

Pa. Co-op Fined for '72 Gift

By Timothy S. Robinson
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Lehigh Valley Cooperative Farmers, a group of Pennsylvania dairymen, pleaded guilty yesterday to making an illegal contribution of \$500,000 to President Nixon's re-election campaign.

The co-op was fined the maximum \$5,000.

It was the 11th corporation to plead guilty to charges filed by the Watergate special prosecutor's office of making 1972 campaign contributions in violation of federal law banning corporate gifts.

U.S. District Court Chief Judge George L. Hart Jr. listened to the guilty plea made by company attorney James Rosenberg and imposed the fine in a court

hearing that lasted about three minutes. No individual corporate officials were charged in connection with the donation.

Lehigh Valley is based in Allentown, Pa., and represents 950 dairy shippers in eastern Pennsylvania, New Jersey and Maryland.

According to the brief criminal information filed here yesterday, the donation was made between April 19, 1972, and April 27, 1972.

Investigators have said that the money was given in two separate \$25,000 donations and paid in \$100 bills. It went into a secret Nixon campaign fund that was turned over in July, 1972, to Frederick C. LaRue, a top campaign aide to former Attorney General John N. Mitchell.

LaRue, who has since pleaded guilty to Watergate-related criminal charges, has testified that some of this money was used to buy the silence of the original Watergate conspirators, according to Justice Department sources.

In an interview last June, J. Curtis Herge, a former Nixon campaign aide, said that the \$50,000 was handled "according to the absolute instructions" of Mitchell and former deputy Nixon campaign manager Jeb Stuart Magruder.

The company issued a statement yesterday saying "at no time did the board of directors authorize or direct any payments whatsoever" to the re-election committee or any political party.

The co-op said an initial

\$32,000 had been approved to obtain speakers for a banquet it was sponsoring. "It appears that some or all of that payment, and possibly an additional \$15,000 of association funds were channeled without authorization of the board, and in violation of its intentions" to the Nixon campaign unit, it said.

Agriculture Secretary Earl L. Butz was the speaker at the April, 1972, Lehigh banquet. One source said during an FBI investigation of the donation that Lehigh had pledged to give \$100,000 to the Nixon campaign if former Vice President Spiro T. Agnew would make the speech, but cut the contribution in half when Butz spoke in his place.