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In a Santa Monica courtroom, the legal shenanigans continue over the late art collector Fred Weisman's \$200 million estate

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BODY:

When I last wrote about the juiciest art scandal to unfold in Los Angeles in recent memory, involving the \$200 million estate of Beverly Hills collector Frederick Weisman, the key players included a manipulative trophy wife and greedy probate lawyers who had co-opted a small-time probate judge and managed to upend Weisman's carefully crafted will and every desire.

I wish I could say that when the Weisman case finally went before the Second District Court of Appeal last fall, justice was served and the ghost of Fred Weisman could finally rest.

Instead, in a city where the well-to-do no doubt believe their wills to be "airtight," the outrageous Weisman case stands as a crucial lesson about the corrupting nature of California's too-powerful probate courts, and confirms the wisdom of the departed Frank Sinatra, who not only declared, "The Golden Years can kiss my ass" but gave his money away before he died.

Before Fred Weisman passed away in 1994, he named as trustees of his estate his two most trusted associates--his lifelong business manager Mitch Reinschreiber, and his Washington, D.C., attorney Coleman Bean. Shortly after Weisman's death, Reinschreiber fingered Bean for soaking Fred of \$3 million in unearned consulting fees. In court, the furious Bean was forced to pay a partial settlement.

Thus spawned a vicious legal counterattack in which the publicly shamed Bean accused the straight-arrow Reinschreiber of also soaking Weisman for millions of dollars.

Even though Reinschreiber was cleared in an independent audit, the acrimony provided an opening for power-hungry Santa Monica Probate Judge Robert Letteau to insert himself as czar over the estate. The judge had attempted to do much the same thing in an earlier probate case, when he haughtily issued various orders to the Philippine government and was almost laughingly dismissed by the California Supreme Court.

In 1996, Letteau suspended the perfectly decent Mitch Reinschreiber as trustee of the Weisman estate, without ever holding a due-process hearing into Bean's "evidence" against him, as required by California law. Instead, Letteau appointed his own longtime friends to "temporarily" run the Weisman estate--as they have for the past two and a half years at a salary of \$25,000 each per month.

Needless to say, with Letteau's friends in charge, Fred Weisman's carefully crafted will became the most ignored document since the government's treaty with the Navajo.

In direct violation of Weisman's will, for example, the widowed trophy wife--Billie Milam Weisman--took over management of Weisman's beloved and jam-packed modern art museum, tucked inside the huge Weisman mansion, which stands as testimony to Fred's 30-year passion for art collecting, and which Fred did not want his new wife to control.

Any third-rate script doctor could have written the tacky script that Billie Weisman followed. For instance, within weeks of her marriage to poor Fred in 1992, Billie began incessantly demanding more money in her \$3 million prenuptial contract, and the beleaguered Weisman finally called in the noted psychologist-to-the-stars Milton Wexler to renegotiate Billie's new and bigger pile of gold.

But who wrote the script for Judge Letteau, who is supposed to be impartial and driven only to protect Weisman's wishes?

The explanation, I believe, is that Letteau has lost his judgment because he is paying his two cronies, accountant Michael Chmura and lawyer Malcolm Smith, \$25,000 per month to run the estate, and that's more money than the three pals are accustomed to seeing anywhere but on Wheel of Fortune.

Weisman never knew the smirking, nervous Chmura or the red-faced, wheezing Smith, the two utter strangers who control his art and fortune. But Weisman's son, the affable Richard Weisman, told me last year that his father would "fire those two bloodsuckers both on sight and put Mitch Reinschreiber back in charge" if he were alive.

For a time, it looked like the appeals court judges were primed to agree, and that Fred Weisman's wishes would actually triumph.

Last September, a three-judge panel heard arguments in the Weisman tangle. Reinschreiber sought to force Judge Letteau to reinstate him as trustee, since no wrongdoing had ever been proven. The judges clearly were disturbed by Letteau's handling of the case, in which Letteau repeatedly said he would (but never actually did) put Reinschreiber on trial to get to the bottom of attorney Bean's allegations, which are being pressed by Letteau's two cronies, Smith and Chmura.

Although the appellate court had 90 days to rule, after learning that Letteau had allowed two years to elapse without giving the deposed Reinschreiber a formal hearing--even while the judge set up his own cronies to get rich as trustees--Appellate Court Judge Vaino Spencer leaned into her microphone and admonished: "Let me just say something. This case cries out for some relief!"

But that was not to be. When the rich and powerful clash, tragedy sometimes piles upon tragedy.

Mitch Reinschreiber died last October before the appellate court could offer him relief. He was broken in part, his doctors say, by the stress of being called a cheat by some of the most powerful probate lawyers in Los Angeles.

Christmas week, the appellate judges ruled that Reinschreiber's case against Judge Letteau was moot because Reinschreiber had died. Reinschreiber's attorney Gina Calvelli says that decision "makes no sense."

As Calvelli points out, the issues are hardly "moot" since the appellate court's refusal to get involved has left the Weisman estate under control of Letteau's cronies, rather than the person Reinschreiber properly named to succeed him as allowed by the Weisman will--Reinschreiber's daughter Debra, who was Weisman's longtime investment adviser.

Even more important, Calvelli says, by refusing to slap down Letteau, the appellate court ignored an important public interest, since much of the Weisman art and fortune was left in a public foundation, to be used for the education and enjoyment of all of us.

Says Calvelli, a lawyer with Riordan & McKinzie: "By allowing a mere probate judge jurisdiction over every aspect of a major estate, including its public foundations and third parties who are not beneficiaries--that's like saying that if Fred had left his money to the United Way, and the probate judge heard allegations that United Way executives were using money for personal gain, the judge can take over the entire United Way. Uh-uh. I don't think so."

I returned this week to the Santa Monica courtroom of the arrogant Judge Letteau, whose nasty demeanor and thin, snapping mouth brings to mind the ne'er-do-well lizard from those Budweiser beer ads.

Letteau, deservedly ensconced in a portable building behind the main courthouse,

was holding forth Monday on his unique theory of probate law, in which he fashions rules for the benefit of Billie Weisman and the "temporary" trustees, his buddies Smith and Chmura.

Incredibly, Letteau claimed he does not have to wait for a stand-in to be named for Reinschreiber in the trial over the Bean allegations, nor does the judge need to wait for his buddies Smith and Chmura to even file a claim against Reinschreiber, before Letteau simply puts the dead man on trial.

Andy Gifford, Reinschreiber's attorney, was clearly aghast that Letteau seemed ready to ignore explicit rules of probate law. Argued Gifford: "Until there is a defendant, we can't hold discovery on the allegations against Reinschreiber. The defendant is dead."

To that, Letteau replied with a lizardly snap, "I don't understand Mr. Gifford's arguments at all." Letteau called the idea of waiting for someone to be named to represent Reinschreiber "an absolute total waste of money."

Robert Sacks, the top-dollar probate lawyer hired by Smith and Chmura (using poor old Fred's fortune) kept piping up with brown-nosing comments in support of Letteau's ditherings, such as, "Makes sense to me, your honor!"

At this point in Monday's kangaroo court, a normal person would have been sorely tempted to shout something like: "That silly due-process stuff is sooo wasteful and sickening!"

The normally placid Gifford could stand no more, and furiously retorted to Sacks and Letteau, "All the allegations against Reinschreiber are a big expenditure of Fred Weisman's funds, designed to put fees in the pockets of the trustees (Smith and Chmura) and into the pockets of their attorneys!"

(Lynard Hinojosa, the attorney for trustees Smith and Chmura, angrily told me later that his clients' \$25,000 monthly salaries are "probably a bargain." Sacks, who is pressing the case against Reinschreiber, insisted it is "the duty of the trustees to proceed regardless of whether there's any money in the Reinschreiber estate.")

At one point, Reinschreiber's widow, Lynne, tearfully read a statement to Letteau, describing how Sacks and the attorneys for Smith and Chmura last year churlishly claimed that her husband was "faking an illness to avoid trial" and actually forced the dying man to produce notes from his doctors.

Said Lynne Reinschreiber, "The trustees Smith and Chmura, and their attorneys, who have a \$200 million estate to support their legal actions, apparently take some perverse pleasure in going after me, a widow who has no money for my future support."

With the law against him, and with the widow standing before him, Letteau very reluctantly relented: a stand-in for Mitch Reinschreiber will be named, and no trial will begin unless Smith and Chmura actually file the proper papers against the defendant.

But in relenting, the judge showed his bias, clearly indicating that he is dying to put Reinschreiber on trial, and dying to find dirt on him--which Letteau apparently believes will justify his decision to dump Reinschreiber, ignore Fred Weisman's will, and hire his pals to run the estate.

Declared Letteau: "I want to make a determination what, if anything, Mr. Reinschreiber's estate is responsible for....It's all really disingenuous, Mr. Gifford, that we should all just go away because Mitch Reinschreiber has no money. We're gonna get to the bottom of this!" And if he does get the dirt, Letteau snapped, then it's up to others to worry how to get the money. "I am not a collection agency....I am out of here."

Funny to hear a judge using the language of a prosecutor, and to see the disinterest in law by Letteau, who is making Fred Weisman turn in his grave.

I'd like to think things will turn out well for Lynne Reinschreiber, and poorly for Smith, Chmura, and Letteau. A complaint against Letteau has been forwarded to the state Commission on Judicial Performance, and there's a chance the California Supreme Court will be asked to intervene for the public good. The Lizard Society should also be contacted.

But even if small miracles do occur, Frank Sinatra still got it right. In California, give away all your money before you die.

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