

Gulf and Ashland Fined for 1972 Gifts

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Two major oil corporations and a top executive of each pleaded guilty today to having made illegal campaign contributions of \$100,000 apiece with corporate funds to the 1972 reelection campaign of President Nixon.

One of the companies, the Gulf Oil Corporation, also pleaded guilty to having given smaller illegal gifts of \$15,000 to Representative Wilbur D. Mills of Arkansas and \$10,000 to Senator Henry M. Jackson of Washington, both of whom were unsuccessful candidates for the Democratic Presidential nomination last year.

The \$200,000 in oil company contributions from Gulf and the Ashland Oil Company to Mr. Nixon's campaign had been known since last summer, when both corporations—under investigative pressure—publicly acknowledged violations of the Federal law forbidding the gift of any campaign donation directly from a corporate treasury or a labor union.

The charges against Gulf and its vice president and chief Washington representative, Claude C. Wild Jr., and Ashland and its board chairman, Orin E. Atkins, were filed formally today and scheduled for immediate plea hearings by prearrangement with the defendants and the Watergate prosecution office of Leon Jaworski.

Gulf's guilty plea was before Judge George L. Hart Jr. in the United States District Court for the District of Columbia. The Ashland chairman appeared late today in Cattleburg, Ky., near the corporate headquarters in Ashland, before United States District Judge H. David Hermansorfer and the regularly assigned United States Attorney there, Eugene E. Seiler Jr. Mr. Jaworski had disqualified himself from the case because of previous representation of the company as a private lawyer.

In Gulf's brief appearance here, Judge Hart fined the corporation the maximum of \$5,000—4 per cent of its illegal gifts—and gave Mr. Wild the maximum fine of \$1,000, but no prison term. Paul Sheldon, Gulf's vice president for public relations, said the company would have no comment.

In the Kentucky Federal Court, Mr. Atkins entered a formal plea of nolo contendere, or no contest—legally the equivalent of a guilty plea—and was also fined \$1,000. Ashland was fined \$5,000.

The disclosures involving



Associated Press

Claude C. Wild Jr., vice president of Gulf Oil Corporation, after pleading guilty in Washington.

Representative Mills, the powerful chairman of the House Ways and Means Committee, and Senator Jackson, the Senate Interior Committee chairman, were new, and the two men reacted today in different fashions.

Mr. Jackson's press aide, Brian Corcoran, said the Senator had not been aware that the \$10,000 contribution from Gulf vice president in the capital had come from corporate funds. Mr. Jackson's 1972 campaign treasurer, Stanley Gollub of Seattle, "is preparing to return the money," the Senator's press aide said.

But Oscar E. Goss, Mr. Mills's administrative assistant, said of the \$15,000 gift that the Representative "is seeking information from the company as to whether the company feels a refund is in order." He said that Mr. Mills would "make a refund from his personal account" if asked to do so.

Asked why Mr. Mills would deviate from what has now become the standard practice of refunding gifts of illegal campaign money as they are disclosed, Mr. Goss replied, "The statement stands on itself."

Thus far, the Finance Committee to Re-elect the President has returned a total of \$365,000 in publicly acknowledged illegal corporate contributions to the 1972 Republican campaign.

The Republican gifts were \$25,000 from American Airlines, for which the company

was fined \$5,000; \$100,000 each from Gulf and Ashland Oil; \$40,000 from the Goodyear Tire and Rubber Company, for which the company was fined \$5,000; \$40,000 from Braniff Airlines, for which the company was fined \$5,000; and \$30,000 from the Minnesota Mining and Manufacturing Company, which brought a fine of \$3,000.

A seventh company, Phillips Petroleum, has acknowledged an additional, illegal \$100,000 contribution to the Nixon campaign, bringing the known total to \$465,000, but has not been brought into court as yet to make a formal plea.

Neither Senator Jackson nor Representative Mills had joined in the general, voluntary disclosure of campaign gifts and their donors made by other Democratic Presidential contenders early in 1972, before the April 7 effective date of the new Federal Election Campaign Act.

President Nixon's campaign finance organization also refused to make any pre-April 7 disclosures until forced to do so this year through a lawsuit by the public service organization, Common Cause.

It was the court-ordered disclosures associated with that suit, as well as the investigative pressure of the Senate Watergate committee and the special Watergate prosecution force, that led to the series of corporate confessions of finance law violations last summer, of which Gulf and Ashland Oil, the 4th and 10th largest American petroleum companies, were two.

Their guilty pleas today made them the fifth and sixth corporations to confess in court to such violations.

Stipulation of the Law

When Braniff pleaded guilty here yesterday to an illegal \$40,000 gift from corporate funds to the Nixon campaign, the Dallas-based corporation was fined \$5,000—the maximum permissible under law. Its board chairman, Harding L. Lawrence, was fined \$1,000, also the maximum fine under the misdemeanor form of criminal charge brought in all the cases to date by the special Watergate prosecutor. Mr. Lawrence could also have been sentenced to one year in prison.

The law provides for sentences of \$10,000 in fines and up to two years in prison for a "willful" violation. Government prosecutors have acknowledged privately that the confessed violations to date clearly fell into this felony category. But all the charges have been specified by the Government as "nonwillful" misdemeanors.