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Milk Producers Condemn Scandal

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No Frederick County money was involved in the national scandal involving illegal political campaign contributions from milk producers, three spokesmen for local dairy cooperatives said Sunday.

"I must condemn the contributions," said Ward L. Ziegler, president of Capitol Milk Producers Inc., Frederick's largest milk co-op.

Watergate investigations beginning last summer have turned up evidence that national milk co-ops planned or actually donated funds to President Nixon and House member Wilbur Mills (D., Ark.) for their 1972 reelection campaigns. Federal law prohibits corporations from making campaign contributions.

Sunday, the Mid-west based Associated Milk Producers Inc. was charged with raising \$2 million for Mills.

The illegal contributions did not involve any local dairy cooperatives, Ziegler and two other co-op representatives made clear Sunday. But the scandal could hurt Frederick's dairy industry, they said.

Both Ziegler and John N. Lewis, general manager for Capitol, expressed concern over the effect the public disclosures would have on the image of local milk producers, who own approximately 600 herds of dairy cows. Ziegler characterized the controversy as having "blackened the eye of the dairy industry," while Lewis said, "None of us like it." Ziegler said that the scandal is "always a topic of conversation among local dairy farmers."

All of those questioned were adamant in their denial of any local money being involved in the illegal contributions. Jesse I. Burall of the Maryland Milk Producers saw the situation developing because "a lot of milk producers placed confidence in leaders who misled them." The scandal has been "way overplayed," he said.

Local milk co-ops have traditionally tried to remain aloof

from politics the men indicated.

Lewis pictured the role of his own organization in political campaigns as one of non-involvement. Capitol does not endorse any candidates for office and will not do so in the future, he said.

"We just will not get involved," he said.

The question of campaign contributions "needs to be overhauled," Ziegler said.

Pointing to a possible reason for the emphasis given to this scandal on the national level, Ziegler mentioned the involvement of consumer groups, saying "This thing has continuously snowballed." He added, however, his condemnation of the contributions.

Speaking of the role being played by consumer groups in general, Ziegler sounded a note of caution. Stating that environmentalists caused the present shortage of fertilizer, he expressed the wish that these groups would "look a little bit further down the road" before insisting on action. He also displayed dissatisfaction with national leaders, saying, "Politicians in general in the past two national elections have been less than desirable."

Developments in the national scandal took a new turn this weekend with the filing of court statements which allege that a

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top official of the Associated Milk Producers, Inc., David Parr, planned to raise two million dollars to elect Mills to the White House in 1972.

The two million dollars also had been promised by Parr and other cooperative officials to President Nixon's reelection campaign. The statements say that Parr believed Mills could have captured the Democratic presidential nomination and beaten President Nixon.

The allegations, attributed to several of Parr's former associates at the cooperative, charged that Parr assigned five to seven cooperative employees to assist the Mills presidential effort, an apparent violation of federal laws prohibiting indirect donations of corporation money for political purposes.

The milk producers, who currently hold the richest political trust fund in the country, frequently have given to both the Republican and Democratic candidates in election races. The House Judiciary Committee is investigating whether this promise of money influenced the President's decision to overrule the Agriculture Department and raise milk price supports in 1971.

The new statements about the milk producers' support for Mills are contained in the files of Edward L. Wright, a former president of the American Bar Association who investigated the co-op's political activities for the group's board of directors. Wright's investigative notes were subpoenaed by the Justice Department antitrust division and made public in court.

The co-op's present chief executive, George L. Mehren, was quoted as saying he denied Parr's requests for additional aid to the Mills campaign after Mehren assumed leadership of the co-op on Jan. 12, 1972.

Although nothing like two million dollars was put into Mills' abortive campaign, the milk producers and two sister dairy cooperatives accounted for more than one-fifth of the recorded contributions to Mills. The milk producers' donation of \$25,000 is the largest single recorded gift to the campaign.

In addition, the milk producers poured at least \$50,000 worth of corporate support, not counting employe salaries, into the early part of Mills' campaign, at a time when he said he was not an active candidate. Mills has disclaimed knowledge of, or responsibility for, the dairymen's corporate aid.