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FBI Raids Financier Cornfeld's Mansion, Arrests Aide, Seizes Illegal Phone Boxes

BY TED THACKREY JR. and RONALD L. SOBLE

Times Staff Writers

Flamboyant financier Bernard Cornfeld's Beverly Hills mansion was raided Tuesday by FBI agents who confiscated two illegal "blue box" telephone devices—and arrested his secretary for allegedly using them.

An FBI spokesman said Mrs. Didi Valloton Biethild was arrested and charged with violation of the federal fraud by wire statute. Agents said she used the blue box, a multifrequency generating device, to make long-distance calls without paying toll charges.

Mrs. Biethild, 37, a Swiss citizen whose passport indicated her home is Geneva, was taken to the Sybil Brand Institute for Women pending a hearing before a U.S. magistrate to-

day.

Agents declined to say whether anyone else was present on the premises at the time of the raid. Cornfeld has lived in the mansion at 1100 Carolyn Way, since his release from St. Antonine's Prison in Geneva last April. His mother also lives there.

The raid was made on the strength of a search warrant filed Monday. An FBI spokesmen said the warrant was issued as a result of information from the Pacific Telephone and Telegraph Co., which charged multifrequency generating devices were being used from the mansion.

Telephone company records indicated that the lines on which the blue box was being used were in the name of Grayhill, Inc., one of Cornfeld's companies.

Cornfeld was blase about the raid

when contacted by the The Times Tuesday night.

"It wasn't especially disagreeable," he said, "though it's the first time my home has ever been searched by the FBI."

He said agents confiscated foun address books in addition to the blue boxes, but said he didn't know just why the agents wanted the addresses.

"One book was entirely local names and numbers," he said.

As to the blue-box devices themselves, Cornfeld said he had no idea they were on the premises or who, if anyone, had used them.

"It's a huge house," he said. "There are a lot of people staying here."

The agents were thorough, he added, searching all the more than 40 rooms and spending most of the af-

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CORNFELD.

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ternoon there. "Unfortunately." he said, "they just missed the shooting of a Playboy (magazine) center spread.* Cornfeld has been the center of a storm of controversy ever since his multimillion-dollar mutual funds empire, Investors Overseas Services. soared to sudden heights of financial power and then plunged dramtically into a sea of troubles.

Financier Robert Vesco forced Cornfeld out of IOS during the 1970 slump-and is now himself a fugitive

in Costa Rica.

Cornfeld's imprisonment in Geneva came when Swiss authorities lodged charges of fraud, dishonest management, forgery and incitement to speculate against him in connection with the IOS collapse.

He was released after posting bail

of \$1.6 million.

A trial had been pending on the Swiss charges but Cornfeld said in an April. 1973, interview that the major charges against him-such as abuse of confidence and professional swindling-had been dropped.

There remained, he said, the misdemeanor charges of mismanagement and incitement to speculate but these, he said, "are crimes only in Switzerland and no one has ever been convicted of them."

Cornfeld recently reentered the husiness world with a complex deal he said involves \$20 million in cash from Kuwait, an Arizona company that owns thousands of acres of land in addition to film studios, a recreational complex in Nebraska and the possible revival of his IOS sales force in Europe.