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## Foe of F.T.C. Policy Concedes Connection to I.T.T. Subsidiary

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A University of Chicago economist acknowledged yesterday that he was a paid consultant to a public relations firm for an International Telephone and Telegraph Corporation subsidiary at the time he made a widely quoted speech attacking actions by the Federal Trade Commission against the subsidiary.

The trade commission was reportedly severely shaken by the attack by the economist, Prof. Yale Brozen, which was reprinted in full by Barron's, a weekly published by Dow Jones & Co., Inc. Barron's, a financial periodical, also ran the speech as a full-page advertisement in five publications including The New York Times and distributed 35,000 copies.

Professor Brozen acknowledged in a telephone interview that he had been for several months a consultant to Harshe-Rotman & Druck, Inc., which handles public relations for

I. T. T. Continental Baking Company of Rye, N. Y. The interview followed a speech he made to the Poor Richard Club, Philadelphia, where he once again denounced the Federal agency for conducting "trials by press."

### Spoke on West Coast

The text of his remarks yesterday, accompanied by a press release, was made available by Harshe-Rotman, which also arranged for that appearance and one Feb. 24 before a group at the Commonwealth Club, San Francisco.

The San Francisco speech was the one reprinted in Barron's. A Washington observer of the business community said that the trade commission had been shaken by the charges and pointed out as proof the fact that the chairman, Miles W. Kirkpatrick, had twice defended the agency against them, without mentioning Dr. Brozen by name.

cerned because the commission's proposed complaint strikes out at the practice under which an advertiser who first claims something for his product continues to claim uniqueness even though competitive products have the same attributes.

In contention in this case is not the truth of the claim that "Wonder Bread Helps Build Strong Bodies 12 Ways" but that other breads could say the same.

### Scoffs at Proposal

In his luncheon talk yesterday, Professor Brozen scoffed at the idea of an advertiser's including competitive brands in advertisements and said, "He will actually be devoting his ad budget to selling competitive products. I don't think advertisers will do it."

In his San Francisco talk, he used such phrases as "shades of the Salem witch trials!" and "star chamber proceedings," which Mr. Kirkpatrick later characterized as "name calling."

The economist said yesterday that he actually gave that talk first in Detroit on Feb. 17 and when Harshe-Rotman heard about it, he recalled, the firm said "that it should be spread around the world."

Harley D. Oakley of Saratoga, Calif., a chairman of one of the Commonwealth Club's study sections, reached by telephone yesterday, recalled that he had been approached by John Ormond of the public relations firm's Los Angeles office.

Asked about the talk, he said, "You know where I got him from—International Tel and Tel and when I asked him [Mr. Ormond] who's paying, he said, International Tel and Tel."

### May File Complaint

Those talks are traditionally off the record. Durward Riggs, executive secretary of the club, said he was thinking of writing a complaint to Barron's because its advertisement suggested Professor Brozen had spoken to one of the regular sessions instead of to a small study group.

Asked how Barron's learned of the San Francisco talk, its editor, Robert M. Bleiberg, said he was on the professor's mailing list and regularly runs a couple of its talks each year. For this one he has paid Dr. Brozen \$750, he said.

Mr. Bleiberg said he learned before publication that Professor Brozen worked for Harshe-Rotman since he had received a second copy from Harshe-Rotman.

"We're concerned with what the man had to say. We don't care who's paying him," Mr. Bleiberg said.

The baking company, a subsidiary of International Telephone since 1968, is currently before a commission hearing examiner on proposed complaints against its advertising for Wonder Bread and Hostess Snack Cakes. The commission seeks to force the company to devote 25 per cent of its future advertising to remedy the effects of previous advertising.

Last summer, the company and its advertising agency, Ted Bates & Co., signed a consent order to do that in connection with its Profile Bread.

The disclosure of an advertising idea has the advertising industry up in arms. In his Feb. 24 speech, Professor Brozen called such advertisements "scarlet letter" ads.

The industry is also con-