

Second in a Series

Men Convicted in Huge Conspiracy Said Highly Respected in Community

Editor's note: This is the second of three dispatches reporting in depth on the recent electrical industry anti-trust case.

By JACK V. FOX
UPI Correspondent
Elmo Smith and John H. Chiles Jr. are in the same cell block at Montgomery County Prison at Norristown, Pa., near Philadelphia.

Smith, 29, is a murderer. He faces mandatory sentence to the electric chair for the sex killing of a 16-year-old girl.

Chiles, 57, is serving 30 days. He is a vice president of Westinghouse. His crime was that he violated the nation's anti-trust laws for profits for his company.

Chiles, along with 47 other executives and 29 corporations, pleaded guilty or no defense in a conspiracy to fix prices and rig bids in the \$2 billion annual sales of the heavy electrical industry. Six other men were sentenced with Chiles. One is William S. Ginn, a \$130,000-a-year vice president of General Electric. They are in six of the 36 adjoining cells of the block, dressed identically in blue denim prisoner uniforms with the initials "MCP" over the shirt pocket.

Each man has a space 9 by 12 feet with a toilet and washbasin. For the 30 days, if they wish, they can do nothing. Or they can work in the prison laundry, boiler-room, as filing clerks in the office or in the library.

Grant Postponement
One man, J. M. Cook of the Cutler-Hammer Co., was granted a postponement in beginning his jail term so he could be present at a long-planned party to announce his daughter's engagement.

Almost all the defendants were highly respected individuals usually referred to as "pillars" of their community. Was prison too stiff a punishment for their crime? The government thought not. It asked jail sentences for 30 men but U. S. District Judge James Cullen Ganev gave suspended sentences to 23.

The prosecution - which began under the Eisenhower administration and was approved by the Kennedy - pointed out that the victims of the price cartel included the armed forces, the Atomic Energy Commission, the Tennessee Valley Authority, state and municipal governments as well as private utility companies.

Judge Ganev had some uncompromising words as he passed sentences. "I am convinced that in the great number of these defendants' cases, they were torn between conscience and an approved corporate policy with the rewarding objectives of promotion, comfortable security and large salaries," he said. "In short, the organization or the company man, the conformist, who goes along with his superiors and finds balm for his conscience in additional comforts and the security of his place in the corporate setup."

Friends, Neighbors Shocked
Many of their friends and neighbors in home towns are thoroughly shocked by jail sentences.

A case in point is Chiles. On the day he was sentenced, he was reelected vice president of the United Fund Organization in the community of Sharon, Pa., a town of about 65,000 50 miles from Pittsburgh.

The Rev. Malcolm MacMillan, pastor of St. John's Episcopal church in Sharon, where Chiles has served as senior warden, the highest lay office, said: "The vestry still feels Mr. Chiles is a man of high integrity and we have every confidence in him."

One of his close friends remarked bitterly that Chiles was a "fall guy for the company."

A man who worked with Chiles during 35 years of civic service, which included a citation last year for his work with crippled children, said: "I think that the only thing John could be guilty of is doing his job with the same conscientious attitude with which he goes about everything that he undertakes."

Leniency Sought
Chiles, a small man with goldrimmed glasses, has said nothing in his own defense. He stood with his head slightly bowed as his attorney Phillip H. Strubling of Philadelphia, sought leniency from the court.

"No further punishment is needed to keep these men from doing what they have done again," Strubling said. "These men were not grasping, greedy, cut-throat competitors. They devote much of their time and substance to their communities."

Chiles did write a letter to the Sharon Herald, expressing his gratitude for the sympathy he had been shown. "These heartwarming manifestations of support have erased any personal fear of what I may face in the next few weeks," he said.

Dividends To Be Paid on Policies
Portland—Under a new stepped up payment of GI Life Insurance dividends, 58,000 Oregon veterans will receive nearly \$3 million before the end of March, manager R. J. Novotny, of the Veterans Administration regional office at Portland, has announced.

The first 12,000 checks, totalling \$540,000 will be mailed immediately. By March 4, 14,000 more payments, adding up to \$830,000, will be in the mail and the remaining \$1,800,000 will reach 32,000 more policy holders before March 30, he said.

The payments are the regular annual dividends to holders of World War I and World War II insurance which normally are paid over a 12-month period. The current speed-up is made by order of President Kennedy as a stimulate to the national economy. Nation-wide the VA is paying a quarter billion dollars to more than five million veterans.

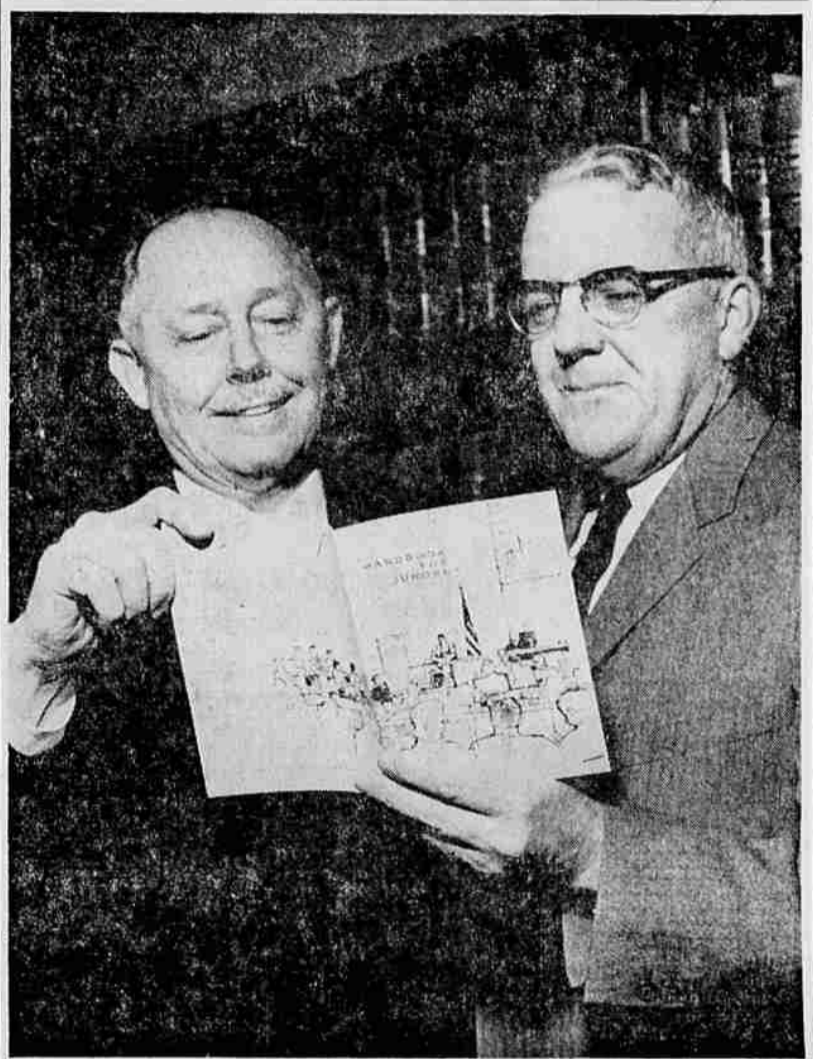
Scout News
Back 4
Cub Scout Pack 4 will hold their annual blue and gold dinner Thursday, Feb. 23, at 6:30 p.m. at the Oak Grove school gymnasium.

Parents will be contacted regarding potluck dishes, and each family is to bring their own service. Coffee and ice cream will be furnished by the pack.

The opening ceremony will be conducted by Den 4. There will be presentation of awards and other entertainment is planned.

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ACCEPTS COPY — Chief Justice William M. McAllister (right) of the Supreme Court of the State of Oregon, formerly of Medford, accepts a copy of the just-published "Handbook for Jurors" from Dean F. Bryson of Portland (left) president of the Oregon State Bar. The booklet was prepared as a public service by the state bar. McAllister com-

Jurors Handbook Prepared by Bar; Being Distributed

Salem — "A Handbook for Jurors," prepared as a public service by the Oregon State Bar, has been published and currently is being distributed to county courthouses throughout the state, according to Dean F. Bryson of Portland, state bar president.

It is the hope of the bar that a copy of the booklet will go to every Oregon citizen called to serve on a jury, Bryson said.

The contents of the booklet, written by a special committee of the state bar, working with the bar's public service and information committee, deals with the role of the jury and juror, examination of jurors, evidence, types of cases, definitions of terms commonly heard during a trial and other subjects pertinent to jury duty.

Commends Book
The public service project brought words of commendation from Chief Justice William M. McAllister of the Supreme Court of the State of Oregon who said: "The Handbook for Jurors prepared by the Oregon State Bar for distribution in our trial courts is an excellent and informative guide which I am sure will be of great value to our citizens in performing their duties and obligations as jurors."

Thirty-one of Oregon's 36 county governments cooperated in the publication of the Handbook for Jurors by underwriting the cost of printing copies to be distributed to jurors in their respective judicial districts, Baker, Benton, Klamath, Lane and Marion counties did not participate in the project, according to the state bar office.

Of the total press run of 30,000, the Multnomah county commissioners purchased 10,000 copies to be given out to jurors in the Fourth Judicial District.

Kansas City Man Sentenced to Jail
A 20-year-old Kansas youth was arrested on a charge of vagrancy early Friday morning after he chose a men's lavatory in the Goldy building, 108 East Main st., as a place to spend the night.

Robert Cecil McCleary, Kansas City, told police he had been unable to find lodging for the night so he entered the unlocked Goldy building and himself at home in the lavatory.

But McCleary's sleep was interrupted about 6 a.m. by a janitor. The janitor tried to catch McCleary, but he ran away. A short time later, however, McCleary came back to the building to retrieve his coat, and this time the janitor caught him and held him for police.

McCleary entered a plea of guilty to the vagrancy charge in municipal court, and was sentenced to two days in jail.

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