

2 GET JAIL TERMS IN MILK PAYOFFS

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Former Officers of Dairy
Cooperative Are Given
4 Months and Fined

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WASHINGTON, Nov. 1—Two former leaders of the nation's largest dairy farmer cooperative were sentenced today to four months in prison in cases growing from massive illegal campaign payments made to gain influence with the White House and the Congress on milk price decisions.

Harold S. Nelson and David L. Parr became the first individuals in cases involving 18 corporations and 21 corporate officers to be sent to prison for illegal gifts of money to politicians. The transactions were uncovered by the Watergate special prosecutor's investigations.

Mr. Nelson, former general manager of Associated Milk Producers, Inc., and Mr. Parr, his former chief assistant, both appeared today before Chief

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Judge George L. Hart Jr. in United States District Court.

Judge Hart gave each man a three-year sentence and a \$10,000 fine, then suspended all of the sentences but four months each to be spent in a Federal prison camp in Montgomery.

He also ordered two years' probation for both men.

Judge Hart told the two he was not punishing them or attempting to reform them by sending them to prison. Instead, his aim was to deter similar actions by others, the judge stated.

"You pleaded guilty to a crime hundreds of other people have been guilty of in years past and nothing was ever done about it," Judge Hart said to them.

Then he asked why so many donors of money had been brought to court but so few of those who received donations.

"Is there no violation by the donee?" he asked Jon A. Sale, an assistant special prosecutor.

Mr. Sale replied that the only comment he was permitted to make was that "some of these events are under active investigation."

Mr. Nelson told the court that he "deeply regretted" his participation in the events that led to today's sentencing. He pleaded guilty on July 31 to a criminal information charging him with conspiracy to bribe former Treasury Secretary John B. Connally and conspiracy to make illegal payments to a list of public officials including Senators Hubert H. Humphrey, Democrat of Minnesota, and Edmund S. Muskie, Democrat of Maine.

Guilty in Conspiracy

Other charges against him included payment of \$100,000 to former President Nixon's one-time personal lawyer, Herbert W. Kalmbach, "for the purpose of gaining access to White House officials by officers of A.M.P.I.," and \$5,000 to the unsuccessful Senate campaign of Philip A. Hoff, former Governor of Vermont, a Democrat.

Mr. Nelson, who is cooperating with the special prosecutor's office, could have received a five-year sentence.

Mr. Parr faced the same five-year maximum sentence and had pleaded guilty on July 23 to conspiring to make illegal campaign contributions.

Choked and mumbling, he

told Judge Hart, "I am sorry." He, too, has agreed to work with the prosecution.

He was linked in the criminal information to illegal contributions to Representative Wilbur D. Mills, Democrat of Arkansas; Senator Humphrey; Senator James Abourezak; Democrat of South Dakota; Senator Dick Clark, Democrat of Iowa; former Representative Patricia J. Hillings, Republican of California and former Representative Page Belcher, Republican of Oklahoma.

The milk cooperative itself pleaded guilty to five counts of making illegal campaign contributions and was fined \$35,000.

Millions of Donations

A.M.P.I. is one of three so-called "super co-ops" that in the last five years have brought in millions of campaign contributions from their members to spend on politicians.

In 1969, A.M.P.I. set up a legal political arm, called TAPE, for the Trust for Agricultural Political Education. But beyond the apparently proper actions of TAPE, leaders of the cooperative decided on a series of undercover payments to the White House and the Congress.

These undercover payments were carried on the A.M.P.I. books as payments to lawyers, advertising agencies and public relations men.

The illegal payments, according to campaign records, amounted to \$557,000 in the 1972 campaign. Other campaign and court records indicate more than \$1-million was given covertly.

A.M.P.I. has 40,000 farmer members stretching from New Mexico and Texas north through the Middle West to Minnesota. Its heavy political contributions brought its officers personal attention from such White House figures as Mr. Connally, former special counsel Charles W. Colson, Mr. Kalmbach and former President Richard M. Nixon himself.

Mr. Connally has pleaded not guilty to charges that he accepted \$10,000 in a bribe from A.M.P.I. and other charges of conspiracy to commit perjury and obstruct justice and lying to a grand jury.

That payment was made, the special prosecutor has alleged, in connection with Mr. Nixon's order raising milk price supports in late March, 1971. Mr. Nixon's action reversed a decision by his own Secretary of Agriculture.