

Secret Memo Bares Mitchell-ITT Move

By Jack Anderson

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We now have evidence that the settlement of the Nixon administration's biggest anti-trust case was privately arranged between Attorney General John Mitchell and the top lobbyist for the company involved.

We have this on the word of the lobbyist herself, crusty, capable Dita Beard of the International Telephone and Telegraph Co. She acknowledged the secret deal after we obtained a highly incriminating memo, written by her, from ITT's files.

The memo, which was intended to be destroyed after it was read, not only indicates that the anti-trust case had been fixed but that the fix was a payoff for ITT's pledge of up to \$400,000 for the upcoming Republican convention in San Diego.

Confronted with the memo, Mrs. Beard acknowledged its authenticity. The next night, badly shaken and acting against the wishes of ITT officials who wanted her to leave town, she met with my associate Brit Hume at her home to try to explain the document.

By this time, she said, ITT security officers from company headquarters in New York had put most of her office files through a document shredder to prevent their being subpoenaed after disclosure of the memo.

She said she met with

Mitchell at the Governor's mansion in Kentucky during a dinner reception given by Republican Gov. Louie Nunn last May after the Kentucky Derby.

At the governor's reception, she said, Mitchell took her and Nunn aside and to her astonishment and shock, launched into an hour-long diatribe against her. He criticized her for putting pressure through Congress and the on the Justice Department White House on the anti-trust cases.

She said Mitchell confided to her he was sympathetic to ITT but had been prevented until then from helping the company because of the zeal of the Justice Department's anti-trust chief, Richard McLaren.

After his harangue, Mrs. Beard said, Mitchell agreed to discuss the anti-trust matters and asked bluntly, "What do you want?" meaning what companies did ITT most want to keep if the anti-trust cases were settled.

"We have to have Hartford Fire because of the economy," Mrs. Beard recalled saying.

She said she also told Mitchell ITT wanted to keep "part of the Grinnell Corporation," a manufacturing concern. She said Mitchell at first replied, "You can't have part of Grinnell," but he subsequently relented.

And, she said, when the Justice Department announced its settlement with ITT on July

31, more than two months later, it conformed to the agreement she had made with Mitchell.

Mrs. Beard insisted the subject of the GOP convention never came up with Mitchell and was never a factor in the anti-trust matter. But this clearly contradicts her memorandum, which was written about six weeks after the Kentucky Derby dinner.

It is addressed to W. R. (Bill) Merriam, head of ITT's Washington office. It is marked "Personal and Confidential" and its last line asks, "Please destroy this, huh?"

The memo warns Merriam to keep quiet about the ITT cash pledge for the Republican convention. "John Mitchell has certainly kept it on the higher level only," the memo says, "we should be able to do the same . . .

"I am convinced, because of several conversations with Louie (Gov. Nunn) re Mitchell that our noble commitment has gone a long way toward our negotiations on the mergers coming out as Hal (ITT President Harold Geneen) wants them.

"Certainly the President has told Mitchell to see that things are worked out fairly. It is still only McLaren's micky-mouse we are suffering . . .

"If (the convention commitment) gets too much publicity, you can believe our negotiations with Justice will wind up shot down. Mitchell is defi-

nately helping us, but cannot let it be known."

ITT Replies

ITT issued the following statement yesterday.

"There was no deal of any kind to settle our antitrust cases. It is unfair to the individuals involved to even suggest such a possibility. Agreement was reached with the Justice Department only after hard negotiations between our outside legal counsel and the then-Assistant Attorney General Richard McLaren and his staff.

"Neither Mrs. Beard nor anyone else except legal counsel was authorized to carry on such negotiations. The June 25, 1971, memorandum attributed to Mrs. Beard was seen for the first time by the ITT official to whom it was addressed when it was brought in by a member of Mr. Anderson's staff last week.

"The San Diego contribution of the Sheraton Hotels was made as a non-partisan joint effort of the San Diego community and was purely in support of a local situation. Sheraton has two hotels in San Diego and a third is under construction which would be completed in time for the convention. There was no tie-in of any kind between this local joint participation and any other aspects of ITT's business."

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