SFChronicle JAN 3 0 1974

Demos Snub New Offer in Bugging Suit

Washington

Democrats suing the Nixon re-election committee for \$6.4 million in the Watergate break-in and bugging have rejected a new offer to settle for \$600,000, but have indicated they are willing to make a deal for about twice as much.

Negotiations resumed in late December and the offer was made on January 9 in the office of Kenneth W. Parkinson, lawyer for the Republican defendants, the Washington Post learned yesterday.

Several days later, the offer was turned down by all five major plaintiffs — the Democratic National Committee, Robert S. Strauss and Lawrence F. O'Brien, its present and past chairman, the Democratic State Chairmen's Association and Spencer Oliver, the official whose phone was tapped.

Lawyers for the Democrats told Parkinson, participants in the talks said, that the committee alone wanted \$1.25 million, and that the other plaintiffs had not decided on any figure. Since then, they said, the Republicans have made no additional offer.

The \$600,000 is only \$75,000 more than the Republicans were said to have offered to settle the suit last April. Strauss said the national committee needs more monel now because it has spent more than \$200,000 on legal fees in the suit since the last offer. He said he and O'Brien are willing to waive any share of the settlement.

The Democrats are willing to settle now, he said, because a major purpose of filing the suits — to bring out the facts in the Watergate case through the taking of depositions — has been served by other fact-finding groups.

Washington Post