

← Back

# Appeals court tosses out conviction of 2 sports agents

---

*By Rosalind Rossi* September 18, 1990 Publication: Chicago Sun-Times Page: 1 Word Count: 606

The 7th U.S. Circuit Court of Appeals on Monday threw out the conviction of two sports agents accused of enticing college athletes into professional contracts with gifts and cash. The three-judge panel ruled that a federal judge erred in not giving a certain instruction to the jury on behalf of **Norby Walters**, 57. The panel also found that **Walters'** co-defendant, **Lloyd Bloom**, 30, should have been granted a separate trial.

Reached late Monday in New York City, **Walters** said, "God bless the judicial system. I feel vindicated. I am thrilled.

"Today is a great day. It's the day before the Jewish New Year, and I couldn't have gotten a better present. I couldn't be more overjoyed."

**Walters**, who was represented by attorneys Ty Fahner and Andy Frey, said he had sold his sports agent business. But after 25 years in the entertainment world representing such clients as Ben Vereen and Patti LaBelle, he hopes to continue working in some capacity in that field.

"We are delighted and believe that justice has won out," said attorney Steven Molo, who represented **Bloom** along with attorneys Dan Webb and George Lombardi.

"The ball is in the government's court, but we believe the opinion is solidly grounded in

fundamental legal principles."

Assistant U.S. Attorney Ira Raphaelson said his office was studying the opinion to determine whether it would be appealed.

Walters and Bloom had been free on appeal bond following their convictions in April, 1989, on charges of racketeering, racketeering conspiracy and mail fraud involving the University of Michigan and Purdue University.

The two native New Yorkers were accused of secretly signing college football players to exclusive representation contracts with their firm, World & Sports Entertainment - a business prosecutors alleged was funded by organized crime.

The two allegedly provided signing bonuses in the form of cash, no-interest loans, sports cars and other incentives, and then threatened those who tried to break the contracts or refused to repay the loans.

Evidence indicated the players lied about the existence of the contracts to various universities and continued to receive scholarships from the schools to play athletics.

The appellate court ruled Monday that the "linchpin" of Walters' defense was his contention that his actions were taken in good faith, based on the advice of attorneys from Shea & Gould he consulted before signing his first sports clients.

"If the jury accepted this characterization of the events," the appellate court ruled, "Walters could not have been considered to have formed the specific intent necessary to commit fraud upon the universities."

The court found that U.S. District Judge George M. Marovich erred in refusing to give an instruction to the jury on the advice-of-counsel issue.

"Walters reasonably developed this defense, and he deserved to have the jury, not the court, determine its validity," according to the decision by William Bauer, chief of the 7th Circuit Court; Judge Daniel A. Manion, and Senior Judge Jesse E. Eschbach. "He was substantially prejudiced by the omission."

The court also found that once Walters pursued his advice-of-counsel defense and called his

attorneys as witnesses, it compromised **Bloom's** decision not to waive his own attorney-client privilege.

**Walters'** defense, the court said, forced **Bloom** to "observe his own attorneys testify about the intimate discussions to which he had been a party," even though he had not waived his attorney-client privilege.

"Once **Walters** pursued his advice-of-counsel defense, as was his right" the court wrote, "**Bloom** must have been provided the opportunity of a separate trial. Any other course of action forced **Bloom** to waive his attorney-client privilege. We cannot tolerate such devil's bargains."

**Walters** had been sentenced to five years in prison, and **Bloom** had received a three-year prison term.

Contributing: Art Petacque

---

**Chicago Sun-Times**

**Date:** September 18, 1990

**Page:** 1

Copyright 1990, 1996 Chicago Sun-Times, Inc.