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Judge to Consider Bid to Review I.T.T. Merger

By MICHAEL C. JENSEN

A Federal judge in Hartford said yesterday he would consider a move to re-examine the controversial merger in 1970 of the International Telephone and Telegraph Corporation and the Hartford Fire Insurance Company.

Judge M. Joseph Blumenfeld, of United States District Court, who cleared the merger last year when the Justice Department approved it as part of an antitrust settlement involving several I.T.T. subsidiaries, said he had been "disturbed" by the Justice Department's handling of the case.

The \$1.5-billion merger, the largest in United States corporate history, has been challenged by Ralph Nader, the consumer advocate.

Judge Blumenfeld said he had been troubled by the suggestion that a "fraud" had been committed upon the court because of the failure of the Justice Department to disclose the grounds for its decision.

Reasons Challenged

Alan Morrison, an attorney representing Mr. Nader, has argued that the Justice Department's stated reasons for approving the merger were "irrelevant" and "improper."

They focused, he said, on a claim of hardship for the two companies, a loss for their shareholders and a negative effect on the stock market if the merger were disallowed. Mr. Morrison argued that these factors were not supposed to be legally relevant in deciding

to settle antitrust cases.

Raymond M. Carlson, who represented the Justice Department, said the department had been under no obligation to disclose to Judge Blumenfeld all the factors it was considering. Judge Blumenfeld ordered briefs to be filed by Mr. Mor-

risson by June 26, and by Mr. Carlson and I.T.T. by July 5.

A justice Department antitrust settlement that allowed I.T.T. to keep Hartford while it disposed of some other acquisitions was at the center of recent Senate Judiciary Committee hearings.