



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3599

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MUR 3599

BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

IN THE MATTER OF:

JIM MOODY
FRIENDS OF JIM MOODY
ELMO ZUMWALT
STRUBLE, TOTTON COMMUNICATIONS
GOFF AND ASSOCIATES

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FEDERAL ELECTION COMMISSION

1. INTRODUCTION.

Congressman Jim Moody and his campaign committee, Friends of Jim Moody, have violated federal election laws by accepting in-kind contributions in excess of the \$1,000 individual limit and failing to report in-kind contributions to the Federal Elections Commission.

Congressman Moody's U.S. Senate campaign, either directly or through an intermediary, has worked in concert with Admiral Elmo Zumwalt, USN (Ret.) for months to launch unfounded negative attacks designed to defeat Joe Checota, one of Congressman Moody's opponents.

Zumwalt, in consultation and cooperation with Jim Moody's campaign for the U.S. Senate, has spent in excess of the \$1,000 limit to assist in the election of Jim Moody and to attempt to defeat Joe Checota, one of Congressman Moody's opponents in the Democratic primary election.

Friends of Jim Moody has reported no contributions from Zumwalt, and Zumwalt has reported no independent expenditures.

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Congressman Moody's campaign committee and Admiral Zumwalt have thumbed their noses at federal elections law, offering the transparent explanation that Zumwalt is a private citizen operating outside the jurisdiction of the Federal Election Campaign Act.

The facts prove differently. Even in politics, truth sometimes will bubble to the surface despite the best efforts of professional politicians to dam it up. Recent developments in the US Senate campaign in Wisconsin have allowed enough of the real story to seep out that Congressman Moody and his campaign have stepped deeply into the mud they helped Admiral Zumwalt to throw.

This is a violation that demands a prompt and thorough investigation, because the Moody campaign and Admiral Zumwalt are making a mockery of the law, in the belief they can get away with it.

II. LEGAL DISCUSSION.

Facts: Friends of Jim Moody is the registered campaign organization (FEC identification number C00150813) of U. S. Senate candidate Jim Moody. Its treasurer is Robert H. Frieber and its mailing address is P.O. Box 93330, Milwaukee WI 52303.

Joseph W. Checota, 3224 E. Hampshire St., Milwaukee WI, 53211, is a candidate for the Democratic nomination for US Senator in the September 8 primary election, as is Congressman Jim Moody.

Struble Totten Communications, 540 Seventh St., SE, Washington, DC 20003, is the media consulting firm hired by Friends

of Jim Moody. Its services have included the writing and production of television commercials, purchase of airtime, general campaign consulting, and coordination of opposition research on Moody's opponents, including Checota.

Admiral Elmo Zumwalt, USN (Ret.), a resident of the state of Virginia, is a former business associate of Checota's who has been a personal, professional and political enemy of Checota for 10 years, according to numerous published reports.

Zumwalt began attacking Checota in news media reports of the campaign in May 1992, soon after Checota officially announced his candidacy.

Certain confidential documents, containing unfounded, unproven charges against Checota, were anonymously leaked to the news media in an attempt to damage Checota's candidacy. In particular, a 1984 document summarizing an internal audit of American Medical Buildings was given to news reporters. That document had been prepared at Zumwalt's direction. The Moody campaign admitted to a reporter that it had a copy of the report, which ended up in the hands of reporters, who then asked and received public comment from Zumwalt on the contents of the report.

On August 21, 1992, Friends of Jim Moody began airing a television commercial, prepared and produced by Struble, Totten Communications, in which Admiral Zumwalt made a statement about Checota. In the commercial, ironically entitled, "Truth," Zumwalt is identified as a former member of the Joint Chiefs of Staff.

Zumwalt says, on camera: "I've spent a lifetime serving my country. I'm not a politician, but I can't stand by any longer and

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let Joe Checota's gross inaccuracies deceive the public. I've worked with Joe Checota and I served on the board of directors of a company that fired Checota for financial mismanagement and unethical conduct. I'm not endorsing anyone for the Senate, but in my judgment Joe Checota falls far below the standard of public service this country deserves."

The commercial carries a disclaimer saying it is "Paid for by Friends of Jim Moody."

Two days after the commercial began airing, Admiral Zumwalt traveled to Wisconsin to hold a series of news conferences. He held a news conference in Milwaukee on August 23, and held news conferences in Green Bay, Wausau and Madison on August 24. At each news conference, Elmo Zumwalt opened by reading a statement quite similar to the script of the Moody television commercial.

Zumwalt traveled to Wisconsin from Washington, D.C. by commercial airplane and from Milwaukee to Green Bay, Wausau and Madison by private or chartered plane. Cost of his travel and lodging were substantially more than \$1,000.

When questioned at the news conferences, Zumwalt said he was paying for the trip himself.

Zumwalt also said he had personally hired the man who accompanied him to the news conferences, Mark Goff of Goff and Associates, 2025 N. Summit Ave., Milwaukee WI 53211, a newly-established one-man public relations firm. Goff was campaign manager for Moody's first campaign for the U.S. House of Representatives in 1982 and served as his chief of staff for three years. He has been an unpaid but key consultant and strategist in

Moody's 1992 campaign for the Senate.

In an interview, Zumwalt told a reporter that "before the anti-Checota ad was made, he made it clear through friends in Wisconsin that his views could be used by Checota's opponents. He said a media firm in Washington, D.C. then approached him and he taped it without knowing whom the firm was working for."

The commercial was scripted, filmed and produced by Struble, Totten Communications on behalf of the Moody campaign.

Law: In-kind contributions, under 2 U.S.C.441a(a)(7)(B)(i), include "an expenditure made in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate's campaign." The value of such a contribution -- the usual and normal charge -- also counts against the same contribution limit as a gift of money. 100.7(a)(1)(iii) and (a)(3).

Contributions from individuals are limited to \$1,000 for the primary election. 110.1(a) and (b)(1).

Independent expenditures are expenditures "for a communication that expressly advocates the election or defeat of a clearly-identified candidate which is not made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of any candidate or his or her campaign. 109.1(a).

Expenditures which meet the above test are not subject to any limits. An expenditure which does not meet the above test is considered as a contribution and is subject to regular contribution limits of \$1,000 for the primary.

The example in the FEC campaign handbook illustrates the case well:

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"An individual, not previously involved in candidate Smith's race in any way and without ever contacting any of his campaign staff, purchases a newspaper advertisement endorsing Smith. The payment for the ad is an independent expenditure. If, however, before purchasing the ad, the individual consults with candidate Smith or his campaign staff as to how he or she can help the campaign or when Smith wants the newspaper ad to appear, the individual makes an in-kind contribution. Or, if the individual pays for a campaign ad that uses text actually prepared by Smith's campaign, the individual makes an in-kind contribution to the candidate."

Discussion: Zumwalt clearly was in contact with the Moody campaign before making his visit to Wisconsin. He worked with Moody's media consultants, Struble, Totten, to prepare a script and film a commercial. And he coordinated his trip and news conferences with Mark Goff, an unpaid Moody operative but a Moody campaign operative and agent nonetheless.

Zumwalt's expenses do not qualify as an independent expenditure. His travel, lodging, and other costs, including those of hiring Goff and Associates, are reportable as in-kind contributions.

Zumwalt has violated the law by making an in-kind contribution of more than the legal limit of \$1,000, and Friends of Jim Moody has violated the law by failing to report the in-kind contribution in a timely fashion. FEC regulations require disclosure within 48 hours of all contributions of \$1,000 or more received during the period August 20 through September 5.

III. REQUEST FOR RELIEF.

The FEC is requested to begin an investigation of the relationship between Admiral Zumwalt, Congressman Moody, Friends of Jim Moody, and Struble, Totten Communications, and to take appropriate action to prevent further abuse of the law.

IV. VERIFICATION

The undersigned swears that the allegations and facts set forth herein in this Complaint are true to the best of his knowledge, information and belief.



BILL CHRISTOFFERSON
Campaign Director
Joe Checota for Senate
Box 93428
Milwaukee WI 53203

Subscribed to and sworn
to before me this 31
day of August, 1992.


Notary Public

My commission expires Sept. 7, 1992
is permanent.



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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE

23940934945



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 8, 1992

Bill Christofferson
Joe Checota for Senate
Box 93428
Milwaukee, WI 53203

RE: MUR 3599

Dear Mr. Christofferson:

This letter acknowledges receipt on September 1, 1992, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Jim Moody, Friends of Jim Moody and Robert Friebert, as treasurer, Struble Totten Communications, Admiral Elmo Zumwalt (Ret.) and Goff and Associates. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 3599. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, which appears to read "Jonathan Bernstein", is written over the typed name.

Jonathan A. Bernstein
Assistant General Counsel

Enclosure
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 8, 1992

Jim Moody
3946 N. Farwell Avenue
Shorewood, WI 53211

RE: MUR 3599

Dear Mr. Moody:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3599. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Jim Moody
Page 2

If you have any questions, please contact Richard M. Zanfardino, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Jonathan A. Bernstein
Assistant General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 8, 1992

Friends of Jim Moody
Robert Frieber, Treasurer
P.O. Box 93330
Milwaukee, WI 53203

RE: MUR 3599

Dear Mr. Frieber:

The Federal Election Commission received a complaint which indicates that Friends of Jim Moody ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3599. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Friends of Jim Moody
Robert Friebert, Treasurer
Page 2

If you have any questions, please contact Richard M. Zanfardino, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Jonathan A. Bernstein
Assistant General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 8, 1992

Karl Struble
Struble Totten Communications
540 Seventh Street, SE
Washington, DC 20003

RE: MUR 3599

Dear Mr. Struble:

The Federal Election Commission received a complaint which indicates that Struble Totten Communications ("Company") may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3599. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Company in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

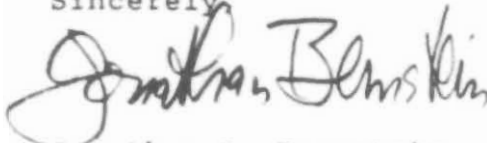
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Karl Struble
Struble Totten Communications
Page 2

If you have any questions, please contact Richard M. Zanfardino, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Jonathan A. Bernstein
Assistant General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

23040934952



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 8, 1992

Admiral Elmo Zumwalt (Ret.)
1500 Wilson Blvd.
Arlington, VA 22209

RE: MUR 3599

Dear Admiral Zumwalt:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3599. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

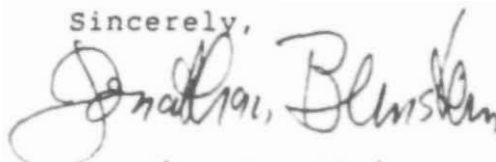
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Admiral Elmo Zumwalt (Ret.)
Page 2

If you have any questions, please contact Richard M. Zanfardino, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Jonathan Bernstein
Assistant General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

September 8, 1992

Mark Goff
Goff and Associates
2025 N. Summit Avenue
Milwaukee, WI 53211

RE: MUR 3599

Dear Mr. Goff:

The Federal Election Commission received a complaint which indicates that Goff and Associates ("Company") may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3599. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Company in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

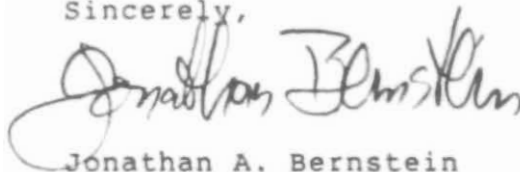
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Mark Goff
Goff and Associates
Page 2

If you have any questions, please contact Richard M. Zanfardino, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Jonathan A. Bernstein
Assistant General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

23040934956



FEDERAL ELECTIONS COMMISSION
SEP 21 9 08 AM '92

September 17, 1992

Jonathan A. Bernstein
Office of the General Counsel
Federal Elections Commission
Washington DC 20463

RE: MUR 3599

Dear Mr. Bernstein:

Enclosed is additional information and documentation concerning the complaint I filed with the FEC against Jim Moody, Friends of Jim Moody, Robert Friebert, Struble Totten Communications, Admiral Elmo Zumwalt (Ret.) and Goff and Associates.

Enclosed are (1) a videotape of the commercial described in the complaint, which was produced by Struble Totten Communications and paid for by Friends of Jim Moody, and (2) newspaper articles concerning the commercial and Admiral Zumwalt's news conferences in Wisconsin.

Please address future correspondence to me at:

Bill Christofferson
Carrier, Christofferson & Associates
2801 International Lane, Suite 103
Madison WI 53704

Thank you.

Sincerely,


BILL CHRISTOFFERSON

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FEDERAL ELECTIONS COMMISSION

Man who led ouster slams Checota in ads

By JAN UEBELHERR

Sentinel staff writer

Retired Adm. Elmo R. Zumwalt Jr., who led the ouster of Joseph W. Checota from the chairmanship of American Medical Buildings nine years ago, returned to Milwaukee Sunday to tell voters that the Democratic U.S. Senate candidate is unfit to hold public office.

But Checota's campaign manager, Craig Varoga, said Zumwalt had "a political and personal vendetta based on the fact that he (Zumwalt) was fired in 1979" by Checota as chief executive of AMB. Zumwalt denies he was fired.

Zumwalt criticizes Checota in television commercials that began airing Friday. The ads were paid for by Friends of Jim Moody, the congressman who faces Checota and State Sen. Russell D. Feingold of Middleton in the Sept. 8 primary for the Democratic nomination.

"Moody and Zumwalt are working together, as they have been for months, to smear Joe Checota," Varoga said.

After retiring from the Navy, Zumwalt was recruited by Checota in October 1977 to serve as chief executive of AMB. Zumwalt said that after about 14 or 15 months, he concluded he had to sever ties with Checota in 1979 because of "unseemly things."

He said Checota then "invented the fiction that I was being fired."

In August 1983, Zumwalt, who still served on AMB's board, engi-



Zumwalt: Alleges "unseemly things"

neered Checota's ouster. Checota then set up Universal Medical Buildings, the company he still directs as chairman.

Zumwalt, who now has his own consulting firm, said Checota had used corporate personnel to do architectural work and oversee construction at his own home. Zumwalt said Checota had himself under-billed for personal art purchases and over-billed the firm for art purchases.

Zumwalt also said an audit showed that Checota had misled the board on how the firm's headquarters site would be set up. Zumwalt said the original concept was to have the headquarters built and owned by the company, with some space leased. Instead, he said, a partnership was set up with Checota as the principal partner. The site was purchased by the partnership "at an unfairly low price and leased to the company at an unfairly high rental rate."

"This is a public company," Zumwalt said. "This represents money that didn't go to shareholders."

In responding to Zumwalt's comments, the Checota camp sent out a copy of a 1983 Newsweek article on the Checota ouster that said that "Zumwalt is still stinging over his demotion by Checota in 1979, when Checota asked him to step down as chairman and president because he was devoting too much time to lecturing and outside corporate directorships."

Zumwalt said he had no ax to grind, "except the ax of wanting to see high-caliber people as our public servants." He said he was receiving no fee or reimbursement to come to Wisconsin.

After a Milwaukee news conference Sunday afternoon, Zumwalt was scheduled to appear in Green Bay, Wausau and Madison.

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ANALYSIS

TV ads muddy up Senate race

Checota, Moody spots on topics like unpaid taxes tell only part of the story

By MIKE NICHOLS
of The Journal staff

The battle between Milwaukee businessman Joe Checota and US Rep. Jim Moody for the Democratic US Senate nomination lately has become a mudslinging match, with some of the dirt and water mixed up by the producers of the candidates' television commercials.

With the two men locked in a virtual dead heat little more than two weeks before the Sept. 8 primary, each side has apparently decided that what is — or isn't — said on TV will have a big impact on who wins the race.

"There is no denying the importance and impact of TV political advertising, particularly in state races," said Julian Kanter, a communications professor and the founder of the Political Commercial Archive at the University of Oklahoma. "It is clear that in the Checota case, since six months ago, no one had heard of him, that his advertising has made him a competitor in the primary."

Moody too, however, has made much use of ads, hitting hard shortly after a poll showed him running neck and neck with Checota.

The day after The Journal published a poll showing that Moody had 42% of the vote of likely primary voters to Checota's 40% — a tie when one considers the 5% margin of error — the congressman last Monday threw the first roundhouse, asking why Checota didn't pay his taxes in 1984, 1985 or 1986.

"The phrase that he did not pay his taxes implies that there were taxes owed the government that he did not pay," Kanter said.

And that was not the case. What the ad did not mention was that Checota had gross business losses of \$891,222 in those years.

DIVING INTO THE DIRT

"They can almost say whatever they want, and worry about a civil suit later, which never happens," said Dennis Frankenberg, a Milwaukee advertising executive who was instrumental in the 1988 Bush presidential campaign and has been keeping track of the US Senate race.

Winning a libel or slander suit as a public official is extremely difficult. Once the ads air — and television stations cannot censor political commercials, says Frankenberg — there is little to do but respond.

According to Frankenberg, that is just what the Checota campaign did, and did well. Within a day, Checota's people had aired two commercials of their own, one of which took the high road and accused Moody of breaking a promise not to start negative campaigning.

The other followed Moody down the low road, apparently on the he-hit-me-first theory. It said that in 1979, Moody didn't file his tax return until a newspaper caught him, and "on a different occasion, Wisconsin had to issue a tax warrant to force Moody to pay."

It is true that Moody in 1979 did not pay his taxes until The Journal asked him why he had not filed. It is also true, according to the Moody campaign, that Moody received two routine tax extensions.

In 1976, a Moody spokesman said, Moody paid his taxes on time, but the state Department of Revenue found that he owed an additional \$126. His campaign does not dispute that a delinquent tax warrant was issued for that amount.

The battle continued Friday, when the Moody camp aired an ad featuring one of Checota's former business associates, retired Adm. Elmo R. Zumwalt. In the ad, Zum-

walt says, "I'm not endorsing anyone for the Senate, but in my judgment, Joe Checota falls far below the standard of public service this country deserves."

At issue in the ad are allegations raised in June about Checota's business record while head of American Medical Buildings, a company he founded but was ousted from in 1983. The accusations were made in a 1984 memo written by a lawyer for the company, which was in a court fight with Checota.

The memo said Checota used his corporate office for personal gain. The matter was settled outside the courts in 1984. Checota denied the charges and defended his business record.

Zumwalt is the former US chief of naval operations whom Checota hired in 1977 and demoted in 1979. Zumwalt later engineered Checota's ouster from the company.

OVERSTATING THE CASE

The candidates have run other ads that run the risk of being oversimplified or misleading.

In one Moody spot whose aim is to convince voters that they are being ripped off by the current health care system, for instance, the candidate opens by saying that "nobody should have to pay \$8 for an aspirin. . ."

In fact, almost nobody does.

An informal survey of three local hospitals in the Milwaukee area — Waukesha Memorial, St. Mary's in Milwaukee and Children's — found that patients actually are billed between 44 cents and \$1.75 per tablet for aspirin.

"I have never heard of anyone charging \$8 for an aspirin," said Leigh Morris, director of public

relations for Children's. Morris could not, with certainty, say that "someone, somewhere" isn't charging that much.

But even if the number were accurate, he said, it would be misleading because it would not represent what is commonly charged in Wisconsin, where the commercial is being aired.



ZUMWALT

MILWAUKEE JOURNAL
AUGUST 24, 1992

AUG 24 1992

Volume 151, No. 81

MADISON, WISCONSIN ★ ★ ★ MONDAY, AUG. 24, 1992

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Zumwalt: Checota 'unfit' for office

By John Patrick Hunter

Associate Editor, The Capital Times

Retired Adm. Elmo Zumwalt — a former executive of American Medical Buildings who led a move to oust Joe Checota as chairman — today said, "Checota is unfit for high public office."

Zumwalt's criticism of his former business associate came in a series of news conferences denouncing Checota, one of three candidates for the Democratic nomination for the U.S. Senate. The others are U.S. Rep. Jim Moody, Shorewood, and state Sen. Russell

Feingold, D-Middleton.

Zumwalt, a former member of the Joint Chiefs of Staff, said he returned to Wisconsin this weekend to explain why he believes Checota is not qualified "to be a member of the U.S. Senate." His schedule included stops in Milwaukee, Green Bay, Wausau and Madison.

Zumwalt repeated his charge that Checota had been removed as an AMB executive nine years ago by the AMB board for "financial mismanagement and unethical conduct."

Checota's campaign responded by saying a television ad in which Zumwalt



Checota



Zumwalt

attacks Checota proves Zumwalt and Moody are cooperating in a "sleazy, anonymous smear campaign."

The Zumwalt television ad, which began running Friday, is sponsored by "Friends of Jim Moody."

"At last here's the smoking gun," Bill Christofferson, Checota's campaign manager, said in a statement, adding Moody and his campaign staff "have been working with Zumwalt for months to spread unfounded, unproven charges against Checota."

Jim Cunningham, Moody's campaign manager, acknowledged that Zumwalt and the campaign cooperated on the ad, but said Zumwalt's decision to visit the

Continued on Back Page

Checota

■ Continued from Page 1A

state was his.

"The trip is something he's doing on his own, something he wanted to do and something he initiated," Cunningham said.

He said Christofferson's charge that "Moody recruited him" was groundless.

"Tons of bad paper and barrels of ink have been written about his unethical business practices and Joe has to live with the record he has in the business world," Cunningham said.

Zumwalt's appearance in Wisconsin rekindled the bad feelings that existed between the retired admiral and Checota, Christofferson said.

After Checota hired Zumwalt to run the business in the early 1970s, Zumwalt repaid him by "engineering that takeover and threw Checota out of his own company, basically stealing the company from him," Christofferson said.

"After they got rid of Checota, Zumwalt and his cohorts gave themselves big pay raises and stock options," Christofferson said. "Zumwalt himself, over the next few years, took over a million dollars out of the company and then ran it into bankruptcy."

"Meanwhile, Checota went

across the street and started a new company that, according to Business Week, became one of the 10 best small businesses in the United States."

Christofferson also disputed Zumwalt's claim in the TV ad that he is "not a politician." The campaign aide said the retired admiral had "been a candidate for the U.S. Senate, had worked for Richard Nixon's administration, and campaigned for Ronald Reagan as national chairman of 'Democrats for Reagan.'"

Following Checota's ouster, American Medical retained the national accounting firm of Touche Ross and an outside law firm to audit the company's financial resources, Zumwalt said in a statement issued Sunday.

He charges Checota with using company personnel and funds for his own benefit, including work on his home, the purchase of artwork, and leveraging of personal bank loans using company accounts for collateral.

Zumwalt said Checota, while refusing to respond to any of the charges of the audit, has "engaged in a pattern of distorting and misrepresenting what happened at American Medical Building. His television ads and direct mails on this have been pure fantasy."

Zumwalt, despite the fact that the TV ad was sponsored by a Moody campaign committee, said he is not endorsing any other candidate in the race.

AUG 26 1992

271

Checota cries foul on TV show

*Rep. Moody
accused of
mudslinging*

By Dennis A. Shook
Staff Writer

U.S. Senate Democratic candidate Joseph Checota is charging rival Democratic candidate U.S. Rep. Jim Moody, D-Wis., with directly funding a "dirty" campaign against him by using former Rear Admiral Elmo Zumwalt.

The charges were made during an hourlong, live appearance on the Jones Intercable TV call-in show "Citizens Comments" Monday.

Checota, a Milwaukee businessman, explained he once was



"This is simply reprehensible campaigning."

*Joe Checota,
Democratic hopeful
for U.S. Senate*

business partners with Zumwalt, when Checota ran Milwaukee's American Medical Buildings.

"In 1977, I hired (Zumwalt) to head the company I controlled," Checota said, following a question on dirty campaigning by a caller. "But he spent his time teaching seminars and lecturing for fees instead of working for the company. So I fired him in 1979."

Zumwalt led a successful effort to unseat Checota "three to

four years later," the candidate said. Checota said Zumwalt eventually led that company to bankruptcy while Checota was able to make his rival company one of the nation's most respected.

Checota said a new TV commercial, paid for by Moody, blasts Checota as failing "far below the standard of public service this country deserves."

In the commercial, Zumwalt says, "I served on the board of

directors of a company that fired Checota for financial mismanagement and unethical conduct."

Checota denied those charges and said on the TV program, "Moody flew around the state today with former Admiral Zumwalt and (Moody) paid for it. This is a product of hundreds of thousands of dollars" of dirty campaigning.

"This is simply reprehensible campaigning," Checota said of Moody.

"People say about me that I am results-oriented, that I will not back down, that I will step on a few toes," Checota said. "And clearly, I am that kind of guy that does not accept a lot of nonsense. But I meet my responsibilities ... and I do not compromise, or play politics."

Moody campaign officials were not available for comment on Checota's statements.

2 9 6 4 5 6 0 4 0 2

While those actions gain protection from people like his oppo-

protests — 80 times in Milwaukee alone.

homosexuals to be compulsive deviates who deserve compassion

Please turn to Page 2B, Col. 1

like this is minimal," Veiden said.

Checota, under attack, joins critic's news conference

By Nathan Seppa

Wisconsin State Journal

Former Navy Adm. Elmo Zumwalt toured the state Monday on an unusual mission — to denounce U.S. Senate candidate Joseph Checota, a former business associate, for "financial mismanagement and unethical conduct."

But when Zumwalt got to Madison, Checota crashed the event. And what started as a news conference rapidly became made-for-TV drama.

The two men didn't speak to each other during the exchange at the Dane County Regional Airport, even though they crossed paths several times.

Zumwalt began by saying Checota misled the public and the board of directors of Checota's first company, American Medical Buildings, regarding a risky venture called the American Network. Zumwalt was a member of the board at the time. The venture eventually was abandoned and Checota fired.

Zumwalt also cited an internal audit done at the company that alleged Checota misused company personnel by having

them work on his private residence, and paying back "less than a tenth" of the costs.

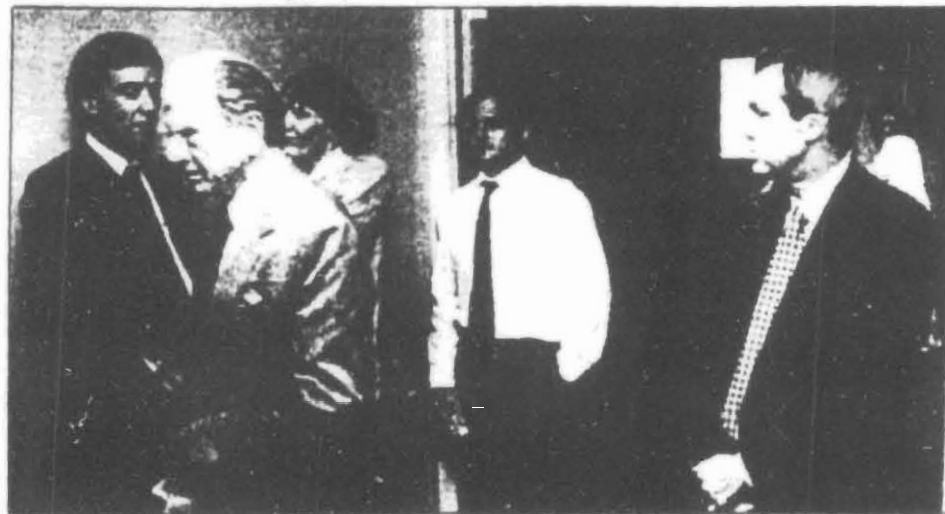
After taking questions, Zumwalt stepped down and Checota took the podium. He accused Zumwalt of doing the bidding of U.S. Rep. Jim Moody, a rival for the Democratic nomination to take on incumbent GOP Sen. Robert Kasten.

The Moody campaign has started to air footage of Zumwalt accusing Checota of "gross inaccuracies" and of operating at a level that "falls below the standard of public service this country deserves."

"Congressman Moody is the one behind these charges," Checota said Monday. Zumwalt and Moody have been working together "for months," Checota said. "I regret that Congressman Moody has seen fit to take this ugly turn in the campaign."

Jim Cunningham, campaign manager for Moody, said that Checota "started this negative campaign months ago, and now we're going to finish it."

At the news conference, Checota denied the accusations made by Zumwalt pertaining to the internal audit report.



State Journal photo JOSEPH W. JACKSON III

Joseph Checota, right, eyes Zumwalt, second from left, at Monday's news conference

Zumwalt and others made large sums of money at American Medical after Checota's ouster, Checota said. But, when questioned, Checota refused to say how much he earned during his time at the company or to comment on Zumwalt's argument that Checota had squandered the company's money on an ill-advised venture.

Checota also defended his presence at the news conference.

"I don't know what choice I have but to say in clear and precise terms that I am being maligned by lies and half-truths in commercials," he said.

Zumwalt then took another turn at the podium to say he is paying his own way around the state and endorsing no candidate. "I made a personal decision to be here," he said.

WSJ Aug. 25, 1992

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MILWAUKEE SENTINEL
8/25/92**Checota says Moody
is behind attacks**

Sentinel Madison Bureau

Madison — Democratic U.S. Senate candidate Joseph W. Checota said Monday that one of his primary election opponents, Rep. James Moody (D-Wis.), was the guiding force behind recent political attacks made against him by retired Adm. Elmo R. Zumwalt Jr.

"Congressman Moody is the one behind these charges. He's been working with Adm. Zumwalt for months to spread unfounded, unproven charges against me," Checota said during a news conference at the Dane County Regional Airport.

The news conference had been called by Zumwalt, who repeated allegations made Sunday in Milwaukee of Checota's business malfeasance and unfitness to hold public office.

Checota crashed the news conference to respond to Zumwalt's statements. There was no personal confrontation between the two men.

Zumwalt, who served on the board of directors of American Medical Buildings when Checota was the firm's chairman, engineered Checota's ouster from that company.

Sen. Russell D. Feingold (D-Middleton) Monday asked the Milwaukee Sentinel to make clear that he did not help pay for a television commercial in which Zumwalt criticizes Checota. The ad was paid for by the Friends of Jim Moody. A story on Zumwalt's allegations appeared in Monday's Sentinel.

93040934964

CLOSER TO HOME

Facing off the admiral

Joe Checota strode into the Dane County Airport in Madison, looking stern, determined. **Clint Eastwood** couldn't have played the part better. He'd come to settle a score. **Jim Moody**'s been running dirty campaign ads, Checota said. Moody was behind the two-day fly-around tour of the state by **Elmo Zumwalt**, a former



CHECOTA



ZUMWALT

Checota business partner turned bitter rival, Checota said. Checota walked right up to the tiny conference room at the airport where Zumwalt was holding his blast-Checota news conference Monday and walked

straight in. The two men squeezed past each other — twice — in the room and never spoke a word. They avoided eye contact. Zumwalt, a former Navy admiral, let loose his familiar refrain: Checota was an unethical businessman when the two were in business together and profited personally at the company's expense. Checota didn't like what Zumwalt had to say, but he had Moody on his mind. "I'm clean and Moody's dirty," Checota said. Moody started this dirt first, but I won't sit still for it, Checota said. He, in effect, called Moody

chicken for failing to stand up and whack Checota personally. Zumwalt denied being in cahoots with Moody, and so did Moody's campaign staff. But most evidence pointed otherwise. Moody paid for and ran a Zumwalt television ad that attacked Checota's business record, and a former Moody PR man, **Mark Goff**, was schlepping Zumwalt around the state.

MILWAUKEE JOURNAL
AUGUST 25, 1992

23040934965

Milwaukee Sentinel

AUG 26 1992

27/ Zumwalt ripped by Checota

Laws broken, says Moody opponent

By JAN UEBELHERR

Sentinel staff writer

Businessman Joseph W. Checota Tuesday accused Rep. Jim Moody and retired Adm. Elmo Zumwalt of breaking federal campaign laws or "lying about who paid" for Zumwalt's news conferences this week attacking Checota.

Zumwalt, a former business associate of Checota, also appears in a new television ad saying Checota is unfit to hold office. The ad was paid for by Friends of Jim Moody.

Checota, Moody and State Sen. Russell D. Feingold of Middleton are on the ballot in the Sept. 8 Democratic primary for the U.S. Senate.

Zumwalt said he paid for his own appearances in Wisconsin Sunday and Monday to deliver his criticism of Checota.

The Checota campaign said it would have been legal for the Moody campaign to pay for Zumwalt's transportation and other costs.

However, the campaign said in a statement that Zumwalt's travel expenses amount to more than \$1,000, the limit for in-kind primary campaign contributions.

"The only way Zumwalt could spend more than \$1,000 on Moody's behalf is to claim it is an independent expenditure."

But Zumwalt clearly cannot claim that his public statements against Joe Checota, news conferences and related expenses are independent and completely uncoordinated with the Moody campaign, as the law requires," the Checota campaign said in a statement.

Moody's campaign responded by saying that Zumwalt is free as a citizen to go anywhere and discuss whatever he chooses.

"We did not coordinate or set up his visit," Moody campaign manager Jim Cunningham said.

"It's another smoke screen by Joe Checota because he just doesn't want to have to answer all the ethical questions that have been raised," Cunningham said.

The winner of the primary will advance to face Sen. Robert W. Kasten Jr. (R-Wis.).

23040934966

AUG 26 1992

271 Checota ad fires back at old foe Zumwalt

*Senate candidate says
former associate has ties
to Moody's campaign*

By CRAIG GILBERT
Journal political reporter

Democrat Joe Checota is striking back at his old business associate, retired Adm. Elmo Zumwalt, by airing a TV commercial that says Zumwalt has been "recruited" by opponent Jim Moody to smear him.

Moody aides deny coordinating Zumwalt's attacks on Checota, a wealthy Milwaukee businessman who is opposing Moody in the US Senate race. Zumwalt, former member of the Joint Chiefs of Staff, just completed a short speaking tour in Wisconsin in which he attacked Checota as unfit for the Senate.

Before that, he taped a TV ad for Moody, in which he asserted that Checota "falls far below the standards of public service this country deserves."

The two men were once business associates, then became bitter enemies. Checota hired Zumwalt as chairman of Checota's first company, American Medical Buildings. Zumwalt later engineered Checota's ouster from the company in 1983. Earlier this summer, Zumwalt began his public criticism of Checota, saying he had acted unethically and mismanaged the company while at American Medical.

In the new counterattack, Checota calls Zumwalt "the man Jim Moody recruited to help smear Joe Checota." The ad refers to Moody as "the man behind the mudslinging."

The Checota-Zumwalt battle is only the latest chapter in the Democratic primary, the costliest and nastiest in recent memory. The

fighting has pitted Moody and Checota, with the third major Democrat, state Sen. Russ Feingold of Middleton, on the sidelines.

In an advertising war launched by Moody earlier this month, he and Checota have exchanged volleys of attack ads over both men's taxes, Moody's congressional votes and Checota's business history.

MANY ACCUSATIONS

On Tuesday, Checota campaign officials accused Zumwalt and Moody of either lying or breaking election laws.

Zumwalt has said he paid all his own expenses when he came to Wisconsin from Virginia earlier this week to speak to the news media about Checota. Checota aides said his trip either constituted an in-kind contribution to Moody — in which case it violated the \$1,000 limit on individual contributions — or it was an independent expenditure, which aren't limited. Independent expenditures, however, must occur with no involvement from another campaign, and "Zumwalt is working with the Moody campaign," said Craig Varoga, Checota's campaign manager.

Zumwalt denied his trip was coordinated with Moody.

An official with the Federal Elections Commission said a trip like Zumwalt's could conceivably be considered an in-kind contribution and subject to the \$1,000 limit, but he said the commission had never considered a case like it.

Zumwalt said that before the anti-Checota ad was made, he made it clear through friends in Wisconsin that his views could be used by Checota's opponents. He said a media firm in Washington, D.C., then approached him about taping an ad, and he taped it without knowing whom the firm was working for — a claim Checota aides called preposterous.

23740934967

AUG 23 1972

Capital Times

Checota rips Zumwalt

By David Callender

The Capital Times

Democratic U.S. Senate hopeful Joe Checota lashed out at both his political rival, U.S. Rep. Jim Moody, and his former business rival, retired Adm. Elmo Zumwalt, for attempting to discredit him by spreading "unfounded, unproven charges against me."

Checota confronted Zumwalt, his former business associate, during a news conference by Zumwalt in Madison Monday afternoon. He charged that the admiral's trip was organized by individuals close to the Moody campaign.

Checota said Zumwalt "came to me with these trumped-up charges when we were fighting for American Medical Buildings 10 years ago," but the admiral chose not to make the accusations public at the time.

He accused Zumwalt of acting as "a willing accomplice in his (Moody's) smear campaign against me" because "Elmo Zumwalt has a lot of reasons to be

bitter and to want to get even with me."

Checota said he hired Zumwalt, a former member of the Joint Chiefs of Staff and chief of naval operations during the Vietnam War, to serve as American's president in 1977.

He said he fired Zumwalt two years later because "he spent more time giving speeches and earning personal speaking fees than he spent taking care of business at American."

As a member of American's board of directors, Zumwalt helped wrest control of the company away from Checota during a bitter legal struggle that ended in 1983. He became chief executive officer of AMB following Checota's firing.

Checota then went on to organize and start Universal Medical Buildings, a publicly traded Milwaukee company he still heads.

Zumwalt is appearing in some of Moody's TV ads, urging voters not to vote for Checota because he is "unfit for high public office."

He said he volunteered to make the ads for any candidate opposing Checota, and said his appearance was not solicited by Moody's campaign.

The retired admiral added that he was not paid for his appearances, nor has he had any contact with Moody's campaign apart from the production of the current TV ads.

During the press conference, Zumwalt repeated charges made during a secret internal company investigation, which alleged that Checota improperly billed American Medical Buildings for several works of art and remodeling of his home, used a corporate bank account as leverage for a personal loan, and had contacts with a brokerage firm whose officials were eventually charged with insider trading.

While declining to address the allegations specifically during the press conference, Checota categorically denied them as "lies and untrue."

He said if Zumwalt felt such accusations were true, he should have filed suit at the time.

AUG 24 1992

Checota blasts Zumwalt in TV commercial

Associated Press 271

Businessman Joe Checota's campaign said a television ad in which retired Admiral Elmo Zumwalt attacks Checota proves he and U.S. Rep. Jim Moody are cooperating in a "sleazy, anonymous smear campaign."

"At last here's the smoking gun," Bill Christofferson, Checota's campaign manager, said in a statement. Moody and his campaign staff "have been working with Zumwalt for months to spread unfounded, unproven charges against Checota."

Checota and Moody are competing in the Democratic U.S. Senate primary Sept. 8.

Zumwalt, a former Checota business associate and member of the Joint Chiefs of Staff, appears in a television ad that began airing statewide Friday. It is paid for by "Friends of Jim Moody."

In the ad, Zumwalt attacks Checota for falling "far below the standard of public service this country deserves." Zumwalt was scheduled to speak against Checota in several appearances statewide Sunday and Monday.

Checota recruited Zumwalt to run American Medical Buildings following his retirement from the military. In 1983, he led the company's board of directors in removing Checota as chairman of the board.

Jim Cunningham, Moody's campaign manager, acknowledged that Zumwalt and the campaign cooperated on the ad, but said Zumwalt's decision to visit the state was his.

"The trip is something he's doing on his own, something he wanted to do and something he initiated," Cunningham said.

He said Christofferson's charge that "Moody recruited him" was groundless.

"Tons of bad paper and barrels of ink have been written about his unethical business practices and Joe has to live with the record he has in the business world," Cunningham said.

23040234969

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE

92 SEP 23 PM 3:37



E. R. ZUMWALT, JR.
ADMIRAL, U. S. NAVY (RET.)

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM
SEP 23 12 10 PM '92

OGC#8589

September 22, 1992

Federal Election Commission
Office of the General Counsel
999 E Street NW
Washington, DC 20463

Re: MUR 3599

Dear Mr. Zanfardino:

This is in response to the complaint filed against me with the Federal Election Commission by Bill Christofferson, Campaign Director of Joe Checota for Senate. The complaint was sent to me by letter dated September 8, 1992 from Jonathan Bernstein, Assistant General Counsel of the Federal Election Commission.

The complaint also names parties other than me, and this response is limited to the matters set forth in the complaint which relate only to me.

As I understand the complaint, the only charge made against me personally is that I somehow violated the law by making an in-kind contribution of more than the legal limit of \$1,000 to the United States Senate Campaign of Congressman Jim Moody. I deny this allegation as explained in greater detail below.

3040934920

FACTUAL MATTERS

Mr. Christofferson's complaint asserts a number of facts regarding me. Some are true; some are not.

As asserted by Mr. Christofferson, I am a resident of the State of Virginia and I am a former business associate of Mr. Checota. I agree that published reports have characterized Mr. Checota and me as personal and professional enemies, although I believe there has been no occasion until recently for the media to characterize our relationship with respect to political matters.

When called by reporters and asked questions about Mr. Checota, I have responded to the questions. I did not at any time endorse the candidacy of anyone in the Wisconsin Democratic Primary for U.S. Senate, though I repeatedly stated that I did not believe Mr. Checota was the type of individual who should serve as a U.S. Senator.

When called by Struble Totten Communications and asked to appear in a television commercial critical of Checota, I agreed. I did not incur any expense in stating my position in the commercial nor did I endorse any candidate. The commercial was filmed at my office by Struble Totten Communications.

I did hold the news conferences described in Mr. Christofferson's complaint. During these conferences I again stated I was not endorsing any of the three candidates in the primary, but did speak against the election of Mr. Checota.

0304093491

I did travel from Wisconsin to Washington D.C. by commercial airplane. The cost of my round trip ticket from Washington D.C. to Milwaukee was \$560. I also travelled from Milwaukee to Green Bay, Wausau and Madison by private plane. The cost of this plane rental was \$400 (for which I have not yet received a bill, but for which I understand a bill was received on September 21, 1992 by Mr. Mark Goff, a public relations specialist I retained). In addition, I paid various taxi fares amounting to approximately \$50. When questioned at the news conferences, I did say that I was paying for these costs myself. I did not intend these payments to be an in-kind contribution to Mr. Moody or to the other candidate in the race (Russell Feingold), but rather viewed the costs as part of my personal effort to defeat Mr. Checota's candidacy.

I also indicated at the news conferences that I had personally hired Mr. Mark Goff to assist me in connection with the news conferences. I have not yet received a bill from Mr. Goff for his services and expenses related to the press conferences, but understand he will be sending me a bill, dated September 22, 1992 now that he has received all bills, for related expenses. The amount of the bill for Mr. Goff's services will be \$150. In addition, the bill also includes the private plane charges noted above, and room rental fees for press conferences in Madison, and Milwaukee, Wisconsin, which total \$105.

The total amount of my expenses, including the commercial airplane travel, chartered plane travel, taxi fares and fee reimbursement to Mr. Goff is \$1,265.

93040934912

APPLICABLE REGULATIONS

I am advised by my legal counsel that the following legal principles apply to the claims made by Mr. Christofferson on behalf of Mr. Checota:

Under the applicable regulation, the term "contribution" does not include any unreimbursed payment for transportation expenses incurred by any individual on behalf of any candidate or any political committee to the extent that the aggregate value of the payments made by such individual on behalf of a candidate does not exceed \$1,000 with respect to a single election. 11 CFR Section 100.7(b)(8). Accordingly, the first \$1,000 of transportation expenses incurred by me in connection with my August trip to Wisconsin is not considered to be contribution, even if my press conferences are viewed as having been undertaken on behalf of Mr. Moody rather than as an independent expenditure. In this regard, I reiterate that my intention was that my efforts against Checota should be considered independent of Mr. Moody or any other candidate.

In any event, since transportation expenses amounted for \$1,010 of my total expense of \$1,265 in connection with the press conferences, only the amount of transportation costs in excess of \$1,000 should be charged against the \$1,000 campaign limit. Such excess transportation expense is \$10. Since the sum of such excess amount and my other expenditures during the Wisconsin U.S. Senate primary campaign is \$265, I could not exceed the \$1,000 campaign contribution limit should it somehow apply.

230409349/3

Federal Election Commission
September 22, 1992
Page 5

In light of the foregoing, I hereby request that the Federal Election Commission close the file in this matter because there is no reason to believe that Mr. Christofferson's complaint sets forth a possible violation of the Federal Election Campaign Act of 1971.

23040934274

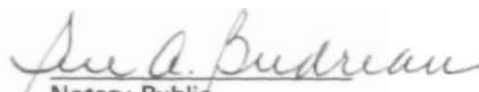
VERIFICATION

I hereby swear that the facts set forth in this submission are true to the best of my knowledge, information and belief.

Very truly yours,


Elmo R. Zumwalt, Jr.

Subscribed to and sworn
to before me this 23rd
day of September, 1992.


Notary Public
My Commission expires:
July 31, 1995

23040934215

#6584

FRIEBERT, FINERTY & ST. JOHN, S.C.
ATTORNEYS AT LAW

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WILLIAM S. ROUSH, JR.
DAVID S. BRANCH
CORDELIA S. MUNROE
CAREN B. GOLDBERG
S. TODD FARRIS
LAURA E. CAMPBELL
TED A. WARPINSKI
BRIAN R. SMIGELSKI
MATTHEW W. O'NEILL
BRUCE C. KULPACA
OF COUNSEL
PETER K. ROFES

September 22, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
92 SEP 23 AM 11:08

Federal Election Commission
Office of the General Counsel
Washington, DC 20463

Re: MUR 3599

Ladies and Gentlemen:

This letter is in response to the complaint filed against Congressman Jim Moody by the campaign director of the Joe Checota for Senate campaign.

In our opinion, the complaint is frivolous and should be dismissed immediately.

The gist of the complaint is contained at page 4 where Mr. Christofferson asserts:

Cost of his (Admiral Zumwalt's) travel and lodging were substantially more than \$1,000.

As the Commission well knows, the first \$1,000 of transportation expenses incurred by an individual do not constitute contributions. 11 C.F.R. § 100.7(b)(8). Even assuming there was coordination, in order for there to have been any violation, the total amount of expenses of Admiral Zumwalt would have to have been more than \$2,000 to constitute a violation of the federal regulations rather than the \$1,000 asserted in the complaint because the first \$1,000 does not constitute a contribution.

23040934976

We have conferred with counsel for Admiral Zumwalt and have been advised that Admiral Zumwalt's expenses totalled \$1,265. After eliminating the first \$1,000 of travel expenses pursuant to the federal regulations, the actual potential contribution from Admiral Zumwalt was only \$265. Nothing had to be reported since a contribution in excess of \$1,000 did not occur after August 20, 1992.

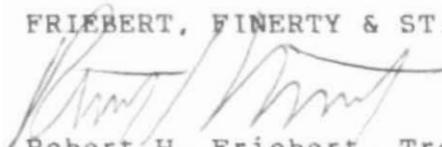
There is the possibility that the activities of Admiral Zumwalt, although not intended to be an in-kind contribution to the Jim Moody campaign, may, technically, constitute such a contribution. The campaign committee is investigating this matter. If it turns out that a technical contribution has taken place, it is anticipated that the campaign will report this \$265 contribution in its next report, which would be the appropriate time for such a disclosure.

Although the complaint discusses many regulations, it ignores the \$1,000 travel exemption regulation. It is hard to believe that Mr. Checota's sophisticated and experienced campaign director is unfamiliar with these and similar Wisconsin regulations. Filing a complaint with this glaring error appears to be a deliberate act intended to harass and embarrass. The facts as disclosed to us by Admiral Zumwalt's counsel demonstrates that there has been no violation of any federal regulations. The file should be closed because there is no possible violation of the Act.

If you have any questions, please feel free to contact us.

Very truly yours,

FRIEBERT, FINERTY & ST. JOHN, S.C.


Robert H. Frieber, Treasurer
Friends of Jim Moody

RHF/dmv:6368C

cc: Jonathan A. Bernstein, Assistant General Counsel
Richard M. Zanfardino

23040934977



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 28, 1992

Mark Goff
Goff and Associates
2025 N. Summit Avenue
Milwaukee, WI 53211

RE: MUR 3599

Dear Mr. Goff:

On September 8, 1992, you were notified that the Federal Election Commission received a complaint from Bill Christofferson alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 21, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information. A copy of the videotape will be forwarded to you as soon as we complete our duplication process.

If you have any questions, please contact Richard Zanfardino at (202) 219-3690.

Sincerely

A handwritten signature in dark ink, reading "Jonathan Bernstein", is written over a light-colored rectangular background.

Jonathan A. Bernstein
Associate General Counsel

Enclosure

39409342/8



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 28, 1992

Admiral Elmo Zumwalt (Ret.)
1500 Wilson Boulevard
Arlington, Virginia 22209

RE: MUR 3599

Dear Admiral Zumwalt:

On September 8, 1992, you were notified that the Federal Election Commission received a complaint from Bill Christofferson alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

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If you have any questions, please contact Richard Zanfardino at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, which appears to read "Jonathan Bernstein", is written over a light-colored rectangular background.

Jonathan A. Bernstein
Associate General Counsel

Enclosure

23040234919



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 28, 1992

Karl Struble
Struble Totten Communications
540 Seventh Street, S.E.
Washington, D.C. 20003

RE: MUR 3599

Dear Mr. Struble:

On September 8, 1992, you were notified that the Federal Election Commission received a complaint from Bill Christofferson alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 21, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information. A copy pf the videotape will be forwarded to you as soon as we complete our duplication process.

If you have any questions, please contact Richard Zanfardino at (202) 219-3690.

Sincerely

A handwritten signature in cursive script, reading "Jonathan Bernstein", is written over a light blue rectangular background.

Jonathan A. Bernstein
Associate General Counsel

Enclosure

3040234250



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 28, 1992

Friends of Jim Moody
Robert Friebert, Treasurer
P.O. Box 93330
Milwaukee, WI 53203

RE: MUR 3599

Dear Mr. Friebert:

On September 8, 1992, you were notified that the Federal Election Commission received a complaint from Bill Christofferson alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 21, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information. A copy of the videotape will be forwarded to you as soon as we complete our duplication process.

If you have any questions, please contact Richard Zanfardino at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jonathan Bernstein". The signature is fluid and cursive.

Jonathan A. Bernstein
Associate General Counsel

Enclosure



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 28, 1992

Jim Moody
3946 N. Farewell Avenue
Shorewood, WI 53211

RE: MUR 3599

Dear Mr. Moody:

On September 8, 1992, you were notified that the Federal Election Commission received a complaint from Bill Christofferson alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 21, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this information. A copy of the videotape will be forwarded to you as soon as we complete our duplication process.

If you have any questions, please contact Richard Zanfardino at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, which appears to read "Jonathan Bernstein", is written over the typed name.

Jonathan A. Bernstein
Associate General Counsel

Enclosure

23040934902



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 7, 1992

Karl Struble
Struble Totten Communications
540 Seventh St., S.E.
Washington, D.C. 20003

RE: MUR 3599

Dear Mr. Struble:

On September 28, 1992, this Office forwarded the supplemental information provided by the complainant in this matter. The videotape included with the supplemental information has been duplicated and is enclosed.

If you have any further questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. M. Zanfardino", is written over a rectangular area. Below the signature, the name and title are printed.

Richard M. Zanfardino
Staff Member

Enclosure

3040934983



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 7, 1992

Mark Goff
Goff and Associates
2025 N. Summit Ave.
Milwaukee, WI 53211

RE: MUR 3599

Dear Mr. Goff:

On September 28, 1992, this Office forwarded the supplemental information provided by the complainant in this matter. The videotape included with the supplemental information has been duplicated and is enclosed.

If you have any further questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Zanfardino", is written over a rectangular area. Below the signature, the name "Richard M. Zanfardino" and title "Staff Member" are printed.

Richard M. Zanfardino
Staff Member

Enclosure

3049934934



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1992

Admiral Elmo Zumwalt (Ret.)
1500 Wilson Blvd.
Arlington, VA 22209

RE: MUR 3599

Dear Admiral Zumwalt:

On September 28, 1992, this Office forwarded the supplemental information provided by the complainant in this matter. The videotape included with the supplemental information has been duplicated and is enclosed.

If you have any further questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. Zanfardino", is written over a rectangular area.

Richard M. Zanfardino
Staff Member

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1992

Friends of Jim Moody
Robert Friebert, treasurer
P.O. Box 93330
Milwaukee, WI 53203

RE: MUR 3599

Dear Mr. Friebert:

On September 28, 1992, this Office forwarded the supplemental information provided by the complainant in this matter. The videotape included with the supplemental information has been duplicated and is enclosed.

If you have any further questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. M. Zanfardino", is written over a light-colored rectangular background.

Richard M. Zanfardino
Staff Member

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1992

Hon. Jim Moody
3946 N. Farewell Ave.
Shorewood, WI 53211

RE: MUR 3599

Dear Representative Moody:

On September 28, 1992, this Office forwarded the supplemental information provided by the complainant in this matter. The videotape included with the supplemental information has been duplicated and is enclosed.

If you have any further questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. M. Zanfardino", is written over a rectangular area.

Richard M. Zanfardino
Staff Member

Enclosure

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RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

OCT 8 11 14 AM '92



E. R. ZUMWALT, JR.
ADMIRAL, U. S. NAVY (RET.)

October 5, 1992

Federal Election Commission
Office of the General Counsel
Washington, DC 20463
Attn: Mr. Richard M. Zanfardino

Re: MUR 3599

Dear Mr. Zanfardino:

I have received a letter dated September 28, 1992 from Jonathan A. Bernstein, Associate General Counsel of the Federal Election Commission, transmitting to me a copy of a letter dated September 17, 1992 from Bill Christofferson and copies of certain newspaper articles enclosed with Mr. Christofferson's letter.

I am at a loss to understand the relevancy of Mr. Christofferson's letter or the materials which he has sent to the FEC. As I explained in my September 22, 1992 letter response to the complaint originally filed with the FEC by Mr. Christofferson, the total amount expended by me in connection with my advocacy of Joe Checota's defeat in the Wisconsin Democratic primary was \$1,265. I have been advised that the first \$1,000 of such expenditure does not constitute a "contribution" because such amount was spent for personal transportation expenses which are expressly not considered a contribution under the applicable regulations. Thus, even if my expenditures are considered to be an in-kind contribution to the Jim Moody campaign (which was not my intent), I did not exceed the \$1,000 contribution limit.

I can only conclude that Mr. Christofferson's latest correspondence with you is intended to harass and inconvenience me, since his original complaint is so clearly without merit.

Sincerely,

E. R. Zumwalt, Jr.

1500 Wilson Boulevard
Arlington, Virginia 22209
(703) 351-8297

cc: Jonathan A. Bernstein,
Assistant General Counsel

92 OCT -8 PM 1:32

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL

RECEIVED
F.E.C.
SECRETARIAT

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

93 MAR 18 AM 9:47

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR # 3599
DATE COMPLAINT RECEIVED
BY OGC September 1, 1992
DATE OF NOTIFICATION TO
RESPONDENTS September 8, 1992
STAFF MEMBER Holly Baker

COMPLAINANT: Bill Christofferson, Campaign Director,
Joe Checota for Senate

RESPONDENTS: Jim Moody
Friends of Jim Moody and Robert Friebert, as
treasurer
Struble Totten Communications
Admiral Elmo Zumwalt (Ret.)
Mark Goff

RELEVANT STATUTES: 2 U.S.C. § 431(8)(A)(i)
2 U.S.C. § 431(8)(B)(i)
2 U.S.C. § 431(8)(B)(iv)
2 U.S.C. § 431(17)
2 U.S.C. § 434(a)(6)(A)
2 U.S.C. § 434(c)
2 U.S.C. § 441a(a)(1)(A)
2 U.S.C. § 441a(a)(7)(B)(i)
2 U.S.C. § 441d(a)
2 U.S.C. § 441d(a)(1)
11 C.F.R. § 100.7(a)(1)(iii)

INTERNAL REPORTS CHECKED: FEC indices and the public record

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated by a complaint filed on
September 2, 1992 by Bill Christofferson, Campaign Director,
Joe Checota for Senate against Jim Moody, Friends of Jim
Moody ("Committee"), Admiral Elmo Zumwalt (Ret.), Struble
Totten Communications, and Mark Goff of Goff and Associates.

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Complainant filed a supplement to his complaint on September 21, 1992. (Attachment 1). Admiral Zumwalt filed responses on September 23, 1992 and on October 8, 1992. (Attachment 2). Friends of Jim Moody filed a response dated September 22, 1992. (Attachment 3). The other Respondents have not responded. Complainant alleges that Admiral Zumwalt made, and the Friends of Jim Moody failed to report, various in-kind contributions in the form of TV ads negative to Joe Checota and travel and lodging expenses in connection with personal appearances at news conferences in Wisconsin during the two weeks before the September 8, 1992 primary.

On September 8, 1992, Senator Joe Checota and Congressman Jim Moody were both defeated in the Democratic primary by Russell Feingold. Mr. Feingold received 70% of the vote to Mr. Checota's 14% and Mr. Moody's 14%.

II. FACTUAL AND LEGAL ANALYSIS

A. The Law

The Federal Election Campaign Act of 1971, as amended ("Act") provides that no person shall make contributions to any candidate and his authorized political committees with respect to any federal election which aggregate more than \$1,000. 2 U.S.C. § 441a(a)(1)(A). The Act defines "contribution" to include anything of value made by a person to influence a federal election. 2 U.S.C. § 431(8)(A)(i). Regulations of the Federal Election Commission ("Commission") further provide that "anything of value" includes all in-kind contributions. 11 C.F.R. § 100.7(a)(1)(iii). The term

"contribution" also includes any expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate or his political committee. 2 U.S.C. § 441a(a)(7)(B)(i). The term "contribution" does not include the value of any services a person volunteers on behalf of a candidate or political committee, 2 U.S.C. § 431(8)(B)(i), or any unreimbursed travel expenses not in excess of \$1,000. 2 U.S.C. § 431(8)(B)(iv).

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The Act requires principal campaign committees of candidates for the Senate to notify in writing the Secretary of the Senate and the Secretary of State of each contribution totaling \$1,000 or more, received after the 20th day but more than 48 hours before any election. 2 U.S.C. § 434(a)(6)(A). The Act further requires notification to be made within 48 hours after the receipt of the contribution ("48 Hour Notices"). Id.

Under the Act, an "independent expenditure" is an expenditure made by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate or candidate's authorized committee and which is not made in concert with, or at the request or the suggestion of, any candidate or authorized committee. 2 U.S.C. § 431(17). The Act provides that every person who makes independent expenditures of \$250 or more during a calendar year must file a statement with the Commission, including a certification

indicating whether the independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate or political committee.

2 U.S.C. § 434(c).

The Act further provides that whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate through any broadcast station or any other type of general public political advertising, such communication shall clearly bear the appropriate disclaimer.

See 2 U.S.C. § 441d(a). If the communication is paid for and authorized by a candidate, the candidate's authorized committee or its agent, then the communication shall state that it has been paid for by such authorized committee.

2 U.S.C. § 441d(a)(1).

B. Allegations

Complainant alleges that Congressman Jim Moody and his campaign committee violated the Act by accepting in-kind contributions in excess of \$1,000 and by failing to report in a timely manner the in-kind contributions. Complainant further alleges that Admiral Zumwalt made excessive in-kind campaign contributions.

Complainant alleges that the in-kind contributions in question arose through the production of a television commercial, produced by Struble Totten Communications, in which Admiral Zumwalt concludes: "I'm not endorsing anyone for Senate, but in my judgment Joe Checota falls far below

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the standard of public service this country deserves." The commercial carries a disclaimer stating that it is "Paid by Friends of Jim Moody." (See video tape accompanying supplement to complaint on file in the Office of General Counsel.) The ad began to air on August 21, 1992, approximately two weeks before the primary. Complainant claims that Struble Totten is the media consulting firm of the Committee.

Complainant further alleges that two days after the commercial began airing on August 21, 1992, Admiral Zumwalt traveled by commercial airline from Washington, D.C. to Wisconsin to hold a series of news conferences in which he alleged that Mr. Checota was unfit for office and was unethical in business matters (Milwaukee on August 23, 1992; Green Bay, Wasau, and Madison on August 24). (See Attachment 1). Complainant alleges that Admiral Zumwalt's expenses for travel and lodging exceeded \$1,000.

Complainant contends that Mark Goff, the person who accompanied Admiral Zumwalt to the news conferences, has long-standing and ongoing relations with Jim Moody and his campaign committees, including Mr. Moody's 1992 bid for the Senate, despite currently owning an independent consulting firm. The presence of Mr. Goff at the news conferences, in addition to the Struble Totten produced commercial, leads Complainant to conclude that Admiral Zumwalt did not make independent expenditures but rather made excessive in-kind contributions to the Friends of Jim Moody.

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C. Responses and Discussion

Admiral Zumwalt states that he did not intend to make an in-kind contribution to Mr. Moody's (or Mr. Feingold's) campaign. Rather, he says that he intended to make expenditures to defeat Joe Checota. Despite his claim that he was independently trying to defeat Joe Checota, Admiral Zumwalt's activities appear to be in-kind contributions and not independent expenditures as that term is used under the Act. News accounts accompanying the complaint indicate that the Committee admits that it and Admiral Zumwalt cooperated on the television ad, which was produced by Struble Totten, (see Attachment 1 at pp. 4-5), and consistent with that admission, the disclaimer states, "Paid by Friends of Jim Moody." News accounts also report that although the Committee and Admiral Zumwalt deny that they cooperated with one another on the Wisconsin news conferences, Admiral Zumwalt was accompanied by Mark Goff, long-time campaign aide and consultant to Mr. Moody. (See Attachment 1 at pp. 2, 7, 10, 11, 12). The admitted cooperation between the Moody campaign and Admiral Zumwalt on the TV ad and the assistance of Mark Goff in the Wisconsin news conferences support the conclusion that Admiral Zumwalt was not an independent campaign spender. Further, Admiral Zumwalt did not file with the Commission any of the requisite reports or certification required of independent campaign spenders under 2 U.S.C. § 434(c). The weight of the evidence favors rejecting Admiral Zumwalt's claim that his activities constitute

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independent expenditures under the Act and instead regarding his spending as in-kind contributions.

Admiral Zumwalt himself argues that should his activities to defeat Joe Checota be regarded as an in-kind contribution, then the total in-kind contribution he made was \$1,265. Of that amount, the first \$1,000 in transportation costs are not a contribution under the Act. Thus, he claims that he made only a \$265 in-kind contribution. Admiral Zumwalt lists the following expenses:¹

commerical air fare	\$560
chartered air travel	400
taxi fares	50
 SUB-TOTAL Transportation	 \$1010
 room rental fees	 105
Mr. Goff's fees	<u>150</u>
 TOTAL:	 \$1265

As for the television ad, Admiral Zumwalt denies that he incurred any expense related to the production of the television commercial, and there is no indication that Admiral Zumwalt paid for the commercial; volunteering to appear in an ad is not a "contribution" under the Act. See 2 U.S.C. § 431(8)(B)(i). News accounts submitted with the

1. Admiral Zumwalt does not list any lodging expenses. However, even if he incurred such expenses, they would probably not constitute a contribution. The Act's regulations provide that any unreimbursed payment from a volunteer's personal funds for usual and normal subsistence expenses incidental to volunteer activity is not a contribution. 11 C.F.R. § 100.7(b)(8).

complaint report Mr. Checota as claiming that the Moody campaign paid for the ad. (See Attachment 1 at pp. 6, 9). The ad's disclaimer is consistent with Mr. Checota's reported statement and complies with the Act's disclaimer requirement for ads paid for and authorized by the campaign. See 2 U.S.C. § 441d(a)(1). The Committee reported on its third quarter report a disbursement in the amount of \$25,000 to Struble Totten, but because the disbursement is not itemized, it is not possible to tell whether that payment included production costs for the Zumwalt ad. Thus, it does not appear that Admiral Zumwalt made a contribution reportable under the Act in regard to the television ad.

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Construing the activities in question in congruence with the complaint and news accounts submitted by Complainant, it does appear that Admiral Zumwalt may have made an in-kind contribution of \$265 to the Moody campaign. That \$265, however, does not exceed the \$1,000 contribution limit established by the Act. Admiral Zumwalt's transportation expenses not in excess of \$1,000 do not constitute a contribution under the Act. See 2 U.S.C. § 431(8)(B)(iv). Commission indices list no other contributions on the part of Admiral Zumwalt to the Moody campaign.

The Committee claims in its response that Admiral Zumwalt's activities, although not intended as such by him, may constitute an in-kind contribution in the amount of \$265. The Committee uses the figures supplied by Admiral Zumwalt: \$1,265 minus \$1,000 travel expenses = \$265. The Committee

submits that because \$265 is not a contribution in excess of \$1,000, the Committee did not have to report it on a 48 Hour Notice under 2 U.S.C. § 434(a)(6). The Committee indicated that it would report the in-kind contribution on its third quarter report. Commission records show that the Committee did report an in-kind contribution of \$265 from Admiral Zumwalt on its third quarter report, filed on October 15, 1992. The third quarter report was the proper form on which to report a contribution under \$1,000 made between twenty and two days before an election.

There is no basis in the complaint for asserting liability for any violation against Struble Totten Communications, Mark Goff, or Jim Moody.

For the reasons stated above, this Office recommends that the Commission find that there is no reason to believe that any of the Respondents violated the Act on the basis of the complaint filed in MUR 3599.

III. RECOMMENDATIONS

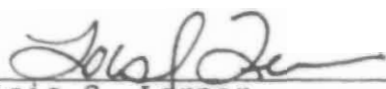
1. Find no reason to believe that the following violated any provision of the Federal Election Campaign Act of 1971, as amended, on the basis of the complaint filed in MUR 3599:
 - a. Jim Moody
 - b. Friends of Jim Moody and Robert Frieber, as treasurer
 - c. Struble Totten Communications
 - d. Admiral Elmo Zumwalt (Ret.)
 - e. Mark Goff

2. Approve the appropriate letters.
3. Close the file.

Lawrence M. Noble
General Counsel

Date 3/17/93

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Supplement to the complaint
2. Zumwalt responses
3. Committee response

23040934228

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Jim Moody;
Friends of Jim Moody and Robert Frieibert,
as treasurer;
Struble Totten Communications;
Admiral Elmo Zumwalt (Ret.);
Mark Goff.

)
)
) MUR 3599
)
)
)
)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 23, 1993, the Commission decided by a vote of 6-0 to take the following actions in MUR 3599:

1. Find no reason to believe that the following violated any provision of the Federal Election Campaign Act of 1971, as amended, on the basis of the complaint filed in MUR 3599:
 - a. Jim Moody;
 - b. Friends of Jim Moody and Robert Frieibert, as treasurer;
 - c. Struble Totten Communications;
 - d. Admiral Elmo Zumwalt (Ret.);
 - e. Mark Goff.

(Continued)

2. Approve the appropriate letters, as recommended in the General Counsel's Report dated March 17, 1993.
3. Close the file.

Commissioners Aikens, Elliott, McDonald, McGarry, Potter and Thomas voted affirmatively for the decision.

Attest:

3-23-93
Date

Delores Hardy
for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:
Circulated to the Commission
Deadline for vote:

Thurs., March 18, 1993 9:47 a.m.
Thurs., March 18, 1993 11:00 a.m.
Tues., March 23, 1993 4:00 p.m.

dr



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 26, 1993

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Bill Christofferson
Carrier, Christofferson & Associates
2801 International Lane, Suite 103
Madison, WI 53704

RE: MUR 3599

Dear Mr. Christofferson:

On March 23, 1993, the Federal Election Commission reviewed the allegations of your complaint dated September 1, 1992, and found that on the basis of the information provided in your complaint, and information provided by the Respondents, there is no reason to believe that Jim Moody; Friends of Jim Moody and Robert Frieber, as treasurer; Struble Totten Communications; Admiral Elmo Zumwalt (Ret.); and Mark Goff violated the Act. Accordingly, on March 23, 1993, the Commission closed the file in this matter.

The Federal Election Campaign Act of 1971, as amended ("the Act") allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

23040935001



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 26, 1993

Jim Moody
3946 North Farwell Ave.
Shorewood, WI 53211

RE: MUR 3599
Jim Moody

Dear Mr. Moody:

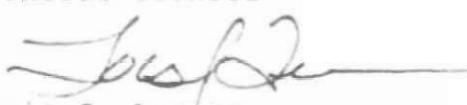
On September 8, 1992, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On March 23, 1993, the Commission found, on the basis of the information in the complaint, and information provided by Respondents, that there is no reason to believe that you violated the Act. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

93040935002



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 26, 1993

Robert Friebert
Friebert, Finerty & St. John
Two Plaza East, Suite 1250
330 East Kilbourn Avenue
Milwaukee, WI 53202

RE: MUR 3599
Friends of Jim Moody

Dear Mr. Friebert:

On September 8, 1992, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On March 23, 1993, the Commission found, on the basis of the information in the complaint, and information provided by Respondents, that there is no reason to believe that you violated the Act. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence H. Noble
General Counsel

A handwritten signature in dark ink, appearing to read "Lois G. Lerner", is written over the typed name of the Associate General Counsel.

BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

23040935293



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 26, 1993

Karl Struble
Struble Totten Communications
700 Seventh St., S.E.
Washington, D.C. 20003

RE: MUR 3599
Struble Totten Communications

Dear Mr. Struble:

On September 8, 1992, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On March 23, 1993, the Commission found, on the basis of the information in the complaint, and information provided by Respondents, that there is no reason to believe that you violated the Act. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in dark ink, appearing to read "Lois G. Lerner", is written over a rectangular area.

BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

93740935994



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 26, 1993

Admiral Elmo Zumwalt (Ret.)
1500 Wilson Blvd.
Arlington, VA 22209

RE: MUR 3599
Admiral Zumwalt

Dear Admiral Zumwalt:

On September 8, 1992, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

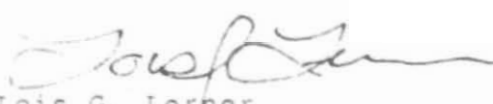
On March 23, 1993, the Commission found, on the basis of the information in the complaint, and information provided by Respondents, that there is no reason to believe that you violated the Act. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

23040935005



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 26, 1993

Mark Goff
Goff and Associates
2025 North Summit Ave.
Milwaukee, WI 53211

RE: MUR 3599
Mark Goff

Dear Mr. Goff:


On September 8, 1992, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On March 23, 1993, the Commission found, on the basis of the information in the complaint, and information provided by Respondents, that there is no reason to believe that you violated the Act. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MJR # 3599

DATE FILMED 4/21/93 CAMERA NO. 2

CAMERAMAN E.E.S.

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