

Ex-Head of Dairy Unit, in

By George Lardner Jr.
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The former president of a Pennsylvania dairy cooperative, his eyes brimming with tears, pleaded guilty yesterday to approving an illegal \$50,000 contribution to President Nixon's re-election campaign.

Richard L. Allison, 42, who was fired last month as president of the Lehigh Valley Cooperative Farmers, said in a wavering voice that he authorized the two-installment donation from the co-op's corporate funds.

U.S. District Court Chief Judge George L. Hart Jr. gave

him a suspended fine of \$10,000 and put him on unsupervised probation for one month.

Sitting in a front row of the courtroom, Allison's wife wept as the sentence was pronounced. "It's been a very horrible ordeal," Allison told newsmen outside the courthouse later, his voice still shaking. It was the most remorseful appearance of any defendant caught up in the Watergate scandal so far.

The \$50,000, in \$100 bills, went into a secret Nixon campaign fund that was turned over in mid-1972 to Frederick LaRue, a top deputy to former Attorney General John N. Mit-

chell. LaRue has testified that some of the money was used to buy the silence of the original Watergate defendants.

Allison's lawyer, Richard F. Stevens, said that \$35,000 was originally put up by the co-op, ostensibly as a speaking honorarium for Secretary of Agriculture Earl Butz. The attorney said the co-op's Washington lobbyist, Frank Carroll, later told Lehigh officials "it would cost more than they thought" and obtained another \$25,000—for a total of \$60,000. Stevens said he did not know where the other \$10,000 went.

Watergate prosecutors said

Tears, Pleads Guilty in Nixon Gift

the transactions are still under investigation.

Stevens told Judge Hart that Allison showed "reckless disregard" in not checking more closely on what happened to the money.

"As chief executive officer, he feels he was responsible," Stevens said. But the lawyer pointed out that Allison has lost his \$55,000-a-year job as president of Lehigh Valley and is currently unemployed.

"He throws himself upon the mercy and the understanding of this court," Stevens said. He said Allison was orphaned at age 13, became a bookkeeper after eight years

at night school, and has five children.

Based in Allentown, Pa., Lehigh Valley Cooperative Farmers, which includes 970 dairy farmers in eastern Pennsylvania, New Jersey and Maryland, was also accused of a misdemeanor for the illegal contributions and it pleaded guilty May 7.

Federal law prohibits the use of corporate funds in political campaigns.

The first \$25,000 was given to the Nixon campaign—reportedly by lobbyist Carroll—on April 20, 1972, the same day that Secretary of Agriculture Butz addressed the Lehigh Valley cooperative's an-

nual meeting. Watergate prosecutors said the other \$25,000 was donated a few days later.

An FBI investigation of the contributions reportedly showed that Lehigh had promised to give \$100,000 if Vice President Spiro T. Agnew would make the speech, but cut the amount in half when Butz appeared as a substitute.

Three other much larger dairy co-ops—Associated Milk Producers, Inc., Mid-America Dairymen, Inc., and Dairymen, Inc.—are under investigation in connection with President Nixon's controversial 1971 increase in milk price supports. The Lehigh Valley co-op is not involved in that inquiry, prosecutors said.



RICHARD L. ALLISON
... "a horrible ordeal"