

The original documents are located in Box 59, folder “Regulatory Agencies - General (2)” of the Philip Buchen Files at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

THE WHITE HOUSE
WASHINGTON

Regulatory

January 7, 1975

MEMORANDUM FOR PHILIP W. BUCHEN

FROM: WILLIAM N. WALKER *Walker*
SUBJECT: Announcement of Betty Southard Murphy
as Chairman, NLRB

On January 3, 1975, The President approved the nomination of Betty Southard Murphy as Chairman of the National Labor Relations Board.

Betty Murphy's most recent FBI full field investigation was completed in April 1974; an up date is in process. A special clearance was ordered on January 6. Her conflicts of interest clearance is complete.

The decision memorandum to the President proposed prompt announcement of the intention to nominate Mrs. Murphy in order to prevent the labor-management consensus on her nomination from unraveling.

This memorandum requests your approval of a waiver of pending clearances only for the purpose of an early announcement of an intention to nominate. All clearances will be final before the nomination is made.

I grant the waiver of final clearances for purposes of announcement.

Philip W. Buchen
Philip W. Buchen



BIOGRAPHY

BETTY SOUTHARD MURPHY ADMINISTRATOR, WAGE AND HOUR DIVISION DEPARTMENT OF LABOR

Betty Southard Murphy, a labor lawyer with a nationwide reputation, was sworn in as Administrator of the Wage and Hour Division, on July 15, 1974.

As Administrator, Mrs. Murphy supervises the Department's responsibilities under some 70 different labor laws including the Fair Labor Standards Act, which includes minimum wage provisions affecting 56 million workers, the Equal Pay Act, which requires men and women receive equal pay for equal work, the Age Discrimination in Employment Act, which prohibits discriminatory employment practices based on age, the Walsh-Healey Public Contracts Act, the Davis-Bacon Act, the Service Contract Act, the Farm Labor Contractor Registration Act, and a number of other labor laws. She oversees a \$37 million budget and over 1,500 employees.

Before accepting this appointment, Mrs. Murphy was a partner in the Washington, D. C. law firm of Wilson, Woods and Villalon where she specialized in labor, corporate and administrative law. She is one of the few lawyers in the United States who represented both international unions and employers.

In private practice, Mrs. Murphy was an active trial lawyer and tried cases or appeared in Federal or State Courts in 19 different States and argued in 9 of the 11 United States Courts of Appeals.

Mrs. Murphy began her career as a reporter--first as correspondent and free lance journalist in Europe and Asia and later with United Press (now UPI). After graduating from law school, she was an enforcement attorney with the National Labor Relations Board during 1958-1959.

Mrs. Murphy--the first woman to be named Administrator--is a Trustee of the American University, is on the National Board of the Medical College of Pennsylvania, and is Chairman of the Board of Visitors of Mary Baldwin College.



2.

Her concern with civil rights and equal employment opportunity for workers is well established. She has been active as Chairman of the District of Columbia Bar Association's Civil Rights Committee, and the Fair Employment Practices Committee; the Federal Bar Association's Committee on Equal Employment Opportunity and Collective Bargaining; the Women's Bar Association's Committee on the Status of Women; and is also Vice Chairman of the Labor Law Committee, Administrative Law Section, American Bar Association.

She received a B.A. degree (oriental studies) from the Ohio State University and also studied in Paris at the Sorbonne and the Alliance Francaise. She obtained her J.D. degree in 1958 from the American University Washington College of Law.

Mrs. Murphy and her husband, Dr. Cornelius F. Murphy, a Radiologist, reside in Annandale, Virginia, with their two children, Ann, 6, and Neil, 5.



*Regulatory
US Arms
Control &
Disarmament
Agency
(see Behr, Bot)*

January 22, 1975

MEMORANDUM FOR: Bill Walker
FROM: Phil Buchen
SUBJECT: Disarmament Agency

I have had an inquiry from a friend of mine who works there about the appointment of a Director. He recommends promotion of John Layman, despite his prior difficulty with Senator Fulbright.

PWBuchen:ed



THE WHITE HOUSE
WASHINGTON

Phil A.

Would you have
time please to
review & comment
for us.

P.

Regulatory
US Arms
Control &
Disarmament
Agency


1/24/75



NATIONAL SECURITY COUNCIL

January 24, 1975

MEMORANDUM FOR: PHILIP BUCHEN

FROM: Jeanne W. Davis 

SUBJECT: ACDA's 1974 Annual
Report to Congress

Attached is ACDA's Annual Report to Congress for calendar year 1974, together with a suggested Presidential letter of transmittal. Section 50 of the Arms Control and Disarmament Act requires the annual report and also requires that it be transmitted to the Congress by the President.

The Report is due on the Hill by January 31. In order to allow time for further processing, may we please have your concurrence and/or comments by c. o. b. Tuesday, January 28.

Attachment



UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY
WASHINGTON

OFFICE OF
THE DIRECTOR

January 22, 1975

Mr. President:

I submit for your transmittal to the Congress, as required by the Arms Control and Disarmament Act, as amended, the fourteenth annual report of the U.S. Arms Control and Disarmament Agency. This report covers the work of the Agency during calendar year 1974.

Respectfully,

Fred C. Ikle

Fred C. Ikle

The President
The White House



*Regulatory
Agencies*

January 24, 1975

Dear Lew:

It was no trouble at all to get this
photograph signed by the President.

I join him in extending very best wishes
to you. I remain very proud of your
accomplishments and of the high regard
in which you are held by people who know
your work.

Sincerely yours,

Philip W. Buchen
Counsel to the President

The Honorable Lewis A. Engman
Chairman
Federal Trade Commission
Washington, D. C.

PWBuchen:ed





OFFICE OF
THE CHAIRMAN

FEDERAL TRADE COMMISSION
WASHINGTON

January 10, 1975

Dear Phil:

I hate to bother you with extra work, but I wonder if you would be kind enough to ask the President to autograph the enclosed picture sometime at his convenience.

With warmest wishes to you and Bunnie for a successful and Happy New Year.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "L. Engman", is written over the typed name.

Lewis A. Engman

Enclosure

The Honorable
Philip W. Buchen
Counsel to the President
The White House
Washington, D.C. 20500



Regulatory
Agencies

THE WHITE HOUSE
WASHINGTON

2/3/75

Ph/A:

Would appreciate
your handling this.

P.



THE WHITE HOUSE

WASHINGTON

February 3, 1975

MEMORANDUM FOR PHIL BUCHEN

SUBJECT: Letter to Regulatory Agencies

Attached is a proposed draft letter from Ken Cole to the heads of regulatory agencies mentioned in volumes I and II of the U.S. Commission on Civil Rights report - "The Federal Civil Rights Enforcement Effort - 1974." There are three more volumes yet to be published.

We feel it is important that the President ask for Federal agency responses and accept regulatory agency comments if they wish to offer them. I'd appreciate your comments on the course of action and the draft attached. Thank you.


F. Lynn May

Attachment



THE WHITE HOUSE
WASHINGTON

Dear Mr. Chairman:

The U.S. Commission on Civil Rights recently transmitted to President Ford Vol. I of its study, "The Federal Civil Rights Enforcement Effort - 1974." This publication evaluates the civil rights activities of the following regulatory agencies: the Federal Communications Commission, the Interstate Commerce Commission, the Civil Aeronautics Board, the Federal Power Commission and the Securities and Exchange Commission.

In the process of informing the President about the total report, we would be happy to include your comments, if you wish to submit them.

Sincerely,

Kenneth R. Cole, Jr.
Assistant to the President
for Domestic Affairs

The Honorable George M. Stafford
Chairman
Interstate Commerce Commission
12th & Constitution, N.W.
Washington, D.C. 20423



THE WHITE HOUSE
WASHINGTON

*Regulatory
CAB*

February 8, 1975

Dear Jim:

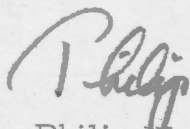
This is a belated acknowledgement of your letter of December 18th.

I very much appreciated hearing from you and receiving news about your family. I congratulate you on your service for 35 years in the Presbyterian pastorate.

I noted your comments about Bob Timm but to the extent our office has been involved in this matter, it would be inappropriate for me to comment.

I do send my very best wishes to you and your wife Janet.

Sincerely,



Philip W. Buchen
Counsel to the President

Mr. James E. Hanson
1718 Aurora
Tacoma, Washington 98465





ESTABLISHED 1889

REAL ESTATE • MORTGAGE LOANS • APPRAISAL SERVICE • INSURANCE
PROPERTY MANAGEMENT • F.H.A. APPROVED MORTGAGEE
MAIN OFFICE: 1001 PACIFIC AVENUE - TACOMA, WASHINGTON

WESTGATE NORTH END BRANCH
SK 2-6696
5738 NORTH 26th STREET
TACOMA, WASHINGTON 98407

December 18, 1974

Mr. Philip Buchen
The White House
Washington, D.C.

Dear Philip;

I have intended to write you for some time to express my congratulations to you in your position of trust and responsibility as Chief White House Counsel. It has been very interesting to follow your activities in the news, and especially to catch up on the news concerning your family through the pictures and write-up in September "Peoples Magazine". It was interesting to see in that feature a number of photos that we have in the family album. We have all enjoyed a great deal of pride and satisfaction in your remarkable attainments and in the very nice things that are said about you. I can readily understand how this could be, as my dear mother, your late Aunt Eleanore was a very remarkable and wonderful person.

Perhaps you have heard, but my older brother Lee died in a plane crash in Texas this past May. He was a pilot and flew for an oil company out of Odessa. Dave and his family have lived for some years in Kansas City where he is an official with Campbell Soup Company. Paul is in real estate in Victoria, B.C. Art has done remarkably well in the grocery business, mostly in the buying and selling of stores in various parts of the country. I believe he is presently taking some special courses in merchandising at the University of Michigan. Elizabeth took an early retirement from her work as a public school teacher due to her arthritis, but remains active and is very precious to all of us as our only sister. She has lived in Billings Montana for years. She kept up a correspondence with your mother until shortly before her passing.

In June of this year I completed thirty five years in the Presbyterian pastorate. I am at present on sabbatical and trying my hand at real estate. If this works out, I may continue, otherwise our plans are to return to the work of the church about next June.

I have been particularly interested to note that you have an interest in theology and that you have been concerned with the theological implications of the Nixon pardon. It would be very interesting to share our views on this at some time. It seems that our conclusions in this area are nearly identical, though yours appear to have been arrived at from the viewpoint of Humanism and mine from the viewpoint of Reformed Theology. Perhaps it is that the circle meets at the top and that the search for a pure humanism arrives ultimately at the Perfect Human, and then to understand that perfection we are left with no more plausible explanation than the biblical statement of St. Paul to the Colossians (2:9-10) that, "In Him dwells all the fulness of the Godhead bodily."

To me it is so satisfying to accept the fact that the invisible God should see fit to come to His creatures in human form, that we might know exactly what He is like, and that any time we wonder what He is like, we may need but look at




the magnificent Christ. But enough of this for now! It would be so great to share some of our searching in these areas, and perhaps to find that though pursuing different theological routes, we have arrived at very close to the same positions.

Philip, there is one matter which I wish to mention that came to my attention in the WALL STREET JOURNAL of this Tuesday, December 17 concerning my good friend Bob Timm, Chairman of the Civil Aeronautics Board. (Clipping enclosed). Bob is a great and wonderful guy and one of the bright hopes for our Republican Party here in the State of Washington. Though I realize you may have no contact whatsoever with this situation, I am hoping that he will not be relieved of the CAB chairmanship under the inuendos of the Nadar attack as this would seem to confirm in the minds of many that there was actual wrong-doing. I hate to see opposition policies eliminating good men from our ranks by placing us on the defensive regarding them. I am hoping that the same compassion that ruled in regard to the Nixon pardon will rule in the preserving of the reputation of a solid and good man like Mr. Timm. If it takes "guts" for Mr. Ford to reappoint him, I have every assurance that Mr. Timm will be reappointed.

If the course of your responsibilities ever brings you out this way, we would be so happy to meet you. My wife Janet and I join in wishing you and Bunny a happy holiday season.

Your Cousin,



James E. Hanson
1718 Aurora
Tacoma, Washington 98465



THE WHITE HOUSE
WASHINGTON

February 14, 1975

MEMORANDUM FOR:

JACK MARSH
RUSS ROURKE

FROM:

PHILIP BUCHEN

T.W.B.

In response to the request by the Robert Taft Institute of Government that you contact Dr. Ron Berman, Chairman of the Council for the National Endowment for the Humanities, I recommend against your doing so. The Endowment is supplied with Federal funds and we have a policy in the White House against contacts with procurement agencies in regard to the award of contracts. The situation in the present case is akin to an award of contract for procurement purposes in my opinion.

Regulatory Commission
Marsh
Jack



THE WHITE HOUSE

WASHINGTON

February 3, 1975

MEMORANDUM TO: JACK MARSH

FROM: RUSS ROURKE *R*

Jack, Art Peterson is asking for your assistance in connection with a financial assistance proposal that the Robert Taft Institute of Government has submitted to the Education Division of the National Endowment for the Humanities. Specifically, he is suggesting that you write directly to Dr. Ron Berman, Chairman of the Endowment's Council in support of their proposal. Please advise whether you think such a letter from the White House is appropriate. Even though this organization is non-partisan, it is in competition with many other similar organizations for funding assistance.

*R-
I ques whether such a
ltr is appropriate, and this
is what I thought he wanted.
Is there some policy from
Gen Council if we can cite
to Apt. a turn down?
M*



THE ROBERT A. TAFT
Institute of Government

TRUSTEES

Mrs. Preston Davie
Chairman

Lowell Wadmond
Vice Chairman

Jeremiah Milbank
Treasurer

Ross Reid
Secretary

Hon. George Bush
Erwin D. Canham
Reed Coleman
Marion J. Epley, III
Dr. Alexander Heard
Hon. Frank Pace, Jr.
Dr. Arthur L. Peterson
William Wood Prince
Dr. Louis T. Rader
Richard M. Scaife
W. Clement Stone
Hon. Robert S. Strauss
W. Allen Wallis
David K. Wilson

Honorary
Mrs. Helen Taft Manning

EXECUTIVE DIRECTOR

Marilyn Chelstrom

EDUCATION COMMITTEE

W. Allen Wallis
Chairman

ARTS AND SCIENCES
COMMITTEE

Felix W. de Weldon
Chairman

ADVISORY COUNCIL

Dr. Albert L. Ayars
Dr. George C. S. Benson
Dr. Earl L. Butz
Hon. Harry F. Byrd, Jr.
Hon. Henry E. Catto, Jr.
Hon. Francis L. Dale
Justin Dart
Mrs. Walter B. Driscoll
Richard Eells
Walter Evers
Hon. James A. Farley
Rev. Robert I. Gannon
Robert L. Garner
E. J. Gerrity, Jr.
Dr. Frank Glenn
Mortimer S. Gordon
Bryce N. Harlow
Hon. John H. Haugh
Allan Hoover
Hon. Hubert H. Humphrey
Hon. David S. Ingalls
Dr. Walter H. Judd
Hon. Richard G. Lugar
John P. McGrath
Gilbert S. Merritt, Jr.
E. Frederic Morrow
C. S. Harding Mott
Hon. Richard M. Nixon
Charles S. Payson
Dr. Alan C. Rankin
William W. Reese
Howard J. Samuels
Hon. Caroline K. Simon
Dr. Robert H. Spiro
Lloyd B. Taft
Hon. Robert Taft, Jr.
Francis Thalheimer
Mrs. G. M. Trammell, Jr.
Hon. Joseph D. Tydings
Hon. Cecil H. Underwood
Dr. Paul A. Wagner
Frederick K. Weyerhaeuser
Hon. Kevin H. White
Cole J. Younger

420 Lexington Avenue, New York, New York 10017 • 212 MU 4-0877

January 23, 1975

Mr. John Marsh
Councilor to the President
The White House
Washington, D. C. 20500

JAN 24 1975



Dear Jack:

I appreciated very much your kind help in getting some Ohio businessmen involved in "The Economic Conference" some months ago. Now comes another request for help, this time on an educational matter.

You may recall much of our discussion at Doc Head's "retreat" turned on the question of a declining political trust and sense of political efficacy in America. Discussions at any local barber shop, as well as all the popular polls, tell us that in both instances (trust and efficacy) we have suffered serious erosion in the past two years. I know you and the President share my concern here.

One organization which has a uniformly excellent track record over the past decade in raising the level of political trust and the sense of efficacy is the Robert A. Taft Institute of Government Seminars. Briefly, these two to six week graduate level institutes for elementary and high school teachers bring together twenty to thirty political and governmental leaders with thirty teachers for the purpose of creating a more sophisticated and more positive view toward the American political system and its leaders. Evaluations of the Seminars by participants and outside educators are extremely high and suggest that in terms of a cost/budget analysis they are perhaps the best educational "buy" in the summer institute market today.

Now the point of this letter. Currently, the Robert Taft Institute of Government has before the Education Division of the National Endowment for the Humanities a proposal to assist with the support and expansion of their program. Because I am a member of both governing bodies (Taft Institute and Council on the Humanities) it is illegal and improper for me to involve myself in discussion of this matter when it comes to the Council floor in late February.

It is proper to bring to your attention the fact that the President has participated in these Seminars and to the best of my knowledge is a very strong supporter of them. In addition, scores of Congressional leaders are equally convinced that the Taft program is an

THE ROBERT A. TAFT
Institute of Government

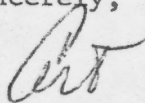
Mr. John Marsh
January 23, 1975
Page Two

extremely important, well conceived, ably conducted, fair and timely contribution to elementary and secondary teachers involved in teaching about government and politics. You may hear from several of them.

In any case, Jack, I did want you to know of the Taft proposal, of the President's past involvement and great interest. It may be he would like you to reflect this evaluation to Dr. Ron Berman, Chairman of the Endowment's Council. If you have a moment to peruse the project proposal, which is enclosed, I am certain you will be fascinated with the program. In fact, should your schedule allow, I would love to have you participate in our Seminar this summer at Ohio Wesleyan on Friday morning the 27th of June at either 9:00 or 10:30. It would be a high point of a very exciting Seminar. I hope you can join us.

All the best.

Sincerely,



Arthur L. Peterson
Trustee

ALP:hb

enclosure

P.S. I don't know who is handling liaison between the White House and educational, cultural, etc. agencies. Berman used to be the contact. Incidentally if I can be of any assistance (in such a post for in congressional liaison at departmental level) I would be pleased to help - I was interviewed by Dent for his liaison post but I have heard nothing. AJP



SBA

THE WHITE HOUSE
WASHINGTON

March 5, 1975

Dear Bob:

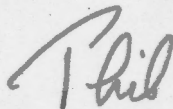
After receiving your letter of February 19, I reviewed the materials you transmitted which had been prepared by an attorney for the mushroom industry.

My previous acquaintance with this problem involved only the question of whether Small Business Administration disaster loans were properly available to the mushroom processors as a result of the effect on their business of the botulism bacteria. I now see that the problem also arises from the effect on the domestic business of mushrooms imported from Korea.

I have discussed this matter with Bill Seidman and at his suggestion I am sending the material from attorney Rini to Mr. Ken Gunther at the Office of the Special Trade Representative.

Best personal regards.

Sincerely yours,



Philip W. Buchen
Counsel to the President

Honorable Robert VanderLaan
4745 Curwood, S. E.
Grand Rapids, Michigan 49508

cc: Mr. Ken Gunther
Office of the Special Trade Representative



THE WHITE HOUSE
WASHINGTON

March 5, 1975

MEMORANDUM FOR: KEN GUNTHER
FROM: PHIL BUCHEN *T.W.B.*

For your appropriate handling.



THE WHITE HOUSE

WASHINGTON

March 6, 1975

Dear Mr. Hock:

On behalf of the President, I would like to thank you for your letter of February 13, 1975, concerning a proposed requirement of the Securities and Exchange Commission.

It is not proper for the President to intervene in a matter that comes within the jurisdiction of an independent regulatory agency and of the Federal courts. However, you may be assured that your views have been noted. The fact that you have taken time to share your thoughts with the President is appreciated.

Sincerely,

Philip W. Buchen

Philip W. Buchen
Counsel to the President

Mr. Roy E. Hock
President
Technitnol, Inc.
1952 East Allegheny Avenue
Philadelphia, Pennsylvania 19134

Regulatory



5
much
JF-1

Technitrol, Inc.

February 13, 1975

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

I feel compelled to write you again and make you aware of another proposed requirement imposed upon our business by the Federal Government.

This requirement, in simple terms, would require corporations falling under the regulation of the Security and Exchange Commission to file additional information on a quarterly basis with the Commission and to its shareholders of record. This requirement will impose another additional cost to our Company with no legitimate benefit to the shareholders. It will consume the time and energies of management, will require our consulting with our attorneys and public accountants and will diminish the possibility of our earning a fair return on our shareholders investment.

I have enclosed a copy of my letter to the Secretary of the Securities and Exchange Commission in which I share my adverse opinion of such new proposed regulation.

I am writing you to ask your support in minimizing and diminishing the amount of paper work required of business of our type which is unnecessary and unproductive. I believe the energy of management and labor in the United States should be directed toward increasing production rather than the creation of statistics, numbers and reports that have no true value.

Sincerely,

Roy E. Hock

Roy E. Hock
President



jw

enc.

Technitrol, Inc.

February 3, 1975

Secretary
Securities and Exchange Commission
Washington, D. C. 20549

Reference: File No. S7-542

Dear Mr. Secretary:

I have read and studied your "proposal to increase disclosure of interim results" and feel obligated to write you the following comments.

First, I believe your purpose in proposing an increase in disclosure is legitimate and sound. However, I do not believe that disclosure to the extent you have proposed, nor possibly disclosure in utmost detail will accomplish the purpose "to enable users of reports to understand and evaluate business operations so that they can make rational investment decisions".

The ability to fairly analyze trends in a business in order to infer future performance is predicated on the data being complete and accurate. On a quarterly basis the ability to provide complete and accurate data is made difficult by the following factors:

1. The inventory used in the calculation of cost of sales is a book value inventory since a physical inventory is taken and priced only annually. To switch to taking a quarterly inventory would create an additional cost and would cause at least a thirty day delay in reporting results.
2. Some costs of operations are seasonal or sporadic in nature throughout the year. In some cases these costs are expensed as they occur and in other cases they are expensed on an accrual basis with a year end adjustment for the difference between the accrual and the actual. The following are examples:
 - A. Advertising
 - B. Heat and electricity
 - C. Vacations and holidays
 - D. Sales and performance bonuses
 - E. Workmens compensation, medical and disability insurance premiums.
3. The operating results can vary from quarter to quarter as a result of scheduled deliveries to our customer being uneven from quarter to quarter even though the work flow or manufacturing effort is on a level basis. The result is that profits during the quarters when work-in-process is increasing (shipments are low) are decreased while profits during those quarters when shipments are high are increased.



Secretary
Securities and Exchange Commission

(Continued)

February 3, 1975

The ability of management to make an intelligent and meaningful analysis of the results of operations on a quarterly basis is made difficult by the above factors. It is only at a latter time and over a longer period, such as annually, that one can intelligently analyze the results of operations.

Secondly, I believe the implementation of your proposal will cost our company at least 50% more in accounting and legal fees and in management time and effort over what we are presently expending under the current requirements for reporting to our shareholders. I do not object to this increased cost if I believed it would give the shareholder and the financial investor better information. However, I do not believe the increased disclosure is of increased value and, therefore, the net effect of this disclosure would be to decrease the profits of the corporation and thus decrease the net worth to our present shareholders and our attractiveness to other financial investors.

In conclusion, I believe your proposed increased disclosure requirements are unsound and that they should not be adopted.

Sincerely,

Roy E. Hock
President

jw



Regulatory

Tuesday 3/11/75

12:20 Steve Aug of the Star would like to talk with you
(will be back in his office in about 20 minutes).

484-4290

He had talked with Richard Berg, Exec. Secy.
in the Administrative Conference, concerning a
letter which Mr. Areeda wrote to them concerning
guidelines for the regulatory commissions, and
Mr. Berg suggested he call you.

254-7020

I checked with Jane and she had no such letter in
her files. Mr. Areeda apparently took the whole
chron file.

I called Mr. Berg's office to talk with him and he
said that you had talked with Robert Anthony about
it. Said it is an innocuous memo Mr. Areeda
sent to Chairman Anthony on December 9, 1974.
Mr. Berg said he sees nothing in it that couldn't
stand the light of day -- but thought it should be
checked with you.

12:50 I have sent a messenger over to the Administrative
Conference to pick up a copy for us.

4:30 recd

4:55 they talked



THE WHITE HOUSE
WASHINGTON

December 9, 1974

Shaw
~~FAA work copy~~
UC's
Dec 12

Dear Bob:

I appreciate your willingness to assist in the formulation of an "anecdotal primer" for the guidance of Regulatory Commissioners.

I agree that the standards of the statutes, executive orders, and regulations are comprehensive. Without having thought the matter through, I am not aware of any need to rewrite the standards themselves.

What is needed is a more concrete statement. The need for it is revealed by the repeated missteps actually made by Commissioners of the Regulatory Agencies.

On one recent occasion, for example, a Commissioner accepted a "social" invitation from an "industry member" to holiday at a resort. Private transportation was provided, as were accommodations and entertainment. The latter were, I understand, later reimbursed by the Commissioner. Other "industry members" were present. It was said that no "pending matters" before the Commission were discussed.

In another instance, a Commission member travelling on official business found himself accompanied over the course of a week or so by an official of a major regulated company which had recently had or was about to have a case before the Commission. It was said that no case was then pending, however.

More generally, Commission members regularly find themselves at industry meetings or otherwise in non-formal contacts with members of the industry they regulate. Obviously, a Commission member cannot live in a cocoon. Indeed, in developing the expertness they are meant to seek, contacts cannot and perhaps should not be limited to formal proceedings before the Regulatory Agencies.



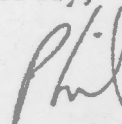
The problem of contacts becomes especially acute when the Commission member has "friends" who are officials or representatives of the regulated firms. These friends will include not only those known to the Commissioner from his days in private life; they will also include those who make the acquaintance of the Commissioner after he assumes his public office.

Again, without having thought the matter through, I have trouble with distinctions that rest on the existence of a pending case. Major members of an industry always have or are about to have a case pending before an Agency. The appearance of impropriety in social contact is always troubling--especially where the "friends" in question are not those of long standing. Furthermore, I doubt that holidays or the intimate company of sustained travel are the appropriate vehicles for familiarizing oneself with industry problems. Perhaps one could distinguish undesirable socializing involving relatively few industry members from a more acceptable participation at a trade association meeting (even at holiday resorts).

These observations and examples merely scratch the surface. I am sure that we can find other examples in the experience of the Office of the Legal Counsel or through hypotheticals that we can readily dream up.

Of one thing I am sure, the proper kind of primer dealing with concrete examples can serve a useful educational function and will unquestionably keep some future Commissioners out of trouble that they otherwise might get into.

Sincerely,



Phillip Areeda
Counsel to the President

Honorable Robert Anthony
Chairman
Administrative Conference of
the United States
Washington, D. C. 20037



Rod —

Let's talk
about this
with Bill
Walker

*Regulatory
agencies*

THE WHITE HOUSE
WASHINGTON

MARCH 24, 1975

MEMORANDUM FOR:

PHIL BUCHEN ←
ROD HILLS
BILL WALKER

FROM:

PHIL AREEDA *PA*

I enclose a memorandum from Dudley Chapman about Robert Timm. I agree with his recommendation.



THE WHITE HOUSE

WASHINGTON

March 24, 1975

MEMORANDUM FOR: PHIL AREEDA

FROM: DUDLEY CHAPMAN DC

SUBJECT: Robert Timm -- New Allegations

1. The President is empowered by 49 U.S.C. 1321(a)(2) to remove members of the CAB "for inefficiency, neglect of duty, or malfeasance in office." Newspaper reports of current hearings before the Senate Judiciary Subcommittee on Administrative Practice and Procedure raise a serious question as to whether Timm's handling of an investigation into alleged illegal corporate contributions amounted to neglect of duty, inefficiency, or even misconduct.

2. The allegations are that:

(a) CAB investigators were limited to interviews with the chief executive officer only of each airline involved, could ask only six prescribed questions and were not permitted to ask follow-up questions. Timm admits wanting the investigation limited for the sake of speed because he anticipated Congressional inquiries, but denies prohibiting follow-up questions. The testimony of two lawyers at the CAB Bureau of Enforcement, Stephen A. Alterman and James L. Weldon, Jr., was that they received their orders from their Chief, Gerald F. Hadlock, then Deputy Director of the Bureau, and Hadlock could not recall what orders he had given. Hadlock would not challenge the testimony of the other CAB lawyers that the decision had come from Timm or "the 10th floor", referring to the Chairman's office. Thomas J. Heye, now General Counsel of the CAB, was then Special Assistant to Timm and may have relayed the order.

(b) Richard J. O'Melia, an FCC Commissioner and former head of the Board's Enforcement Bureau, alleged in sworn testimony that



Timm had sent him a memorandum handcarried by Heye that instructed him to stop investigating political contribution cases. O'Melia testified that he was shocked and refused to accept the memo. Timm flatly denies the report. Heye, who was taken suddenly ill during the hearings, has not yet testified. Timm suggested that a memo he did send O'Melia at that time contained a double negative that O'Melia may have overlooked in a rapid reading.

3. Even accepting Timm's account at face value, it appears undisputed that (i) the investigation was limited in the manner alleged, and as the result of some kind of instructions received from Timm's office; (ii) whatever validity there may have been in limiting the investigation initially for speed, there is no indication that Timm authorized or desired a more complete investigation later; and (iii) an adequate investigation was not made. Given the seriousness of the allegations, this lack of vigilance in pursuing them could be deemed a neglect of duty and inefficiency in a matter of great importance to public confidence in the CAB.
4. Timm's conduct in this matter recalls his refusal to heed the warnings of a lawyer acquaintance that airline executives would be present on his notorious Bermuda trip. When added to his insensitivity in traveling extensively with a TWA executive who had business before the CAB, public confidence in Timm's integrity appears damaged beyond repair.
5. Timm should be given a chance to tell his side of the story, preferably in a person-to-person interview here. This does not appear to be a problem of verifying detailed allegations. The enforcement responsibilities of the Board require that there be public confidence in the members' competence and sincerity. If the facts bear out the appearance that he did not pursue the political contributions investigation conscientiously, he should be asked to resign, and if he refuses, dismissed for neglect of duty and inefficiency.



Some items in this folder were not digitized because it contains copyrighted materials. Please contact the Gerald R. Ford Presidential Library for access to these materials.

THE WHITE HOUSE
WASHINGTON

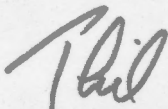
March 24, 1975

Dear Abbott:

Thank you for forwarding the news clipping from the Washington Star concerning guidelines for the behavior of regulatory agency members.

With appreciation,

Sincerely,



Philip W. Buchen
Counsel to the President

The Honorable Abbott Washburn
Commissioner
Federal Communications Commission
Washington, D.C. 20554

*Regulatory
Agencies*



→ HON. PHILIP BUCHEN
FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

OFFICE OF COMMISSIONER ABBOTT WASHBURN

3/14/75

Phil,
—



This is a good idea,
even for people with con-
siderable experience in
Government. It is different
when you take on regulatory
responsibilities.

My observation here is that
The Commissioners are super-
cautious about these contacts.

— Abbott Form A-28 7/74

The Washington Star March 12, 1975

Regulators to Get Guidelines on Proper Behavior

By Stephen M. Aug

Washington Star Staff Writer

The White House, concerned that regulatory agency members have been getting into compromising positions, has called for development of guidelines to help the regulators avoid publicly embarrassing themselves.

Officials at both the White House and the Administrative Conference—which is working on the guidelines—confirmed yesterday that the request had come in early December

company, and more generally the problems faced by commissioners who find themselves in social or semiformal contacts with representatives of industries they regulate.

No names were mentioned in the letter, nor were any agencies singled out by title.

The letter pointed out that while every agency has

primer dealing with concrete examples can serve a useful educational function and will keep some future commissioners out of trouble that they otherwise might get into," it says.

Philip W. Buchen, counsel to Ford, said the White House hopes to use the guidelines as a briefing paper for new appointees to agencies. He explained that

that we have any superior wisdom or knowledge that we ought to pass on to them. I wouldn't want to offend the entire regulatory community by suggesting that we distrust them as a group or think they don't know how to behave."

Richard Berg, executive secretary of the Administrative Conference, said the agency still is collecting material for the primer. He

Tuesday 3/11/75

12:20 Steve Aug of the Star would like to talk with you
(will be back in his office in about 20 minutes).

484-4290

He had talked with Richard Berg, Exec. Secy.
in the Administrative Conference, concerning a
letter which Mr. Areeda wrote to them concerning
guidelines for the regulatory commissions, and
Mr. Berg suggested he call you.

254-7020

I checked with Jane and she had no such letter in
her files. Mr. Areeda apparently took the whole
chron file.

I called Mr. Berg's office to talk with him and he
said that you had talked with Robert Anthony about
it. Said it is an innocuous memo Mr. Areeda
sent to Chairman Anthony on December 9, 1974.
Mr. Berg said he sees nothing in it that couldn't
stand the light of day -- but thought it should be
checked with you.

12:50 I have sent a messenger over to the Administrative
Conference to pick up a copy for us.

*Talked to Aug on March 11, 1975.
Would like to see story he runs if
you happen to spot it in the Star.*



THE WHITE HOUSE
WASHINGTON

December 9, 1974

Dear Bob:

I appreciate your willingness to assist in the formulation of an "anecdotal primer" for the guidance of Regulatory Commissioners.

I agree that the standards of the statutes, executive orders, and regulations are comprehensive. Without having thought the matter through, I am not aware of any need to rewrite the standards themselves.

What is needed is a more concrete statement. The need for it is revealed by the repeated missteps actually made by Commissioners of the Regulatory Agencies.

On one recent occasion, for example, a Commissioner accepted a "social" invitation from an "industry member" to holiday at a resort. Private transportation was provided, as were accommodations and entertainment. The latter were, I understand, later reimbursed by the Commissioner. Other "industry members" were present. It was said that no "pending matters" before the Commission were discussed.

In another instance, a Commission member travelling on official business found himself accompanied over the course of a week or so by an official of a major regulated company which had recently had or was about to have a case before the Commission. It was said that no case was then pending, however.

More generally, Commission members regularly find themselves at industry meetings or otherwise in non-formal contacts with members of the industry they regulate. Obviously, a Commission member cannot live in a cocoon. Indeed, in developing the expertness they are meant to seek, contacts cannot and perhaps should not be limited to formal proceedings before the Regulatory Agencies.

Curtman
Shaw
~~LAA work copy~~

Rec'd
Dec 16



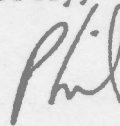
The problem of contacts becomes especially acute when the Commission member has "friends" who are officials or representatives of the regulated firms. These friends will include not only those known to the Commissioner from his days in private life; they will also include those who make the acquaintance of the Commissioner after he assumes his public office.

Again, without having thought the matter through, I have trouble with distinctions that rest on the existence of a pending case. Major members of an industry always have or are about to have a case pending before an Agency. The appearance of impropriety in social contact is always troubling--especially where the "friends" in question are not those of long standing. Furthermore, I doubt that holidays or the intimate company of sustained travel are the appropriate vehicles for familiarizing oneself with industry problems. Perhaps one could distinguish undesirable socializing involving relatively few industry members from a more acceptable participation at a trade association meeting (even at holiday resorts).

These observations and examples merely scratch the surface. I am sure that we can find other examples in the experience of the Office of the Legal Counsel or through hypotheticals that we can readily dream up.

Of one thing I am sure, the proper kind of primer dealing with concrete examples can serve a useful educational function and will unquestionably keep some future Commissioners out of trouble that they otherwise might get into.

Sincerely,



Phillip Areeda
Counsel to the President

Honorable Robert Anthony
Chairman
Administrative Conference of
the United States
Washington, D. C. 20037

SEC

Monday 5/5/75

Meeting
5/14/75
2 p.m.

5:00 Ted Darreaux called to say they have an appointment with Don Rumsfeld at 2:00 p.m. on Wednesday 5/14 to discuss SEC personnel matters.

Wondered if you might be free at 2:45 that day so they could bring you up to date.

He will let us know later who will be coming.



EXECUTIVE PROTECTIVE SERVICE

To: Officer-in-charge
Appointments Center
Room 060, OEOB

Please admit the following appointments on Saturday, June 21, 1975 8:30 AM

for Roderick Hills (Roosevelt Room) of White House:
(Name of person to be visited) (Agency)

Michael Pertschuk
Mr. Lynn Sutcliffe
Edward Cohen
Thomas Susman
Arthur Pankopf
Michael Lemov
Paul Hoff

Jonathan Rose
Paul MacAvoy
Sidney Jones
Cal Collier

Paul Leach
Dudley Chapman
Lynn May

George Eads
Jordan Lewis

Sandy Gerson
Don Baker



MEETING LOCATION

Building Roosevelt Room

Room No. West Wing

Time of Meeting 8:30 AM

Requested by Eva Daughtrey

Room No. West Wing Telephone x 6611

Date of request 6/20/75

Additions and/or changes made by telephone should be limited to three (3) names or less.

DO NOT DUPLICATE THIS FORM.

6/21/75

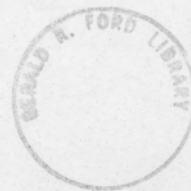
Michael Pertschuk
Mr. Lynn Sutcliffe
Edward Cohen
Thomas Susman
Arthur Pankopf
Michael Lemov
Paul Hoff
Jay Cutler
Harrison Loesh
David Stang
Bailey Guard

Jonathan Rose
Paul MacAvoy
Sidney Jones
Cal Collier
Stan Morris

Paul Leach
Dudley Chapman
Lynn May

George Eads
Jordan Lewis

Sandy Gerson
Donald Baker



THE WHITE HOUSE

WASHINGTON

July 25, 1975

Regulatory

Dear Mr. Harrington:

On May 9, 1975, you replied directly at the request of the White House to a letter by David L. Herndon, of the firm of Davies, Richberg, Tydings, Landa and Duff, concerning some alleged restrictive effects of the Federal Home Loan Mortgage Corporation requirements.

On May 14, 1975, Mr. Herndon again wrote the President enclosing an analysis of the effects of Federal regulation in this field. The White House has no familiarity with the substance of the matters Mr. Herndon has raised. The tone of his arguments, however, suggests that there may be a problem of excessive Federal regulation that would merit re-examination to evaluate its usefulness and the possible desirability of changes. Since the substance of your reply of May 9, 1975, indicated that the specific action Mr. Herndon complained of was mandated by statute, it may be appropriate to consider whether changes in the legislation would be appropriate. Such an examination would be in line both with the Presidential statements referred to in Mr. Herndon's original letter and, especially, of the comprehensive drive for a review and re-evaluation of the effect of Federal regulations on the economy, which is a key point in the President's domestic program. A transcript of the President's recent meeting with the heads of the ten principal independent regulatory agencies is enclosed and should give you a clear sense of the breadth and conviction of the President's thinking in this area.



I would appreciate having your thoughts on this. Copies of the referenced correspondence are attached.

Sincerely,

Philip W. Buchen

Philip W. Buchen
Counsel to the President

Mr. Philip N. Harrington
Federal Home Loan Mortgage Corporation
311 First Street, N.W.
Washington, D.C. 20001



THE WHITE HOUSE

WASHINGTON

May 30, 1975

MEMORANDUM FOR: DUDLEY CHAPMAN

FROM: PHILIP BUCHEN *P.W.B.*

Kindly review the attached file submitted to me by Tod Hullin and recommend an appropriate response for my signature.

Attachment

Eva,

DO NOT send.

*We have Mr. Buchen's
original memo on our task up
over here.*

N.S.



THE WHITE HOUSE

WASHINGTON

May 29, 1975

MEMORANDUM FOR

PHIL BUCHEN

FROM

TOD HULLIN *TH*

SUBJECT

ALLEGED DE FACTO INDUSTRY REGULATION
BY FEDERAL HOME LOAN MORTGAGE
CORPORATION

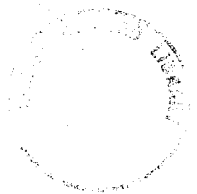
The initial letter in the attached package complains of slow approval eligibility by the FHLMC of a particular mortgage company. On the recommendation of HUD, this correspondence was referred to FHLMC for routine reply.

On May 14, another letter was forwarded to the President indicating a continued broader interest in FHLMC's de facto regulation of mortgage companies.

Accordingly, I am forwarding this file to your office for consideration and appropriate handling.

Many thanks.

DO NOT Send



Regulatory

THE WHITE HOUSE

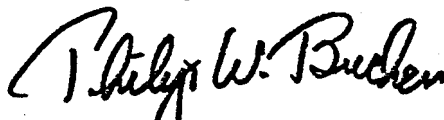
WASHINGTON

July 25, 1975

Dear Mr. Herndon:

This will acknowledge your second letter to the President of May 14, 1975, concerning what you assert to be restrictive effects of the Federal Home Loan Mortgage Corporation (FHLMC) standards on the availability of mortgage funds. Your letter has been referred to the FHLMC with a request for an analysis and recommendations concerning the material you submitted. You may be assured that the results of that analysis will receive full consideration within the Administration.

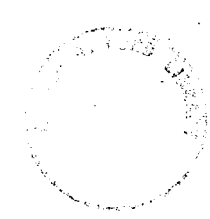
Sincerely,



Philip W. Buchen
Counsel to the President

Mr. David L. Herndon
Davies, Richberg, Tydings,
Landa & Duff
1125 - 15th Street, N.W.
Washington, D.C. 20005

bcc: Philip N. Harrington





THE DEPUTY SECRETARY OF THE TREASURY
WASHINGTON, D.C. 20220

August 5, 1975

*Regulatory
Agency*

MEMORANDUM FOR THE HONORABLE PHILIP W. BUCHEN
COUNSEL TO THE PRESIDENT

We have a verbatim tape of the news conference which contained the Secretary's remarks about the slowness of the regulatory process in the Star News television station matter.

That was reproduced literally in the body of the attached article in the Star News and we have agreed that this is a correct reproduction.

Bill Simon's position is clear. He was complaining about the delay of the regulatory process.

The comments we have received since the article were generally favorable press queries. We have not had to frame a letter answer to people criticizing the comment as yet.

If you want anything else, please call.

St
Stephen S. Gardner

Attachment



Simon Assails FCC on Star Case

Treasury Secretary William E. Simon has assailed as "a coward's way out" the Federal Communications Commission's decision to delay action on Washington Star publisher Joe L. Allbritton's request for a waiver that would allow him to gain effective control of both the newspaper and its broadcast stations here.

In answer to a question on whether the White House should apply "heat"

wrong, or favorable or unfavorable. We're not talking about the substance. I just consider it absolutely unconscionable for them to wash their hands.

"And if it's true that this newspaper is in financial difficulties, (and) I have to believe it is true, do they go out of business in a year as

Allbritton applied to the FCC for a waiver eight months ago. The FCC voted 6-1 Monday to hold public hearings for more information before ruling on the application, a decision which could delay the outcome for more than a year, according to communications lawyers.

THE WHITE HOUSE
WASHINGTON

Regulatory

August 26, 1975

MEMORANDUM FOR PHILIP BUCHEN

FROM: DOUGLAS P. BENNETT **DPB**
SUBJECT: Vacancies on Regulatory Boards
and Commissions

As you know, during the next few months there will be vacancies on several regulatory boards and commissions--specifically, the Interstate Commerce Commission, the National Labor Relations Board, the Federal Trade Commission and the Consumer Product Safety Commission.

I would like to call on you from time to time to talk personally with our candidates for these appointments. The President feels strongly about regulatory reform and your insight and reaction to these candidates will be very important and helpful to us in our staffing process. Rather than ask you to simply review a resume, I feel that a personal interview would be far more beneficial to all.

As candidates are identified by our office, I shall call you to arrange a convenient time for you to meet with them.

I appreciate your assistance.



THE WHITE HOUSE

WASHINGTON

August 26, 1975

MEMORANDUM FOR PHILIP BUCHEN

FROM: DOUGLAS P. BENNETT **DPB**
SUBJECT: Vacancies on Regulatory Boards
and Commissions

As you know, during the next few months there will be vacancies on several regulatory boards and commissions--specifically, the Interstate Commerce Commission, the National Labor Relations Board, the Federal Trade Commission and the Consumer Product Safety Commission.

I would like to call on you from time to time to talk personally with our candidates for these appointments. The President feels strongly about regulatory reform and your insight and reaction to these candidates will be very important and helpful to us in our staffing process. Rather than ask you to simply review a resume, I feel that a personal interview would be far more beneficial to all.

As candidates are identified by our office, I shall call you to arrange a convenient time for you to meet with them.

I appreciate your assistance.



Regulatory

THE WHITE HOUSE

WASHINGTON

October 10, 1975

MEMORANDUM FOR: JON ROSE

THROUGH: PHIL BUCHEN *P.W.B.*

FROM: DUDLEY CHAPMAN *D.C.*

SUBJECT: Participation by Antitrust Consumer Unit in Regulatory Proceedings

At the last meeting of the DCRG, you asked for comment on the Attorney General's interest in having the Antitrust Division participate in rate-making proceedings through its Consumer Unit.

I have discussed this with Rod Hills and Ken Lazarus. We all agree that: (1) successful opposition to a new consumer agency will require that we have a credible alternative, (2) it is good government policy to represent the interests of consumers in regulatory proceedings, and (3) Justice is the logical agency to do it. There is some overlap with COWPS, but we see your respective functions as complimentary. COWPS is a White House level, policy-making unit, while Justice has a litigating function.

This is a logical and promising area for regulatory reform, and should be promoted as such. I would appreciate your keeping us informed of your plans and progress, both directly and through the DCRG.

cc: Rod Hills
Ken Lazarus

