

J. Walter Thompson

SFChronicle

In the White House



— Jack Anderson

SINCE the Los Angeles managers of the giant J. Walter Thompson Advertising Agency went to work in the White House, the agency has increased its federal accounts dramatically.

Four years ago, the Thompson firm's federal business was limited to a \$160,000 contract to provide "counsel, advice and assistance" to the Marines. This year, the company should collect more than \$3.5 million from the federal government.

It may be merely a coincidence that President Nixon drew three of his top aides from the Thompson agency. His chief of staff, H. R. Haldeman, formerly merchandized 7-Up as the "Un-Cola." Appointments Secretary Dwight Chapin made his mark hawking bug killer and floor wax. And Press Secretary Ron Ziegler started as a Disneyland guide and later handled the Disneyland account for the Thompson agency.

A number of J. Walter Thompson executives took time off to work for the Nixon campaign both in 1968 and 1972. Most are back at the agency working on the new federal accounts. A few stayed in government.

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THERE'S no evidence of improper intervention by these people to get contracts for their former firm. More likely, government agencies have favored J. Walter Thompson in hope of impressing the powerful Thompson trio in the White House.

The Food and Drug Administration, for

instance, recently awarded the Thompson agency a contract that should be worth around half-a-million dollars.

Each holiday season, the FDA sponsors a campaign to alert the public to dangerous toys. Last year, a slide show was prepared that cost the taxpayers about \$600.

But this season, the FDA bigwigs waited until late August, then asked 13 "qualified sources" to bid for the job. Five companies responded and J. Walter Thompson was awarded the contract for \$137,600.

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THE MARINE CORPS, meanwhile, has also increased its payments to J. Walter Thompson. After the Thompson trio moved into the White House, the Marines jacked up their contract with the advertising agency from \$160,000 to \$270,000. In fiscal year 1972, it hit \$870,000. This year, the Marines have budgeted a whopping \$3 million for the Thompson firm.

Footnote: The J. Walter Thompson Agency, in response to our inquiries, gave us a written statement. "The estimate of \$3.5 million" in government business, said the statement, "amounts to only four-tenths of one per cent of the (agency's) estimated worldwide billings" in 1972. The agency stressed that it "has engaged in open, competitive bidding for government business over the years" and that, in addition to the successful Marine Corps and FDA bids, it had lost a bid for a \$5 million postal service contract. Other advertising agencies, the statement claimed, had a higher volume of federal business.