

# Cox Will Also Probe ITT Case

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The Justice Department's inquiry into the International Telephone and Telegraph Corp. anti-trust case was handed over to Special Prosecutor Archibald Cox yesterday because it has begun to overlap with the Watergate investigation.

Attorney General Elliot L. Richardson made the announcement in a letter to Senator James O. Eastland, chairman of the Senate Judiciary Committee.

Richardson told Cox, who is the special prosecutor for the Watergate case, to conduct "an active investigation" of the circumstances surrounding the negotiation of a consent decree in an antitrust case in 1971.

Under this decree the Justice Department required ITT to divest itself of several acquisitions, including Avis Inc., Canteen Inc., the fire protection division of Grinnell, ITT Levitt and Sons and two small insurance companies in order to keep the \$1.5 billion Hartford Fire Insurance Co.

## PROBES

This decree has set off two investigations in the Department of Justice.

The first is an investigation into possible perjury by ITT officers and government officials during Senate hearings in March and April, 1972, on the nomination of Richard G. Kleindienst to be attorney general.

The hearings were held at Kleindienst's request after syndicated columnist Jack Anderson printed a memo by Dita Beard, ITT Washington lobbyist, suggesting that ITT would get a favorable settlement of the Hartford antitrust suit in return for a pledge of \$400,000 to

the 1972 Republican National Convention.

On June 30, 1972, the Senate Judiciary Committee asked the Justice Department to examine the 1700-page hearing record for evidence of perjury.

The second investigation by the Justice Department was a byproduct of another investigation by the Securities and Exchange Commis-

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sion after the consent decree on July 31, 1971. The SEC inquiry was into possible violations of law by ITT in connection with the Hartford merger.

The SEC subpoenaed ITT files, but the documents delivered did not include the Dita Beard memo.

Then last October the SEC suddenly sent 34 boxes to the Justice Department to keep them out of the hands of the House Commerce subcommittee on investigations.

Although then deputy attorney general Ralph E. Erickson told SEC Chairman William J. Casey that the

Justice Department did not need the files for its investigation into possible perjury in the Kleindienst hearings, he finally agreed to accept them when Casey said they might form the basis for a charge of obstruction of justice.

## FILES

The basis of such a charge, Casey indicated, might be that ITT on its own admission had shredded some of its files after disclosure of the Dita Beard memo. There also had been an initial withholding of some "politically sensitive" documents by ITT.

This raised the question of whether other documents had been withheld, Casey said.

The Justice Department, in the view of the Senate Judiciary Committee and the House Commerce subcommittee, has not been very aggressive in the two investigations.

The 34 boxes of ITT files will be transferred to Cox's office, and some of his staff attorneys will begin going through them next week, according to his office.