

Secret Memo on ITT Deal

MAR 24 1972

WASHINGTON — (UPI)

The Justice Department's anti-trust chief recommended that the government take its case against the International Telephone and Telegraph Corp. to the Supreme Court on a "win or lose" basis four months before he agreed to an out-of-court settlement, it was reported today.

The New York Times said it had obtained a copy of a memorandum by Richard W. McLaren, then an assistant attorney general and

now a Federal judge in Chicago.

The memo was submitted to the Senate Judiciary Committee in its investigation of the ITT settlement and the corporation's offer of financial help to the Republican national convention.

Memo Quoted

Senate sources who have seen the memo said McLaren recommended "most strongly" that the case against ITT be appealed to the Supreme Court. The

48-page memo was dated Feb. 24, 1971.

The sources confirmed the memo, addressed to U.S. Solicitor General Erwin Griswold, contained: "I do not suggest that (it) will be an easy case . . . but, win or lose, appeal is essential to implementation of the administration's anti-trust policy."

McLaren, when questioned by the Senate committee, acknowledged he agreed to the negotiated settlement on July 31, after discussions

with an ITT director, Felix Rohatyn; an economic analysis of the impact of the multibillion dollar case by a private consultant, and talks with two Treasury officials on the possible adverse effects on the nation's balance of payments.

Conglomerate Wave

McLaren's reference to an appeal was to a lower court's rejection of Justice Department attempts to stop ITT from acquiring a company that makes fire control systems.

According to the Times, McLaren said in his memorandum to Griswold: "I recommend most strongly that we appeal this case to the Supreme Court. At my confirmation hearing, and since then, I have taken the position that the anti-trust division must move vigorously to halt the trend toward economic concentration which has resulted from the wave of conglomerate mergers that have taken place in the last decade."