

Steinbrenner Spared Jail, Fined for Campaign Gifts

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CLEVELAND, Aug. 30 — George M. Steinbrenner 3d, an industrialist who is the principal owner of the New York Yankees, was fined \$15,000 here today on charges stemming from the illegal expenditure of corporate campaign contributions to former President Nixon and several Democratic members of Congress. However, he was spared a jail sentence.

The American Shipbuilding Company, of which Mr. Steinbrenner is chairman, was fined \$20,000 for two violations of the Federal campaign contribution laws by Federal District Court Judge Leroy J. Contie Jr.

Last Friday, Mr. Steinbrenner did what he had declared for months he would not do. He pleaded guilty to two Federal charges for which the possible maximum punishment was six years in prison and \$15,000 in fines.

In Washington, Judge Contie's decision evoked a "no comment" from James Doyle, a spokesman for the office of the special Watergate prosecutor, Leon Jaworski, who is conducting an investigation of campaign financing.

However, other members of the special prosecutor's staff were incensed at a sentence they considered too lenient.

"It's unbelievable," one member of the staff said, adding that the case against Mr. Steinbrenner was regarded by prosecution lawyers as the strongest of the 20 campaign contribution abuse cases under investigation.

Mr. Steinbrenner, a 43-year-old businessman, appeared in court with his attorney, Edward Bennett Williams. Mr. Williams addressed the court for about 20 minutes, seeking leniency

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for his client in contending that Mr. Steinbrenner had received poor legal counsel early in the case.

After Judge Contie's decision was handed down, Mr. Steinbrenner, wearing a dark blue suit and light blue tie, said he was gratified.

In addition to being the principal owner of the New York Yankees baseball team, Mr. Steinbrenner is a part owner

of the Chicago Bulls basketball team.

As a convicted felon, he could conceivably be required to sell his shares in the two teams. In the past, persons with ownerships in sports teams who received felony convictions were forced to sell their shares.

Bowie Kuhn, the Commissioner of Baseball, said in a statement today that Mr. Williams had asked for a meeting with him to be held after Labor Day to determine whether Mr. Steinbrenner would retain his investment in the Yankees.

Any Action Authorized

Although the commissioner is under no specific strictures to take action against an owner convicted of a crime, he has the authority to take any action he may deem necessary for the best interests of baseball.

Judge Kenesaw Mountain Landis, the first commissioner, barred William D. Cox from the game for life in 1943 when he learned that the principal owner of the Philadelphia Phillies had been making bets on games involving his team.

Mr. Steinbrenner was indicted last April 5 on 14 felony counts and became the first corporate executive to be charged with a felony in the Watergate prosecutor's investigation of campaign financing.

If he had been convicted on all counts, he would have been subject to a maximum of 55 years in prison and \$100,000 in fines. When he abandoned his "not guilty" posture last Friday, Thomas F. McBride, chief of the Watergate prosecution's campaign finances unit, issued a statement here that said:

"In entering these pleas of guilty, it was agreed between counsel for Mr. Steinbrenner and the office of the special prosecutor, Leon Jaworski, that the remaining counts of the indictment would be dismissed at the time of sentencing."

In meting out the fines today without any accompanying prison term, Judge Contie offered no comment on Mr. Steinbrenner's conduct.

Last week when the guilty plea was entered, Judge Contie postponed sentencing pending a presentence investigation by



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George M. Steinbrenner 3d leaving court yesterday in Cleveland.

probation officials. Lawyers familiar with court procedures said that presentence investigations generally took about six weeks. Sources in Mr. Jaworski's office in Washington said the procedure had been speeded by the Federal Court here.

One of the charges Mr. Steinbrenner pleaded guilty to was a conspiracy count that formed the core of the original indictment.

The change depicted a complicated scheme in which corporate funds were funneled through a variety of mechanisms, such as fictitious bonuses and expense accounts to campaign committees for former President Nixon and Senators Vance Hartke, Democrat of Indiana, and Daniel K. Inouye, Democrat of Hawaii.

According to the indictment, Mr. Steinbrenner was involved in authorizing about \$142,000 in corporate campaign contributions that are prohibited by Federal law.

The second charge he pleaded guilty to accused him of devising a "false and misleading explanation" of a \$25,000 contribution to the Nixon campaign. It also accused him of trying to "influence and intimidate" employees of his company into giving "this false information" to a grand jury.

Other counts were dismissed after Mr. Steinbrenner entered his guilty plea included obstruction of justice and charges of urging other persons to give misleading information to the Federal Bureau of Investigation.

The American Shipbuilding Company's fine of \$20,000 stemmed from a \$5,000 contribution the company made to the 1970 Congressional campaign of Representative Charles A. Mosher, Republican of Ohio.