

Official Fined In Illegal Company Gift

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An official of the American Shipbuilding Co. was fined \$2,500 yesterday for helping to cover up an illegal corporate contribution to President Nixon's re-election effort.

John H. Melcher Jr., 46, executive vice president and general counsel of the Cleveland company, was sentenced here by U.S. District Court Chief Judge George L. Hart Jr.

George L. Steinbrenner III, the chairman of the board and chief executive officer of American Shipbuilding, was indicted April 5 in connection with the illegal \$25,000 contribution from corporate funds.

Melcher pleaded guilty April 11 to assisting Steinbrenner in an alleged effort to cover up the illicit contribution by giving a false explanation of it to American Shipbuilding officials which they then gave to the FBI.

The misdemeanor charge against Melcher carried a maximum penalty of one year in prison and a \$5,000 fine. His attorney, Charles N. Shaffer, told Judge Hart that Melcher was "a member in good standing of the bar in the state of Ohio."

Melcher is expected to be a government witness in the case against Steinbrenner, who is also owner of the New York Yankees baseball team, on 15 felony counts, including alleged attempts to obstruct two grand jury probes. Steinbrenner's trial date has not been set.