

AVM To Deny Charges In Latest Indictment

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AVM Corp. plans to plead innocent and "defend itself vigorously" against an indictment returned against it Tuesday by a federal grand jury in Buffalo, a company spokesman said today.

Named along with the firm in the five-count indictment were two of its former officers, two Arkansas men and an Arkansas company.

The indictment charges AVM and the other defendants with conspiracy to commit bribery and use interstate commerce facilities to bribe a public official in Pulaski County, Ark. in connection with sale of voting machines to that county. AVM is the world's largest manufacturer of voting machines.

The federal grand jury indictment Tuesday named the company, its former president, Lloyd A. Dixon Jr., 52, of Lake-wood; Paul Ahlstrom, 58, of Meredith, N.H., former AVM executive vice president; Wylie Cavin Sr., 62, of Little Rock, Ark., chairman of Pulaski County Board of Election Commissioners from January, 1965, to January, 1967; his son in law, H. Murray Claycomb, 41, of Pine Bluff, Ark., an attorney; and Claycomb's company, Precision S and M, Inc., Pine Bluff.

The indictment charges the defendants conspired between January, 1965, and November, 1972, to bribe Cavin to insure purchase of AVM voting machines in Pulaski County.

The men are charged on the first count with traveling in interstate commerce between Jamestown and Little Rock to commit bribery and distribute proceeds of bribes. Four counts charge use of the mail to distribute bribe money.

The indictment listed \$24,918.05 as allegedly sent in checks from AVM to Precision S and M and \$5,573.98 from the voting machine firm and Claycomb to Cavin.

Mr. Dixon resigned as AVM president Jan. 17 but continues as a director and has been retained as a consultant. Mr. Ahlstrom resigned as company vice president in 1966.

AVM, Mr. Dixon and Morgan O. Doolittle Jr., vice president of the firms' voting machine division, were among those named in a January federal grand jury indictment alleging bribery of public officials in connection with sale of voting machines in Texas and other counties in Arkansas.

The company and its officers pleaded innocent to the indictment charges which have not yet been set for trial.

A statement by AVM said, "The company understands that it continues to be under investigation by a federal grand jury in the U.S. District Court in Buffalo. The company has no knowledge regarding the duration of the ongoing investigation. The income tax returns of the company are also being reviewed by the Internal Revenue Service."

The company, in an unrelated matter, said suit has been filed in U.S. District Court in Miami, Fla., by an alleged sales representative of the company in connection with its \$19 million contract for sale of 10,000 electro-mechanical voting machines to Venezuela.

The statement said, "The complaint seeks damages in the amount of \$187,500, being the plaintiff's alleged interest in the 15 per cent of the contract price received to date by the company, as well as a declaratory judgment concerning plaintiff's interests in future installment payments under the contract. The company believes that the total amount claimed in this suit is \$1,250,000. The company intends to defend itself vigorously against this claim."