

SFChronicle

APR 10 1974

The Millionaire Witness In Mitchell-Stans Trial

New York

Insurance tycoon W. Clement Stone cast some doubt yesterday on government claims that former Attorney General John N. Mitchell warned a Republican presidential campaign aide to "stay away" from financier Robert L. Vesco and his \$200,000 campaign contribution.

Vesco's secret cash contribution, the government charges, was the reason for the charges of conspiracy, obstruction of justice and perjury of which Mitchell and former Commerce Secretary Maurice Stans are accused.

The testimony about the warning had come earlier in the trial from Daniel Hofgren, a government witness at the criminal conspiracy trial of Mitchell and Stans.

Hofgren testified he talked to Mitchell at a reception that preceded a March 8, 1972, fund-raising dinner at the Washington Hilton Hotel, and that Mitchell made the "stay away" remark on that occasion.

Stone, however, testified for the defense that Mitchell was his guest at the \$1000-a-plate dinner, didn't make the reception, and arrived late for the dinner itself.

That left it up to the jury to decide whether Mitchell had the opportunity to talk with Hofgren that night.



UPI Telephoto

W. CLEMENT STONE
A Nixon supporter

In an attempt to counter the testimony, the government, on cross-examination, drew from Stone testimony that there were a number of other receptions at the hotel that night at which Hofgren might have encountered Mitchell.

Stone, 71, a Chicago multimillionaire, was the largest single contributor to President Nixon's 1972 campaign, donating more than \$2 million. He picked up a \$10,000 tab for a table for ten at the dinner.

Stans and Mitchell are accused of obstructing a massive Securities and Exchange Commission investigation of Vesco's financial

empire, in return for Vesco's \$200,000 contribution to the Nixon re-election campaign.

Robert Finch, Mr. Nixon's secretary of health, education and welfare and later counselor to the President, also testified for the defense yesterday.

Finch, who now practices law in California, told about a campaign finance meeting he attended on March 13, 1972.

"The subject of the meeting," Finch testified, "was to discuss and decide whether or not contributions made up to that time were to be made public, since the law didn't require it." Senator George McGovern, who was to become the Democratic presidential candidate, had already released a list of his contributors.

Finch said the consensus was that names of Republican contributors prior to April 7, 1972, would not be revealed. A new law mandating public listing of campaign contributors took effect April 7.

The government has contended that Stans and Mitchell ignored the April 7 deadline and kept Vesco's contribution secret for fear it might harm Mr. Nixon's re-election prospects because of the financier's SEC problems.

Associated Press