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## INVESTIGATIONS: 'Fake'?

Just as the Great Howard Hughes Caper was fading from the front pages, the ITT affair surfaced to provide its own kind of intrigue (NEWSWEEK, March 13). But the Senate's investigation of charges that the Administration settlement of a major antitrust case was linked to the huge conglomerate's lavish financial support for the forthcoming Republican National Convention began to flag last week for want of fresh sensations. Then the case took a startling new turn—one that almost made it seem as if good old Clifford Irving was writing the script. From her hospital bed in Denver, ITT lobbyist Dita Beard claimed that the celebrated memo attributed to her that touched off the investigation in the first place was actually a forgery and a hoax.

The Beard memo mentioned an offer by the International Telephone and Telegraph Corp. to underwrite up to \$400,000 of the 1972 GOP convention costs; it strongly implied that the contribution was part of an ITT effort to win concessions from the Justice Department in the antitrust matters. Until last week, its authorship had never been denied—although columnist Jack Anderson started the whole ITT flap by printing a memo three weeks ago.

The latest Beard bombshell came when she released a blunt sworn statement simultaneously through her lawyer, David Fleming, and Senate Minority Leader Hugh Scott. Mrs. Beard admitted to having prepared a similar memorandum on the Republican convention at about the same time, but, she charged, "Mr. Anderson's memo is a forgery, and not mine. I did not prepare it and could not have since to my knowl-

edge the assertions in it regarding the antitrust cases and former Attorney General [John] Mitchell are untrue." Declaring herself ready to dispense "the true facts about this false and salacious document," she insisted: "My family and I—and in a greater sense the whole American Government—are the victims of a cruel fraud."

Anderson, who had surfaced the disputed memorandum, found motive in her belated denial: "She's at the economic mercy of ITT." He did not appear shaken by the repudiation. "She's clearly lying," he said. "She's committing perjury if she says this under oath." Anderson recalled that Mrs. Beard had vouched for the memorandum's authenticity when his assistant, Brit Hume, visited her on Feb. 23 and 24. Hume had testified that he had shown the memorandum to her at her office in the presence of two ITT public-relations men. She acknowledged that the initial at the top of the memorandum was hers, but told him the office was not a good place to talk about it. They met the next evening at her Arlington, Va., home, where, according to Hume, she acknowledged: "You know I wrote it. Of course I wrote it."

Soon after Mrs. Beard's denial last week, ITT put out a statement of its own about the Beard-Hume confrontation. According to ITT's reconstruction, "Mrs. Beard said that if it were not for her penciled initial 'capital D' beside her typed name, she would swear that the memorandum was not hers." Yet none of the testimony by ITT general counsel Howard Aibel or other top ITT officials made the claim that the memo was an outright fake.

**Looks Bad:** Aibel's testimony left the impression that the principal reaction after Hume visited the ITT office was one of near panic. The following day, William Merriam, ITT's vice president in Washington and the man to whom the



Beard: 'A cruel fraud'

'Mrs. Beard is obviously much improved ... she now categorically denies the entire ITT memorandum.'

alleged memo was addressed, summoned his staff to "review their files" and "remove any documents which, if put into Mr. Anderson's possession, could be misused and misconstrued." What followed, according to Aibel's testimony, was a wholesale mutilation of "many sacks of papers" in the office shredding machine. Even ITT seems to have had no clear idea of what was destroyed. "I was told the volume was substantial," Aibel told the committee. "I'm sure you realize how this looks on its face," admonished California's Sen. John Tunney. "Brit Hume comes in with an incriminating memo on one day ... and the next day the documents are destroyed."

Mrs. Beard's repudiation of the memorandum and the disclosure of the document shredding overshadowed the earlier testimony at the hearings. Harold Geneen, ITT's graying, intense president, said the conglomerate's pledge to the San Diego convention was for up to \$200,000, not the \$400,000 mentioned in the disputed memorandum and also reportedly by California Rep. Bob Wilson. Geneen called it a "damned good business investment" to promote a new San Diego hotel in the Sheraton chain, an ITT subsidiary. But he denied any connection between the antitrust settlement and ITT's proffered convention support.

**Casual Meetings:** Former Attorney General Mitchell, cool but testy, also stuck to the contention that nothing improper had taken place between ITT and Justice. He reiterated that he had removed himself from all "consideration" of the suits because his former law firm represented an ITT subsidiary. Yet the ex-Attorney General conceded he had met Geneen twice and Felix Rohatyn, an ITT director involved in the suits, four times while litigation was pending. Mitchell insisted they had discussed other matters. "I don't see any grounds for suspicion," he said. "I think a house of cards has been built up."

The ITT inquiry—begun as part of the confirmation process for Mitchell's successor as AG, Richard Kleindienst—quickly grew into an examination of the merits and the manner of the antitrust settlement. The authenticity of the Beard memo is not crucial to some of the broader issues raised by the Senate hearings. But it remains the only piece of alleged evidence for charges of an outright deal between Justice and ITT. And Mrs. Beard's sudden repudiation raised more questions than it answered. If the memo is indeed fraudulent, Mrs. Beard could have discredited it when she first saw it, rather than flee Washington for Denver and attack it only weeks later. The ITT office in Washington would have had no apparent need to destroy so many files. And ITT officials could have merely produced the other memo that Mrs. Beard said she really wrote—unless they had already shredded it.

If Mrs. Beard can substantiate her new charges, she can probably scuttle the inquiry and embarrass the liberals who have been pushing it. If she cannot, both ITT and the Administration will only look worse. In either case, she has now again become key to the affair.