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Agent's `sickness' cost client \$125,000

By Adrienne Drell March 24, 1989 Publication: Chicago Sun-Times Page: 7 Word Count: 463

Sports agent Lloyd Bloom went through \$125,000 of football star Paul Palmer's money in 10 days and eventually confessed to "a sickness with money," his former accountant testified Thursday. Joel Levy, a certified public accountant in Los Angeles, said that after he warned Bloom about the expenditures - including an \$82,000 down payment on a Rolls Royce Corniche convertible - Bloom turned over all his records and credit cards to him.

"He told me he had a sickness with money and trouble managing money and said that's why he hired me," said Levy, former accountant for Bloom and current accountant for Palmer, who is a running back for the Kansas City Chiefs.

Levy, testifying under immunity at the federal fraud trial of Bloom and fellow agent Norby Walters, was recalling a series of 1987 chats with Bloom.

On July 27 of that year, Palmer invested \$125,000 in a firm that Bloom was starting in Los Angeles to help people get their credit back.

That same day, Levy said, Bloom took \$82,242 of that money and spent it on the Rolls. Over the next nine days, he spent the remainder of Palmer's money, including \$6,958 on clothes, \$150 for three months of tuition at a karate studio and \$2,886 on overdue credit card bills, the accountant said. Bloom also gave \$2,500 to his father and nearly \$2,000 to his ex-wife, Levy

said.

Prosecutors say Palmer also gave Bloom a \$14,000 investment in an entertainment agency run by Bloom to help support its sole client, TV star Teri Copley. Palmer also lost that money, they say.

Under cross-examination by Bloom's attorney, Dan Webb, however, Levy said he "didn't believe Bloom cheated Paul Palmer out of the money."

"If I had thought someone was cheating Paul Palmer, I would have told him," he said.

Levy said he didn't meet Palmer until February, 1988, when the athlete and his fiancée, Virginia Taylor, questioned him about Bloom's firm and were told what had happened to Palmer's money and that Bloom had invested none of his own money in the firm.

"He and Virginia were shocked at how little was left," said Levy.

Webb contends Bloom intended to repay Palmer. An out-of-court settlement with Palmer reached on the eve of the trial was not revealed to the jury on orders of U.S. District Judge George Marovich.

In other testimony Thursday, Temple University President Peter Liacouras said Palmer lied to officials in March, 1987, when asked about rumors that he had signed a contract with Walters and Bloom in violation of amateur rules.

And when he learned the following summer that Palmer had indeed signed, Liacouras said he demanded Palmer pay back an estimated \$7,600 in scholarship money.

Palmer, who also has agreed under a deal with prosecutors to make restitution to the school, has not yet sent the money, Liacouras said.

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