PRIVILEGED AND CONFIDENTIAL/ATTORNEY WORK PRODUCT

MEMORANDUM

TO:

Commissioner of Baseball File

FROM:

Terence J. Lynam

DATE:

April 11, 1989

RE:

Interview of Don Stenger

On April 6, 1989 Kevin Hallinan and I interviewed Don Stenger at the office of his attorney, Carl Poplar, in Cherry Hill, New Jersey. Stenger was born January 9, 1955, in Cincinnati. He grew up in Cincinnati and lived there through 1985 when he moved to New Jersey to run a Gold's Gym there. He is currently employed as the operator of Gold's Gym in Cherry Hill. He has a small ownership interest in the gym which increases year by year and can ultimately amount to 49% of the business after many years.

Stenger was a competitive body builder until 1983. He knew Michael Fry to say hello beginning around 1981 and 1982. Stenger won a national body building title in 1983 and Fry knew Stenger because of his reputation in body building. Michael Fry owned Gold's Gym in Cincinnati and Stenger went to work with Fry at the gym. Gold's Gym opened in Cincinnati around the end of 1984. Prior to going to work at the gym Stenger already had a cocaine habit. Fry was the sole owner of Gold's Gym. Stenger ran the gym on a day to day basis and was a instructor. Fry was a cocaine distributor. In early 1985

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Suite 700 1025 Thomas Jefferson Street, N.W. Washington, D.C. 20007 (202) 337-7700 after working at the gym for 6 or 8 months, Fry threw Stenger out of the gym because of a dispute over drug proceeds and over Stenger getting an ownership interest in the gym.

As an aside, Poplar told us that since moving to New Jersey, Stenger has led a model life and has done nothing wrong. He is well liked by friends and neighbors. The criminal charges to which he pleaded guilty regarding cocaine took people by surprise in New Jersey. Poplar was able to get letters of endorsement by prominent people in New Jersey including the Speaker of the New Jersey Assembly who knew Stenger from going into the gym. Apparently this caused political problems for the Assemblyman. Stenger has done some work with kids in the local area and appears to be genuinely bothered by the fact that these kids have learned about the fact that he had a cocaine problem in Cincinnati. Stenger emphasized that he always teaches kids to avoid substance abuse.

While working at Gold's Gym in Cincinnati, around the end of 1984, Tommy Gioiosa became a customer in the gym and a training partner of Don Stenger. Gioiosa introduced Stenger to Pete Rose. Pete would sometimes come by the gym to pick up Gioiosa and Stenger to go out and eat lunch. Stenger got to know Rose through Gioiosa. Stenger recalls that around Christmas time 1984 he was introduced by Rose to Bruce Selig. Selig owns a meat and fish business called Anchor's Away. Selig had met Pete Rose when Rose was a player with the Philadelphia Phillies. Poplar said that Selig was something of an entrepreneur with a lot of different businesses. Stenger

told us that one of Selig new businesses was to open up a Gold's Gym in New Jersey. It was Pete Rose who introduced Stenger to Selig as someone who might be able to work for him in the new gym. Thereafter in the Spring of 1985 Don Stenger started going to New Jersey to presell memberships in the gym before the gym actually opened. Selig did not actually open up the gym in New Jersey until September 1986.

Don Stenger originally started to use cocaine and then to sell cocaine with Michael Fry in late 1984. Don stated that he was not a "courier". We asked about Tommy Gioiosa's involvement in cocaine. He said that Gioiosa received cocaine from him (Stenger) once or twice. The amount involved was substantial, <u>i.e.</u> one kilo (which Poplar stated was probably worth about \$35,000 in 1985). Stenger thought Gioiosa gave the cocaine to Ron Peters. At this time Gioiosa was drawing \$500.00 a week from Gold's Gym as a manager. (Poplar added that Fry was caught with a kilo of cocaine on the day he was arrested).

We then asked more questions about Pete Rose. Stenger said that if Tommy Gioiosa had not been friendly with Stenger, Paul Janszen, Ron Peters and Mike Fry, then Pete Rose would never have met any of these people. Stenger stated that Rose was very close friends with Tommy Gioiosa. It was through Gioiosa that Rose met all these people. Stenger stated that Rose was never involved in cocaine in any way and was never involved and never expressed any interest in financing any cocaine deals.

Stenger explained a little bit about his cocaine business. He identified Paul Janszen, Ralph Smith, Al Elson and Tommy Gioiosa as people who gave him money to purchase cocaine. He stated that Gioiosa never gave a lot of money because he never had it. Stenger suspects that they were using Mike Fry's money. He added that Mike Fry never purchased cocaine from him. Originally Stenger purchased his cocaine from Fry and was distributing for Fry. But then Stenger starting getting personally addicted to the cocaine he was using and he developed money problems. After Stenger had his split up with Fry, Stenger was introduced to a Florida cocaine source. However there was a time gap between when he was distributing while working for Fry and before he developed his new source. Stenger stated that Paul Janszen was buying "many keys" of cocaine per month. Stenger stated that Janszen was his biggest money customer along with Al Elson. Stenger stated that this was true for almost the whole time he did business in Cincinnati which was March 1984 to December 1986. Stenger stated that Janszen in fact once gave him \$35,000 cash and said to do what you want with it (which Stenger implied meant to buy additional cocaine).

Stenger stated that he would accompany Rose to the race track and sometimes placed his bets for him at the betting window. He also went to the stadium with Gioiosa and watched Rose hit. Stenger again stated in response to our question that Rose never indicated any interest in doing any cocaine deal. We asked weather Rose was aware that Stenger was a drug

dealer. Stenger stated that it is his belief and assumption that Rose was "generally aware" that he (Stenger) had a drug business. He believes that Rose once heard from some people that Don Stenger had a lot of money. Stenger recalls Rose once joking with him about (Stenger) having a lot of money and being able to buy things. Stenger stated that Rose never saw a lot of money on him (Stenger). However during this period Stenger admitted that he led a flamboyant life style and spent a lot of money and went to a lot of night clubs, including what he called "Pete's club." Stenger assumes that Tommy Gioiosa told Pete Rose what he (Stenger) did.

In 1985 Stenger bought a BMW M1 from Pete Rose.

Stenger stated that he could not reconstruct the cost records and did not recall how much the car cost. Stenger made payments on the car to Tommy Gioiosa to give to Rose. By the way Stenger described it, it was a very loose arrangement in that he paid Gioiosa when he had money. He stated that Rose was not too concerned about getting paid and implied that Rose was very generous in letting him (Stenger) get the car.

After the 1984 baseball season and prior to the start of the 1985 season, Stenger stated he spent a lot of time with Pete Rose. He would go to Rose's house and watch football and basketball games. Rose would bet on these games and Tommy Gioiosa would place the calls. Gioiosa also told Stenger that he was placing bets for Pete Rose. While watching the games, Rose would sometimes comment that "I got a dime on this." Stenger stated that he and Pete Rose mostly watched football

games but they watched some basketball. Stenger stated that Gioiosa would talk about Pete's bets every week during football season. Stenger stated that he sometimes piggybacked on Rose's bets. Stenger recalls that Tommy Gioiosa would call Ron Peters to place the bets and sometimes called a person whom he knew only as Billy or Brian. Gioiosa would call from wherever he was, including Gold's Gym. However, Stenger stated that Gioiosa never called from Rose's house.

Prior to Tommy Gioiosa going to Gold's Gym there was no talk at the gym of Pete Rose and there was no betting. When Gioiosa started working for Stenger at the gym, Gioiosa was betting on basketball, during the period when the baseball season was beginning. We asked Stenger whether he knew if Pete Rose bet on baseball. Stenger expressed a strong emotional opinion that Pete Rose would never bet on baseball. He acknowledged that it was his opinion and was based on the fact that Pete Rose was not playing baseball "for money but for his love of the game." He said that Rose bet for entertainment, not for money, and that baseball was his love.

Don Stenger said that he sometimes picked Rose up after a game. Rose sometimes gave him complimentary tickets to the ball park but Stenger stated that he did not go to too many games. Stenger stated that his association with Rose continued right through the 1985 season when Rose broke Ty Cobb's record. Stenger stated that Gioiosa already had a relationship with Rose and was betting for Rose, right from the beginning when Stenger first met Gioiosa. In late 1985 after the

baseball season ended Stenger continued to see Pete through his connection with Gioiosa. Again there was betting on football games during the football season. After the football season ended Gioiosa would talk about placing bets on basketball. I then asked whether his betting continued into the baseball season and he said that there was a period when Gioiosa did not talk about betting during the baseball season. He stated that Gioiosa never said anything about betting on baseball. Gioiosa never said that they did bet on baseball or that they did not. The talk about betting simply stopped during baseball season and resumed when football started.

Stenger has never met Ron Peters and believes he never talked to him. Stenger told us that one time Gioiosa asked him to get someone to take bets and Stenger introduced Gioiosa to Jim Everslage. He believes that Jim Everslage introduced Gioiosa to Ron Peters. Stenger did not know Everslage would lead Gioiosa to Ron Peters because he never knew Peters.

We asked for more information about Billy or Brian, the other bookie that Gioiosa apparently used. All Stenger could remember is that Gioiosa said something to indicate that Billy or Brian was a bookie.

Stenger stated that he is aware that Tommy Gioiosa had a falling out with Pete Rose.

Stenger stated that he saw Paul Janszen in New Jersey with Pete Rose when the Reds were playing the Phillies.

Stenger recalled a visit while the Reds were playing there which probably occurred in 1987 when they all went out to

dinner to a Chinese restaurant in Philadelphia. Present were Pete and his wife, Paul Janszen and Danita Marcum, Don Stenger and his girlfriend Chris. While at the restaurant, Janszen pulled out a sheet with betting information on it and then got up to make a phone call . There was no discussion about betting or what was on the sheet, but Stenger believes that there were four or five games listed on the sheet and believes that they were basketball games. I asked him why he believed they were basketball games, and he stated that it is because Pete Rose would never bet on baseball. We tried to fix exactly when this dinner took place, since it was clearly during the baseball season because that is why Rose was there. recalled that it was on a cool rainy night. [This could have been in May 1987 when the Reds played in Philadelphia and pro basketball was still ongoing]. On another Reds trip to Philadelphia Stenger recalls they went to Atlantic City to a restaurant. Stenger recalls that approximately five times when Rose came to Philadelphia he got together with him for dinner.

Stenger stated that there were other times when Janszen was up at the Gym in Cherry Hill and Pete's team was playing in Philadelphia. Janszen took out some sheets and made phone calls. Stenger assumes he was placing bets.

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I asked Stenger why he thought that Pete Rose had Paul Janszen traveling with him. Stenger stated that Danita and Carol Rose became good friends and Danita traveled to keep Carol company and because Danita was there, Paul Janszen would go too.

Stenger stated that Paul Janszen is a very vindictive person if he thinks someone has harmed him. Stenger added that he has heard through some sources that Paul has recently said that he taught Pete and "the princess" a lesson.

Don Stenger stated that he never placed bets for Pete Rose and that the only thing he ever did in that regard was go to the window at the track for Rose. Stenger stated he has a recollection that Tommy Gioiosa or Pete Rose once said that "you don't bet baseball." However Stenger acknowledged that maybe they never said this and that he only thinks he heard it at some point.

We asked Stenger about whether he flew on any charter flights with Rose and he stated that in 1985 after he stopped working at Gold's Gym he once flew out on a charter plane with Rose and Gioiosa to West Virginia for an autograph session. He stated that it was a small charter plane. After moving to New Jersey he also recalls once driving to Atlantic City for a card show just to stop by to say hello. Janszen was there with Danita, Carol Rose, and Linda.

We asked Stenger about Mike Bertolini. Stenger believes that the first time he saw Bertolini was at the dinner party after Pete Rose broke Ty Cobb's record. He recalls that Gioiosa told him that the big heavy guy that was there that night was Mike Bertolini. Then Bertolini showed up at Gold's Gym in Cherry Hill in 1988. Bertolini and Stenger made the connection of how they knew each other. Bertolini came to the gym to lose weight and actually drove down from New York about

four times to work out. The only other thing that Stenger recalled about Bertolini was that he was into baseball memorabilia.

Kevin asked Stenger whether he gave any speed to Pete Rose. Stenger said no. He added that once or twice he picked up some pills from Rose's doctor, Dr. Rubin Richardson, and gave them to Rose at the club house. Stenger believed that these were diet pills and also that Rose had a prescription for them.

Kevin asked who Gioiosa used to place bets with before using Peters. Stenger stated that he recalls the guy Gioiosa used before making the Peters connection was a Cincinnati fireman about 36 years old with black hair and an Italian name. Stenger could not recall this person's name but recalls the person owned a Nautalis Health Club in Western Hills Cincinnati called the Western Hills Racquet Club. Stenger took it for granted that the betting that Gioiosa was doing with this person was for Pete Rose.

In conclusion, Stenger came across as a credible person who was trying to recall as best he could. However, when we asked him about Rose betting on baseball, his answers seemed to become more of an emotional response based on his respect for Rose and his belief that Rose loved baseball too much to ever do anything that would cause a problem for him with regard to the game. We emphasized several times that the picture that Stenger paints is one of heavy betting on all other sports, which stops abruptly when baseball starts and the

other sports end. However it should be remembered that Stenger was not personally placing the bets. It did not surprise him that the betting stopped when baseball started because, as he stated, Rose had "to go to work."