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SPC

An Election Contributor Is Indicted

Washington

George M. Steinbrenner III, chairman of the American Shipbuilding Co. and principal partner in the New York Yankees, was indicted yesterday on 14 felony charges growing from illegal campaign contributions to both Republicans and Democrats.

The indictment, handed up by a federal grand jury in Cleveland, charged that he consented to \$51,000 in gifts by American Shipbuilding and authorized another \$91,000 paid through fake bonuses and expense accounts.

"I'm a fighter, not a quitter," Steinbrenner said yesterday in New York. "I'm totally innocent and we'll prove it in court, where the case belongs."

He said he had rejected efforts at a negotiated plea to a single count. Steinbrenner could face the maximum penalties under the law: 55 years in prison and fines of \$11,000.

Steinbrenner, who is 43 and is from Bay Village, Ohio, is the first corporate executive indicted on felony charges growing from the Watergate investigation into campaign finances. His indictment was signed by special prosecutor Leon Jaworski. Nine other corporate executives were charged with misdemeanors.

The American Shipbuilding Co. was charged with one count of conspiracy and one count of making an illegal campaign contribution. The company could be fined \$15,000.

The indictment charges Steinbrenner with one count of conspiracy, five counts of willful violation of campaign finance laws, two counts of urging others to make false statements to FBI agents, four counts of obstruction of justice and two counts of obstructing a criminal investigation.

The charges against Steinbrenner do not involve his role with the Yankees. The team is owned by a partnership.

Steinbrenner is the general partner and acts as operating head of the team. Seventeen other persons are limited partners.

Named as unindicted co-conspirators in the case were Robert E. Bartlome, secretary of American Ship-

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building, and Stanley J. Lepkowski, treasurer and controller.

The conspiracy count charges the three men "would select a group of trusted employees who were to receive what appeared to be bonuses — and who would be directed to contribute the net proceeds after taxes from these bonuses to candidates.

It alleged that Steinbrenner "would also direct the submission on fictitious expense vouchers" to create "A cash fund." Employees would be asked to give money to a candidate or political event and then be reimbursed from the cash fund, it charged.

The indictment also stated that Steinbrenner would select candidates and amounts. Then Bartlome would direct the employees to make out personal checks.

It further charged that in January, 1973, "a company-wide pattern of giving bonuses would be established to camouflage the bonuses that had already been given.

"The defendant Steinbrenner would cause the destruction and alteration of records and the creation of false and misleading records concerning the payment of bonuses by the defendant, the American Shipbuilding Co." it stated.

Using this system, donations were allegedly made to committees supporting Representative Charles A. Mosher (Rep-Ohio); the late

Frank T. Bow, another Republican representative from Ohio; Senator Vance Hartke (Dem-Ind.); Senator Daniel K. Inouye (Dem-Hawaii), and President Nixon, the indictment says.

Donations also went to the Republican's Senate-House majority dinner and the Democratic Congressional dinner committee. The dates of the payments ranged from September, 1970, to

April, 1972.

The indictment also charged that during FBI and grand jury investigations in August, 1973, Steinbrenner urged others to lie.

New York Times



AP Wirephoto

GEORGE STEINBRENNER, CHAIRMAN OF AMERICAN SHIPBUILDING CO
He was indicted on charges of violating campaign finance laws