

# Head of I.T.T. Denies Link Of Suits and Aid to G.O.P.

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WASHINGTON, March 15—Harold S. Geneen, president of the International Telephone and Telegraph Corporation, swore today that "there was absolutely no connection" between his company's pledge of up to \$200,000 toward the expenses of the Republican National Convention and the Justice Department's settlement of three antitrust suits against the concern.

He conceded, however, that shortly after Jack Anderson, the columnist, published a memorandum apparently connecting the pledge and the suits, the corporation's security officers shredded documents in the files of Mrs. Dita D. Beard, its Washington lobbyist, who wrote the memorandum.

Mr. Geneen told the Senate Judiciary Committee that he did not know who in his company had ordered the destruction of the files. He said that the

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shredding was "probably a reaction that our files were suddenly open to the public" and asserted that it had not been intended "to prevent review of our files by any legitimate agency."

He said that he would try to have ready a report on the incident when he resumes his testimony tomorrow.

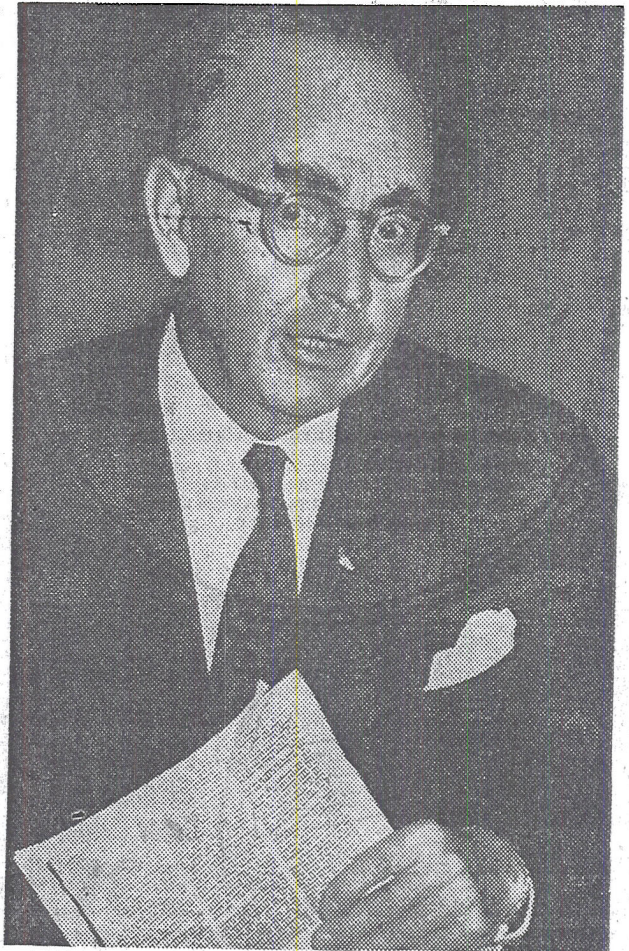
Other developments in the inquiry included the following:

¶ Senator James O. Eastland, Democrat of Mississippi, chairman of the Judiciary Committee, named a subcommittee of six Democrats and six Republicans to fly to Denver to take sworn testimony Monday from Mrs. Beard, who is hospitalized with a heart ailment. The arrangements for the bedside testimony, which will include one news reporter to provide information to all of the media, was worked out in a telephone conversation between the Senators and Mrs. Beard's physicians in Denver.

¶ Senator John V. Tunney, Democrat of California, charged that either former Attorney General John N. Mitchell or Ed Reinecke, the Lieutenant Governor of California, had lied about their discussions last year concerning the Republican convention arrangements. The Senator said, "It is impossible to reconcile" Mr. Reinecke's statements with Mr. Mitchell's testimony today that he could not recall discussing the corporation's pledge with Mr. Reinecke. Senator Tunney said that on March 3 Mr. Reinecke told him that last May, as a representative of the California Chamber of Commerce, he went to Mr. Mitchell's office and told him about a \$400,000 commitment by International Telephone. Mr. Reinecke later issued a correction saying he met with Mr. Mitchell in September, after the antitrust settlement was announced on July 31.

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Associated Press

I.T.T. CHIEF MEETS WITH REPORTERS: Harold S. Geneen after he testified before Senate Judiciary panel.

¶ Justice Department memorandums were introduced into the hearing record stating that on Oct. 20, 1970, Jerris Leonard, then chief of the Civil Rights Division, sent a memorandum to Mr. Mitchell recommending a suit to stop alleged racial discrimination by Coldwell, Banker & Co., a large real estate company in Southern California. Describing the case to Mr. Mitchell, Mr. Leonard wrote: "Solid case, good facts." Six days later, a memorandum from Mr. Leonard to a subordinate said, "A. G. [Attorney General] knows some of top people in Coldwell-Banker and can't believe that these practices are 'co. policy'—Wants you to make contact w/pres. or bd. chair. by letter and set out pertinent facts to see what results from negotiation." The suit was never filed and an out-of-court settlement was made last week.

### Calls Ex-Aide 'Mistaken'

Mr. Mitchell testified today that "I'm afraid that Mr. Leonard was entirely mistaken" in saying he knew anyone at the Coldwell, which was represented by the Los Angeles law firm headed by Herbert W. Kalmach, a prominent Republican who has helped arrange financing for the San Diego convention. Mr. Mitchell said that he could not remember the memorandum. Mr. Leonard, who is now head of the Justice Department's Law Enforcement Assistance Administration, could not be reached for comment.

The hearing opened with a speech by Senator Marlow W. Cook, Republican of Kentucky, denouncing the reporting of the hearings by elements of the news media. He complained about what he termed "the total irresponsibility of those who are doing the writing" and said that the situation "ought to be enough to frighten the American people."

He protested articles in The Washington Post and The Washington Evening Star.

He also complained about the

caption that ran today under a picture of Mr. Mitchell in the first edition of The New York Times. The caption, which was corrected in later editions, erroneously identified Robert C. Mardian, Assistant Attorney General in charge of internal security, who was conferring with Mr. Mitchell, as William Merriam, an International Telephone vice president.

Mr. Mitchell sent a telegram of protest to Arthur Ochs Sulzberger, publisher and president of The Times.

In his testimony, Mr. Geneen, the International Telephone president, said that he knew nothing about Mrs. Beard's memorandum. He said that he first read about it in the press, believed it was never seen by anyone at the corporation and disagreed with its implications that the company's commitment had been made in exchange for a favorable antitrust settlement.

### A Personal Pledge

He explained that he personally pledged the money for an International Telephone subsidiary, the Sheraton Corporation of America, because he thought it would be a good way to promote the opening of a new Sheraton hotel in San Diego. Part of the agreement is that President Nixon's headquarters will be in the new Sheraton hotel, he said.

Mr. Geneen denied reports in the press, and in Mrs. Beard's memorandum, that he had pledged \$400,000, including cash and services. He said that the commitment was \$100,000 in cash and another \$100,000 on a matching basis if needed—a lesser amount, he said, than has been spent to promote the opening of some other Sheraton hotels.

Much of the 62-year-old executive's testimony concerned his visit with Mr. Mitchell, at a time when the three suits by the Justice Department against the corporation's were still pending, to discuss the Government's antimerger policy pertaining to conglomerate companies. Mr. Geneen said that he had agreed not to mention the International Telephone cases, because Mr. Mitchell had disqualified himself from working on them.

### Opposes Trust Policy

Mr. Geneen said that he wanted to impress upon various officials in the Government that its antitrust policy was wrong in opposing mergers by big conglomerates merely on the

ground of "bigness" when there were no anticompetitive effects.

He said that International Telephone's overseas operations could ease the nation's deficit in its balance of international payments by bringing in some \$5-billion from abroad over the next 10 years. But because of the threat of "disastrous" expropriations of the corporation's holdings by foreign countries, he said, the company needed to acquire more companies in the United States.

When Mr. Geneen was asked why Mrs. Beard, who was described in earlier testimony as suffering irrational spells because of alcohol consumption and illness, was kept on the company payroll for 10 years, he said, "As far as I know, she did her job well."