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**Maheu Wins Suit
Against Hughes**

By Robert Meyers

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LOS ANGELES, July 1—

After four days of deliberation and four months of testimony, a federal jury ruled in favor of Robert A. Maheu today in his defamation suit against billionaire Howard Hughes, setting the scene for a second stage of the trial to fix damages.

Maheu, called a thief by Hughes, is seeking \$17.5 million. U.S. District Court Judge Harry Pregerson told the jurors to report for the start of the second phase of the trial on Oct. 8.

The jurors had to decide whom to believe—Hughes, whose own lawyer had said the billionaire is "elderly, crotchety, and has a one-track mind," or Maheu, whom the judge called a "walking paradox."

The trial had been dominated by the absence of the eccentric Hughes.

Before sending the case to the four-woman, two-man jury last week, Judge Pregerson said Hughes' silence could be construed to mean his testimony would hurt his case.

The judge labeled Maheu "affable, intelligent, imaginative" as well as "artless, careless, imprecise." Maheu, once Hughes' top aide, filed a civil suit against his for-



ROBERT A. MAHEU
... asks \$17.5 million

mer boss in 1972 after Hughes called him "a no-good son of a bitch who stole me blind."

Summa Corp., which is wholly owned by Hughes, has accepted responsibility for the remarks, which it contends are true. Summa Corp. says Maheu stole or misappropriated \$4.4 million in cash and services during his 15-year association with

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HUGHES, From A1

Hughes, and has filed a counter-claim against him for that amount.

Maheu worked as an outside consultant to Hughes in 1955 and 1956. From 1967 to 1970 he was a staff aide, drawing a yearly salary of \$520,000. He was fired in December, 1970.

Hughes made the remark in a 1972 telephone press conference called by him to prove that he had nothing to do with Clifford Irving's purported biography of him.

Reporters in Los Angeles, speaking to a man in the Bahamas, sought to verify his identity as Hughes. They asked detailed questions about his business life, one of them being, "Why did you fire Bob Maheu?"

The answer contained the words that led to the suit.

The trial has been highlighted by the growing irritation of Judge Pregerson at Summa Corp. attorney Norbert Schlei's inability to produce certain pro-Hughes documents and the continued friction between Pregerson and Maheu's attorney Morton Galane (Galane was once banished from the courtroom for a day because he interrupted the judge and argued frequently with opposing counsel.)

In the trial Maheu admitted owing Hughes \$86,000 in cash which he had intended to donate to political candidates but never did. And he has said he has an outstanding \$59,000 loan from Hughes. He says he will repay both amounts as soon as he is able.

Summa contended that neither amount was an authorized disbursement, and that both amounts—plus much more—were stolen from Hughes by Maheu.

The most prominent among the alleged cash thefts is a highly disputed \$50,000 cash donation to

then-Vice President Hubert H. Humphrey's 1968 presidential campaign. Humphrey, now a U.S. senator from Minnesota, contends he never personally received the money but says a staff member might have.

Maheu has sworn he put the cash on the floor of Humphrey's limousine outside the Century Plaza Hotel in Los Angeles after a Humphrey campaign appearance.

Summa Corp. insisted Humphrey never got the \$50,000 because Maheu pocketed the money.

Maheu says he initially resisted Hughes' entreaties to join his staff because he was not impressed with the Hughes salary structure. Maheu claims his desire for a large salary led Hughes to make him an unwritten, unrecorded offer, permitting him to overbill the Hughes organization for thousands of dollars. Summa Corp. says that there was no such agreement and the overbillings, which Maheu does not dispute, were out-and-out thefts. The alleged unwritten agreement is at the heart of Maheu's suit.

One such case of overbilling concerned a firm of security guards owned by Maheu, which did subcontracting work at the Hughes Tool Co. in Tucson, Ariz. Summa Corp., the successor to the tool firm, contends the Maheu owned security service overbid Hughes by 101 per cent, to the tune of at least \$200,000 clear profit.

Maheu contends this was all a part of his unwritten, unrecorded agreement with Hughes.

Summa Corp. attorney Schlei indicated during the trial that he would produce written statements from Hughes disputing Maheu's statements. However, no such documents were produced.

Among other items under dispute are Maheu's use of Hughes-owned yachts and planes for personal business. Maheu is said to have used a \$1.25 million jet, which he was instrumental in having Hughes purchase, to fly himself and his family between Las Vegas and Mexico.

Maheu contends these trips were for the purpose of establishing dual citizenship for a soon-to-be-born grandson. The child, Maheu said, was to have U.S. Mexican citizenship, which would enable him to buy Mexican property on behalf of Hughes. Mexican law requires that property owners be Mexican citizens.

The trial has, to some extent, opened a window to the remarkable activities inside the Las Vegas glitter of Hughes' cash crazy world.

Besides the alleged \$50,000 cash contribution to Humphrey, there was an undisputed \$100,000 cash contribution to President Nixon, made in 1970, allegedly a late payment of a 1968 promise. The money was delivered to C. G. (Bebe) Rebozo, the President's close friend, in two bundles of \$50,000 each. One bundle was delivered at Key Biscayne, Fla., the other at the President's San Clemente, Calif., residence. The money was never reported, has since been returned, and has been the subject of investigation by the House Judiciary Committee, the Senate Watergate committee and the office of Watergate Special Prosecutor Leon Jaworski.

According to Maheu, at least one of the \$50,000 cash contributions was not made to Rebozo until after another Hughes associate, Richard Danner, "secured a commitment from the Attorney General, John Mitchell," that the Justice De-

partment's Antitrust Division would not object to the purchase by Hughes, who then owned several hotels, of still other Las Vegas hotels, according to a Maheu deposition.

There were other Hughes contributions: \$25,000 to the 1968 presidential campaign of the late Sen. Robert F. Kennedy; \$50,000 in 1968 to Sen. Alan Bible (D-Nev.); and 170,000 in 1970 to Sen. Howard W. Cannon (D. Nev.).

The cash contributions were usually taken from the cashiers' cage at the Silver Slipper, a Las Vegas casino owned by Hughes personally. This made the contributions legal personal donations, rather than corporate contributions, which are illegal.

Copies of handwritten memos, allegedly from Hughes to Maheu, introduced into evidence, portray Hughes as a penthouse potentate fighting in vain to get the Atomic Energy Commission to end its Nevada testing ("... somebody should start negotiating with the AEC just like buying a hotel"; trying to woo a major golf tournament back to Las Vegas by offering movie contracts to pro golfers Arnold Palmer and Jack Nicklaus; railing against blacks ("Negroes have made enough progress to last them 100 years"); and wanting all Hughes employees to stay away from a golf course treated with effluent water (from which human waste deposits are removed).

Hughes' political influence apparently was so great, according to a Maheu deposition, that "President Nixon had offered to either see or converse on the telephone with Mr. Hughes to explain the posture of the United States government vis-a-vis the Atomic Energy Commission testing."

Hughes refused, Maheu claims.

Maheu also contends Hughes refused an alleged Nixon offer to send Henry A. Kissinger, then the President's foreign affairs advisor, to Las Vegas to discuss the matter with Hughes.

Maheu claims Hughes authorized him to offer \$1 million in cash to President Lyndon B. Johnson, if Mr. Johnson would halt the testing. The money would be delivered after the President left office. Maheu says Hughes authorized him to make the same offer to President Nixon.

On both occasions, Maheu says, he refused to pass on the requests.

He also says he was pressured by the White House to fire a Hughes employee who had a close relationship with the President's brother, F. Donald Nixon. The former employee, John A. Meier, was fired by Maheu and has since been indicted by a federal grand jury on conspiracy and tax evasion charges relating to mining claims he allegedly sold Hughes. The request to fire Meier came from Rebozo through Richard Danner, Maheu testified.

But Maheu's work could be described as sometimes less than monumental. Once, for example, Hughes called him at midnight requesting information on June bug insects in the Miami area, he said.

Maheu, 57, is a former FBI agent who reportedly was involved in a 1960-1961 plot to assassinate Cuban Premier Fidel Castro.

Maheu was raised in a bilingual, English and French-speaking household. His fluency in French enabled him to do counterintelligence work during World War II. His code name was Robert Marchand, he said.