

orig under OTO, Postal Insp

Rt. 8, Frederick, Md. 21701
4/19/73

Dear Mac,

I hope you will find Mr. Matukonis' letter of the 11th as unsatisfactory as I do. It is in contradiction with fact, with what I was told by the postal inspectors - more than one - and states generalities I hope you cannot accept. Must there be a "pattern of such activity" for murder to be a crime? Or fraud? In any event, there is in this case precisely that "pattern".

It has to be false that "the investigation by the Inspection Service remains open" because not only has no inspector been to me for more evidence - and they know I have it, having seen it - but they haven't even answered a single letter.

However, the language of this letter provides an opportunity for you to learn whether this is a sample of the kind of thing you so eloquently addressed in your recent eloquent speech on the integrity of government. I think it is an example.

Prior to going to the postal inspectors I discussed this matter with a lawyer, Bill Bhlhausen. It was his opinion that the case is one of mail fraud. There were later frauds. Because of his interest in that aspect, I gave copies of the letters to another lawyer, Jim Lesar. He found the fraud so clear he was astounded that anyone would are it. And the last one was after whatever "interview" there was as "part of an investigation." I think you can satisfy yourself easily by having someone call Lesar, whose phone is 484-6023 in Washington.

What is involved is not simple non-performance under a contract. That there was. For example, the publisher, despite contrary promises, arranged no single promotion, no single appearance, killed some of those I arranged, discouraged all others. You know that without promotion no book can or will sell. Yet in contracting, I was assured that they have a professional agency to handle such things and they would arrange my appearances. But what the postal inspector himself selected of what he himself described as many instances (that "pattern") of mail fraud had nothing to do with this. This is relevant in a different sense, relating to the content of the book, one of the most thorough exposures of the FBI and the Department of Justice ever. It is the book that includes the results of and reports on my suit against Justice in which I got a summary judgement and the evidence they suppressed in the King assassination - exculpatory evidence. The content of Frame-Up, I think, explains the present situation and what happened to us.

The agreed advance against royalties was the cost of printing a 5,000 copy edition of a 640-page book identical with Whitewash. There are tremendous variations in costs. Generally, they vary with quality, hence the description of the contract. The example easiest to understand is in paper. We used costly 60-lb bond in the first book. In an effort to reduce costs we tried a 50-lb bond in the second. We found it unsatisfactory and in the third reverted to the more costly 60-lb bond. Another easily understood example is in binding. We used a sewn bind because it is the most durable. Other bindings are much cheaper. In fact, a reprint edition can be manufactured for much less than the paper or the binding costs of a good edition. To illustrate this further, the total manufacturing cost of my fourth book, an original paperback, was about 15¢ a copy. But the cost of the book described in this contract was between \$2 and \$3 a copy.

For reasons I do not know, the contract pursuant to our verbal agreement was never sent me until the book was in the process of being published, when my options were limited. Instead of specifying the agreed advance of \$10,000 it actualy specified only \$1,500. By this time I was apprehensive. I have had experiences of which you know. So, in refusing this contract, I taped our conversations having to do with its specific provisions. I was thereafter sent a different contract, receiving it after the book had been scheduled to appear. It did not agree with our agreement on its provisions, so by agreement I attached

a codicil. David Outerbridge agreed to sign and return it when he returned the signed copy of the contract with it attached. Although he never did either until after many complaints from me, he did agree that the codicil is part of the contract, and this the postal inspectors have. It was not until long after publication that I obtained a copy of the contract with codicil. It is still in the envelope in which it was mailed.

Now this second contract, again long after the book had been due to appear and when I was pretty completely boxed in, set the agreed advance at \$6,200. I knew this was not an accurate figure and I agreed to it subject to the production of proof. It could not have been more specific: the publisher would have to provide proof that he could produce the described book at that price or would have to pay me the actual cost of the 5,000 copy edition as established in authenticated statements from printers.

To date I have never received this and, in fact, it can't be done. Months went by and despite verbal and written promises I never got the authentication. So, I went to a Washington printer, Manny Fontana, of Double Dot Press. Manny laughed when I showed him the unsupported publisher breakdown of the alleged costs. He said it couldn't be done for anything like that. Without including all the costs, he gave me an estimate, where each cost factor was itemized, approximately twice \$6,200. I sent that to Outerbridge and continued unsuccessful efforts to get substantiation of the fraudulent figures. Manny's phone is 529-6111. If you have one of your staff ask him the cost of a 5,000-copy edition of a 640-page book on 60-lb bond and a sewn binding, you'll be able to learn for yourself how fraudulent this entire matter is. Others will give you higher figures. Manny is quite competitive and his figures are lower.

Of the various probable mail frauds he said he saw in the file I took to him, Mr. Cyr, the postal inspector, selected this one. The choice was his, not mine. There was another, spurious charges for alleged "author's alterations". These were quite literally spurious, were precluded by the contract, were specified in mailed writing, and in numerous cases were entirely non-existent - just completely made up. What Mr. Cyr then told me is that they would go to Outerbridge and demand authentication of the figures as defined. He said that if these could not be produced from the existing files there would be an open-and-shut case of mail fraud and they would forward the case for prosecution. He asked for copies of the book on which the contract was based, gave me a frank with which to mail it, asked for dubs of some of the tapes, and I mailed them all promptly.

I don't for a minute believe that the "investigation" reported to you was made. An "interview" in itself is meaningless. However, if there was such an investigation, it will be a simple matter for the postal inspectors to give you a copy of the authenticated figures supplied by the publisher and copies of any inquiry they made to establish the validity of these figures. If they do not do this, I think what actually happened will be clear. Without being able to do it they conducted no investigation. Without a real investigation, they failed to meet their obligations as federal employees and to the law. Or to him and me as defrauded citizens, defrauded by mail.

After I showed Mr. Cyr proof that the charges for "author's alterations" were spurious and showed him the list with which I was ultimately provided and compared that with the proofs, showing that there were no such changes. Outerbridge acknowledged, if grudgingly, that he could not make these charges and sent me a check for them. The inference is, I think, obvious.

The most recent case of this real pattern of mail fraud has to do with the remainders. Under the contract they were to be mine. Last October I accepted them at the highest offer Outerbridge said he had received. By mail I was told that I would get the approximately 3,000 copies @ 30¢ each and all subsequent returns, my right under the contract. Although I felt that the publisher owed me money, I agree to pay for these books, made and informed them of shipping arrangements, and asked for a bill. I did not have the money to pay for the books, but I arranged for that with Jim Besar, who will confirm this to you. I asked for a bill so that I could make payment. Outerbridge instead asked that I await the shipping

of the books to save him the cost of handling all of them for an actual count. I agreed. At the same time he finally acknowledged that he had cheated me out of other money and agreed to credit me with those sums as the initial payment on those 5,000 remainders. The balance was to be paid after shipment, when he would have an actual count and would render a bill. "One of these ever happened. To this moment I have not gotten a single one of these 5,000 books, the retail value of which, to me if I sold them, would have been up to \$30,000. Instead he sold 1,000 to Harboro at the very time he was making all these arrangements with me. When I learned of this and protested, asking that they stop these sales of my property and recover all unsold copies, no effort was made to halt Harboro's sales. They continued into this year. Harboro sold some to Giant, which used them as a loss leader at Christmas time.

This is not simple commercial dishonesty. It is not what you were told, KLEIN "a breach of contract as opposed to mail fraud." It is a "pattern" and I am certain it is criminal. Likewise am I certain that this kind of criminality would not be dared without some assurance there would be no prosecution. This matter of the remainders followed the postal inspector taking a mail-fraud case. The remainders were contracted for by mail, the sale was consummated by mail, and I supplied the postal inspector with the proof by mail, although it has not to this day been acknowledged. After giving copies of what Mr. Cyr selected initially, under date of 9/14/72 I sent a copy of Outerbridge's acknowledgment that the charges for non-existent author's alterations were invalid. On 12/21/72 I informed Mr. Cyr of this matter of the remainders and offered to take the proofs to him. On 12/21/72 I sent a letter I had just received and my response, showing how I believed this bore on fraud and intent to defraud, recounted the history of the remainders, asked if anything further would be desired of me, and asked to hear "on the status of this matter". To date I have had no single letter from Mr. Cyr or anyone else in the Post Office of the Department of Justice and no single phone call. They contacted an "investigation" when they didn't even accept the new proofs I repeatedly offered?

The Department of Justice and Mr. Kleinman in particular had special interest in these remainders. Aside from them, only I did. To Outerbridge it was immaterial who paid for the books as long as he got paid. He accepted a down payment and had assurance of payment in full on the rendering of a bill. Lezer will confirm this to you, for he was advancing the money to me. Unless he has by now sold the rest of my property, he has been paid for only a third of these books at most, by Harboro. Had he delivered them to me, as arranged by mail, he'd have been paid for all of them. However, with what this book exposes of the activities of the FBI and the Department of Justice and Mr. Kleinman in particular and with the Ray case still active in the courts, the difference is that official self-interest is served by the disappearance of all copies of the only book containing these irrefutable exposures, all affirmed in court, if unpublicized. It may be only a coincidence, but I regard it as significant that this handy-panky with the remainders followed my complaint to the Post Office and their inquiry, if that is what it was, of Outerbridge. I simply can't believe that for no reason at all he would commit further fraud by mail, which Lezer says without doubt this is, with no prospect of any personal or corporate profit from the fraud, if not with loss. Aside from what I think is clear official interest in this later fraud, again after the alleged postal inquiry Outerbridge attempted what I regard as further fraud. I sent a copy to Mr. Cyr saying I believed this was fraud. Neither he nor anyone else has made even pro forma denial that this was, indeed fraud. The unavoidable question now is has officialdom become part of the crimes.

I hope you will not let them get away with this, Mac. Aside from the right of citizens to be able to expect the protection of the law and aside from the urgency of our need, this gets right to the heart of what you have been speaking about so effectively, the integrity of government. If you want any proofs, I will bring them in.

Sincerely,