

DIRECTOR, FBI (44-38861)

5/14/68

SAC, SAN FRANCISCO (172-55) -P-

MURKIN
CR
OO: Memphis

Re: HAROLD EDWARD NICHOLS
Suspect

Enclosed for Memphis is one envelope containing 7 inserts and/or FD-302s described as follows:

- (1) Report of interview with Agent LARRY NEWMAN, U.S. Secret Service, San Francisco - insert;
- (2) Page headed SAs RICHARD J. MC MULLEN and WILLIAM HUTTON, JR. - insert;
- (3) FD-302 of LARRY MC GRATH consisting of 2 pages;
- (4) Insert starting with SAs WILLIAM HUTTON, JR. and RICHARD J. MC MULLEN were able to observe ALLEN;
- (5) Insert starting with the words CLARA HENRY, etc;
- (6) FD-302 regarding KATHY SHEETS consisting of 2 pages;
- (7) FD-302 regarding HAROLD EDWARD NICHOLS consisting of 8 pages.

2 - Bureau (RM)
2 - Memphis (44-1987) (RM) (Encl. 7) m m
2 - San Francisco

MTG:bja
(7)

44-1987-Sub E-453P

go rec R/S re item #2 5-16-68
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Hester JPK

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WH:eb

AT SAN FRANCISCO, CALIFORNIA

At 12:10 AM, April 16, 1968, Agent LARRY NEWMAN, U.S. Secret Service, San Francisco, advised night supervisor SA HANNES K. WATZLANEK that NEWMAN had just received a telephone call from a LARRY MC GRATH, 26603 Gading Road, Hayward, California (telephone 415-782-4338). MC GRATH is a bartender at the "Blue Dolphin" in San Leandro and worked till about 8:00 PM (April 15, 1968). MC GRATH advised that this evening a man came to the bar whom he described as the suspect in this case. He described him as a white, male, American, 5'7", 160 pounds, sandy hair, 25-30 years of age. He wore a dark sports coat, white pants and came in with another white, male, American, 6'1", 220 pounds. MC GRATH stated that he had seen the suspect's picture in the newspaper and that this was the reason for his calling.

MC GRATH stated that he had seen the suspect and the other white, male, American in company of HAROLD EDWARD NICHOLS on a previous occasion. NICHOLS is supposedly known to the FBI and the Secret Service.

MC GRATH told NEWMAN that this evening the suspect came to his bar and he told suspect, "you look like your picture," or "you don't look like your picture" and the suspect replied, "yeh, but I'm a hell of a good shot". KATHY SHEETS, a waitress at the bar was nearby and overheard these remarks.

Efforts by SAs RICHARD J. MC MULLEN and WILLIAM HUTTON, JR. to locate MC GRATH immediately following above telephone call was negative. MC GRATH had not returned to his home as late as 2:10 AM.

MC GRATH was telephonically contacted at 8:30 AM, April 16, 1968, and advised he had to attend a union meeting, but would stop at the Hayward Resident Agency after the meeting, at approximately 10:30 AM. At 11:15 AM, MC GRATH telephonically advised that he had to go to work at noon and would not have time to come to the Resident Agency. An appointment was made to meet him at his place of employment, the Blue Dolphin, a first-class San Leandro restaurant, when he finished work at 8:00 PM.

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SAs RICHARD J. MC MULLEN and WILLIAM HUTTON, JR. met MC GRATH at the Blue Dolphin. In interview he related the above incident, but this version was somewhat different than that set out above.

FEDERAL BUREAU OF INVESTIGATION

Date 5/3/68

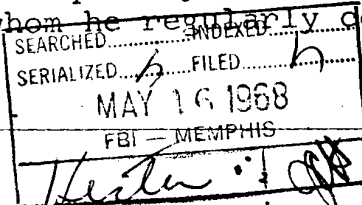
HAROLD EDWARD NICHOLS, commonly known as HAL NICHOLS, was interviewed at his apartment, #33 Los Palmas Apartments, 15375 Tropic Court, San Leandro, California. After proper identification, he was advised that investigation was being conducted by the Federal Bureau of Investigation concerning a violation of Federal Law in connection with the murder of Dr. MARTIN LUTHER KING. Further, that an allegation had been received that Mr. NICHOLS might have information pertinent to this matter on the basis of remarks NICHOLS is reported to have made concerning such matters in the presence of others.

Mr. NICHOLS advised that he has no information concerning the murder, and except for his personal opinion as to who might be responsible, has no specific information concerning the murder. He said he had absolutely no objection to discussion of the matter.

Mr. NICHOLS advised that he is extremely active in the political field at the present time and in the recent past. He is a member of an eight man board in charge of promoting candidates for the American Independent Party (AIP) in California, and particularly in behalf of the candidacy of former Governor GEORGE WALLACE of Alabama for President. He stated that most persons not familiar with the AIP program and objectives, seem to assume that those favoring AIP are what is sometimes termed "negro-baiters." He denied that this is true, and said that from the view point of promoting the AIP, the murder of Dr. KING under such circumstances was a set back to the AIP who might have favored their principles.

He said that no one knowledgeable in affairs of the AIP would have caused or participated in a situation or action such as this in that it would be certain to make a "Martyr" of Dr. KING, which would hurt the AIP.

However, since persons generally seem to associate AIP members with "negro-baiters," he is frequently "kidded" along such lines by certain persons with whom he regularly comes into contact.



On 5/2/68 at SAN LEANDRO, CALIFORNIA File # SF 173-65
 by SAs RICHARD J. MC MULLEN & WILLIAM HUTTON, Jr. -ay Date dictated 5/2/68

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WH:ay

Mr. NICHOLS advised that he was born [redacted] Aberdeen, Washington. He has been in California most of the time since 1945. He attended high school at Golden Gate Academy, which was at that time in Berkeley, California, but which moved to some hill area near Oakland. He is not sure it is still in operation. He graduated in 1947.

During the school year 1950-51 he attended La Sierra College in Riverside, California.

From 1951 to 1953 he was in the U.S. Marine Corps under MSN [redacted]. Since 1953, he has worked as a salesman, principally in California, but actually traveling in numerous states.

He is married and his wife lives in Southern California. He said he is reluctant to furnish her specific address because he feels that reprisals against his wife and child are very possible because of his political activities in behalf of AIP should her address become generally known.

He said that he established a business in Sacramento, California in July, 1967, known as Certified Wire Service. This business is still in operation but he intends to dissolve it as it is losing money.

He came to San Leandro in December, 1967, and established his present business known as Diamond Fence Co., 14494 Wickes Blvd., San Leandro.

He is active in experimenting with gold dredging combined with skin diving, and spends some weekends in the Sierra stream areas searching for gold, or conducting experiments along those lines.

He also had interest in speculative investment in businesses in the Oroville area, which are in a depressed state due to departure of the workmen engaged in building the now completed Oroville Dam. He believed such property could be purchased cheaply and held until business picks up, insuring an excellent profit. He has abandoned this idea, at least temporarily.

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He said that in recent months he has regularly frequented the Blue Dolphin, a San Leandro restaurant, and in fact assisted in arranging a couple of luncheons there in honor of WALLACE. Therefore, he has become acquainted with the owner of the Blue Dolphin, BILL PELUSO, and with many of the employees, including the bartenders.

When he goes to the cafe, he frequently goes to the bar and the bartenders frequently "kid" him concerning some current event involving Negroes or the AIP. This has been going on for several months, and everything said has been in jest.

However, he speculated that some person hearing such conversation might misinterpret the conversation, and draw a conclusion which would not be warranted.

In connection with Dr. KING's murder, he recalls such a conversation in the bar of the Blue Dolphin either the same night Dr. KING was killed, or possibly the evening after that.

As he recalled he had been driving on the Nimitz Freeway in Oakland, about 5:00 pm the night of the murder, April 4, 1968, when he first heard the announcement on the car radio.

When next visiting the Blue Dolphin, he recalled one of the employees greeting him with the comment "Well, I see you got him," or some similar comment. He believed he replied that "It wasn't me."

The next comment dealt with "How did you get back from Memphis so soon?"

As he recalled, he made some facetious remark such as "There's planes leaving every hour."

He again stated that the above conversation was strictly in the nature of "kidding," and except for the actual specific subject matter, was very similar to other comments made at the same place on numerous occasions.

He believed that these comments could have been misconstrued by someone who heard them, if the listener did not understand the circumstances or attached some literal interpretation to the remarks.

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Mr. NICHOLS said that he had no objection to furnishing his whereabouts on March 29,30, 1968 and April 4, 1968, and to furnishing independent substantiation if he could.

Relative to the date April 4, 1968, Mr. NICHOLS said that he could definitely establish his whereabouts on that date. He stated that he left the Bay Area in his own car sometime between 7:00 and 9:00 am, drove to Berkeley, California, where he picked up a real estate dealer named CYRIL STEVENSON, Jr., telephone 524-2392. They then proceeded to Oroville, California, to look at some real estate which they were considering for investment purposes.

He recalled that they visited a savings and loan association in Oroville, but does not recall the name of it, although Mr. STEVENSON would probably know. To the best of his recollection, they returned to the Bay Area about 5:00 pm. He dropped Mr. STEVENSON off at his car in Berkeley, and proceeded out the Nimitz Freeway toward San Leandro. It was at this time that he first heard of the killing of Dr. KING on his car radio.

In further support of his whereabouts, Mr. NICHOLS said that when in San Leandro he frequently charges his gasoline at a Douglas Service Station on Marina Blvd. When traveling, he pays cash. He does not use a credit card. Whether charged to his account, or when paying cash, he usually obtains a purchase ticket. He throws these tickets in the glove compartment of his Cadillac where they are available if needed for his business records.

He located in his glove compartment the following charge tickets which he said recorded purchases at Douglas Service Station, Marina Blvd., San Leandro, both dated April 4, 1968:

Ticket #B 036026 dated 4/4/68 recording purchase of \$5.00 of gasoline.

Ticket #B 36186 recording purchase of \$4.55 of gasoline.

Mr. NICHOLS said that undoubtedly he had put gas in the car in the morning when leaving for Oroville, and had put in gas upon his return that evening.

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A search of the available tickets failed to record any purchase of gasoline in the Oroville area, although Mr. NICHOLS believed they must have purchased gasoline. He does not recall, but thought that perhaps Mr. STEVENSON had paid for some gasoline in the area.

Relative to his whereabouts on March 29,30, 1968, Mr. NICHOLD said that he does not recall specifically where he was. He stated that he tries to go to his home in Southern California every other weekend to visit his wife and 2 1/2 year old son. By consulting a calendar, he determined that this would have been the weekend when he normally visited his wife.

When he makes this trip, he normally leaves on Saturday morning, which in this instance would have been March 30, 1968. He sometimes drives and sometimes flies via Air California from Oakland, California Airport to Orange County Airport.

He searched his available gasoline tickets and could locate no record of purchases on March 29 or 30, 1968. This indicated to him that if he had visited his home in Southern California that weekend he had probably gone by air.

Mr. NICHOLS was asked if he could establish his whereabouts on March 29 & 30, 1968 through other records. He said that his business records probably would not show such information, with the exception of his appointment book, which might give him a clue as to where he had been. He contacted his secretary and ascertained there were no notations in his appointment book for those dates.

He said that he has discontinued the use of a checking account due to several civil suits having been filed against him, so he could not establish his whereabouts by cancelled checks.

He does not use credit cards, whether for gasoline or airline travel. He examined numerous airline ticket folders which he found in his apartment. He said he makes no particular effort to save these. He found some undated and none for the pertinent dates. There were no copies of tickets.

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Mr. NICHOLS advised that he makes numerous long distance telephone calls, business, personal and political in nature. He makes them from his business phone, 483-3151, and from the phone in his apartment, 483-1270.

He said his telephone bill for the period contains record of numerous long distance telephone calls which could definitely establish that he was in San Leandro on March 29, 1968 and probably on March 30, 1968. He furnished the following concerning these records:

March 29, 1968

- 10:13 am Telephone call to 714 774 2969, Anaheim, California where he talked to an ex-business associate RUSSELL TOWNSEND.
- 4:34 pm Telephone call to 714 871 2950, Fullerton, California, where he talked to JIM TOWNSEND, brother of above RUSSELL TOWNSEND.
- 3:49 pm Telephone call to 805 831 5379, where he talked to Mr. MAYALL, State Chairman of the Committee directing AIP campaign in California. He believes this telephone number is no longer in use, but Mr. MAYALL can be reached through 871 6283 in Bakersfield, which Mr. NICHOLS believes is the home telephone of Mr. MAYALL.

Collect telephone call, person to person, received by him from AL STANLEY, who was calling from telephone 553 4530 in Oroville, California. Mr. STANLEY does not have a telephone, so location of above phone is unknown to him. STANLEY can be located through the M&K Hancock Service Station in Oroville.

March 30, 1968

His telephone records reflect that at 12:11 pm, a call was placed from his office to 916 725 2908, Roseville, California. He noted that this is the telephone number of his employee, CHUCK SULLIVAN, who works in San Leandro but returns to his home in Roseville on Friday evening for the weekend.

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Mr. NICHOLS does not specifically recall making this call, and in reality it could have been made by any company employee. However, he sometimes handles Saturday business at the office so SULLIVAN can go home on Friday, and it is most likely that he is the one who made the call.

Since this is the last recorded call on Saturday, March 30, 1968, and since he is quite certain he visited his wife in Southern California on that weekend, he feels that shortly after this call he went to the Oakland Airport and got a flight to Orange County Airport.

He said he would have flown Air California Air Lines and since they make their reservations by name, this line should have a record of his having made such a trip.

He also volunteered information on a trip he had made back East. He said his mother-in-law, JEANNETTE CRITTENDEN, 502 Lee Circle, Johnson City, Tennessee, died about two to three weeks prior to March 1, 1968. His wife had naturally gone back for the funeral. His wife remained there for two or three weeks after the funeral to clear up details of the death and the estate.

Mr. NICHOLS said that he desired to visit his wife's relatives and to bring his wife back to California. He decided to drive his car back to Johnson City, and because of his interest in activities of the AIP, he decided to stop and confer with leaders of that party in Montgomery, Alabama.

He said that en route to Johnson City, he stopped in Montgomery on the night of February 27, 1968, at which time he stayed at the Holiday Inn, Midtown. Next day he drove to Johnson City, where he stayed a few days at 502 Lee Circle.

On March 3, 1968, accompanied by his wife and small son, he was again in Montgomery en route to California. At this time, he stayed at the Town House Motel.

He next has record of a cash receipt from Cotton's Truck Stop, Las Cruces, New Mexico on March 5, 1968, which he said was for the purchase of gasoline on his return trip to California.

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He said that he has no photo of himself at the present time due to theft of his billfold, with the exception of the photo on his driver's license, California [REDACTED].

He said he has been arrested, but not since he was in the US Marine Corps.

He is described as:

Race	White
Sex	Male
Nationality	American
Date of birth	[REDACTED]
Place of birth	Aberdeen, Washington
Height	5' 8"
Weight	220
Hair	reddish blond
Eyes	Grey-green
Build	Obese
Complexion	Light
Teeth	even & smoke stained

Mr. NICHOLS volunteered that should further information or clarification be desired, he would be pleased to attempt to furnish such information.

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WH:mb

CLARA HENRY, Manager, Los Palmas Apartments, 15375 Tropic Court, San Leandro, advised that HAL NICHOLS occupied Apartment 33 on February 22, 1968, and continues to reside here. He previously lived at Nimitz Motel, San Leandro. He drives a late model Cadillac.

She noted that Apartment 33 is located in a secluded corner of the complex, with a parking area to the rear well concealed from view of most of the tenants. NICHOLS could, therefore, come and go as he pleases, and she could not state where he may have been on March 28, 29, 1968 and April 11, 1968.

She noted from her records that he paid his rent on April 3, 1968, and she recalls seeing him the day before that at the apartment house. She said that Apartment 33 had been occupied immediately prior to NICHOLS by CAROLYN SUTTON, who was employed as a secretary by NICHOLS. SUTTON quit and moved to the Portland or Seattle area. She has only the address of her father, H. C. SUTTON, P. O. Box 65, San Andreas, California.

JOE NEDEIROS, Business Agent, Culinary and Bartenders Union, Hayward, California, advised that LARRY MC GRATH is a member of this union since 1963. He said MC GRATH has been unable to hold a steady job during this period, having had 10 to 12 different jobs during the period. He termed MC GRATH a self-centered person who consistently seeks recognition.

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FEDERAL BUREAU OF INVESTIGATION

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Date 4/23/68

KATHY SHEETS, 1645 - 165th Avenue, San Leandro, waitress at the Blue Dolphin, advised that she is acquainted with HAL NICHOLS and several other persons who come to the restaurant with him. They have been coming there two or three times a week for the past few months.

It is common knowledge to employees of the restaurant that all of these persons are extremely ardent supporters of GEORGE WALLACE for President, and it is assumed by employees that all of them have strong anti-Negro sentiments since it is the general consensus of opinion there that GEORGE WALLACE is anti-Negro.

She knows as associates of NICHOLS one CHUCK SULLIVAN, DALE ALLEN and JIM REID. There are others.

She said that over the months, the employees, particularly the bartenders, have been kidding and joking with NICHOLS and his friends concerning Negroes. NICHOLS and his associates generally deny anti-Negro sentiment but it is obvious that this is justification for their position in support of WALLACE, and probably not their true sentiments.

She said that following the assassination of Dr. MARTIN LUTHER KING, the bartenders and NICHOLS's group were making jokes, which she described as "bad" jokes in that they were crude rather than funny, concerning KING's death. She noted little sympathy for Dr. KING from the NICHOLS group.

She was off work on the day of the killing, April 11, 1968, and does not recall any of the NICHOLS group visiting the restaurant until the following Sunday.

She specifically recalls a conversation at approximately 7:00 PM, Monday, April 15, 1968. CHUCK SULLIVAN and DALE ALLEN entered the bar. She heard BOB BENNETT, one of the bartenders, who had apparently been looking at a sketch of the alleged killer in a newspaper, said to DALE ALLEN, "There he is. Looks just like the picture". DALE replied, "I

On 4/17/68 at San Leandro, California

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by SAs RICHARD J. MC MULLEN and
WILLIAM HUTTON, JR. :mb

Date dictated 4/17/68

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WH:mb

didn't think anybody would recognize me."

She does not recall LARRY MC GRATH participating in this conversation, but believed that he was on duty at the bar and could have overheard it. She believed the conversation to be nothing more than the usual kidding which had been going on for months, and attached no particular significance to it. She said there was no indication from what was said or the manner in which it was said, to indicate that the conversation was in any way serious or significant.

She viewed two artist drawings of ERIC STARVO GALT and said that neither resembled ALLEN, with the exception that the Memphis drawing showed a crease in the nose between the eyes which looks something like ALLEN, but said it is definitely not a good likeness.