

14 OCT 1971

\$519,000 Awarded in Suit for Libel

A six-member jury in U.S. District Court here yesterday awarded the Airlie Foundation and its executive director, Dr. Murdock Head, \$519,800 in libel damages against The Evening Star.

The jury, which deliberated early yesterday afternoon, awarded \$100,000 in damages to Dr. Head and \$419,800 to the foundation, which operates a large conference center called Airlie House in Warrenton, Va.

The case involved The Star's news coverage in September, 1967, of a news conference in which it was alleged that the foundation was secretly supported by the Central Intelligence Agency or other government agencies.

A few days later, The Star ran a "Statement on Airlie" that said, in part, "The editors of The Star, having examined the records of the Airlie Foundation, are persuaded that this institution is privately financed."

The judgement was one of the largest libel verdicts rendered by a jury in recent years, according to Washington lawyers.

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Airlie Wins Verdict Against The Star

The Airlie Foundation and its director, Dr. Murdock Head, yesterday won \$519,800 in libel damages against The Washington Star.

The verdict by a six-member U.S. District Court jury here called for an award of compensatory damages of \$100,000 for Head and \$419,800 for the foundation which runs a conference center in Warrenton, Va. No punitive damages were awarded.

U.S. District Court Judge Oliver Gasch, who presided over the six-day trial which ended Tuesday, gave The Star 10 days to file motions asking him to overturn the jury verdict, a standard procedure in civil cases.

Conference Center

Airlie House, which is operated by the Airlie Foundation, is a 1,200-acre conference center located just east of Warrenton in Fauquier County, Va. It has been the scene of hundreds of conferences sponsored by public and private groups.

As developed in testimony at the trial, the case grew out of a Sept. 14, 1967, story in The Star reporting a charge by William Higgs that Airlie House was secretly supported by the Central Intelligence Agency, the State Department and the Pentagon.

It was testified that Higgs, a lawyer disbarred in Mississippi who has been a civil rights activist and a supporter of radical causes, made the charge at a press conference at which he issued a 16-page statement which he said supported the charge of covert ties between Airlie House and the governmental agencies.

Airlie Opened Books

The story on Higgs' press conference, which included a denial by Head, founder and director of the Airlie Foundation, and by a

government source, appeared in the last edition of The Star on that day. A different version, stressing the denials, appeared in all but the last edition the next day.

Following the appearance of these stories, Airlie representatives opened their financial records to The Star to support their contention that the Higgs charge was without foundation. And on Sept. 18 and 19, The Star published a story reporting that a study of Airlie's books indicated that the institution was supported solely by private sources.

That story was accompanied by a statement that the editors of The Star were persuaded by the records that the foundation was privately financed and that "the foundation has demonstrated conclusively to them (the editors) that it is not, as charged last week, secretly supported by the Central Intelligence Agency or other government agencies."

In the trial, The Star contended that it was performing its role as a newspaper in reporting the Higgs charges. Evidence was presented to show the steps the story passed through—from reporter Robert Walters, who wrote it, through various editors, including Editor Newbold Noyes—before the decision finally was made to print it.

The Airlie Foundation contended that The Star and its editors failed to show proper regard for whether the story was true or false and, in fact, printed it even though they had reason to believe Higgs' charges were false.

Witnesses for Airlie presented evidence that as a result of The Star's original stories, the institution suffered financial losses resulting from the adverse publicity.