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# The Washington Times

TUESDAY, APRIL 21, 1987\*

WASHINGTON, D.C.

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## Meese talks to FBI about Wedtech

By Karen Feld  
THE WASHINGTON TIMES

Attorney General Edwin Meese III was interrogated by two FBI agents Friday about his knowledge of Wedtech Corp., a New York company under criminal investigation.

Patrick Korten, a Justice Department spokesman, said the interview took place in Washington at Mr. Meese's request to "make sure they were aware of all the facts as [the attorney general] knew them."

During the interview, Mr. Meese was told he was not the target of a criminal probe, according to a high-ranking Justice Department source.

"They specifically told him he was not under investigation," said the source. "He was absolutely not read his rights or told to prepare a defense."

The FBI agents were from Washington and New York City offices, according to sources. They met with Mr. Meese "for less than an hour," one source said.

The attorney general late last week disqualified himself from the criminal investigations of Wedtech, a Justice Department spokesman said. At that time, sources said he was concerned he might be called as a witness in the case.

Mr. Meese's decision to seek an

interview with agents investigating the firm was an effort to pre-empt a formal request to testify, one knowledgeable source said.

Wedtech Corp., once a prosperous Bronx defense contractor, has been rocked by charges that its top executives and consultants paid huge bribes to get government contracts.

Four former company executives recently pleaded guilty to conspiring to bribe federal, state and city officials while building the corporation into a powerful defense conglomerate.

An independent counsel, James

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Attorney General Edwin Meese III

## MEESE

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McKay, is investigating conflict of interest allegations against former White House aide Lyn Nofziger involving lobbying in 1982 to win Wedtech large Army contracts.

Mr. Meese acknowledged during an April 6 news conference that he ordered a 1982 review leading to the White House granting Wedtech a no-bid \$32 million contract, the largest the company had received until then. The contract had been opposed by the Pentagon.

Mr. Meese, who was counselor to President Reagan in 1982, said he ordered the review to ensure Wedtech got "a fair hearing."

The Wedtech web also touches Mr. Meese through two former associ-

ates — W. Franklin Chinn of San Francisco, a former financial partner of the attorney general; and E. Bob Wallach, a longtime friend of Mr. Meese who was an attorney for Wedtech in 1981.

Mr. Meese said he had learned of Wedtech's problems with the \$32 million defense contract through memos written to him by Mr. Wallach. Mr. Wallach received about \$500,000 in stock from Wedtech in 1983 and an undisclosed cash retainer.

Mr. Wallach could not be reached for comment yesterday. His secretary said he had come to Washington on undisclosed business.

In 1985, Mr. Meese invested between \$50,000 and \$100,000 in Wedtech through a blind limited partnership with Mr. Chinn, records show. Mr. Chinn could not be reached yesterday.

A Justice Department spokesman has said Mr. Meese only recently learned that Mr. Chinn was on Wedtech's board of directors. The spokesman said Mr. Meese is considering whether to withdraw his investment from Mr. Chinn's San Francisco firm.

Mr. Chinn resigned from the Wedtech board in February because he was informed he was a "subject" of an investigation headed by U.S. Attorney Rudolph Giuliani of New York, according to his attorney.

Mr. Giuliani did not return phone calls yesterday.

The Wedtech controversy comes as Mr. Meese is under scrutiny by congressional probers for his handling of the early stages of the Iran-Contra investigation, sources said.

The attorney general also has been the target of press accounts

charging that he ordered U.S. Attorney Leon Kellner in Miami to stall an investigation into Contra gunrunning. Both Mr. Meese and Mr. Kellner have denied the reports.

The Wedtech investigations eventually may lead to dozens of indictments of company executives and federal officials, sources said.

Congressman Mario Biaggi, a New York Democrat indicted in March on charges he accepted bribes to help a Brooklyn ship repair company win contracts, is one target of the Wedtech investigation, according to sources.

Investigators in New York City also have focused on Rep. Robert Garcia, New York Democrat, and former Bronx borough chief Stanley Simon in connection with the Wedtech case, they said.

• Karen Feld and John McCaslin contributed to this report.