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HELIO CASTRONEVES TRIAL

FREE TO RACE AGAIN

Miami jury finds Indy 500 champ not guilty in tax-evasion case



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Indy 500 champ Helio Castroneves survived a potentially devastating crash Friday, acquitted of tax-evasion charges by jurors who struggled for six days to unravel complex evidence on racing-car contracts, tax law and off-shore companies.

In the end, jurors found Castroneves and sister Katiucia not guilty on six counts of evading taxes on \$5.5 million from race car earnings. The pair sobbed and hugged each other after hearing the decision.

The 12-member Miami federal jury deadlocked on the lead conspiracy charge against the siblings, which prompted U.S. District Judge Donald Graham to declare a mistrial on that count.

The jury also acquitted the Brazilian race car star's sports attorney, Alan R. Miller, on the main conspiracy charge and three other tax evasion

•TURN TO VERDICT, 2A

MORE COVERAGE

Helio Castroneves is back in the winner's circle, writes Linda Robertson, 1D

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Castroneves gets emotional while speaking about the trial

PETER ANDREW BOSCH/MIAMI HERALD STAFF

EMOTIONAL: Helio Castroneves and his sister Katiucia emerge from the downtown federal courthouse.

INDY 500

After stress of trial, 'I'm back in control'

*CASTRONEVES, FROM 1A

"I'm trying to be tough," he said. Then, with a quick sweep of his hand, he dipped into a debonair bow. "But it's easier for me to be the Latin lover."

Try as he might, the race car driver who makes his living at 225 mph is no Robert De Niro.

He's more like Roberto Benigni, the Italian comic actor with the featherweight body and elastic grin. The incurably cheerful Castroneves infects everyone with good vibes.

That's why he will be favored to win his third Indy 500 title Sunday at the Brickyard. Not only will he be starting his Team Penske No. 3 Honda from the pole position, but the fans adore him as much as he adores them.

It is hard to believe Castroneves has a dark or devious side, but that's exactly what the federal government alleged when he was tried for tax evasion and criminally conspiring to hide \$5.5 million in income.

Castroneves? The ebullient *Dancing With the Stars* champion? The fence-climbing Spiderman of the race-track? The guy who is so

guileless his poker buddies back home in Coral Gables say they can always tell what cards he's holding? The teetotaler who shares his house with his sister, brother-in-law, baby nephew, parents and pet beagle? It was like accusing Santa Claus of embezzlement.

The trial last month encased Castroneves in a state of mind alien to him even in his worst crashes. Panic and fear dominated his days from the time he woke up and went to pray at the Church of the Epiphany in Miami through hours in the downtown courtroom where prosecutors accused him and his sister Kati of an elaborate scheme using accounts in Panama and the Netherlands. They faced seven years in prison followed by deportation to Brazil. It would have ruined his career.

The feds rarely lose, and there is considerable hostility these days for wealthy tax cheats, but after six days of deliberation a 12-person jury acquitted Castroneves, his sister and his lawyer of six evasion charges. The jury was hung on the main conspiracy charge against Castroneves and Kati, but on Friday, the charge was



DARRELL INGHAM/GETTY IMAGES

SHOWMAN: Helio Castroneves at the Indianapolis Motor Speedway, where he qualified on May 10. Not only will he start his Team Penske car from the favored pole position in the Indy 500: Fans adore Castroneves as much as he adores them.

dropped.

"I felt like I was in a nightmare and I couldn't wake up," Castroneves said after the verdict, tears streaming down his cheeks. "It was like a race, but I couldn't drive the car. I was a passenger."

Kati, who is her brother's business manager, interpreted the case as a test of her family's strength.

"A diamond becomes more precious after undergoing lots of cuts," she said. "I believe we are better people now because of what we went through."

Three hours after walking out of the courthouse in one of his trademark Hugo Boss suits, Castroneves was on Roger Penske's private jet to California. The next day, after six months' banishment from racing, he jumped back in his car and qualified for the Long Beach street race. The next day, he finished seventh.

Three weeks after the draining ordeal of the trial, Castroneves won the pole as the fastest qualifier for the Indy 500, driving brilliantly on a windy day around the 2.5-mile oval.

"Not many people can recover that quickly from the trauma and exhaustion of having the might of the U.S. government and the IRS on your back," said Roy Black, one of Castroneves' lawyers in the case. "The resiliency and courage he's shown — it's like a Hollywood story. The only better ending would be if he wins on Sunday."

FANS LINE UP

In fact, Castroneves wins wherever he goes — at the track, on the dance floor and in the court of public opinion, where his fans believed he was innocent all along.

Just ask them. On a rainy day in Indianapolis, Castroneves arrived at an autograph signing session. And how did he get there? The driver of 650-horsepower, \$250,000 racing machines, with engines that pump at 10,300 rpms and get 2.5 miles per gallon, was driven in a reporter's matchbox-sized rental car, a Chevy Aveo, equipped with hand-cranked windows and nonautomatic door locks.

Team Penske media relations manager Jeremy Riffle drove while Castroneves slid into the cramped back seat.

"I prefer the back," he whispered to the reporter. "Jeremy is a bad driver."

The signing event was held at one of team owner Penske's 300 U.S. car dealerships. Fans lined up around the showroom, clutching photos, posters, hats and toy cars. Castroneves engaged with each one, chatting and posing for pictures.

"How are you doing?" he said. "Sure, absolutely. No problem. You're welcome."

"He's the most genuine guy you'll ever meet," said Josh Sides, a former crew member who came in to say hello. "There's no act to it."

Sandy Mojzuk got a hug from Castroneves even though she forgot her camera. She asked him to sign a picture. "To Sandy, thanks for the good time last night."

"You can't have a bad day with Helio," said Mojzuk, wearing checkered-flag earrings. "I don't think anybody

thought he was guilty because he doesn't have a deceitful bone in his body. I wasn't worried because I knew if he was sent to prison he'd just climb the fence!"

She laughed. She was at the Indianapolis Motor Speedway in 2001, when Castroneves won as a rookie, and celebrated by climbing the catch fencing.

He has had a proclivity for scaling walls since he was a toddler in Brazil. His mother had to put up window guards so little Helinho wouldn't climb out of the house. He also loved to watch *Speed Racer* and eat chocolate chip cookies.

'FULL OF LIFE'

He got his sunny disposition from his father.

"My dad would wake up every morning and fling open the curtains and turn on music," Kati said. "Helio told me, 'That's the way I want to be.' And that's what he grew up to be — full of life but not full of himself."

Castroneves, 34, was raised in Ribeirao Preto, in sugar cane country, where his father owned a business that supplied equipment to the mills. The elder Helio was a fan of motorsports, second only to soccer in popularity in Brazil, and he started a stock car racing team. He used to hide his son in the car trunk to sneak him into the pit area on weekends.

By age 12, Castroneves was racing go-karts at 80 mph and knew he wanted to be a pro driver. One day, he crashed, and scraped his legs and arms. He still has a scar on his hand. His father got him right back in the go-kart and told him not to tell his mother. But once Castroneves got home, he started crying.

"I remember my mom yelling at my dad, 'You're going to kill your son!'" Kati said. "To this day, she can't watch a race, and she holds a rosary until she knows Helio has finished safely."

Castroneves, nicknamed "The Hillbilly," moved up through the sport until his team sponsor went under in 1999.

In what Castroneves figured would be the last race of his career, Penske driver Greg Moore died in an accident that unfolded right in front of him. Penske, seeking a new driver, wound up hiring Castroneves.

"It was destiny," Castroneves said.

DANCING FAME

After an hour of signing autographs, Castroneves again took the back seat in the puny Aveo, which made a pit stop at a bakery for coffee. He was approached by two teenage girls, who called him "Heel-io" and asked him to sign their napkins.

"We voted for you on *Dancing With the Stars*," one said.

"Well, thank you," he said, dimples deepening.

All of Indianapolis probably voted for Castroneves in 2007. There were "Go Helio!" yard signs all over town when he, and partner Julianne Hough were finalists on the show that pairs celebrities with pro dancers.

Castroneves joined the

show at the urging of his friend, speedskater Apolo Anton Ohno, who won the previous season with Hough.

"I told him, 'Listen, I'm a terrible dancer,' and he said, 'I was, too, but this will be a great stage for you,'" Castroneves said.

Castroneves practiced up to nine hours a day with Hough and got tips from Kati, 35, formerly a professional ballerina in Sao Paulo.

"At my wedding, he couldn't even do a simple waltz with me," Kati said. "He still doesn't know how to dance. He just knows what Julianne taught him. When athletes have their mind set, they know how to win."

Hough showed him how to rumba, tango and shake his hips.

"At first I said, 'You're kidding, right?' In racing, the hips can't move," Castroneves said. "But she had a strategy."

For the clinching quick-step routine, which earned perfect 10s, Hough picked the banana-yellow suit and hat for Castroneves.

He almost had to switch costumes as he and Penske Racing president Tim Cindric struggled in the trailer to loosen the elastic straps on Castroneves' shirt so it would stay tucked in his pants.

"It was a lot different than working on a car, I'll tell you that," Cindric said.

What really won over the judges and voters was the kiss Castroneves planted on

Hough's lips when they completed the dance. It was the kiss that launched a million rumors about Castroneves' relationship with Hough.

"She planned that kiss but we never practiced it, and that's why everyone thought she was so surprised," Castroneves said. "It was part of the choreography. There was nothing romantic between us."

Castroneves' victory made him more famous than any of his 20 IRL victories had, and proved a boon to the Indy Car series, which has been running a distant second to NASCAR in the U.S.

'HOMEBODY'

Back in the back seat of the Aveo, Castroneves, who withstands up to 4.5 Gs of force on the toughest courses, putt-putted across town to the Racing to Recovery auction and banquet to benefit the foundation of Sam Schmidt, a driver paralyzed in a 2000 accident.

It had been a long day for Castroneves, starting in Dallas, and pausing in Atlanta, where he picked up girlfriend Adriana Henao, a restaurant owner. He mingled with the crowd, smiling for more photos, accepting more kisses. "Bless his heart!" one woman gushed.

As always he looked natty in his Hugo Boss warmup jacket, and trim. At 5-feet-8, 147 pounds, he has to stay lean to fit into the tiny cockpit that is custom molded for his body. He still has a weakness for chocolate chip cookies, but he eats no red meat and drinks no alcohol.

"People may think I'm a playboy but I'm a homebody," he said, referring to his life in Cocoplum, where

he lives with relatives, including 10-month-old nephew Eduardo and his dog, Tuggy. He's an avid tennis player and country music fan. He likes to box to stay fit and watch *Dancing With the Stars*. He drives an Acura RL.

"I used to have a Lamborghini but I had to sell it to pay attorneys' fees," he said.

People holding cocktails gravitated toward him and he shook hands, his diamond checkered-flag ring glinting.

"He loves the limelight," Cindric said. "We used to kid him about whether we should put an extra mirror in the car. He makes sure everybody knows when it's his birthday. In the restaurant he expects everyone to come sing to him."

Castroneves, the endearing showman, hated the attention of the tax evasion case, which grew out of a lawsuit Emerson Fittipaldi unsuccessfully pursued against Castroneves two years ago in a dispute about management fees.

LEGAL SAGA

The nightmare began Oct. 3, when Castroneves and Kati were handcuffed, shackled and escorted to cells at their arraignment. The next day, Castroneves flew to Atlanta and won the Road Atlanta race.

But he missed the start of the 2009 season as the case dragged on. Every night, the family went home and played with the baby, their ray of sunshine. Castroneves read encouraging messages on Facebook from fans, fellow drivers and *Dancing With the Stars* friends, including Wayne Newton.

"He was more sad and quiet than I've ever seen him, and he cried a lot," Kati said.

While his celebrity probably made Castroneves a target of prosecutors, Black believes it was a positive influence on the jury.

"I've represented quite a few famous people and it hurts you with prosecutors, judges and police," Black said. "You go in with two strikes. But if the jury knows you from TV and likes you, it evens the field. They're more open-minded."

Black promised the jury that Castroneves would pay taxes on his deferred royalty fund in the Netherlands as soon as he actually receives a check at the end of May.

"It will be a substantial payment and he will keep his promise," Black said.

'MY WORLD'

Black, David Garvin and Howard Srebnick from Castroneves' legal team will be at the Indy 500 Sunday to watch their client race, at Castroneves' invitation.

"I want to show them my world," Castroneves said. He was in the Penske garage, preparing for an afternoon of practice. "I was in their world, which was more stressful than racing. Now I'm back in control."

They'll see a driver known for his consistency, for his smoothness through each of the four distinctive turns, for his grace under pressure. In his two scariest crashes — at Fontana in 2000 when he hit the wall going 240 mph and at Richmond during testing three years ago when he flipped, landed upside down and could smell fuel leaking around him — he never lost his cool.

"We had to go under and get him out quick head first and he was cracking jokes," Cindric said.

As Castroneves made his way from garage to track, he was mobbed by squealing fans.

They reached through the fence and he paused to sign autographs and talk to kids over the roar of cars zooming by.

But Castroneves' unfailing good humor belies his focus once he straps on his seatbelt. And this Indy 500, he said with a nod, will be "extra meaningful."

He climbed over the protective railing, pulled on his fire-retardant hood and put on his helmet.

It was time to drive, which is the only time the smile disappears.