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HOLDERMAN'S FRIENDS SEEK LENIENCY IN SENTENCING EX-USC PRESIDENT MAY FACE 14 MONTHS

Clif LeBlanc, Staff Writer

Witnesses for James B. Holderman reminded a federal judge Wednesday of the heights he reached at USC and contrasted that with a broken man dragged down by illness and alienation.

It was all part of an effort to keep the former university president out of federal prison. Judge Joseph Anderson is to decide today whether Holderman, 60, should serve up to 14 months after pleading guilty to perjury. If Anderson is convinced that Holderman suffers from a mental illness that kept him from knowing he lied to his creditors, he could get probation.

Holderman's lawyers portray him as a manic-depressive who never understood how to control his spending habits. They say he was deluded with get-rich schemes that Holderman thought would dissolve his mountain of debt.

Federal prosecutors agree that's a good description of Holderman, but say it's not an excuse for a criminal act. Their psychiatric evaluation shows he has only a mild mental disorder. They say he knew his real income in 1993 was \$125,000, not the \$50,000 he reported to creditors.

Holderman's friends, University of South Carolina co-workers and his doctors painted a different picture: a discredited man abandoned by his family, out of money, mentally and physically ill and clamoring to recoup his prestige.

Former U.S. Rep. Butler Derrick and ex-USC Board Chairman Othniel Wienges reminded the court of a 13-year presidency that brought the university international attention, celebrity speakers and faculty and filled its coffers to record levels.

That was a stark contrast to the recent characterizations by other witnesses.

Michael Molony, a Charleston lawyer who described himself as Holderman's best friend, said he has seen Holderman's private, despondent side.

Holderman's moods bounced from being a recluse who slept 14 hours a day to a flighty character who couldn't put two related thoughts together. He was constantly cooking up money schemes while overdrawing his bank accounts.

"He was just a completely different individual," said Molony, who worked briefly with

Holderman when he ran the university. "I was taken aback."

Holderman lacks the simplest life skills, Molony said. He doesn't understand living by a budget and had to learn how to drive when he moved to Charleston in the early '90s.

"People at the university took care of things for him," Molony said. "He went from having this phalanx of people, and he was the maestro, to being a one-man band. He just wanted to believe he was going to come back, make amends to everybody and it was all going to go away."

Molony recalled Holderman's attempted suicide and the time he lay near death in a hospital bed recovering from abscess surgery. "I sat in his room when the man almost died. You didn't read that in the newspapers. His family left him."

Molony contrasted that with the Holderman he knew in the mid-1970s and early '80s. Holderman was "dynamic, extremely articulate, had charisma," Molony said. "When he walked into a room he lit it up."

Paul Deganhart, who worked with Holderman when he held a consulting job after his ouster from USC for lavish spending, said Holderman meticulously cooked up 14 money-making ideas. "They were fantasy," Deganhart testified. "None . . . produced one dollar of revenue."

His grandiose plans included a triumphant book tour for an autobiography that was never published and using his show-biz contacts to help save a Charleston community theater.

Pete Denton, USC's chief financial officer under Holderman, said he would give Holderman an "A" grade for his performance as president. But he said Holderman was driven, demanding and had little consideration for details.

"Jim Holderman was acutely aware of the vision he had for taking the university," Denton said. "The details of what it took to get there, he didn't appreciate it."

"I don't think he owned the other half of a checkbook, where you keep up with what you spend," said Denton, explaining it was his job to find the money.

Throughout the testimony, Holderman barely reacted.

Former USC President James Holderman, center, arrives at the Strom Thurmond Federal Courthouse with his attorneys, **Jack Swerling**, left, and Joe McCulloch, on Wednesday. KIM TRUETT/THE ASSOCIATED PRESS



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