

Chula Vista Connections

Friendly, personable, and quick to laugh with a sly sense of humor, Brent Wilkes presented himself well. Suspenders were in and I remember his were red. Although he was not a registered broker, Wilkes was a Senior Vice President of Aimco with an office of his own and he clearly had access to the ear of Marvin, the firm's principle. Their strategy was straightforward. Brent would use his contacts and friends to get politicians to host round tables on various topics of general interest. This would serve to bring both potential sponsors and investors together under Aimco's roof, setting up a scenario where everyone could realize the means for serving their individual interests. Finding campaign supporters was the subject foremost on the politician's minds and discovering deals that could be developed occupied the thoughts of everyone else.

We made the rounds with Marvin and Brent to introduce Audre to the stockbrokers on staff, with Joel making a brief pitch for his stewardship over Audre's floor trading at the American Stock Exchange. After all was said and done, Mr. Lovett was soon on his way back to New York and I was scheduled to attend Wilkes' next séance. I attended three in total, the first with Alan Keys, the second with Bill Lowery and the third with Susan Golding. Alan was urbane, academic, and thinking about running for President. Bill was San Diego's boy wonder, a personable representative that I had met once before at a technology luncheon. He was famous for being elected to the City Council after graduating from San Diego State University, to then enter service as Deputy Mayor under Pete Wilson and lastly winning election to Congress, all in rapid succession. The especially good news was that Bill had an interest in supporting San Diego technologies and was a member of the Defense Appropriations Subcommittee. Last but not least was Susan Golding. Susan was at that time the Mayor of San Diego and a delightful, intelligent person. Not so coincidentally, she was another SDSU graduate, just like Bill and Brent.

I was enjoying the roundtables and the setting was perfect. Aimco had an outdoor terrace at the top of an office building that overlooked Miramar's Naval Air Station and their Top Gun fighter pilot school. Tom Cruise's 1986 movie of the same name had made the school and one of its instructors, Vietnam Ace Randy "Duke" Cunningham world famous. Drinks and a buffet were usually set up on the veranda; weather permitting, where we were often entertained by the take-off and landing exercises of the station's F-14 and F-

18 fighter jets. Although Cunningham had retired in 1987 and was at this time the Congressman from the 44th District in southern San Diego, in retrospect I had to chalk up meeting Wilkes against that background as another one of those coincidences.

The roundtables were held in the conference room and were well attended by a lot of notable local business leaders. Brent was an excellent host, always presenting his guest with kind words and levity, prompting changes of topic at appropriate passages, and ultimately ending with a short speech stroking his guest and encouraging that the attendees provide them with campaign donations. On a personal level Wilkes and I hit it off well. We were close in age and we both shared a slightly irreverent style. He was very impressed with my business credentials, with my having co-founded a very successful medical company in 1979 and the evolution of my interests from artificial hearts in 1980 to becoming a leader in the field of artificial intelligence since the mid-80s. To top it all off, many of his roundtable attendees were very familiar colleagues of mine from both my medical and computer business endeavors.

Audre was by this time the ninth highest stock-market capitalized company in San Diego. We had reached a value of nearly \$400 M after being awarded the ADMAPS project and justifiably believing that we were just beginning to succeed, the prognosis was for a lot more prosperity in the future. I had become a member of the University of California San Diego's Industrial Liaison Committee when Audre's software was honored in 1986 as an outstanding example of state-of-the-art high-technology items that were placed in the University's "Time Capsule", to be opened in 2060 on the 100th anniversary of the founding of UCSD. In 1988 Audre was a finalist in UCSD's "Most Innovate Product" awards, an achievement that institutionalized me even further as a fixture on San Diego's high-tech scene. I had also been honored with a couple of national nominations as the Arthur Young, Ernst & Young, Inc. Magazine and Merrill Lynch sponsored "Entrepreneur of the Year" in 1989 and again just months earlier in 1992. The nominations were "To honor those individuals and companies whose ingenuity, hard work and innovation have created successful and growing business ventures."

I was proud to have been acknowledged for my past accomplishments, but it was all about making Audre realize its true potential and deep in my heart I knew that no one had seen anything yet. My mission to direct state and federal appropriations to large-scale conversion contracts could immediately

result in tremendous cash flow to my company. Much to the envy of many of my former medical associates, the best attribute to running a successful software company was that after the program was developed; there was virtually no cost of manufacturing associated with duplicating it. My first medical company was funded by the famous venture capital firm, Kleiner & Perkins and it was no accident that they were at that point in time underwriting much of the biotechnology development in San Diego.

I had spent my fair share of time in medical manufacturing and in no way did I miss the mandates my former associates suffered with for sterility, laminar flow environments, stringent quality control programs and oppressive regulatory oversight. Getting a product developed and approved was just the start of a very long and complicated process. Software, by comparison, was mass duplicated and if that was too much to bother with, you could easily transmit it electronically, dispensing with even the minimal packaging that protected the digital cassette or compact disc. Best of all, if you had an exceptionally large delivery requirement, all you had to supply was a master copy and the appropriate number of encryption access keys.

Wall Street loved it because once you obtained an order there was little doubt about being able to fill it. Labor unions, trucking strikes, raw material prices were all problems associated with the prior industrial age. Audre was a charter member of the age of automation, and we were very much enjoying the attributes that came associated with it. Wilkes was a CPA by training, and it did not take long for him to appreciate the significance of a serious software program's ability to generate extraordinary profits. It became very apparent that he saw in me a lot of what he was aspiring for: prestige, power and personal wealth. It turned out to be no coincidence that he very much wanted to become part of my world.

Although his interest in working with me was evident, I only learned recently that no one had ever stepped forward to invest their pensions with Aimco and the firm had been on shaky ground since its founder, Marvin Friedman was accused in 1991 of taking more than \$250,000 of his clients' funds. I had tried to follow up with their stockbrokers to see if they had any interest in participating in trading Audre's stock, but with all their difficulties it was out of the question for them to speculate on anything. Without there appearing to be any potential conflicts of interest between Aimco and Audre, I asked Brent if he would be interested in joining Audre and helping me lobby on behalf of our programs. He was very interested to say the least. I would

later learn that Marvin had been advancing Brent a salary with the expectation of getting paid back and when that did not happen, he sued Wilkes and eventually won a settlement that would come to affect his employment with Audre.

I offered Brent a senior management position, with a good starting salary and generous stock options that would make him a wealthy man if we achieved our government goals. I was taken by surprise when he insisted on remaining independent, preferring that I hire him as a political consultant. I informed him that the stock options I offered would only be granted if he joined us as an employee, but he said he would rather remain objective and be compensated via his fees and bonuses based upon performance. It made no sense to me at the time, but I certainly had no problem with any of his conditions and we quickly reached an amicable agreement.

We initiated our working relationship by visiting Sacramento to call on his close friend Steve Peace. It came as no revelation that Steve was a SDSU alumnus. Steve's claim to fame and popularity was his production of the "Attack of the Killer Tomatoes" films. He was funny, extraordinarily bright and engaging. Audre had been working with the California Department of Transportation since the mid-80s in an attempt to modernize their mapping and road design capabilities. CALTRANS management had bought a number of our systems and they were appearing to progress through automation, but in fact they hardly used them. Infinitely behind schedule on almost every undertaking, it was a frustrating situation for Audre, especially since we had conclusively proven time and again that our software would significantly advance their responsiveness. Like our situation in the nation's capitol, the time had come to bring this opportunity to the statehouse.

We first became aware of CALTRANS' intransigence to improve their internal operations while initially training their staff to use our software. Immediately upon concluding our class by actually converting one of their most complex engineering drawings in a fraction of the time they traditionally took, their employee union's steward stood up and said that automation would make obsolete their jobs and Audre had just shown its software was their ticket to the unemployment lines. If I remember correctly, I think his name was Ned Ludd, or at least the effect of his speech was reminiscent of his British namesake's infamous attempt to stop the industrial revolution. We were definitely riding CALTRANS' off ramp to oblivion after that memorable moment, and I thought that the time had come to make the

legislature aware that their union was sandbagging the road systems and any attempts by their management to make their methodologies more efficient.

Steve immediately grasped the situation, but there was one not so small problem. Steve had been part of a small group of Democrats that had attempted to overthrow Willie Brown's stranglehold on the speaker's seat, an unsuccessful scheme that landed him in the proverbial doghouse. Brown's punishment ranged from assigning Steve an especially small office, to designating him to distant parking privileges. The worst part was that he also insured that he had no standing to independently propose legislation. There was no doubting that Peace needed to make peace with Willie and he thought my project might play well into his penitence plans. Steve made arrangements for me to kiss Willie's ring and it was one of the most memorable five minutes I ever had with a politician in California.

After graciously making me comfortable in his immense office and listening attentively to my tale, he sat back with a broad Cheshire Cat smile and said it came as no surprise to him that CALTRANS' would have a resistive attitude towards automation. He then remarked with pleasure that possibly the Governor was not up to the task of holding them to account and that the legislature might need to schedule hearings into the matter. I wholeheartedly agreed with encouraging the legislature to investigate CALTRANS modernization mess. I also knew then that my best strategy would be to open a second line of communication directly with the Governor's office.

With California's legislature now on track to slowly address the answers to assist in alleviating the State's traffic jams through design automation, I engaged another lobbying firm with ties to Governor Wilson and Assemblyman Peace to represent our interests and re-directed Mr. Wilkes to Washington. Although I ended up spending a lot of time in Sacramento and actually sponsored through Steve legislation that ultimately passed through the Assembly and Senate and onto the Governor for his signature, the CALTRANS opportunity was secondary compared to that at the Department of Defense and I needed to get some federal traction quickly.

Brent was eager to get back to Washington, having spent a good part of his career there, originally setting up shop as a Certified Public Accountant. He knew his way around town and in fact had even tried his hand to pull some political strings in attempting to redevelop some blighted sections of the

District. Wilkes had also worked with a committee to preserve John Kennedy's Presidential Yacht, which coincidentally ended up at anchor near the Boys Club I worked at in my hometown of Greenwich Connecticut, way back during my High School days. Although he spoke fondly of his time along the Potomac, it apparently did not pay off as he had hoped, and he had returned to San Diego to start over.

Speaking of High School, although he did not share with me a lot of details regarding his time in town as a CPA, he did make first mention of his High School and College buddy Kyle "Dusty" Foggo. Brent told me he and Dusty first became friends as teammates on their school's football field, becoming college roommates after graduation. They jointly joined the Young Republicans association at San Diego State University, a membership that provided them with the opportunity to meet Bill Lowery and Susan Golding. Brent assured me that he and Bill had remained close friends ever since and that I was well served by meeting Bill at Aimco. Bill had taken a liking to me, and our budding relationship would work well for Audre in Washington.

I had already made a trip to the Capitol before Wilkes started working for Audre and my meetings surprised me by quickly succeeding in establishing a foundation for our future forays. Those first meetings in DC were also very memorable for their outcome, a sequence of events that had its start back in San Diego when I first became introduced to Congressman Duncan Hunter through a mutual acquaintance who was a law school classmate of his. Duncan was a member of the Armed Services Committee and after hearing about my work within the Department of Defense, he generously extended an invitation to me to pay him a visit when I was next in town.

I immediately made the arrangements and knowing the Congressman was an adamant supporter of President Reagan's Star Wars Program, I tailored my briefing to specifically address the slow design automation progress at the Redstone Missile Arsenal. Engaged in a process of entering all their design archival information by hand, the Huntsville facility was in no way the model of modern efficiency. Duncan politely expressed complete disbelief at my detailed description of mediocrity within the missile modernization project. In what I would learn to be his style, to settle the matter he straight away arranged for us to meet with the Lieutenant General in command of the Star Wars program. Uncomfortably placed in the position of not quite being entirely prepared to tell the General that his program had serious problems, I was quickly made to feel at ease when General O'Neill

unbuttoned his jacket and made himself comfortable in one of Duncan's plush chairs, signaling to me to take as much time as I needed to tell him the whole story.

Both the Congressman and the General listened carefully, and I was comforted when they expressed appreciation for sharing with them my perspective on the program. Although they remained completely doubtful of the premise of my presentation, after all they had spent billions obtaining the most advanced equipment and recruiting the best and the brightest to address this national priority, General O'Neill agreed to travel down to Huntsville and look into my assertions right away. I left the meeting noting to myself how I had never failed to be impressed by every three- or four-star officer I had ever met over the prior decade. There was an obvious line of demarcation between those that obtain that exalted rank and all that served below. We are fortunate to have such quality individuals in command of our defense.

Well, it came as no surprise to me, but I was greatly relieved when General O'Neill reported back that I was absolutely correct in my assertions about the program's glacial pace of uploading data into their CAD systems. He was amazed and beyond disappointed to learn that what I had told him was accurate and had explicitly exposed the weak underbelly of their automation efforts. Clearly this was a problem that needed to be urgently resolved. Duncan was enthusiastic to hear that I was convinced that Audre offered the solution. The best news was that we were already with a contract and in position to immediately help. In his excitement over such a convenient resolution to the problem, he virtually took me by the collar to march down the hall into the offices of his colleagues to share with them the news.

Our first stop was the office of Scranton Pennsylvania Congressman Joe McDade, at the time the ranking Republican on the House Appropriations Committee and its Defense Subcommittee. We got an immediate audience and Joe was completely attentive as Duncan provided the background leading up to General O'Neill's visit to Redstone and I filled in the details. Joe had served in Congress for 30 years and was not at all surprised by what he learned. A graduate of Notre Dame, in many ways he epitomized to me the classical Irish grandfather. Sharp, witty, and small like a leprechaun, I took an immediate liking to him and was saddened to listen as he and Duncan briefly discussed his legal woes. Indicted in May on charges of racketeering, conspiracy and accepting illegal gratuities to the tune of

approximately \$100,000 over his Congressional career, he assured Duncan that he had made an honest mistake when he and his staff did not report some of the gifts and contributions. One alleged bribe, a golfing umbrella from an event he attended seemed to underscore the severity of the scrutiny he was suffering.

Duncan seemed sympathetic to Joe's plight, and I deemed him to be a better judge of the situation than I could ever be. Joe had his hands full, but promised to be as supportive as he could. I accepted the full sincerity of his commitment to help and was struck by what appeared to be his unwarranted plight. It was probably the fact that he reminded me of some of my relatives, but after leaving Washington feeling vindicated that my quest to seek support for automating the Defense Department's conversion efforts had validity, I somehow felt compelled to send a \$5,000 contribution to his legal defense fund. It was a diminutive donation in comparison to the forces lined up against him, but I was touched that his wife called to personally thank me for my generosity and confidence in her husband's integrity.

Although I never again met with or spoke to Congressman McDade or his staff, I felt a sense of satisfaction that I might have helped him out of an apparently unjustifiable tough spot after a long career in public service. It turned out that I was not the only person to be swayed by his apology. After an eight-year ordeal he was acquitted of all charges in 1996. Looking back now on what was one of my first encounters with a Congressman in our nation's capitol, it seems more than just a coincidence that the issues that tempted what seemed to me to be a genuinely good man, would thoroughly corrupt other members to such an extent that it would eventually cause the collapse of my company and career.