

Dean, Nixon's Counsel, was Dismissed from First Law Job in 1966 in "Disagreement."

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President Nixon's chief legal counsel, John W. Dean 3d, was dismissed from his first job with a Washington law firm in 1966 for what his employer first termed "unethical conduct" but later described as a "basic disagreement" over the firm's policies.

The circumstances under which the 28-year-old Mr. Dean lost the job as an associate with the firm, now Welch & Morgan, were disclosed by Jack Anderson in a syndicated newspaper column to be released tomorrow.

The White House replied today that the incident described by Mr. Anderson might "have more properly been characterized as a basic disagreement over law firm policies" and did not make a black-and-white case as far as Mr. Dean's conduct was concerned.

According to Mr. Anderson's account, Mr. Dean was as-



White House Photograph

John W. Dean 3d

signed in late 1965 by the Welch firm, where he began work soon after graduating from the Georgetown University Law School, to help prepare an application for a new television station in St. Louis.

"At the same time," the Anderson report says, "he allegedly filed a secret, rival application for himself and some friends" in the same city.

'Unethical Conduct'

Vince B. Welch, the firm's senior partner, subsequently told the Civil Service Commission, which was considering Mr. Dean for a position with a Federal commission, that Mr. Dean had been discharged for "unethical conduct."

Mr. Welch asserted, in re-

sponse to a commission inquiry, that Mr. Dean, "while employed by this firm, undertook work, unbeknownst to us at the time, in direct conflict with the interests of the firm and a client thereof."

Mr. Anderson quoted unidentified sources as suggesting that Mr. Dean's actions in working on competing applications at the same time constituted "grounds for disbarment" but that "out of compassion, the firm merely fired him."

On October 29, 1968, more than a year after Mr. Welch submitted his original assessment to the commission, he wrote in a follow-up letter that his description of Mr. Dean's conduct as unethical might have been an "overstatement."

"A more apt characterization of Mr. Dean's departure," he wrote, "would be to describe it as having resulted from a basic disagreement over . . . the nature and scope of an associate's activities."

Appeal Alleged

In his column, Mr. Anderson said he had learned that Mr. Welch had "watered down" the charge after receiving "an appeal from Dean's political friends."

Gerald L. Warren, the deputy White House press secretary, told newsmen today at San Clemente, Calif., that Mr. Dean learned in 1968 of Mr. Welch's assertion and asked Mr. Welch, "through an intermediary," to correct it. Neither Mr. Anderson nor Mr. Warren identified the intermediary.

Mr. Warren added that the episode occurred when Mr. Dean was fresh out of law school and that it had "no relevance whatsoever to what he is doing now."

In Washington, the White House released a letter, dated Jan. 10, 1969, from a lawyer who represented Mr. Dean and his organization during the filing of the application.

In the letter, the lawyer, Earl R. Stanley, said he had advised at the time that "in my opinion, it would not be unethical or improper in any respect for Mr. Dean to become a part of the group" as long as he recognized his duty to resign from Welch Morgan when the application was filed.

Mr. Dean has served Mr. Nixon as his chief legal counsel since July, 1970. Since then, he has advised the President on his authority for the impoundment of funds appropriated by Congress and the use of the pocket veto and has investigated the involvement of White House personnel in the Watergate case.

Neither Mr. Welch, in his remarks to the Civil Service Commission, nor Mr. Anderson mentioned the following facts:

The broadcasting application on which Mr. Dean had

been asked to work, which involved an ultra-high frequency television station in the St. Louis area, had been submitted by a corporation listing Mr.

Welch as president, director and a major stockholder.

Federal Communications Commission records show that that corporation, which eventually became known as the Continental Summit Broadcasting Corporation, was granted permission to broadcast on Channel 30 in St. Louis on Sept. 30, 1964, nearly a year before Mr. Dean joined the firm.

On Aug. 6, 1965, five days after Mr. Dean began work at Welch & Morgan, Continental Summit asked the F.C.C. to change its assigned frequency to Channel 24. The request was

approved by the commission on Dec. 17 of that year.

The "rival application" to which Mr. Anderson referred, was filed by the greater St. Louis Television Corporation, of which Mr. Dean and his wife were both stockholders. It was filed March 18, 1966, more than a month after Mr. Dean had left the Welch firm.

The application by the Greater St. Louis Corporation, which was approved by the commission, was for permission to broadcast on Channel 30, the channel that Mr. Welch and his quished.

On the incorporation papers, filed with the commission, Mr. Dean listed his net worth, as of February, 1966, at more than \$900,000, although his salary at Welch & Morgan was \$7,500 a year.

"John was in it as a passive investor, because he happened plained a former associate of Mr. Dean at the firm.

The associate said Mr. Dean and Boyd Fellows, who was employed as a television management expert at Welch & Morgan, decided soon after they met that they would apply for a license of their own.

"Boyd wanted his own station," the friend said of Mr. Fellows, who appears in F.C.C. records as the president of the Greater St. Louis Television Corporation. Another backer was Mrs. Thomas C. Hennings Jr., the wife of the late Democratic Senator from Missouri, who was the mother of Mr. Dean's first wife, Karla. The company was sold to a Manhattan concern in 1968.

The couple was divorced about three years ago, and Mr. Dean remarried last fall.

Mr. Fellows left the Welch firm at about the same time that Mr. Dean departed, but it could not be learned whether

he, too, was discharged.

Mr. Anderson quoted lawyer who was present at the time as having said that Mr. Dean "wasn't even allowed to pick up his belongings, which were returned to him by mail."

According to the friend, Mr. Welch became incensed when he learned of the plan by Mr. Dean and Mr. Fellows to enter into competition with his own station, which never went into operation.

He said that Mr. Welch had discharged Mr. Dean after learning that he was "in likely competition with an employe of his own office." Mr. Welch declined today to comment on any aspect of the matter.

Mr. Dean's friend, also a lawyer, added: "I don't know what canons of professional responsibility Johns alleged to have violated. Essentially, it was a disagreement over a business matter."

Mr. Anderson was out of Washington on a speaking engagement and unavailable for comment. Leslie Whitten, his associate, when asked to clarify the assertions of impropriety on Mr. Dean's part, said they stemmed from the fact that Mr. Dean had one ahead with the second application "without informing other members of the firm."