

BEFORE THE FEDERAL ELECTION COMMISSION

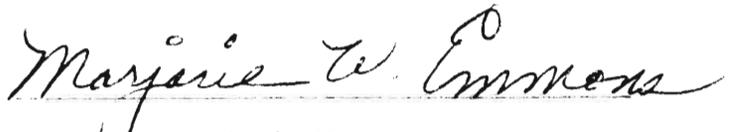
In the Matter of )  
Pepsi Cola Company )

MUR 208 (76)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on September 30, 1976, the Commission determined by a vote of 4-2 that there was no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended, had been committed in the above-captioned matter. Voting that there was no reason to believe were Commissioners Aikens, Harris, Staebler and Thomson. Voting to leave the file open were Commissioners Springer and Tiernan.

Accordingly, the file in this matter has now been closed.

  
Marjorie W. Emmons  
Secretary to the Commission

77047012553

DATE AND TIME OF TRANSMITTAL: \_\_\_\_\_

NO. MUR 208 (76)

REC'D: 7/20/76

FEDERAL ELECTION COMMISSION  
Washington, D. C.

Complainant's Name: Internally generated on basis of attached newspaper article

Respondent's Name: Pepsi Cola Company

Relevant Statute: 2 U.S.C. §441b

Internal Reports Checked: Pepsi Co. PAC

Federal Agencies Checked: None

SUMMARY OF ALLEGATION

That the Pepsi Cola Company financed a suite at the Democratic National Convention in which delegates may have been entertained, in possible violation of 2 U.S.C. §441b.

PRELIMINARY LEGAL ANALYSIS

The newspaper article does not provide sufficient information to determine who was actually entertained in the suite and who financed it. The Pepsi Company has a PAC which could have financed this but their July 10 report showed no receipts or expenditures in excess of \$1,000. Their next report will not be due until October 10. The purpose

RECOMMENDATION

Close File.

Date of Next Commission Review: \_\_\_\_\_

PRELIMINARY LEGAL ANALYSIS (Cont'd.)

of the suite was apparently to entertain foreign diplomats observing the convention. There is a suggestion that a few delegates may have wandered into the suite but there is not enough factual information to establish reason to believe a violation of the Act has occurred.

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OFFICE OF THE ATTORNEY GENERAL

People such as dress designer Molly Parnas and Mrs. Walter Cronkite have been finding their way into "Suite 200", where they can have a drink and monitor the convention on color television from easy chairs, while nibbling lobster salad and champagne marinated melon balls dispensed in chilled stem glasses.

"Suite 200", which was being run for diplomats by State Department protocol officers was the only thing of its kind inside the convention hall. Former Ambassador to Switzerland True Davis conceived the idea of "Suite 200" and got Pepsi-Cola to put up the money.

from Maxine Cheshire's column  
Providence Journal newspaper  
date unknown

Tues. 20<sup>th</sup>

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Jimmy Carter's finance campaign in Washington and a major fundraiser nationally. Has been named Carter's personal liaison with foreign ambassadors.

Her appointment, which is not expected to be announced formally until after the convention is something unique in modern presidential campaigns, necessitated by the fact that Carter is so little known or understood by foreign government.

Most presidential candidates in recent memory have had no need for someone to explain them abroad because they had such in national publicity that they could be their own ambassadors.

Mrs. Bagley is a mid-level official with the Ford Corp. in the 1970s before her marriage to Leonard's Tobacco heir Smith Bagley.

She will begin work on Monday in the new Carter headquarters in Washington under the tutelage of issues coordinator Dr. Peter Bourne.

will require "a couple of weeks" to shake down. Bourne sees her function as almost "totally informational."

### VIP

Bourne said yesterday that her role is still in "the formative stage" and supplying position papers and other data to the dozens of embassies which have been making almost daily requests for clarification in recent weeks.

Carter has seen only two ambassadors personally, Bourne said, and those occasions were both social. Columnist Clayton Fritchie's wife, Polly, had him to a dinner party with the British ambassador. The Israeli

ambassador also managed to talk to Carter at a party in Miami.

The expertise of foreign ambassadors to get an audience with Carter has become an increasingly difficult problem for him over the last two months. In May, he rejected as "inappropriate" an overture by Soviet embassy officials who sought to meet with him to discuss his foreign policy position.

He said at the time that he would not meet with any foreign officials until after the convention and then only under controlled circumstances and after careful consideration of the merits.

Mrs. Bagley was supposed to meet several candidates, Daniel C. (Patrick) Moynihan and economist Robert Janeway and John Kenneth Galbraith, DNC chairman. Robert Strauss turned the suite over to the diplomats only a few days ago but he had determined that to last-minute change per to Carter was going to change and need to use the space. Pepsi Cola

"Suite 200" which is being run for diplomats by State Department protocol officers, is the only thing of its kind inside the convention hall and has been quickly discovered by status-conscious VIPs as a more luxurious way to watch the convention than their tiered "Honored Guest" seats, which are often the worst in the house.

Former ambassador to Switzerland True Davis is the Democrat who conceived the idea of "Suite 200" and got Pepsi Cola to put up the money. He also arranged for the diplomats to be briefed by party brain-trusters such as general candidate Daniel C. (Patrick) Moynihan and economist Robert Janeway and John Kenneth Galbraith, DNC chairman. Robert Strauss turned the suite over to the diplomats only a few days ago but he had determined that to last-minute change per to Carter was going to change and need to use the space. Pepsi Cola

pledged \$10,000 to pick up the tab for a bar and buffet that are kept open there every night until midnight.

While other convention-goers have been lining up for beer and hot dogs at snack bars in the hallways, people like dress designer Molly Parris and Mrs. Walter Cronkite have been finding their way into "Suite 200" where they can have a drink and monitor the convention on color television from easy chairs, while nibbling lobster salad and champagne-marinated salmon balls dispersed in chilled steamed glasses.

Only delegates and the hollowness are unwelcome in "Suite 200." By law, Pepsi Cola is prohibited from entertaining delegates. When Rep. John Eastman showed up, the labor night those in charge celebrated by refused to admit him if he were also in town as a delegate from his home state of Indiana.

Carter's Washington Post office

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rter's  
straight  
Bagley

# Schmidt: Helmut Schmidt: West Germany's Impatient Intellectual

Some expressed on the borders of Communist East Europe. He seems truly performance, unless matched even in part by her neighbors, will only bring more resentment.

So Schmidt is modest, and sometimes he says things publicly that many people believe are accurate but that leaders in other countries resent. One senses that Schmidt feels there is too much at stake for him politically at home and for Germany over the long haul not to say them. At other times, one senses that he simply cannot resist putting somebody down.

At 5 feet 6 inches tall, Schmidt is a

Not just in concrete and building and machines and industry, but I think also morally, politically, educationally. I am quite content with the state of affairs and the state of mind of my country.

The role of European atomism, however, is one that Schmidt says he doesn't want and never really asked for. Yet occasionally he can't seem to resist playing it, lecturing some of his colleagues in Italy, France, England and even the U.S. on matters of economics, energy, military affairs, or Western governments.

cause of strains between Ford, Schlesinger and Kissinger.

Schmidt's most caustic remarks were directed at former British Prime Minister Harold Wilson at a Common Market summit on early last December. "Schmidt the Lip" exploded when Wilson seemed to flaunt future North Sea oil reserves before the European leaders, reminding "Dear Harold" that he still had a few years to get through before that oil was available and that, oil or not, "Germany could survive without the community but I am not sure any other country here could."

A former finance minister and

lieutenant and an Iron Cross. He would ed up the war in a British prison camp, returning to battered Hamburg, a university education and then into the politics of the Social Democrats.

He became an expert on Godesse, and then went back to Hamburg where, in 1922, he furthered his reputation in the midst of a huge flood by feeling the major job site in the way. Mr. Mayor, with the carrying out of orders that Schmidt was handling.

Schmidt moved back to Bonn in the late 1920s as chief banker of his part in the banking world when De Gaulle came to power in 1958.

ing himself too seriously at times. He allows himself to be photographed in some not-to-be-trusted costumes and frequently wears with some pride the black "prince Heinrich maeztel" cap common to North Sea sailors.

At 5 feet 6 inches tall, Schmidt tries to avoid being photographed next to 5 foot 3 inch Helmut Kohl. But Schmidt can also joke about his size. Two weeks ago, touring the new chancellery building in Bonn—whose modern design Schmidt does not like—the chancellor seemed reassured when he came to the bathroom. It was barely big enough for him. "Obviously too small for Kohl," he mused to a group, "and so he can never be-

9/2

Memorandum to: File  
From: Oliphant  
Re: MUR 208

Judy Thedford checked the PepsiCo PAC reports to see if Suite 200 might have been paid for by them. They filed a July 10 Quarterly Report showing no receipts of contributions or expenditures in excess of \$1,000. It is, therefore, impossible to tell at this time whether they did pay for Suite <sup>200.</sup> Their next report will not be due until October 30.

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Carter's  
Foreign  
Policy

Maxine Chesnut

Vicki Barclay, the chairman of Jimmy Carter's finance campaign in Washington and a major fundraiser nationally, has been named Carter's personal liaison with foreign ambassadors.

Her appointment, which is not expected to be announced formally until after the convention, is something unique in modern presidential campaigns, necessitated by the fact that Carter is so little known or understood by foreign government.

Most presidential candidates in recent memory have had no need for a liaison to explain them abroad because they have been in national public life long enough for their views to be well-known globally.

Mrs. Barclay was a private attorney with the Ford Corp. in the 1960s before her marriage to Reynolds Tobacco's son, Smith Eagley.

She will begin work on Monday in the new Carter headquarters in Washington under the tutelage of issues coordinator Dr. Peter Bourne.

will require "a couple of weeks" to shake down. Bourne sees her function as almost "totally informational."

VIP

Bourne said yesterday that her role is still in "the formative stage" and supplying position papers and other data to the dozens of embassies which have been making almost daily requests for clarification in recent weeks.

Carter has seen only two ambassadors personally, Bourne said, and these occasions were both social. Columnist Clayton Fritchie's wife, Polly, had him to a dinner party with the British ambassador. The Israeli

ambassador also managed to talk to Carter at a party in Miami.

The eagerness of foreign ambassadors to get an audience with Carter has become an increasingly difficult problem for him over the last two months. In May, he rejected as "inappropriate" an overture by Soviet embassy officials who sought to meet with him to discuss his foreign policy position.

He said at the time that he would not meet with any foreign officials until after the convention and then only under controlled circumstances and after careful consideration of the

Mrs. Barclay was supposed to meet all the ambassadors on Tuesday night in a midway hospitality suite which Pepsi Cola is underwriting for them inside Madison Square Garden. But her credentials "disappeared" on her way into the arena and she didn't have the identification necessary to penetrate the heavy security.

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Former ambassador to Switzerland True Davis is the Democrat who conceived the idea of "Suite 200" and got Pepsi Cola to put up the money. He also arranged for the diplomats to be briefed by party brain-trusters such as senatorial candidate Daniel C. Patrick Moynihan and economist Elliot Janeway and John Kenneth Galbraith.

DNC chairman Robert Strauss turned the suite over to the diplomats only a few days ago after he had determined that no last-minute green-gor to Carter was going to emerge and need to use the space. Pepsi Cola

pledged \$15,000 to pick up the tab for a bar and buffet that are kept open there every night until midnight.

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Only delegates and the hot-polloi are unwelcome in "Suite 200."

By law, Pepsi Cola is prohibited from entertaining delegates. When Rep. John Brademas showed up the other night, those in charge deliberately refrained from asking him if he were also in town as a delegate from his home state of Indiana.

By The Washington Post and Los Angeles Times syndicate, Inc.

# Chancellor Helmut Schmidt: West Germany's Impatient Intellectual

From CI  
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Schmidt is not  
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Defense Secretary  
yet Schmidt is  
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more exposed on the borders of Communist East Europe. He seems frustrated that Germany's good economic performance, unless matched even in part by her neighbors, will only bring to resentment.

So Schmidt is moody, and sometimes he says things publicly that many people believe are accurate but that leaders in other countries resent. One senses that Schmidt feels there is too much at stake for him politically at home and for Germany over the long haul not to say them. At other times, one senses that he simply cannot resist putting somebody down.

At home, he puts down the Christian Democrat opposition leader, Helmut Kohl, mostly by ignoring him.

Not just in concrete and building and machines and industry, but I think also morally, politically, educationally, I am quite content with the state of affairs and the state of mind of my country."

The role of European strongman, however, is one that Schmidt says he doesn't want and never really asked for. Yet occasionally he can't seem to resist playing it, lecturing some of his colleagues in Italy, France, England and even the U.S. on matters of economics, energy, military affairs or how best to keep Communists out of Western governments.

If Schmidt were making out report cards, he no doubt would give French's Clifford D'Estaine the Web-

cause of strains between Ford, Schlesinger and Kissinger.

Schmidt's most caustic remarks were directed at former British Prime Minister Harold Wilson at a Common Market summit on energy last December. "Schmidt-the Lip" exploded when Wilson seemed to flaunt future North Sea oil reserves before the European leaders, reminding "Dear Harold" that he still had a few years to get through before that oil was available and that, oil or not, "Germany could survive without the community but I am not sure any other country here could."

As a former finance minister and defense minister, Schmidt developed perhaps the broadest range of per-

lieutenant and an Iron Cross. He would ed up the war in a British prison camp, returning to battered Hamburg, a university education and then into the politics of the Social Democrats.

He became an expert on defense, and then went back to Hamburg where, in 1962, he furthered his reputation in the midst of a huge flood by telling the mayor "you are in the way, Mr. Mayor," with the carrying out of orders that Schmidt was brooding.

Schmidt moved back to Bonn in the late 1960s as floor leader of his party in the Bundestag and when Brandt came to power in 1969, it was Schmidt whom he would soon call his "first man" to hold the top cabinet posts of

ing himself too seriously at times. He allows himself to be photographed in some not-too-flattering costumes, and frequently wears with some pride the black "prince Heinrich muetzle" cap common to North Sea sailors.

At 5 feet 6 Schmidt tries to avoid being photographed next to 6 foot 3 inch Helmut Kohl. But Schmidt can also joke about his size.

Two weeks ago, touring the new chancellery building in Bonn—whose modern design Schmidt does not like—the chancellor seemed captured when he came to the bathrub. It was barely big enough for him. "Obviously too small for Kohl," he mused to newsmen, "and so he can never become chancellor."

CC# 358  
208

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from Maxine Cheshire's column  
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date unknown

Tues. 20<sup>th</sup>

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