

# Case Against Reinecke

By Joseph Albright  
Chronicle Correspondent

Washington

On day five of the Ed Reinecke perjury trial, assistant special prosecutor Richard J. Davis turned away from the jury and said yesterday, "The government rests, your honor."

Asked for his reaction to the completed prosecution case against him, Reinecke replied, "I still wonder why I am here."

Testimony for the defense will begin Monday.

Reinecke had been occupying himself at the defense table by keeping a box score on the number of lawyers' objections that were sustained or denied by U.S. District Judge Barrington Parker.

Defense attorney James E. Cox made a motion to dismiss the trial late yesterday and Parker responded by scheduling a special session for this morning. He said he will allow both sides 30 minutes to argue on the motion, but will not rule until Monday.

Cox claimed his client's rights were damaged when he was shut off from pursuing cross-examination of several witnesses.

In the final two hours of presenting evidence, came the key elements of the prosecution's case: excerpts from Reinecke's grand jury testimony five months ago and from his handwritten notes, which he turned over to prosecutors last summer.

In his grand jury appearance Reinecke was asked

whether he had told then-Attorney General John Mitchell by telephone in May, 1971, that a \$400,000 pledge to support a Republican National Convention in San Diego had been made by the Sheraton hotels, subsidiary of International Telephone and Telegraph Corp.

The grand jury transcript quoted Reinecke as replying, "I think that it's safe to say that, yes, I did."

Mitchell's response, according to Reinecke, was something like, "That's fine, good luck." Reinecke recalled that the attorney general "sounded encouraging and tolerant and fatherly."

Reinecke acknowledged for the grand jury that he made four follow-up calls to Mitchell in June, 1971, in which he gave updated reports on financial aspects of San Diego's bid to get the convention.

That was one month before the Justice Department agreed to an out-of-court settlement of an antitrust case that permitted ITT to keep the Hartford Fire Insurance Co.

Reinecke's perjury indictment resulted from his testimony in the Senate Judiciary Committee's inquiry the following year into whether the ITT antitrust settlement was influenced by the \$400,000 convention pledge.

Among the interchanges for which Reinecke was indicted was the following:

Senator Hiram Fong (Rep-Hawaii): So the only time you discussed the convention with Mr. Mitchell was in September after the ITT case had already been settled?

Reinecke: That is correct, Senator.

The lieutenant governor's defense is that he thought Fong was referring to face-to-face meetings with Mitchell rather than telephone calls.

One irony that emerged from Reinecke's notes and the grand jury testimony was that he might have avoided all his troubles growing out of his conflicting statements if he had comprehended a frantic warning from ITT lobbyist Dita Beard.

Reinecke recounted that he received a telephone call from Mrs. Beard early in 1972 saying that her memo, linking the ITT anti-trust settlement with the \$400,000 convention pledge had been leaked to a reporter.

According to the grand jury transcript, Mrs. Beard warned Reinecke that the reporter would probably call him, since he and Mrs. Beard had discussed San Diego financial commitment in 1971.

One part of Mrs. Beard's message, according to Reinecke, was "Not to tell him we had discussed it (the ITT pledge) earlier, but tell him we discussed it late."

Reinecke told the grand jury that Mrs. Beard sounded "nervous and distraught" and that he was confused by her call.

"I didn't understand it, because at that time I didn't know the antitrust suit against ITT had been settled," said Reinecke. "That's where the statement of Mrs. Beard confused me. I didn't see that it mattered at all."