In June, 1970, shortly before the start of Engle's trial here, there was an exchange of letters between Tom Conroy, Engle's local attorney, and Paul Haviland, who represented him in Oregon, copies of which were in the file. Conroy's letter to Haviland asked whether he had any ideas as to how Engle's creditors might be able to recover their losses. Haviland's reply offered no suggestions except the following:

"...Mr. Engle...[or a ghost writer] could...write a book covering all of the things that have happened since 1958. Possibly it would be a best-seller. The Bank of America might even be willing to buy the rights to keep the book from being published. "

It's possible that over the years, some, or perhaps, all of the \$220,000 in missing bonds filtered back into the Federal Reserve system unnoticed in small denominations. It's also possible that some day, someone rummaging through a flea market will buy an old briefcase for a few dollars and find a bonanza.

And it's also possible that I can make a fortune by selling this paper to the Bank of

America.