

DID TRIBUNE EMPLOYEES TIP ZELL ABOUT THE WIRETAPS?

In addition to attempting to put Obama's senate seat on e-bay, Governor Blagojovich has also allegedly been trying to leverage assistance for the sale of the Chicago Cubs for better coverage in the Chicago Tribune.

Sam Zell was trying to stave off putting the Tribune Company in bankruptcy by selling Wrigley Field. Zell wanted the help of the Illinois Finance Authority; Blago attempted to trade that help for more favorable coverage in the Trib.

Fitz's team apparently picked up this attempt in the taps they placed to track Blago's other schemes, including the selling of the senate seat. The chronology started on November 3, when Blago was discussing whether or not the Trib will be the one leading the call for impeachment. While listening to a discussion about that, Blago's wife Patricia suggested that Blago "hold up that fucking Cubs shit. . . fuck them," later saying that Zell could just fire the Trib editorial board. Blago followed up by putting a stack of negative Trib articles together, and suggested that John Harris (the Chief of Staff who was also arrested today) take those articles to Zell and say, "We've got some decisions to make now ... get rid of those people ... maybe we can't do this now. Fire those fuckers."

Two days later, Blago instructed Harris to inform Zell and his team that "everything is lined up, but before we go to the next level we need to have a discussion about what you guys are going to do about that newspaper" (the argument being that to get the IFA help, Blago would have to go around the legislature, precisely the same kind of thing the Trib was calling for impeachment over. Blago spoke specifically in terms of the value of IFA

support for the Tribune Company: \$100 million.

On November 11, according to John Harris's version picked up by the wiretaps, the Tribune Company talked about, "certain corporate reorganizations and budget cuts coming ... before the end of the month." Harris took that to mean the Trib would go after anti-Blago editors during the reorganization: "reading between the lines, he's going after that section." On November 21, Blago and Harris specifically talked about Trib Deputy Editorial Page Editor John McCormick "getting bounced." Blago reiterated to Harris that he wanted to make sure Tribune company understood that, "we are not in a position where we can afford to [have IFA taking on Wrigley Field] if . . . the Tribune is pushing impeachment." Harris affirmed that the "Tribune Financial Advisor" "got the message" that help on Wrigley Park was contingent on editorial changes at the Trib.

On November 30 and December 3, Blago took steps to push through the IFA deal and provide science and technology funds to the Cubs. It became clear on November 4 and 5 that their scheme had not worked (at least not thus far). One the 4th, the Trib announced layoffs, but did not include McCormick among those laid off. Then, on the 5th (Friday), the Trib reported that Blago had been taped:

Federal investigators recently made covert tape recordings of Gov. Rod Blagojevich in the most dramatic step yet in their corruption investigation of him and his administration, the Tribune has learned.

As part of this undercover effort, one of the governor's closest confidants and former aides cooperated with investigators, and that assistance helped lead to recordings of the governor and others, sources said.

The cooperation of John Wyma, 42, one of the state's most influential lobbyists,

is the most stunning evidence yet that Blagojevich's once-tight inner circle appears to be collapsing under the pressure of myriad pay-to-play inquiries.

Then, yesterday (that is, one business day after the Trib broke the news of the wiretaps), the Tribune Company declared bankruptcy.

The mini-timeline looks like this:

November 3-5: Blago's crafting the quid pro quo for the Trib

November 21: Harris reports that the Trib "gets it"

November 30, December 3: Blago makes moves to deliver favors to the Trib on Wrigley Field

December 4: Trib does not lay off Blago's targeted editor

December 5: Trib reveals that Blago was tapped

December 8: Trib Corporation declares bankruptcy

Here's what I find interesting about this.

One of the reporters at Fitz's press conference asked whether the Trib's story on Friday was related to the decision to Blago's arrest today—that is, whether the story made the wiretap ineffective. Fitz responded that the Trib had held that story for some time before breaking it.

Journalist: Did the Tribune report interrupt the call?

Fitz: Trib called us to confirm story, we asked the Trib to hold on that story, "I have to take my hat off that the Tribune withheld that story for a substantial time." Later that story did

run, and we were recording after that story. Days before Blago was intercepted telling his fundraiser to talk as if the whole world is listening. After the story ran, we got a different conversation that was "undo what you just did." We ought to credit the Chicago Trib. They didn't agree to all our request. I respect what they did.

And in a statement, the Trib said much the same thing: they had held back on some—but not all—of the story.

The Chicago Tribune investigated allegations of misconduct involving Illinois Gov. Rod Blagojevich independent of the U.S. attorney's criminal probe.

As a standard practice, our reporters contact individuals involved in these stories for confirmation and comment prior to publication. Consequently, we contacted the U.S. attorney's office in the course of our reporting.

On occasion, prosecutors asked us to delay publication of stories, asserting that disclosure would jeopardize the criminal investigation. In isolated instances, we granted the requests, but other requests were refused.

The Chicago Tribune's interest in reporting the news flows from its larger obligation of citizenship in a democracy. In each case, we strive to make the right decision as reporters and as citizens. That's what we did in this case.

The Trib has been hot on the story of John Wyma's cooperation since October 22, apparently having learned from sources of a subpoena related to him served earlier in October.

Wyma, Blagojevich's chief of staff when he was in Congress, has long been one of the few advisers trusted by Blagojevich and kept in the loop on matters of policy and politics. As the federal probe intensified, Wyma met privately with the governor and his former chief of staff at the governor's campaign headquarters on the North Side for 90 minutes on Oct. 22.

Confronted outside that meeting, Wyma declined to talk to Tribune reporters about what the meeting was about before jumping into his car. The next day, the Tribune was the first to report that Wyma's name appeared in a federal subpoena delivered to Provena Health, a former client of his.

The FBI first installed the wiretap on Blago's campaign headquarters that very same day—that is, the day of the meeting between Wyma and Blago at campaign headquarters.

On October 21, 2008, Chief Judge James F. Holderman signed an order authorizing the interception of oral communications for a 30-day period in two rooms at the Friends of Blagojevich office: the personal office of ROD BLAGOJEVICH and the conference room. On the morning of October 22, 2008, the FBI began intercepting oral communications in those rooms.

Now, it appears that what the Trib was reporting from—and potentially what Fitz asked them to hold off on—was sources' descriptions of the subpoena to Wyma.

Pushing further into Gov. Rod Blagojevich's inner circle, federal investigators have subpoenaed records involving a lobbyist friend who represented a hospital company that won

a favorable state ruling.

The company's for-profit affiliate donated \$25,000 to Blagojevich's campaign a month after the state's action.

John Wyma, a top fundraiser and former Blagojevich aide, was named in a federal subpoena delivered two weeks ago to Provena Health, **according to sources**. It sought records about Provena's lobbying relationship with Wyma, the donation and the company's efforts to win approval for a new heart program.

[snip]

On Wednesday, Wyma met for about 90 minutes with the governor and another fundraiser and state lobbyist, Lon Monk, at Blagojevich's political offices on the North Side. When asked after the meeting about the subpoena, Wyma said, "I have no comment."

Monk, who was Blagojevich's chief of staff during his first term, also declined to comment.

[snip]

Lagger acknowledged that Provena Health, based in Mokena, received the hand-delivered subpoena. She declined to discuss specifically what it sought, saying only that it asked about a single contribution to the governor and matters related to the state hospital planning board.

There's no reason to believe that the Trib's reporters knew that the FBI had just started tapping the Friends of Blago headquarters on the same day—October 22—when they staked it out waiting to ask Wyma about his meeting with Blago. But both Fitz's answer and the Trib's suggests they knew "a substantial time" before they published it last Friday. Presumably, "a

"substantial time" precedes the announcement of layoffs last week.

The question is, did Zell learn of it from his reporters?

Frankly, from Zell's statement yesterday, Zell may have been proceeding with bankruptcy assuming the Wrigley Field deal was still going through. The Cubbies were apparently not included in the bankruptcy filing.

We just announced that Tribune is restructuring its debt under Chapter 11 protection. I'm sure you saw the speculative coverage last night and this morning. I would have preferred everyone get the news from me first, but since our debt is publicly traded, we had to keep this decision confidential until we had a formal board decision. The Cubs franchise is not part of the filing.

At the same time, as Fitz repeatedly implored today, there's no reason to believe that either Zell or his financial advisor intended to play along with Blago's demands, even back on November 21 when Harris believed that the financial advisor "got it." We've only seen Harris' side of the conversations. And hell, maybe Zell was the guy who had a long conversation with Fitz's office today to explain his side of those conversations.

But given the coincidence of timing: the layoffs, the scoop on the wiretaps, the bankruptcy, it sure does raise questions about whether or not the business side of the Trib knew about what the editorial side was about to break?