

JL :If you did not notice the WxPost 1/24/75, p. A10 story, "Slander Verdict Is Upheld," the U.S. Court of appeals held it to be slanderous for a freelance reporter, Schuchat, to have said of a man who had been charged with perjury "during a massive grand jury investigation of fraud" and then acquitted, that this man, Leonard Davis, had been convicted of a felony. Not in print, verbally. I think you may want to know this for the possibility of relevance re what is said about Jimmy and perhaps if I want to do something about Haile. I don't know if you'll want the decision(s). But it seems to me that is as this story begins. "The First Amendment does not permit a reporter to make false statements about a person during the preparation of a story," the same applies to Huie and Haile. HW 1/25/75

## Slander Verdict Is Upheld

The First Amendment does not permit a reporter to make false statements about a person during the preparation of a story on that individual, the U.S. Court of Appeals here has ruled.

The court made that finding in upholding a \$1,501 slander verdict against free-lance investigative reporter Theodor Schuchat, who specializes in articles about health, education and welfare.

While researching a story about the Colonial Penn Insurance Company and its founder Leonard Davis, Schuchat reportedly told a business associate of Davis that the insurance man had been convicted in the past of a felony in New York.

Davis has never been convicted of a felony. He was indicted on a charge of perjury during a massive grand jury investigation of alleged fraud in a previous company with which he was connected, but was acquitted on that charge.

The lower court had found that the reporter's remarks were slanderous and were made maliciously "pursuant to (his) admitted technique of throwing a lot of things out in an interview just to get a response."