Witness: James Gray

Date: 2004-12-07

Proceedings held December 7, 2004

Called by: Defense

Phase: Penalty

Examinations: Direct

Day 1 of 1 for this witness

Court: San Mateo County Superior Court, Redwood City (People v. Scott Peterson)

Source: https://pwc-sii.com/CourtDocs/Transcripts/Gray.htm

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Direct Examination

HARRIS: Good morning, Jim.

GRAY: Good morning.

HARRIS: I want to give a little background on you first before you get into how you knew Scott. Where were you born?

GRAY: Mobile, Alabama.

HARRIS: You ended up migrating out eventually to California?

GRAY: Arizona first, then California.

HARRIS: What part of California did you start?

GRAY: Santa Monica, early fifties.

HARRIS: What did you do in Santa Monica in the early fifties?

GRAY: Basically I was in school.

HARRIS: Did you eventually go to work in a family business?

GRAY: Well, yes, as I got older. When I was probably about 22, 23, I went into a manufacturing, exporting business of aircraft and missile components.

HARRIS: What type of aircraft and missile components?

GRAY: We primarily supported the export of the F-1044 parts, a Lockheed-built aircraft, C-130 parts. And then we got into the ordinance side of the defense industry which was supporting the Hawk missile system. Just the ground, the power equipment. Nothing to do with the actual missiles themselves.

HARRIS: Now, did you stay in, this was family-owned business?

GRAY: It was a partnership through my father and another gentleman, yes.

HARRIS: Did you stay in this business up until the 80s?

GRAY: Yes. Up until the early nineties.

HARRIS: Up until the early nineties. I assume this was all in Santa Monica?

GRAY: Yes, it was.

HARRIS: At some point did you end up moving the business, at least moving yourself to the San Luis Obispo area?

GRAY: My youngest or middle son, actually, was going to school at Cal Poly, or got enrolled in Cal Poly. My ex-wife and myself bought some property in San Luis Obispo for him to reside there. And through the transition, my oldest son relocated to San Luis Obispo. And then my daughter also decided to go to Cuesta College, which is a junior college there. And she would reside in one of our units there also.

HARRIS: Okay. And did you eventually move up as well?

GRAY: Yes, I did.

HARRIS: What year was that?

GRAY: 97. My wife and I got separated, decided to relocate in San Luis Obispo closer to the kids.

HARRIS: When you relocated in San Luis, where was your office set up?

GRAY: It was next to Scott's crating business. He was actually in Unit 23.

HARRIS: So you were next door neighbors in your businesses?

GRAY: Yes, we were.

HARRIS: How did you end up meeting?

GRAY: Well, I mean obviously when you are, I'm moving in, you know, you have a tendency to introduce yourselves, and you see each other on a daily basis, basically. Sometimes Scott would not be there, but I would see his dad Lee a number much times. And I had my business, and he had his, per se.

HARRIS: You end up talking to each other on fairly regular basis?

GRAY: Oh, yes.

HARRIS: How did the relationship, if you would just kind of give us a picture, how did the relation sort of develop over time?

GRAY: It was an interesting business. My business was, in a sense, winding down because of the defense industry, and the Hawk system primarily winding down, and the exports of that were getting less and less. I went from a 40 person business to like two, and then down to one, myself, which I was running with a captive shop in Culver City. Captive meaning they will manufacture for our facility. So I had plenty of idle time and stuff. And I was interested in kind of the crating business. It was kind of unique industry. I have never, we have had stuff, or I had stuff in the past done for us when I was in Santa Monica, California. But it was interesting. I have always been involved in woodworking, and had some general licenses in my early days. And it was just kind of an interesting thing. So I would have a tendency, so I migrate over there and watch what Scott was doing, and sometimes helping give him a hand if he had to, and so forth.

HARRIS: What was your sort of initial impression as up got to know Scott as a person?

GRAY: Very low key individual. Friendly. Low key. I mean just an all around super guy. I mean never an anger moment, or whatever. I have a Labrador Retriever that I brought up with me, chocolate, and Scott had his dog he would bring to work every day. And the two of them would just romp and tear out in the parking lot when they could.

HARRIS: At some point, did you end up having discussions with Scott trying to buy the business?

GRAY: We did. Scott got towards graduation from Cal Poly. Obviously I think he wanted to pursue his degree. So he, there was some mention that he was probably going to sell or just dismantle the business. I said, well, let's discuss this, you know, prior to you doing that. Because I'd like to maybe have the first right of refusal, or we could at least talk about it.

HARRIS: Did you end up doing that? Did you end up talking about it, negotiating a sale?

GRAY: Yes, we he did.

HARRIS: How did that go?

GRAY: Very well. Very well. Very well. Primarily it was just not necessarily a handshake type agreement. We had some written instructions about it. We kind of battered back and forth about a couple of things. He had as an asset, a forklift, and I already had a forklift. And so just menial things that weren't, we finally came to some conclusion, or a price that was set for both of us, and we went forward like in June of 98.

HARRIS: Before you purchased it, obviously you had an idea of what the business was. Did you understand it required a lot of just basically hard menial labor?

GRAY: Oh, yeah. I mean it's primarily, you are constructing wooden boxes from raw materials. So, I mean you are lifting plywood, two-by-fours, four-by-fours, and sawing them, and putting together with staples and nails, et cetera.

HARRIS: Is that what you saw Scott doing when he was working there?

GRAY: Oh, yes.

HARRIS: After the purchase of the business, you did end up purchasing the business?

GRAY: Yes, I did.

HARRIS: After the purchase of the business, after the sale did you have an instance to talk with Scott about some past-due bills?

GRAY: We have, well, there was not really a past due-will, per se. One of our carriers came to me with a past-due bill that was actually during the time that he had the business. And so I asked Scott about it. He said just something that he must have overlooked, and took care of it right away. As a matter of fact, the next day the carrier called, it had been taken it care of. Mr. Peterson sent us a check, so forth, et cetera. I still, today, do business with that company. It was not a reflection. It was just kind of an oversight, I think, through the transition of the business, et cetera.

HARRIS: Did he also have to, give an incident involving some, I believe some --

GRAY: Once when I purchased the business there was obviously a lot of inventory of different items, et cetera. And they had a lot of pneumatic type guns, hammers, and staplers and nail drivers. And I think that Scott didn't really know, or forgot that his dad basically had these on loan from his crating business, that were given to him by the nail or staple manufacturers. So he had to take those back to his shop down in the San Diego area and use those. And Scott had no hesitation. He said, let's go over to Cuesta Equipment, he'll buy you brand new guns. It was a done deal.

HARRIS: Unusual that he continued to sort of, ask another question. Did he come over if and continue to help you when you needed help?

GRAY: When I needed help. I mean not regularly, so forth. He would stop by and say, "How you doing?" You know, the, during the transition of this, he would take me over to my commercial customers and introduce me. I would go along with him and see how things were run in the business, and meet the people he was doing business with.

HARRIS: Did you pay him for this work?

GRAY: No, I did not.

HARRIS: Did you find it unusual that he would have sold the business to you, that he continued to help?

GRAY: It was the relationship I think we had.

HARRIS: What was that relationship as you began to get to know him?

GRAY: I don't know. Good friend.

HARRIS: You, after the business sold, what was your recollection of what Scott did then?

GRAY: He took his money and started a business in San Luis Obispo called The Shack. It was a sports bar, per se, hamburgers. Catered basically to the students of Cal Poly and Cuesta.

HARRIS: Did you end up helping him with that?

GRAY: We did. An associate of mine that worked with me retired out of AT&T. And I would go over evenings, not every evening, but certain evenings and help Scott put The Shack together. It's some manual work, putting up siding and doing railings, and et cetera.

HARRIS: Scott do a lot of the actual,

GRAY: All of it. All of it,

HARRIS: Putting together the restaurant,

GRAY: that wasn't actually needed to be permitted, per se, by, say, electricians, plumbers, et cetera.

HARRIS: Over the time period after the sale, you developed a friendship, did you go over and continue to see him?

GRAY: Oh, yes. Both he and Laci. Yes.

HARRIS: Let me talk to you about that. You were aware at that time that Laci was also involved in the business?

GRAY: Oh, yes.

HARRIS: When you would go there, were they usually both there?

GRAY: Most of the time, yes. Not during the construction phase, but after it was open, yes.

HARRIS: And you ended up developing a friendship with both of them at that time?

GRAY: Oh, yes. This is prior to actually The Shack. But, yes.

HARRIS: When, your observations of Scott and Laci, and sort of running the restaurant, and their lifestyle and their life, how would you characterize their relationship through all this?

GRAY: Perfect couple. Never really saw an argument. Never a lot of harsh discussions. Always very friendly and open. Laci was just a bubble. I mean you could see Scott would see this, and cherish this.

HARRIS: You mentioned, you mentioned that Scott was rather low key, sort of passive person.

GRAY: Very much so.

HARRIS: Did you ever see him lose his temper and get angry?

GRAY: No, never. We played golf together. I struggle with golf. And I know sometimes how angry I get. Scott was a very good golfer. There is obviously times he made mistakes too, but never really an anger issue.

HARRIS: Looks like to you that he put in a lot of hours?

GRAY: Yes.

HARRIS: From what you could see?

GRAY: Certain times I was somewhat envious in a sense. He would come over and build a couple of crates and stuff, and have his clubs in the back of his truck, and go on to play golf, you know, go to school. And this is another reason why I was interested, kind of came down to semi retire in San Luis Obispo. Then I saw all this as kind of a unique business. It was a wood shop, which I'm used to being in or around, and doing that kind of work. And two or three days a week, and so forth. It seemed very interesting. So that was another reason I looked into that business.

HARRIS: You also mentioned that when you would go to crating business, would you see Lee as well there, sometimes?

GRAY: Sometimes, yes.

HARRIS: Did you develop a friendship with Lee as well?

GRAY: We would say, hi, be an acquaintance, and so forth. But I can't say it was a hard relationship, no.

HARRIS: The relation between Scott and Lee, the relationship that you saw, what was that like?

GRAY: Well, at the time that I saw it, it was, you know, a great father-son relationship. I mean I have two boys that I cherish. And, you know, I could see the likeness between the two of them, and myself and my sons.

HARRIS: After he left and moved to Modesto, did Scott have a chance to see you a couple of times after that?

GRAY: He would stop by. I think he missed San Luis, The Shack, the business, et cetera. He would stop by and say, "Hi". We communicate with letters or a phone call every once a while, and so forth. And then I think it's, in a sense we both got busy and kind of lost track. But I mean he would still stop by if he is in the San Luis Obispo area.

HARRIS: How would this end up affecting you personally if you felt like he was going to be put to death?

GRAY: Hmmm. I can't say.

HARRIS: Feel like he has something left to contribute?

GRAY: Most definitely.

HARRIS: Left alive, do you believe he can help others around him?

GRAY: I think so.

HARRIS: Does he have that type of personality?

GRAY: Oh, yes.

HARRIS: Thank you, Jim. That's all I have.