

# Mother church

## Capital disciple's story

How Martin Samuels  
built \$10 million missions

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**W**ith \$175 and a small box of books under his arm, Martin Samuels brought Scientology to the Sacramento area in the 1960s.

He soon built a \$10 million empire. The church rated his missions in Davis and Sacramento the best in the world.

Then, in 1982, it all collapsed. Samuels left the church with nothing more than a suitcase half full of clothes.

Samuels charges in a lawsuit that the church illegally took it all away from him. The suit, being heard in Portland, Ore., is seeking more than \$54 million in damages from church founder L. Ron Hubbard.

In a battle over money, the mother church seized tighter control of Samuels' missions and others world-

wide in 1982, according to church records. Since the takeover, Scientology has never been the same in Sacramento. Its membership and income have plummeted, according to former members and church records.

Samuels' attorney and many ex-members provided a rare glimpse at the closely guarded church and its history here. Samuels would not comment. Christi Losh, church spokeswoman in Sacramento, also declined to be interviewed.

Scientology was still a relatively obscure new religion when Samuels came to the Sacramento area in 1969. He started a mission in Davis, where he'd graduated from the University of California with a degree in philosophy in 1966.

Because the Mission of Davis was so well received, he opened a branch in Sacramento in 1972. Later, Samuels opened missions in San Francisco, Portland, and Sheridan, Ore. In Oregon, he also opened the Delphian School, which uses Hubbard's techniques.

These five missions were franchises, controlled by individuals. Other regional churches, called Orgs, are controlled by the mother church, with headquarters in

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# Mother church was unhappy with mission's success

Many mission holders, including Samuels, had begun to speak out against the activities of L. Ron Hubbard

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Los Angeles. Samuels had more Scientology missions than anyone else

"Samuels had the largest and most successful stats (statistics) for any mission anywhere in the world," Garry P. McMurry, Samuels' attorney, said of the missions he owned in Sacramento and Davis.

The missions were lucrative. The Mission of Davis in Sacramento sometimes earned up to \$40,000 a week, according to financial reports published by the church and obtained by The Bee.

Debbie Jones, once the treasurer for the mission and later the Org, said the combined income of the mission and the main church on 15th Street averaged \$750,000 a year between 1980 and 1982.

McMurry said Samuels' five missions were worth \$10 million.

"When people get hyped, they'll do pretty phenomenal things," said a former local church executive who asked to remain nameless. "We get you to cash in on your life insurance. We get you take a loan out on the car. When we get you hyped, there is very little you won't do."

The growth of the Sacramento mission was spectacular. Curiously, however, the mother church was not pleased.

It boiled down to a fight over money. Samuels gave the mother church in excess of \$4 million during the time he controlled the franchises — and the church wanted more, said McMurry.

"They (mission holders like Samuels) were taking money from people for services that were not needed," said Kathy Gordon, church spokeswoman. "Their sole intention was to make money. We don't want criminals

in our church. We're not money oriented."

In a 1982 church document, Scientology International Finance Dictator Wendell Reynolds said the missions were "ripping off" the Orgs and that Samuel's missions would have to pay the mother church "millions of dollars."

A source close to Samuels maintained most of the money went to the mother church anyway, to pay legal fees, and run his operation.

It's not clear how much Samuels earned, but fellow Scientologist Marvin Price said he had 15 servants, at least 450 staff members at all five missions, and lived the life of the top executive of a multimillion-dollar corporation.

In his lawsuit, Samuels said he had things such as several Oriental carpets valued at \$20,000, and a \$10,000 wristwatch.

In the hierarchy of Scientology, the church-run Orgs were supposed to be the real power, not the franchised missions. Students were supposed to "climb the bridge," in church lingo, and graduate to the Orgs, where they would spend their money, according to church documents.

Samuels' successful Sacramento mission was outperforming the closest Org, in San Francisco. So the mother church insisted Samuels help them form an Org in Sacramento.

Samuels was sent to see Hubbard aboard his ship, the Apollo. Hubbard wanted more control over Samuels. By 1974, the Org that is now on 15th Street was set up, and the conflict started. About this time, Samuels moved from Davis to Oregon.

"Many mission holders, including Martin Samuels, had begun to speak out against the criminal . . . activities of Hubbard and the church," William Franks, one-time international executive director of the church, said during a Florida court case. "As a result, Hubbard ordered (David) Miscavige . . . to implement various plans to bring them back into line or 'wipe them out.'"

By 1979, the mission and the Sacramento Org were in full battle. In 1982, the elite Sea Org, took control of Scientology. The Sacramento mission and Org were merged and the church took over Samuels' other missions. Samuels charges in his suit that Hubbard illegally deprived him of his property.

The Org and a small branch of the church on Fair Oaks Boulevard in Carmichael remain in Sacramento. The mission in Davis still exists, but has a handful of members who can barely feed themselves, said Price.

"It seems they're struggling to survive," said Keith Franzen, a student at UCD. He took a course at the Davis mission early this year, and recently won a judgment for a refund in small claims court against the church for \$1,026.67, according to the Yolo County Municipal Court.

Getting money back can be difficult. Sacramento attorney Robert Schaldach said he is representing five persons who claim \$50,000 in refunds. Another Sacramento attorney, Lewis Hackett, said he's representing about 25 people nationwide who claim \$300,000 in refunds.

While both attorneys claim their clients have been getting the runaround, neither has yet filed any lawsuits on local cases.

When Samuels left the church, he owned nothing more than the shirt on his back, said Price. He had to borrow money to go back to New Jersey where he now lives with his parents.

The church wants to represent Hubbard in Samuels' lawsuit. Samuels wants Hubbard to personally appear in

court. A dispute over this is now in an appeals court and should be ruled on soon.

The days of megabuck earnings are over, said Jones, the former mission and Org treasurer. Her husband, Robin, now offers alternative religious services. After the mission was merged with the Org, the combined income dropped "dramatically."

Someone still active with the church reported \$9,000 was earned in one recent week. Other weeks, said this source, have lower earnings.

Nelson, the former church executive, disputes that the earnings were ever high for the church-run Org here, no more than \$200,000 a year. He said the Sacramento mission franchise did a far larger volume of business.

"We had a hell of a time paying our bills," said Jones, talking of the time in late 1982 after the mother church started clamping down on missions, levying fines and demanding more services be bought from the main church.

At the same time the merger took place, Jones said, she saw a 1981 year-end audit that showed the Sacramento Org had a \$250,000 reserve fund in a European bank account. That money then vanished, taken by the mother church, she said.

In 1979, a church official said there were between 15,000 and 20,000 active Scientologists in this area. But Jones and others said it was far lower, not much over 1,000. Price said it may have been as high as 2,000.

Now, a source who still works at the church and a number of others who recently left say there are probably no more than 500 members. Price believes the number to be somewhat smaller.

"That's not the real figure, though, because many of them aren't active," said the source within the church — in one recent week there were just over 60 people taking courses.