

Milk Co-op Fined For Political Gifts

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U.S. District Court Judge George L. Hart Jr. sternly lectured the nation's biggest dairy farm cooperative yesterday for rampant violations of federal election laws and fined it the maximum \$35,000.

The co-op, Associated Milk Producers, Inc., pleaded guilty to ladling out hundreds of thousands of dollars in corporate cash over the past three elections to curry favor with Democratic and Republican politicians alike.

But its lawyers asked for leniency, telling Judge Hart that a stiff fine would only penalize the 40,000 "hard-working, sincere, honest dairy farmers" who belong to the co-op for the sins of a few top officials who no longer work for it.

Judge Hart rejected the plea. He said he couldn't believe that the co-op's board of directors—dairy farmers all—was that gullible.

"The law against corporations giving political contributions has been on the books for a long, long time," Hart said. "It's been com-



ERNEST C. HEININGER
... asks for leniency

pletely disregarded by Republicans, Democrats, Independents and whatnot for a long, long time. This type of cavalier violation of the law has got to be put to a stop."

The chief judge of the U.S. District Court bench here, Hart fined AMPI the maximum of \$10,000 for the single count of conspiracy brought against it and \$5,000 each, again the maximum, on five additional counts of

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making illegal campaign contributions.

AMPI admitted illicit donations totaling \$280,900. They went in varying sums for President Nixon, Sen. Hubert H. Humphrey (D-Minn.), Sen. Edmund S. Muskie (D-Maine), Sen. James Abourezk (D-S.D.), Rep. Wilbur D. Mills (D-Ark.), former Rep. Page Belcher (R-Okla.), former Rep. Patrick J. Hillings (R-Calif.), and an anonymous bevy of Iowa Democrats.

The giant co-op has also been accused in a government antitrust suit of trying to monopolize the sale of milk with cutthroat practices in a string of Midwest states. It was learned yesterday that AMPI has agreed to sign a proposed consent decree, promising not to engage in any such practices but without admitting that it had ever stooped to them.

The chief of the Justice Department's Antitrust Division, Assistant Attorney General Thomas E. Kauper, is reportedly considering the proposed settlement. He could not be reached for comment.

AMPI's former top officials, general manager Harold S. Nelson and special counsel David L. Parr, had already pleaded guilty to even more campaign law violations than those for which the co-op yesterday acknowledged corporate responsibility. Both men face maximum penalties of five years in prison and \$10,000 fines.

In the futile bid for lighter fines, AMPI's chief lawyer, Ernest C. Heininger, emphasized that none of the admitted illegalities took place after January of 1972 when Nelson and Parr were removed in a shakeup of the co-op's top management.

Heininger blamed "bad legal advice" for some of the donations and asserted that the co-op's 51-member board of directors was made up of politically unsophisticated dairy farmers from scattered parts of the country who only belatedly learned what was going on.

"I think it is a tragedy that it did happen," Heininger told the judge. "I can assure you that it will not happen in the future."

AMPI and its farmer-members, Judge Hart was told, have already suffered from the disclosures and "they're going to bear the cross of this for years to come."

Even now, Heininger protested, "in our dealings with the government, even if our cause is just, even if government officials believe our cause is just they find it difficult to treat us as if we were any other citizen . . ."

The co-op also issued a statement by AMPI President John E. Butterbrodt of Burnett, Wis., who claimed that "we have run a completely clean ship since the change of management in January of 1972."