The Hijacking of Howard Hughes

Rick Harrison
Waller Lansden Dortch & Davis, LLP
On April 5, 1976 Howard Hughes died en-route to Houston’s Methodist Hospital from Acapulco, Mexico

Hospital officials had been told:

- To admit him under the pseudonym “John Conover"
- That he was in a diabetic coma (not a diabetic)
- That the family did not want an autopsy
- That the body was to be cremated
Hughes life:

Born in Houston in 1905

Mother dies when Hughes is 16

Father dies when Hughes is 19
Became sole shareholder of Hughes Tool

Sued to remove his disabilities of minority

Hughes rode the gusher of money from Toolco to LA and began making movies and building airplanes
Purchased control of TWA
Seriously injured in plane crash in Beverly Hills while test flying a plane for the Army - beginning of a lifelong drug addiction
Test flew the “Spruce Goose”, still one of the largest planes that has ever flown - could slip the fuselage of a Boeing 747 inside of it.
Senate Hearings - Hughes at his best- accuses a U.S. Senator of lying, refused to produce a witness when the Senate allowed its subpoena to lapse
1948

Purchased Control of RKO
The jet age was coming and Hughes was consumed with deciding which jets to purchase for TWA

- Dithering and mismanagement led to multiple stockholder suits by both TWA and RKO
- $149 million default judgment for TWA stockholders when Hughes refused to appear for a depo
- Begins Hermitic Lifestyle
1950s - 1966

Romain Street switchboard
7000 Romain Street, L.A.

Bill Gay (former driver)

Nadine Henley (secretary)

Drivers

The Beverly Hills Hotel

Bungalow No. 4
The following procedures and steps are to be followed, in every detail, in the preparation of fruit to be used on any cakes, pies or desserts of any kind for HRH. This work will be done in

**Step #3: Washing of Can.** The man in charge then turns the valve in the bathtub on using his bare hands to do so. He also adjusts the water temperature so that it is not too hot nor too cold. He then takes one of the brushes, and, using one of the bars of soap, creates a good lather, and then scrubs the can from a point two inches below the top of the can. He should first soak and remove the label, and then brush the cylindrical part of the can over and over until all particles of dust, pieces of the paper label, and, in general, all sources of contamination have been removed.

**Step #5: Processing the Hands.** The man must process his hands thoroughly. This action will consist of washing and rinsing the hands four distinct and separate times, being extremely careful to observe the four phases in each washing. That is to say, the man must first brush every minute particle and surface of his hands and fingers. He then puts each fingertip into the palm of the opposite hand and cleans each finger by rotating and pressing the fingers against the palm. He then interlocks the fingers and slides them together and back and forth, scrubbing them all the time. The last phase is grasping the palms together and wringing and rotating the palms together, and also by washing the back of the hand with the palm of the opposite hand. The four phases of

**Step #7: Removing Fruit from Can.** This step in the operation is extremely important, as under no circumstances does HRH want any contact between the fruit itself and the inside or the outside of the metal can. In spearing peaches or whatever fruit is being used, under no
Fri., 2/24/61

3:45 a.m. (Per JH) Call Roy and have him come up to the house and awaken HRH at 10:15 am sharp if HRH is not awake by that time. With 8 thicknesses of Kleenex he is to pinch HRH’s toes until he awakens, increasing the pressure each time. (Roy advised.)

1:15 p.m. (Per RC) If while Holliday and Cook are at these meetings they should call with anything important be sure to notify RC who will in turn notify me.

1:00 p.m. (Per Mrs. Hughes) Ask Johnny to spend 15 minutes processing and come up.

Johnny advised.

Wed., 3/1/61

10:15 p.m. (Per JH) Have Johnny come over here in 30 minutes.
Hughes ordered to divest himself of TWA stock - $86/share

- all time high - netted him $546 million
- but had to leave California to avoid taxation
Left California in mid-1966, traveled to:

<table>
<thead>
<tr>
<th>Year</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966-1969</td>
<td>Las Vegas</td>
</tr>
<tr>
<td>1970-1976</td>
<td></td>
</tr>
<tr>
<td>1976</td>
<td>Las Vegas</td>
</tr>
</tbody>
</table>

11/66 to 11/70
Left California in mid-1966, traveled to:

- Las Vegas (11/66 to 11/70)
- Bahamas (11/70 to 2/72)

11/66 - 11/70
Las Vegas

11/70 - 2/72
Britannia - Nassau, Bahamas

1966 - 1975

1970
Las Vegas

1971
Bahamas
Left California in mid-1966, traveled to:

- Las Vegas (11/66 to 11/70)
- Bahamas
- Nassau (11/70 to 2/72)
- Managua, Nicaragua (2/17/72 to 3/14/72)
Left California in mid-1966, traveled to:

<table>
<thead>
<tr>
<th>Year</th>
<th>Destinations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966-1969</td>
<td>Las Vegas</td>
</tr>
<tr>
<td>1970</td>
<td>Bahamas</td>
</tr>
<tr>
<td>1971</td>
<td>Canada</td>
</tr>
<tr>
<td>1972</td>
<td>Las Vegas</td>
</tr>
<tr>
<td>1973</td>
<td>Las Vegas</td>
</tr>
<tr>
<td>1974</td>
<td>Managua</td>
</tr>
<tr>
<td>1975</td>
<td>3/14/72 to 8/29/72</td>
</tr>
<tr>
<td>1976</td>
<td>Vancouver, Canada</td>
</tr>
</tbody>
</table>

Vancouver, Canada

3/14/72 to 8/29/72
Left California in mid-1966, traveled to:

- 1966-1969
  - Las Vegas
- 1970
  - Bahamas
- 1971
  - Canada
- 1972
  - Nicaragua
  - Nicaragua
- 1973
- 1974
- 1975
- 1976

- 11/66 to 11/70
- 11/70 to 2/72
- 8/29/72 to 12/24/72
- 3/14/72 to 8/29/72
- 2/17/72 to 3/14/72
- 11/70 to 2/72
- 8/29/72 to 12/24/72

Managua, Nicaragua
Left California in mid-1966, traveled to:

- Las Vegas (11/66 to 11/70)
- Bahamas (11/70 to 2/72)
- Nicaragua (8/29/72 to 12/24/72)
- Canada (2/17/72 to 3/14/72)
- Nicaragua (3/14/72 to 8/29/72)
- Vancouver (12/27/72 to 12/20/73)
- London (12/27/72 to 12/20/73)
Left California in mid-1966, traveled to:

- Las Vegas (11/66 to 11/70)
- Bahamas (12/20/73 to 2/11/76)
- Nassau (11/70 to 2/72)
- Managua (2/17/72 to 3/14/72)
- Vancouver (12/20/73 to 2/11/76)
- London (12/27/72 to 12/20/73)

Left California in mid-1966, traveled to:

1966-1969
- Las Vegas
- Bahamas
- Nicaragua
- Canada
- Nicaragua

1970
- Acapulco

1971
- Las Vegas
- Bahamas

1972
- Nassau
- Freeport
- 12/20/73 to 2/11/76
- London

1973
- 12/27/72 to 12/20/73

1974
- 2/17/72 to 3/14/72

1975
- 8/29/72 to 12/24/72

1976
- 2/11/76 to 4/5/76
- Acapulco
The Cocoon: 6 Handlers

6 Aids (former drivers for RKO)

Shifts: 3 on 3 off two week shifts

Worked at Romain St.

Allegiance to Bill Gay & Nadine Henley

James Rickard

Chuck Waldron
Four Significant Power Struggles Within His Empire

1. 1957
   Gay and Henley encouraged him to fire CEO Noah Dietrich – may have you committed

2. 1970
   Bill Gay group encouraged him to fire Bob Maheu - head of Hughes Nevada Operations, told him Maheu was stealing

3. 1972
   Bill Gay encouraged him to sell Toolco (so Gay wouldn't have to answer to the Houston managers). - Told him it was to be able to fund the TWA judgment (reversed by USSC several months later.)

4. 1976
   Bill Gay had him moved to Mexico to disrupt Hughes planned installation of Jack Real as “head of the Eastern Division"
Gay and Henley Continued To Isolate Hughes

Wilbur Thain, M.D.

Gay’s brother-in-law who kept Hughes supplied with drugs.
6 years of complete isolation…
darkened bedroom, no TV, no news…
Bill Gay, Chester Davis and their Family and Friends Used Hughes' Fleet of Private Jets To Fly Around the World...

1972 - 1974
Bill Gay, Chester Davis and their Family and Friends Used Hughes’ Fleet of Private Jets To Fly Around the World...

1972 - 1974

1972
Mexico City
Guadalajara
Miami
Shannon, Ireland
Nice
Zurich

1973
London
Dublin
Frankfurt
Vienna
Zurich
Madrid
Hamburg
Amsterdam
London
Marrakech
Biarritz
Miami
Raleigh
D.C.
NYC
Madrid
Granada
Nice
Geneva
Tours, France
Paris
Miami

1974
San Francisco
Norwich, Conn (Davis farm)
Boston
Acapulco
Guadalajara
London
Mexico City
Shannon, Ireland
Exeter, England
Nice
Zurich
Mallorca
Honolulu
Acapulco The Last Few Days….

Hughes falls out of bed – shears tumor and dislocates shoulder

Hughes stops eating and drinking

Given more and more drugs to quell pain

Hughes slips into a coma; aids and staff call Gay and Thain

Thain attends party in Bahamas instead of flying in

Thain gives Hughes an injection white in color

Thain arrives (48 hrs later) he shreds docs instead of seeing Hughes

Load Hughes on plane … he dies 30 minutes out of Houston

DOA April 5, 1976
The Estate Litigation
April 5, 1976

What jurisdiction would be the domiciliary jurisdiction to determine heirship, probate the will, appraise the estate, etc?

Becoming more and more apparent Hughes might have died intestate, which would mean a huge inheritance tax for the State of Texas (16% of the appraised value of the estate)

1. Comptroller asked the AG to investigate

2. I filed an “Appearance of the State of Texas” in Probate Court No. 2 in Harris County, Texas
Hughes left Texas in 1924 and never came back.

Challenge:
Hughes left Texas in 1924 and never came back.

Key Issue
Did Hughes ever choose a domicile of choice?
Reconstructing Hughes’ life and health...
Reconstructing Hughes’ life and health...
The boat captain who spirited Hughes from the Bahamas said he had a long beard, long hair, long nails.

Reconstructing Hughes’ life and health...
<table>
<thead>
<tr>
<th>August 1976</th>
</tr>
</thead>
<tbody>
<tr>
<td>After five month fight, court orders Autopsy Report released to us</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6’ 1”, 92.5 lbs</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 diabetes</td>
</tr>
<tr>
<td>Chronic renal failure (drugs)</td>
</tr>
<tr>
<td>Completely dehydrated</td>
</tr>
<tr>
<td>No bowel content</td>
</tr>
<tr>
<td>Hypodermic needles broken off in his arms</td>
</tr>
<tr>
<td>Teeth rotten</td>
</tr>
<tr>
<td>Bed sores</td>
</tr>
<tr>
<td>Separated shoulder</td>
</tr>
<tr>
<td>Lab results showed large amounts of codeine and other drugs in his system</td>
</tr>
<tr>
<td>“Looked like a Bataan death march survivor”</td>
</tr>
</tbody>
</table>
70 Years Old

- No cancer
- No significant heart disease
- No other life threatening disease
April 30, 1976

William Lummis, the temporary administrator of the estate, sent a letter to Summa Corporation (Hughes’ company), advising that Hughes died a Texas domiciliary and position of this office that until and unless a court of competent jurisdiction holds in a judgment binding on this office that the said Howard Robard Hughes, Jr. acquired a domicile of choice without the State of Texas, this office will maintain that at the time of his death the said Howard Robard Hughes, Jr. was domiciled in the State of Texas, that this office represents the domiciliary administration and that the estate of the said Howard Robard Hughes, Jr. is to be accordingly administered by this office.
William Lummis believed his mother was the closest heir and that there were no paternal heirs.
Intestate Succession

Texas

Howard Hughes

- Lummis, Gano, Houston

- Elspeth DePould
  - Agnes Roberts
  - Barbara Cameron
  - and Rush Hughes
  - Avis McIntyre, adopted by estoppel children of Rupert Hughes

Nevada

Howard Hughes

Annette Lummis (Aunt)

Closest Living relative

- Adopted by estoppel children of Rupert Hughes
Lummis and Mickey West, Andrews Kurth Tax Partner gathers all of the aides and doctors in LA:

If Hughes died domiciled in Nevada, we are good, your lifetime contracts are good

If Hughes dies in Texas, we will probably go broke and your contracts will be void (although there is no tax difference between Texas and Nevada)

If Hughes died domiciled in California, we are doomed, Bankruptcy
If Hughes died domiciled in Nevada, we are good, your lifetime contracts are good. If Hughes dies in Texas, we will probably go broke and your contracts will be void (although there is no tax difference between Texas and Nevada). If Hughes died domiciled in California, we are doomed.
Lummis wrote Paternal Heirs:

“Andrews Kurth has carefully investigated domicile, there is no question but that Hughes was a domicile of Nevada when he died, and my mother, Annette Lummis, is his sole heir.”

Did NOT disclose to paternal heirs:

- His 4/30/76 letter to Summa
- All Hughes federal tax returns filed in Texas
- All Tax Power of Attorneys listed his residence in Texas
- Multiple interrogatory responses filed by Hughes and Summa in later years saying resided in Texas
- 1947 Senate testimony
- 8/11/44 “I am a Texan” letter
- Registered with Harris County draft board
- Poll tax paid in Harris County
- Multiple drafts of wills (’25, ’39, ’44, ’47) all say domiciled in Houston
- Pilot licenses and passport applications - Houston
- Multiple other sworn testimonies
Q Where do you live, Mr. Hughes?

A You mean my domicile or present location?

***

Q Where are you living at the present time?

A Well, I spent last night at the Beverley Hills

***

Q What is your legal domicile?

A Well, I still consider that to be Huston, Texas.
Plans in early 1976 to purchase the top floor of the new St. James Condominium in River Oaks - Houston, Texas
Howard R. Hughes, Jr.
April 5, 1976
(No spouse, no children, no siblings)

Allene Gano – Mother (dec)
Annette Gano Lummis

Howard Hughes Sr. – Father... (dec)
Greta Hughes (dec, no children)
Felix Hughes (dec, no children)
Rupert Hughes (dec)

SETTLEMENT

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<thead>
<tr>
<th>Annette</th>
<th>23 5/6%</th>
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<tbody>
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<td>Maternal Heirs</td>
<td>47 2/3%</td>
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<td><strong>Total</strong></td>
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<tr>
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<tr>
<td>Barbara Cameron</td>
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| Elspeth, Agnes & Barbara           | 19%    |
| Rush & Avis                        | 9.5%   |
| **Total**                          | 28.5%  |
11:00 " Food: Chicken only.
11:45 " B/R.
12:00 PM Chair. Screening "TEN LITTLE INDIANS", 2BB's

10:40 " Chair 8c's (23 left)
11:30 " Chicken
1:00 PM B/R
1:20 " Chair--"ARABESQUE" reel #3.
2:50 " B/R--John must, somehow, acquire additional #4's.

11:45 " 10 #4. 32 left.
5:00 PM Food: Chicken only.
6:10 " B/R
6:30 " Chair. Screening "WRECKING CREW", 5BB's
Merrill Lynch
Meeting:
Underwriting Sale of ToolCo

Friday
Merrill Party arrives in Managua. Told Hughes too busy to meet.

Saturday
Hughes still too busy…

Sunday
Hughes still too busy…

12 hrs

Monday

Finished dessert.
4:00 " B/R.
5:00 " Bed & aslpe.
8:15 " Chair
8:45 " B/R
9:30 " Chair
9:45 " B/R
10:30 " Chair
10:50 " B/R
11:50 " Chair

Sunday

8:15 " Chair
8:45 " B/R

12:50 " Chair -- "MAN IN THE MIDDLE" reels #1 & 2.
3:45 " Mell Stewart in.
5:30 " Mell out. (Light trim on beard only)
5:40 " Mr. D. Sedlmayr & J.J. Ivey in for signature.
Witnessed by C.Waldron & G.Francom. Raymond Holliday & Mickey West were in the living room.
6:15 " Mr. Sedlmayr & Mr. Ivey left for the airport with OTD papers.
6:25 " B/R.
6:50 " Chair, resumed screening"MAN IN THE MIDDLE". Comp.
Screening "THE ITALIAN JOB".
9:50 " B/R.
10:20 " Chair, resumed "THE ITALIAN JOB". Completed & Hold
Friday
Merrill Party arrives in Managua. Told Hughes too busy to meet.

Merrill Lynch Meeting:
Underwriting Sale of ToolCo

Monday
2:30 AM Finished dessert.
4:40 E/R Bed & asl. 12 hrs

Inst: He wants everyone reachable (Mell Stewart, Chester, Raymond, Mickey, SADMAY, J.C.Ivey and Mr. Smith of Merrill Lynch etc.) until the project is completed. He doesn’t want to awaken for any reason, let him sleep as long as he wants to.

6:40 AM Bed & asl.
7:00 B/R
8:15 Chair
8:45 B/R
9:30 Chair
9:45 " B/R
10:30 Chair
10:50 " B/R
11:50 Chair

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Summer of 1977: Depositions

- 10 Weeks of Depositions (LA and LV)
- All 6 Aids
- 4 Doctors
- Henley, Gay & Others
Sept. 16, 1977 – Interview of John Wayne

• Call to Mr. Wayne
• Deposition next morning
I was born in Texas, have always been a resident of Texas, and have never been a resident of any other state.

My Will is deposited in Houston.

I would not under any circumstances change my residence from Texas. I am a Texan. I always have been, I always will be, and I am reasonably proud of the fact.
Keep 'er on the hold away from me.

John Wayne
Call from Cary Grant to the AG’s office
Mormon Will set for trial in Las Vegas Nov 7, 1977

Jury trial set in Houston probate court for Nov. 14, 1977: Domicile and Mormon Will

3 Months of Evidence

75 Witnesses

- John Wayne
- Ron Kistler
- Jean Peters Hough (Texas handshake type of deal)
- Ginger Rogers
- Wm Randolph Hearst Jr
- Glenn Odekirk (only other person in Spruce Goose for flight)
Trial

Green house – Fraud on the Court
Trial

Green house – Fraud on the Court
Green house – Fraud on the Court
Nadine Henley:
Mickey West suggested that I change my testimony because it did not agree with his.

The estate also withheld key relevant pieces of evidence.
February 14, 1978
Texas was the domicile of Howard Robard Hughes, Jr at the time of his death.
General, so many figures have been tossed around relative to what the Hughes' litigation cost the State, I put a pencil to it and find that the Hughes' litigation, since its inception in May of 1976, has cost the State of Texas $316,896. This does not include any amount for your time spent on the case but does include all other staff expenditures as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, Attorneys &amp; Clerks</td>
<td>$171,500.00</td>
</tr>
<tr>
<td>Salaries, Legal Secretaries</td>
<td>30,000.00</td>
</tr>
<tr>
<td>Travel Expense</td>
<td>30,439.77</td>
</tr>
<tr>
<td>Fees: Co-Counsel &amp; Expert Witnesses</td>
<td>37,574.50</td>
</tr>
<tr>
<td>Court Costs</td>
<td>929.33</td>
</tr>
<tr>
<td>Transcripts (including daily at trial)</td>
<td>21,970.93</td>
</tr>
<tr>
<td>Depositions</td>
<td>20,023.08</td>
</tr>
<tr>
<td>Miscellaneous Expenses (copying, etc.)</td>
<td>4,458.46</td>
</tr>
</tbody>
</table>

**TOTAL** $316,896.12

This will be reduced by $16,348.26 in recoverable costs billed against our adversary. Since the minimum inheritance tax recovery to the State would be approximately $30 million (based on the Estate's own appraisal of $68 million), our expenses will not exceed one per cent (1%) of the minimum expected recovery and could easily drop to 0.2% if the estate appraises closer to one billion dollars.
Hughes case brings Texas $50 million
The Hijacking of Howard Hughes

Rick Harrison
Waller Lansden Dortch & Davis, LLP