

J A C K F R O S T
TOWER PETROLEUM BUILDING
DALLAS 1, TEXAS

July 22, 1960

Mr. Charles E. Marsh

Washington, Virginia

Dear Charles:

I recently got your address from Mr. Cox of the bank in Austin. I did have a New York address but lost it. At the present I have been in the bed with the hemorrhoids, which are slowly getting better so expect to be out of bed in a few days.

A lot of water has gone over the dam since we have seen each other, which I regret. If you have an airport near your home I might drop in to see you. I have my own little plane these days, and go most every where in it.

What do you think of politics today, and our old friend Lyndon Johnson joining Kennedy? It is my opinion that he made a terrible mistake, that in the end may be the destruction of the Democratic Party. As you know it is now, a group, all with diverse interests held together by one common urge "to be elected". Personally I cannot see either Rockefeller or Kennedy. They are both rich mens sons who have never earned their own living, or made a success of running a business of their own, so in what way are they equipped to run our country. More and more sons of rich parents are becoming failures in business. In fact, very few succeed. They are as a group all long on untried ideas, and very short on experience and practical thoughts.

A thought came to me the other day, that has really thrown me. Since 1776 when this country won its independence has been only 184 years ago. During my lifetime I have known people who were here in Texas when the Commanche Indians held over half of what is now West Texas and covers that part where all my ranches are. This was only about ninety years ago. Because of the Civil War and its great destruction this country did not really start to grow until 1900, and during the first half of my life it really developed. Since then we have developed a large class of people that look to the government alone to feed and clothe them. Has our country already gone into eclipse? It is to

Mr. Charles E. Marsh

-2-

July 22, 1960

late to hurt either of us but what of these poor devils growing up. What are they doing to themselves? I would like your thoughts along the thoughts just expressed.

I have lost track of John which I hate, as I think a lot of him. Please let me have his address.

I have also seen Charles in Midland and thanks to your advice it did not cost me anything.

I am still working in the oil and gas business. About fifteen or more years ago, I was active in kicking off the gas boom in northwestern New Mexico, Colorado and Utah. Since then have been working in Texas and the Arkansas Valley area of northwestern Arkansas, where we are now drilling a wildcat. In the interim have relieved myself of the great Harold Byrd, he still owns stock in two of my companies but has been demoted from president to just plain stockholder, and most of my business is without his valuable services. It sure is a relief.

I am sure that you remember E. G. Kinsbery of Austin, who used to own a hotel there. He and I have developed a rather prosperous light weight aggregate business, together with a number of light weight concrete block and pipe plants over the state. Our material went into the Republic National Bank and Southland Life Building here. We saved the Republic a million dollars of its steel cost alone, and its insulating properties causes a constant lowering of the cost of operating the air conditioning units in the building.

With my kindest and best regards, I am

Sincerely,



Jack Frost

JF:ms

August 10, 1960

Dear Mr. Frost:

Charles was delighted to receive your good letter of July 22nd and read everyword of it to himself which is unusual these days as he has long since made it clear that he did not want to be bothered with mail and that I was to handle it for him! But this was different and among the few which come in which I make exceptions to his rule knowing that it will be a pleasure to him.

He is far from well. He has nothing we can give a name to - just little strength or energy. This is hard for those who knew him in the past, to realize but he burned up so much energy for so long that I suppose it has just given out.

We have put this place on the market for sale and hope to move in to Washington, D.C. around November first. My job in addition to the usual duties of a housewife, is being President of Public Welfare Foundation, Inc. which Charles set up while he was still active. This has grown into something which no longer can be efficiently run out here in the country, so the move is indicated because of the Foundation work, and also because this place is too large for us and makes no sense economically for two people. So if you are in Washington, D.C. any time after November first, I hope we can see you at 3242 Woodland Drive, N.W.

John owns the newspaper in Clearwater, Florida. They have just bought a house which is being remodelled but their present address is: 305 Spring Court or the newspaper will always reach him-The Clearwater Sun. His son, John E. Jr. is married and has two children which makes Charles and me (synthetically) Great-grandparents.

All good wishes and do get in touch some time.

Sincerely,

Mr. Jack Frost

August 10, 1960

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All good wishes and do get in touch some time,

Sincerely,

Mr. Jack Frost

February 4, 1964

Mr. Houston Harte,
San Angelo Standard-Times,
San Angelo, Texas

Dear Houston:

This note to you is long over-due. Charles was pleased to have your article on the President - and you will be interested to know that we had already seen it as it was carried in our Tuscaloosa News. We had also read of the death of Willard Cope which was a great shock to you and sorrow too. I had never met him in the days when Charles and I went to Texas, but from his photographs and what I have read of him, he must have been a fine person.

Charles is about the same as when you saw him. He is watching the President with great interest. I have been very much pleased, as has Charles, at a side of his character which people may not know. He remembers those who have helped him along the way. The first Sunday after President Kennedy's funeral, on the way to church, Lyndon and the entire family stopped by to see us. He rushed in and upstairs where Charles was being dressed and shaved, gave him a big hug and said he had to see him to tell him he knew he would not be where he is today were it not for Charles. This is not true - as there have been others who have helped and it could not have happened unless he himself had ability - but it was a nice gesture and he meant it. He also stopped by with Ladybird to wish Charles a Happy Birthday on the day not long ago. I like people to know this as it indicates something in his character which is admirable.

Our greetings to you and it is always good to hear from you.

Sincerely,

Claudia H. Marsh

A Friend's Appraisal

Johnson A Perfectionist, Knows Value Of Dollar

(EDITOR'S NOTE: Houston Harte, a longtime close friend of President Johnson, was asked by the North American Newspaper Alliance for an appraisal of the Texan who now leads the nation. Mr. Harte is chairman of the board of The Standard-Times and is president of Harte-Hanks & Co., which publishes The San Antonio Express-News, The Corpus Christi Caller-Times, Abilene Reporter-News, Big Spring Herald, Derison Herald, Greenville Herald-Banner, Marshall News Messenger, and Pais News. The appraisal, distributed nationally by the Alliance, with a San Angelo dateline, follows.)

By HOUSTON HARTE

Written For The North American Newspaper Alliance

Let's start with a platitude. Platitudes often are distilled wisdom. To learn the value of a dollar, a man must work for it. Lyndon Johnson has learned that lesson.

This is a personal appraisal. To make it personal, I met Lyndon Johnson in the '30s. I had gone to Washington seeking a community loan. Dollars were scarce in West Texas in those days. So were hotel rooms in Washington. I ended up on a cot in a one-room apartment.

There were three other cots in the room. On one was Arthur Perry, who was Sen. Tom Connally's secretary. Until Nov. 22, he was Lyndon Johnson's executive assistant. He'll be in the White House office. On another was Congressman Ewing Thomason's secretary, Bob Jackson. He is now editor of our newspaper in Corpus Christi. Congressman Richard Kleberg's secretary, Lyndon Johnson, was on the third. When four men are on adjoining cots, they just naturally get to know each other.

You don't get the story of a man's life in one night. But you do start a friendship. Over the succeeding years, Lyndon Johnson and I became friends. I learned he had worked as hard to achieve his place in life as any man you'll ever meet. He labored on a road gang as a boy. On a rock-strewn family Hill Country farm he helped make "the crop." He sought and got a job as a janitor to pay for his education. All these jobs he did well. Perfection was his

be accused of doing things he knew nothing about. I trust he will be able to laugh at those who criticize him justly or unjustly. It will make life easier for him and I fear there is little that is easy about the office of President of the United States.

Driving away from Capitol Hill following his joint speech to Congress, every one in the car in which I rode praised his speech.

And it was a wonderful speech. One man asked if I did not think it was the best speech he ever had made. I said no, I have heard him make a dozen better speeches. All wanted to know where and when.

I had to reply that Lyndon Johnson is without an equal in a room with 10 to 20 people trying to solve a crucial problem. He takes charge in such a situation in a manner that is not equalled by anyone I have seen in action. He knows the facts involved and no one can present them in any more convincing manner. If you are fortunate enough to present a matter to the President, do your homework. Know your facts. He will know his and will know how to present them.

In past elections his liberalism has been the issue he had to overcome. His opponents pictured him as far to the left of center. He entered the Congress in 1937 as a flaming New Dealer. The oil men of this state fight him because he is for civil rights. The northern liberals fight him because they think he is a friend of the oil industry. Yet he has done more for both than any man in the executive or legislative branch of our govern-

ment.

He appraised himself better than anyone else. He said: "I am a free man, an American, a United States senator, and a Democrat, in that order."

"I am also a liberal, a conservative, a Texan, a taxpayer, a rancher, a businessman, a consumer, a parent, a voter and not as young as I used to be nor as old as I expect to be — and I am all these things in no fixed order."

"I am unaware of any descriptive word in the second paragraph which qualifies, modifies, amends or is related by hyphenation to the terms listed in the first paragraph. In consequence, I am not able — nor even the least interested in trying — to define my political philosophy by the choice of a one-word or two-word label. This may be against the tide, but, if so, the choice is deliberate."

Writers have attributed many qualities to him in the millions of words printed since Nov. 22. Perhaps another

stories have been told many times since that black Friday, Nov. 22, 1963.

But the facts also reflect a pattern of thought. Lyndon Johnson knows the value of a dollar, whether it be his own or the taxpayer's. It should surprise no one that one of his first official acts was to ask departments of government to reappraise their budgets. President Johnson, in placing his ranch and personal property in the hands of trustees, included a proviso that trustees may not apply for any federal farm land or land subsidy under any circumstances.

This simply reflected the President's basic philosophy. That philosophy also is reflected, I believe, in the success of Mrs. Johnson's enterprises in the radio and television fields. It detracts nothing from her astute management of those properties to say that she looked to her husband for advice. It is my strong conviction that the economic conservatism of this man will be reflected, as well, in the conduct of our government. Next to his lovely wife, his love of the United States of America comes second. He wants our nation to operate in the black just like any other enterprise that feels the LBJ touch.

As a newspaperman and as a friend, I have watched Lyndon Johnson since his first election as congressman from the district which adjoins ours to the south.

I have differed with him, but have found no fundamental conflict between his interests and my interests — which are the interests of our businesses, our state and our country.

Our new President has shortcomings, as do all men. He drives his staff too hard. They love him and have seen him right so often they just can't think anything he wants done is impossible. Hours mean nothing to him. They realize hours must mean nothing to them. A staff member who can work for a year for Lyndon Johnson can stand any gaff.

The big, tall, thin man from the rough Hill Country of Texas is super-sensitive. He is thin skinned on personal criticism. He knows it and I have felt he tries not to show this breach in his armor but it is going to be a task for a man sitting in the highest seat in the nation where everyone can take a pot shot at him. He will



AP wirephoto

President Lyndon B. Johnson

already has said this, but me, his most admirable trait is: before he embarks on course of action, Lyndon hanson thinks it out in ad- nce. He weighs the advan- ges against the disadvan- ges. He decides what he all do in every contingency uich can be plotted in ad- nce. Then he goes to work th a vitality, a tenacity, at I have never seen

equalled. He never gives up. His endurance has put many a younger man to shame.

Do not get the idea that we regard the President as a superman. I have also seen him in darker moments, moments when he has those same doubts and fears that plague all of us. But he doesn't linger in the depths. After he lost the nomination in Los Angeles,

the Kennedys had to ask Mrs. Johnson to wake him up at 8 a.m. the morning after. A set-back is a challenge.

His determination was never more clearly demonstrated than when he suffered a near-fatal heart attack. Rather than bemoan his fate, Johnson obtained the best scientific advice he could find on how to make a comeback, set himself a regimen which many lesser men have failed to follow — to their own and their family's sorrow. Today the doctors tell us no trace remains of that attack.

Many of us feel the only thing the nation needs to fear is that the magnitude of the job to which he was catapulted is such a killer he might work himself to death while he tries to do everything at once in his own perfectionist style.

These are personal impressions, with no attempt to catalog the man's life or character — that has been thoroughly and adequately done by many others. At the risk of being repetitive, this conclusion: From the days when he was a barefoot boy in the Texas hills, Lyndon B. Johnson has made his own way. He knows how hard a dollar is to make and how easy it is to spend. In that respect, he is in close kinship with 95 per cent of the people of these United States. And it is my conviction that his basic training and philosophy will be profitable to our nation in the days ahead.

The Abilene Reporter-News

BIG SPRING DAILY HERALD

The Amarillo Globe-Reporter

The Denison Herald

San Antonio Express - NEWS

MARSHALL NEWS MESSENGER

The Paris News

SAN ANGELO STANDARD-TIMES

GREENVILLE HERALD-BANNER



HARTE-HANKS & COMPANY - SAN ANGELO

TEXAS

P. O. Box 5111

April 13, 1964

Dear Claudia:

I will try and get out to see you and Charles on Friday, April 24, at a few minutes after 5:00 p.m. in the afternoon.

I will ask the cab to wait and will thus limit my visit to not more than 15 minutes.

It is wonderful The President does not forget his old and true friends like Charles.

I will call before I come. I am glad I am to see you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Houston Harte".

Houston Harte

Mrs. Charles Marsh
3242 Woodland Drive
Washington 8, D. C.

The Abilene Reporter-News
BIG SPRING DAILY HERALD
The Amarillo Globe-News
The Denison Herald

MARSHALL NEWS MESSENGER
The Paris News
SAN ANGELO STANDARD-TIMES
GREENVILLE HERALD-BANNER
San Antonio Express and NEWS



HARTE-HANKS & COMPANY - SAN ANGELO

TEXAS

P. O. Box 5111

September 8, 1964

Dear Claudia:

Thank you for sending me your note about Charles. It is about as I feared when I left your house last April that I had seen him for the last time.

I hope you will keep me informed. Charlie introduced me to Herman. I always thought of them together.

I hope you are well. I know you have done all you could and will continue to do what you can.

Sincerely,

A handwritten signature in dark ink, appearing to read "Houston Harte".
Houston Harte

Mrs. Charles E. Marsh
3242 Woodland Drive, N.W.
Washington, D. C.

September 3, 1964

Dear Houston:

I know you are thinking of Charles and I want to send you a line to accurately give you his condition. I am sorry that there has been publicity which I feel is premature, but we have been called a good many times and despite asking not to have this, it seems to have gotten out of hand.

Charles has been in the hospital for over four weeks. He is in no pain, sleeping quietly but only with brief and rare moments of consciousness - and even when his eyes are open I doubt that he is now much aware of whose voice or face is there. It is sad, but as he is not suffering I feel we have that to be thankful for and hope it will be just a matter of slipping away.

I have thought so often of Herman and how fine it was to go so quickly - though it was hard at the time for his friends and family.

Affectionate greetings to you. You have been a good friend.

Sincerely,

Mr. Houston Harte,
925 Montecito Drive,
San Angelo, Texas

The Abilene Reporter-News

BIG SPRING DAILY HERALD

The ~~Spring~~ ^{Abilene} Caller-Times

The Denison Herald

MARSHALL NEWS MESSENGER

The Paris ~~News~~ ^{News}

SAN ANGELO STANDARD-TIMES

GREENVILLE HERALD-BANNER

San Antonio Express and NEWS



HARTE-HANKS & COMPANY - SAN ANGELO

TEXAS

P. O. Box 5111

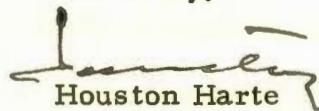
November 5, 1964

Dear Claudia:

I hope Charlie was able to understand what happened Tuesday. If there is anyone in the world to whom The President owes a debt it is Charlie.

He should know that Charles, Jr., put up the money and directed the work that resulted in the defeat of Ed Foreman.

Sincerely,


Houston Harte

Mrs. Charles E. Marsh
3242 Woodland Drive, N. W.
Washington, D. C.

November 5, 1964

HARTE-HANKS & COMPANY - SAN ANGELO

TEXAS

P. O. Box 5111

Dear Charlie:

I want to congratulate you and Claud W. Brown for having put White across. I think the defeat of Alger and Foreman was one of the great accomplishments of the election. It just shows what work and money will do when applied to a good cause.

We are thankful for the help you gave us here. We certainly had a good candidate. We could not have done it without him.

Sincerely,

Houston Harte

Mr. Charles Marsh, Jr.
Chancellor Building
Midland, Texas

November 10, 1964

Dear Houston:

It was good to hear from you. I am sure that all Charles' friends were thinking of him and knew how pleased he would have been by the result of the election. I have tried to tell him - slowly and simply - that Lyndon had been made President by election. I have not been sure that he understood - but I hope he did.

We have all been delighted too, that Charles Jr's man, Richard White, won his battle. When Charles was here he was working so hard on this. I sent him a telegram of congratulation as soon as the outcome was certain. I hope very much that Charles will continue his interest in the political scene. The young men must be the ones to get things in better shape not only in this country but all over the world.

There is nothing to report on Charles senior. The doctor assures us that he is in no pain and I hope he is not too often aware of his surroundings because I would hate to have him suffering mentally.

Sincerely,

Claudia H. Marsh

Mr. Houston Harte,
P.O. Box 5111,
San Angelo, Texas

Re Houston Harte

Hugh Morgan
El Paso Times
P.O. Box 20
El Paso, Texas

Mrs. Charles Marsh
3242 Woodland Drive NW
Washington, D.C.

Dear Mrs. Marsh;

With Mr. Houston Harte's permission, I am writing a master's thesis about his life. I wonder if you would be so kind as to verify some of Mr. Harte's accounts and to provide any additional information which you believe should be included.

Following is some of the information I have obtained:

"Hanks and Harte met with Charles Marsh of Austin and E. S. Fentress of Waco at the Adolphus Hotel in Dallas in October 1929 and plans were outlined to acquire the Corpus Christi Caller and merge it with the Times.

"Under the agreement if Marsh and Fentress would purchase the Caller from Ray Miller and the Henrietta King Estate, the papers would be combined and each firm would have half-interest in a morning-evening combination.

"The initial agreement, however, did not prove financially satisfactory for Harte and Hanks. 'We had foolishly agreed to combine the two papers at cost. Marsh paid \$250,000 for the Caller, which would have scared us to death,' Harte recalled. The Times had been purchased by Harte and Hanks for \$75,000.' (Mrs. Marsh, I do not understand this transaction and how Harte and Hanks lost money.)

"A company, Texas Newspapers Inc. was organized and it held the stock of not only the Corpus Christi papers but the Harte-Hanks Harlingen Star and Paris News and the Marsh-Fentress Brownsville Herald and Texarkana Press. Harte-Hanks gave an additional \$35,000 to Marsh and Fentress for half their investment in the physical equipment in the Texarkana Press.

"On Nov. 13, 1929, the New Caller Publishing Co. was reorganized into The Caller-Times Publishing Co.

"The joint venture in Texas Newspapers Inc. at a time of financial crisis for the country, did not prove profitable for the four owners. So on May 30, 1932 at Waco, Harte and Hanks met with Marsh and Fentress and dissolved the partnership.

Harte-Hanks received the Caller-Times and the Paris News and Marsh-Fentress took control of the papers in Texarkana, Harlingen and Brownsville. Harte-Hanks also agreed to pay the final \$60,000 to Roy Miller.

"Harte recalled 'There were no hurt feelings. No one laid any of our troubles to anyone's failure. We left the meeting good friends and with a wholesome respect for each other. I can with certainty say this for Bernard as well as for myself.'"

Mrs. Marsh, I also learned about Mr. Harte's purchase of 2584 shares of stock in the Wichita Falls Times. However, I am lacking in some dates and other details. I believe this was about one-third interest in the Wichita Falls paper. *Prof - stock*

Mr. Harte said that Marsh and Fentress dissolved their partnership in 1947 and Marsh received the 2,584 shares of stock in the Times Publishing Co. of Wichita Falls which published the Wichita Falls Times and Record News.

Mr. Harte said that year he went to Mr. Marsh's apartment on 90th Street in New York. At breakfast, Marsh said he wanted to sell the shares to Harte for \$600,000. Harte answered that his partner Hanks would not be interested in paying for just a third-interest. Then Harte said the most they would go would be \$450,000. It was a four of five course breakfast. Finally, Marsh said "I know what you mean, The price is \$500,000 if it is agreeable to Hanks.

Harte also said Marsh should throw in an exquisite, antique love seat. And then you are supposed to have yelled from another room. "No. That belongs to me." Marsh tried to talk Harte out of including the love seat, but Harte would not retreat.

So the agreement was made. Harte obtained Hanks permission. One-third was paid in cash and the rest at 5 per cent interest was paid to a man at the Capitol State Bank at Austin, who was treasurer of Public Welfare Foundation, which was endowed by Marsh. But the love seat was slow in being sent to Harte. *Public Welfare Foundation*

Harte said Marsh sent him either two Russell paintings or two Remington paintings to take in lieu of the love seat. Harte said the paintings were worth about \$25,000. Harte said he returned the paintings and asked for the love seat. Then Marsh phoned and said he would pack the love seat. Harte finally received it and it is in his home at present.

Mrs. Marsh, I would appreciate any information you could give me.

Sincerely,

Hugh Morgan
Hugh Morgan

May 25, 1965

Mr. Hugh Morgan,
The El Paso Times,
P.O. Box 20,
El Paso, Texas

Dear Mr. Morgan:

I am sorry for the delay in replying to your letter but May has been a really hectic month. I believe the best way is for me to take up each point in order.

I did not know Mr. Marsh until around 1941 so am not too familiar on details of his newspaper operation with Mr. E.S. Fentress - except as hearsay. I should imagine you would get more accurate information on these early days from Harlon Fentress or some (if any left) of his associates still with the organization or who may know both Mr. Marsh and Mr. Harte.

I remember that after Mr. Marsh sold his interest in the Fentress Marsh Newspapers, Inc., he still owned the Preferred shares in Wichita Falls. He did not want to hold on to them and sold them to Mr. Harte. I well remember the incident in New York - though it was not a four or five course breakfast! It was what Mr. Marsh used to call a brunch. The love seat was definitely mine, but Mr. Marsh would give anything away that he felt someone else wanted. I was really teasing him because (though I was extremely fond of it as it is an unusually fine piece) this had happened to me before on other things - but of course he always replaced whatever he gave away of mine with something equally good if not better. But this particular piece is not easy to replace as they are rare. Anyway - I gave up not too easily and am glad it has given pleasure to Mr. Harte. There was never anything about the paintings you mentioned because Mr. Marsh never bought, or owned any by the artists you mention. He may have said to Mr. Harte that as he could not find another love seat comparable to the one in question, he would try to find two Remington or Russell paintings - but this was never done. It must have been someone else.

The statement in regard to the payment for these shares of stock is I know, inaccurate and I simply do not have time to go back into the files of the Capital National Bank to check this. I therefore suggest that you leave out that part. It does not seem relevant to what you are doing in any case.

Mr. Harte came to see Mr. Marsh several times here in Washington - after he became ill - and it was a great pleasure for him to see this old friend.

I do not know that I have any other details which might be helpful,
but if I can think of any, I will let you know.

Sincerely,

rs. Charles E. Marsh

The Abilene Reporter-News

BIG SPRING DAILY HERALD

The Corpus Christi Caller-Times

San Antonio Express

AND DOWNEY NEWS

MARSHALL NEWS MESSENGER

The Paris News

SAN ANGELO STANDARD-TIMES

GREENVILLE HERALD-BANNER

The Denison Herald



HARTE-HANKS NEWSPAPERS, INC. - SAN ANGELO

TEXAS

P. O. Box 5111 76902

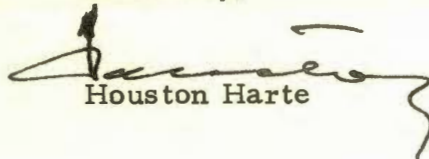
January 28, 1966

Dear Claudia:

I am enclosing a copy of a letter I wrote today to Wright Patman. I do not know what this Public Welfare Foundation case is about, but I feel sure it can be nothing but aggravation to you. I know Charlie was too smart to have done anything that did not comply with the law.

I told young Charles on the telephone today that if there was anything I could do, I wanted all of you to call on me.

Sincerely,



Houston Harte

Mrs. Charles E. Marsh
3242 Woodland Drive, Northwest
Washington, D. C.

HARTE-HANKS & COMPANY - SAN ANGELO

TEXAS

P. O. Box 5111

January 28, 1966

Dear Wright:

The AP story out of Washington about the Public Welfare Foundation and Mrs. Charles E. Marsh was a shock to me.

I knew Charles E. Marsh from the time I came to Texas in 1920 until he died in December, 1964. Harte & Hanks and Marsh & Fentress were partners in four newspapers in this state for several years in the early '30's. I am the only survivor of this foursome.

As you know, I agree with your position on foundations and tax exempt trusts.

I know nothing of the particulars of the case, but I believe I knew Charles E. Marsh. I have seen many of the annual reports of the Public Welfare Foundation. Perhaps it has not been hiring a number of people to investigate and pass on needs. I did not understand how Charles and Claudia Marsh could do all the things they accomplished in twelve months. I did know the keen judgment both were able to exercise.

The last deal we had with Charles E. Marsh was the purchase of the Marsh's stock in a Texas newspaper. We agreed on a price of \$500,000, shook hands over it and completed the transaction by paying the money to a trust Charlie had set up in an Austin bank for the benefit of some washed-out Caribbean fishermen who had lost everything in a hurricane.

Without any facts, I can imagine how he would set up a foundation. It would conform to Texas law and the Internal Revenue Code. I hope you will take a look at it yourself.

Charlie Marsh was smart. He was honest. He was unorthodox. He was a good man.

Sincerely,

Honorable Wright Patman
Washington, D. C.

Houston Harte

Reply sent from VTR

February 2, 1966

Dear Mr. Harte:

Your letter of January 28th just reached us. Claudia is on vacation in Jamaica now but will write you personally on her return, mid-February, but I want to get this note off to you at once to thank you, on behalf of all the directors of the Foundation, for your kindness and thoughtfulness in writing to Congressman Patman as you did. Your last paragraph gave us a lift. Charles was indeed a "good" man and in his case, the good he did lives after him. We work very hard to administer this trust as he wished it and we are proud of the record of Foundation's achievements.

The recent publicity emanating from Mr. Patman's Subcommittee for Foundation Study was merely a rehash of the case that has been pending with the Internal Revenue Service for over nine years. There are no new facts, no changing circumstances. In their revocation of our tax-exempt status, the IRS listed a number of complaints. I believe all have been answered satisfactorily and can be put aside to resolve the issue to just one legal and technical point: whether the income the Foundation receives in rents from the three newspaper properties it owns can be regarded, as the Government contends, as unrelated business income. From all I understand, rental income from real estate is blessed by the Revenue Service, yet rental income from newspaper leases is being questioned. That is the crux of the matter. The income from these properties is being used for approved purposes -- there is no question about that. The contest is over the very technical question of the law involved.

We agree with Mr. Patman that the tax laws of the United States need rewriting. We have cooperated with his Committee and the Revenue Service 100%; all our records and facilities have been open and available to them from the beginning, because we believe we are in the right and are anxious to get the matter settled. The case has been on the docket for Tax Court for over a year and we expect some kind of settlement or decision this year. Personally, the only resentment I feel against Mr. Patman's Committee is its use of such statements and adjectives as "just brought to light" or "details...were uncovered" or "probe" reveals, when the Foundation has been completely cooperative and all records have been open and public.

Again, our thanks and warm regards to you.

Sincerely,

Veronica Keating,
Secretary-Treasurer

Mr. Houston Harte,
Harte-Hanks Newspapers Inc.
San Angelo, Texas.

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February 2, 1966

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Sincerely,

Veronica Keating,
Secretary-Treasurer

Mr. Houston Harte,
Harte-Hanks Newspapers Inc.
San Angelo, Texas.

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P
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February 16, 1966

Dear Houston:

I am back from Jamaica and find the correspondence with you among the mail on my desk waiting for my return.

Trippy's letter gave you full details on our position with Congressman Patman so I will not go into that.

I can not tell you how much it means to me that you took the trouble to write to the Congressman. We have all tried so hard over the years to operate the Foundation along the lines of Charles' wishes, as well as according to the laws of the country. In fact if one thinks about it, I doubt that there are many Foundations who are operated with a staff of two. And we would have been able to spend vastly more for the welfare work had it not been for the problems arising from the IRS and the Congressman who simply do not understand what to them is an unorthodox organization.

But as you know, Charles was not one to operate as others do and was always unexpected in his thinking!

But it is a great thing to have had an old friend take an interest in our cause. We have made no appeal to anyone as we are so certain in our own minds that we should not be penalized.

There is no doubt that the whole field of Foundations will have to have a reorganization, but we hope we will not find ourselves in position where the welfare work suffers.

With all good wishes and the hope that you will be this way before too long,

Sincerely,

Claudia H. Marsh

Mr. Houston Harte,