

UNITED STATES GOVERNMENT

Memorandum

- Mr. Felt _____
- Mr. Baker _____
- Mr. Callahan _____
- Mr. Cleveland _____
- Mr. Conrad _____
- Mr. Gebhardt _____
- Mr. Jenkins _____
- Mr. Marshall _____
- Mr. Miller, E.S. _____
- Mr. Purvis _____
- Mr. Soyars _____
- Mr. Walters _____
- Tele. Room _____
- Mr. Kinley _____
- Mr. Armstrong _____
- Mr. Bowers _____
- Mr. Herington _____
- Ms. Herwig _____
- Mr. Mintz _____
- Mrs. Neenan _____

TO : MR. GEBHARDT *RE Geb*

DATE: 2-21-73

FROM : W. M. FELT *FE*

SUBJECT: WATERGATE *James Watson Jim Cord*

cc On page 1 of the *cc* Washington Post today is an article by Bob Woodward and Carl Bernstein captioned, "Hunt Linked to Dita Beard Challenge." (Copy attached.)

As you know, Woodward and Bernstein have written numerous articles about Watergate. While their stories have contained much fiction and half truths, they have frequently set forth information which they attribute to Federal investigators, Department of Justice sources, and FBI sources. We know that they were playing games with the case agent in the Washington Field Office trying to trick him into giving them bits of information. On balance and despite the fiction, there is no question but that they have access to sources either in the FBI or in the Department of Justice.

The article in the *cc* Post, *cc* 2-21-73, relates to the ITT memorandum allegedly written by Dita Beard. In the article, Woodward and Bernstein refer to "sources close to the Watergate investigation," "Federal investigators," and "Federal sources." They also attribute much of the information to "Republican sources." The article also contains references to undisclosed sources and purports to quote from a sworn deposition taken in a civil suit filed by the Democratic Party in this case.

The Acting Director has instructed that you immediately institute an analysis of this article to determine those portions which could have come from FBI sources and in such instances to set forth the persons having access to that particular bit of information.

You should specifically cover the following quotations from the article:

(1) "Sources close to the Watergate investigation said that Colson's testimony was given in a secret deposition to Federal investigators during the Watergate probe last year." This testimony allegedly relates to his instruction to E. Howard Hunt, Jr., to proceed to Denver, Colorado, to interview ITT lobbyist Dita Beard.

Enc.

WMF:crt

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*Memo from Galt to Gebhardt
CAM/AM
2-21-73*

MAR 8 1973

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Memorandum to Mr. Gebhardt
Re: WATERGATE

Charles W.

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(2) "The Federal investigators did not ask ~~Colson~~ the purpose of the interview." Allegedly, according to Republican sources, the purpose of the interview was to discredit the controversial memorandum attributed to Mrs. Beard.

Points #1 and #2 may very likely relate to depositions taken in connection with the civil suit to which the FBI has not had access.

(3) "Republican sources said that Hunt wore an inexpensive wig during the interview with Mrs. Beard early in the week of March 19th." The article goes on to point out that a similar wig was found in one of the rooms rented by the Watergate conspirators. If we had any information concerning the Hunt-Beard interview during the week of March 19th, full information should be set forth. Also, particulars as to what we knew about the wig found at the Watergate hotel.

(4) On page A-21, column 1, the article goes on to describe events in the ITT controversy as obtained "from Federal and Republican sources." We should check information available in the files to determine what portions of this story, if any, were known to the Bureau.

(5) The article goes on to point out that Robert F. Bennett, present President of the firm where Hunt was employed, told Hunt that the results of the INTERTEL findings should be passed on to Colson. I do not recall that there is any such information in our files.

(6) The article concludes with a quotation from a sworn deposition taken from Colson in the civil suit filed by the Democratic Party in connection with the Watergate break-in.

Expedite.

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Hunt Linked to Dita Beard Challenge

By Bob Woodward
and Carl Bernstein

Washington Post Staff Writers

Charles W. Colson, special counsel to President Nixon, sent Watergate bugging figure E. Howard Hunt Jr. to Denver last March to interview International Telephone and Telegraph Corp. lobbyist Dita Beard, according to Colson's own sworn testimony.

Sources close to the Watergate investigation said that Colson's testimony was given in a secret deposition to fed-

eral investigators during the Watergate probe last year.

At the time of the Denver trip, Hunt was working as a White House consultant, a position for which he had been hired on Colson's recommendation. Colson, in other sworn public testimony relating to the Watergate incident, has said that Hunt was not working for him as late as March, 1972, when the visit to Mrs. Beard occurred.

The federal investigators did not ask Colson the purpose of the interview. Other Republican sources said that it

was to obtain information to challenge or discredit a controversial memo attributed to Mrs. Beard that alleged that there was a direct connection between the settlement of antitrust cases by the Justice Department and ITT's offer to help bring the 1972 GOP convention to San Diego.

Colson, who is out of the country on White House business, could not be reached for comment yesterday, and the White House had no immediate response.

Hunt traveled to Denver under the assumed name of Ed-

ward Hamilton, an alias he used during the Watergate conspiracy, the federal sources said.

Republican sources said that Hunt wore an inexpensive wig during the interview with Mrs. Beard early in the week of March 19. A similar wig of dark brown or reddish color was found in one of the two rooms rented by the Watergate conspirators at the Watergate Hotel before the June 17 break-in.

In a telephone interview yesterday
See WATERGATE, A21, Col. 1

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Colson Tied to Bid To See Mrs. Beard

WATERGATE, From A1

terday, Robert D. Beard, 24, the son of Mrs. Beard, said that a "mysterious" man wearing a cheap wig and make-up visited his mother last March to discuss the ITT controversy. At the time Mrs. Beard was at the Rocky Mountain Osteopathic Hospital in Denver being treated for a heart ailment.

"From pictures I've seen, the visitor could have been Howard Hunt," Beard said. "But I couldn't tell. The man refused to identify himself. He seemed to have inside information about what would happen next . . . but it was of relatively little value to us."

Beard described the visitor as "very eerie, he did have a red wig on cockeyed like he put it on in a dark car. I couldn't have identified my brother if he was dressed like that."

A two-week investigation by The Washington Post shows that Hunt's trip was part of an effort by Colson to discredit the Dita Beard memo. The work by Hunt and Colson led at least in part to Mrs. Beard's statement issued March 17, charging that the memo was a "forgery" and "a hoax."

That statement, issued simultaneously by David W. Fleming, Mrs. Beard's lawyer, and Senate Republican Leader Hugh Scott of Pennsylvania, came as a total surprise since it was the first time in a three-week-old controversy that Mrs. Beard's authorship of the memo had been directly denied.

The alleged memo was reported by syndicated columnist Jack Anderson more than two weeks before the denial. It linked the antitrust settlement to ITT's offer of a \$400,000 "guarantee" to help support last year's Republican National Convention.

From federal and Republican sources, the following sequence of events has been pieced together:

As the ITT controversy blossomed in March, 1972, the Washington office of ITT hired Intertel, a private investigations firm, to check into Mrs. Beard's background and the authenticity of the controversial memo.

Intertel, working with only a copy of the memo, was able to establish that it was probably prepared on a typewriter in Mrs. Beard's office, but that it would be difficult, if not impossible, to conclusively establish whether it was genuine or a forgery.

Bernard Goodrich, a spokesman for the ITT office, acknowledged last week that the Intertel investigation was inconclusive. "At no time did they give us a report to show it was forgery," Goodrich said.

Intertel, regarded one of the best private investigative firms, also does work for billionaire Howard Hughes and corporations in his financial empire.

The Hughes interests are represented in Washington by Robert R. Mullen & Co., a public relations firm where Hunt was employed as a writer. Robert F. Bennett, president of the Mullen firm,

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learned from his contacts in the Hughes empire that Intertel was probing the Dita Beard memo.

According to one account, Bennett was told that Intertel had determined the memo was a forgery and that somehow word should be passed to the White House.

By another account, Bennett was told that Intertel's findings were inconclusive, meaning that the way was clear for someone to come forward and label the memo a forgery.

In any case, Bennett then told Hunt that the nature of the Intertel findings, whatever they were, should be passed to Colson.

During this period, the White House was growing increasingly concerned about the impact of the ITT allegations, and had launched a major effort to discredit columnist Jack Anderson and the memo.

At this point, Colson ordered Hunt to Denver to interview Mrs. Beard. "Colson didn't want anything to backfire, one Republican source said.

Meanwhile, Bennett was acting as a go-between between Colson and Fleming, Dita Beard's attorney, to arrange for the release of Mrs. Beard's March 17 statement calling the memo a "forgery."

Colson wanted to avoid any direct contact between the White House and Mrs. Beard or her representative as the controversy became more politically sensitive. One Republican source said that it was Colson who got Sen. Scott to read Mrs. Beard's statement on the Senate floor.

Fleming said in several recent telephone interviews that Colson and Hunt were not involved in issuing the statement. He did, however, acknowledge that he talked with Bennett about the matter. Bennett said last week that he would have no comment on the subject.

Mrs. Beard's March 17 statement said: "I did not prepare it (the memo) and could not have." Without giving a reason for her assertion, Mrs. Beard continued: "I have done nothing to be ashamed of and my family and I— and in a greater sense the whole American government—are the victims of a cruel fraud."

Columnist Anderson testified before the Senate Judiciary Committee that Mrs. Beard confirmed the authenticity of the memo line-by-line with his associate, Britt Hume, during a Feb. 24 interview at her home.

In another sworn deposition taken in a civil suit filed by the Democratic Party in connection with the Watergate case, Colson said under oath that Hunt worked for him only for a few weeks in the summer of 1971.

"Well, initially when he came to the White House staff he was reporting to me. That lasted only for a few weeks," Colson said. Following those few weeks, Colson said in that deposition, Hunt was "at that point not under my supervision" and worked elsewhere in the White House.