

# Agnew Got Hotel Discount

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Vice President Spiro Agnew and former Treasury Secretary John Connally received special "celebrity" discounts on rent they paid for their apartments at the Sheraton-Park Hotel, which is owned by a subsidiary of the International Telephone & Telegraph Corp.

A spokesman for the Vice President said Agnew paid the rental fee quoted by the hotel at the time he moved in and was not aware he was getting a special rate. Connally could not be reached for comment, however his personal secretary said she was not aware of any discount given him by the hotel.

Both the Vice President and Connally have been linked to efforts to delay a Justice Department anti-trust suit against ITT. The Justice Department in 1970 and 1971 was trying to break up a \$2 billion merger between ITT and the Hartford Fire Insurance Company.

Both the vice president and then-secretary Connally were living at the Sheraton-Park during this period and receiving discounted rates on their apartments, according to hotel officials.

Paul Robbins, a spokesman for the Sheraton Corp., refused to disclose how much rent they paid or how extensively discounted it was. A hotel official said, however, that the Vice President's five room luxury suite would rent for about \$1,900 a month "to the man coming in off the street."

The official, Ted Kissane, said the discount could range from "one-third to 100 percent" depending on the importance of the person and duration of his stay.

He said hotels give discounts to celebrities because of publicity generated by their presence and the belief they attract business. He called the

practice "customary in the hotel industry."

(A check of other luxury hotels here showed that some give discounts and others do not. Kim Cappell, executive assistant manager at the Mayflower, said "we have dignitaries coming in all the time and we don't discount the room." He said the hotel does not discount rooms of more permanent tenants, either.

(James Watson, assistant manager of the Washington Hilton, said the chain leaves discounting up to the individual managers. He said discounts are not a standard policy of the Washington Hilton, although, some are given when the manager feels the individual's presence will add "to the prestige of the hotel.")

Marsh Thomson, the vice president's press secretary, said the Agnews moved into the Sheraton-Park in January of 1969 and paid the rent that hotel officials quoted to them. "They looked at what they were shown, were quoted a price and accepted it. At no point was there any negotiating or discounting concerning the rental figure," he said.

The Agnews lived there until they moved to a home in suburban Kenwood this spring.

Thomson said he did not think Agnew was aware of paying a lower rent at that time. "He paid what was asked. It's by now certainly known to him that they are in the habit of quoting more favorable rates to certain people, but he didn't at any point attempt to achieve anything out of the ordinary.

"My understanding is that they really don't have an established rate for those quarters. They make a decision almost on a case by case basis on what is to be charged," Thomson said. "All this having been said, the vice president is not going to have me give any exact figures on this, feeling that that's personal informa-



SPIRO T. AGNEW  
... didn't ask favor

tion. He just doesn't feel that's something he would have to release."

Connally's personal secretary, Beverly Ware, said she was not aware of a discount on his apartment, which was located just above the Vice President's. She refused to disclose how much rent Connally paid. Connally lived there for the year and a half he was Treasury Secretary, according to hotel officials.

Robbins said other celebrities living at the Sheraton-Park and receiving a discount on their rents include: Former U.S. Chief Justice Earl Warren, hostess Pearl Mesta, TV personality Lawrence Spivak, and Lawrence O'Brien, former chairman of the Democratic National Committee. The late Herbert Hoover also received a discount. "It's just good business," Robbins said.

Kissane said the celebrity discounts predate ITT's acquisition of the Sheraton Corp. in the spring of 1968.

He said Vice President Lyndon Johnson received a discount when he stayed there briefly in 1961, but would not confirm a report on CBS that the Johnsons paid \$800 a month. He did say, however,

that the Agnews paid more than the Johnsons for similar accommodations.

Agnew and Connally were linked to the ITT antitrust suit in memorandums developed within the Securities and Exchange Commission. The memorandums, based on an internal investigation of SEC files on the case, were released this March by Rep. Harley O. Staggers, chairman of the House Commerce Committee, in defiance of the administration.

The memorandums detail a series of meetings and contacts between ITT officials and top administration officials, including Connally and Agnew.

The memorandums refer to an ITT letter written to then-Treasury Secretary Connally on April 27, 1971, which expressed the belief that Connally was "instrumental" in delaying the filing of the anti-trust suit.

The memorandums also refer to a letter written to Agnew thanking him for assisting in a meeting between Richard McLaren, then head of the antitrust division at Justice, and then-Attorney General John Mitchell. Precisely what role Mr. Agnew allegedly played was never made clear.

The discount on the Agnew apartment was first reported early yesterday by CBS. Thomson, arguing that the Vice President did not receive a discount, said he was "very unhappy" with "how CBS has carried its story.

"It is giving the impression of a discount, which is a misuse of the term, and finally linking all of this to the ITT-antitrust case of some years back, most unfairly," Thomson said.

Thomson said there is "an unnecessary, contrived attempt going on to make the Agnews appear to be the beneficiary of some special arrangement, which is not the case."