

## IN MEMORIAM

*F. Cleveland Hedrick, Jr.*

F. Cleveland Hedrick, Jr., Washington lawyer *par excellence*, Southern gentleman, and fourteenth chairman of the Section of Taxation (1965-66) died in his home state of Florida, at Boca Raton, on July 28, at the age of 90.

I first “met” Cleve at the San Francisco airport nearly 50 years ago when we were both on our way to an annual meeting of the Section, and he invited me to join him on a ride to the headquarters hotel downtown. I had seen him at other Tax Section meetings, had been impressed by his reports as chairman of the Committee on Excise and Miscellaneous Taxes, and knew that he was a prominent Washington tax lawyer, but I did not recall having talked to him before. In that short ride, I found him to be very likeable, very bright, and very knowledgeable. Even though I then had only a few years of practice under my belt, he gave every evidence of intent to treat me on a 1:1 basis. Beside that, he refused to let me pay any part of the fare, and I had great affection and admiration for him ever after.

Cleve grew up as the oldest son in a highly regarded, well-educated, prosperous family in Jacksonville. However, he had the misfortune of finishing high school soon after the arrival of the 1927 “bust,” which ended the Florida “boom” of the twenties, and just before the beginning of the national depression in 1929. In his senior year Cleve took a manual training course (instead of the college prep course he had planned), trained as a carpenter, went to work as a messenger, and ultimately increased his wage to ten dollars a week by taking a library job as a file clerk. But he made a strong impression on those with whom he worked—as he was to do the rest of his life—and one of the librarians insisted that he return to high school for the pre-college courses he needed, found him a job as a campus stringer for a Jacksonville newspaper, and even persuaded some of her male friends to get him invited to join one of the best fraternities at the University.

He quickly seized the opportunity—as again he was to do repeatedly in later life for himself, his clients, his profession, and his country. Three years after graduating from high school, Cleve enrolled at the University of Florida. He soon found a job as a waiter in the boarding house where he lived, another job as a helper in the University library, and still another job collecting laundry, all to supplement his modest newspaper income. Somehow he still found time to be president of his college fraternity, president of his law school fraternity, chairman of the editorial board of the student newspaper, best junior in ROTC, and one of 12 students in the University selected by the faculty in 1938 (when he got his law degree) to receive the school’s highest honor, membership in “Florida’s Hall of Fame.” The citation for the latter appropriately said, “knowing what he *wants*, he *gets* it.”

In the school library, Cleve was overwhelmed by the volume of new government regulations fostered by the New Deal. He *wanted* to go to Washington and be a tax lawyer—but the *getting* turned out to be a long time away. He sought

out Senator Claude Pepper, who was in a tight race for re-election in 1938, and asked to work in his campaign. He became an advance man as well as Senator Pepper's personal chauffeur. Cleve discovered that one of the Florida newspapers had deleted an item in the *Washington Merry-Go-Round*: that Republicans were pouring money into the coffers of Senator Pepper's Democratic opponent, hoping to beat Pepper in the Democratic primary. When the editor's deletion was given wide publicity, support swung to Pepper, who wound up with some 50-odd percent of the primary vote and easily won the general election. Cleve then asked Pepper for a job in the Chief Counsel's Office at the Internal Revenue Service; Pepper tried but failed, and instead Cleve was appointed to the Antitrust Division of the Department of Justice, where he became a trial lawyer under supervision of Tom C. Clark, who later became Attorney General. A few months later, Cleve thought he had found an opportunity to achieve his dream of becoming a tax lawyer when he joined a small firm headed by Charles Trammell, a former member of the Board of Tax Appeals (now the Tax Court). However, the firm was dissolved early the next year, and he rejoined Clark at the Antitrust Division, with assignments in Los Angeles and Atlanta.

In 1941, Cleve was selected to serve as liaison between the Justice Department and the Selective Service Commission. He was called to active duty and designated Assistant General Counsel of the Selective Service at its headquarters in Washington. For the next five years he assisted General Hershey in drafting policies and procedures, handling landmark litigation (involving such issues as the status of conscientious objectors, the right of individuals to contest their classification or assignment, the failure of draftees to report for duty, treatment of non-citizens, etc.), serving as liaison to the War Manpower Commission on sensitive issues involving competing wartime needs of the civilian and military sectors, and dealing with the Congress regarding changes in the law. He remained at Selective Service throughout the war, leaving in 1946 as a Lieutenant Colonel. Cleve received the Legion of Merit award for contributing "materially to the rapid and efficient mobilization of the armed forces of the United States."

Before leaving Selective Service, Cleve learned that Pierson & Ball, a well-respected Washington firm, then engaged primarily in communication practice, wanted to establish a tax practice, and Cleve persuaded the firm to let him take on the challenge! With virtually no tax experience except the few months he had spent with Judge Trammell in 1938-39, Cleve began at last to do what he had long wanted to do. He quickly sought out other tax lawyers in the government and private practice and joined the ABA Tax Section as well as the committee of the D.C. Bar responsible for tax matters. Cleve studied the Code and regulations, and soon began to make a name for himself for his successes in handling disputed matters before the Internal Revenue Service, the Department of Justice, and Congress. He became particularly expert in excise taxes and in issues arising under the Excess Profits Tax Act of 1950.

After five years at Pierson & Ball, Cleve opened his own office. John D. Lane soon joined him, and the firm became known as Hedrick & Lane. John Lane briefly had the experience in the Chief Counsel's Office that Cleve had origi-

nally wanted, but ironically it was soon agreed that *Cleve* would concentrate on tax matters and John on non-tax matters. It also turned out that, despite *Cleve's* litigation experience, the firm became involved in almost no tax litigation. The firm's emphasis was on administrative protests, negotiation, rulings, advice, and legislation—in all of which *Cleve* was notably successful.

A striking exception to *Cleve's* absence from litigation occurred when *Cleve* and John found themselves in the middle of a proxy fight for control of the Boston & Maine Railroad. Within *less than 72 hours*: they requested and were granted a Temporary Restraining Order (TRO) in the United States District Court for the District of Columbia prohibiting the Interstate Commerce Commission (ICC) from interfering in the matter, participated in a second hearing before the United States Court of Appeals for the District of Columbia, which ultimately vacated the TRO (but not before they had appeared twice before the Chief Judge, who encouraged the ICC to postpone action until an appeal could be filed in the Supreme Court), and appeared a final time before Chief Justice Warren, who refused to reinstate the TRO but issued such a blistering order critical of the ICC's untimely interference, that *Cleve's* clients won the proxy fight.

Meanwhile, as the firm grew in size, *Cleve* contributed more and more time to the organized bar. He became a section chairman and member of the Board of Governors of the D.C. Bar. He served as chairman of the Excise and Miscellaneous Tax Committee and was elected a member of the Council of the Tax Section, then Vice Chairman in 1963, and, in 1965, elected as the Section's fourteenth Chairman.

*Cleve* was the first Chairman to serve under a new By-Law (forced upon the Section by the House of Delegates of the ABA) limiting the Chairman's term to a single year. Thus, he had only half the time of his predecessors to get his job done. He immediately made clear—I was elected a member of the Council the same year—that he intended to move things forward as rapidly as possible, and reorganized the management of the Section. *Cleve* divided responsibility among three Vice Chairmen—one for Section Operations, one for Administration, and one for Government Operations, establishing a pattern that has been continued (with some elaboration) until the present time—35 years later. He also made clear that while he did not intend to “micro-manage” the Section, he did expect to be fully apprised of, and given an opportunity to participate in, every significant activity in which the Section and its committees were engaged. He took an active role in the Section's efforts to get consideration of the “Tax Section Bill”—H.R. 11450. The Tax Section Bill was introduced by the House Ways and Means Committee Chairman and incorporated all of the changes then unenacted in the Code, which had been proposed in previous years by the ABA. *Cleve* was successful in obtaining from the ABA, over the wishes of the Administrative Law Section, recognition of the Tax Section's primary jurisdiction in matters of tax practice and procedure. He strengthened the format of the Mid-year and May Section meetings. *Cleve's* format change resulted in the largest attendance ever at a Mid-year meeting and much greater involvement of govern-

ment officials in the May meeting. A program began, with Service approval, by which the Section would propose rulings and regulations changes, instead of merely responding to those proposed by the Service. And the Section ended the year with a surplus!

Cleve left the Council in 1967, but returned in 1971 when he was elected Section Delegate to the House of Delegates. Although he was permitted to serve only one year as Chairman, he was re-elected again and again as Section Delegate, serving eight years—longer, by far, than anyone else had ever served up to that time. As Section Delegate, Cleve performed an extremely important function, serving as liaison with the management and other sections of the ABA and having primary responsibility for securing approval by the House of legislative recommendations and other proposals of the Section before becoming official actions of the ABA. I was Chairman of the Section during part of Cleve's tenure, and I can assure you that it was a great comfort to have him "carrying the ball" for the Section. Thanks to Cleve, the House approved all of our proposals that year.

I also had the privilege of having Cleve as a neighbor, just a few doors down the street, for almost 25 years. He was a wonderful neighbor, as he was a wonderful human being. Cleve was warmly hospitable, opening his pool to my whole family, making himself readily available for advice on both bar and client matters. As Cleve's neighbor and friend, I learned of his engagement in many other activities: he was cofounder of a school in Virginia; he was a member of his church vestry and headed up its building expansion fund drive; and he owned and managed a beef cattle farm in Virginia. I also had several occasions to work with him on matters in which we had common clients or clients with common interests, and he always demonstrated great patience, skill, and ingenuity.

Aside from his long service to the Tax Section, Cleve served the tax bar in other ways. Like many of us, he lectured and wrote scholarly papers. He was president of the Tax Institute of America (now merged with the National Tax Association). After retirement from his firm, Cleve was part of a seven-man delegation to Russia in 1991 to advise the Russians on tax matters. The delegation was headed by a former Chairman of the ABA House of Delegates.

Cleve had a delightful wife, Rosalie, who died in 1991 after 52 years of marriage. Cleve later moved back to Boca Raton, Florida, where he married a second delightful wife, Patsy, who survives. My late wife and my present wife each frequently commented on how extremely attentive he was to both Rosalie and Patsy, opening car doors, holding their arms, raising umbrellas against sun as well as rain, and always observing the proprieties as a true Southern Gentleman. Patsy, in turn, had the burden of Cleve's care in the last several years in which he had become an invalid. She was as devoted to him as he had been to her. Cleve is also survived by his three children, Meredith, Cleve, and Charles, who will greatly miss him. As will his many friends in the Tax Section and elsewhere.

*K. Martin Worthly*