

# JAY TELL'S OPEN LETTER TO HOWARD HUGHES

By JAY TELL

Dear Mr. Hughes:

For nearly two years the Las Vegas Free Press and Las Vegas Israelite, both family owned, stood alone when headlining repeated warnings about Hank Greenspun.

Now, finally, hard evidence has emerged supporting our long-held contention that the Las Vegas Sun publisher, in addition to behind-the-scenes illegal maneuvers which netted him millions of dollars, also pulled a few real cute "above board" bitkings which make Jesse James seem like a model of respectability.

In 1967 Robert Maheu, then viceroy of the Hughes-Nevada empire, authorized a \$4 million cash loan to Greenspun, collateralized by land and stock in two corporations.

Sources close to the scene insist the "collateral" was worth, and presumably still is worth, only a fraction of the face amount of the loan.

Further investigation revealed additional facts about the loan, which came to light not in 1967 but just recently, in 1971, a full four years after the fact.

Furthermore, principal and interest on the loan are not due to be repaid until 1975! Who ever heard of terms like that? (And, as any Internal Revenue agent knows, if the loan is not repaid, the forgiven debt is considered taxable income).

Can you imagine that? Mr. Hughes, never to anyone's memory have you loaned a sizeable sum to anyone. Why would you suddenly up and give Greenspun \$4 million in cold cash, on questionable security, with repayment scheduled for eight years later? Was this a charitable contribution? Its incredible, to say the least.

The obvious question is -- did you know of the loan? We doubt it, and there is one salient fact to support our opinion:

Secured loans are supposed to be filed with the County Recorder's office. This is to protect the lender from a borrower double-pledging the same collateral. A typical example is a home mortgage or an auto loan. Maheu, it seems, "forgot" to file the loan papers!

This weird drama might have been suppressed forever, except it was accidentally discovered by the current Hughes executives while going through the few files Maheu didn't truck away the night he was fired last November.

Of course the loan was filed immediately upon discovery by Davis and Co. It's one more attempt to pick up the pieces and start anew.

Mr. Hughes, you yourself have borrowed from the biggest banks in the nation. You have a life-long history of expanding and growing by successfully using borrowed funds and investing your assets on the future of America's growth. Your competence has paid off with a reported \$2 billion fortune which by all accounts is still growing. Why, when you are paying interest to the Bank of America and other institutions, would you loan anyone money? Surely interest cannot be the motive.

If anyone in Nevada or the nation still had doubts about our long-running series of articles exposing Greenspun and his pals, this loan fraud must surely wipe away the last vestige of uncertainty.

In addition, other amazing information has been given to us, which we are not at liberty to print at this time. It provides still more stupefying evidence of the four-year financial windfall and heyday of Greenspun. It involves a payment to Greenspun of a large sum of your money over and above the \$4 million loan and other published specific sums. The paper purpose and terms of this transaction are so unbelievable that we are certain, beyond any doubt, that if you truly wished to put the guilty parties behind bars this one document alone could do the job, not to mention all the others.

Greenspun participated in the outright "legalized" theft of millions of dollars, and yet you persist in being a gentleman in allowing this menace to run free. Whether you call it loans, finder's fees, pre-payments, or the

purchase of debt-ridden properties, it still is chicanery of first rank.

We've never minced words, and we're sure you agree this is not the time to couch descriptions of Greenspun's sordid activities with the usual "allegedly" journalistic protection from libel suits.

Under Maheu, \$18 million of your money was used to purchase mining claims now worth less than \$100,000. Greenspun's debt-ridden and mortgaged-to-the-hilt tv station and golf course were sold to you at two to three times actual value. Greenspun received numerous kickbacks and so-called finder's fees and a long list of other monies under phoney contractual hodgepodge.

You think you are sparing Nevada and yourself from further ill publicity by not ordering your agents to ask for criminal indictment of the wrongdoers and their accomplices. Think it over, Mr. Hughes, for this cancer must be cut from Nevada before it overwhelms every honest politician, businessman and resident. Only you hold within your power the ability to once and for all, rid the Silver State of a menace like Greenspun.

We've got to hand it to Hank. He must have stayed awake nights scheming and plotting ways to come by your money. He wallowed like a pig in millions rightfully yours. The subterfuge and myriad of surface pretenses he concocted would make a suspense thriller no one would believe. You've been a hard-fighting industrialist and visionary for two score years and in one swoop a bandit has escaped in broad daylight with part of your fortune.

You are the state's biggest employer, taxpayer and landowner. If this nuisance, this fly buzzing around angers you to the point of pulling up stakes, the disaster in Nevada that would follow would resemble the Great Depression. The fact that his antics jeopardize the state's economy and its lifeblood industry which you greatly influence, apparently does not phase Greenspun.

But there is one major question remaining: Why, after so blatant and obvious a string of misappropriations and concealed embezzlements would Greenspun's Sun continue to headline falsehoods about you, your top aide Chester Davis, and your other executives, all with sterling backgrounds?

It stands to reason that if a rational crook takes someone's money, he'd be the last person in the world to want to keep the story alive before the public. But a warped Greenspun goes on CBS network television to brag about the high prices he got for his tv station and golf course! Greenspun is either a stark raving moron who has apparently lost his ability to reason, or a genius with something up his sleeve. We all know of that thin line between genius and insanity.

In light of his recent nauseating "Where I Stand" columns, so full of motivated, intentional lies, there is a strong probability that Hank has finally flipped his lid. We almost feel sorry for the man. With his newly acquired Rolls Royces he can't even enjoy your millions. Recently he wined and dined the Henderson city fathers into selling him choice land at bargainbasement prices, with your money.

The FREE PRESS is desperately attempting to launch a third daily newspaper for Southern Nevada. It would print the truth on a daily basis. If successful, we will continue to combat the evils of Greenspun and all other wrongdoers and phoneys in our midst.

Nevadans should welcome seasoned businessmen like yourself who innovate, who believe in the future, who employ thousands and fuel the economy with hard cash investments. Instead you are greeted each morning by an insane morning newspaper publisher, a greedy opportunist who lacks any semblance of moral fiber, everyday honesty, or common decency. He insults the intelligence of the average reader, but few are fooled anymore. Its high time for a change. The FREE PRESS has the locomotive, the tracks, the talent and the deter-

mination, but no cash for coal to get up ahead of steam.

There's only one way to offset Hank Greenspun and that is armed with a third daily newspaper. Only you, Mr. Hughes, can break the ice and thus open the floodgates of public support for our venture. It takes guts to be first, and that's a quality you've displayed for 40 years.

Greenspun doesn't seem to understand that placing his own selfish interests above the state's economy is playing Russian Roulette with the lives of a half million Nevadans. Your executives, led by Chester Davis, by our view have conducted themselves admirably after catching jackals in their midst. They began housecleaning in an orderly fashion, weeding out all employees whose true allegiance was not to you. They are re-making once respectable businesses from the destruction, rubble and plunder of Greenspun.

Where it will end with Greenspun we do not know.

Despite recent setbacks we'll continue to call 'em as we see 'em, and to hell with the consequences. When we headlined Sun columnist Paul Price's blackmail activities, and defeated him for City Commissioner, many observers said our small voice was no match for the Sun and Price's fat campaign chest. He won the Primary overwhelmingly, but, after our five part series, lost to a political newcomer and then sued us for libel. His \$750,000 suit gave us millions in publicity. We now welcome the opportunity to further expose Price and Greenspun in open court. We will prove our sources' allegations, and, despite cost or inconvenience, continue to print the truth about all evil men.

Another source tells us Greenspun may be in big trouble with the IRS, since much of this ill-gotten wealth was grossly understated on his tax returns of 1968-1970. Maybe you won't have to ask the D.A. to prosecute after all. Uncle Sam may do it for you.

In the meantime, however, while honest and decent citizens work for a living, Greenspun conspired to and succeeded in misappropriating tens of millions of your dollars, but now he might have good cause to be worried.

What possible rational explanation could there be for the Sun's constant and unwarranted harassment of your chosen men now succeeding in putting many if not all of your properties back on a paying basis?

The big question is, are your top executives men or mice? Are these men, with whom you have entrusted your \$2 billion world empire, going to cow down to a dishonest, corrupt publisher who wound up with millions of your dollars?

Or, are they going to refuse to continue to be coerced and intimidated, and stand up for their right to run your company without an outsider calling the shots, whether by direct order or by veto power?

Will your Board of Directors and attorneys support our effort to launch an independent family tabloid which would print the truth instead of the rubbish currently dispensed mornings on the lawns of 25,000 homeowners in Southern Nevada?

Will your agents provide appropriate assistance where and when it is urgently needed, or will they allow a nut and a con-man and a liar, who's double-crossed Nevadans and broken his word for two solid decades, to coerce them, and rule their minds and bodies and your corporate activities?

Being under the thumb of mad tyrant Greenspun is many things, not the least of which is plain stupid and unnecessary. However, we have the way out, Mr. Hughes.

The solution is at hand, all we need is the key to open the door of a sparkling new newspaper, and restore respectability and quality to Nevada daily morning journalism.

You can't fail to get this message, for we are screaming at the top of our lungs loud and clear. Our motives are honest and honesty always triumphs.