

\$50,000 Turned Into 'Hush Money'



Jack Anderson

THE WATERGATE prosecutors are secretly bargaining for a guilty plea from the president of a \$100 million-a-year milk cooperative, which unwittingly supplied "hush money" for the Watergate conspirators.

The official is Richard Allison, who began as a candy clerk, worked his way through night school and is now the \$55,000-a-year president of the LeHigh Valley Cooperative Farmers of Allentown, Pa.

Proud of his accomplishments in building the co-op into a major American milk power, Allison wanted President Nixon as his speaker for the group's 1972 conference. LeHigh's Washington lobbyist, Frank Carroll, was called on to help with the arrangements, say sources close to the case.

Carroll could not land Mr. Nixon but settled for Agriculture Secretary Earl Butz. Thereafter, LeHigh coughed up a \$50,000 contribution.

The donation, which is illegal under federal law because corporate gifts are outlawed, was clandestinely passed to the President's campaign committee in two \$25,000 bundles, one of them in a car, say our sources.

J. Curtis Herge, a medium-level campaign official who accepted the cash for the committee, claims he was acting under orders from former Attorney General John Mitchell, and Mitchell's chief sidekick at the time, Jeb Magruder.

The \$50,000 reportedly wound up in the slush fund from which "hush money" was drawn to buy the silence of the original Watergate conspirators. This, of course, set the prosecutors on LeHigh.

Carroll, who reportedly transmitted the money to Nixon headquarters, could not be reached. Through his lawyer, he declined to comment. Herge refused to return our repeated phone calls. Allison's lawyers conceded only that the plea bargaining was going on.

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THE MOGULS of aluminum have met secretly in their New York headquarters to try to counter federal hearings week on deaths and home-burnings by aluminum wiring.

At the meeting Reynolds agreed to...