

# MILK HEAD DENIES HE MET KALMBACH

MAY 14 1974

Dispute Testimony He Was  
Told of Donation Request

NYTimes

By SETH S. KING

Special to The New York Times

CHICAGO, May 13 — The president of the American Milk Producers, Inc., denied today he had told a former AMPI official he had been informed by Herbert W. Kalmbach that a pending antitrust suit against the milk cooperative would be dropped if \$300,000 was contributed to President Nixon's re-election campaign.

John Butterbrodt, AMPI's president, conceded that Harold Nelson, a former general manager of the cooperative, and George Mehren, the current general manager, met with Mr. Kalmbach, then President Nixon's personal attorney, in February of 1972 and that campaign contributions were discussed.

Mr. Butterbrodt said he "was sure Kalmbach must have asked for money." But he added that Mr. Mehren was not authorized to commit cooperative funds and had not done so.

Dwight Morris, a former secretary-treasurer of the cooperative, had told the Senate Watergate committee about the Kalmbach meeting. He also said he had been told later by Mr. Butterbrodt that after reports that the International Telephone and Telegraph Corporation had offered to help finance the Republican National Convention, Mr. Kalmbach had called and said the AMPI payment should be dropped.

An antitrust suit was later filed against the milk cooperative by the Justice Department. Mr. Butterbrodt said he knew Nixon Administration or the President's fund-raisers to threaten the milk cooperative with court action if it did not contribute.

## Testifies Under Oath

Mr. Butterbrodt's statements were made under oath today during the taking of pretrial depositions in the dairy antitrust suit.

Mr. Butterbrodt acknowledged that in October of 1971, Stewart Russell, a cooperative attorney, had informed the organization's board of directors that \$900,000 had been spent for "special legal fees."

Milk prices were ordered raised in March, 1971, by Mr. Nixon. Several investigating committees in Washington are looking into allegations that political contributions from the large milk cooperatives influenced the President's decision.

Mr. Butterbrodt said he had been advised by Mr. Russell that the reporting of the \$900,000 in legal fees "would not be in the interest" of the cooperative. He said Mr. Russell had refused to tell the board who had received this money and Mr. Butterbrodt insisted he still does not know.