

An Owner of Yankees Indicted In Ship Concern's Election Gifts

By ANTHONY RIPLEY

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WASHINGTON, April 5—George M. Steinbrenner 3d, chairman of the American Shipbuilding Company and principal partner in the New York Yankees, was indicted today on 14 felony charges growing from illegal campaign contributions to both Republicans and Democrats.

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

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

He said that he had rejected

efforts at a negotiated plea to a single count. If convicted, he would face maximum penalties of 55 years in prison and fines of \$110,000 on the 14 counts.

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

The indictment was announced in Washington by Mr. Jaworski.

The company was charged with one count of conspiracy and one count of making an illegal campaign contribution

Continued on Page 14, Column 4

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Continued From Page 1, Col. 8

and could be fined \$15,000.

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

The charges against Mr. Steinbrenner do not involve his role with the Yankees. The team is owned by a partnership. Mr. Steinbrenner is the general partner and acts as operating head of the team; 17 others are limited partners. He said in New York today that he would not attend tomorrow's opening game to avoid any possible embarrassment to his guests.

Co-Conspirators Named

Named as unindicted co-conspirators in the case were Robert E. Bartlome, secretary of American Shipbuilding, and Stanley J. Lepkowski, treasurer and controller.

The conspiracy count charges that 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 Mr. Steinbrenner "would also direct the submission of 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 was charged.

The indictment also stated that Mr. Steinbrenner would select the candidates and



The New York Times

George M. Steinbrenner 3d

amounts. Then Mr. Bartlome would direct the employees to make out personal checks.

It was 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 Company," the indictment said.

Donations were allegedly made to committees supporting Representative Charles A. Mosher, Republican of Ohio; the late Frank T. Bow, another

Republican Representative from Ohio; Senator Vance Hartke, Democrat of Indiana; Senator Daniel K. Inouye, Democrat of Hawaii, and President Nixon.

Donations also allegedly went to the Republicans' Senate-House Majority Dinner and the Democratic Congressional Dinner Committee. The dates of the payments were said to range from September, 1970, to April, 1972.

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

In a statement issued by

spokesmen in New York and Cleveland, Mr. Steinbrenner said that he was breaking a six-month silence, and that negotiations on a plea had been going on for some time.

The statement said in part: "There was no way I could plead guilty to a charge involving willful conspiracy to violate [campaign contribution laws] or willful conspiracy on any other charge that may be part of an indictment, because I just am not guilty of any such violations."

"And, while the agony of indictment and trial will weigh heavily, I would be less than worthy of my family and a lot

of true and loyal friends if I did not fight for what I believe is right.

"I'm sure that my involvement as chairman of two national Democratic Congressional dinners in 1969 and 1970 has focused much attention on my company and me, but I do not regret that I worked to help preserve the Democratic party at a time when they were desperately in need of help."

"I have deep respect for most all of the legislators who serve in Washington, and it is too bad that the nation tends to regard all people in political office today as wrongdoers. It is just not so."