

ITT Controversy

Dita-Mitchell Clash at Party Is Described

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Washington

Former Kentucky Governor Louie B. Nunn described for senators yesterday a drawing room altercation between a woman lobbyist and then Attorney General John Mitchell that ended with the woman prostrate on the floor—the victim of a heart condition and drink.

"It was embarrassing," Nunn told the Senate judiciary committee.

The former governor, a Republican, was a surprise witness at a committee hearing on the political circumstances surrounding the Justice Department's settlement of antitrust action against International Telephone & Telegraph Corp. which made a \$400,000 offer to underwrite costs of the 1972 Republican National Convention.

Nunn said Dita Beard, ITT's Washington lobbyist who has become a central figure in the committee's inquiry, and Mitchell were guests at a buffet dinner at the governor's mansion last May after the Kentucky Derby at Louisville.

He said Mrs. Beard and Mitchell and a number of other guests were conversing in one of the mansion's drawing rooms, with Mitchell joking "something about Martha and the telephone and the AT&T."

Suddenly, he said, Mrs. Beard spoke up and said, "AT&T, that's a dirty word. How about ITT?"

Nunn, who left office in December, said she then began discussing ITT's problems with the Justice Department antitrust division. Mitchell insisted it was "not the time or the place to discuss it," Nunn said, but she followed him to the buffet table muttering "a damn rotten deal" and kept trying to keep the subject on ITT.

When the guests were

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seated, Nunn said, she approached Mitchell's table and raised the issue again.

TIRED

"The Attorney General became very disturbed," Nunn said. "He said he was sick and tired of hearing about this and didn't want to hear anymore about it. She moved on."

The next thing he heard, Nunn said, was that Mrs. Beard had become ill and someone had "laid her out on the floor and tried to revive her." He said it was apparently a heart attack. "combined with some other things — drinks and a few other things."

Doctors say Mrs. Beard has been in serious condition in a Denver hospital with a heart ailment since last Thursday, after syndicated columnist Jack Anderson published a memorandum attributed to her suggesting a connection between ITT's out-of-court settlement with the Justice Department and a \$400,000 GOP convention contribution by the firm's Sheraton Hotel Corp. subsidiary.

APOLOGY

Nunn described Mrs. Beard as a woman who drinks, sometimes "excessively." He said she came to him the day after the altercation with Mitchell and apologized.

"She was very disturbed," he said. "She thought her conduct and behavior there might cost her her job. She seemed very obsessed about losing her job."

The White House, meanwhile, absolved all its staff members of any impropriety in the ITT antitrust settlement. Press Secretary Ronald Ziegler, asked whether presidential assistant Peter Flanigan had helped negotiate the ITT convention contribution, said "there is no concern by anyone in the White House that he acted



UPI Telephoto

LOUIE B. NUNN
GOP ex-governor

improperly." The same, he said, goes for any White House staffer.

POISONED

An earlier committee witness, Federal Judge Richard M. McLaren, emotionally defended policies he instituted as chief of the Justice Department's antitrust Division, and said the staff of Senator Edward M. Kennedy (Dem-Mass.) had "poisoned" a former aide against him.

McLaren steadfastly denied that political pressure was put on him to make the settlement and drop the government's suit to block the largest merger in corporate history between ITT and Hartford Life Insurance Corp. He contended that the agreement, by forcing ITT to shed a half-dozen other major companies, "stopped the clear leader of a highly anti competitive merger movement dead in its tracks."

But in a tense and, at times, testy confrontation

with Kennedy and other Democrats on the committee McLaren acknowledged that Flanigan, a White House aide with ties to Wall Street, played a role in the events that led to the settlement.

'DEAR DICK'

Kennedy produced a "Dear Dick" letter to Attorney General Designate Richard Kleindienst from an ITT lawyer pleading for a review at top administration levels of McLaren's antitrust policies before they were accepted in the courts. The letter produced action within a week to hold up one of McLaren's appeals against ITT.

McLaren, who won a reputation in his three-year term as a vigorous and tough warrior against corporate conglomerates, denied rumors and published reports that he ever threatened to quit as a result of interference.

He told Senator Philip A. Hart (Dem-Mich.), when pressed on the matter: "I never threatened to resign, never. I never threatened to resign, that's all there is to it."

He said he got "great

backing" from his superiors, including then Attorney General Mitchell.

McLaren bristled when asked about the weekend statements of two former economists on his staff, Kenneth G. Elzinga and Willard F. Mueller, criticizing the ITT settlement and claiming they had not been consulted.

He said Thomas M. Sussman, a Kennedy aide, visited Elzinga during the weekend at the University of Virginia and gave him a one-sided account of last week's testimony.

"He (Elzinga) was poisoned over the weekend against me and I resent it very much," McLaren said.

McLaren said Elzinga had written him a complimentary letter when Elzinga left to return to the university last year. "If he thought I was a crook then, he had a funny way of showing it," said McLaren, now a Federal judge in his hometown of Chicago.

Kennedy has had his staff on the Administrative Practices and Procedures Subcommittee working hard on the case since it broke last week.