



~~CONFIDENTIAL~~

NO-2-81  
13 January 1981

MEMORANDUM FOR THE RECORD

SUBJECT: Fourth Trial for Gordon Novel

1. The attached newsclipping describes the circumstances of a fourth trial being ordered for Gordon Novel (0), who was convicted in a third trial in December 1978 of conspiring to firebomb a building in the central business district of New Orleans during Mardi Gras of 1976. During the first trial of Novel in November 1976, as a defense, Novel attempted to show that he was acting on behalf of the Agency, but this allegation was rebutted by the then New Orleans Resident Officer (NORO) Peter Houck, who appeared for the prosecution. Novel's second trial ended in a mistrial when the presiding judge ordered a sanity hearing for Novel. At the third trial, Novel, who represented himself, told the local press that Houck had been subpoenaed along with about 40 other persons to appear for the defense. Houck, nor most of the others named, never received subpoenas and did not appear at the third trial.

2. On 5 January 1981, a confidential informant of the U.S. Bureau of Customs was referred to the current NORO Ronald M. Farris by a liaison contact in Customs. The informant, [redacted]

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[redacted] volunteered to Farris that he was a casual acquaintance of Novel and that Novel had told him that he planned to subpoena Houck and former agency Director of Security Howard Osborne if a fourth trial for Novel was ordered.

[redacted] also stated that Novel was aware that [redacted] was going to be in touch with the Agency and had asked him to convey this message. At this point, Farris responded that the Agency had no interest in the Novel case and that any subpoenas should be referred to the General Counsel's office and would be responded to in accordance with any valid legal obligations. [redacted] also volunteered that Novel's reason for issuing a subpoena to Osborne was derived from documents which Novel had obtained

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under the Freedom of Information Act which bore Osborne's signature. Novel had shown [redacted] these documents, but [redacted] had not believed them relevant to Novel's defense on the 1976 conspiracy charges as they related to Novel's involvement in the investigation of the Kennedy assassination by former New Orleans District Attorney James Garrison (0).

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3. In addition to the above, on 19 December 1980, Novel called the NORO and without identifying himself, asked for one "John Caty," whom he said was the regional director of the

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"Domestic Contact Service" for the Atlanta region. He was informed that there was no one present by that name and asked to identify himself. He responded by saying that he would refer the matter to the General Counsel's office in Washington, but then he changed his mind and identified himself. He said that "Coty" and Treasury (ATF) Agent Lloyd Grafton (O) (the key witness against him on the conspiracy charge) were trying to "get" him again. At this point, NORO terminated the conversation, suggesting that the appropriate point of contact for him would indeed be the General Counsel's office. During the conversation, Novel referred to the present RO by name, a fact that had previously been unknown to him.

4. Farris later related this call to the ATF Special Agent in Charge (SAC) who indicated that ATF had no active interest in Novel other than supporting the state prosecution of him on the 1976 charges. The SAC also stated that ATF knew of no one by the name of "John Coty". Farris and the SAC both speculated that Novel's call was prompted by the extensive publicity which had been given to another ATF case only three days earlier in which Grafton had penetrated a Nicaraguan exile group which had plotted to assassinate Fidel Castro and members of the Sandinista junta. Novel has occasionally made cryptic calls before, and they usually coincided with developments in his case or press stories regarding the Agency or other intelligence activities.

5. NORO does not believe that Novel will actually follow through on his threat to subpoena either Houck or Osborne as he did not follow through on his publicized threats during the third trial when he represented himself. In the fourth trial, he will be represented by qualified counsel. If any attempt is made to serve subpoenas on the resident office, they will be handled in accordance with [redacted]

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6. [redacted] bona fides were confirmed by the Customs agent who considers him to be very reliable. [redacted] considers Novel paranoid and unstable, a judgement with which we would not argue, and he did not contact NORO specifically on Novel's behalf.

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[redacted]

cc: Deputy Chief, Field Operations ✓  
General Counsel  
Chief, Seattle Office  
Information Control Branch

RONALD M. FARRIS

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Section 4, Page 12 Thursday, January 8, 1981 2 The Times-Picayune/The States-Item

# Novel faces fourth trial in arson case

By PIERRE V. DEGRUY

The saga known as the Gordon Novel case will continue next month following a decision by the Orleans Parish District Attorney's Office to prosecute Novel for the fourth time on a conspiracy to commit aggravated arson charge.

Novel, convicted two years ago for conspiring to burn down the Federation of Churches Building, 330 St. Charles Avenue, on Mardi Gras in 1976, was recently granted a new trial by Criminal District Court Judge Frank Marullo Jr.

The decision by the district attorney's office to go forward with a fourth prosecution was made Tuesday, according to Assistant District Attorney Joseph Meyer, who said his office will try Novel again and "let the chips fall as they may."

Trial has been set for Feb. 17, with defense motions scheduled for argument Feb. 13 before Marullo.

"Only in this banana republic known as the twilight zone of New Orleans could this happen," Novel said.

Unlike the previous three trials in which secretly recorded conversations made by an undercover agent with the Bureau of Alcohol, Tobacco and Firearms were a crucial part of the state's case, the tapes will not be used as evidence this time, Meyer said.

The recordings, made by ATF agent W. Lloyd Grafton in Novel's office on the 40th floor of the former Plaza Towers in 1976, are now highly suspect in the wake of extensive scientific analyses performed by internationally respected electronics experts.

The experts, Professors Mark Weiss and Ernest Aschkenasy, concluded the tapes could not have possibly been

made in the manner the agents swore they were at earlier trials.

The district attorney's office will apparently rely on the testimony of Grafton and possibly real estate developer John Langford, who was accused of being Novel's co-conspirator.

Langford was acquitted in the first trial in 1977 by Judge Matthew Braniff. A hung jury was declared in Novel's case at the time.

Novel's second trial ended in a mistrial and a third trial, in 1978, resulted in his conviction. He was sentenced to serve three years in jail and was confined to Orleans Parish Prison more than a year when, in 1979, he was released on an appeal bond pending the outcome of his motion for a new trial.

"I've never seen a non-capital case where someone has been tried this many times," said Novel's attorney, Jack Usprich. "The bulk of the state's evidence has been discredited and

whatever evidence the state presents will certainly be contradicted by previous testimony of state witnesses. The credibility of the federal agents is definitely questionable."

The decision to try Novel for a fourth time coincides with a lengthy document recently filed by Novel in his pending \$1 billion federal court suit against Louisiana Expo Inc., the organization sponsoring the proposed 1984 World's Fair in New Orleans.

The document seeks disclosure of numerous items concerning the fair, including financial arrangements, contracts, counter letters and promissory notes in possession of the fair's promoters as well as government agencies.

Novel had his own plans in the making for a world's fair and was scheduled to meet with former Gov. Edwin Edwards to obtain his backing on the day of his arrest by ATF agents.

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