

# Employer of 2 Tied To Bugging Raised Money for Nixon

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Robert F. Bennett, president of the Washington public relations firm in whose office two figures mentioned in the Democratic National Committee bugging case have worked, acknowledged yesterday that he was the principal organizer of dummy campaign committees to raise money for the re-election of President Nixon.

Douglas Caddy, a lawyer originally retained by five suspects arrested in the incident Saturday, worked in one of Bennett's offices while he was liaison between Bennett's firm and General Foods, a major client of the firm.

He shared the office with Howard E. Hunt Jr., a Central Intelligence Agency employee for 21 years who has been employed as a writer for Bennett.

Hunt's name was found in address books belonging to two of the five men arrested, along with a stamped, unmailed envelope containing Hunt's personal check for \$6 to a local country club.

The fund-raising committees that Bennett formed—bearing names such as Supporters of the American Dream—were established in 1971 as a means of legally collecting Nixon campaign contributions without reporting them under the Federal Corrupt Practices Act, according to Bennett.

Bennett said he shut the committees down several months ago, however, "when we became front page news and a lot of people got scared" that they might be making illegal contributions.

Committees like those established by Bennett reportedly raised a portion of \$10 million collected for the President's re-election before April 7, when the Corrupt Practices Act was supplanted by a new campaign reporting law that

requires full disclosure of all contributions.

Former Attorney General John N. Mitchell, now Nixon's campaign chairman, has refused Democratic demands and requests from newsmen that the contributors of the \$10 million be identified.

Among contributions sent to the organizations was a total of \$325,000 given 68 different committees by the political arm of the Associated Milk Producers, Inc., a cooperative with more than 30,000 member farms in 20 states.

The contributions led to a suit filed by Ralph Nader's Public Citizens, Inc., which charged that the Nixon administration raise government milk support prices as a pay-off for the donations.

In all, from 75 to 90 committees were established by Bennett and "people who told me they would set them up for me . . . it was a sort of a chain-reaction thing," he said.

Bennett is the son of conservative Republican Sen. Wallace F. Bennett of Utah. He heads the firm of Robert R. Mullen & Co.

Bennett said yesterday that Hunt has failed to report to work since his name was mentioned in connection with the investigation of the bugging incident, and that he has suspended Hunt "until he comes to work."

"I don't really know what will happen when he comes back to work," Bennett said yesterday. "I am as interested in finding out what involvement—if any—he may have had as anybody else."

"The only comment I have from him is a flat denial that he was anywhere near the Watergate (the location of the Democratic National Committee offices) Saturday night and I take that at face value."