

# Mitchell and The Milk Probe

## Washington

Former Attorney General John N. Mitchell was twice urged by his antitrust chief to approve a federal grand jury investigation of possible criminal violations by the Associated Milk Producers Inc., the Justice Department disclosed yesterday.

Mitchell eventually approved a civil antitrust suit against the cooperative, which gave a total of \$202,000 to President Nixon's re-election campaign.

The recommendations for a grand jury probe were reported in an affidavit by U.S. District Judge Richard W. McLaren, who was head of the Justice Department's antitrust division for three years ending in February, 1972.

The affidavit was among documents filed by the department in federal court in San Antonio, Tex., denying the cooperative's assertion that the civil suit was filed as an attempt to extort additional political contributions.

The Associated Press on Dec. 12, quoting reliable sources, provided basic details of the information revealed yesterday by the department.

The antitrust suit alleges that the milk cooperative has maintained an illegal monopoly over the Midwestern milk market. The federal Sherman Act prohibits business monopolies that restrain trade and thwart competitive pricing.

The suit alleges that the result of AMPI's activities has been that consumers have been deprived of the opportunity to buy milk and milk products at competitive prices and that producers who are AMPI members have been deprived of the right to sell in free and open competition.

McLaren said that, on Sept. 9, 1971, he requested Mitchell to authorize a grand jury investigation into a possible conspiracy by AMPI to eliminate competition in the marketing of milk in certain Midwestern states in violation of anti-monopoly laws.

He said key antitrust division officials and the chief of the division's Midwest office recommended the grand jury probe.

McLaren said antitrust officials "continued to receive complaints about AMPI's activities from milk processors and milk producers who were not members of AMPI."

He further learned that lawyers of the milk producers group were stating publicly that the cooperative was exempt from antitrust laws, the affidavit said.

McLaren said this prompted him to send Mitchell a second memo, on Oct. 29, 1971, "urging that he approve a grand jury investigation of the activities of AMPI."

News accounts describing the extent of the association's political contributions and the administration's sudden decision to allow an increase in the milk price support appeared in mid-summer of 1971.

And the cooperative delivered the last installment to the Nixon campaign in September, 1971. Mitchell eventually became Mr. Nixon's campaign director.

*Associated Press*