

Guilty Pleas In Campaign Gift Case

Cleveland

Shipbuilding executive George M. Steinbrenner III, a co-owner of the New York Yankees, pleaded guilty yesterday to conspiracy in a scheme to funnel corporate funds to both Republican and Democratic political campaigns.

Watergate prosecutor Leon Jaworski, who had obtained a 15-count indictment against Steinbrenner April 5, dropped the remaining counts in return for Steinbrenner's plea to a single charge of conspiracy.

But at the same, Steinbrenner waived indictment and pleaded guilty to a fresh criminal information brought by Jaworski charging him with instructing his employees to lie to the FBI and before the grand jury.

At the same brief session before U.S. District Judge Leroy Contie Jr., American Shipbuilding Inc., which Steinbrenner serves as board chairman, pleaded guilty to two counts of conspiracy and making an illegal political contribution.

Contie set no date for sentencing. Steinbrenner could receive as much as six years in prison and fines totaling \$15,000. The company could be fined as much as \$20,000.

On April 18, John H. Melcher Jr., American Shipbuilding's executive vice president and general counsel, pleaded guilty to aiding and abetting Steinbrenner in a complex plot to pour corporate funds into the campaigns of former President Nixon and various candi-



G. STEINBRENNER
One conspiracy count

dates for Congress.

These included the campaigns for Senators Vance Hartke (Dem-Ind.) and Daniel K. Inouye (Dem-Hawaii).

Federal law prohibits political gifts from corporations, national banks and labor unions. Steinbrenner was the 20th corporate official to plead guilty to such charges brought by Watergate prosecutors in the last ten months.

Melcher was fined the maximum \$2500 and was expected to be a key witness at Steinbrenner's trial.

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