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Letter to Mitchell Sought Aid at FTC

By Bob Woodward and Carl Bernstein
Washington Post Staff Writers

Business executive Elmer H. Bobst, the man President Nixon has often called his "honorary father," wrote to then Attorney General John N. Mitchell in 1971 that an unidentified friend "would come up with 100,000" dollars for the election campaign in exchange for help in a case pending before the Federal Trade Commission.

The proposal is contained in a six-paragraph letter Bobst wrote to Mitchell on Oct. 13, 1971, when Mitchell was still the nation's top law enforcement officer.

In the letter, a copy of which has been obtained by The Washington Post, Bobst complained to Mitchell about the "situation" at the FTC, which was then and is still challenging a merger between two drug manufacturers, the Warner-Lambert Pharmaceutical Co. and Parke, Davis, Inc.

Bobst, 89, is Warner-Lambert's biggest stockholder and honorary chairman of its board.

The letter, however, does not make clear if the unspecified "situation" refers to the Warner-Lambert merger or another matter that might also have been pending before the FTC at that time. FTC officials said yesterday they were not aware of any pressure brought to bear on the FTC commissioners by either Bobst or Mitchell in the Warner-Lambert case.

Three experts on criminal law said yesterday that the Bobst letter, if authentic, was sufficient evidence itself—whether or not $100,000 was contributed or any pressure was put on the FTC—to warrant an investigation into attempted bribery and other related violations of the law. Failure to inform legal authorities of receipt of such a letter, some of the same experts said, could warrant investigation into possible misprision (concealment) of a felony.

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BOBST, From A1

Inquiries with several federal investigative agencies yesterday, including the office of the special Watergate prosecutor, indicated that the existence of the Bobst-Mitchell letter had never previously come to their attention.

Bobst, who has been a close associate of Mr. Nixon for many years, could not be reached for comment yesterday. Herbert Bergson, a Washington lawyer for Warner-Lambert, said yesterday that "the company knows nothing about this . . . Whatever Mr. Bobst may have tried to do he was thoroughly unsuccessful."

William G. Hundley, an attorney for former Attorney General Mitchell, said yesterday that he had no previous knowledge of the letter and thus could not comment on its contents.

Without being more specific in the Oct. 13, 1971 letter, Bobst wrote to Mitchell: "I take this opportunity of mentioning that the FTC situation has not altered significantly. The lower echelon (apparently the FTC staff) seems to have a complete hold on the show to the extent that the top five (FTC commissioners) appear to be not much more than puppets.

"I might say that one of my close friends interested in the case mentioned that if there was any evidence of a more favorable attitude on the part of the tops, he would come up with 100,000 for the '72 fray.

"I, too, have already committed myself for that amount—although it probably will be considerably increased when the battle begins."

Reporters for The Washington Post were unable to learn the name of the unidentified friend mentioned by Bobst in his letter.

Bobst himself later contributed at least $151,500 to the 1972 Nixon campaign, according to public records. Another Warner-Lambert executive also contributed more than $100,000 to Nixon in 1972. He could not be reached for comment last night.

In the Oct. 13, 1971 letter, Bobst also recommended to Mitchell that New York Supreme Court Judge Irving Kaufman be considered for an appointment to the U.S. Supreme Court, "if you and the 'boss' should decide on

Acknowledge
Dear Elmer
Thank for thoughts
on Court

ELMER HOLMES BOBST
7 EAST 60TH STREET
NEW YORK, N.Y. 10022

October 13, 1971

The Honorable John N. Mitchell
Watergate East
Washington, D. C. 20037

Dear John:

I suppose you are overrun with letters from friends of various Federal Court Judges with recommendations for appointments of their favorites to the Supreme Court.

I am enclosing a copy of letter from a friend of mine in Upper Montclair, N. J., which concerns a judge, who was much in the public eye of New Jersey and New York as the head prosecutor a couple of years back against members of the Mafia. He is considered to be a very able man of the law.

In this letter I may also add that I was approached several days ago by a New York Supreme Court Judge, Irving Kaufman. You will recall he rose to fame because of his having sentenced the Rosenbergs to death for delivering atomic secrets to Russia. I have known Irving fairly intimately for a number of years.

I can only state that if you and the 'boss' should decide on appointing a Jew to fill one of the vacancies, Irving ought to receive some consideration.

I take this opportunity of mentioning that the FTC situation has not altered significantly. The lower echelon seems to have a complete hold on the show to the extent that the top 5 appear to be not much more than puppets. I might say that one of my close friends interested in the case mentioned that if there was any evidence of a more favorable attitude on the part of the tops, he would come up with 100,000 for the '72 fray. I, too, have already committed myself for that amount - although it probably will be considerably increased when the battle begins.

With kindest regards to your ever active bride, who is not afraid to speak out, and best to you.

Sincerely,

Elmer

Copy of letter sent to Attorney General concerning merger action before FTC.

appointing a Jew to fill one of the vacancies . . ."

The letter, written on Bobst's personal letterhead and addressed to the apartment Mitchell then occupied at the Watergate here, is signed, "Sincerely, Elmer."

At the top of the letter, in handwriting that appears to be Mitchell's, is the notation: "Acknowledge Dear Elmer Thank for thoughts on Court."

The paragraph referring to the possible $100,000 contribution is delineated by a bracket in the right-hand margin, apparently made by a different pen than the handwritten notation at the top of the letter. The words "he would come up with 100,000 for the '72 fray" are underlined by hand in the same paragraph.

The merger of Warner-Lambert and Parke, Davis has remained a politically sensitive case since it entered the news more than four years ago, and even today has not been resolved.

Warner-Lambert acquired Park, Davis in 1970, over the objections of Richard W. McLaren, then the assistant attorney general in charge of the Justice Department's antitrust division.

However, McLaren's recommendation that the Justice Department stop the merger was overruled by Deputy Attorney General Richard G. Kleindienst on the eve of the effective date of the merger—Nov. 13, 1970.

Mitchell, then the Attorney General, disqualified himself from acting in the case to avoid a possible conflict of interest. The New York law firm of Mudge, Rose, Guthrie and Alexander, of which Mitchell and President Nixon were once partners, has Warner-Lambert as one of its chief clients. It was Bobst who helped Mr. Nixon get his partnership with the law firm after Mr. Nixon's defeat in the 1962 campaign for governor of California.

After the Justice Department decided not to stop the merger of Warner-Lambert and Parke, Davis, the Federal Trade Commission entered the case under its own jurisdiction, which includes supervision of fair trade practices.

On April 20, 1971—six months before the Bobst letter to Mitchell—the FTC announced that it would challenge the merger on grounds that the two firms had stifled competition in the marketplace by joining together.

On July 15, 1971, the FTC formally filed a complaint after the FTC and the two drug companies were unable to reach agreement on a settlement of the matter.

At the time of the Bost letter, or at any time since then, the FTC could have voted to withdraw the complaint, according to commission officials.

An independent administrative law judge at the FTC is expected to make a recommendation by midsummer to the five commissioners on whether Warner-Lambert should divest itself of Parke, Davis.

An unfavorable ruling could be appealed to federal District Court. FTC officials and a spokesman for Warner-Lambert said final resolution of the case could take another two to three years.

The President has referred to Bobst as his

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Mitchell's Aid Letter Sought In FTC Action

BOBST From A16

"honorary father" or his "second father." In 1957, Bobst set up a trust fund for Mr. Nixon's daughter Tricia. Bobst has said in interviews that the President "is like a son to me" and that the President's two daughters "call me Uncle Elmer."

In an early 1972 interview with the National Journal, a Washington weekly magazine on national affairs, Bobst said that he had talked with White House officials about the Warner-Lambert merger.

Bobst also asserted that White House aide Peter Flanigan "received and interviewed" FTC Chairman Miles W. Kirkpatrick and Republican members of the regulatory agency.

The purpose of the interviews, according to Bobst, was "to discuss the Warner-Lambert case."

Kirkpatrick and the Republican members of the FTC have denied that they had any such conversations with Flanigan.

Yesterday, Kirkpatrick said he didn't have "any kind of contact at all" with any administration figure on the case. He added that he also had no contact with the lawyers for Warner-Lambert after the formal complaint was filed on July 15, 1971, and noted that any such contact would have been improper.

Alan Ward, director of the Bureau of Competition at the FTC under Kirkpatrick, said yesterday that "nobody ever talked to me" about the case from the administration.

"To the best of my knowledge, I don't think anybody from the White House called us about it. I don't remember anyone at the Justice Department talking to us about it . . .," Ward said.