

Ray Allegedly Received \$50,000

A King Slaying Payoff Reported to FBI in '74

New York Times News Service

The FBI received a report in March 1974 that an Imperial, Mo., businessman was "the individual who made the payoff of James Earl Ray after the killing" of Dr. Martin Luther King, according to bureau documents that have been made public.

The documents, released yesterday under the Freedom of Information Act to Harold Weissberg, a private investigator of assassination matters, and The New York Times, included a control agent's account in 1974 of an informer's report to him in late 1973.

It was based upon the informant's conversation with Russell G. Byers, a one-time St. Louis auto parts dealer who is now a witness before the House Select Committee on Assassinations.

ALTHOUGH THE censored document did not specify who Byers said had made the payoff to Ray, government sources said they had identified the man as John R. Kauffmann, a former stockbroker who died in 1974. Byers last week confirmed to The Times that he had told the committee that Kauffmann and a Missouri lawyer had offered him \$50,000 to arrange the assassination of King, and that he turned the offer down.

But the documents released yesterday showed that in 1973, Byers told an FBI informant that one of these two men was the person who paid off James Earl Ray after King's murder on April 4, 1968. Ray is serving a 99-year sentence in Tennessee for the killing. Ray has said, after pleading guilty, that he did not shoot the black leader.

The bureau memorandum noted that "During the fall of 1973 (lengthy deletion) Beyers (the name was misspelled) talked freely about himself and his business, and they later went to (short deletion) where Beyers told a story about visiting a lawyer in St. Louis County, now deceased, not further identified, who had offered to give him a contract to kill Martin Luther King." The memorandum continued:

"HE SAID THAT also present was a short stocky man, who walked with a limp. Later, with regard to the actual individual, Beyers commented that this man was actually the individual who made the payoff of James Earl Ray after the killing."

According to the memorandum, "Beyers said he had declined to accept this contract. He did remark that this lawyer had Confederate flags and other items about the house that might indicate he was 'a real rebel.' Beyers also commented that he had been offered either \$10,000 or \$20,000 to kill King."

There is no indication that Byers presented any corroboration for the charge that Kauffmann paid Ray. The memorandum made public yesterday notes, "Sometime later (lengthy deletion) this individual advised (short deletion) that Beyers truly is a 'very treacherous guy,' cautioning him to stay away from him if he wanted to stay out of trouble."

In an interview with a Times reporter on July 18, Byers confirmed that he met with John H. Sutherland, a patent lawyer from Imperial, Mo., and Kauffmann, a one-time stockbroker, in late 1966 or early 1967 and that they offered him \$50,000 for the King murder. He did not disclose in the interview that he believed that Kauffmann actually paid Ray after the crime. He said he turned down the offer.

BOTH SUTHERLAND and Kauffmann are dead and their widows have said they did not believe their late husbands would have become involved in such a plot. Byers told this story to persons in 1968 and again in 1973.

The FBI did not investigate the report or even interview Kauffmann about it. Bureau spokesmen have said the allegation did not receive proper dissemination within the bureau.

The report was discovered last March and turned over to the House committee. It was the lead that first directed their investigators to Byers.

An inquiry by the Times has uncovered court testimony that Kauffmann was smuggling amphetamine powder into the Missouri State Penitentiary, where Ray was serving a robbery sentence, in 1966. According to some accounts of Ray's activities, he was receiving money from the sale of drugs in prison. It is from this penitentiary that Ray escaped a year before King's death.

Kauffmann was tried and convicted of selling some 100,000

amphetamine capsules to federal agents in 1967. During the course of one of his trials, Dallas Barr, an ex-convict who was working undercover for the Food and Drug Administration, told the court of Kauffmann's plans:

"MR. KAUFFMANN asked me if I knew where I could find some amphetamine powder. Mr. Kauffmann further stated that he had previously had access to small quantities of amphetamine powder. I asked Mr. Kauffmann for what use or purpose . . . Mr. Kauffmann stated that he had some friends that were in the Missouri State Penitentiary that he had to take care of," Barr testified.

The House assassination committee staff is now concentrating its investigation on the connections, if any, between Kauffmann and Ray or members of his family.

Heading the field work for the House is, by coincidence, the same investigator who led the drug agents that convicted Kauffmann in 1967. Harold D. Leap, who has been detailed to the committee staff by the Drug Enforcement Agency, was mysteriously shot and wounded in September 1967 on a country road near St. Louis while investigating the Kauffmann case. No arrests have ever been made as a result of this shooting.

The House committee is racing to prepare this material as a base for questions at public hearings scheduled for Aug. 14.

Ray, who is imprisoned at the Tennessee State Penitentiary at Petrus, has been summoned as a witness. Ray has, for several years, been seeking a new trial. After pleading guilty to King's murder, he claimed that he was misled by his lawyers and that he did not do the shooting. He has said he took instructions from a mysterious figure he can only identify as "Saoul."