

How Larry O'Brien's Firm Flopped

By Jack Anderson

The Nixon administration not only audited the taxes of former Democratic National Chairman Lawrence O'Brien, the No. 1 "enemy" on the White House list, but destroyed his small business firm.

Although O'Brien feels the demise of "Dukor Modular Systems" was government revenge, the federal officials involved in its destruction deny it. They admit, however, they were aware O'Brien was a director of Dukor, a California business set up to build federally financed housing. And the documents in the case are full of bizarre "coincidences."

In 1970, for instance, when O'Brien was stumping for Democratic congressional candidates, Dukor was given a conditional go-ahead by the Farmers Home Administration to build and sell 40 homes in Morgan Hill, Calif.

Dukor made its investment, built the homes and sent the buyers' applications to Farmers Home for a final okay. But Farmers Home backed out, forcing Dukor to use costly bank financing. Eventually, the homes were rented or sold by Dukor at a heavy loss.

Shaken by the odd setback, Dukor went on with another

project, this time with the initial support of the Federal Housing Administration. Dukor was told at one point that a "letter of feasibility" was being typed and only needed the regional director's signature.

At the last moment, however, word came from "above" ordering rejection of Dukor, according to a memo in Dukor's files. Instead, a competing firm was given the award using virtually the same specifications as Dukor.

In May, 1972, Dukor got past the "letter of feasibility" stage for a project in California named "Raintree Terrace." Suddenly the letter was rescinded, but entreaties by Dukor got it restored.

Dukor bought the land and was eagerly preparing to build, when FHA objected and ordered an unusual change of specifications that made it almost impossible for Dukor to comply. The company was ruined.

Footnote: O'Brien joined Dukor at the request of his long-time friend, George Bissell. Although O'Brien lost no money, Bissell did. Dukor had employed 200 people, more than 90 per cent of them from minority groups.

Pomp and Largesse

The resplendent conductor of the Marine Corps band, which entertains Presidents and grandees at home and abroad, has been quietly charging fat fees for on-duty conducting stints.

Lt. Col. Dale Harpham is a favorite at White House galas, and is so esteemed by the highest echelons of the nation's press, the 50-member Gridiron Club, that he has been inducted as an associate member.

The spit-and-polish colonel plays free for President Nixon and at the Gridiron's exclusive white-tie soirees. But he has been tapping lesser personages for hundreds of dollars in fees while conducting on the taxpayers' time, adorned in his Marine Corps uniform, but without the band.

We have copies of a purchase order and cancelled check, for instance, from Loudoun County, Virginia, showing that Harpham was paid \$200 for conducting at a county music festival this March.

Authorities at the Smith-Walbridge Music Camp, Syracuse, Ind., have confirmed to us that they paid Harpham \$400 a year

ago. Only a few days ago, he received \$500 for teaching and conducting at the camp.

For conducting at Purdue University, he got \$500 last March, the school's officials have confirmed.

The Marines have been as secretive about Harpham's bountiful bandsmanship as about an Indochina sortie. A spokesman, however, admitted that the case was under investigation and said Harpham had conceded he was on duty status during some of his dates.

Harpham, whose spirited music fills every auditorium where he plays, maintained a grim silence when we questioned him about his double-dipping on Marine Corps time.

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