December 15, 1920

Mr. William Randolph Hearst 137 Riverside Drive New York City. N.Y.

Dear Mr. Hearst:

Yesterday in going over other matters. I told Mr. Bogart of my own financial troubles in connection with San Simeon, and would like to explain to you personally, as I would have before you left, had I known, not just suspected, the facts.

I have been charging you as usual 6% on the costs of the work, but partly because of its nature, and partly because we are providing unusual service which circumstances brought gradually on us. 6% does not cover the actual cost expenses. You see my office has been buying practically everything from cooks and dishwashers to glue size, marble and cement, following up and sending things onto boats, checking, checking, auditing, etc., - all work which is generally a contractor's, and which Mr. Washburn has been unable to attempt to do from San Simeon.

As the books stood the first of December. I had expended in cash \$16.780.00 against a commission of \$15.000.00. Which would you think the better.— for me to charge a permutation that would cover expenses, going on as we are, or would you think it best for your office here to undertake the hunting out, buying, transportation and checking part of the work.

You know how I feel about San Simeon and so will understand it is not a question of making a little more or less, but there is a real need not to go behind, and I know you would not want it.

Yours very truly,