Jindal's counsel defends his work for Indian tribe

Posted by beggler May 24, 2008 22:19PM

BATON ROUGE -- Before becoming executive counsel this year to Gov. Bobby Jindal, Alexandria lawyer Jimmy Faircloth was a key figure in a high-risk business venture that is sparking new controversy in a Louisiana Indian tribe still shaken after becoming the victim of a national scandal.

From 2005 to 2007, Faircloth advised the Coushatta Indians to invest \$30 million in a formerly bankrupt Israeli technology firm called MainNet, which so far has shown no financial return for the tribe and is dependent on monthly installments of Coushatta cash. The company also hired Faircloth's brother, on the attorney's suggestion, after the tribe began investing.

The Coushattas, flush with money from their casino operation in Kinder, gained unwanted national publicity three years ago as one of several Indian tribes caught up in the Jack Abramoff lobbying scandal on Capitol Hill. The Coushattas said they paid Abramoff about \$32 million to help promote and protect their gambling interests and got very little in return. Now some in the Coushatta tribe say they worry again about outsiders tapping their valuable resources.

Faircloth says he did an outstanding job representing the Coushattas, that the tribal council made the investment decisions and that the company may yet turn out to be a profitable venture.

"The entire tribal council voted in favor of the MainNet investment, and to my understanding all but one member of the council continues to support the investment," Faircloth said in an e-mail. "As an attorney, my job is to advise my client of the potential benefits and risks, and then to fully support, defend and protect the client's decision. Every decision made by the tribal council was made following a thorough evaluation of the risk, benefits and alternatives."

According to letters and documents, tribal council member Verlis Williams soon began questioning whether Faircloth was acting in the best interests of the tribe. He raised concerns about the tribe's MainNet investment "and about how the tribe's legal counsel persuaded us to make the investment," he said in a recent letter to tribal members

"We need to ask ourselves if we want him to be the tribe's attorney or the tribe's business adviser," Williams said in an August 2006 letter to his fellow councilmen. "It's not a good idea for him to be filling both roles like he appears to be doing in this situation."

Other investors in MainNet in the early stages got a larger share of ownership in the company for less money than the tribe put in, and at least one co-investor got back his investment with a profit thanks to Coushatta financing.

Williams questioned whether Faircloth presented overly optimistic assessments of the venture's near-term outlook. He also raised questions about Faircloth's law firm billing the tribe for time-consuming legal work.

Williams would not comment for this story. His remarks are from letters and tribe documents.

'All strategic'

Faircloth, who said he is not a MainNet investor, said he worked many hours on the MainNet deal and billed the Coushattas maybe a "couple hundred thousand dollars" for it. He traveled to Paris, New York and Virginia on tribal business related to MainNet.

"It was all strategic, every step of the way," Faircloth said in a recent interview. "I think this investment will really make it."

Faircloth said the Coushatta council examined MainNet's technology, which controls communication signals over power lines and can provide Internet connections through common household power plugs. He said tribal politics are playing a role in trying to discredit him for his activities with MainNet.

Faircloth became the governor's top legal adviser in January and severed ties to the Coushattas and his law firm, whose partners are buying out his share of the business. He has pledged not to deal with Indian tribe issues in his new role and has handed over responsibility for state negotiations on tribe compacts to another lawyer for the governor.

The law firm, now called Vilar & Elliott, continues to provide tribal legal assistance related to MainNet, the casino and other matters. The firm billed the tribe \$26,000 for MainNet legal work for the first two months of the year, according to tribe records. That was part of overall legal costs of \$271,000 that Vilar & Elliott charged the tribe for various legal work during that period.

Vilar said the tribe is saving millions of dollars in legal bills with his firms compared to the multiple law firms used in the past.

Williams' complaints about MainNet and Faircloth go back to at least August 2006, when he wrote other council members to ask whether they shared his concerns.

"Isn't there a conflict of interest now that his brother is VP of sales for MainNet -- is he really able to give us impartial legal advice about this deal while .¤.¤. having a brother employed by MainNet?" Williams wrote. "When are we going to learn from our past mistakes?"

Overbilled by Abramoff

Past mistakes weigh heavily on the Coushattas. The tribe made headlines in recent years as a cash cow for influence-peddling by Abramoff, who is serving time in federal prison after pleading guilty in 2006 to three felony counts of conspiracy, fraud and tax evasion primarily related to his lobbying work for the Indians.

Federal investigators say Abramoff grossly overbilled the tribes, including the Coushattas, for lobbying work related to their casino interests. The episode fractured the Coushattas politically and exposed them to embarrassment on a national scale for being fleeced by outsiders.

With a reservation based in the southwest Louisiana town of Elton, the tribe has about 835 members. About half live in Allen Parish, and the rest are scattered mainly in other parts of Louisiana and Texas. The tribe's large casino resort is 25 miles north of Interstate 10 in Kinder, which calls itself the "Crossroads to Everywhere."

The tribe does not disclose casino revenue, but during the Abramoff scandal it was reported to be making about \$300 million a year. Most of the money is spent to run the casino, pay for the tribe's health and social services and to provide a "per capita," a quarterly check, to tribe members. That check is a sore point in the tribal community these days because it has decreased from about \$10,000 several years ago to closer to \$5,000, tribe members said.

The casino is under pressure from a growing base of resort gambling venues in Lake Charles, where Pinnacle Entertainment Inc.'s L'Auberge du Lac has been netting large numbers of gamblers driving in from Texas, a nongambling state. Under construction nearby is a second Pinnacle gambling resort, the \$350 million Sugarcane Bay.

The tribal council, chosen by popular-vote elections, is responsible for decisions about how to spend casino profits. A new council swept in after the Abramoff scandal, and Faircloth and his Alexandria law firm were hired as the tribe's attorneys.

Tribe ponies \$15 million

Faircloth said he frequently got requests from people with investment proposals to the Coushattas. One that really caught his eye was brought to his attention by James McGehee, a Lafayette businessman who in 2005 was trying to acquire MainNet as it was emerging from bankruptcy in Israeli court.

Before the bankruptcy, the company's products were used to create a residential Internet system in Manassas, Va., among other projects.

Formed as the McGehee Group, the investors included McGehee, Lafayette bankruptcy lawyer John Weinstein and Richard Haik, who is chief judge of the U.S. District Court's western Louisiana district in Lafayette.

James McGehee collaborated with Ross Brupbacher, a well-known lawyer in Lafayette who helped manage former Gov. Kathleen Blanco's gubernatorial campaign. Brupbacher, who for a time held a seat on the MainNet board of directors, would not say whether he had invested.

The group's members would not say how much they put in, but tribe documents say it was as much as \$8.5 million. Weinstein made the largest contribution, according to letters and documents describing the deal. McGehee said he invested money and a lot of time in the venture but that Weinstein was "an angel" for financial assistance.

Faircloth said he contacted the tribal council about the investment. Over time McGehee made several presentations, and Haik also met with the Coushattas.

The council, including Williams, agreed to take the plunge with a \$15 million investment to join the McGehee Group in late 2005. Although the tribe's \$15 million was well more than the investment by all the group's other players combined, the tribe got only a 25 percent ownership interest in the venture.

Responding by letter in August 2006 to Williams' skepticism about the tribe's ownership stake, Faircloth defended the other investors' right to a larger share and said, "In simple terms, the tribe paid more for its units because it came later to the investment, after the most risky period had passed."

Rosy assessments

Even though MainNet struggled to gain business in 2006, Faircloth continued to express optimism about the company.

"In reality, the tribe's greatest period of risk has passed," Faircloth wrote to Williams in August 2006. "This is why McGehee has investors waiting in the wings. And as MainNet moves back into the market and re-establishes its competitive position, the value of the company will increase."

Faircloth admonished Williams for his lack of faith, saying, "If the Council is not happy with the McGehee Group investment, I am fairly certain that the tribe's units can be sold back to the Group (which no doubt will turn around and sell those same units at a higher price)."

Citing a potential MainNet contract with the Long Island Power Authority, Faircloth wrote, "If this happens -- and there is no serious reason to believe it won't -- MainNet will skyrocket in value."

But in the following 12 months, the Long Island deal fell through. Tribe documents say McGehee did not sign up other investors.

Lawyer's brother hired

Faircloth's brother Brandon joined MainNet as a salesman in early 2006. Faircloth said he got the idea to suggest his brother after hearing about the job opening.

In a letter to Williams defending his actions, Faircloth wrote that his first step was to make sure his brother's hiring would be OK with tribal council chairman Kevin Sickey. The chairman "said he had no objection as long as I received nothing of value, because the tribe had no intention of further investing in MainNet," Faircloth wrote.

The chairman "saw this as a strategic opportunity," Faircloth wrote.

"A strategic opportunity for the tribe or who?" Williams wrote in a letter to a tribe member a few days later.

"It only takes some common sense to see there could be some conflict of interest in this project."

Williams continued to be critical because the tribe in fact did make further investments in MainNet, on Faircloth's advice.

Brandon Faircloth, who still works for the company, would not say how much he is earning but said the pay is less than in his previous employment. He formerly sold fundraising packages to schools in Louisiana. He would not comment further.

Jimmy Faircloth said in a recent interview that there was no conflict of interest because he did not benefit from his brother's hiring and his client had not opposed it.

"It was authorized before I spoke with Brandon about it," Faircloth said. "If at any point the client didn't want Brandon, he would have been gone."

A year after the Coushattas made their initial \$15 million investment, Faircloth advised them to put \$10 million more at stake. This time, Faircloth said the risk would be reduced because an investor in Nigeria was about to join the venture.

The potential investor was retired Gen. Theophilus Danjuma, a significant figure in Nigeria's political history. A holder of a lucrative offshore oil production site, Danjuma was close to making a \$25 million investment in MainNet via the McGehee Group, according to tribal documents.

The local connection to Danjuma was Joshua Dara, pastor of Zion Hill church in Pineville.

In late 2006, Faircloth presented a document to the tribal council that said the Nigerian deal was 60 to 90 days away and noted, "Nigerian investment very likely."

But months went by and there was no money from Danjuma.

Costly loan default

The episode had serious consequences for the Coushatta's next stage of investment in MainNet. MainNet at the end of 2006 had only about \$4 million in total assets and an unstable financial outlook, according to an accountant's report for the company.

At the time, James McGehee was under pressure to find additional investors. He had pledged to buy his

partner Weinstein's stake in the venture, according to Weinstein and documents describing the deal. McGehee faced a Jan. 3, 2007, deadline to complete the \$6 million transaction, but he was coming up empty, the documents say.

So McGehee arranged for a \$10 million bank loan that had to be repaid in six months, reports from Faircloth and Williams say. The cash was meant to meet the Weinstein deadline, give MainNet some much-needed cash and buy time for McGehee to seek new investors.

The tribal council, upon Faircloth's advice, agreed to guarantee McGehee's note, tribal documents show. It was a critical decision that was at least in part informed by the glowing prospect of the Nigerian's cash infusion.

"Mr. Faircloth claimed there was a strong potential investor that would be investing around \$25 million and that investee would take that money and pay off the \$10 million loan," Williams said in a letter to tribe members.

When the loan came due, it defaulted, and the tribe had to repay it with interest, Williams said. In return, the Coushattas got most of McGehee's shares in the venture and gained a majority stake in MainNet, which Faircloth said was one of the possible strategic options all along.

'Successful' venture

Meanwhile, Weinstein was bought out of his share in the McGehee Group. Over the life of his investment, Weinstein got back at least \$6 million, according to tribe documents. In an interview, Weinstein would not say how much he profited from his MainNet venture, but he said, "It was a successful investment for me." He said he was not aware that Coushatta money had made it possible.

Christofer Dittmar, a MainNet board member whose German firm has owned a minority stake in the company since 2000, said he was never informed about the Nigerian general's interest.

Neal Chadwick, an Alexandria lawyer who has been chairman of MainNet for almost a year, said he did not know about the Nigerian investor. "That sounds like a pretty far-fetched story to me," Chadwick said.

Faircloth said in a recent interview that he thought he had informed the German investors and Chadwick about the potential Nigerian interest and that he still believes Danjuma is a potential investor.

Calls to Dara's office and e-mails to Danjuma seeking comment were not returned. McGehee agreed to a brief interview and then asked for questions in writing. He did not respond to them. Haik did not respond to messages left with his assistant.

Sinking in more cash

As of July 2007, the Coushattas were more than \$25 million deep into MainNet and owned a majority share, but MainNet was still unprofitable and dependent on investor cash to operate, according to a Faircloth memo.

Some of the Coushatta cash had paid off MainNet's former creditors. Also, more than a fourth of the tribe's investments had been used to pay legal settlements and buyouts. In one case, the Coushatta money was used for a \$2.2 million payment to settle a legal dispute with MainNet's German investors, Faircloth reported. A Faircloth memo says he represented the McGehee Group in the dispute.

Meanwhile, MainNet was being run by its third top managers in three years.

By August 2007, Faircloth was back with another request to the tribe for money for MainNet, this time for \$5

million.

Faircloth said the company was operating more efficiently and its "market is now more viable than at any time since the McGehee Group's initial purchase" but that more money was needed to keep things going.

So the tribe invested again. Starting last fall, the new Coushatta investment was parceled into nine monthly payments to MainNet of about \$555,500, according to tribal documents.

Williams' disagreement with the other council members grew stronger over the financing deal. He had signed on to the previous investments but later expressed regret, and he opposed the new round of \$5 million.

"I wanted to make it clear that this was done without any tribal council meeting, no resolution signed by council members, nor was there any minutes taken to make this commitment," Williams wrote in a Jan. 23, 2008, letter to his fellow council members. "I would like to know how this decision was made and on what basis (besides Mr. Faircloth's recommendation)?"

On Feb. 26, 2008, months after the tribe's payments to MainNet had begun, the other four council members signed a resolution approving the \$5 million expenditure. Williams did not sign it.

The other council members are brothers Kevin and David Sickey, Pratt Doucet and Regina Labuff. Like Williams, they came into power on a reform movement to clean up the Coushattas' image after the Abramoff fiasco. They referred questions for this story to the tribe attorney Mark Vilar, a partner in Faircloth's former law firm.

"The tribal council understood that MainNet was a venture investment that had risk as well as the potential for large return in a technology sector," a letter signed by Vilar and Kevin Sickey said. With the exception of Williams, the letter said, "the council understood, and continues to understand, the risk and possible rewards of this venture investment."

Vilar said he could not say whether the tribe will invest more money in the venture. "I don't advise them on whether to invest or not invest," Vilar said.

Vilar and company officials said MainNet is exploring options for new investments.

Chadwick and Dittmar said they are optimistic that the company will attract new financing. Dittmar said his venture capital firm recently went through a management buyout and was not in a position to invest more in MainNet.

'Just a waste of money'

Meanwhile, other tribal members are expressing dissatisfaction with the MainNet saga.

"It's just a waste of money," said Wesley Celestine, a retired boilermaker in Chester, Texas.

"A lot of people are concerned about it," said Leola Sylestine, a tribe member in Elton. "We're surprised. They're just pouring so much money into that thing."

"I feel that all tribal members have been forgotten and left in the dark behind closed doors without any input from the council," Harold John of LeBlanc said in a recent letter asking the tribal council for information.

Faircloth said he spoke to the tribe in a community meeting in Elton last spring and answered questions about MainNet and his brother's employment. Some tribe members recall that he spoke with enthusiasm at the podium about the investment.

Asked whether he thought he had been too optimistic in his representations to the tribe, Faircloth said, "That's easy to say with the benefit of hindsight." Each step of the investment made sense at the time, he said.

"What was done here was strategically sound," Faircloth said.

Faircloth said MainNet's inventions alone would be worth enough to attract buyers and replenish the tribe's investment.

He said some members of the tribe, including Williams, want to portray the MainNet deal in a negative light to serve their own political ambitions. They want to expunge the current leadership and take control of the ruling council, he said.

Sylestine said all the controversy is tough on members of the Coushatta community.

"I'm scared for the future of the tribe," she said.

Robert Travis Scott can be reached at rscott@timespicayune.com or (225) 342-4197.

Categories: Politics

Comments

tumadom says...

So much ethics.

Posted on 05/24/08 at 11:03PM

BigMikeG says...

Much as the early Mormons didn't believe it was a sin to steal from gentiles, apparently the Religious Right doesn't think it's a sin to steal from Indian.

Posted on 05/24/08 at 11:48PM

barnsfather says...

Bobby's the ethics guy....lololololololololol

Posted on 05/25/08 at 6:36AM

DunesRiver says...

The perfect GOP vice presidential nominee. Another Dick Cheney.

Posted on 05/25/08 at 7:39AM

Thinksome says...

I have to wonder if they have forgotten history. Fleeced by an american company and israeli company. Sadly,

not a surprise.

OUT

Posted on 05/25/08 at 7:51AM

mediumformat says...

Faircloth!? Oh, the irony...

Now, now before y'all start the bashing just remember that Faircloth, Esq. is simply doing what lawyers do best, chase money and gobble it up. He is also following the long standing tradition in this country to defraud Native Americans of everything they own. While we don't go all "Wounded Knee" on people anymore it sure seems we have replaced shoot women and children with shyst women and children. And of course, giving Native Americans casinos to manage is a soft way of buying off the guilt for our shameful past treatment of Native Americans. But wait, is that a big pot of money I smell? Quick! Call Ripemoff, I mean Abramoff and let's divy it up real quickly like before they notice we are just greedy

palefaces laughing all the way to the bank. There's ethics in action; keeping people like unFaircloth around...

Posted on 05/25/08 at 8:02AM

adpeli says...

Hey, mediumformat, do you think you could keep your complaints related to the ethics problems, and leave out the lawyer-bashing and anti-semitism ("shyst")?

Posted on 05/25/08 at 9:45AM

indadrink says...

Chief, It's just a little island they want. Just look at these beads.

Posted on 05/25/08 at 11:08AM

nmetoo says...

to adpe

Faircloth

should say whatever he want to say on this board. It's just a BOARD we're not having a court hearing. I suspect you are an attorney. Then that explains your objection.

Posted on 05/25/08 at 11:19AM

bluesgutter says...

Maybe the GOP can get Edwin Edwards to run for their VP slot.

Posted on 05/25/08 at 11:45AM

680458 says...

do you think this is where faircloths ethics violation stop. how do you think he sold his firm i bet he gets paid on how much the firm earns from the coushatta arrangements ask legislators about his ethics on legislative issues the louisiana compact agreement will mean millions for his x firm at the expense of louisiana taxpayers being represented by someone who faircloth does not oversee ha ha ha ha so much for ethics in government if he had ethics he would resign or would never have taken the job we native americans dont want to dig to much we may find more than we want with this man and tribal leaders where are the elders on this issue we need the old chairman back when did we start hiring lawyers to be our business consultants go williams

Posted on 05/25/08 at 11:59AM

wakeupfriend says...

Let's see where the area's U.S. Attorney goes with this fraud, racketeering, and conspiracy scandal.

Oh, sorry. Nothin will be done because Jindal is a Republican and the Republicans are taking affirmative action to make sure that they resemble a party that is open to people of color.

The right wing is a joke. The corruption stinks.

Find out how much the members of the Tribal Council were paid for their decision to invest in the MainNet firm. Then indict, if the trail leads to such, the lawyers and the people responsible for the payoffs/bribes.

If Jindal is serious about ethics, he'll fire the general counsel Faircloth. Faircloth's unqualified brother was employed by the Indians for one reason - because the tribe has money. Faircloth's firm probably overbilled the indians. Let's make the billing records public, Mr. Ethics governor.

Naive and some well meaning people will say "Faricloth was a private citizen at the time". Wanna bet that this tribe's members contributed to Jindal's campaign (personnally OR through firms that they own or are in partnership with)??

Ethics and Jindal. What a joke! Give us back the woman who cried too much (not real;ly, because she gave a failure of a rim an extra \$ 156 million).

Can you imagine the posts if Nagin or Morial had been found to have employed as his Executive Assistant or City Attorney someone who's previous billings and exercises of influence were questionable? Let's treat the Brown Avenger Jindal with equal scrutiny and similar scorn.

Al Sharpton for Governor of Louisiana. He wouldn't be allowed to even hire anyone, much less sign a contract. Millions would be saved!

Sharpton for Governor!

Posted on 05/25/08 at 12:13PM

wakeupfriend says...

Terrible. The typos diminish my message.

That would be "Governor" with a capital "G".

And that would be (not really, because she gave a failure of a firm an extra \$ 156 million).

That would be "whose".

... but the message is still the same.

The ethics talk has no walk to it. How can our legislators be so naive to give Jindal everything he wants without questioning a thing?

Posted on 05/25/08 at 12:18PM

bigsteveno says...

Can anyone be surprised that Jindal and his 'ethics' high horse is turning out to be slightly lame? Like Bush's 'compassionate conservatism' it's just a cover for a political power grab. If this story gets too big, Jindal will have to start a pointless war to distract his constituents.

Posted on 05/25/08 at 1:03PM

headcritter says...

"This time, Faircloth said the risk would be reduced because an investor in Nigeria was about to join the venture. The potential investor was retired Gen. Theophilus Danjuma, a significant figure in Nigeria's political history. A holder of a lucrative offshore oil production site, Danjuma was close to making a \$25 million investment..."

Hey, he must have gotten the same e-mail that I did!

Posted on 05/25/08 at 1:10PM

BlackWrath says...

Hey guys, maybe he thinks if you work for one type indian its okay to work with the other. The new "Indian Giver".

Posted on 05/25/08 at 2:52PM

outtahere64 says...

This is weekend that Jindal is meeting with McCain. I wonder if somebody was sitting on this story to get the most milage out of it which doesn't say much for media ethics.

In any event, Faircloth needs to go and he needs to go immediately.

Posted on 05/25/08 at 3:12PM

atlantawatch says...

Strategic, schmategic...this is an old-style Louisiana hustle with an international flavor. Lawyer finds a pigeon (the Coushattas) sets up an investment scam, then milks it, taking the cream, the cow, the barn and the hay. The guy should be disbarred, or at least charged with acting as a securities advisor without a license. Then

Jindal would have to take action.

Posted on 05/25/08 at 8:03PM

swampwiz says...

Is it just me, or is the rate of ethic lapses surrounding Jindal higher than the fastest rate of Fast Eddie?

Posted on 05/25/08 at 8:14PM

riversliver2 says...

Is it just me, or does Bill Jefferson suddenly seem par for the course? This is pretty serious stuff. It's as if we blindly elected a lap dog.....some of us told you so. Abramoff is still higher on the right wing food chain then jindal, easily. Wake up Louisiana before they sell us to the Chinese....

Posted on 05/25/08 at 8:51PM

outtahere64 says...

Maybe folks are being too hard on Inmate Eddie, Dollar Bill, and Diaper Dave considering the new ethics policy. With the Chocolate City Mayor on the South Shore and the winehead mayor on the North shore, maybe this is the way we are. In that case, I want Inmate Eddie back in the Governor's Mansion, at least he had class.

Posted on 05/25/08 at 9:35PM

hereintx says...

Chocolate City mayor on the North Shore? hardly! he lives out here in Dallas! We know Ray Nagin as Dallas' second mayor.

Posted on 05/25/08 at 9:49PM

DunesRiver says...

Based on all the postings, including my own, I suggest we all engage in one big collective laugh. Conan, Leno and Letterman can't top this.

Posted on 05/25/08 at 9:52PM

lacitoyenne says...

Forget about MainNet hiring Faircloth's brother; that's probably just chump change. I would focus on the bigger conflicts of interest. For example, Faircloth got the tribe to invest money that he knew would be used to make a \$2.2 million payment to settle a legal dispute with MainNet's German investors. Considering he had recently represented the McGehee Group in that dispute, how can he objectively represent the tribe?

Posted on 05/25/08 at 10:01PM

outtahere64 says...

Dollar Bill's main problem was he got caught OUTSIDE of Louisiana and by the Feds.

Posted on 05/25/08 at 10:45PM

DunesRiver says...

On second thought, this isn't funny. Our paragon of virtue is more and more proving to be a charlatan.

No, I'm not talking about David Vitter.

Posted on 05/26/08 at 8:44AM

headcritter says...

Look, guys, this is a Bar Association thing, not a public ethics thing. The Code of Professional Ethics prohibits attorneys from investing with clients because it creates a conflict in interest. From the looks of this, there may be plenty of conflicts from the La. Supreme Court's position, but none of it involved Faircloth's position in public office. I hate to tell you Wakeup, but you can't "bribe" a private citizen. There appears to be no racketeering, etc., much to your chagrin since your Air America agenda is worn well on your sleeve. Now all that being said, this is VERY SLEAZY from a Code of Professional Responsibility perspective, and Jindal should re-think who he wants as his counsel. The La. Supreme Court could institute disciplinary proceedings if you take the T-P story on face value. Although most people know lawyers make notoriously bad business decisions, it smells from high heaven how Faircloth kept coming back to the well with the tribe.

Posted on 05/26/08 at 8:55AM

mikeinthe9 says...

Posted by riversliver2 on 05/25/08 at 8:51PM

Is it just me, or does Bill Jefferson suddenly seem par for the course? This is pretty serious stuff. It's as if we blindly elected a lap dog.....some of us told you so. Abramoff is still higher on the right wing food chain then jindal, easily. Wake up Louisiana before they sell us to the Chinese....

very good post. And yes, Bill Jefferson was ALWAYS par for the course. Just that he was African-American and a member of the Democratic (not democrat) party.

Posted on 05/26/08 at 9:10AM

mkstayinthe9 says...

"a Club a Club" That is pretty good and I almost missed it.

Hussein O'Bomber it is...But it won't really matter too much, when McCain gets elected in the fall, we won't hear much about the O'Bomber for another four years other than as a has been. Bobby J of course is Governor, maybe Vice President but at least Governor.

Posted on 05/26/08 at 1:45PM

headcritter says...

Don't you hate it when you are foisted on your own petard, mikeinthe9? Last time I looked, Hussein was Barack's middle name by birth. You're only answer is the one you always use "racism". You are intellectually pathetic.

Posted on 05/26/08 at 4:10PM

mikeinthe9 says...

Posted by headcritter on 05/26/08 at 4:10PM

Don't you hate it when you are foisted on your own petard, mikeinthe9? Last time I looked, Hussein was Barack's middle name by birth. You're only answer is the one you always use "racism". You are intellectually pathetic.

You're???????? It's your.....headcritter

grammatically incorrect again!

Why when the governor, senator or anyone is the subject the racist suburbanites mention:

- 1) Jesse Jackson
- 2) Al Sharpton
- 3) Marc Morial
- 4) Ray Nagin
- 5) Barack Hussein Obama, Jr. (whose mother is white)
- 6) Any African-American public figure

It's because you are racist my friend. Obama had nothing to do with the subject at hand.

Posted on 05/26/08 at 4:44PM

mikeinthe9 says...

Jindal rewards his friends, just like Edwards did.

Posted on 05/26/08 at 4:55PM

mikkosi says...

It sounds like they need to fire the tribal chairman and council for making such a poor decision!!!

Posted on 05/26/08 at 5:47PM

mikkosi says...

"The law firm, now called Vilar & Elliott, continues to provide tribal legal assistance related to MainNet, the casino and other matters. The firm billed the tribe \$26,000 for MainNet legal work for the first two months of the year, according to tribe records. That was part of overall legal costs of \$271,000 that Vilar & Elliott charged the tribe for various legal work during that period."

Ok Chairman and Council you send the money here and then over there. Boy that was hard work for \$26,000. I almost forgot you don't know how to transfer.....Chi-Ching!!! Bill them an additional \$271,000. Ha-ha!!!!

Posted on 05/26/08 at 6:07PM

mikkosi says...

"Faircloth admonished Williams for his lack of faith, saying, "If the Council is not happy with the McGehee Group investment, I am fairly certain that the tribe's units can be sold back to the Group (which no doubt will turn around and sell those same units at a higher price)."

Let's see,hmmmm...sell back at a higher price equals profit....SELL!, SELL!, SELL!!

Posted on 05/26/08 at 9:28PM

mikkosi says...

"Citing a potential MainNet contract with the Long Island Power Authority, Faircloth wrote, "If this happens -- and there is no serious reason to believe it won't -- MainNet will skyrocket in value."

But in the following 12 months, the Long Island deal fell through. Tribe documents say McGehee did not sign up other investors."

Couldn't find another sucker, huh?

Posted on 05/26/08 at 9:44PM

Mikkosi says...

"A year after the Coushattas made their initial \$15 million investment, Faircloth advised them to put \$10 million more at stake. This time, Faircloth said the risk would be reduced because an investor in Nigeria was about to join the venture."

"Neal Chadwick, an Alexandria lawyer who has been chairman of MainNet for almost a year, said he did not know about the Nigerian investor. "That sounds like a pretty far-fetched story to me," Chadwick said."

\$25 million, that's about as much as the Abramoff scandal. Shouldn't the Chairman raise A RED FLAG? Where's the leadership for this tribe? What are they thinking? Look at the comment Mr. Neal Chadwick quoted....."That sounds like a pretty far-fetched story to me,". Maybe I should try to sell the Chairman and council some shares. Maybe I should tell them Ed McMahon is a potential investor since he sent me a check for a couple million. HA-HA I think they would believe anything I say. I bet they don't ask questions because they don't know how or what type of questions to ask, except...Where do I sign? and Who do I make the check for? And if they do they need a lawyer to hold their hand. Just my opinion.

Posted on 05/26/08 at 10:32PM

Mikkosi says...

"Meanwhile, Weinstein was bought out of his share in the McGehee Group. Over the life of his investment, Weinstein got back at least \$6 million, according to tribe documents. In an interview, Weinstein would not say how much he profited from his MainNet venture, but he said, "It was a successful investment for me." He said he was not aware that Coushatta money had made it possible"

Can you belive this guy? He has multi-millions invested in this company and he claims he doesn't know who the players are. Give me a break!!! Any successful businesman would know who's playing with his money. That's a Fact! just my opinion.

Posted on 05/26/08 at 10:48PM

Mikkosi says...

"Faircloth said in a recent interview that he thought he had informed the German investors and Chadwick about the potential Nigerian interest and that he still believes Danjuma is a potential investor."

Ha-Ha, Yeah, I think I got that same email from him saying if I would only send him a few thousand dollars he would send me millions. Ha-ha. Did you get the one about Viagra? Ha-ha Just my opinion.

Posted on 05/26/08 at 10:55PM

Mikkosi says...

"Calls to Dara's office and e-mails to Danjuma seeking comment were not returned. McGehee agreed to a brief interview and then asked for questions in writing. He did not respond to them. Haik did not respond to messages left with his assistant."

Someone is crawfishing!!!!

Posted on 05/26/08 at 11:02PM

Mikkosi says...

"As of July 2007, the Coushattas were more than \$25 million deep into MainNet and owned a majority share, but MainNet was still unprofitable and dependent on investor cash to operate, according to a Faircloth memo."

Did you read that Coushatta Tribe of LA? Your investment is not making a profit. just my opinion

Posted on 05/26/08 at 11:38PM

Mikkosi says...

"Meanwhile, MainNet was being run by its third top managers in three years."

High turn over rate means business leadership has no game plan! just my opinion.

Posted on 05/26/08 at 11:42PM

mikkosi says...

"By August 2007, Faircloth was back with another request to the tribe for money for MainNet, this time for \$5 million."

"So the tribe invested again. Starting last fall, the new Coushatta investment was parceled into nine monthly payments to MainNet of about \$555,500, according to tribal documents."

"Williams' disagreement with the other council members grew stronger over the financing deal. He had signed on to the previous investments but later expressed regret, and he opposed the new round of \$5 million."

"I wanted to make it clear that this was done without any tribal council meeting, no resolution signed by council members, nor was there any minutes taken to make this commitment," Williams wrote in a Jan. 23, 2008, letter to his fellow council members. "I would like to know how this decision was made and on what basis (besides Mr. Faircloth's recommendation)?"

AT LEAST SOMEONE HAD THE BALLS TO ASK QUESTIONS ABOUT REPEATED MONEY REQUESTS. WAY TO GO MR. WILLIAMS AT LEAST YOU GOT A PAIR. I CAN'T SAY THE SAME FOR THE OTHER COUNCIL MEMBERS. THEY ARE JUST SHEEP FOLLOWING THE SHEPERD(LAWYERS).

Posted on 05/26/08 at 11:51PM

Mikkosi says...

"On Feb. 26, 2008, months after the tribe's payments to MainNet had begun, the other four council members signed a resolution approving the \$5 million expenditure. Williams did not sign it."

"The other council members are brothers Kevin and David Sickey, Pratt Doucet and Regina Labuff. Like Williams, they came into power on a reform movement to clean up the Coushattas' image after the Abramoff fiasco."

THE ONLY DIFFERENCE BETWEEN PAST ADMINISTRATION AND THE REFORMED ADMINISTRATION IS A DIFFERENT SET OF NAMES. THEY ARE STILL GETTING THE SAME RESULT. A CLUELESS CHAIRMAN AND COUNCIL. I'M SURE IF YOU ASK THEM A QUESTION, THEY CAN'T ANSWER IT WITHOUT THE HELP OF A LAWYER.

JUST MY OPINION

Posted on 05/27/08 at 12:23AM

Mikkosi says...

"They referred questions for this story to the tribe attorney Mark Vilar, a partner in Faircloth's former law firm."

SEE WHAT I MEAN. IT SEEMS THEY CANNOT SPEAK FOR THEMSELVES. DON'T THEY KNOW THEY WILL GET BILLED ABOUT \$26,000 OR \$271,000 FOR A RESPONSE FROM THEIR LAWYER. SHEEP!!!! I'M TELLING YOU, SHEEP!!!

THEY NEED LEADERSHIP THAT CAN THINK FOR THEMSELVES AND THE TRIBE. THE TRIBE NEEDS TO ELECT QUALIFIED LEADERS TO MAKE GOOD BUSINESS DECISIONS. IF YOU NEED A

LAWYER TO MAKE DECISIONS FOR YOU THEN WHY NOT MAKE THE LAYWER AND HIS STAFF THE CHAIRMAN AND COUNCIL. STOP BEING A PUPPET!!!! JUST MY OPINION

Posted on 05/27/08 at 12:35AM

Mikkosi says...

"The tribal council understood that MainNet was a venture investment that had risk as well as the potential for large return in a technology sector," a letter signed by Vilar and Kevin Sickey said. With the exception of Williams, the letter said, "the council understood, and continues to understand, the risk and possible rewards of this venture investment."

Sheep!!! I bet he couldn't repeat the business investment plan without asking the lawyer to explain the business investment plan on his behalf because he doesn't have a clue. Ask him a simple question and he will refer you to his lawyer. Clueless Sheep equals EASY MONEY!!!! ha-ha I wonder when was the last tribal meeting so he can inform his members or is he keeping them in the dark. Just my opinion.

Posted on 05/27/08 at 12:56AM

Mikkosi says...

"Vilar said he could not say whether the tribe will invest more money in the venture. "I don't advise them on whether to invest or not invest," Vilar said."

Why not?, your ex-partner did. Im sure if this article did not come out you would still ask for more investment money.

Just my opinion

Posted on 05/27/08 at 1:06AM

Mikkosi says...

"Chadwick and Dittmar said they are optimistic that the company will attract new financing. Dittmar said his venture capital firm recently went through a management buyout and was not in a position to invest more in MainNet."

Attract new financing??? Like who? Oh yeah the email we all get from Nigeria. Why not invest more? UnFaircloth said it was going to skyrocket. I guess you know rockets explode. just my opinion

Posted on 05/27/08 at 1:11AM

Mikkosi says...

"Meanwhile, other tribal members are expressing dissatisfaction with the MainNet saga."

"It's just a waste of money," said Wesley Celestine, a retired boilermaker in Chester, Texas."

TIME FOR YOU TO UN-RETIRE AND START THE FIRE BECAUSE YOUR LEADERSHIP IS MAKING

COSTLY DECISIONS THAT IS AFFECTING YOU AND YOUR MEMBERS. REMEMBER THIS DAY WHEN ELECTION TIME COMES. REMEMBER THE DAY WHEN PROMISES WERE MADE BY YOUR PRESENT CHAIRMAN AND COUNCIL WHEN THEY WERE ELECTED AND IF THEY KEPT THEIR WORD. YOU ARE SEEING A CHAIRMAN AND COUNCIL NOT LISTENING TO THE PEOPLE (TRIBE) BUT TO THE SHEPERD (LAWYER). JUST MY OPINION.

Posted on 05/27/08 at 1:22AM

Mikkosi says...

"I feel that all tribal members have been forgotten and left in the dark behind closed doors without any input from the council," Harold John of LeBlanc said in a recent letter asking the tribal council for information."

The current Chairman and Council are the ones in the dark because a person like you and Mr. Williams see things from the light that they do not. The Chairman and the council are consumed with greed and power and have lost their way with the tribal members. Pride to admit they are wrong or they do not know what they are doing is their weakness and it is showing based on senseless decisions like this Mainnet deal. Like I said before, they follow the sheperd and no one else.

They do not listen to elders just their pride. Just my opinion.

Posted on 05/27/08 at 1:53AM

Mikkosi says...

Asked whether he thought he had been too optimistic in his representations to the tribe, Faircloth said, "That's easy to say with the benefit of hindsight." Each step of the investment made sense at the time, he said.

"What was done here was strategically sound," Faircloth said."

YEAH, STRATEGICALLY SOUND. TELL THE SHEEP(CHAIRMAN AND COUNCIL) TO MAKE CONTRIBUTIONS TO JINDAL AND IN RETURN I CAN GET A JOB WITH THE GOVERNOR AND I CAN GET OUT OF THIS MAINNET MESS AT THE SAME TIME. THAT SOUNDS STRATEGICALLY!! I BET MONEY COUSHATTA CONTRIBUTED TO JINDAL. JUST MY OPINION.

Posted on 05/27/08 at 2:03AM

Mikkosi says...

"He said some members of the tribe, including Williams, want to portray the MainNet deal in a negative light to serve their own political ambitions. They want to expunge the current leadership and take control of the ruling council, he said."

Yeah, Just like you used the sheep (Chairman and Council) for your own political ambitions with Jindal. How come you didn't stick around with the Chairman and Council?

just my opinion

Posted on 05/27/08 at 2:12AM

Mikkosi says...

"Sylestine said all the controversy is tough on members of the Coushatta community.

"I'm scared for the future of the tribe," she said.

DON'T BE SCARED BECAUSE YOU HAVE THE ABILITY TO CONTROL YOUR FUTURE BY VOTING FOR SOMEONE THAT IS COMPETENT IN MAKING INFORMED BUSINESS DECISIONS. NOT SOMEONE WHO PRETENDS THEY KNOW WHAT THEY ARE DOING OR SOMEONE WHO ALWAYS JOKES AROUND TO HIDE HIS IGNORANCE. IMMATURITY HAS NO PLACE IN A MUTLIMILLION DOLLAR BUSINESS MAKING DECISION. THE PRESENT CHAIRMAN AND COUNCIL SHOULD BE SCARED FOR THEIR JOBS BECAUSE YOU AND THE TRIBE ARE FINDING OUT THEY HAVEN'T A CLUE HOW TO RUN A BUSINESS. DO YOU THINK DONALD TRUMP OR ANY BUSINESS PERSON WOULD LET THEIR LAWYER MAKE ALL THEIR BUSINESS DECISIONS? HAVE THEY INFORMED YOU OF THIS MESS? PROBABLY NOT. YOU WILL HAVE YOUR SAY NEXT YEAR ABOUT THIS TIME.

JUST MY OPINION

Posted on 05/27/08 at 2:36AM

mranderson says...

Interesting how this writer didn't mention Mr. Michael Scanlon's name along with Jack Abramoff's name in relation to the Coushatta issue given the amount of detail that he was able to provide us with in reference to this new issue concerning Mr. Faircloth.

Posted on 05/27/08 at 10:50AM

feathers0000 says...

Anyone ever heard the phrase "it takes money to make money?" Yeah, not the Forbes mentality posting around here, just pure IGNORANCE! "Just my opinion" Sure, lets have the old Chairman back so he can be wheeled out the back of his very own casino DRUNK on Saturday nights or any other night of the week. How's that for representation?

Posted on 05/27/08 at 2:20PM

Mikkosi says...

Whoever said it takes money to make money was someone trying to justify why they re broke. The truth is, if you can to make money without money, you can to make money with money!

Where did you get that "it takes money to make money phrase"? Oh I forgot you have signs posted with the phrase on your casino slot machines. ha-ha Or do you tell that to all your casino customers? Quit hangin around the slots. ha-ha What a moron!!!!

I totally agree. You don't need the old Chairman back and hope you never will put him back. Drunk representation sobers up, Stupid representation does not. ha-ha

Posted on 05/27/08 at 3:41PM

Mikkosi says...

Stupid Representation is what you have now. ha ha I would prefer neither one. ha-ha

Posted on 05/27/08 at 5:31PM Footer