## Walters Could Sell Agent Business, Tape Shows

By Chris Mortensen Staff Writer

CHICAGO — Two weeks of testimony and a 40-minute tape recording of former sports agent Norby Walters attempting to sell his services to former Iowa football player Ronnie Harmon have clearly demonstrated Walters's salesmanship.

Harmon, now with the Buffalo Bills, kicked off the federal racketeering trial of Walters and Lloyd Bloom by providing a taped sales pitch recorded March 8, 1985, the day Harmon accepted \$2,500 in cash and signed a contract with the two in violation of NCAA rules.

Walters told Harmon and his father, Jesse Harmon, "There's nobody larger than I am. ... I've become No. 1 ... the agent of the stars."

Every player who has testified has told of Walters's sales patter in which he declares himself "the agent of the stars," citing numerous entertainers he has repre-

"Walters now is out of the agent business. He and Bloom are being tried on charges of racketeering, mail fraud, wire fraud and extortion stemming primarily from their dealings with more than 50 athletes from 1985-87.

sented as a booking agent for 20 years.

Harmon, the first witness, testified he used a microcassette tape recorder that he "took out of a bag and placed on my leg" as Walters made the pitch in the agent's Manhattan office.

During the tape, Harmon speaks just twice and his father occasionally, if only to say, "yeah" or "mmm hmm," according to a transcript of the tape. Walters and Bloom, who also was pre-

sent, said they did not know Harmon taped

the meeting. Walters was behind his desk, Bloom off to the side, Harmon testified. Harmon offered no explanation why he taped the coversation. But defense attorney Dan Webb accused Harmon of "setting up" Walters since Harmon has not repaid almost \$50,000 in money and benefits he

received from Walters. "I didn't set him up," Harmon testified.

These are excerpts of a transcript of a tape-recorded "sales pitch" sports agent Norby Walters made to University of Iowa running back Ronnie Harmon on March 8, 1985. The tape was played in federal court in Chicago.

WALTERS: Well, ya know I've become the No. 1 one agent in America regarding musical entertainment. As you can see by gold and platinum [records] and some of the posters, I mean I represent . . . the cream of America. There's nobody larger than I am, Mr. Harmon.

HARMON'S FATHER: Yeah.

WWALTERS: You ask anybody who's knowledgeable if there's anybody that you know in the entertainment world and say the name of Norby Walters, they'd say he's No.

HARMON'S FATHER: Mmm hmm.

WALTERS: Certainly, sports is equal to music in the picture of entertainment. HARMON'S FATHER: Mmm hmm.

WALTERS: So that's where we are today, making our major push into sports. We've chosen football because of Lloyd's kndwledge being like an encyclopedia of football. He knows everything about everybody who did everything and what they did and where they went and why they did it and how they played and what . . .

HARMON'S FATHER: Mmm hmm.

WALTERS: So that's the position we've taken and that's where we've gone. So now you make an analysis: Well, who do you sell? Who do you sell? What do you sell?

So as a great salesman of entertainment, we honed in on who we should sell. So he [Bloom] is the guy who knows it all. And he says, 'We're gonna sell Ronnie Harmon. Wooo. So he's the guy who knows it all, and he says, 'We're gonna sell Ronnie Harmon.' Wooo. Right. OK. We're gonna sell, because he understands what the marketplace is, what the people are doing, what is their potential. See, we're not going after established artists. We're not going after established talent. What I learned to do in sports is exactly what I did in the music side of entertainment. is to take the young potential star, and take

him and turn him into a superstar. What I want to do now, OK, is treat Ronnie Harmon as a businessman and we're talking about business. The product is Ronnie Harmon. Just like the product would be a telephone. We'll take Ronnie Harmon out of take himself out of himself and, understand, you and Ronnie Harmon are here ... We want to sell the Ronnie Harmon business. Norby Walters and Lloyd Bloom, we want to represent the selling of that product in the marketplace. And today before the product comes to market, before it comes to market, I say I want to make a deal now. Today. I don't want to wait 'til January. I want to make a deal now. And I say I'm willing to make the bet. In two ways. I say today, I'm willing to come up with a few thousand dollars, cash American, for Ronnie so that he has it, to do as he please, to give it to the family, to take care of some mortgage payments to live his life ... I'm not counseling you on that part ... That part is to be between your mom and dad and Ronald, and you can decide what to do with that. In addition to that from now, today on the first day of every month, from now until the day he starts playing ball . . . hopefully starts playing ball ... I will make sure that there's a telegram out there in lowa, or wherever he is . . . that each first of the month, he'll go there and there'll be \$250 sitting there, waiting for him. So that Ronnie Harmon can lead a middle-class, interesting kind of life without having dad send him \$100 a month, or \$50, or \$75 . . . These schools get all kinds of funding, and they don't give a kid a couple hundred a month. Big deal they, they let him go to school for nothing. Hey, he could go to school here in the city university here for

HARMON'S FATHER: I'm just saying that a rule is a rule. It's just like that.

WALTERS: Sure. HARMON'S FATHER: The same thing like the police. They got rules.



When pitching athletes, Norby Walters would emphasize his music connections and call himself 'agent of the stars.'

HARMON'S FATHER: Yeah.



Lloyd Bloom, like Walters, is being tried on charges of racketeering, mail fraud, wire fraud and extortion.

WALTERS: Yeah . . . It's just like income

HARMON'S FATHER: Right. They got

WALTERS: Dig it. It's just like income

HARMON'S FATHER: You know . . . OK like income tax.

WALTERS: But the name of the game is that we don't give 'em their money unless we have to. That's the name of the game.

HARMON'S FATHER: Yeah.

WALTERS: OK, we're taking care of a piece of business here right now . . . We're taking care of a piece of business.

BLOOM: But charity begins at home. It is universal. I'm an ex-ballplayer. Once Ronnie's season's done this year, they're not even gonna care about him. They're wondering who the next president . . .

WALTERS: The next stop ... HARMON'S FATHER: Yeah.

BLOOM: They'll give you a pat on the back and say, 'Hey, man, you did great for the university. Who's that next junior taking Ronnie's place?'

HARMON'S FATHER: Oh yeah, everybody does that.

WALTERS: But the point is this thing, what happens is this . . . that the schools are taking in millions ... now why shouldn't a youngster who's a star wait? If he was a broken down valise over here he wouldn't be sitting here and I wouldn't be talking about money. Because Norby Walters, the agent of Kool and the Gang who last year did \$11 million, I wouldn't be sitting here talking to you, unless I believe we got a star.

HARMON'S FATHER: Yeah.

WALTERS: See, because, I hope you understand that. All right, if I'm sitting here representing multimillion-dollar stars, that I'm not sitting here wasting my time if I didn't believe I got a star on my hand.

HARMON'S FATHER: Exactly.

WALTERS: Solid. The point is ... if they have a star on their hands who's helping 'em win games who is running his butt off out there and who is All-America all over the place, why don't they take care of him? Why don't they give him some money? They don't. They say, 'Here, we'll put you in school for free."

HARMON'S FATHER: What I want to know is this: If you feel that way, then why not wait until it's time, instead of taking a chance on getting him in a jam?

WALTERS: Well, let me put it this way: Hey, I'm gonna put my business on the line, and hope that if he doesn't give me up, then I am willing to gamble on the fact . . . Hey, I can lose that gamble, Mr. Harmon . . . I'm putting my business on the line just like he

HARMON'S FATHER: Oh, yeah. Yes you are. But what I'm saying is this: Even if you put your business up, you still have the power to fight. We don't have the power at

WALTERS: You want to know something? I'm gonna give you a good situation. First of all, let's put it this way: If we sign a piece of paper and we do a piece of business . . . I mean, there's four of us, and then there's mama . . . That's the end of that.

WALTERS: That's finished business. The fact that he now has a few thousand dollars, and to take care and help out a little bit and the fact that he's got himself a few hundred dollars a month over the next year or year and a half ... I mean, that's nobody's business, but right here.

HARMON'S FATHER: Sure.

WALTERS: I mean, that's all that is. HARMON'S FATHER: True.

WALTERS: Now, by having that, what do we have? What we have is the fact that if we wait until the end of the year . . . so what have we gained? We've gained nothing. What has he gained? He's gained nothing.

HARMON'S FATHER: Nothing, right.

WALTERS: If he's gonna sign, OK. If he's gonna sign, OK, with someone who he believes . . . because for the fact that alone he can't really get through the maze of these, companies and to get from them what you're supposed to get because the name of the game is that I never go into court without hiring a lawyer. I never go into a hospital without having a doctor.

HARMON'S FATHER: I hear ya.

WALTERS: I don't play the game of knowing that myself.

HARMON'S FATHER: Yeah. WALTERS: Let me pay the going rate.

HARMON'S FATHER: Yeah.

WALTERS: I say, why not now? Have the opportunity to know that you are represented by the man who is No. 1 in the music world. Every person I represent is a half-an-

OK, I'd say this: If Norby Walters is the agent to the stars ... Why do we have to wait until January? I say here's a few thousand dollars a month in his pocket during the next April, May, June, July, August, September, October, November, December, January, February, March, April . . . next year ... until he's gonna feel [tape inaudible at this point] in his pocket. Why not? If he's gonna choose somebody, why not some-

HARMON'S FATHER: I agree with that. But what I'm also saying is this . . . also that you are established . . . why not wait, if you know you got confidence in yourself?

body who has created a megamillion-dollar

WALTERS: What point . . . Look at it this way, you say . . . I mean, I can wait.

HARMON'S FATHER: Yeah.

WALTERS: I can wait.

HARMON'S FATHER: Yeah. WALTERS: There's no problem in wait-

ing. What I'm saying is, why wait? HARMON'S FATHER: Yeah.

WALTERS: By the way, the NCAA says you can hire a lawyer. You know that, don't you? The NCAA said that he could hire a lawyer to represent his business, as long as you don't call it consultant agents. But a lawyer is surely a consultant.

HARMON'S FATHER: Yeah.

WALTERS: So the NCAA says very clearly you can hire a lawyer. Well, supposing the lawyer was an agent, as many lawyers are. There are many lawyers who are also agents. So which hat are they wearing when he hires?

HARMON'S FATHER: See, this is what I'm getting at: OK, they wear a hat this way or anyway . . . It's us that get hurt.

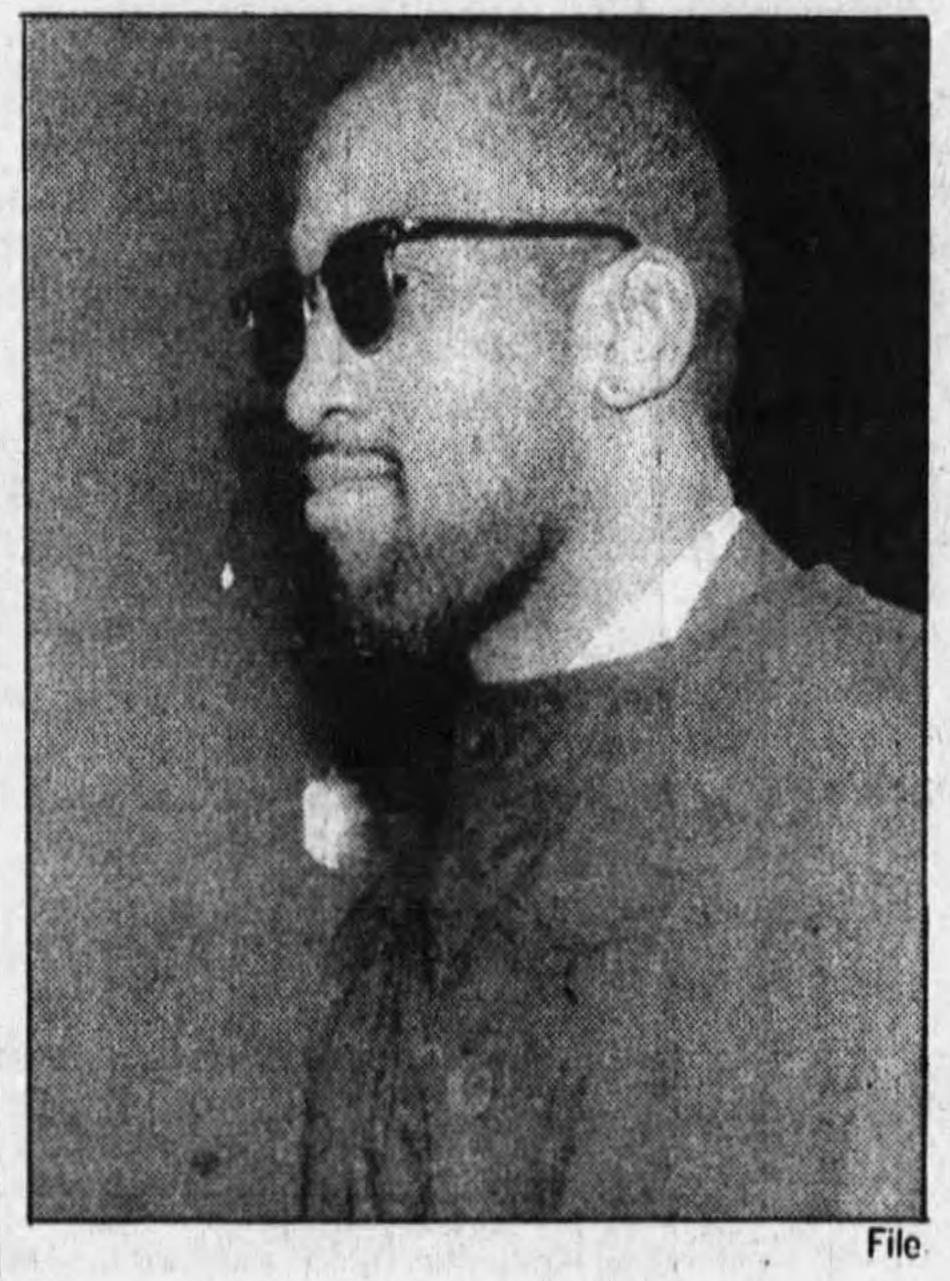
WALTERS: The point is, you see, let me say this to you, that's the point of this . . . He can hire a lawyer, you can hire a lawyer to take care of Ronnie Harmon's business.

HARMON'S FATHER: Yeah.

WALTERS: Suppose that lawyer also happens to be an agent. Then what? Would that be an infraction of the NCAA rules? HARMON'S FATHER: Well, I'm saying.

ah, ah, I'm saying the NCAA says no. WALTERS: No, that's not true. It's not

sports business, I can't afford to lose my an infraction of the rules.



Former Iowa running back Ronnie Harmon signed with Walters and Bloom in violation of NCAA rules.

HARMON'S FATHER: That's what I say. WALTERS: No, the infraction, the NCAA says ... You're hiring Norby Walters. I'm your lawyer. I want to be your lawyer. You say, 'Great, you're hired.' OK now, the only thing the NCAA says, we can't sign and make it legitimate.

HARMON'S FATHER: Yeah.

WALTERS: You can hire me verbally to be your lawyer, but I can't say I'm your

HARMON'S FATHER: Exactly.

WALTERS: What now? So therefore. you see the whole thing hinges on some jive semantics.

HARMON'S FATHER: That I know. The

whole thing is fouled up. WALTERS: Good . . .

HARMON'S FATHER: But he's got the

WALTERS: Well, the point is this: We don't tell them.

HARMON'S FATHER: I understand

WALTERS: Now, by not telling them,

what do we win? What we win is that he's got a few thousand dollars . . . . HARMON'S FATHER: Yeah.

WALTERS: What we win is the fact that he's got a few hundred dollars a month at his disposal. Income to have. And come Jan. 2, we then send in the paper to the NFL. By the way, the USFL doesn't give a ... We give the paper to the NFL and that's it. Now the question is between now and then, the fact that he's got a few thousand, he gets all the money, it's to his benefit because he's got money that hopefully he's gonna earn in

HARMON'S FATHER: Yeah. WALTERS: But he's got use of the mon-

HARMON'S FATHER: Yeah.

WALTERS: Now he's got a man working for him. Instead of hiring him in 1986, he hires him now. That's the gamble. My gamble is giving him money. Maybe he gets hurt

HARMON'S FATHER: Yeah, you're gambling . . .

WALTERS: Maybe he gets so screwed

up that I lose my \$6,000, \$7,000. HARMON'S FATHER: OK, say you

don't mind.

WALTERS: Well, the point is . . . I'm not gonna walk around as the guy who signed Ronnie Harmon . . . 'Wooo, I just signed my I'm not crazy.

HARMON'S FATHER: I know. WALTERS: I got my business at stake.

You say you can afford it. You can afford it. Norby, he can't. Well, let's put it this way: I can't afford to lose my business. HARMON'S FATHER: No. no.

WALTERS: Now, if I'm going into the

American Federation of Musicians license, which is just like the NFLPA. I can't lose that license. I can't afford to lose that license 'cause it would put me out of business.

HARMON'S FATHER: All right, all right. WALTERS: OK. So I'm not gonna do anything to jeopardize that. If we make a deal here with the family and he signs, and I

sign, that's the end of that. That piece of pa-

per goes in your vault, that piece of paper

goes in my vault. He's got a few thousand

dollars to do with as you wish. And then, at

the first of every month, he's got a few thou-

sand dollars every month to run his life. HARMON'S FATHER: Yeah.

WALTERS: Come Jan. 2, then we file the paper and he has his agent. I'm willing to gamble. He's got the bucks and come Jan. 2, he has to choose somebody anyhow.

HARMON'S FATHER: Yeah. WALTERS: So now I say, I want him to choose me now. Because by Jan. 2, who knows, maybe he screwed up, maybe he's a great winner. I say I'm making my bet.

BLOOM: We're taking a big gamble . . WALTERS: I'm making an early bet.

HARMON'S FATHER: You are taking a gamble, and so is he.

WALTERS: And from the neighborhood you're from the neighborhood ... we don't want to think that thousands of dollars is a small bet. HARMON'S FATHER: Yeah.

WALTERS: You're a businessman. You're a working man. Do you understand what it is? Do you understand what it is to save a thousand dollars?

HARMON'S FATHER: Exactly. WALTERS: Save a thousand dollars after taxes, after living your life, and trying to save one thousand dollars in the bank?

That's a hard save. HARMON'S FATHER: Yeah. WALTERS: So when I say that I'm coming up with bucks, I don't want you to think

I'm treating my bucks lightly. HARMON'S FATHER: No, no.

WALTERS: I'm a good businessman, making an investment in Ronnie Harmon ... an investment. I might lose, and I'm taking a pretty good gamble.

HARMON'S FATHER: Yes.

WALTERS: What I want to do is take that gamble.

HARMON'S FATHER: Yes.

WALTERS: Now, what Ronnie Harmon wins, or what the Harmon family wins is, No. 1, we have dollars. What that does is relieve maybe some economic responsibility on your part. Now you don't have to send Ronnie \$50 or \$100 a month, and he's got a little pocket money. He now is picking up the money from me . . .

HARMON'S FATHER: Yeah. And we're all taking the gamble. We have to worry

about not being caught. WALTERS: Well, wait a second. We take a piece of paper that's signed, OK? That line of conversation is, a piece of paper goes into your vault at home, and it goes into my vault. That's done. That's the end of that. We're not walking around like chumps or like

HARMON'S FATHER: Oh, no, I'm not

saying that. WALTERS: Now, the being caught means . . . there's no way. When there's two pieces of paper, you got a copy and I got a copy, and we've agreed to do business and I go to my vault. Come Jan 2., it comes out of the vault and we send it into the NFLPA.

BLOOM: That's not dated today anyways.

WALTERS: That's right. We're gonna

date it Jan. 2. We're not dating it today. HARMON'S FATHER: We're dating it Jan. 2, and we're putting ... we're not dating it today . . . we're gonna, we're gonna, we're gonna put it away and we're gonna put it away . . . come Jan. 2 . . .

RONNIE HARMON: How long is this

WALTERS: The contract . . . well, we will read the contract. The contract is the time of the deal we make with the football company."

HARMON'S FATHER: OK. WALTERS: So if we make a deal with the New York Giants for three years, that's the time of the contract. After that, if you want to fire me . . . if you were unahppy with me, you fire me.

RONNIE HARMON: And how much percentage you do take. Say, six?

WALTERS: Good. It averages six because, it's 10 percent the first year, it's 5 percent the second year, it's 2 percent the third. year. How much did that cost? Seventeen percent. For three years, that's a little less than 6 percent. By the way, I didn't make up those numbers. Those numbers are made by the NFL.

RONNIE HARMON: Is that for everything I do?

WALTERS: No.

RONNIE HARMON: Everything outside WALTERS: No.

RONNIE HARMON: How is it . . . for in-WALTERS: No, no, no ... hold, sorry. You just said something else. You went to a

different place. Let's assume we're gonna do

business. Let's talk business. RONNIE HARMON: All right.

WALTERS: ... Now let's talk about endorsements, commercials, sponsorships, films, television and everything else ... straight 10 percent. If I make a deal for \$1 million with the Coca Cola firm, I get \$100,000. If I make you a deal for \$100,000, I get \$10,000. Not \$7,000, not \$8,000. I get 10. thousand bucks. Now somebody may say, oh, I should take less. I say, 'Good. You go get the deal, schmuck. Let's see if you know where the deal is.' I know where the deal is. You see, I know where the well is. You see the ground, good. You find the water. I know where the water's at. Therefore, I get a full dime. Now got that?

End of taped conversation. Harmon accepted the deal, signed a contract and received a \$2,500 bonus. During the next year, he would receive money, a car and loans of approximately \$54,000.