

2 INTERMEDIARIES?

More Names In ITT Case

By **ROBERT WALTERS**

Star Staff Writer 3/17/72

The names of another White House staff member, William E. Timmons, and a former Republican fund-raiser, Jack A. Gleason, today were added to the growing list of characters in the controversy involving the International Telephone & Telegraph Corp.

In an interview here, syndicated newspaper columnist Jack Anderson said that when he testifies before the Senate Judiciary Committee about the dispute he will identify the two men as intermediaries in discussions between ITT and the White House concerning the financing of this year's Republican National Convention.

Anderson, who touched off the controversy a week ago today, is the next witness scheduled to testify, after the committee concludes its questioning of Acting Atty. Gen. Richard G. Kleindienst, whose nomination to become attorney general is entangled in the continuing dispute.

Timmons and Gleason are important figures in the presentation of his case, Anderson says, because he feels their actions last June lend additional authenticity to a memo purportedly written by Mrs. Dita Davis Beard, an ITT Washington lobbyist who is a key figure in the case.

Mrs. Beard's physician told the committee yesterday that his patient has disclaimed the most controversial sections of that memo—the portions which suggest that there was a direct connection between the Justice Department's decision last summer to abandon prosecution of three antitrust cases against the company and a concurrent ITT agreement to contribute up to \$400,000 toward GOP convention costs.

Dr. Victor L. Liszka of Arlington said his patient is hospitalized in Denver with "an impending coronary occlusion" and will not be in physical condition to face committee questioning for at least several weeks.

Liszka, who has been treating Mrs. Beard for nine years, said she had been "emotionally disturbed" for about four years, and that periodically her "thought stresses are not coordinated . . . her thoughts do not flow in a logical order."

He was asked by Sen. Edward Gurney, R-Fla.: "At times, her conduct was not what you would describe as that of a normal person?" Replied Liszka: "That is right."

Liszka also said that "having lost the facility of judgment—putting things together in an uncontrolled fashion — she could have written an inaccurate memo."

See ITT, Page A-6

ITT

2 More Names Entered in Case

Continued From Page A-1

But her physician in Denver, where she remains hospitalized, disagreed. "I don't believe Mrs. Beard has an emotional problem other than being somewhat apprehensive about this case," Dr. Lewis Radetsky told the Associated Press.

The disputed memo was written on the letterhead of ITT's Washington office, dated June 25, 1971, marked "personal and confidential" and addressed from Mrs. Beard to William R. Merriam, ITT vice president in charge of the Washington office.

The two-page document opens with a reference which has not previously been explained publicly by any of the figures involved in the case:

"I'm so sorry that we got that call from the White House. I thought you and I had agreed very thoroughly that under no circumstances would anyone in this office discuss with anyone our participation in the convention, including me."

Reconstruction

The "call from the White House," says Anderson, came from Timmons. Based on an independent investigation, he says he has reconstructed the following sequence of events in the days immediately prior to the writing of the memo:

Merriam was on the fringes of the negotiations involving ITT's pledge to pay for a major portion of convention costs, but was not directly involved in the meetings on the matter between ITT representatives, Republican party officials and members of President Nixon's staff.

Merriam was under the erroneous impression that ITT's commitment of \$400,000 in assistance was to be provided in services only, and he asked Gleason to contact Timmons and determine what type of services the White House was

expecting.

Gleason was used as an intermediary because he has extensive contacts in the White House and because ITT is a client of the Washington Consulting Group, Inc., a political and governmental consulting firm in which he is a partner.

Timmons contacted other unidentified presidential aides, and then informed ITT that the White House expected the company to provide a substantial portion of its pledge in cash, not services, Anderson said.

Convention Coordinator

Timmons is assistant to the President for congressional relations. During the 1968 Nixon campaign, he was convention coordinator in Miami, and he is reported to be unofficially playing a similar planning role this year.

Gleason left the White House political staff in 1970 to run a backroom, basement operation which funneled up to \$3 million in unreported Republican funds to key GOP senatorial candidates. That operation was reliably reported to have been directed from within the White House by H. R. Haldeman, a top presidential aide.

Mrs. Beard's purported memo identifies Haldeman as one of five high ranking Republican officials in Washington and California who were privy to the secret of ITT's decision to contribute as much as \$400,000 to the 1972 Republican convention.

The other White House staff member involved in the case is Peter M. Flanigan, identified as the government official who recruited a former business colleague to prepare an allegedly independent analysis of the economic impact that would result from a Justice Department antitrust prosecution of ITT, if successful. That report was influential in convincing government attorneys

to abandon their litigation in favor of a negotiated settlement.

Anderson says that the activities of Timmons and Gleason, coupled with those of

Flanigan, confirm that the controversial memo was written about "some very real things." He says he is prepared to other additional evidence supporting other references in the memo.

Doctors Disagree

During his medical testimony yesterday about Mrs. Beard, Liszka said she might be able to submit to interrogation in the hospital in about a week, but one of the physicians attending her in Denver, Dr. Dave Garland, disagreed. "We cannot in good faith or practice, expect to subject her to interviews during her stay," he said. "If she were in good enough health to undergo this kind of stress, she probably would be ready for dismissal from the hospital."

The doctor said he was present at Mrs. Beard's home one evening late last month when she was interviewed by Brit Hume, a research associate of Anderson. It was during that interview that Hume obtained much of the material for Anderson's first column.

Referring to the allegation that abandonment of the antitrust suit was linked to the ITT convention financing, Liszka said: "Hume always kept coming in a circle—he kept coming back to the same question. But she made it clear to him that she did not want to imply or even suggest that there was a connection."

Anderson's column based on the interview with Mrs. Beard twice cited those denials, but the thrust of the story—based principally on the contents of the purported memo—was that there was a link between the two events.

Following Liszka's testimony, Hume said the doctor did not arrive at Mrs. Beard's home "until the tail end of the interview." He said, "It was really over when he got there."

Hume also charged that "we have been told she is going to be thrown to the wolves and now we have seen the beginning of that process," the New York Times reported.

Discussed Issue

Liszka testified that Mrs.

Beard also discussed the controversy with him shortly after the first Anderson column was printed. Following that meeting, she flew to New York, where ITT's corporate headquarters is located, and then returned to Washington briefly before proceeding to Denver.

At that time, Mrs. Beard also said that the references in the memo which were interpreted as connecting the two events were being misunderstood, the doctor testified.

"She said she was just mad and disturbed when she wrote it. She stated she didn't mean to imply things she seemed to imply in that memo," Liszka added. "She didn't mean to say whatever the memo appeared to say. . . . She definitely stated there was no connection between the convention going to San Diego and the (antitrust) settlement."

But in Denver, Dr. Radetsky, an osteopath specializing in heart ailments, told the AP, "I do not believe her to be emotionally upset." Her circulatory ailments contribute only to angina pectoris, he said, "and that is not an emotional problem—that is a heart problem."

Radetsky said Liszka's appraisal of Mrs. Beard as emotionally unstable was "taken out of context because he didn't imply that when he was here." Radetsky said Mrs. Beard can be dismissed from the hospital within a week to 10 days.