

Abplanalp Hired Nixon as Lawyer

By Ronald Kessler

Washington Post Staff Writer

Robert H. Abplanalp, President Nixon's close friend and benefactor, retained Mr. Nixon as an attorney in 1963 to keep the federal government from interfering with Abplanalp's aerosol valve manufacturing business, according to the former president of the company.

The former president, John J. Baessler, who started the company, Precision Valve Corp., in 1949 with Abplanalp and a third partner, said Abplanalp came to him with the proposition that they hire Mr. Nixon, then a partner in the New York law firm of Nixon, Mudge, Rose, Guthrie, Alexander & Mitchell, "to get something."

What the partners wanted, Baessler said, was to be left alone by the federal government. He said Precision Valve was constantly getting requests to do work for the government. "We didn't want them to know what we were doing. We were afraid they'd steal our ideas," Baessler explained.

Government contract officers say this attitude is not uncommon. Government contracts, often mean government auditing, and many companies don't want their competitors to know their internal finances. "Sometimes the government applies pressure to force companies to take government work," says one Navy Department scientist familiar with contract problems.

Baessler said Precision Valve already had a lawyer for its corporate legal work. He said he approved retaining Mr. Nixon—at an annual fee he could not recall—only on the assurance that Mr. Nixon would "keep the snoopers out."

Vincent A. Carberry, a spokesman for Abplanalp, said Precision Valve employed Mr. Nixon "to help him out" and to make use of the Nixon firm's experience in Japan, where Precision Valve was starting a subsidiary.

The background of Mr. Nixon's relationship with Abplanalp is significant because of the degree to which the President is indebted to him. Based on transactions that are publicly known, Abplanalp is Mr. Nixon's big-

gest benefactor. As a constant friend and companion of the President, Abplanalp is second only to their mutual friend, Charles G. (Bebe) Rebozo.

It was Abplanalp's loan of \$625,000 that enabled Mr. Nixon to purchase his \$1.5 million home in San Clemente, Calif., in 1969. It was Abplanalp's subsequent cancellation of that debt, through a complicated transaction with Rebozo, that enabled Mr. Nixon to make a profit on the San Clemente purchase a year and a half later.

On Abplanalp's Grand Cay island in the Bahamas, Abplanalp has built a presidential suite for Mr. Nixon's exclusive use. On Key Biscayne in Florida, Abplanalp purchased a home for the use of the Secret Service and General Services Administration near Mr. Nixon's two homes.

It was Abplanalp's lawyer, William E. Griffin, who paid

Mr. Nixon \$150,000 last year for two vacant Key Biscayne lots that Mr. Nixon purchased in 1967 for the discounted price of \$37,600.

According to friends and business associates, Abplanalp has devoted his life to Mr. Nixon since his friend became President.

Despite the closeness of the relationship, Abplanalp's name was almost unknown to the general public—until this year. Abplanalp entered the limelight last May when the White House disclosed for the first time that Abplanalp's money was behind the 1969 San Clemente purchase.

Although the name is now familiar, the nature of the relationship, and even how the two men met, have remained mysteries.

According to one widely circulated story, the two met when Abplanalp went up to Mr. Nixon at a New York restaurant in 1961 and said he thought the former Vice President had been unfairly treated in the 1960 presidential election.

Whatever the origin of the relationship, it is clear the two men became fast friends. In 1963, recalls Abplanalp's next-door neighbor in Bronxville, N.Y., Mr. Nixon considered buying a house across the street from Abplanalp's. The neighbor, Dorothy R. Horrwich, said

she gave them the key so they could see the house.

Abplanalp (pronounced AB-plan-*alp*) was born in the Bronx in 1922 of Swiss parents and attended local public schools, Fordham Preparatory School, and Villanova University, where he studied mechanical engineering for three years.

Abplanalp's father was a machinist, and one of Abplanalp's two sisters, Claire Radcliffe, recalled that he used to tinker with his father's machinery in the basement of their Bronx home.

Abplanalp set up his own machine shop in the Bronx after leaving college, and returned to it after serving in the Army during World War II. It was through a business acquaintance with one of the shop's customers, Baessler, that Abplanalp was to become a multimillionaire.

Baessler manufactured coin equipment that operates washing machines in laundromats and apartment house. Abplanalp worked on the machines.

Baessler also knew Frederick G. Lodes, an Allied Chemical Corp. chemist who was developing the propellant gases that make aerosol cans work and perfecting the cans themselves. The three men got together to develop a better aerosol valve.

An aerosol valve is a seemingly simple device. When the top of the valve is depressed, it opens a hole that releases a mixture of propellant gas and the product, which may be hair spray, shaving cream, or whipped cream.

Since its invention by the Agriculture Department during World War II, the valve had been made of metal and was expensive to manufacture. It also had a tendency to leak.

Abplanalp designed a valve that was made of plastic, could be reliable and made cheaply. His name appears on the patents. However, Baessler, now living in Florida after selling his interest in the valve company to Abplanalp in 1963 for \$5 million, said the story that Abplanalp invented the valve by himself is "bull . . ."

"The truth is we sat down until 2 a.m. many nights for about two months and figured it out," he said. "One day one guy had an idea,



ROBERT H. ABPLANALP
... President's friend

and the next day the other had one."

The three men founded Precision Valve in 1949 with a \$33,000 loan from Baessler. The company has been the dominant manufacturer in the business ever since.

The exact amount of Abplanalp's profits is not known. A company is not required to disclose its finances unless it has 500 or more stockholders. Abplanalp bought out Lodes' interest in the company in 1956 and Baessler's in 1963, leaving Abplanalp the sole owner of the firm.

But although the company's profits are secret, a rough estimate can be made. A.H. (Gus) Lawrence, marketing manager for aerosol propellants in Du Pont Co.'s Freon Division, says Precision Valve made about 40 per cent of the 2.8 billion valves produced in the coun-

try last year. At an average price of 2½ cents per valve, this would bring Precision Valve annual sales of \$28 million.

Industry executives estimate Abplanalp's after-tax profit at about 10 per cent, indicating annual profits of \$2.8 million.

Abplanalp also makes valves overseas and has other businesses besides valves. Carberry, the Abplanalp spokesman, said Abplanalp has said he has total annual sales of \$60 million.

Despite the profits, Abplanalp's Bronxville split-level is an unimposing, four-bedroom house that Abplanalp purchased in 1959 for \$65,000. Westchester County land records show he took a \$35,000 mortgage from the seller.

The living room of the home is dominated by a painting of Abplanalp's two school-age children and wife, Josephine. Abplanalp met his wife at his favorite restaurant, Mercurio's in Manhattan, where he tends to order steak or shrimps rather than the more exotic fare on the menu.

Abplanalp owns or leases a number of Bahamian islands, several purchased in the name of Precision Valve. He operates one of the islands, Walker's Cay, as a fishing resort open to the public. The island is a 50-minute flight from the Fort Lauderdale, Fla., airport.

Although Abplanalp en-

tertains friends and business associates at Walker's Cay, his quarters are on nearby Grand Cay, where Mr. Nixon's suite was built. After the presidential suite was built, Lawrence said, he noticed that a pool table had been added to a downstairs room at Grand Cay.

Lawrence and other associates of Abplanalp said Abplanalp spends much of his time on the islands playing gin rummy (he can win or lose up to \$2,000 a night, they say), playing pool and drinking.

Lawrence, who calls Abplanalp an unpretentious man, said Abplanalp also visits the gambling casino on Paradise Island owned by Resorts International, Inc. The chairman of Resorts International, James M. Crosby, is a friend of Rebozo and Abplanalp.

Besides making valves, Abplanalp has tried canning chickens, hatching trout, and in a proposed plan that he later withdrew, operating an airport in upstate New York.

Last year, Abplanalp invested \$115,000 in a new bank in Yonkers, N.Y., where Precision's plant is located. Together with his employees and others who work for him, Abplanalp controlled 23 per cent of the stock of the bank, Hudson Valley National Bank, when it was chartered by the U.S. comptroller of the currency in December, 1971.