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# Unraveling the Nixons' Jewel Tangle

Second of two articles

By Maxine Cheshire

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Edward O. (Ned) Sullivan Jr., a cousin of Pat Nixon's, personally supervised the appraisal and insurance of an estimated \$580,000 worth of jewelry at the White House while Mrs. Nixon was First Lady.

Senate Watergate Committee investigators before their mandate expired on June 30, issued a subpoena for Sullivan, but it was

never served because he was out of the country. Their files were turned over to Special Watergate Prosecutor Leon Jaworski, whose staff is now pursuing the matter.

Sullivan, a 49-year-old Bronxville, N.Y., insurance broker, is one of Mrs. Nixon's closest relatives. It was his parents who gave her a home when she came east from California after she was orphaned at the age of 17.

A frequent guest at White

House social functions during the past six years, Sullivan handled all the Nixon family's insurance.

It was he who insured the diamond and platinum earrings which the Senate Watergate committee charged that Charles G. (Bebe) Rebozo helped buy, using \$4,562.38 in campaign funds, for the former President to give his wife on her 60th birthday in 1972.

Misappropriation of campaign funds for personal use is one of the areas of al-

leged criminal involvement by Nixon that was under investigation by Jaworski when the former President received a total pardon earlier this month.

Watergate investigators, who turned up the \$5,000 pair of diamond earrings in the sales and appraisals records of New York jeweler Harry Winston, began to inquire about all jewelry owned by Nixon's wife and daughters and his private secretary, Rose Mary Woods.

See APPRAISAL, A20, Col. 1

## APPRAISAL, From A1

The investigators discovered that Sullivan—whose name appeared frequently in the Nixon insurance appraisal files at Winston's—had written policies on more than a half-million dollars worth of jewelry appraised for the Nixons and Miss Woods.

Appraisals totaling an estimated \$580,000 were made at the White House between early 1970 and early 1974 by Washington jeweler John Shaw, a partner in the firm of Shaw & Dussinger and the son of social arbiter Carolyn Hagner Shaw, publisher of Washington's social directory, The Green Book.

Directed by Sullivan, the appraisals were made at the request of Miss Woods but ownership of much of the jewelry in question is unclear.

The dollar value of the jewelry appraisals intrigued Watergate investigators who were aware that the Nixon family's entire assets totaled only \$515,836 in late 1968, according to a financial statement made public by Nixon as the Republican presidential candidate.

But the jewelry raises questions the investigators ran out of time to answer.

How many of the jewels did the Nixons buy? How many were gifts from Americans? Were any in the category of foreign gifts to public officials and their families that are considered public property under the Foreign Gifts and Decorations Act of 1966?

Under the law, any gift of more than \$50 to a U.S. official and his family from a "king, prince or foreign state" is deemed to belong to the United States and is to be turned over to the State Department's Chief of Protocol "as quickly as possible" for disposal as public property, action that may range from auction to placement in a public repository such as a museum.

There are two exceptions, applicable to Tricia Nixon Cox and Julie Nixon Eisenhower: wedding presents, traditionally exempted by Congress, and, under a State Department legal interpretation issued just three months ago, gifts to "adult sons and daughters living in their own households" at the time of the gift.

It might or might not be a conflict of interest for the Nixons to accept valuable gifts of jewels from Americans. But to accept valuable foreign gifts and then seek to insure them as their private property would be another matter.

One must assert an ownership interest in property to have it insured. To insure something that does not really belong to you is defrauding the insurance company. It is a violation of the U.S. Criminal Code to "knowingly convert" public property to your own use.

The federal government does not insure public property.

The Nixons never turned any foreign gifts over to the Chief of Protocol during the former President's tenure, although former White House counsel J. Fred Buzhardt stressed last May that the family had always considered jewels and other valuable foreign gifts to be public property and "always intended to turn them over when Mr. Nixon leaves office."

Many answers to questions about the Nixons' foreign gifts lie in records at the General Services Administration (GSA) and the White House which have been closed to public scrutiny.

The Ford administration recently embargoed shipment to San Clemente of 1,100 packing crates and boxes of foreign and domestic gifts that the GSA has been storing here for the Nixon family. Some 200 of the crates and boxes contain about 1,000 foreign gifts—everything from table napkins to a 22-karat gold serving tray—valued at an estimated \$2 million. Five crates are known to contain 200 gifts of jewelry, few of which have been publicly disclosed.

The GSA has been told by President Ford's legal counsel Philip Buchen, to begin separating the Nixons' foreign and domestic gifts and to insure that foreign gifts remain here in the "public domain."

GSA's inventory of gifts reflects only what is in its custody for storage. What are supposed to be the most comprehensive records of all domestic and foreign gifts to the Nixons are those maintained by a special White House Gifts Unit.

The White House, during the Nixon administration, repeatedly refused to open these records, maintaining that public disclosure could, embarrass foreign donors and damage diplomatic relations. GSA has declined to release its inventory also, taking the position that it must be guided by the White House, since the GSA inventory is a carbon copy of an original prepared by the Gifts Unit at Nixon's behest.

The Ford administration has asked the Justice Department whether these files are part of Nixon's confidential "private papers" under its Sept. 6



agreement or government files open to public scrutiny. A ruling is expected soon.

Among the jewels in GSA storage is a \$52,400 set of emeralds and diamonds given to Mrs. Nixon in 1969 by Saudi Arabia's Prince Fahd, one of five foreign gifts of jewels confirmed by the White House in May after The Washington Post learned elsewhere of their existence.

According to records at Harry Winston's, this emerald-and-diamond set of jewelry was appraised "for insurance" purposes by them on Feb. 26, 1970.

Buzhardt, when the existence of the jewelry first was made public in May of this year, conceded that it had been appraised. But he denied that it was for insurance purposes. "I don't know why they were appraised," he said, but the jewels were "never insured," Buzhardt said, noting that would have been illegal for the Nixons to have done so since the jewels were not their property.

He was unaware of the "insurance appraisal" notation on the emeralds and diamonds in the Winston files and said he did not know if other gifts of jewels had been appraised.

Besides the \$52,400 emeralds-and-diamonds set, Mrs. Nixon sent to GSA storage a pair of diamonds-and-ruby earrings given to her by King Faisal in 1971, a diamond bracelet given to her by Prince Sultan in 1972 and a diamond-and-ruby pin given to Julie Eisenhower by Prince Sultan at the same time.

Prince Sultan also gave Tricia Nixon Cox a sapphire-and-diamond pin, which she had at her apartment in New York when The Post story appeared last May. That pin is not at GSA.

A few weeks after The Post story, the State Department handed down its ruling that "an adult son or daughter living in his or her own household" does not come under the 1966 law.

But the sapphire-and-diamond pin may not be Mrs. Cox's to keep, since she was living at the White House with her husband in July, 1972, when Prince Sultan was a visitor.

Although presented in 1972, the diamond bracelet given to Mrs. Nixon by Prince Sultan and the two pins given to her daughters at the same time were not received and processed by the White House Gifts Unit until nearly two years later, one day after The Washington Post began making inquiries about them.

Insurance broker Sullivan had "no comment" and jewel appraiser Shaw had no knowledge as to whether any gifts from foreign dignitaries were among the jewelry appraised and insured by them at the White House.

Cordial but not very communicative to a reporter who talked with him in Bronxville just before Nixon's resignation in August, Sullivan would "not deny" that Shaw did appraisals for him at the White House. But he refused to confirm the \$580,000 figure supplied to congressional investigators by Shaw or say to whom the jewelry belonged.

He had made the Nixons "very insurance-conscious," Sullivan said. At least one item of Mrs. Nixon's jewelry—a \$1,400 pair of diamond and pearl earrings—disappeared after she became First Lady. They are believed to have vanished on an early Nixon trip abroad in 1969. Records at Harry Winston's show that the earrings were replaced as a claim processed through Sullivan.

Senate Watergate Committee investigators never got a chance to talk with Sullivan at all.

Prominent in Westchester County Republican politics, Sullivan was appointed by Nixon to replace Louise Gore, the Maryland GOP gubernatorial candidate, on UNESCO. He was in Europe when the subpoena was issued for him early last summer.

Before Sullivan left, he hired attorney Myles J. Ambrose, a top Nixon administration law enforcement officer before his resignation in 1973, to represent him. Ambrose told Watergate Committee investigators that Sullivan would not be back from abroad in time to talk with them.

It is not known if Jaworski's staff has subpoenaed Sullivan. But they have talked with Shaw.

Shaw has repeatedly refused for more than seven months to discuss with The Washington Post his dealings with Sullivan and the White House.

Shaw was never subpoenaed by Congress, but he did cooperate with investigators last spring on the advice of his attorney.

He was limited in what he could disclose, however. In February of this year, Shaw said, Sullivan removed virtually all records, including black and white and color photographs, of everything he (Shaw) had appraised at the White House from his shop at 1613 I St. NW.

According to a congressional investigator:

"Shaw told us that Sullivan simply

called him one day and said that he'd be down in two hours to pick up everything he had on the work he had been doing. Shaw said he protested that the records were his property, necessary for taxes, etc., but Sullivan just ignored him. Two hours later, Shaw said, Sullivan arrived from Bronxville, swept into the store, pulled out everything he could find and took it away."

Asked about this account, Sullivan only grinned.

By the time Watergate investigators learned about Shaw's appraisal work, there was almost nothing left for them to subpoena.

As it turned out, Sullivan had not stripped Shaw's files completely bare.

Shaw discovered that Sullivan had left behind penciled worksheets from which he had made three appraisals in 1971.

These items totaled \$93,702 in value, ranging from a \$40 bracelet engraved "Valentine's Day: Love, Daddy" to a \$14,275 jade-and-diamond brooch of unknown origin.

In all, congressional investigators were told, Shaw estimated that he appraised some \$580,000 worth of jewelry at the White House from early 1970 until early 1974.

That \$580,000 figure could be too high or too low since Shaw was relying only on his memory for what were many appraisals spanning four years.

He has refused to discuss that figure with The Washington Post.

"If that's what they (investigators) say I told them, you'll just have to take their word for it, won't you," he told a reporter.

Congressional staffers, who did not have Shaw under oath, recalled that he told them he would estimate the amount of jewelry he appraised for Tricia Nixon Cox was "about" \$180,000 and the amount he appraised for her sister Julie was "less," about \$100,000.

Shaw is "under the impression," one congressional investigator said, that the remaining \$300,000 worth of jewels which he appraised at the White House belonged to Nixon's secretary, Rose Mary Woods.

It was Miss Woods who hired Shaw and she who paid him.

If Miss Woods was acting in her boss's or Mrs. Nixon's behalf, Shaw was not aware of it.

Watergate investigators were puzzled.

According to police reports, Miss Woods' Watergate apartment was robbed in March 1969, by a burglar who took 27 pieces of jewelry "valued in excess of \$5,000."

Shaw's "impression" that the \$300,000 worth of jewels were the property of Miss Woods is not supported by her sworn testimony to the Watergate Committee on March 22, 1974.

In response to questions, she denied that she acquired any items of personal property with a value in excess of \$5,000 since Jan. 1, 1969.

And asked by investigator Scott Armstrong if she currently owned any personal property "that is valued in excess of \$1,000" Miss Woods replied: "I hope my clothing all added up together, but I don't think that is very relevant."

Asked next specifically about jewels, Miss Woods was blocked from answering by her lawyer, Charles Rhyne, who argued the relevancy of the questioning had become "a little far-fetched."

Rhyne, contacted since that testimony by The Washington Post, said that he "doubted" she owns jewelry of any consequence. But he "does not know," he said, and declined to ask his client.

All that remains in Shaw's records of the appraisal he made for Miss Woods is a scrap of paper numbered 46 through 55. The total value of those 10 items is \$3,814 and the most valuable item on this list is a gold presidential medal valued at \$1,000. (See accompanying story for the full list.)

There is no clue as to what items number one through 45 were or what they might have been worth.

Shaw also had his notes on only one of several appraisals made for Tricia Nixon Cox. It was made on Nov. 22, 1971, five months after her White House wedding.

There are 60 items on that list, valued at a total of \$52,524. (See accompanying list.)

Included is a wedding present announced in a news story from Athens at the time. It is a necklace of Byzantine design by one of Greece's foremost designers, Lalaounis. Set with emeralds, diamonds and sapphires, it was given by the Greek government. Shaw put its 1971 value at \$4,500.

Congress, by tradition, will almost certainly allow the Nixon daughters to keep any foreign gifts that were clearly wedding presents. The Johnson daughters, the first presidential children to marry after the 1966 law was passed, were not asked by anyone of Capitol Hill to give up anything they received from foreign countries at the time of their weddings.



The Lalaounis necklace is number 13 on the list. Number 32 is also identified as a Lalaounis design but there is no clue to whether it was purchased or a gift, and if the latter, whether the donor was foreign or American. It is an 18-karat gold bracelet studded with emeralds and diamonds. Shaw's valuation was \$1,250.

A \$5,640 necklace is identified as coming from Cambodian Gen. Sirik Matak. It may or may not have been a wedding present. He visited this country in August, 1971, two months after the Nixon-Cox wedding.

Several pieces of jewelry on Mrs. Cox's list bear marks of foreign origin. But much foreign-made jewelry is, of course, merchandised in the U.S. so that alone would not establish it as a foreign gift. There is no other information to determine from whom, where, or when the jewelry was acquired.

A \$1,400 coral-and-diamond brooch bears the stamp of the jet set jeweler, Bulgari, in Rome. A \$4,600 emerald-and-diamond sunburst pin bears a notation: "Paris, France." A \$1,300 floral pin of emeralds, rubies and diamonds is marked: "Madrid."

The most expensive item listed is a \$10,400 sapphire-and-diamond brooch engraved with a Van Cleef & Arpels trademark. It had been sent to Shaw with a notation reading: "Lucy Ferguson says this cost \$10,400 at Van Cleef Arpels."

Lucy Ferguson, now retired, was at that time head of the White House Gifts Unit, which processed domestic gifts as well as foreign gifts to the First Family.

She refused to talk with reporters.

Mrs. Cox has only commented on the brooch one time and that was several months ago. Through a White House press spokesman, she said the brooch had been a wedding present from "an old and dear family friend, but not Bebe Rebozo."

The brooch intrigued Watergate in-

vestigators because a White House employee had quoted the price-tag so accurately.

The congressional staffers were less interested in foreign gifts than they were in gifts which could have been bought with campaign funds.

The only surviving appraisal record made by Shaw for Julie Eisenhower was done by Shaw in May, 1971. It lists 40 items valued at \$37,014. [See accompanying story.]

The most valuable piece on that list is valued at \$14,275—jade leaves tied with diamond-studded platinum ribbons.

Again, there is nothing to indicate where the pin came from—where or when, purchase or gift, donor or buyer. Mrs. Eisenhower apparently had it appraised twice. Watergate investigators have a Xerox copy of a photo of the pin from the Nixon family's files at Harry Winston. It was accompanied by a \$6,000 appraisal dated April 2, 1969.

Two years later, Shaw, more than doubled that estimate of the pin's value.

Watergate investigators also subpoenaed various other appraisal records from the Nixon family files at Harry Winston Inc. One small appraisal for Mrs. Nixon, totaling \$7,150, was dated Aug. 10, 1970. The items appraised were an 18-karat gold-and-platinum ladies watch containing 28 round diamonds, valued at \$1,550; one pair of 18 karat yellow gold earrings with round diamonds and pearls, valued at \$1,000; earrings containing four marquise diamonds and two pear-shaped diamonds, valued at \$1,440; and a yellow gold-and-platinum basket brooch containing rubies, diamonds, turquoises and sapphires, valued at \$2,550.

Another "jewelry schedule" was identified to investigators by Winston officials as a list sent to them by Mrs. Nixon for an appraisal shortly after she moved into the White House in 1969 [See accompanying story.]

There is no correspondence or bill-

ing to explain the list, or what she wanted done with either the list or the jewelry described.

There are 29 items totaling \$71,825 on this Winston list, including a \$21,000 diamond bracelet and a \$7,000 diamond ring.

All but the bracelet and ring had been appraised previously in two lots in 1963 and 1964. A now-defunct Los Angeles jewelry store, Brock & Co., did part of the appraisals in 1963, before the Nixons moved back to New York. Winston's appraised the remainder in 1964.

Unless Nixon's 1968 financial statement was incorrect, items 28 and 29—the \$21,000 bracelet and the \$7,000 diamond ring—were acquired between the campaign and early 1969.

The Nixon family's assets totaled \$515,836. Personal property, "including Mrs. Nixon's jewelry," was declared to be \$60,000.

No mention is made of any jewelry belonging to the Nixon daughters, both unmarried and still living at home.

Though more substantial than what is left of Shaw's the Winston records are also incomplete.

The man who handled the Nixon account personally was Rose Mary Woods' longtime friend Don Carnevale who was "court jeweler" to the First Family and "Uncle Don" to the Nixon daughters.

Carnevale, known in the trade as being unusually secretive, died in 1972 and Winston officials say they do not know what happened to some of his Nixon files.

It was Carnevale who appraised the \$52,400 set of emerald-and-diamond jewelry given to Mrs. Nixon by Saudi Arabian Prince Fahd in 1969 and who signed his evaluation with the typed notation, "Appraisal for Insurance." No one else at Winston's is in a position to confirm or challenge Buzhardt's statement that the appraisal was never used to have the gems insured by Sullivan or anyone else.