

Airline, Gulf Oil Are Sued

3/28/74

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Stockholders in Gulf Oil Corp. and American Airlines filed suits here and in New York yesterday in an attempt to recover damages in connection with illegal campaign contributions made by the corporations.

Both corporations have pleaded guilty to the illegal contributions and were fined \$5,000 each.

The stockholders contended the fines should be reimbursed to the corporation, interest should be paid on the contributions, and all legal expenses should be repaid to the corporation.

In addition, Gulf stockholders asked in the suit filed here that the corporation pay \$1 million in damages for the "loss of goodwill" as a result of the illegal gift. American Airlines stockholders asked in New York that the airline be forced to pay \$100,000 for a similar "loss of goodwill."

The Gulf suit was filed in U.S. District Court here by the Project on Corporate Respon-

sibility, a nonprofit organization that owns two shares of stock; two Nebraska residents who own 20 shares of Gulf stock, and the Center for Social Action, which owns five shares.

The suit described how former Gulf Oil vice president Claude C. Wild Jr. arranged for \$100,000 to be transmitted to the Nixon re-election campaign, and \$10,000 to Sen. Henry M. Jackson (D-Wash.) and \$15,000 to Rep. Wilbur D. Mills (D-Ark.) for their presidential drives. The money came from a Gulf foreign subsidiary as a miscellaneous expense and was delivered in cash, the suit says.

The loss of goodwill is a result of publicity surrounding the illegal transaction, the stockholders said, and offered as evidence of it the hostility displayed by congressmen toward corporate officials during recent hearings into the energy crisis.

The stockholders described the contributions as "a waste of corporate funds for the purpose of corrupting public morals" and said that Wild and the Gulf board of directors had committed a "gross abuse of trust." The corporation, Wild and the members of the board are named as defendants.

The suit in New York was filed by five stockholders who own a total of 822 shares of American Airlines stock. It relates to a \$55,000 contribution to President Nixon's campaign made at the direction of former American Airlines board chairman George S. Spater. The company and Spater are named as defendants.