

Dita Beard Denies Justice Made Deal to Settle ITT Case

3/11/72
By Sanford J. Ungar
Washington Post Staff Writer

Dita D. Beard denied last night in Denver that there was any deal between the Nixon administration and the International Telephone and Telegraph Corp. to settle antitrust cases in exchange for a large contribution to the Republican National Convention.

Mrs. Beard, ITT's Washington lobbyist, issued a statement through a California lawyer, denouncing the continuing Senate Judiciary Committee hearings on the matter

as "an absurd circus engendered by personal ambitions and extreme opportunism of a few people."

The lawyer said that Mrs. Beard is nonetheless "extremely anxious to give testimony before that committee in order to put to rest false rumors, innuendos and outright lies regarding the current controversy."

Her statement, issued at the Rocky Mountain Osteopathic Hospital in Denver, where she has been a heart patient for a week, did not deny that Mrs.

Beard is the author of a memorandum published last week by syndicated columnist Jack Anderson.

The memorandum linked the ITT antitrust settlement to the conglomerate's pledge of a \$400,000 guarantee to bring this year's GOP convention to San Diego.

Anderson's two columns on the subject led Richard G. Kleindienst, President Nixon's choice to replace John N. Mitchell as Attorney General,

See ITT, A5, Col. 1

ITT, From A1

to ask for new hearings on his nomination.

After taking seven days of testimony, Judiciary Committee Chairman James O. Eastland (D-Miss.) recessed the hearings yesterday until next Tuesday.

The committee learned yesterday that Richard J. Ramsden, the New York investment banker whose advice was a key factor in the Justice Department decision to settle pending cases with ITT, worked on his recommendations for only two days last spring.

A statement submitted to the Judiciary Committee by the Commerce Department also revealed that Ramsden was paid \$242 for his consulting work, contracted for by presidential adviser Peter M. Flanigan.

Ramsden requested to be paid through the Commerce Department, where he had previously done work, the statement said, "in order to avoid refileing the rather lengthy forms" on financial disclosure required of government consultants.

But Sen. John V. Tunney (D-Calif.) suggested that Ramsden may have violated a federal executive order if his forms on file did not include the fact that he controlled about \$200,000 worth of ITT stock at the time he worked on his report.

Columnist Anderson and his associate, Brit Hume, were on the witness stand for the second day yesterday, as the hearings continued to be charged with emotion and partisanship.

Early in the morning, Anderson warned the committee that when Mitchell testifies next Tuesday, he may commit an "arrogant example of perjury."

That prompted a reprimand from Republicans on the committee, which Democrats immediately challenged. At one point, both Sens. Edward M. Kennedy (D-Mass.) and Roman Hruska (R-Neb.) were talking to Anderson at the same time.

The columnist looked up and asked, "Who should I listen to?"

"Both of them," advised Chairman Eastland with a puff of his cigar.

In a separate development, Sen. Bob Dole of Kansas, the Republican national chairman,

acknowledged that ITT had indeed offered \$400,000 as a "guarantee" for the San Diego convention.

Speaking at a press conference called to denounce the Democrats for alleged violations of the law in the telephone arrangements for their convention, Dole corrected earlier protestations by other Republicans that the amount offered by ITT was much lower.

The chairman stressed that the \$400,000 was not a

"pledge," but "a guarantee to make up the difference if the other contributors" to a San Diego civic committee did not come through with enough money.

The Judiciary Committee prepared, however, to call Richard N. Herman, vice chairman of the arrangements committee for the convention, in an attempt to clarify the nature and amount of the offer.

Mrs. Beard's statement from Denver came as a surprise, since doctors had said that her

heart condition was so serious as to prevent her from entering the controversy for some time.

The statement was read to newsmen by David W. Fleming, 37, of Van Nuys, Calif., who had been summoned to Denver earlier this week by Dr. Dave Garland, an osteopathic physician treating Mrs. Beard there.

Fleming said that he and another partner in his law firm had known Mrs. Beard for about six years.

The statement said that

Mrs. Beard "categorically denies the allegation that there was ever an arrangement between ITT and the administration involving a favorable settlement of the antitrust action."

It added that she "emphatically denies that former Attorney General Mitchell ever told her President Nixon commented about, took part in or requested a settlement of the ITT suit."

Hume has testified that during an interview at her Arlington, Va., home on Feb. 24, Mrs.

Beard recounted hearing such things from Mitchell during a party at the Kentucky Governor's Mansion after last year's Kentucky Derby.

The associate of Anderson added some details of Mrs. Beard's account to him during his testimony yesterday.

He said that Mrs. Beard had told him "the Attorney General turned very sweet" after scolding her for approaching him at the party about ITT. As Hume retold it, Mrs. Beard described working out details

of the settlement while walking through a buffet supper line with Mitchell.

Mrs. Beard's lawyer's statement in Denver also said she is "hoping to give testimony at the earliest possible occasion from her bedside or under oath to an interrogatory committee concerning the issue, including the alleged memorandum."

Eastland said yesterday that he had asked the president of the Denver Medical Society to commission the city's "leading

THE WASHINGTON POST

Saturday, March 11, 1972

A 5

heart surgeons" to examine Mrs. Beard and present an "impartial view" of how and when she might testify.

But the head of the Medical Society, Dr. Robert G. Bosworth Jr., said that would be impossible until next week, since one of the doctors he had in mind is out of town.

Garland said that Mrs. Beard suffered another setback in her condition yesterday, but that the hospital was considering moving her out of its special coronary unit in the next few days.

Kleindienst Hails ITT Settlement

By John V. Reistrup

Washington Post Staff Writer

Acting Attorney General Richard G. Kleindienst yesterday defended the Justice Department's handling of the ITT antitrust case as halting a pell-mell rush toward corporate concentration.

Kleindienst said he agreed with Solicitor General Erwin N. Griswold that the agreement with the International Telephone and Telegraph Corp. was "not a good settlement but a great settlement."

His spirited defense came as the Senate Judiciary Committee continued its investigation of whether the agreement was related to ITT's offer to subsidize the Republican National Convention in San Diego this year. But his forum was another Senate panel, a subcommittee on appropriations considering the Justice Department's spending requests for the year starting July 1.

His chance came when Subcommittee Chairman Earnest Hollings (D-S.C.)—without directly naming ITT—asked whether in such cases there

could be "a saving of money in settling it."

Kleindienst, whose nomination as Attorney General is before the Senate and who himself requested the inquiry into the ITT case, said that such agreements produced great savings in time and money not only to the government but to the companies involved." But he went well beyond that.

Noting that as Deputy Attorney General he had authorized the initial complaints against ITT, he gave credit for handling the case to Richard W. McLaren, then Assistant Attorney General for Antitrust and now a federal judge.

Kleindienst said that two previous Attorneys General, both Democrats, had passed up the chance to proceed against ITT because they felt they needed new legislation to be able to break up "conglomerates"—firms that grow by acquiring unrelated concerns rather than businesses in the same field.

McLaren "stopped it in its tracks, this headlong rush of ITT in its conglomerate acquisitions," Kleindienst said.