

# White House and Another ITT Case

## Washington

Richard W. McLaren, former assistant attorney general in charge of the Justice Department's antitrust Division, told a subordinate two days before International Telephone and Telegraph Corp. acquired the Canteen Corp. in 1969 that he was going to the White House to discuss the case, according to a reliable source close to the case.

If McLaren did go, the event would demonstrate White House involvement in a second of the three ITT antitrust cases ultimately settled out of court by the Justice Department. It also would present a potential conflict with a statement by McLaren — now a federal judge in Chicago — that he never went to the White House to discuss a particular case.

McLaren has refused, through his secretary, to be interviewed about these events.

When told through his secretary of the substance of this article, McLaren provided, through his secretary, this comment:

"In this period I had meetings, including meetings outside the department, in connection with an antitrust policy task force of which I was chairman. At these meetings there was discussion of merger policy but I reiterate my previous testimony that I made no trip to the White House with regard to the handling of any specific case or cases."

According to the source, Charles D. Mahaffie Jr., chief of the antitrust division's general litigation section, returned from a meeting with McLaren on

Wednesday, April 23, 1969, and told the three staff lawyers working on the Canteen case not to talk about it.

According to a reliable source, all the papers in the Canteen case — the complaint, motion for preliminary injunction, supporting memo — had been made ready.

The staff lawyers were never told the results of McLaren's trip to the White House. Two days later, on April 25, they learned that ITT had acquired the Canteen Corp.

In some agitation, the lawyers went to Mahaffie to ask what had happened to the papers they had prepared requesting an injunction to prevent that very acquisition. It turned out that the papers were still in the office of Richard G. Kleindienst, then deputy attorney general and now attorney general-designate.

The lawyers got their papers back and, on Monday, one of them flew to Chicago to ask a federal judge to undo what had been done — that is, to force ITT to divest itself of ITT Canteen. It is far harder, from the point of view of government lawyers, to undo a merger already consummated than to prevent one from taking place.

The Senate Judiciary Committee ended extensive hearings last week relating to Kleindienst's fitness to be attorney general. The hearings focused on whether there was a relationship between a pledge of at least \$200,000 by ITT to the Republican national convention in San Diego this summer and the out-of-court settlement of the antitrust suits.

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