

Suit by McGovern Dismissed in Texas

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By Tom Curtis

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HOUSTON, Sept. 8—A state judge here today dismissed without comment Sen. George McGovern's \$1.09 million damage suit charging seven major corporations with making illegal contributions to Richard Nixon's 1972 presidential campaign.

The suit was filed here June 25 under a Texas statute forbidding corporate contributions to candidates and permitting opposing candidates damages of double any amount contributed.

The statute, seldom used and little known, was the basis in February, 1974, of a \$1 million damage suit by unsuccessful Texas gubernatorial candidate Frances (Sissy) Farent- hold against incumbent Dolph Briscoe. The suit was settled out of court in February, 1975, for an undisclosed sum reported to be \$125,000 by the *Texa Observer*, biweekly newspaper published in Austin.

The state judge, John Snell, issued no opinion with his order dismissing the McGovern

suit, a common practice in state courts here.

Attorneys for the defendant corporations had moved for dismissal on grounds that the state law did not intend to encompass presidential candidates and that federal law preempts state statutes in national elections.

The defendants were American Airlines, Inc., Ashland Oil Inc., Braniff International, Goodyear Tire & Rubber Co., Gulf Oil Co., Minnesota Mining and Manufacturing Co., and Phillips Petroleum Co.

A McGovern lawyer, Arthur Gochman of San Antonio, said the 1972 Democratic presidential candidate will appeal Judge Snell's decision to the Texas Court of Civil Appeals.

Gochman said that the seven corporations had pleaded guilty in federal court to contributing a total of \$545,000 to Nixon's 1972 campaign from September, 1971, through March, 1972. He said none is incorporated under Texas law but each has an office in Houston or Harris County.