

GULF OIL DONATED \$100,000 TO G.O.P.

Illegal Gift Was Returned at Request of Company

By MICHAEL C. JENSEN

The Gulf Oil Corporation said yesterday that it had contributed \$100,000 in corporate funds to President Nixon's re-election campaign. Such contributions are illegal under Federal law.

The big oil company thus became the third corporation in recent weeks to acknowledge making an illegal campaign contribution. Last month, the Ashland Oil Company said it had illegally given \$100,000 to the President's campaign, and American Airlines admitted to giving \$55,000 of its own funds.

The Gulf contribution was disclosed by B. R. Dorsey, the company's chairman, who said it had been made "without either the knowledge or approval of the Gulf board of directors," and was in response to "persistent requests" from the Finance Committee to Re-elect the President.

Mr. Dorsey said the committee had returned the \$100,000, at the request of the company, and that Gulf had furnished information on the contribution voluntarily to Archibald Cox, the special Watergate prosecutor.

'Enormous Pressure'

"There was enormous pressure in the political system, and the fact that others apparently also yielded is evidence of this," he said. "This pressure was intense, and at the time it was thought to be irresistible by our Washington representative. Nevertheless, the pressure should have been resisted, whatever the consequences."

In Washington, a spokesman for Mr. Cox said that other companies had acknowledged making illegal campaign contributions, but he declined to be more specific.

The contribution was discussed in two letters that were delivered on July 26 in Washington to the committee and to Mr. Cox's staff by Cloyd R. Mellott, a Pittsburgh lawyer representing Gulf.

Mr. Mellott's letter to the committee said, "It has recently come to our attention that during the period of 1971 and early 1972, two separate contributions of \$50,000 each were made from Gulf's funds by Claude C. Wild Jr., vice president-governmental relations of Gulf Oil Corporation, to the Committee to Re-elect the President."

Return Requested

The letter added, "Our investigation does not disclose that Mr. Wild advised the Committee to Re-elect the President with respect to the source of the funds. It is unfortunate that these contributions were made, but in view of the fact that they were made from Gulf's funds, we have no alternative but to request that those funds be returned to Gulf Oil Corporation immediately."

Mr. Mellott said in a telephone interview that the committee had returned the \$100,000 to Gulf by check the same day.

Mr. Dorsey said that when the company made the contribution it "was not seeking any special favors and did not have any corporate activity under Government scrutiny."

On July 17, nine days before Gulf informed Mr. Cox about its contribution, the company was accused by the Federal Trade Commission along with

seven other major oil companies, of conspiring over a period of at least 23 years to monopolize the refining of petroleum products.

About two weeks later, a \$54-billion antitrust suit was filed in Federal District Court in Brooklyn against Gulf and four other oil and gasoline corporations. It was filed as a class action by two corporations and an individual on behalf of all consumers of gasoline products.

Disclosure Urged

The Gulf contribution was made at a time when there was growing concern over oil imports and over the controversial projected Alaska pipeline.

Mr. Cox has urged any corporate officials who have made illegal contributions of corporate funds to disclose them voluntarily. Such cooperation might be considered mitigating circumstances, he has said, in

deciding whether charges would be brought.

Federal statutes provide that any corporation making such a contribution may, if found guilty, be fined a maximum of \$5,000; that the officers of the corporation who consent to it and the recipients of the money may, if convicted, receive a maximum penalty of \$1,000 in fines and one year in prison, or \$10,000 in fines and two years in prison if the violation is found to be "willful."

Gulf is a major international oil company, ranking as one of the world's largest producers of crude oil, and employs about 57,000 people.