

Bell Lobbyist Bares Texas Political Aid

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AUSTIN, Tex. — The chief Texas lobbyist for Southwestern Bell Telephone Co. says he has managed a political fund averaging \$14,500 a year collected from top Bell executives in the state.

The lobbyist, Ward K. Wilkinson, another Bell official involved with the fund and two Bell spokesmen provided in interviews last week the first clear picture of how and by whom the much-disputed fund was operated.

Two former Southwestern Bell executives have charged that it was a political slush fund generated by giving high officials in the company \$1,000 raises to cover their contributions of \$50 a month to the fund. The company denied that, saying all contributions to the fund were voluntarily made by executives in Dallas, Houston and San Antonio.

The Securities and Exchange Commission and the fraud section of the Justice Department's Criminal Division are investigating whether Southwestern Bell and another Bell subsidiary, Southern Bell, have violated the 1972 federal election law or the old Corrupt Practices Act. A grand jury in San Antonio has heard testimony from several witnesses including Wilkinson and James H. Ashley, one of the former Southwestern Bell executives who have charged that a slush fund exists.

The largest single contribution Wilkinson discussed in the interview last week was \$1,000 he said he delivered to Sen. John Tower (R-Tex.) in the spring of 1972. He said he counted out 10 \$100 bills and

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put them on Tower's desk during a meeting he had with the senator in Tower's Dallas office.

A Bell spokesman in San Antonio confirmed that Wilkinson had said in a deposition earlier that Justin Hoy, now retired but then the company's vice president for public relations, brought him about \$750 in cash from Southwestern Bell headquarters in St. Louis in early 1972. Hoy told Wilkinson that "some of the guys back at headquarters in AT&T wanted to make a contribution to Sen. Tower, and asked me if I had any (money) in my fund that I would like to add to it," Wilkinson testified on Feb. 14. Hoy could not be reached for comment.

Wilkinson said that he added enough "to make it an even thousand" and presented it to Tower during a short meeting in late March or early April, 1972.

Tower was not available for comment. His administrative assistant, Win Skiles, said Tower told him that he didn't recall the incident or the contribution. However, Skiles said he consulted Dick Agnich, a former Tower aide who was present at the Dallas meeting and who confirmed that Wilkinson gave the money on April 3, 1972. It was passed on to the Friends of Tower Committee in Austin and apparently was not reported anywhere, Skiles said. The Federal Elections Campaign Act, which went into effect on April 7, 1972, requires the reporting of such contributions.

"It was a legitimate contribution of personal funds, not corporate, and it was with that understanding and in that spirit that he (Tower) accepted it," Skiles said.

Wilkinson said that usually he and his staff here decided which politicians would get contributions. In the deposition, a Bell spokesman said, Wilkinson explained that he kept no record of the funds and that he kept them in cash in a safe or desk drawer in his office or in a bank safe deposit box. He said he did not keep the money in a bank account because he never knew when he would need it.

According to the Bell spokesman, David L. Forbis, who retired in 1973 as Southwestern Bell's general staff manager in

Dallas, said in a Feb. 13 deposition that at least as far back as 1966 he collected \$50 a month from the 10 or so highest Bell executives in Dallas and turned the money over to Wilkinson "pretty regularly." Forbis also could not be reached for comment.

His testimony, the Bell spokesman said contained the following details:

The money Forbis collected was in cash or checks but Forbis converted all checks to cash because Wilkinson had "asked for cash."

This procedure changed about 18 months ago, the Bell spokesman said, after a tough new Texas election law required reporting all contributions of \$10 or more. Thereafter, he said, Bell executives made political contributions through personal checks.

Forbis, who has worked for the company for 45 years and served as general staff manager beginning in 1954, said he did not know when the fund was started, by whom, or why. He said he left all decisions on who got the political contributions to Wilkinson and never knew what became of the money.

Forbis' only records were temporary ones to note which company executives had not yet contributed.

Forbis said that if an executive who was supposed to contribute forgot to do so, "I would call him or see him at a meeting or something and say, 'I haven't gotten your \$50 this month,' or something like that."

The Southwestern Bell spokesman said that executives in posts comparable to Forbis' in Houston and San Antonio acted similarly as collectors for the fund. He said sometimes Wilkinson would return a portion of the money for use as contributions to local city council campaigns.

According to another company spokesman in Dallas, W. H. Bowen, vice president and general manager for the Dallas area, said in a Feb. 13 deposition that he gave \$1,000 in cash to Dallas developer and industrialist John Stemmons in 1974 to help defeat referendum on collective bargaining for police and firemen and on a proposed commuter

tax for suburbanites who work in Dallas. The money originally was presented as 10 \$100 checks but was changed to cash because Stemmons preferred cash, the spokesman said.

Larue Robinson, Dallas division manager, said in an interview that in 1973 he delivered 20 \$100 bills in a brown envelope to Stemmons to support City Council candidates endorsed by the Citizen's Charter Organization, a conservative slate-making group whose candidates have dominated Dallas city councils for many years.

Stemmons, one of several Dallas businessmen regarded as having directed the city's growth and politics, has reportedly said he did not recall the \$2,000 donation in 1973, although he has been quoted as saying he remembered the \$1,000 contribution in 1974. Reached by phone, he declined further comment.

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Robinson, who said he was not a contributor himself, recalled that he told Stemmons the money "was from my associates at the telephone company." He said he understood that Stemmons had sought a contribution in early 1973 from H. D. (Hank) Schodde, then head of Texas operations and now personnel chief for Bell in St. Louis, who passed the money to Bell's Dallas general commercial manager Bill Hall, who gave it to Robinson.

Robinson said Hall told him the money was contributed by department heads and assistant vice presidents.

The depositions are part of a continuing discovery process in a \$29 million damage suit filed three months ago by Ashley, former Bell commercial manager in San Antonio, and the family of T. O. Gravitt, former head of Texas operations for Bell who killed himself Oct. 17 in the midst of an intensive company investigation.

The suit claims Bell harassed the two high executives because the company feared they were about to expose allegedly dishonest practices for setting rates that the company charges its Texas customers. Bell has denied the allegations. The trial is set for May 12.