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By	SR	NARA Date 2-9-00
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M(45)1,
13 June 19458. EDUCATION.**RESTRICTED**

On General CLAY's suggestion, THE MEETING agreed:-

- (8) that the Chiefs of the Education Branches of the US and British Control Council/Commission should meet to consider how best to get German schools in operation as soon as possible.

Major General TEMPLER stated that in the British Zone the aim was at present to re-start primary education (age 6-10) by October next.

9. FRENCH PARTICIPATION.

Brigadier HEYMAN stated that General JUIN had approached SHAEF with an official request for "a small group" of the French Control Commission to be accommodated with the US/British Control Council/Commission. This request will be referred to the Deputy Military Governors.

THE MEETING agreed:-

- (9) that General KOELTZ should be invited to Höchst for conference next Tuesday, 19 June 1945.

General CLAY stated that he would endeavor to make this arrangement and would notify General WEEKS of the details.

10. MANPOWER PROBLEMS.

THE MEETING agreed:-

- (10) that General McSHERRY (US) and Mr. LUCE (Br) should begin discussion regarding Manpower Movement problems involving the two national zones as soon as possible.

11. SUMMARY OF MAIN CONCLUSIONS.

a. Combined Boards or Committees as listed in paragraphs 3, 4, and 5 above are to be set up.

b. US and British officers nominated or to be nominated by General CLAY and General WHITELEY will be responsible for producing by 1800 hours on Monday, 18 June 1945, terms of reference for the above Boards/Committees.

c. General KOELTZ will be invited to confer on Tuesday, 19 June 1945, with General CLAY and General WEEKS.

Meeting adjourned at 1100 hours.

DISTRIBUTION:

All those present,	
Hq, 21 Army Group	- 5
SHAEF G-5 Div.	- 5
US Group CC	- 20
CC for Germany (Br. Element)	- 20

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CONFIDENTIALDRAFT

15 June 1945

MEMORANDUM FOR: Lieut. Gen. Lucius D. Clay
Lieut. Gen. Sir Ronald M. Weeks.

SUBJECT: Co-ordination of Economic Activities in American, British and French Zones during the Interim Period between the Dissolution of Combined Command and the Activities of the Control Council.

I. Statement of the Problem

1. It now appears that an appreciable Interim Period may be encountered between the dissolution of Combined Command and the activation of the quadripartite Control Council.

2. During such Interim Period, the problem will be presented of providing appropriate ad hoc agencies to co-ordinate economic activities in the American, British and French occupation zones, in order to carry on necessary functions theretofore performed by certain SHAEF agencies which will have been dissolved, and to assist the several Zone Commanders to accomplish their respective missions.

II. Discussion

3. The American, British and French zones are interdependent with respect to food, coal, oil, power and numerous other materials, products and services, to such a degree that production and control in these fields cannot be accomplished without immediate and close co-ordination.

4. German agencies are not yet available through which complete information regarding the resources of the several occupation zones, or regarding the requirements of the various classes of claimants in these zones can be secured. The Zone Commanders will, therefore, have to secure these data through their own agencies, while utilizing such German organizations as are available to the maximum possible extent; and suitable agencies will have to be provided to

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accomplish the required co-ordination between the zones.

5. The acute shortage of transportation capacity in Germany makes it essential that for the present, and for some time to come, special attention will have to be paid to the location, as well of the nature, of resources and requirements in considering availability and allocations.

6. The variety and technical character of the activities involved in effectuating the required co-ordination suggest the desirability of creating an overall resources and allocation board, with a number of appropriate sub-committees and an adequate secretariat.

Conclusions

7. It is concluded that:

- (a) There should be established at once a Combined Resources and Allocation Board with US and British membership, and with French liaison representation as soon as possible. After the dissolution of Combined Command, the function of this Board should be to consider, during the Interim Period between the dissolution of Combined Command and the activation of the quadripartite Control Council, the combined resources and requirements of the American, British and French occupation zones; ~~and~~ to make allocations of indigenous resources and imported relief supplies between these zones, and to declare surpluses, when they exist, available for export ^{from Germany.} The membership and terms of reference of this Board should be as shown in Annex "A".

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- (b) The Combined Resources and Allocation Board should have six principal committees (and additional committees and sub-committees as required) with representation and Interim Period functions corresponding with those of the Combined Resources and Allocation Board, as follows:

Combined Food and Agriculture Committee.
 Combined Coal Committee.
 Combined Oil Committee.
 Combined Short Haul Transport Committee.
 Combined Power Committee.
 Combined Resources (Materials and Products) Committee.

The membership and terms of reference of these ~~sub~~ committees should be as shown in Annexes B, C, D, E, F, and G.

- (c) The Combined Food and Agriculture Committee should be represented on the existing Wheat Control Section or its successor, and should direct the Section as to the distribution of imported wheat authorized for Germany.
- (d) The Combined Resources and Allocation Board should be served by a Combined Secretariat. The membership and terms of reference of the Combined Secretariat should be as shown in Annex H.

III Recommendation

8. It is recommended that the establishment of a Combined Resources and Allocations Board, and of the committees and Secretariat referred to in paragraph 7,

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be approved in principle, and that the undersigned be authorised to proceed with their organisation substantially in accordance with the attached Annexes A to H inclusive.

W. P. DRAPER, JR.,
Brigadier General, GSC.,
Director, Economics Division,
US Group CC.

Sir PERCY MILLS
Chief, Economics Division,
Control Commission for Germany,
British Element.

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By authority of C.A.L.A.

By JOHN A. BAUERMEISTER

2nd Lt. Inf.

Date 8 AUG 1945

APPENDIX 'B' to
21 A Gp/20694/15/3/G(1)
dated 3 April 1945

NOTE ON WAR OFFICE DIRECTIVE FOR THE TRANSITION PERIOD UP TO INCLUDING THE OPENING OF EFFECTIVE CONTROL AT THE CENTRE OF GOVERNMENT IN GERMANY.

Present tasks of 21 Army Group

1. The present tasks of 21 Army Group acting under policy directives issued by SHAEF are :-
 - (a) The destruction of the enemy.
 - (b) The Military Government of portions of GERMANY occupied by the Army Group.
 - (c) The control of the German army as portions of it surrender and the disarmament of German forces, depots and dumps.

Implementation of Military Government policy during the present phase

2. Owing to the disappearance or break down of the German civil administration in front of the Allied advance and to the policy of immediate de-Nazification, Military Government (which is controlled from Headquarters 21 Army Group through the Military Government Staffs at Army and Corps Headquarters down to Military Government Detachments in the field) has of necessity to be carried out largely through military resources and agencies of the Army Group. All executive action in the Military Government sphere has therefore to be co-ordinated continuously with all Branches of the Army Group Headquarters. Such close co-ordination is necessary that it is hardly practicable for higher Military Government control to be exercised away from Headquarters 21 Army Group.

Build-up of the British Headquarters at the centre of Government during the SHAEF period

3. Plan Goldcup provides for an advanced party of the Control Commission to go to Berlin under orders of SHAEF and for British and U.S. advanced parties to make contact with German ministries for purposes of reconnaissance, intelligence, de-Nazification and control. The remnants of the German central ministries if found intact at all, may well be situated elsewhere than BERLIN. At a later stage, the ministries with these control parties may have to be moved back to BERLIN or the selected centre, thus further delaying the time before they will be able to function effectively under Allied control. It is the policy that Supreme Command in GERMANY should be terminated as soon as possible; the timing of this is likely to depend on the provision of adequate signal communications from BERLIN or the selected centre to the rest of GERMANY. The move of Headquarters 21 Army Group to the centre is governed by the same considerations. It may therefore be anticipated that the assumption of effective control at the centre will coincide approximately with the arrival of Headquarters 21 Army Group.

Executive action when control is exercised from the Centre of Government

4. At this period, law and order will have been established over the greater part of GERMANY, but it is unlikely that the German central ministries will be in a position immediately to function effectively under Allied control. Moreover, the agencies and resources available to take executive action in the British Zone will still, to a large extent, be those of the Army Group and of the German forces under its command, supplemented by such German civil resources as can be brought into operation. The machinery for executive

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action on the military and military government side should on no account be suddenly disrupted at this critical moment, since there will be no other effective machinery immediately available to replace it. Executive control must therefore continue for a period through the same command channels as were in use before Headquarters 21 Army Group moved to the centre of government, and the Military Government executive staffs must remain responsible to the Director of Military Government, who is himself responsible to the Commander-in-Chief.

Formulation of Policy at the Centre of Government.

5. From the moment that control is exercised from the centre, the formulation of policy in the Civil Divisions should be the responsibility of the Civil Division Staffs now being formed under the Control Commission. In order to promote the closest touch between formulation of policy by the Civil Division Staffs and the execution of it at this period by Military Government Staff of Headquarters 21 Army Group, the two should if possible work under the same roof. The Military Government sections of 21 Army Group are organised as a counterpart of most of the Civil Divisions and can very conveniently merge with them.

6. Thus the transference of the Military Government Staff of 21 Army Group to BERLIN will not alter its relationship to the Civil Divisions for whom it will be the executive instrument; nor will it result in discontinuity in military government in the Zone since, apart from considerations of distance and signal communications, the relationship to the Military Government Staffs at First Canadian and Second British Army Headquarters will be quite unchanged. Since neither Headquarters 21 Army Group (nor the Headquarters of Armies) work in direct contact with any German headquarters in the Zone, the transference of the Army Group Staffs out of the Zone calls for no change in organisation.

Evolution after Army Group Headquarters has been established at the centre

7. Having established this close working arrangement between the Military Government Staff of 21 Army Group and the Civil Divisions, the next stage of evolution will be to relieve the Military Government Sections by stages of responsibility to the Army Division, and transfer responsibility to the Heads of the Civil Divisions. This change, which must be gradually effected in the light of practical experience, will be governed by the degree to which the execution of the policy of the particular division can be disentangled from other executive responsibilities in the Zone. Thus, in the case of the Finance and Legal Divisions, the change may well take place early. The execution of the policies of most other Divisions will for a long time require the closest co-ordination with the Branches of the Army Division, and will be dependent for execution on the resources controlled by the Army Division. The change in respect of these Divisions will therefore not be possible until later.

Transportation and Political are special cases requiring detailed examination.

Conclusion

8. The evolution in organisation described above should ensure that :-
- (a) The machinery for Military Government executive action built up from now onwards until the termination of Combined Command will not be disrupted at a critical period.
 - (b) As long as Military Government executive action requires close co-ordination with all Branches of Headquarters 21 Army Group/ Army Division, owing to its dependence on agencies and resources under army control, a well-tried machinery will be available to do so.

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Once control is exercised from the centre, policy in regard to the Civil Divisions is formulated by the high calibre staffs now being assembled under the Control Commission.

- (d) By virtue of the very close working arrangement, formulation of policy is not divorced from practical execution.
- (e) Responsibility for executive action in the Zone is gradually transferred, as circumstances permit, from the Military Government staff of 21 Army Group to the staffs of the Civil Divisions; finally, the two staffs merge completely.

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Annual Report

OFFICE OF

ALIEN PROPERTY

DEPARTMENT OF JUSTICE

FISCAL YEAR ENDED JUNE 30, 1948

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Basic Policies and Problems

The Office of Alien Property was established by direction of the Attorney General on October 15, 1946, in carrying out the provisions of Executive Order No. 9788. This Order terminated the independent Office of Alien Property Custodian and transferred to the Attorney General all of the authority, rights, privileges, powers, duties, and functions granted to the Alien Property Custodian by various Executive orders¹ issued under the authority of the Trading with the Enemy Act, as amended, together with all property and interests vested in the Custodian.

The elimination of German and Japanese interests in property in the United States is the primary responsibility of the Office of Alien Property. The identification and vesting of this property in the name of the Attorney General of the United States is the initial step in this program. After control has been obtained through the issuance of vesting orders, the vested property is administered by the Office of Alien Property in the national interest and, excepting certain specified classes of property, prepared for sale or liquidation at the earliest practicable time. The proceeds of vested property will be disposed of in a manner which has been determined by the Congress.² The Congress has also enacted legislation providing for the payment of debt claims to American creditors and the return of vested property to nonhostile persons.

VESTING POLICY

Property of Nationals of Germany and Japan

The vesting program of the Office of Alien Property is now confined generally to any property in the United States owned by the Governments and residents of Germany and Japan that was acquired by them prior to December 31, 1946. Property of German and Japanese citizens residing outside enemy territory who supported the enemy cause may also be vested.

Property acquired in the United States by nationals of Germany and Japan subsequent to December 31, 1946, as a rule, is generally not vested.³ This policy was instituted during the fiscal year 1947, after consultation with the Departments of State and Treasury, in order to facilitate trade between the United States and Germany and Japan, and to assist in the economic rehabilitation of the latter countries. This policy is not applicable to accretions to property owned on or prior to December 31, 1946, by nationals of Germany and Japan.

¹ These orders were Executive Order No. 9095 of March 11, 1942, Executive Order No. 9142 of April 21, 1942, Executive Order No. 9193 of July 6, 1942, and Executive Order No. 9567 of June 8, 1945.

² See pp. 4-8.

³ By an amendment to General License No. 94, issued on March 4, 1947, the Treasury Department unblocked all current transactions and new dollar assets of Germany and Japan and their nationals.

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Property of Former Enemy Nationals

During the fiscal year 1948 there was one major policy determination made with respect to the vesting program of the Office of Alien Property as a result of the Treaties of Peace with Bulgaria, Hungary, Italy, and Roumania coming into force on September 15, 1947. In consultation with the Department of State, the Office suspended vesting of property of the Governments and nationals of these countries as a matter of policy, although provision was made in each of the treaties of peace for continuance of vesting of certain types of property by the United States.

Prior to September 15, 1947, the Office had been vesting nonliquid assets of the Governments and nationals of Bulgaria, Hungary, and Roumania unless they were acquired by such nationals after December 7, 1945.⁴ The Office had ceased vesting property of the Government and nationals of Italy, except in those cases in which unusual circumstances were involved, in the fall of 1943 shortly after Italy became a co-belligerent.⁵

Property Subject to Vesting

During the fiscal year 1948 the Office has vested properties with an estimated net value of \$34,632,000. Under the current vesting program it is estimated that there is approximately \$61,000,000 worth of vestible property in the United States and its territories not yet vested. Estimates of the value of major classes of unvested property are as follows: interests in estates and trusts (\$20,200,000); securities (\$13,500,000); notes, claims, and credits (\$8,000,000); bank accounts, currency, and coin (\$10,000,000); and interests in business enterprises (\$6,000,000).

Table 1.—COMPARISON OF NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1948, WITH ESTIMATED NET VALUE OF VESTIBLE PROPERTY NOT VESTED AS OF JUNE 30, 1948

Type of property	Net equity vested, Mar. 11, 1942, to June 30, 1948 ¹	Estimated net value of vestible property not vested as of June 30, 1948
A. Property of nationals of Germany or Japan:		
Interests in business enterprises.....	\$159,318,000	\$8,000,000
Royalties on patents, copyrights, and trade-marks (accrued prior to dates of vesting).....	7,321,000	(?)
Real property (including mortgages) and tangible personal property.....	6,810,000	2,000,000
Interests in estates and trusts under judicial supervision.....	44,000,000	6,000,000
Interests in estates and trusts not under judicial supervision.....	12,758,000	14,200,000
Securities (stocks, bonds, etc., not representing substantial interests in business enterprises).....	16,206,000	13,500,000
Bank accounts, currency, and coin.....	16,966,000	10,000,000
Notes, claims, and credits.....	9,163,000	8,000,000
Life insurance and annuity contracts and other property.....	427,000	1,600,000
Property located in the Philippine Islands.....	9,058,000	-----
B. Property of nationals of other countries:		
.....	22,830,000	(?)
Total.....	304,857,000	61,300,000

¹ Exclusive of patents, copyrights, and other properties on which dollar evaluations are not practicable and of net income and appreciation of vested property since dates of vesting.

² Small and indeterminate.

⁴ On December 7, 1945, the Treasury Department issued General License No. 94, which unblocked all current transactions and new dollar assets of a number of foreign countries and their nationals, including Bulgaria, Hungary, and Roumania. General License No. 94, however, did not free any dollar assets which, on the effective date of the license, were blocked.

⁵ Italy came within the scope of General License No. 94 of December 7, 1945. An amendment to General License No. 95, issued on August 29, 1947, permitted unblocking of assets of the Government of Italy and its nationals in which there was no ineligible interest.

Table 1 presents estimates on the amount of vestible property not yet vested classified by major types of property, together with comparative data on property already vested.

ADMINISTRATION AND LIQUIDATION OF VESTED PROPERTY

Vested properties must be administered by the Office until they can be disposed of to the best advantage of the national interest. It is the policy of the Office to liquidate or sell most types of vested properties as soon as practicable.

Administration

The principal objective of the Office of Alien Property in its administration of most of the property vested in the Attorney General—business enterprises, real and personal property, and interests in estates and trusts—is to prepare these properties for early liquidation or sale to nationals of the United States. In the management of vested property, pending its sale or liquidation, the Office acts to conserve the value of the property and to use it productively in the interest of the national welfare.

In the administration of vested enemy patents, excluding those in which nonenemies have or claim interests, the aim of the Office is to make them readily available to American industry on a nonexclusive, royalty-free basis for an administrative fee of \$15 a patent. Under the provisions of Section 32 of the Trading with the Enemy Act as amended by Public Law 370, Eightieth Congress, first session, approved August 5, 1947,⁶ one class of vested enemy patents—Italian—will be returned to the former owners, subject to any outstanding licenses including those issued by the Office. Under Section 32 of the Trading with the Enemy Act, which was added to the Act by Public Law 322, Seventy-ninth Congress, second session, approved March 8, 1946,⁷ vested nonenemy patents may be returned to their former owners. Pending such return, the patents may be licensed for reasonable royalties if satisfactory terms can be agreed upon by the former owner and the party applying for a license.⁸

Administrative policy regarding copyrights and trade-marks also differs in many respects from the policy concerning other classes of vested property because of the peculiar nature of the property involved.⁹

Liquidation and Sales

During the period March 11, 1942, to June 30, 1948, approximately \$124,295,000 of vested property has been sold or liquidated and an additional \$30,739,000 has been collected as income from vested property. Of these amounts, \$19,164,000 of vested property was sold or liquidated and \$7,292,000 was collected as income from vested property during the fiscal year 1948.

Three important categories of vested property are not being sold or liquidated for policy or legal reasons: (1) patents, copyrights, and certain trade-marks because it is thought that the national interest will be best served by retention and control by the Government of the monopoly privileges involved; (2) properties of nationals of countries other than Germany and Japan, which are being withheld from sale at the request of

⁶ 61 Stat. 784, 50 U. S. C. App. Sec. 32.

⁷ 60 Stat. 50, 50 U. S. C. App. Sec. 32.

⁸ For a discussion of patent licensing policy, see Ch. V, "Patents, Copyrights, and Trade-Marks," pp. 57-58.

⁹ For a discussion of copyright and trade-mark policy, see Ch. V, "Patents, Copyrights, and Trade-Marks," pp. 64-70.

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the Department of State; and (3) properties subject to certain title claims or suits for return.

At the end of the fiscal year approximately \$207,387,000 of vested property had not been reduced to cash because of the above-mentioned legal or foreign policy reasons and because of certain administrative and business considerations. Not included in this figure are patents, copyrights, trade-marks, and miscellaneous items on which dollar values cannot be computed.

DISPOSITION OF VESTED PROPERTY

In disposing of vested property or the proceeds from its sale or liquidation the Office must take cognizance of the rights and status of various classes of persons asserting interests in the vested property. Generally, these persons may be divided into the following major groups:

1. Creditors of the former owners of vested property.
2. Nonhostile persons whose property has been vested.
3. Nationals of former enemy countries.
4. Nationals of Germany and Japan.

Creditors of Former Owners of Vested Property

The payment of debt claims, that is, creditors' claims outstanding against a piece of vested property or against its former owner, is authorized by Section 34 of the Trading with the Enemy Act which was added to the Act by Public Law 671, Seventy-ninth Congress, second session, approved August 8, 1946.¹⁰ Under Section 34 the payment of claims of American creditors against the former owners of vested property on an equitable basis is ensured to the extent that the assets vested from each debtor permit.

When a piece of vested property is subject to a title claim or suit, any debt claims against this property are not paid pending disposition of the title claim or suit. If a title claim is allowed, the Office must give notice in the Federal Register of intention to return 30 days in advance. During this 30-day period debt claimants may attach the property and then proceed to have the validity of the debts determined in the courts.

Nonhostile Persons Whose Property Has Been Vested

The return of vested property to nonhostile persons is authorized by Section 32 of the Trading with the Enemy Act, as amended. This Section was added to the Act by Public Law 322, Seventy-ninth Congress, second session, approved March 8, 1946,¹¹ and subsequently amended by Public Law 671, Seventy-ninth Congress, second session, approved August 8, 1946,¹² and Public Law 370, Eightieth Congress, first session, approved August 5, 1947.¹³ Section 32 authorizes the return of property to any nonenemy who has resided outside enemy countries since December 7, 1941, and to any enemy citizen who was not present in enemy-occupied territory after December 7, 1941, or engaged in business in such territory. Section 32 also permits the return of property to citizens of allied and neutral countries who were involuntarily resident in enemy countries, and to corporations or associations located outside Germany if the enemy interest amounts to less than 50 percent.¹⁴ Return may also be made to

¹⁰ 60 Stat. 925, 50 U. S. C. App. Sec. 34. For a detailed discussion of provisions of Section 34, see Ch. VIII, "Claims and Suits," pp. 89-91.

¹¹ 60 Stat. 50, 50 U. S. C. App. Sec. 32.

¹² 60 Stat. 925, 50 U. S. C. App. Sec. 32.

¹³ 61 Stat. 784, 50 U. S. C. App. Sec. 32.

¹⁴ For a more detailed statement of the provisions of Sec. 32, see Ch. VIII, "Claims and Suits," p. 85.

so-called persecutees, that is, nonenemy citizens who have been resident in an enemy country at any time since December 7, 1941, or citizens of enemy countries who have been physically present in such countries or in territory occupied by them, who were deprived of life or substantially deprived of liberty or full rights of citizenship, as the case may be, by discriminatory legislation against political, racial, or religious groups in the country where they resided or of which they were nationals.

A judicial remedy for nonenemy claimants of vested property is provided for in Section 9 (a) of the Trading with the Enemy Act, as amended,¹⁵ which allows these claimants to bring action in a Federal district court for the return of vested property. It has always been clear that this remedy is available to most claimants who are American citizens. The right to bring suit under Section 9 (a) of nonenemy nationals or even American citizens who are defined as "foreign nationals" under Section 5 (b) of the Trading with the Enemy Act, as amended, has until recently been a moot question. The United States Supreme Court, on December 8, 1947, in the case of *Uebersee Finanz-Korporation A. G. v. Clark*, held that a foreign national which on the pleadings was taken to have no enemy taint could recover property.¹⁶

Nationals of Former Enemy Countries

The sale or liquidation of most of the property vested from nationals of Bulgaria, Hungary, Italy, and Roumania has been deferred at the request of the Department of State. Treaties of peace with these countries were ratified by the United States Senate on June 5, 1947, and came into force on September 15, 1947. The treaties of peace permit the seizure of assets within the United States belonging to the Governments and nationals of these countries when the treaties came into force and, after the satisfaction of certain claims, the return of the excess. During the fiscal year enabling legislation providing only for the return of Italian property was enacted by Congress.¹⁷

NATIONALS OF ITALY.—The United States Government's policy toward Italian assets located in the United States has been designed to assist Italy in the re-establishment of her economy on a self-sustaining basis. This is in keeping with the Government's overall policy for the economic rehabilitation of Western Europe under the European Recovery Plan.

The Treaty of Peace with Italy provided that the United States had the right to take any action with respect to property rights and interests of Italy and Italian nationals within the United States when the Treaty came into force, and to apply this property or proceeds from it "to such purposes as it may desire, within the limits of its claims and those of its nationals against Italy or Italian nationals, including debts, other than claims fully satisfied under other articles of the present treaty." Provision was made for the return of all Italian property or proceeds therefrom, "in excess of the amount of such claims."

At the peace conference in Paris the United States Government stated that it was the intention of this Government to return most of the Italian assets located in the United States in order to facilitate the resumption of normal peacetime economic and financial relations between the United States and Italy, and to assist in the rehabilitation of the Italian economy. To this end, the Governments of Italy and the United States commenced

¹⁵ 50 U. S. C. App. Sec. 9.

¹⁶ 330 U. S. 813. For a discussion of this case see *Annual Report, Office of Alien Property, Department of Justice, fiscal year ending June 30, 1947*, pp. 91-92.

¹⁷ Public Law 370, 80th Cong., 1st sess., approved August 5, 1947 (61 Stat. 784, 50 U. S. C. App. Sec. 32).

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negotiations in May 1947 which resulted, on August 14, 1947, in a general settlement agreement¹⁸ consisting of written understandings upon various economic and financial questions relating to the Treaty of Peace. Several of the burdensome economic and financial clauses of the Treaty were alleviated by the terms of the understandings.¹⁹ At the same time provision was made for the protection of private American property interests in Italy with respect to wartime claims and for the satisfaction of special war claims of American nationals.

By these understandings the United States agreed, "within the limits provided by law," to the return of Italian assets within the United States. Italian property in the United States consists of property which has been blocked by the Treasury Department (approximately \$45,000,000) and property vested by the Office of Alien Property (approximately \$18,000,000, together with certain interests in ships and industrial property upon which no dollar valuation has been placed). Not all Italian property will be returned by the United States for the understandings provided for the retention of vested property formerly owned by certain classes of Italian nationals, as for example, war criminals and others who continued to aid the enemy cause after Italy became a co-belligerent on September 8, 1943.

Although legislation was not deemed necessary for the release of blocked property, nevertheless the interested Committees of Congress were informed of the proposal to unblock such property. During the fiscal year arrangements were being made to permit the unblocking of Italian property upon certification by the Italian Government that there are no ineligible interests in the properties claimed.²⁰ In regard to vested property, Public Law 370, Eightieth Congress, first session, approved August 5, 1947,²¹ which amended Section 32 of the Trading with the Enemy Act, provided legislation for the return of this property. The provisions of Public Law 370 were as follows: (1) the President was authorized to return, pursuant to Section 32 of the Trading with the Enemy Act, as amended, any property or interest of Italy, a citizen or subject of Italy, or a corporation or association organized under the laws of Italy; (2) Italian nationality (citizenship, residence, or place of organization) was removed as a bar to return under Section 32; (3) the time within which claims of Italian nationals may be filed was extended to July 31, 1949, or to 2 years after the date of vesting, whichever is later;²² and (4) authorized the transfer to the Italian Government of all Italian vessels acquired by the United States since September 1, 1939, and also of surplus merchant vessels of a total tonnage equivalent to any of these Italian ships which were lost in the war effort.

Before any vested Italian property, excluding ships, could be returned it

¹⁸ This agreement is popularly known as the "Lombardo Agreement," so called after Ivan Matteo Lombardo, Chief of the Italian Financial and Economic Delegation to the United States.

¹⁹ The most important concession made by the United States involved the waiver of governmental claims of \$523,000,000 for civilian supplies furnished under the military relief program and claims for certain types of occupation costs totaling \$305,000,000.

²⁰ As of June 30, 1948, the ineligible interests were limited to those of persons in Germany, Japan, Hungary, Bulgaria, Roumania, Latvia, Estonia, Lithuania, Yugoslavia, and Portugal.

²¹ 61 Stat. 784, 50 U. S. C. App. Sec. 32. For the text of Public Law 370, see Appendix, Exhibit F, pp. 155-156.

²² The provisions of Public Law 874, 80th Cong., 2d sess., approved July 1, 1948 (62 Stat. 1218, 50 U. S. C. App. Sec. 33), which amends Sec. 33 of the Trading with the Enemy Act, do not allow for the continuance of this bar date in regard to such Italian claimants. Rather they are bound by the same bar date as all other title claimants, April 30, 1949, which is 3 months earlier than was previously allowed Italian claimants under Public Law 370. See Ch. VIII, "Claims and Suits," pp. 85-86.

was necessary to devise procedures whereby the Italian Government would certify that the claimant was eligible for the return in accordance with the settlement agreement which was made effective by Public Law 370. On May 3, 1948, the Ufficio Italiano dei Cambi (Italian Exchange Office) was designated by the Italian Government as the agency to act on behalf of the Italian Ministry of the Treasury for all certification matters. A certification procedure was then devised by the Office of Alien Property and submitted to the Italian Government, which approved it on May 31, 1948. At the close of the fiscal year a number of claims were under consideration by the Ufficio Italiano dei Cambi, but no certifications had as yet been received by this Office.

The transfer of the Italian ships was effected by Executive Order No. 9935 of March 16, 1948.²³ By this Order all right, title, and interest of the Attorney General in nine former Italian ships²⁴ and the Maritime Commission in five former Italian ships were transferred to the Government of Italy. In addition, there were transferred to the Italian Government 15 surplus Liberty ships of an equivalent tonnage to those Italian ships seized by the United States Government and thereafter lost while being employed in the United States war effort.

NATIONALS OF BULGARIA, HUNGARY, AND ROUMANIA.—The Treaties of Peace with Bulgaria, Hungary, and Roumania provide that the United States has the right to take any action regarding property rights and interests owned by the Governments and nationals of these countries as of the effective dates of the treaties and to use the property, or proceeds thereof, in the settlement of its claims and those of its nationals against the Governments of Bulgaria, Hungary, and Roumania or their nationals. Further provision was made for the return of any property, or the proceeds from it, in excess of the amount of such claims.

Vested Bulgarian, Hungarian, and Roumanian property in the United States amounts to approximately \$3,400,000, excluding certain interests in industrial property, the value of which has not been estimated. During the fiscal year 1948 no agreements were concluded between the United States and Bulgaria, Hungary or Roumania with respect to the disposition of this vested property. In addition to property vested by the Office of Alien Property, there are certain assets belonging to the Governments and nationals of Bulgaria, Hungary, and Roumania which remain blocked.

Nationals of Germany and Japan

The greater part of vested property represents interests of nationals of Germany and Japan. Legislation approved just after the close of the fiscal year sets forth the manner of disposition of this property or the proceeds thereof.

PUBLIC LAW 896.—Public Law 896, Eightieth Congress, second session, approved July 3, 1948,²⁵ establishes a War Claims Commission and authorizes that Commission and the Federal Security Administrator to make immediate adjudications and awards on some classes of claims arising out of World War II, including those of American civilians interned by or in hiding from the Japanese forces, American prisoners of war who were not supplied the minimum quality and quantity of food prescribed by the Geneva Convention, and certain employees of the United States or of

²³ For the complete text of Executive Order No. 9935, see Appendix, Exhibit F, pp. 163-164.

²⁴ For a discussion of the litigation in which the Italian ships were involved, see Ch. VIII, "Claims and Suits," p. 99.

²⁵ 62 Stat. 1240, 50 U. S. C. App. Sec. 39. For the complete text of Public Law 896, see Appendix, Exhibit F, pp. 158-163.

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contractors with the United States. In addition, the Commission is directed to report to the Congress on other war claims. The Act adds Section 39 to the Trading with the Enemy Act which expressly provides that the property of German and Japanese nationals shall not be returned, except as authorized in Section 32, and no compensation shall be paid in respect of such property. The net proceeds available after completion of administration of German and Japanese property are to be covered into the Treasury. The Act established a War Claims Fund on the books of the Treasury, to consist of the money so covered in by this Office, and provides that the administrative expenses of the Commission, and the awards which the Act authorizes, shall be paid out of that Fund.

INTER-CUSTODIAL PROBLEMS

The resolution of inter-custodial problems concerning German external assets²⁶ was undertaken by the Inter-Allied Reparation Agency (hereafter called IARA) created under the Paris Agreement on Reparation from Germany of December 21, 1945. IARA is an international instrumentality for the allocation of German reparation among the 18 signatory governments, including all major allied powers except Russia and China.

The resolution of inter-custodial problems was first undertaken in June and July 1946 by a Committee of Experts established by the Assembly of IARA. The problems were then considered by the German External Assets Committee of IARA which was composed of representatives of the United States, The United Kingdom, France, Canada, Czechoslovakia, and The Netherlands. In March 1947 a draft of a comprehensive agreement for the solution of all the various problems involved was prepared and distributed to all member countries for comment. Between September and December 1947, the Committee met again to revise the draft in the light of the comments of the member countries. In December a proposed agreement was submitted to the Assembly, and then forwarded to all member countries for their consideration.

The agreement provides in general: (1) that securities, currency, notes, indebtedness, etc., shall be vested by the country of issue or in which the obligor is located, and that all physical paper evidencing such property shall be released to such country by the country in which the paper is located; (2) that the country administering an estate or trust shall administer all property involved in the estate or trust, wherever located; (3) that there shall be an equitable solution in the case of assets in one country belonging to a formerly German-controlled company located in another IARA country, which would protect fully the nonenemy interests; and (4) that nonenemies holding indirectly substantial interests in property located in member countries through corporations organized under the laws of Germany shall be entitled to release of such property to the extent of their interests.

The agreement is open to all members of IARA. As of June 30, 1948, the Member Governments of the United States,²⁷ Canada, Belgium, The Netherlands, and Luxemburg have signed the agreement.

²⁶ For a discussion of the various types of assets involved in inter-custodial problems, see *Annual Report, Office of Alien Property, Department of Justice, fiscal year ending June 30, 1947*, pp. 10-11.

²⁷ The IARA agreement has been signed by the United States subject to ratification. Legislation to approve the agreement was introduced during the Eightieth Congress (S. J. Res. 233).

TRANSFER OF JURISDICTION OVER FOREIGN FUNDS

Assets within the United States of certain designated foreign countries and their nationals were controlled through a program of blocking and licensing by the Treasury Department pursuant to Executive Order No. 8389, of April 10, 1940, as amended. Early in 1948 it was determined that jurisdiction over assets which remained blocked should be transferred to the Office of Alien Property, Department of Justice. Before the end of the fiscal year representatives of the two Departments perfected plans to effect the transfer.²⁸ With respect to those countries that are beneficiaries under the European Recovery Program, the assets which remain blocked are being regulated in such a manner as to aid the Program.

²⁸ The transfer was made effective as of October 1, 1948, by Executive Order No. 9989

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General Description of Controlled Property

The purpose of this chapter is to present a statistical summary of the properties controlled by the Office of Alien Property and to show the changes that have occurred in these properties since dates of assumption of control. The controlled property may be divided into three categories: (1) vested property, (2) supervised property, and (3) property held in safekeeping. Vested property is the most important category of controlled property; therefore, in addition to the summary data of such property presented in this chapter, it is discussed in detail in the succeeding five chapters.

VALUE OF CONTROLLED PROPERTY

Property administered by the Office of Alien Property may be evaluated in various ways. The two valuations which may be considered as of the most significance are those of *total property controlled* and *net equity vested*. The first of these figures indicates the amount of property over which the Office has acquired control through vesting, supervision, or deposits for safekeeping. The second represents the value of property to which the Office (or, more properly, the Attorney General) has title. As of June 30, 1948, total controlled property amounts to \$497,603,000. Of this amount, \$339,671,000 represents net equity vested.¹ The \$157,932,000 difference represents (1) \$2,265,000 of property under supervision, (2) \$557,000 of property held in safekeeping, and (3) the \$155,110,000 difference between the total controlled assets of enterprises in which interests have been vested and the estimated value of the vested interests.

Changes in Value of Property Since Acquisition by the Office

The total value of controlled property as of June 30, 1948, is \$497,603,000. The value of this property when originally placed under control of the Office was \$494,064,000. The increase resulted largely through income from vested property and increase in total assets of business enterprises controlled.

Net equity has increased from \$304,857,000 as of dates of vesting to \$339,671,000 at June 30, 1948. This increase of \$34,814,000 resulted from profits from vested property, which were offset partially by administrative expenses of the Office, property returned, debt claims paid, and the transfer of Philippine property. The increase in net equity is analyzed in detail in table 4.

¹ Excluded from these figures is property remaining from World War I which is treated separately in this chapter.

Property Not Included in Evaluations

The amounts shown for net equity would be considerably higher if the value of many of the more valuable properties could be appraised. Below are shown some of these properties held as of June 30, 1948:

Type of property:	Number of items
Patents	43,061
Part interests in patents	319
Patent applications	1,801
Abandoned patent applications	507
Unpatented inventions	789
Copyrights (estimated)	500,000
Trade-marks	466
Interests in ships	3
Interests in patent contracts	1,164

Property located in enemy and formerly enemy-occupied countries is also excluded from the above valuations. These assets with a book value of over \$100,000,000 were either directly vested or owned by business enterprises in which the Office holds substantial interests.

NET EQUITY VESTED

Types of Property

Table 2 shows the composition of net equity vested as of dates of vesting and as of June 30, 1948. Column 2 of the table indicates the value of property before deductions for property returned to successful title claimants, debt claims paid, the return or transfer of Philippine property, and the use of funds for administrative expenses, while column 3 is net of these deductions.

Property Vested During Fiscal Year 1948

The \$34,632,000 of property vested during the fiscal year 1948 is approximately \$2,000,000 more than the amount vested during the previous year. The most important types of property involved were interests in business enterprises (\$13,591,000) and interests in estates and trusts (\$8,957,000). Net equity vested during the fiscal year is compared with vestings during previous periods and for the entire period of vesting in table 3.

Table 4.—CHANGES IN NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1948, FROM DATES OF VESTING TO JUNE 30, 1948

[In thousands of dollars]

Net equity vested as of dates of vesting.....	304,857
Add:	
Net appreciation of interests in business enterprises ¹	50,187
Income on interests in business enterprises.....	11,158
Income on other vested property.....	19,587
	80,932
Less:	
Revaluation of property turned over to the Office as liquidating distributions of business enterprises..	-8,907
Direct expenses not allocated to specific types of property.....	-200
	-9,107
	71,825
Net equity as of June 30, 1948 (before deductions).....	376,682
Deductions:	
Property transferred to the Republic of the Philippines or the Philippine Alien Property Administration.....	-9,058
Claims paid and property returned.....	-9,098
Funds used to defray administrative expenses of the Office..	-18,855
	-37,011
Net equity vested as of June 30, 1948 (after deductions).....	339,671

¹ Appreciation and depreciation of properties other than interests in business enterprises cannot be computed. Other properties are, therefore, carried at the same values on June 30, 1948, as at dates of vesting.

Nationality of Former Owners

Net equity vested is classified by nationality of former owners, both as of dates of vesting and as of June 30, 1948 (before deductions) in table 5. Changes in values of properties vested from nationals of each country from dates of vesting to June 30, 1948, are indicated in table 6.

Cash Income from Vested Property

During the fiscal year ending June 30, 1948, \$7,292,258.66 was received in income from vested property. This exceeds the previous year's receipts by over \$2,000,000. The \$2,030,432.17 income on interests in vested business enterprises does not reflect the earnings of these companies during the period. Several of the large income producing companies, as in the case of comparable American business enterprises not under the control of the Office, have retained a substantial portion of their earnings because of the need for funds for expansion. Table 7 shows the distribution of cash income by type of property from which received.

Cash Proceeds of Liquidation and Sale

Net proceeds of sale and liquidation of property are shown in table 8. By June 30, 1948, the Office had received a total of \$124,295,313.38 from the sale and liquidation of property. Of the total cash, \$19,164,186.98 was received during the year. Proceeds from personal property items accounted for over 50 percent of the year's total.

Table 5.—NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1948, CLASSIFIED BY NATIONALITY OF FORMER OWNERSHIP, AS OF DATES OF VESTING AND AS OF JUNE 30, 1948

[In thousands of dollars]

Date of valuation and type of property	Total	Nationality of former ownership						
		German ¹	Japanese	Italian	Hungarian	Roumanian	Bulgarian	Enemy occupied
A. Valued as of dates of vesting:								
Interests in vested business enterprises.....	167,474	105,973	53,345	7,602	52	5	497	-----
Royalties on patents, copyrights, and trade-marks (accrued prior to dates of vesting).....	10,588	7,319	2	1,145	122	1	1	1,998
Real property.....	6,919	4,396	1,622	780	57	60	4	-----
Personal property.....	45,986	38,770	4,784	1,298	239	431	20	444
Interests in estates and trusts.....	64,832	56,144	614	5,026	2,359	571	118	-----
Property in the Philippine Islands.....	9,058	-----	9,058	-----	-----	-----	-----	-----
Grand total.....	304,857	212,602	69,425	15,851	2,829	1,068	640	2,442
Percent of total.....	100.0	69.7	22.8	5.2	0.9	0.4	0.2	0.8
B. Valued as of June 30, 1948 (before deductions):²								
Cash.....	155,035	109,108	27,959	9,071	1,408	743	533	6,213
Interests in vested business enterprises.....	146,974	128,987	14,649	3,330	-----	8	-----	-----
Royalties on patents, copyrights, and trade-marks (accrued prior to dates of vesting).....	3,800	3,800	-----	-----	-----	-----	-----	-----
Real property.....	3,349	2,165	637	514	26	5	2	-----
Personal property.....	24,204	14,299	7,862	1,785	20	100	6	132
Interests in estates and trusts.....	35,818	29,539	305	3,901	1,745	223	105	-----
Property in the Philippine Islands.....	7,502	-----	7,502	-----	-----	-----	-----	-----
Grand total.....	\$376,682	\$287,898	\$58,914	\$18,601	\$3,199	\$1,079	646	\$6,345
Percent of total.....	100.0	76.4	15.6	4.9	0.9	0.3	0.2	1.7

¹ The figures in this column include approximately \$2,500,000 of property formerly owned by residents of Austria, Sudetenland, and Danzig who were regarded as nationals of Germany at the time of vesting.

² Deductions are for (1) property transferred to the Republic of the Philippines or the Philippine Alien Property Administration; (2) debt claims paid and property returned to former owners; and (3) funds used to defray administrative expenses of the Office.

³ The \$18,855,000 used to defray administrative expenses of the Office, the \$9,098,000 worth of property returned to former owners or paid to debt claimants, and the \$9,058,000 transferred to the Republic of the Philippines or the Philippine Alien Property Administration have not been deducted.

⁴ Includes property valued at \$6,168,000 vested as the property of German nationals but returned to former owners or paid to debt claimants.

⁵ Includes property valued at \$395,000 vested as the property of Japanese nationals but returned to former owners or paid to debt claimants and the \$9,058,000 transferred to the Republic of the Philippines or the Philippine Alien Property Administration.

⁶ Includes property valued at \$519,000 vested as the property of Italian nationals but returned to former owners or paid to debt claimants.

⁷ Includes property valued at \$1,423,000 vested as the property of Hungarian nationals but returned to former owners or paid to debt claimants.

⁸ Includes property valued at \$75,000 vested as the property of Roumanian nationals but returned to former owners or paid to debt claimants.

⁹ Includes property valued at \$518,000 vested as the property of nationals of France and also property of nationals of Norway and Poland amounting to less than \$500 returned to former owners.

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REPRODUCED AT THE NATIONAL ARCHIVES

Table 2.—NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1948, CLASSIFIED BY TYPE OF PROPERTY, VALUED AS OF DATES OF VESTING AND AS OF JUNE 30, 1948

[In thousands of dollars]

Type of property	As of dates of vesting	As of June 30, 1948	
		Before deductions ¹	After deductions ¹
Cash.....		\$ 155,035	\$ 132,284
Interests in vested business enterprises:			
Stock.....	106,875	128,027	127,639
Equity in enterprises whose assets or excess assets have been vested.....	48,990	12,632	12,632
Partnership interests.....	180	88	88
Other proprietary interests.....	51	58	58
Bonds.....	518	59	59
Notes and accounts receivable.....	10,860	6,110	5,601
Total.....	167,474	146,974	146,077
Royalties on patents, copyrights, and trade-marks (accrued prior to dates of vesting):			
Patents, patent applications, and patent contracts.....	8,839	3,800	
Copyrights and copyright contracts.....	1,115		
Trade-marks and trade-mark contracts.....	634		
Total.....	10,588	3,800	
Real property:			
Real estate.....	5,833	2,683	2,673
Mortgages.....	1,025	615	594
Ground rents, leaseholds, and other interests.....	61	51	51
Total.....	6,919	3,349	3,318
Personal property:			
Tangible personal property.....			
Stocks.....	1,309	410	410
Bonds.....	12,358	7,643	7,490
Other securities.....	3,600	5,188	4,912
Mortgage participations.....	113	61	61
Bank balances.....	383	300	300
Notes, claims, and credits.....	12,432	2,617	2,615
Currency and coin.....	10,499	7,722	7,722
Life insurance and annuities.....	4,842	17	17
Total.....	450	246	246
Total.....	45,986	24,204	23,773
Interests in estates and trusts:			
Decedents' estates.....	26,745	10,671	9,590
Trusts under wills.....	28,249	19,482	18,389
Trusts inter vivos.....	8,138	5,379	4,961
Guardianship estates.....	1,700	286	286
Total.....	64,832	35,818	34,219
Property in the Philippine Islands.....	9,058	7,502	
Grand total.....	304,857	376,682	339,671

¹ Deductions are for (1) property transferred to the Republic of the Philippines or the Philippine Alien Property Administration; (2) debt claims paid and property returned to former owners; and (3) funds used to defray administrative expenses of the Office.

² These figures are net of direct expenses immediately borne by the vested property. Cash assets of vested business enterprises are excluded inasmuch as they are reflected in the valuation of "interests in vested business enterprises."

Table 3.—NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1948, AS OF DATES OF VESTING, BY TYPE OF PROPERTY AND PERIOD OF VESTING

[In thousands of dollars]

Type of property	Total	Period	
		July 1, 1947, to June 30, 1948	Mar. 11, 1942, to June 30, 1947
Interests in vested business enterprises:			
Stock.....	106,875	13,183	93,692
Equity in enterprises whose assets or excess assets have been vested.....	48,990		48,990
Partnership interests.....	180		180
Other proprietary interests.....	51		51
Bonds.....	518		518
Notes and accounts receivable.....	10,860	408	10,452
Total.....	167,474	13,591	153,883
Royalties on patents, copyrights, and trade-marks (accrued prior to dates of vesting):			
Patents, patent applications, and patent contracts.....	8,839		8,839
Copyrights and copyright contracts.....	1,115		1,115
Trade-marks and trade-mark contracts.....	634		634
Total.....	10,588		10,588
Real property:			
Real estate.....	5,833	564	5,269
Mortgages.....	1,025	81	944
Ground rents, leaseholds, and other interests.....	61	34	27
Total.....	6,919	679	6,240
Personal property:			
Tangible personal property.....			
Stocks.....	1,309	20	1,289
Bonds.....	12,358	3,031	9,327
Other securities.....	3,600	2,600	1,000
Mortgage participations.....	113	13	100
Bank balances.....	383	28	355
Notes, claims, and credits.....	12,432	2,520	9,912
Currency and coin.....	10,499	1,972	8,527
Life insurance and annuities.....	4,842	821	4,021
Total.....	450	400	50
Total.....	45,986	11,405	34,581
Interests in estates and trusts:			
Decedents' estates.....	26,745	4,536	22,209
Trusts under wills.....	28,249	2,893	25,356
Trusts inter vivos.....	8,138	1,525	6,613
Guardianship estates.....	1,700	3	1,697
Total.....	64,832	8,957	55,875
Property in the Philippine Islands.....	9,058		9,058
Grand total.....	304,857	34,632	270,225

Increase in Net Equity Vested

Total net equity has increased from \$304,857,000 as of dates of vesting to \$339,671,000 at June 30, 1948. The factors that resulted in this \$34,814,000 increase are outlined in table 4. Appreciation of interests in business enterprises and income on property increased net equity by \$80,932,000, which was reduced by \$46,118,000 for property returned to successful title claimants, debt claims paid, the return or transfer of Philippine property, administrative expenses, revaluation adjustments, and certain direct expenses.

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Table 6.—CHANGES IN NET EQUITY VESTED, MAR. 11, 1942, TO JUNE 30, 1948, FROM DATES OF VESTING TO JUNE 30, 1948, BY NATIONALITY OF FORMER OWNERSHIP

[In thousands of dollars]

	Total	Nationality of former ownership						
		German	Japanese	Italian	Hungarian	Romanian	Bulgarian	Enemy occupied
Net equity vested as of dates of vesting.....	304,857	212,602	69,425	15,851	2,829	1,068	640	2,442
Add:								
Net appreciation of interests in business enterprises ¹	50,187	52,504	-2,466	130	6	3		
Income on interests in business enterprises.....	11,158	10,351	273	534				
Income on other vested property.....	19,587	12,745	471	2,086	365	8	7	3,905
Less:								
Revaluation of property turned over to the Office as liquidating distributions of business enterprises.....	-8,907	-148	-3,765					
Direct expenses not allocable to specific types of property.....	-200	-161	-56		-1	-1		-2
Net equity vested as of June 30, 1948 (before deductions) ²	376,682	287,899	58,913	18,601	3,199	1,078	647	6,345

¹ Appreciation and depreciation of properties other than interests in business enterprises cannot be computed. Other properties are, therefore, carried at the same values on June 30, 1948, as at dates of vesting.
² Deductions are for (1) property transferred to the Republic of the Philippines or the Philippine Alien Property Administration; (2) debt claims paid and property returned to former owners; and (3) funds used to defray administrative expenses of the Office.

Table 7.—CASH INCOME ON PROPERTY VESTED, CLASSIFIED BY TYPE OF PROPERTY, MAR. 11, 1942, TO JUNE 30, 1948

NOTE.—These figures are net of direct expenses paid in connection with the operation of the vested property during the period of the Office's ownership. The classification according to type of property is based on the form in which property was held at the time the income was produced. For example, cash income on real estate distributed to the Attorney General from a trust is classified as income on real estate rather than as income on trusts.

Type of property	Total	Period	
		July 1, 1947, to June 30, 1948	Mar. 11, 1942, to June 30, 1947
Interests in vested business enterprises:			
Stock.....	\$10,718,265.37	\$1,985,535.00	\$8,732,730.37
Equity in enterprises whose assets or excess assets have been vested.....	211.55	¹ -7,122.66	7,334.21
Partnership interests.....	346,765.67	40,500.00	306,265.67
Bonds.....	27,106.42	¹ -502.50	27,608.92
Notes and accounts receivable.....	65,476.63	12,022.33	53,454.30
Total.....	11,157,825.64	2,030,432.17	9,127,393.47
Royalties on patents, copyrights, and trade-marks (accrued subsequent to dates of vesting):			
Patents, patent applications, and patent contracts.....	12,224,683.58	3,514,666.19	8,710,017.39
Copyrights and copyright contracts.....	1,583,777.84	274,400.05	1,309,377.79
Trade-marks and trade-mark contracts.....	611,028.52	27,323.56	583,704.96
Total.....	14,419,489.94	3,816,389.80	10,603,100.14
Real property:			
Real estate.....	983,538.63	194,498.35	789,040.28
Mortgages.....	95,554.49	13,422.46	82,132.03
Ground rents, leaseholds, and other interests.....	6,310.02	572.67	5,737.35
Total.....	1,085,403.14	208,493.48	876,909.66
Personal property:			
Tangible personal property.....	100,748.66	62,755.88	37,992.78
Stocks.....	763,160.36	406,728.11	356,432.25
Bonds.....	425,808.43	106,034.52	319,773.91
Other securities.....	71.78		71.78
Mortgage participations.....	42,864.46	6,282.89	36,601.57
Bank balances.....	50,317.23	11,676.42	38,640.81
Notes, claims, and credits.....	63,106.86	17,105.16	46,001.70
Life insurance and annuities.....	¹ -3,629.17	¹ -461.81	¹ -3,077.86
Total.....	1,442,548.61	610,111.67	832,436.94
Interests in estates and trusts:			
Decedents' estates.....	74,107.48	14,208.18	59,899.30
Trusts under wills.....	2,046,429.60	458,850.49	1,587,579.11
Trusts inter vivos.....	498,697.31	145,444.22	353,253.09
Guardianship estates.....	90,572.17	13,957.99	76,614.18
Total.....	2,639,812.56	632,460.88	2,007,351.68
Direct expenses not allocable to specific types of property.....	-5,629.34	-5,629.34	
Grand total.....	30,739,450.55	7,292,268.66	23,447,191.89

¹ Excess of expenditures over cash income.

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Table 8.—CASH RECEIVED THROUGH LIQUIDATION AND SALE OF PROPERTY VESTED, CLASSIFIED BY TYPE OF PROPERTY, MAR. 11, 1942, TO JUNE 30, 1948

NOTE.—These figures are net of direct expenses paid in connection with the sale or liquidation of the vested property or to discharge liabilities incurred prior to vesting. The classification according to types of property is based on the form in which property was held at the time of liquidation or sale. For example, cash received from the sale of real estate distributed to the Attorney General from a trust is classified as proceeds of real estate rather than as proceeds of trusts.

Type of property	Total	Period	
		July 1, 1947, to June 30, 1948	Mar. 11, 1942, to June 30, 1947
Interests in vested business enterprises:			
Stock.....	\$30,093,760.95	\$1,384,235.17	\$28,709,525.78
Equity in enterprises whose assets or excess assets have been vested.....	17,058,361.53	1,016,012.66	16,042,348.87
Partnership interests.....	149,554.00	12,098.14	137,455.86
Other proprietary interests.....	1—179.02	1—179.02	—
Bonds.....	124,048.98	9,000.00	115,048.98
Notes and accounts receivable.....	5,116,120.80	466,924.05	4,649,196.75
Total.....	52,541,667.24	2,888,091.00	49,653,576.24
Royalties on patents, copyrights, and trade-marks (accrued prior to dates of vesting):²			
Patents, patent applications, and patent contracts.....	5,039,303.25	14,100.87	5,025,202.38
Copyrights and copyright contracts.....	1,115,131.31	152,376.13	962,755.18
Trade-marks and trade-mark contracts.....	634,047.31	18,062.31	615,985.00
Total.....	6,788,481.87	184,539.11	6,603,942.76
Real property:			
Real estate.....	4,096,786.41	731,078.40	3,365,708.01
Mortgages.....	752,683.79	192,334.11	560,349.68
Ground rents, leaseholds, and other interests.....	30,469.55	1—410.75	30,879.70
Total.....	4,879,939.75	923,002.36	3,956,937.39
Personal property:			
Tangible personal property.....	938,426.18	6,541.16	931,885.02
Stocks.....	8,142,786.35	3,468,494.34	4,674,292.01
Bonds.....	6,339,727.96	2,785,069.65	3,554,658.31
Other securities.....	62,113.51	1—11,275.98	73,389.49
Mortgage participations.....	400,564.31	53,687.53	346,876.78
Bank balances.....	9,815,656.52	2,343,892.40	7,471,764.12
Notes, claims, and credits.....	7,795,562.63	1,308,358.82	6,487,203.81
Currency and coin.....	4,824,995.74	828,192.68	3,996,807.06
Life insurance and annuities.....	206,560.14	195,340.87	11,219.27
Total.....	38,526,397.34	10,978,301.47	27,548,095.87
Interests in estates and trusts:			
Decedents' estates.....	13,231,931.75	2,707,273.41	10,524,658.34
Trusts under wills.....	5,375,714.84	1,462,521.48	3,913,193.36
Trusts inter vivos.....	942,223.15	165,317.96	776,905.19
Guardianship estates.....	648,341.22	50,309.72	598,031.50
Total.....	20,198,210.96	4,385,422.57	15,812,788.39
Philippine property.....	1,555,785.75	—	1,555,785.75
Direct expenses not allocable to specific types of property.....	—195,169.55	—195,169.55	—
Grand total.....	124,295,313.38	19,164,188.98	105,131,126.40

¹ Excess of expenditures over cash receipts.

² Royalties on interests in patents, copyrights, and trade-marks that accrued prior to the vesting of such interests are treated as principal. Royalties that accrued subsequent to vesting are treated as income.

SUPERVISED PROPERTY

Property placed under supervision and property remaining under the supervision of the Office at June 30, 1948, are classified according to types of property in table 9. Although a total of \$31,238,000 of unvested property has been placed under supervision, all but \$2,265,000 had been released as of June 30, 1948. During the past fiscal year property valued at \$738,000

was placed under supervision. No property was released from supervision during the year.

Table 9.—PROPERTY PLACED UNDER SUPERVISION, MAR. 11, 1942, TO JUNE 30, 1948, AND PROPERTY REMAINING UNDER SUPERVISION ON JUNE 30, 1948

NOTE.—Property controlled jointly through vesting and supervisory orders or supervised property subsequently vested is not covered by this table. The \$130,000 in assets of supervised enterprises, located in territory controlled or formerly controlled by the enemy, are also excluded.

[In thousands of dollars]

Type of property	Total property placed under supervision	Property over which supervision has been terminated	Property remaining under supervision on June 30, 1948
Total.....	31,238	—28,973	2,265
Business enterprises.....	30,220	—28,707	1,513
Real estate.....	150	—140	10
Mortgages.....	20	—16	4
Personal property.....	316	—50	266
Interests in estates and trusts.....	472	—	472
Miscellaneous.....	60	—60	—

PROPERTY HELD IN SAFEKEEPING

Property is frequently acquired over which the Office has not assumed formal control either through vesting or supervision. As of June 30, 1948, the Office had in its possession such miscellaneous assets valued at \$557,000.

ASSETS REMAINING FROM WORLD WAR I

The Office continues to hold a sizeable amount of assets seized by the Alien Property Custodian in World War I. Total book value of these assets as of June 30, 1948, was \$60,848,906.² By Public Law 375, Eightieth Congress, first session, approved August 6, 1947,³ Congress directed the deposit in the "German Special Deposit Account" in the Treasury of all World War I funds held in the "Alien Property Custodian, Trust Fund," whose disbursement was restricted under Public Resolution 53, Seventy-third Congress, second session, approved June 27, 1934,⁴ less such amounts as were necessary to satisfy certain claims of non-Germans. Pursuant to this directive, \$4,547,400.74 has been certified to the Secretary of the Treasury. When an audit of all World War I accounts and claims is completed, additional sums will be available for transfer under Public Law 375. An additional amount of \$1,755,516.04 was certified to the Secretary of the Treasury under the Settlement of the War Claims Act of 1928.⁵ As of June 30, 1948, the Office held funds of \$1,021,669.17 on cash deposit with the United States Treasury, of which \$971,595.37 was available for transfer under Public Law 375 to the "German Special Deposit Account."

During the fiscal year a total of \$4,045.06 was paid to eight American claimants.

² Of this amount, \$56,964,199.77 represents U. S. Treasury certificates of deposit.

³ 61 Stat. 789, 50 U. S. C. App. Sec. 9.

⁴ 48 Stat. 1267, 50 U. S. C. App. Sec. 9.

⁵ 45 Stat. 254, 50 U. S. C. App. Sec. 9.

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Table 10.—CHANGES IN WORLD WAR I PROPERTY FROM JULY 1, 1947, TO JUNE 30, 1948

Book value at July 1, 1947.....	\$65,933,925.16
Add: Cash received.....	14,959.36
	65,948,884.52
Less:	
Expenses paid and administrative deductions upon settlement of claims.....	—\$101,444.50
Payments to claimants.....	—4,045.06
Worthless assets written off.....	—5.00
Transfers to German Special Deposit Account:	
Under Public Law 375 of 1947.....	—\$4,547,400.74
Under Settlement of War Claims Act of 1928.....	—447,083.22
	—4,994,483.96
	—5,099,978.52
Book value at June 30, 1948.....	60,848,906.00

Table 11.—COMPARATIVE STATEMENT OF WORLD WAR I PROPERTY HELD, APR. 21, 1942, JUNE 30, 1947, AND JUNE 30, 1948

Type of property	Apr. 21, 1942	June 30, 1947	June 30, 1948
Property in process of administration:			
Cash deposit (U. S. Treasury).....	\$9,014,305.51	\$9,878,592.79	\$2,833,083.06
Stocks.....	72.00	17.00	13.00
Bonds.....	1.00	11.00	10.00
Real estate.....	29,915.00	29,915.00	29,915.00
Mortgages.....	15,761.50	1.00	1.00
Miscellaneous assets.....	36.00	15.00	15.00
Total.....	9,060,091.01	9,908,551.79	2,863,037.06
German special deposit account funds (representing amounts withheld from German claimants pending fulfillment of obligations of German Government):			
Cash deposit (U. S. Treasury).....	970,498.29	816,689.64	1,021,669.17
Certificates of deposit (U. S. Treasury).....	55,203,923.51	55,208,683.73	56,904,199.77
Total.....	56,174,421.80	56,025,373.37	57,926,868.94
Grand total.....	65,234,512.81	65,933,925.16	60,848,906.00

¹ Includes funds of \$971,595.37 held by the Office of Alien Property at June 30, 1948, which are available for transfer under Public Law 375, approved Aug. 6, 1947, to the German Special Deposit Account.



Business Enterprises

This chapter is devoted to a general description of vested business enterprises, their administration and liquidation or sale. Detailed discussions of several of the more important companies are presented in the next chapter.

Substantial or controlling interests in 428 enterprises with total assets of \$401,253,000 as of dates of assumption of control have been vested by the Office. The Office has under its administration as of June 30, 1948, 287 enterprises with total assets of \$369,260,000, of which \$146,077,000 represents the value of the Attorney General's vested interests.

GENERAL DESCRIPTION OF VESTED ENTERPRISES

Interests Vested During Fiscal Year

Interests in 10 enterprises with total assets of almost \$35,000,000 were vested during the year. German nationals were the former owners of seven of these companies; the remaining three were formerly owned by nationals of Japan. Six of these concerns are actively engaged in business activities, while the remaining four are either inactive or in the process of liquidation.

Status of Vested Enterprises

Of the 428 enterprises, 109 have been continued as going concerns and 319 placed in liquidation. Of the 109 continued in operation, 33 have been sold and 4 returned to their former owners. The Office has completely liquidated 104 of the 319 enterprises in liquidation.

Size and Business Activity

Ten of the companies had assets over \$10,000,000 at dates of assumption of control and 38 others had assets of over \$1,000,000. As of June 30, 1948, there were 9 companies with assets exceeding \$10,000,000, and a total of 32 with assets of \$1,000,000 or more.

In table 12 the 428 business enterprises are grouped according to the kinds of business in which they are or were engaged. Total assets in each group are indicated.

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Table 12.—BUSINESS ENTERPRISES VESTED, MAR. 11, 1942, TO JUNE 30, 1948, DISTRIBUTED ACCORDING TO KIND OF BUSINESS ACTIVITY

[Total assets in thousands of dollars]

Kind of business activity	All vested enterprises (including companies disposed of prior to June 30, 1948) ¹			Enterprises held on June 30, 1948 ²	
	Number of companies	Total assets		Number of companies	Total assets as of June 30, 1948
		As of dates of assumption of control	As of June 30, 1948, or date of sale or return		
Total.....	428	401,253	408,844	287	369,260
Manufacturing:					
Chemical.....	21	129,905	189,580	13	169,862
Miscellaneous.....	40	59,915	73,550	19	64,883
Agriculture.....	8	4,193	389	5	294
Mining and petroleum.....	5	1,218	963	1	58
Trade:					
Wholesale.....	158	43,653	41,207	96	37,329
Retail.....	33	5,597	5,227	19	3,973
Transportation and related services.....	21	2,933	2,375	18	2,375
Holding:					
Investment.....	17	59,246	55,599	13	53,852
Real estate.....	32	8,688	7,251	25	4,795
Patent and copyright.....	23	2,564	2,358	17	1,502
Finance:					
Banking.....	22	64,951	27,161	22	27,161
Insurance.....	8	15,318	1,515	8	1,515
Miscellaneous.....	9	327	231	6	223
Services:					
Engineering.....	3	2,005	691	2	691
Other services rendered for profit.....	15	413	406	12	406
Nonprofit.....	13	327	341	11	341

¹ Including 33 companies sold, 4 companies returned to their former nonenemy owners, and 104 companies completely liquidated.

² Excluding companies mentioned in footnote 1. The asset column is affected only by the exclusion of the 37 companies sold or returned; the exclusion of the 104 liquidated companies does not affect the asset column inasmuch as the assets of these companies as of June 30, 1948, are zero.

According to the nationality of the former owners of the vested interests in the 428 companies, their number and total assets at dates of assumption of control are distributed as follows:

Nationality of former ownership	Number of companies	Total assets
German.....	214	\$284,426,000
Japanese.....	175	100,725,000
Italian.....	33	13,564,000
Other.....	6	2,538,000
Total.....	428	401,253,000

Percent of Controlling Interests Vested

In 366 cases, or 85.5 percent of the companies, the Office has vested 50 percent or more of the controlling interests, or 100 percent of the assets. The percentage of assets or controlling interests vested by type of enterprise is indicated in table 13.

Table 13.—BUSINESS ENTERPRISES IN WHICH INTERESTS WERE VESTED, MAR. 11, 1942, TO JUNE 30, 1948, BY TYPE OF ENTERPRISE AND PERCENT OF ASSETS OR CONTROLLING OWNERSHIP INTERESTS VESTED

Percent of assets or controlling ownership interests vested ¹	Type of enterprise							Total	Percent of total
	Corporations	Partnerships	Proprietorships	Non-profit organizations	United States branches of foreign enterprises	Miscellaneous associations			
Total.....	311	27	23	12	52	3	428	100.0	
100 percent assets.....	3	17	23	12	34	1	90	21.0	
100 percent excess assets.....					17		17	4.0	
100 percent controlling interests.....	166				1		167	39.0	
75-99.9 percent controlling interests.....	41						41	9.6	
50-74.9 percent controlling interests.....	48	3					51	11.9	
25-49.9 percent controlling interests.....	42	5					47	11.0	
Less than 25 percent controlling interests.....	11	2				2	15	3.5	

¹ The phrase "controlling ownership interests" means the voting stock of corporations, partnership shares etc.; it specifically excludes preferred stock and other nonvoting interests. Indirect interests of the Attorney General, such as shares held by estates and trusts in which all interests have been vested or by other enterprises in which assets or majority interests have been vested, are included in the calculation of percent vested wherever such interests exist.

CONSOLIDATED BALANCE SHEETS

Table 14 presents consolidated comparative balance sheets of all 428 vested enterprises as of dates of assumption of control and as of June 30, 1948. Changes during the period of administration by the Office are outlined in the three middle columns.

Assets

Total assets were \$401,253,000 at dates of assumption of control and \$369,260,000 as of June 30, 1948. The sale or return of enterprises with assets of \$39,584,000 caused a substantial decline in total assets. There were on the books of the companies, however, increases in domestic assets of \$27,854,000, and decreases in foreign assets of \$20,263,000, or a net increase of \$7,591,000. The increase in domestic assets represents increases in fixed assets such as plants and equipment as well as inventories and other current assets, made necessary because of expanded operations of several of the major active concerns. Most of the increase in domestic assets was provided by the operating profits of the companies and, to a lesser extent, by direct loans and other obligations.

Liabilities

The total liabilities as of dates of assumption of control amounted to \$135,489,000. Increases in liabilities on the books of the companies amounted to \$5,536,000 which resulted primarily from expansion of several active concerns as indicated above (companies in liquidation, including banks and insurance companies, reduced liabilities by \$13,993,000).

The Office has vested the interests of creditors in the amount of \$14,217,000, of which approximately one-half, or \$7,131,000, remains unliquidated as of June 30, 1948.

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Table 14.—CONSOLIDATED COMPARATIVE BALANCE SHEETS OF ALL VESTED ENTERPRISES, AS OF DATES OF ASSUMPTION OF CONTROL AND AS OF JUNE 30, 1948

[In thousands of dollars]

Balance sheet items	As of dates of assumption of control	Changes from dates of assumption of control to June 30, 1948			As of June 30, 1948
		Additional interests vested	Changes reflected on books of enterprises	Less enterprises sold or returned	
ASSETS ¹					
Located in the United States.....	304, 810		27, 854	-57, 828	294, 776
Located in allied and neutral countries.....	14, 738		-6, 774	-1, 653	6, 411
Located in enemy and formerly enemy-occupied countries.....	81, 705		-15, 489	-145	68, 073
Total assets.....	401, 253		7, 591	-59, 584	369, 260
LIABILITIES AND NET WORTH					
Liabilities:					
Owing to residents of the United States.....	107, 702		16, 477	-11, 109	113, 070
Owing to residents of allied, neutral, and formerly enemy-occupied countries.....	8, 136		-5, 012	-594	2, 530
Owing to residents of enemy countries.....	10, 492	-5, 058	438	-1	5, 871
Owing to Attorney General (vested)?.....	9, 159	5, 058	-6, 367	-719	7, 131
Total liabilities.....	135, 489		5, 536	-12, 423	128, 602
Net worth:					
Net worth of solvent enterprises.....	274, 281		3, 039	-27, 209	250, 111
Deficits of insolvent enterprises.....	-8, 517		-984	48	-9, 453
Total net worth.....	265, 764		2, 055	-27, 161	240, 658
Total liabilities and net worth.....	401, 253		7, 591	-59, 584	369, 260
Net worth of solvent enterprises distributed according to ownership shares:					
Vested in Attorney General ²	199, 311	3, 755	-9, 116	-19, 520	174, 430
Owed by estates and trusts in which Attorney General is sole beneficiary.....	2, 782	24	122	-47	2, 881
Owed by others.....	72, 188	-3, 779	12, 033	-7, 642	72, 800

¹ Receivables and claims are classified according to location of debtors; deposits according to location of depositories; and securities according to location of issuers.

² For further data on the value of the Attorney General's interests, see table 15.

³ For explanation of factors producing this change, see table 15.

Net Worth

Total net worth of all the vested enterprises has decreased from \$265,764,000 at dates of assumption of control to \$240,658,000 as of June 30, 1948. This net reduction of \$25,106,000 is accounted for by: (1) the sale or return to former owners of companies with a net worth of \$27,161,000; and (2) an increase of \$2,055,000 in net worth on the books of the companies.

The factors responsible for this change in net worth, as shown in table 15, were net operating profits of \$79,015,000, capital gains of \$4,081,000, and liquidating gains of banks and insurance companies of \$1,635,000. Net worth was reduced by distributions of profits and liquidating payments of cash and other assets to owners (including the Attorney General) amounting to \$82,676,000.

Table 15.—FACTORS RESPONSIBLE FOR CHANGES IN NET WORTH OF ALL VESTED ENTERPRISES FROM DATES OF ASSUMPTION OF CONTROL TO JUNE 30, 1948

[In thousands of dollars]

Factors responsible for changes	Amount	
1. Operating profits and losses (after taxes): ¹		
Profits of 159 companies.....	83, 718	
Less: Losses of 204 companies ²	-4, 703	
Net change.....		79, 015
2. Capital adjustments: ³		
Revaluation of assets (including losses and gains on sale of assets and liquidation of receivables):		
Gains.....	11, 838	
Losses.....	-8, 200	3, 638
Changes in expenses and taxes applicable to periods prior to vesting:		
Expense and tax reductions.....	2, 893	
Less: Expense and tax increases.....	-2, 450	443
Net change.....		4, 081
3. Liquidating gains and losses of banks and insurance companies:		
Gains of 11 companies.....	3, 373	
Less: Losses of 19 companies.....	-1, 758	
Net change.....		1, 635
4. Distributions to stockholders, partners, and other owners (including Attorney General):		
Distributed profits in cash and in kind.....		-25, 655
Liquidating payments in cash and in kind.....	-58, 845	
Less: Funds returned to companies.....	75	-58, 770
Stock bought in by companies.....		-271
		-82, 676
Total changes in net worth reflected on the books of the enterprises (per table 14).....		2, 055

¹ Do not include profits or losses of banks and insurance companies, which are reflected in factor 3. Thirty-five vested enterprises, not engaged in business, made neither profits nor losses.

² Almost without exception the companies showing operating losses are in liquidation; the bulk of the losses was sustained by insolvent companies having large obligations on which interest is accruing.

³ Do not include capital adjustments of banks and insurance companies, which are reflected in factor 3.

ATTORNEY GENERAL'S INTERESTS IN VESTED ENTERPRISES

The book values of the Office's interests in both net worth and debts of vested enterprises are shown in table 14.

Book values, however, do not accurately indicate the value of the vested interests. Accordingly, two general types of adjustments have been made.

A number of the vested companies hold assets located in enemy or formerly enemy-occupied countries which are of doubtful value. In determining net equity vested, such assets have been treated as valueless for statistical purposes.

The value of the vested creditor interests should represent the amount that the Office will ultimately receive. Since a number of vested companies are indebted to the Office in amounts greater than they can be expected to pay upon liquidation, book value has been reduced accordingly.

After making the above adjustments, the Attorney General's net equity in vested enterprises is estimated at \$167,474,000 at dates of assumption of control and \$146,077,000 as of June 30, 1948. Net equity vested in business enterprises is classified according to the character of the interest in table 16.

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Table 16.—NET EQUITY IN VESTED ENTERPRISES, CLASSIFIED BY CHARACTER OF INTEREST, AS OF DATES OF VESTING AND AS OF JUNE 30, 1948

[In thousands of dollars]

Character of interest	As of dates of vesting	As of June 30, 1948
Total.....	167,474	146,077
Interests in net worth.....	156,096	140,417
Stock.....	106,875	127,639
Equity in enterprises whose assets or excess assets have been vested.....	48,990	12,632
Partnership interests.....	180	88
Other proprietary interests.....	51	58
Interests as creditor.....	11,378	5,660
Bonds.....	518	59
Notes and accounts receivable.....	10,860	5,601

¹ Of which \$160,723,000 was vested at dates of assumption of control over the enterprises and \$6,751,000 subsequent thereto.

The \$21,397,000 decline in net equity from dates of assumption of control to June 30, 1948, is analyzed in table 17. Payments of liquidating dividends to the Office by enterprises in liquidation and the sale of going concerns accounted for much of the decline. Net appreciation of interests in business enterprises, primarily from undistributed profits of operating companies, offset to a great extent the decline.

Table 17.—CHANGES IN NET EQUITY IN BUSINESS ENTERPRISES, DATES OF VESTING TO JUNE 30, 1948

[In thousands of dollars]

Net equity as of dates of vesting.....	167,474
Add: Net appreciation of vested interests.....	50,187
Less: Proceeds of liquidation or sale of vested interests:	
Liquidating dividends in cash and in kind paid to Office.....	-45,954
Interests sold by Office.....	-19,959
Debts paid to Office in cash and in kind.....	-5,185
Interests returned by Office.....	897
	-71,995
Deduct direct expenses incurred in management or sale of vested interests.....	411
	-71,584
	-21,397
Net equity as of June 30, 1948.....	146,077

OPERATION OF VESTED ENTERPRISES AS GOING CONCERNS

Of the 428 enterprises vested, 109 have been operated as going concerns. The sale of 33 companies and the return of 4 to former owners leaves 72 continued in operation as of June 30, 1948.

Total Assets and Kind of Business Activity

The total assets and kinds of business activity in which the 109 enterprises are engaged are shown in table 18. Although 37 companies with total assets of \$39,584,000 were sold or returned, total assets of going concerns have increased from \$238,645,000 as of dates of assumption of control to \$277,149,000 as of June 30, 1948.

Table 18.—VESTED ENTERPRISES CONTINUED AS GOING CONCERNS, DISTRIBUTED ACCORDING TO KIND OF BUSINESS ACTIVITY

[Total assets in thousands of dollars]

Kind of business activity	All going concerns (including companies sold or returned) ¹			Going concerns held on June 30, 1948 ²	
	Number of companies	Total assets		Number of companies	Total assets as of June 30, 1948
		As of dates of assumption of control	As of June 30, 1948, or date of sale or return		
Total.....	109	238,645	316,733	72	277,149
Manufacturing:					
Chemical.....	16	129,308	189,554	13	169,836
Miscellaneous.....	26	59,555	73,469	14	64,802
Agriculture.....	2	258	109	1	14
Mining and petroleum.....	2	1,057	905		
Trade:					
Wholesale.....	22	13,406	16,172	16	12,294
Retail.....	8	3,931	4,842	3	3,588
Transportation and related services.....	1	110	444	1	444
Holding:					
Investment.....	6	23,176	23,295	5	21,648
Real estate.....	12	5,915	5,966	8	3,510
Patent and copyright.....	9	1,660	1,624	7	768
Miscellaneous finance.....	1	8	8		
Services:					
Engineering.....	1	43	117	1	117
Other services rendered for profit.....	3	218	228	3	228

¹ Including 33 companies sold and 4 companies returned to their former nonenemy owners prior to June 30, 1948.

² Excluding companies mentioned in footnote 1.

Control Exercised by the Office

In all cases when the Attorney General acquires a substantial voting stock interest in a corporation, the vested shares are voted for the election of directors to the extent permitted by the corporation's by-laws. In some instances, arrangements are made to elect one or more directors even when the vested shares represent a minority interest.

The boards of directors and officers of an active business enterprise are responsible for the conduct of its business. Each active business enterprise operates under a general authorization by the Office to perform such transactions as are necessary to the normal functioning of the business. These authorizations, however, prohibit the corporation from making any unusual transactions, as for example, the sale of a substantial part of the assets of the corporation or the issuance of additional capital stock. Depending upon the circumstances in a specific case, the general authorization may also prohibit certain specific types of transactions. A special authorization issued by the Office of Alien Property is necessary before any prohibited transactions may be undertaken by the enterprise concerned.

SALE OF VESTED ENTERPRISES AS GOING CONCERNS

During the fiscal year 2 business enterprises were sold by the Office, making a total of 33 sold to June 30, 1948. Preparations were being made during the fiscal year by the Office for the sale of the vested interests in several of the larger companies including American Bosch Corporation (sale closed July 30, 1948),¹ American Bemberg Corporation and North

¹ See Ch. IV, "Selected Vested Enterprises," pp. 40-42.

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American Rayon Corporation (sale closed December 21, 1948), Rohm & Haas Company, and Maywood Chemical Works.²

Enterprises Sold During Fiscal Year

KAIMUKI INN.—Kaimuki Inn was formed May 1, 1941, as a partnership by Taru Takara, Sam H. Takara, and Ushi Takara to take over a restaurant and bar in Honolulu owned by Taru Takara and operated by him as a single proprietorship. Taru Takara departed for Japan in 1941 and has been unheard of since. The business had been operated by Sam H. Takara as manager and Ushi Takara as cook. By Vesting Order No. 4485, dated January 1, 1945, the Office vested the one-third interest of Taru Takara and undertook supervision of the enterprise at the same time. At the time of vesting, through differences in the rate of withdrawals by the partners, the interest of Taru Takara was worth \$31,907.79, or 38.06 percent of net worth.

With service of the vesting order, the partnership was declared dissolved and steps were taken by the remaining partners to liquidate the business. On December 10, 1946, the Office received a partial liquidation dividend of \$10,000, which was followed by a second payment of \$10,000 on May 7, 1947.

On June 28, 1947, an offer of \$12,000 was made by Ushi and Sam H. Takara for the interest held by the Office. Since the former was a national of Japan and therefore ineligible to purchase, the offer was repeated by Sam H. Takara as an individual. After an independent audit indicated the vested interest to be worth \$7,503.08 as of December 31, 1947, and further investigation had definitely established that a "private sale" would be to the best interests of the Office, Sam H. Takara's offer of \$12,000 was accepted on February 3, 1948.

The Office thus received a total of \$32,000 for its interest.

J. S. MIWA & COMPANY, LTD.—J. S. Miwa & Company, Ltd., is engaged in Honolulu in the importing and wholesaling of foodstuffs, mainly non-perishable items such as rice. The Company also operates a mill for the production of cattle feed, and is one of three such processors on the Island of Oahu. Of the 826 outstanding shares of capital stock, the Office vested 816 shares, or 98 percent of the total, as property of Japanese nationals.

The vested shares were offered at a public sale by sealed bids on June 2, 1947. The only offer received was in the amount of \$97,920, by Mrs. Eunice M. Nakata, sister-in-law of the only other stockholder in the company besides the Attorney General. The offer was rejected as inadequate as were several additional offers made by Mrs. Nakata after negotiation by the Office. Canvassing the field of prospective purchasers produced a group of Honolulu businessmen, who offered \$130,000 for the vested capital stock. The offer was accepted on a private sale basis. The purchaser was the Crown Trading Company, Ltd., organized for the purpose of purchasing the property from the Office. The sale was consummated February 19, 1948. None of the officers or stockholders of Crown Trading Company had been affiliated with J. S. Miwa & Company.

The purchase price of \$130,000 represents approximately \$10,000 more than book value of the vested shares.

Designation of Key Corporations

General Order No. 35 restricts the re-transfer of shares of vested stock of certain corporations sold by the Office. It was felt with respect to those

² The proceeds from the sale of American Bosch Corporation, American Bemberg Corporation, and North American Rayon Corporation amounted to approximately \$23,200,000.

corporations closely connected with the defense economy of the United States that it was in the national interest that persons other than nationals of the United States be prevented, subsequent to the vesting and sale of interests therein, from acquiring ownership or control.

To this end, the Attorney General issues orders pursuant to General Order No. 35 designating corporations under his supervision and control which are closely allied with the defense economy of the United States as "key corporations." The order provides that only nationals of the United States may own interests in vested stock of "key corporations."³

Pursuant to General Order No. 35, the following corporations have been designated as key corporations: American Bosch Corporation; Schering Corporation; General Aniline & Film Corporation; North American Rayon Corporation; and American Bemberg Corporation.

LIQUIDATION OF VESTED ENTERPRISES

Of the 428 vested business enterprises, 319 are being or have been liquidated. Of the latter, 30 are banks and insurance companies which are discussed in the next section of this chapter.

The remaining 289 companies were either already in liquidation at the time of assumption of control by the Office or were placed in liquidation because they were unable to operate profitably or because their continued operation would not serve the national interest. The nature of these enterprises and total assets are shown in table 19.

Table 19.—VESTED ENTERPRISES IN LIQUIDATION (OTHER THAN BANKS AND INSURANCE COMPANIES), DISTRIBUTED ACCORDING TO KIND OF BUSINESS ACTIVITY

[Total assets in thousands of dollars]

Kind of business enterprise	Number of enterprises	Total assets	
		As of dates of assumption of control	As of June 30, 1948
Total.....	289	82,339	63,435
Manufacturing:			
Chemical.....	5	597	26
Miscellaneous.....	14	360	81
Agriculture.....	6	3,935	280
Mining and petroleum.....	3	161	58
Trade:			
Wholesale.....	136	30,247	25,035
Retail.....	25	1,666	385
Transportation and related services.....	20	2,823	1,931
Holding:			
Investment.....	11	36,070	32,304
Real estate.....	20	2,773	1,285
Patent.....	14	904	734
Miscellaneous finance.....	8	319	223
Services:			
Engineering.....	2	1,962	574
Rendered for profit.....	12	195	178
Nonprofit.....	13	327	341

¹ Including 104 completely liquidated companies which have no assets remaining on June 30, 1948.

² Almost all of these assets are located in enemy and formerly enemy-occupied countries.

Progress of Liquidation

A total of 104 companies have been completely liquidated. Of this number, 23 were liquidated during the year.

³ For further details of General Order No. 35, see *Annual Report, Office of Alien Property, Department of Justice, fiscal year ending June 30, 1947*, pp. 34-35.

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Table 20 indicates the general progress of liquidation. From the dates of assumption of control to June 30, 1948, total assets have been reduced from \$82,339,000 to \$63,435,000. Difficulties will be encountered in the liquidation of the remaining assets. For example, the disposition of substantial amounts of cash held by a few companies has been delayed by legal matters. Certain of the receivables, claims, and deposits are difficult of collection; others may prove uncollectible.

Table 20.—CONSOLIDATED COMPARATIVE BALANCE SHEETS OF VESTED ENTERPRISES IN LIQUIDATION (EXCEPT BANKS AND INSURANCE COMPANIES), AS OF DATES OF ASSUMPTION OF CONTROL AND AS OF JUNE 30, 1948

[In thousands of dollars]

Balance sheet items	As of dates of assumption of control	Net change	As of June 30, 1948
ASSETS ¹			
Located in the United States:			
Cash	14,329	107	14,436
Receivables	3,220	-2,178	1,042
Inventory	4,583	-3,455	1,128
Investments	5,700	-2,577	3,123
Fixed assets	3,293	-2,781	512
Intangibles	487	-173	314
Deferred charges	140	-116	24
Claims and deposits	4,546	-1,902	2,644
Total assets located in the United States	36,298	-18,085	23,273
Located in allied and neutral countries	7,037	-4,052	3,005
Located in enemy and formerly enemy-occupied countries	39,004	-14,847	37,157
Total assets	82,339	-18,904	63,435
LIABILITIES AND NET WORTH			
Liabilities:			
Owing to residents of the United States	25,170	-709	24,461
Owing to residents of allied, neutral, and formerly enemy-occupied countries	3,779	-2,316	1,463
Owing to residents of enemy countries	5,324	-2,365	2,961
Owing to Attorney General (vested)	6,833	-2,841	3,992
Total liabilities	41,106	-8,229	32,877
Net worth:			
Net worth of solvent enterprises	49,588	0,601	50,189
Net worth of insolvent enterprises	-8,287	-1,074	-9,361
Total net worth	41,233	-10,675	30,558
Total liabilities and net worth	82,339	-18,904	63,435
Net worth of solvent enterprises distributed according to ownership shares:			
Vested in Attorney General	30,451	-8,591	24,060
Owned by estates and trusts in which Attorney General is sole beneficiary	78	-24	54
Owned by others	18,991	-3,186	15,805

¹ Receivables and claims are classified according to location of debtors; deposits according to location of depositories; and securities according to location of issuers.
² Including \$2,376,000 of additional rights in debts vested, less \$1,521,000 net decrease in value of rights and \$3,696,000 in securities and cash paid to the Office.
³ Including \$1,252,000 of additional interests in net worth vested and \$1,107,000 increase in book value less \$,760,000 in cash and securities paid to the Office.

Liquidations of assets located in enemy or formerly enemy-occupied countries have been for the most part held in abeyance because of international complications. Approximately \$31,000,000 of such assets represents the mining subsidiaries in Silesia owned by the Silesian-American Corporation.

The net worth of liquidating companies as of dates of assumption of control and as of June 30, 1948, are reconciled as follows:

Net worth as of dates of assumption of control	\$41,233,000
Operating profits and losses:	
Profit of 77 companies	\$3,224,000
Losses of 182 companies	-3,642,000
	-418,000
Capital gains and losses:	
Capital gains	4,061,000
Capital losses	-3,952,000
	109,000
Distributions to stockholders and other owners (including the Office of Alien Property):	
Regular dividends	-440,000
Liquidating payments	-9,909,000
	-10,349,000
Interests bought in by companies	-17,000
Total changes	-10,675,000
Net worth as of June 30, 1948	30,558,000

LIQUIDATION OF BANKS AND INSURANCE COMPANIES

This Office continues to have responsibility for the liquidation of 22 banks and 8 insurance companies. Some of these banks and insurance companies are being liquidated directly by this Office. The liquidation of the majority of these institutions, however, is being conducted by appropriate State officials or liquidating trustees under the supervision of this Office.

Progress of Liquidation of Banks and Insurance Companies

The financial condition of vested banks and insurance companies as of dates of assumption of control and as of June 30, 1948, is shown in table 21. As can be seen from the comparative balance sheets, the liquidations have progressed to the point where domestic assets other than cash have been reduced from \$24,174,000 to \$1,586,000 by the end of the fiscal year. Most of these remaining assets represent receivables in the process of collection.

The reduction of total assets has resulted primarily from payment of dividends to creditors, and distribution to the Office of cash and of assets in kind such as receivables and securities. Although the \$26,936,000 book value of nonliquid assets distributed to the Office is no longer shown on the balance sheets of the companies, the Office has a formidable task in liquidating them. Most of the larger domestic assets distributed to the Office in kind consist of claims against business enterprises vested by the Office; settlement of these claims must be made in conformance with the claims procedures of the Office established under Section 34 of the Trading with the Enemy Act, as amended.⁴ The liquidation of foreign claims is complicated by the fact that the assets of the debtors in many instances have been seized by friendly foreign governments. No policy has yet been formulated for assertion of claims against residents of enemy or formerly enemy-occupied countries. It has been decided by this Office and the Department of State that because of the international complications involved in foreign claims, efforts to collect should be held in abeyance pending the establishment of appropriate agreements between the United States and the foreign governments concerned.

⁴ 60 Stat. 925 (1946), 50 U. S. C. App. Sec. 34.

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Table 21.—CONSOLIDATED COMPARATIVE BALANCE SHEETS OF VESTED BANKS AND INSURANCE COMPANIES IN LIQUIDATION, AS OF DATES OF ASSUMPTION OF CONTROL AND AS OF JUNE 30, 1948

[In thousands of dollars]

Balance sheet item	As of dates of assumption of control	Net change	As of June 30, 1948
ASSETS ¹			
Located in the United States:			
Cash.....	35,921	-20,675	15,246
Receivables.....	12,962	-11,655	1,327
Investments.....	9,234	-9,071	163
Fixed assets.....	152	-150	2
Deferred charges.....	97	-45	52
Claims and deposits.....	1,729	-1,687	42
Total assets located in the United States.....	60,095	-48,268	16,832
Located in allied and neutral countries.....	5,227	-4,081	1,146
Located in enemy and formerly enemy-occupied countries.....	14,947	-4,249	10,698
Total assets.....	80,269	-51,598	28,676
LIABILITIES AND NET WORTH			
Liabilities:			
Owing to residents of the United States.....	8,916	-8,232	5,684
Owing to residents of allied, neutral, and formerly enemy-occupied countries.....	3,108	-2,946	162
Owing to residents of enemy countries.....	1,590	-318	1,272
Owing to Attorney General (vested).....		732	732
Total liabilities.....	13,614	-5,764	7,850
Net worth:			
Net worth of solvent enterprises.....	66,655	-45,829	20,826
Deficits of insolvent enterprises ²			
Total net worth.....	66,655	-45,829	20,826
Total liabilities and net worth.....	80,269	-51,598	28,676
Net worth of solvent enterprises distributed according to ownership shares:			
Vested in Attorney General.....	66,166	-45,415	20,751
Owned by others.....	489	-414	75

¹ Receivables and claims are classified according to location of debtors, deposits according to location of depositories, and securities according to location of issuers.

² Less than \$500.

Reduction in Liabilities

Of the banks and insurance companies in the process of liquidation by State authorities, two have declared 80 percent dividends to creditors, and the remainder 100 percent. Claims of creditors of those being liquidated by the Office must be settled in accordance with Sections 32 and 34 of the Trading with the Enemy Act, as amended.⁵ The legal right of depositors to interest on their deposits from the date the banks were closed until the date of payment of 100 percent dividends is in the process of judicial determination.

⁵ 60 Stat. 50 (1946), 50 U. S. C. App. Sec. 32; 60 Stat. 925 (1946), 50 U. S. C. App. Sec. 34.

Decline in Net Worth

The reduction in net worth from \$66,655,000 to \$20,826,000 from dates of assumption of control to June 30, 1948, is reconciled as follows:

Net worth at dates of assumption of control.....	\$66,655,000
Liquidating gains and losses:	
Add: Gains of 12 companies.....	\$3,373,000
Less: Losses of 18 companies.....	-7,737,000
Net change.....	1,636,000
Distributions to stockholders and other owners (including Attorney General):	
Liquidating payments in cash.....	-20,529,000
Liquidating payments in kind.....	-26,936,000
Total distributions.....	-47,465,000
Total change in net worth.....	-45,829,000
Net worth as of June 30, 1948.....	20,826,000

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HUGO STINNES CORPORATION, A HOLDING COMPANY, AND DOMESTIC
SUBSIDIARY HOLDING COMPANIES, CONSOLIDATED COMPARATIVE
BALANCE SHEETS,¹ JUNE 30, 1943, AND JUNE 30, 1948

	June 30, 1943 ²	June 30, 1948
ASSETS³		
Located in the United States:		
Cash		
Receivables	\$85,339.03	\$52,032.84
Inventory		
Investments		
Fixed assets	365,314.67	180,066.67
Intangibles		
Deferred charges		
Claims and deposits		
Total assets in the United States	450,653.70	232,099.51
Located in allied and neutral countries		
Located in enemy and formerly enemy-occupied countries ⁴	17,834,852.86	18,390,108.33
Total assets	18,285,506.56	18,622,207.84
LIABILITIES AND NET WORTH		
Liabilities:		
Owing to residents of the United States		
Owing to residents of allied, neutral, and formerly enemy-occupied countries	6,254,425.89	7,326,891.76
Owing to residents of enemy countries	1,112,817.14	941,408.06
Owing to Attorney General (vested)	260,164.73	222,597.10
Total liabilities	7,627,407.76	8,490,896.92
Net worth	10,658,098.80	10,131,310.89
Total liabilities and net worth	18,285,506.56	18,622,207.84
Book value of shares vested in Attorney General		
Book value of shares not vested	5,713,806.77	5,437,474.55
	4,944,292.03	4,693,836.34

¹ These balance sheets are prepared on the basis of financial data supplied by the company. They are not the official balance sheets of the company.
² Two months and 1 day before vesting.
³ Receivables and claims are classified according to location of debtors; deposits according to location of depositories; and securities according to location of issuers.
⁴ Reichsmark balances converted at the rate of RM4.20 to \$1.



Patents, Copyrights, and Trade-Marks

The Office of Alien Property has under its control valuable industrial and intellectual property consisting of United States patents, copyrights, and trade-marks.

VESTED PATENTS AND PATENT APPLICATIONS

Patent property under the control of the Office may be divided into three main categories: (1) patents and patent applications of nationals of enemy countries and formerly enemy-occupied countries; (2) interests of nationals of enemy countries and formerly enemy-occupied countries in patent contracts; and (3) patents and patent applications owned by patent holding companies and other business enterprises in which the enemy interests have been vested by the Office.

Property Vested

Patent property vested during the period March 11, 1942, to June 30, 1948, consisted of 40,616 patents, 327 part interests in patents, 4,703 patent applications, 509 abandoned patent applications, and 835 inventions on which patent applications had not been filed. Table 22 classifies these items according to the nationality of the former owners.

The following patent property, excluding patent contracts,¹ was vested during the fiscal year ending June 30, 1948:

Patents	47
Part interests in patents	0
Patent applications	12
Inventions	0

Changes in Character of Property Since Vesting

Since dates of vesting many of the patent properties controlled by the Office have undergone changes. These changes, which have resulted primarily from the prosecution of patent applications, the expiration of patents and the return of patents and patent applications to former non-enemy owners, are presented in table 23.

PATENT PROSECUTION.—There has been a steady decline since the fiscal year 1944 in the number of patents granted to the Office through prosecution of vested patent applications before the Patent Office. Prosecution is being continued only on those patent applications covering new products or processes which appear to be of value.

During the fiscal year 40 patents were issued to this Office on vested patent applications, bringing the total number of patents granted on vested patent applications to 2,978 as of June 30, 1948. The Office has also filed 45 applications on inventions. The Patent Office has accepted 85 divisional patent applications, 3 during the fiscal year. As of June 30, 1948, the Office still held 1,801 patent applications, of which approximately 332 were still being prosecuted.

¹ See p. 59.

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Table 22.—PATENTS AND RELATED PROPERTIES VESTED, MAR. 11, 1942, TO JUNE 30, 1948, CLASSIFIED BY NATIONALITY OF FORMER OWNERSHIP

Residence of former owners	Number of properties vested					Inventions
	Total	Patents	Part interests in patents	Patent applications	Abandoned patent applications	
Grand total.....	46,990	40,616	327	4,703	509	835
Enemy countries.....	34,011	29,345	247	3,415	415	589
Germany.....	30,204	26,153	211	2,959	359	522
Japan.....	1,215	1,126	1	72	14	2
Italy.....	1,920	1,561	16	259	29	55
Hungary.....	569	428	17	105	11	8
Roumania.....	73	59	2	8	2	2
Bulgaria.....	5	3				
Two or more countries.....	25	15		10		
Formerly enemy-occupied countries.....	12,934	11,231	79	1,285	93	246
Belgium.....	918	849	6	54	5	4
China (occupied).....	3			3		
Czechoslovakia.....	823	731	9	56	18	9
Denmark.....	586	516	2	59		9
Dutch East Indies.....	21			18		3
Estonia.....	11	11				
France.....	8,133	7,125	41	731	48	188
Greece.....	13	10		1	2	
Hong Kong.....	8					
Latvia.....	11	11				
Lithuania.....	4	4				
Luxemburg.....	67	47		20		
Monaco.....	1			1		
Netherlands.....	1,455	1,156	3	256	15	25
Norway.....	674	607	8	50	2	7
Philippine Islands.....	18			18		
Poland.....	124	115	1	4	3	1
Straits Settlements.....	1			1		
Thailand.....	1	1				
Yugoslavia.....	30	26	1	3		
Two or more countries.....	32	14	8	10		
Joint ownership (enemy and formerly enemy-occupied).....	45	40	1	3	1	

EXPIRATIONS.—Inasmuch as the life of a United States patent is limited to 17 years, a large number of the patents vested by the Office expire every year. Approximately 2,890 patents expired during the fiscal year 1948, making a total of 13,640 patents that have expired since dates of vesting. At the end of the fiscal year the Office held approximately 29,400 unexpired patents. Of the patent contracts which have expired since dates of vesting, 42 expired during the fiscal year.

RETURNS TO NONHOSTILE FOREIGN NATIONALS.—Under recent amendments to the Trading with the Enemy Act which generally permit the return of vested property to nonhostile foreign nationals as well as American citizens, the Office returned 252 patents, 7 part interests in patents, 2 patent applications, and 4 interests in 4 patent contracts to their former owners during the fiscal year. As of June 30, 1948, a total of 572 patents, 8 part interests in patents, 56 patent applications, and 7 interests in 7 patent contracts had been returned to their former owners.

New Inventions of Enemy Nationals

Public Law 380, Eightieth Congress, first session, approved August 6, 1947,² allows nationals of enemy countries to file patent applications under

² 61 Stat. 794, 35 U. S. C. Sec. 101 note. For the text of Public Law 380, see Appendix, Exhibit F, pp. 157-158.

certain specified conditions. Nationals of former Axis satellite countries, Italy, Bulgaria, Hungary, and Roumania, may file patent applications except for inventions relating to war material as specified in the Treaties of Peace with these countries. Under this statute, patents issued on applications filed by nationals of Germany and Japan are to be held subject to directives issued by the President in accordance with the peace treaties with these countries.

Table 23.—CHANGES IN PATENT HOLDINGS FROM DATES OF VESTING TO JUNE 30, 1948

	Types of property				
	Patents	Part interests in patents	Patent applications	Permanently abandoned patent applications	Inventions
Total vested through June 30, 1948.....	40,616	327	4,703	509	835
Changes resulting from prosecution.....	2,978		-2,246	-2	-46
Patent applications filed on inventions.....			45		-46
Divisional patent applications accepted ¹			85		
Abandoned patent applications revived.....			2	-2	
Patents granted on patent applications.....	2,978		-2,978		
Changes resulting from assignments and return of property.....	-533	-8	-56		
Patents and applications assigned to this Office.....	40		1		
Patents and applications assigned by this Office.....	-1		-1		
Patents and applications returned to former owners.....	-572	-8	-56		
Total held as of June 30, 1948.....	43,061	319	1,801	507	789

¹ The Patent Office will issue a patent only on a single invention. If a patent application covers more than one invention, one or more divisional applications must be filed.
² Of this number, approximately 13,640 patents have expired as of June 30, 1948.

LICENSING OF VESTED PATENTS

Licensing Policy

ENEMY PATENTS.—The Office of Alien Property has under its control patents classified as enemy which have been vested from nationals of Germany, Japan, Italy, Bulgaria, Hungary, and Roumania. The Office has continued the policy of licensing all German and Japanese patents, under which there were no conflicting bona fide nonenemy rights outstanding at the time of vesting, on a nonexclusive, royalty-free basis to American citizens and corporations.³ During the fiscal year, however, there have been some changes with respect to the licensing of patents vested from nationals of other enemy countries.

The nonexclusive, royalty-free licensing policy with respect to patents vested from Italian nationals was terminated on August 14, 1947, when the Governments of Italy and the United States entered into written understandings upon various financial and economic questions relating to the

³ As a result of an international patent accord, effective in December 1946, formerly wholly German-owned patents seized by each signatory Government, under which there were no conflicting bona fide nonenemy rights outstanding at the time of seizure, have been made available to nationals of all signatory governments either by royalty-free, nonexclusive licensing or by dedication to the public. The accord, which was open to any member of the United Nations and to any neutral government until July 31, 1947, has been signed by 35 countries, including the United States.

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REPRODUCED AT THE NATIONAL ARCHIVES

Treaty of Peace with Italy. Henceforth, these patents were to be licensed by the Office on a nonexclusive, nondiscriminatory, royalty-bearing basis—the royalty terms to be agreed upon in advance by the applicant and the former Italian owner. The Office will then collect the royalties until such time as the patents may be returned to their former owners. In accordance with the understandings, when vested Italian patents are returned to their former owners⁴ they will remain subject to all outstanding licenses and agreements for licenses, including those granted or entered into by the Office prior to August 14, 1947.

The nonexclusive, royalty-free licensing of patents vested from nationals of Bulgaria, Hungary, and Roumania was continued on a somewhat restricted basis after September 15, 1947, when the Treaties of Peace with these countries came into force. The Office will continue to issue non-exclusive, royalty-free licenses on any of these patents which had been licensed prior to September 15, 1947. In the case of patents which had not been licensed prior to this date, the Office will consult with the Department of State before issuing any licenses.

NONENEMY PATENTS.—The Office's licensing policy with respect to patents vested from friendly foreign nationals that have not as yet been returned remains unchanged. A nonexclusive, royalty-bearing license is issued by the Office if the applicant and former owner can agree upon a reasonable royalty and other terms which are acceptable to this Office.

Extent of Licensing

The extent of licensing of vested patents on both a cumulative and fiscal year basis is shown in the following table:

	Cumulative total to June 30, 1947	Licensed during period July 1, 1947, to June 30, 1948	Cumulative total to June 30, 1948
Number of applicants to which licenses were granted.....	1, 235	125	1, 360
Number of licenses granted.....	12, 531	205	12, 736
Number of patents and patent applications licensed (counting each patent as many times as it was licensed).....	11, 929	578	12, 507

¹ This figure includes all supplemental licenses that were not included in previous compilations. Supplemental licenses are licenses granted for the use of patents which were not available for licensing at the time the original license was issued to a particular applicant.

Of the total number of patents licensed, only 61 patents, covered by 38 licenses, were formerly owned by nonenemies. The remainder were formerly owned by nationals of enemy countries.

Encouragement of Use of Vested Patents

The Office of Alien Property continued its program for the use and development of vested patents, but on a greatly restricted basis. Press releases were issued by the Office dealing with patents in various fields of interest to American industry which became available for licensing through renegotiation of patent contracts.⁵ The Office maintained libraries of "soft copies" and sets of abstracts of vested patents in its field offices in New York and San Francisco.⁶ Information on vested patents and patent

⁴ The legislative authorization for this return is contained in Public Law 370, 80th Cong., 1st sess., approved August 5, 1947 (61 Stat. 784, 50 U. S. C. App. Sec. 32). For a discussion of this Law and the understandings, see Ch. I, "Basic Policies and Problems," pp. 5-7.

⁵ See pp. 60-61.

⁶ These items have also been deposited by the Office in libraries in 20 other cities throughout the country.

abstracts was made available to the public upon request. In this connection, the Office handled 2,260 requests for general and technical information on vested patents, and filled over 900 orders for sets and sections of patent abstracts during the fiscal year.

In disseminating information with respect to vested patents, close liaison is maintained with the Office of Technical Services of the Department of Commerce.

PATENT CONTRACTS

Patent contracts, in which the rights and interests of foreign nationals have been vested by the Office, are of two basic types: (1) contracts whereby the patents have merely been licensed to the American party, in which event title to the patents as well as the contract interests have been vested; and (2) contracts pursuant to which patents have been assigned outright and thus title to the patents is held by the American party to the contract. The Office has vested 1,171 interests of foreign nationals in 851 patent contracts as of June 30, 1948. During the fiscal year 14 enemy interests, all German, involving 12 contracts, were vested.

Table 24 shows these vested interests and contracts classified by the nationality of the former owners.

Table 24.—PATENT CONTRACTS IN WHICH INTERESTS WERE VESTED, MAR. 11, 1942, TO JUNE 30, 1948, CLASSIFIED BY NATIONALITY OF FORMER OWNERSHIP

Nationality	Number of contracts involved	Number of interests vested
Total.....	851	1, 171
Enemy.....	681	918
Germany.....	631	1, 851
Japan.....	6	10
Italy.....	21	32
Hungary.....	19	23
Roumania.....		1
Bulgaria.....	4	(*)
Joint (interests of nationals of two or more enemy countries vested).....	153	253
Formerly enemy-occupied.....		
Belgium.....	3	14
Czechoslovakia.....	4	11
Denmark.....	6	10
Estonia.....	1	1
France.....	92	151
Latvia.....	2	5
Luxemburg.....	19	32
Netherlands.....	20	25
Norway.....	1	2
Poland.....	1	1
Yugoslavia.....		
Joint (interests of nationals of two or more formerly enemy-occupied countries).....	6	(*)
Joint (interests of nationals of both enemy and formerly enemy-occupied countries vested).....	17	(*)

¹ 3 interests in 3 patent contracts which had been vested as German were returned to their former non-enemy owners.

² Interests are distributed in the above tabulation among the various specific nationalities.

³ Interests in 4 contracts which had been vested as French were returned to their former nonenemy owners.

Problems of Administration and Disposition

The complex nature of patent contracts is reflected in the variety and number of problems encountered in the administration and disposition

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EXHIBIT C—Continued

General order No.	Subject matter	Requisite forms	Date executed	Federal Register citation
23	Requiring reports of royalties due and payable to the Office of Alien Property under vested interests in works subject to copyright.	Form APC-45 in duplicate, to report royalties due and payable prior to vesting; Form APC-46 to report royalties which become due and payable after vesting; Form APC-1 may be used as application for refund.	June 10, 1943	8-9178
26	Regulations governing the sale of property vested by the Office of Alien Property.		May 29, 1943	8-7628
27	Requiring persons proposed for repatriation to report, on demand, all property in the United States in which they have an interest.	Form APC-48	Aug. 23, 1943	9-2875
28	Requiring reports of royalties due and payable to the Office of Alien Property under vested interests in trademarks and commercial prints and labels and agreements relating thereto.	Form APC-50, for royalties which became due and payable for all accounting periods prior to the date of vesting; APC-51, for royalties which became due and payable thereafter.	Nov. 4, 1943	8-15729
30	Regulating valuation or rate of exchange of monetary units of enemy countries for purpose of discharging claims of foreign nationals against citizens and residents of the United States.		Mar. 9, 1944	9-2771
31	Prohibiting transactions with respect to property subject to the authority and power of the Office of Alien Property unless authorized by certain officials.		July 10, 1944	9-7739
	Amendment		Dec. 12, 1944	9-14573
	do		Aug. 7, 1945	10-9914
	do		Feb. 8, 1946	11-1586
	do		Feb. 28, 1946	11-2313
	do		Sept. 18, 1946	11-10698
	do		Feb. 7, 1947	12-973
	do		Oct. 8, 1947	12-6716
32	Limitations on representative activities by former employees of the Office.		Dec. 24, 1947	12-8890
	Amendment		Oct. 5, 1944	9-12197
	do		May 6, 1947	12-3142
33	Establishing time of effectiveness of vesting orders.		Jan. 9, 1948	13-195
	do		Jan. 30, 1945	10-1363
34	Requiring reports of property and interests of Germany and Japan and any national thereof.	Form APC-56, Series A to H, in duplicate; series to be used depends on type of property to be reported.	Dec. 20, 1945	10-15409
	Regulation No. 1 under G. O. 34: Extending time for filing reports.		Feb. 18, 1946	11-1931
	Regulation No. 2 under G. O. 34: Nonapplicability of G. O. 34 to property acquired on or after Jan. 1, 1947.		Mar. 3, 1947	12-1544
35	Restricting resale or transfer of stock vested and sold by the Office of Alien Property.		Sept. 9, 1946	11-9924
	Order No. 1 under G. O. 35: Designating American Bosch Corporation a key corporation.		do	11-9990
	Order No. 2 under G. O. 35: Designating Schering Corporation a key corporation.		Oct. 14, 1946	11-12782
	Order No. 3 under G. O. 35: Designating General Aniline & Film Corporation a key corporation.		do	11-12782
	Order No. 4 under G. O. 35: Designating North American Rayon Corp. a key corporation.		Nov. 17, 1947	12-7855
	Order No. 5 under G. O. 35: Designating American Bemberg Corp. a key corporation.		do	12-7855
36	Construction of definitions by reference to Treasury General Ruling No. 11.		Jan. 14, 1948	13-230

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EXHIBIT D

List of Dissolution Orders Issued by the Office of Alien Property, July 1, 1947, to June 30, 1948

Dissolution order No.	Related vesting order No.	Name of corporation ordered dissolved	Date executed	Federal Register citation
58	772	American Giese Wire Corp.	July 7, 1947	12-4621
59	65	Heidelberg Printing Machinery Corp.	July 11, 1947	12-4739
60	1469	Ostram Corp.	do	12-4740
61	477	Riberena Fuel & Chartering Co., Inc.	do	12-4740
62	4726	A. W. Lotz, Inc.	July 15, 1947	12-4804
63	772	Steel Wire Corp.	Aug. 4, 1947	12-5415
64	5634, 9659	Koenig & Bauer, Inc.	Oct. 20, 1947	12-6939
65	48	Pacific Hog Co., Inc.	do	12-6957
66	442	Vogemann-Goudriaan Co., Inc.	do	12-6940
	1372	Metropolitan Stevedoring Co., Inc.		
67	340, 5291	Knoop, Lange & Co., Inc.	Oct. 23, 1947	12-6995
68	261, 477, 512	Domestic Fuel Corp.	Nov. 25, 1947	12-8036
69	24, 3851	Lingner Corp.	Dec. 11, 1947	12-8437
70	28, 425, 1786	Adlanco X-Ray Corp.	Dec. 16, 1947	12-8712
	102	Roentgen Supplies, Inc.		
71	766	Fifth Avenue Cutlery Shop, Inc.	Dec. 16, 1947	12-8714
72	31	Ergen Corp.	Feb. 19, 1948	13-1074
73	8079	Knorr Food Products Corp.	Mar. 12, 1948	13-1418
74	929	Pioneer Potash Corp.	Apr. 16, 1948	13-2187
75	4849, 10391	American M. A. N. Corp.	Apr. 21, 1948	13-2245
76	147, 387, 4160	Taiyo Trading Co., Inc.	Apr. 27, 1948	13-2400
77	1585	Staple Fiber Corp.	May 3, 1948	13-2498
78	45, 2974	Compagnia Italiana Turismo, Inc.	June 10, 1948	13-3265
79	49	L. & N. Feeding Corp., Inc.	June 21, 1948	13-3498
80	373, 7081	Chemical Marketing Co., Inc.	June 25, 1948	13-3620
81	198, 3566	Z. Horikoshi & Co., Inc.	do	13-3619
82	2864, 3936	Walter Eitelbach & Co., Inc.	June 30, 1948	13-3771
83	5080	Imoto Bros., Inc.	do	13-3772

REPRODUCED AT THE NATIONAL ARCHIVES

DECLASSIFIED
Authority MMD765036
By WSD NARA Date 1/20/83

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OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U. S.)

AG CABLES

INCOMING MESSAGE



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374/29 end

SECRET
PRIORITY

FROM : AGWAR FROM JCS
TO : OMGUS TO CLAY
REF NO : W-90822

The following, received from the State, War and Navy Departments, is in reply to your CC-7080 of 22 November:

"It is not deemed wise to make exceptions to general rule of restituting to governments only, except as provided in WX-91471. Since Weiss case not covered by WX-91471, you will turn property in question over to Hungarian Restitution Mission. If Hungarian Mission so chooses it may transfer property to Weiss representative in Germany."

CC-7080, 23 Nov 46, Econ.
WX-91471 is AGC IN 30285, 16 June 46, Econ.

ACTION : ECON
INFORMATION : O/SS IA&C NAVAL
POL AFF TRANS
LEGAL AF
FIN CONT OFF

AGC IN 47917 30 Jan 47 EM/end REF NO: W-90822

SECRET

Copy No.

COPY FOR OFFICER IN CHARGE OF AMERICAN MISSION, PARIS.

EMBASSY OF THE UNITED STATES
OF AMERICA
NOV 15 1946
PARIS

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Nov. 7, 1946

CONFIDENTIAL

No. 544

To the

Officer in Charge of the American Mission,
London.

The Secretary of State refers to the Embassy's
airgram no. 1281 of October 3, 1946 (Safehaven).

The Department of State has received the following
comment from Berlin regarding second paragraph of your
reference airgram. As will be noted from Berlin's
telegram, the action being taken by the US authorities
in Berlin does not appear to cover the bulk of assets
which should go into the non-monetary gold fund.

"Reference Department's telegram 2119,
October 16, which asked us to comment last para-
graph reference airgram relates only to MGAX-1
forms. This inventory virtually completed for
American zone excluding Berlin, but has just
started for French and British zones. Furthermore,
it is confined largely to compilation of such
foreign exchange instruments as are reported in
MGAX forms. Anticipated that little non-monetary
gold will be so reported. Furthermore, it is
possible that report that bulk of non-monetary
gold in British and French zones was discovered
under circumstances similar to that US zone, i.e.,
uncovered by armies from concentration camps,
SS loot, et cetera. Hence, reference inventory
will not preclude necessity of separately
ascertaining amount of non-monetary gold in
British and French zones."

In this connection there is repeated below the
text of a proposal by the State member of the State-War-
Navy Coordinating Committee with reference to a defini-
tion of the term "non-monetary gold" and policies for
its application in the US zones of Germany and Austria.

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DECLASSIFIED
Authority AND 7105005
By TD
Date 11/26/99

**"PROPOSED DRAFT DIRECTIVE TO CG, USFET, AND CG, USFA,
ON DEFINITION OF NON-MONETARY GOLD PURSUANT
TO ARTICLE 8 OF THE PARIS REPARATIONS AGREEMENT**

"1. You will make available on demand to duly accredited representative of IGCR all valuable personal property which represents loot seized or obtained under duress from political, racial or religious victims of Nazi Govt or its Satellite Govts. or nationals thereof which was or may hereafter be found, seized or confiscated by USFET or by local authorities acting under direction or control of US Forces, subj to fol conditions:

"A. That property cannot be restituted to Govt pursuant to WARX 85965 November 1945 (SWGCC 204/2) and WARX 99226 March 1946 (SWGCC 204/3), as amended and modified by Control Council action, because determination of national origin is impractical.

"B. That property cannot be restituted to lawful owners under laws in force in place where presently found either because lawful owner has died or ceased to exist without legal successor or because determination of individual ownership is impractical.

"C. That ownership interests in real property located in Germany and German currency or instruments of exchange payable in German currency will be accepted.

"D. That Jewish books, manuscripts and literature of cultural or religious importance will be excepted and disposed of pursuant to separate directive.

"E. That detailed inventory and tentative agreed valuation will be made of property subj to transfer to IGCR hereunder, and transfer will be made upon signing of joint inventory which shall be made part of receipt.

"2. You will permit property transferred hereunder to be removed from Germany and Austria or to be sold therein if payment can be made outside Germany or Austria in acceptable foreign currency, notwithstanding any laws for control of foreign exchange, to end that maximum value be obtained therefrom by IGCR.

"3. You will seek to obtain Control Council Agreement to disposition pursuant to terms of this directive of any property disposition of which is reserved to Control Council. Even prior to such agreement you will nevertheless execute directive and you may advise other representatives of Control auth that you are doing so pursuant to obligation assumed by your Govt in subscribing to Paris Agreement on reparations.

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BOX 13

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By *T* NARA Date *11/26/99*

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Authority	NND 765005
By	D NARA Date 11/26/99

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"4. Expression 'Valuable personal property' as used in par 1 of this directive shall be interpreted to exclude ordinary items of furniture, clothing and other personal property of small intrinsic value and to include any such items of uncommon value. In determination of impracticality of identification pursuant to par 1 subpar A and B of this directive regard shall be had to extent of commingling with other property and difficulty and expense of determination of ownership in comparison with value of property. All property, as defined herein, will be considered as falling within this directive and will be made available to IGCR unless available evidence clearly is to contrary. You will establish such adm machinery as may be necessary to execute this directive promptly and effectively."

Immediately upon the formal approval by the State-War-Navy Coordinating Committee, it is expected that the text of this directive will be transmitted to the Inter-Governmental Committee on Refugees and to the British and French Governments through the US Embassy at London and Paris. Pending such formal action, the draft text is for information only.

The Department of State also considers that it is not desirable to make further presentations to the British authorities at present.

GA:JATodd:PJ

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By D NARA Date 11/26/99

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REST

LOOTED ASSETS

In reply refer to (SAFEHAVENPROJECT)
File No. 800.515/1-1645

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DEPARTMENT OF STATE
WASHINGTON

AIR MAIL

FILE
COPY

January 16, 1945

CONFIDENTIAL

EMBASSY OF THE UNITED STATES
OF AMERICA
FEB 7 1945
PARIS

SAFEHAVEN PROJECT

To
American Diplomatic and Consular Officers except
those in the Other American Republics.

Sirs:

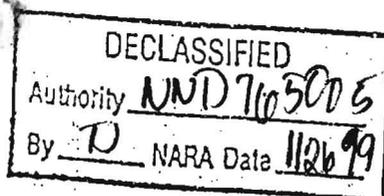
In a circular airgram of August 19, 1944, the Department transmitted Bretton Woods Resolution VI to all diplomatic officers. For the convenience of consular officers, a copy of the Resolution is enclosed herewith. Subsequently, in circular airgrams of August 23 and September 28, the Department requested the missions located in the neutral European capitals to investigate and report any evidences that enemy capital has been or is being invested in those countries.

This Government is attempting through all available means to obtain information concerning enemy investments and plans, and the activities of persons which could be employed as a means of preserving the enemy's economic, political and military potential abroad after the cessation of hostilities. There is evidence that the enemy, in tacit acknowledgment of defeat, is seeking refuge in neutral and friendly countries for persons and assets in order to remove them from anticipated Allied controls. The primary purpose of this instruction is to direct the Missions' attention to the importance of the Safehaven project as a phase of post-hostilities economic security, to suggest a long-range reporting task, and to have begin as soon as possible a flow of current information regarding suspect persons, entities and transactions. It is not possible to state at this time precisely the disposition which will be made of such assets or to describe in detail the controls which will be imposed upon undesirable persons, because these are matters requiring discussions among and concerted action by the United Nations, or by allied control authorities. Safehaven information will, however, be of immediate value to this government in formulating plans for the post-war disposition of the enemy's foreign influence and of

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subsequent

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subsequent and greater value in expediting the execution of such plans. In furtherance of these objectives you are requested to transmit at an early date all presently available information requested hereinafter and to obtain through all possible sources additional data which might prove useful. It is important that each diplomatic and consular office be prepared to keep the Department currently informed on developments in this field for several years following the cessation of hostilities in order that any resurgence of enemy activity may be quelled in its inception.

For the purpose of defining what should be reported under this instruction, the term "enemies" should be understood to include persons or entities in any of the Axis countries, or countries which have been or are allied with the Axis, and nationals of any country who in your discretion could be considered a present or potential threat to the effective execution of Allied control plans. In carrying out this instruction the mission's attention should be directed in the first instance to firms and individuals domiciled in or controlled from Germany, and with respect to those whose ownership resides elsewhere, to those whose activities fall within the criteria for Proclaimed List action. It is obvious that in this, as in other reporting matters, the Mission is the best judge initially of the relative importance of particular cases and of the priority to be assigned to them. Particular attention is directed to the discretion lodged with the Missions by the above definition of "enemies".

The project outlined below has two aspects, viz: the reporting of current information and the analysis of existing information from the Safehaven viewpoint. For the former the Department is largely dependent on the field; the latter requires close cooperation between the Missions and the home agencies working on these matters. Reporting current Safehaven information should be given a very high priority, but the Missions are not expected to report again to Washington detailed information they have already made available. Rather, it is thought that the review of the Proclaimed List required by the Department's circular telegram of September 20, will be a convenient occasion for the Missions to begin studying the Safehaven implications of materials already in their files. The Proclaimed List review will undoubtedly reveal cases of interest from the Safehaven viewpoint whose Proclaimed List aspects were not sufficiently important to have resulted in their having been reported previously. Additionally, if Safehaven is kept in mind when the Missions' listing files are reviewed, certain relationships may be found to exist that make it desirable to report now the Missions' post-listing information regarding some Proclaimed List nationals, information that has been recorded in the Missions' files but not reported heretofore for the reason that Proclaimed List reasons did

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not require such action. While the Missions are concerning themselves with reporting current information and with the longer-range task of reviewing their files, the data already in Washington will be collated. During that process, particular points will arise that the Missions will be requested to clarify; and it is contemplated that at a later date the Missions will be asked to check the accuracy of Washington analyses based on previously reported information. To the extent that Missions have been able before then to forward well-organized analyses based on the materials available to them, of course, the work will be speeded and the necessity for exchanges with the field reduced.

In addition to current reporting, which is almost entirely a Mission responsibility, the following aspects of the project will require close cooperation of the field and the home offices:

A. The preparation of a register of all known enemy assets.

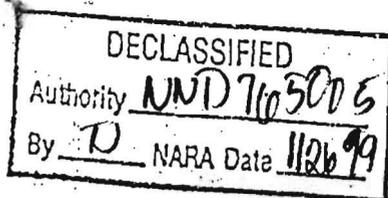
The necessity of such a register for the information of those working on economic security for the post-war world is obvious. The register must, in order to meet peace-table eventualities, be as comprehensive and detailed as possible. The Missions should give first attention to reporting important enemy assets not covered by Proclaimed List or other regular economic reporting. If detailed reports regarding enemy assets have been submitted pursuant to instructions unrelated to economic reporting, the Missions should whenever possible refer to such other reports, in order that they may be found in Washington. In connection with the register, it should be kept in mind that, because of their obvious enemy ownership, some very important German interests in the country to which you are accredited may not have been reported in adequate detail for the register's purposes when the concern was listed. Assets whose enemy ownership is not a matter of common knowledge should, of course, be reported as soon as possible, leaving until later the filling in of details regarding well-known German holdings.

The Missions' reports for the register should show:

- (a) A description of the assets including their nature, value, location, etc.
- (b) The names of any persons who may be concealing the enemy ownership of assets (such persons should be considered for inclusion in the Proclaimed List) and
- (c) The names of the true owners of the assets.

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In compiling a register, although equal emphasis should be given to both, a distinction should be made wherever possible between looted assets and other enemy held assets. In determining such a distinction it may be helpful to consider separately those assets owned by enemies prior to 1939 and those acquired since 1939. It may also be helpful to give special attention to those assets which are known or believed to have been owned by persons in enemy occupied areas on or after the occupation of such areas. Looted assets are those owned by persons or firms in territory now or formerly enemy occupied and which since occupation have passed to enemy ownership. They include both properties which have been transferred from enemy occupied territory and properties which originally were located in non-enemy territory but title to which has passed to an enemy.

The types of assets concerned are various, but the following items are of particular interest:

- (1) Bank balances and gold holdings and transfers thereof, whether between central banks or otherwise.
- (2) Gems, gold privately owned, currency, art objects, stocks of merchandise, etc.
- (3) Real estate, including leaseholds (e.g., industrial, commercial, mining, agricultural, and residential properties).
- (4) Securities, including investments in securities of neutral and other governments, as well as industrials.
- (5) Obligations owing to the enemy in the form of mortgages, bills of exchange, insurance policies, annuities, promissory notes or other evidences of indebtedness or book credits of any kind.
- (6) Patents, trademarks and copy-rights and transfers, assignments, licenses, etc. in connection therewith.
- (7) Beneficial interests under trusts or estates of deceased persons.
- (8) Commercial, industrial, financial or other enterprises which in any way represent enemy assets, looted or otherwise. This item should be broadly interpreted to include old as well as new investments of every kind in which an enemy has an interest. In this connection it will be noted that new investments, both open and cloaked, may represent flight capital or looted assets. Such investments might include holding companies and minority interests in established domestic firms.

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 Authority NND 7605005
 By D NARA Date 11/26/99

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You should report in detail concerning any enemy-owned assets which come to your attention. Your investigations should concern not only assets presently located in your area but also those in transit, particularly where the assets emanate from a neutral European country. It is possible that you already have reported such information in connection with a related subject, such as a recommendation for Proclaimed List action, in which case a reference to the number and date of the communication will be sufficient.

B. Reporting on enemy individuals and their activities.

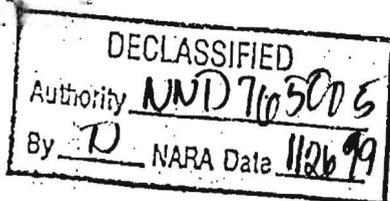
Simultaneously with the compilation of a register of enemy assets, it is desired that the Missions' function of reporting on individuals be oriented to include a survey of enemy persons and their activities. This will require continuous fact-finding on persons of enemy nationality for a period of years in order that the Department will be able to sense any attempts on the part of the Germans in any part of the world to maintain and improve their technical abilities with the view of fitting into a general German plan for a rearmaments program inside Germany at some rather distant future date. To that end you are requested to report on enemy persons in the country to which you are accredited, particularly with regard to the following:

1. Enemy technicians, financial experts or managerial help, particularly recent arrivals, employed by any enterprises irrespective of nationality in your area, or evidence that such persons are attempting to place themselves in positions where they could assist in the development of the industrial and military potential of your territory. This would include persons who are being or may be used to develop Nazi potential through the medium of partnership relations, employment connections or by serving in advisory capacities. You should also report on business enterprises with which these persons are associated and also those which have been so allied with the enemy's economic or military organization in the past that they may offer safe haven for enemy skills by providing opportunities for technical experience, research facilities, etc. It is predictable that the persons who are enemies within the terms of this instruction will attempt to disguise themselves for a considerable period such as by posing as common laborers and refugees.

2. Careful attention should be given to enemy scientists engaged in private, governmental or university research since it is to be expected that such persons will want to maintain and improve their skills and keep abreast of any developments in their respective fields by engaging in research work in all countries affording these opportunities.

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The Missions should consider this as a continuing assignment. The order in which individuals are reported on will be governed principally by the Missions' estimates of the relative importance and timeliness of particular cases. Such factors as religious adherence, disavowal of inimical political philosophies, and employment in the country to which you are accredited for several years prior to the outbreak of the war, should not in themselves be considered as sufficient grounds for omitting such individuals from reports on this project. Your reports on enemy personnel should include descriptive data, such as details of training and relevant facts on previous employment. Although information on enemies recently employed in any of the above mentioned capacities is of primary interest, information on individuals employed in this type of activity subsequent to 1933 will be extremely useful. In compiling such information, the following are suggested as possible sources of information: (1) labor registrations; (2) immigration files; (3) police records; (4) university, college and technical school catalogs or faculty biographies; (5) biographical sketches in industrial and scientific publications; (6) Allied intelligence sources.

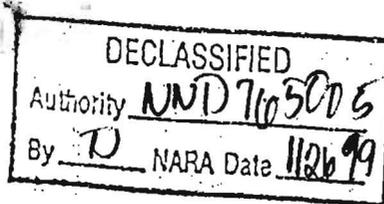
You should not hesitate to report unconfirmed rumors of attempts by the enemy to transfer his assets to places of safekeeping abroad in anticipation of impending defeat or of the movements of enemy persons seeking refuge for similar reasons. It is possible that the Department can obtain proof from other areas of the world or from enemy territory when Allied control over it is established.

The Proclaimed List should contain the most important persons and firms within your area who fall within the terms of this instruction and therefore it is suggested that the list be reviewed for the purposes stated herein in the initial stages of your work on the project. If you have not followed closely the activities of the listed persons and entities since they have been included in the list, you should now conduct investigations. It is possible that you have already begun the review required by the Department's circular telegram of September 21, 1944, 4 p.m. In cases where you believe the objective of controlling or thwarting enemy activities of the nature set forth in this instruction could be achieved through inclusion of the names of individuals or firms in the Proclaimed List, you should forward a recommendation to this effect with your report.

Your British colleagues have already received instructions covering this subject and have been requested to cooperate with you in this project. You should arrange to consult and work with them as closely as possible in order to attain the maximum of information. Our final objective is to obtain, of course, complete

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coverage of all sources available to both you and your British colleagues so that the information exchanged may be of maximum mutual benefit. The close liaison with the British presently maintained for listing, economic intelligence, blockade control and related matters should be extended to Safehaven. The Missions may, if they see fit, work out arrangements with the British for dividing the labor of preparing the reports hereinbefore requested. If such cooperation is obtained, it is desirable that both British and American Missions use the report form mentioned below. If the Missions see fit, transactional, operational and progress reports, as distinguished from the individualized status reports called for by this instruction, may be made through the minutes of joint committees in a manner similar to the economic intelligence reporting presently carried on at Lisbon and Madrid by Anglo-American economic intelligence committees. Even if joint reporting should not be feasible in your area, you should provide your British colleagues with copies of your routine Safehaven reports, and it is hoped that they will do likewise for you under their standing instructions to collaborate with you on Safehaven matters. This will ensure that Washington, the British home agencies and the London Embassy will all have the same information from the field. The American Embassy at London will be the European Coordination center for Safehaven work; therefore, all communications regarding this project should be repeated or copied to it. Outgoing Departmental communications to you on Safehaven will be copied to London.

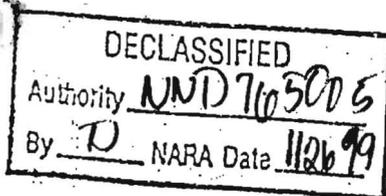
You should approach informally other Allied Missions, especially the French, Dutch and Belgian, and discuss with them Safehaven information which you or they may have collected. Your British colleagues have been similarly instructed; and it is suggested, therefore, that any approaches to your other Allied colleagues would be best made in conjunction with your British colleagues.

The chief of mission should designate a qualified Foreign Service or Auxiliary Foreign Service officer to coordinate the fact-finding and reporting on this project in the country to which he is accredited and should solicit the cooperation of all intelligence organizations of this government operating in the country. The coordinating officer should, of course, utilize the commercial, banking and governmental contacts afforded the office of the Commercial Attache along with the contacts available at the various consular posts.

For the convenience of the reporting officer, the Department has devised a simplified form which may be utilized in forwarding any information, however brief, touching upon this project. A sample of the form is enclosed herewith. The report should be forwarded in hectograph and two copies sent to the American Embassy at London. The Department has no objection to the

preparation

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preparation of such reports under Embassy or Legation directive by the various consulates, provided that the supervising Embassy or Legation checks and approves them before they are forwarded to Washington and London, in order to make sure that all available information has been included. You should repeat to other missions all reports containing information which might conceivably be of interest to them, particularly cases requiring investigation or other action by them.

In order to expedite prompt distribution, all cables, airgrams, form replies, and despatches on this subject should contain the code word "SAFE HAVEN".

You should at all times have due regard for the delicate and highly confidential nature of this project.

This instruction is sent for action to all posts in Spain, Portugal, Sweden, Switzerland, Eire, Tangier, Turkey, Iran and Iraq. Although it is recognized that these instructions will not apply equally and in some cases not at all, the remaining posts should report in conformity with these instructions any pertinent information coming to their attention.

Very truly yours,

For the Secretary of State:

W. L. CLAYTON

Enclosures:

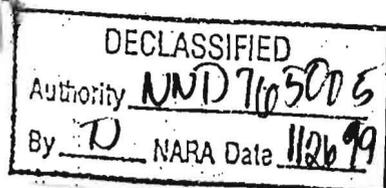
1. Bretton Woods Resolution VI
2. Sample report form.

Embassy, Legation or Consulate File No. 851

Cross Reference File No. 850.31

Number of Index Cards: 4

310989



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File	<u># 711.3</u>
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BRETTON WOODS RESOLUTION VI

Whereas, in anticipation of their impending defeat, enemy leaders, enemy nationals and their collaborators are transferring assets to and through neutral countries in order to conceal them and to perpetuate their influence, power, and ability to plan future aggrandizement and world domination, thus jeopardizing the efforts of the United Nations to establish and permanently maintain international relations;

Whereas, enemy countries and their nationals have taken the property of occupied countries and their nationals by open looting and plunder, by forcing transfers under duress, as well as by subtle and complex devices, often operated through the agency of their puppet governments, to give the cloak of legality to their robbery and to secure ownership and control of enterprises in the post-war period;

Whereas, enemy countries and their nationals have also, through sales and other methods of transfer, run the chain of their ownership and control through occupied and neutral countries, thus making the problem of disclosure and disentanglement one of international character;

Whereas, the United Nations have declared their intention to do their utmost to defeat the methods of dispossession practiced by the enemy, have reserved their right to declare invalid any transfers of property belonging to persons within occupied territory, and have taken measures to protect and safeguard property, within their respective jurisdictions, owned by occupied countries and their nationals, as well as to prevent the disposal of looted property in United Nations markets; therefore

The United Nations Monetary and Financial Conference

1. Takes note of and fully supports steps taken by the United Nations for the purpose of:

- (a) uncovering, segregating, controlling, and making appropriate disposition of enemy assets;
- (b) preventing the liquidation of property looted by the enemy, locating and tracing ownership and control of such looted property, and taking appropriate measures with a view to restoration to its lawful owners;

2. RECOMMENDS:

That all Governments of countries represented at this conference take action consistent with their relations with the countries at war to call upon the Governments of neutral countries

- (a) to take immediate measures to prevent any disposition or transfer within territories subject to their jurisdiction or any

(1) assets

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- (1) assets belonging to the Government or any individuals or institutions within those United Nations occupied by the enemy; and
 - (2) looted gold, currency, art objects, securities, other evidences of ownership in financial or business enterprises, and of other assets looted by the enemy; as well as to uncover, segregate, and hold at the disposition of the post-liberation authorities in the appropriate country any such assets within territory subject to their jurisdiction;
- (b) to take immediate measures to prevent the concealment by fraudulent means or otherwise within countries subject to their jurisdiction of any
- (1) assets belonging to, or alleged to belong to, the Government of and individuals or institutions within enemy countries;
 - (2) assets belonging to, or alleged to belong to, enemy leaders, their associates and collaborators; and to facilitate their ultimate delivery to the post-armistice authorities.

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INVENTORY FORM

INVENTORY BY Hess TAG NO 31886 FORM NO 15620
INVENTORY BY _____ SHIP NO 53 B CLASSIFICATION Law 53
SECURITY O Lt. Thies CONTAINER NO 1868 UNIT CONTROL 1
RECORDED _____ CONTAINER wooden box DATE 2 August 1948
APPROVED Edwin P. Keller APPRAISAL NO _____ LOCATION 3 UMW

QUANTITY: 1

DESCRIPTION: Reichsbank Muehlhausen
From: Deutsche Umsiedlungs- und Treuhand Ltd.
Owners: as per attached list

1 lot of securities held by Deutsche Umsiedlungs- und Treuhand Ltd. as per attached list

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Country of issue: Estonia

⌘ 38.500.- Republic of Estonia Banking and Currency Reform
7% Loan 1927 - 1967

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
7032	R. Birkenbach, Estonia	5.500.-
236/1	Arvid v. Notbeck, Reval	1.000.-
6855	Katarina Gruenberg	1.000.-
6853	J. Ebert	2.000.-
6927	Peter Camesasca, Estonia	1.000.-
6860	Hora Meyer	1.000.-
6864	Hans Wechterstein	500.-
6905	Axel Taube	5.000.-
6861	Armin Nollier	1.000.-
6851	Rud. Bonstedt	500.-
6857	Eugen Harpe	1.000.-
6904	Daisy Silverman	1.000.-
6852	Erich Bremen	1.000.-
6858	Otto Bernh. Maydell	2.000.-
6863	Leo Wahl	1.500.-
6862	Irmgard Nollier	1.000.-
527/2	own property	1.500.-
6859	Friedr. Meltzer	1.000.-

Country of issue: Estonia

± 3700.-.- Republic of Estonia Banking and Currency Reform
7% Loan 1927 - 1967

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
	none listed	3.500.-.-
6927	Peter Camesasca, Estonia	200.-.-

Country of issue: Russia

Rubles 300.- 4½% Mortgage bearer bonds of Kiev of 1898.
Maturity date not shown.

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
247/1	none listed	300.-

Country of issue: Estonia

Rubles 7.400.- 4% Estlaendischer Adelliger Gueterkreditverein
Mortgage bearer bonds of 1898. Maturity date
not shown.

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<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
218/6	Aus Inlaenderbesitz Reessmann	Rbl. 3.000.-
218/4	Erben z.Hd. Adolf Voigtlaender Aus Inlaenderbesitz Ernst Edgar Reimerdes, Celle	" 4.400.-

Country of issue: Estonia

Rubles 200.- 4% Estlaendischer Adelliger Gueterkreditverein mortgage bearer bonds of 1901. Maturity date not shown.

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
218/4	Gottlieb Bertram, Hamburg- Altona, Flottbecker Chaussee 94	Rbl. 200.-

Country of issue: Estonia

Rubles 6.500.- 4% Estlaendischer Adelliger Gueterkreditverein mortgage bearer bonds of 1902. Maturity date not shown.

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
218/3	Frieda Matthaeus, Hannover, An der Tiefenriede 14	Rbl. 1.000.-
218/4	Kurt Wahrmann, Stade, Gr. Schmiedestr. 6	" 1.100.-
218/4	Ottillie von Behr, Klein Haeus- lingen ueber Verden	" 1.200.-
218/6	Aus Inlaenderbesitz Hermann Deecke, Celle	" 1.200.-
218/3	Bank des Berliner Kassenvereins	" 2.000.-

Country of issue: Finland

Finmark 2000.- Nokia Aktiebolag share of 1928 registered in the name of Herbert Savary; owner and Depot No. not shown.

Amount

Finmark 2.000.-

Country of issue: Finland

Finmark 400.- Nordiska Foereningsbanken shares registered in the name of Helena Enekell

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Baronin Benita v. Wrangell Estonia	Finmark 400.-

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Country of issue: Finland

Finmark 2.000.- Nordiska Foereningsbanken shares registered in the name of Harald Borg

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Herbert Savary	Finmark 2.000.-

Country of issue: Belgium

Belg.France 14.500.- 5% Premium Loan bearer bonds of 1933 - 1973. Owner and Depot No. not shown.

<u>Amount</u>
Belg.Fr. 14.500.-

Country of issue: France

French France 750.- Credit Foncier de France Loan bearer bonds of 1906 - 1976 (France 500.-) and 1912 - 1982 (France 250.-). Owner and Depot No. not shown.

<u>Amount</u>
French Fr. 750.-

Country of issue: Austria

Austrian Kroner 60.000.- Neue Oesterreichische Bau Lose of 1923 - 1963

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 24/1	Schaetz Spool	Austr.Kr. 60.000.-

Country of issue: Austria

Austrian Kroner 80.000.- Oesterreichische Bau Lose of 1925 - 1965

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 24/2	Egail Dmetrink	Austr.Kr. 80.000.-

Country of issue: Austria

Austrian Shilling 46.- Oesterreichische Bau Lose of 1925 - 1965 (16 shilling) and 1926 - 1966 (30 shilling)

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
24/7	Deutsche Abwicklungsstelle fuer UmsiedlungRumaenien, Bukarest	Austr.Shil. 46.-

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Country of issue: Austria

Austr. Guilders 10.- Rudolf Stiftung share of 1864, owner and Depot No. not shown.

Amount

Country of issue: Austria

Austr. Guild. 10.-

pieces 2 coupons of the fourth 5 1/2% Austrian War loan bearer bonds

Depot No.
339/8

Owner
Dr. Teodor Nikolaus

Amount
-

Country of issue: Austria

pieces 30 coupons of the fifth 5 1/2% Austrian War loan bearer bonds

Depot No.
II 25/4

Owner
Marie Preisser

Amount
-

Country of issue: Austria

Austrian Kroners 1000.- Credit certificate of the Anglo-Austrian Bank for the fifth 5 1/2% Austrian War loan bearer bond

Depot No.
II 25/1

Owner
Karl Maximilian

Amount
Austr. Kr. 1000.-

Country of issue: Austria

Austr. Kr. 24.000.- Fifth 5 1/2% Austrian War loan bearer bonds of 1916 - 1946

Depot No.
II 28/1

Owner
not shown

Amount
Austr. Kr. 24.000.-

Austr. Kr. 1.000.- - ditto - of 1917 - 1947
 Owner and Depot No. not shown

Austr. Kr. 1.000.-

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Country of issue: Austria

Austrian Kroners 1,400.- Credit certificate of the Anglo-Austrian Bank for the fourth 5 1/2% Austrian War Loan bearer bonds

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 25/3	Deutsche Abwicklungsstelle fuer Umsiedlung Rumaenien, Bukarest	Austr.Kr. 1.400.-

Country of issue: Austria

Austrian Kroners 1.500.- Third 5 1/2% Austrian War Loan bearer bonds of 1915 - 1945

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 38/1	Engel, Gustav	Austr.Kr. 1.500.-

Austrian Kroners 2.000.- - ditto - of 1916 - 1946

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 39/1	Engel, Gustav	Austr.Kr. 2.000.-

Austrian Kroners 40.000.- - ditto - of 1916 - 1946

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 25/3	Deutsche Abwicklungsstelle fuer Umsiedlung Rumaenien, Bukarest	Austr.Kr. 40.000.-

Austrian Kroners 17.550.- - ditto - of 1914-1944 400.-
 of 1918-1948 1.000.-
 of 1917-1947 1.150.-
 of 1916-1946 1.000.-
 of 1915-1945 14.000.-

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 25/2	Deutsche Abwicklungsstelle fuer Umsiedlung Rumaenien, Bukarest	Austr.Kr. 17.550.-

Austrian Kroners 16.000.- - ditto - of 1914-1944 10.000.-
 of 1915-1945 6.000.-

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 25/4	Marie Preisser	Austr.Kr. 16.000.-

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Country of issue: Poland

Zloty 2.750.- 6% Conversion Loan bearer bonds of the City of Warsaw of 1926 - 1953

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
184/2	not shown	Zloty 2.750.-

Country of issue: Poland

Zloty 500.- Lilpop, Rau und Loewenstein.Ltd. Warsaw bearer shares of 1937

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 83/2	not shown	Zloty 500.-

Country of issue: Roumania

Lei 1,000.- Banca Dunarei de Jos. Ltd. Ismail bearer shares of 1924

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	G. Schmauder	Lei 1,000.-

Country of issue: Russia

Rubles 5,700.- Societe des fabriques russes-francaises sous la raison "Prowodnik" Riga shares of 1916, owners and depot Nos. not shown

<u>Country of issue:</u>	<u>Amount</u>
<u>Russia</u>	Rbl. 5.700.-

Country of issue: Lithuania

Litas 2,000.- Akcines Bendroves "Maistas" Kaunas shares of 1930

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
345/1	Jakob Jaschwitz formerly Memel, present address unknown	Litas 2,000.-

Country of issue: Russia

Rubles 1.900.- 4% Russian State Loan bearer bonds of 1894 Maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
243/1	none listed	Rbl. 1.900.-

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Country of issue: Russia
Rubles 125.- 4% Doinsk - Vitebsk Railroad Loan of 1894,
depot No. and owner not shown. Maturity
date 1951.

Country of issue: Russia Amount
Rbl. 125.-
Rubles 3.400.- 5% Russian Railroad Co. bearer bonds of 1892,
maturity date not shown

Depot No. Owner Amount
II 55/1 Count Theodor von der Repp,
Schwerin, Grenadierstrasse 39 Rbl. 3.400.-

Country of issue: Russia
Rubles 1.875.- 4% Donetsk Railroad bearer bonds of 1893 - 1958

Depot No. Owner Amount
242/1 none listed Rbl. 1.875.-

Country of issue: Russia
Rubles 500.- 5% Russian Electricity Co. bearer bonds of
1907 - 1931

Depot No. Owner Amount
208/1 none listed Rbl. 500.-

Country of issue: Russia
Rubles 1.000.- 4% Donischer Agrarbank mortgage bearer bonds
of 1902, maturity date not shown

Depot No. Owner Amount
246/1 none listed Rbl. 1.000.-

Country of issue: Russia
Rubles 2.000.- 4% Charkow Agrarbank mortgage bearer bonds
of 1895, maturity date not shown

Depot No. Owner Amount
244/1 none listed Rbl. 2.000.-

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Country of issue: Russia

Rubles 1.600.- 4 1/2% - ditto - of 1898, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
245/1	none listed	Rbl. 1.600.-

Country of issue: Russia

Rubles 500.- 4% Agrartank of Moscow mortgage bearer bonds of 1898, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
248/1	none listed	Rbl. 500.-

Country of issue: Russia

Rubles 1.300.- Certificates of Societe des fabriques russes-francaises sous la raison "Prowodnik" bearer shares of 1888, depot No. and owner not shown.

<u>Amount</u>
Rbl. 1.300.-

Country of issue: Russia

Rubles 4.000.- 4% Adlige Gueterkredit Societaet of Latvia mortgage bearer bonds of 1899, maturity date not shown.

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 15/1	none listed	Rbl. 4.000.-

Country of issue: Russia

Rubles 700.- Post savings bank book of Alma Friedrichowna at Polley; depot No. not shown.

<u>Amount</u>
Rbl. 700.-

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FEDCountry of issue: Russia

Mark 1.000.- 4% Rjazan - Uralsk Railroad Co. bearer bonds of 1897 - 1947

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
225/1	not shown	Mark 1.000.-

Country of issue: Russia

Mark 20.000.- 4½% Moscow-Kiev-Voronezh Railroad Co. bearer bonds of 1909 - 1955

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
237/1	none listed	Mark 20.000.-

Country of issue: Lithuania

Litas 157.500.- Lietuvas Lloydas Insurance Co. at Kaunas shares of 1938

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Kurt Schaffetter, Memel, Friedrich-Wilhelmstr. 21-22	Litas 157.500.-

Country of issue: Lithuania

Litas 500.- 4½% Vidaus Paskolos laistas bearer bonds of 1935, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
490/1	Franz Treger, Heydekrug, Adolf Hitlerstrasse	Litas 500.-

Country of issue: Lithuania

Litas 3.560.- 4½% Internal loan of Lithuania of 1935, maturity date not shown

<u>Depot No.</u>	<u>Owners</u>	<u>Amount</u>
215/4	Firm Laaser & Neumann/Kurt Scharifetter, Memel, Friedrich-Wilhelmstr. 21-22	Litas 2.000.-
ditto	Firm Lass & Co., Memel Strasse der SA 15-16	Litas 1.000.-

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Litas 4.050.- - ditto - of 1935, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
215/1	Firm A. Bisdorff & Zoon Ltd., Memel	Litas 4.050.-

Litas 7.000.- - ditto - of 1936, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
319/2	Firm Laas & Co., Memel, Strasse der SA 15-16	Litas 2.000.-
	Firm Laaser & Neumann/Kurt Scharffetter, Memel, Friedrich-Wilhelmstr. 21-22	Litas 5.000.-

Litas 10.000.- - ditto - of 1936, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
319/1	Firm A. Bisdorff & Zoon Ltd. Memel	Litas 10.000.-

Country of issue: England

£ 272.-- Venesta Ltd. shares of 1913, depot No. and owner not shown.

<u>Amount</u>
£ 272.--

Country of issue: Russia

£ 60.-- 5% Municipal Loan Wilna of 1912, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 54/1	Beate Herz, Berlin-Wilmers- dorr, Wittelsbacherstr. 1	£ 60.--

Country of issue: Finland

Finmark 5.000.- 5% Fastighetsbanken in Finland Aktiebolag mortgage bearer bond of 1912, maturity date not shown.

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
295/2	none listed	Finmark 5.000.-

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Country of issue: Sweden

Sweden Kroners 4.000.- 3% Sveriges Allmaenna mortgage bank
bearer shares of 1935 - 2005

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Sweden Kr. 4.000.-

Country of issue: Sweden

Sweden Kroners 100.- Swedish State loan lottery ticket of
1936, maturity date not shown.

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Sweden Kr. 100.-

Country of issue: Sweden

Sweden Kroners 100.- 5% Swedish State loan bearer bond of
1918, maturity date not shown.

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Sweden Kr. 100.-

Sweden Kroners 100.- - ditto - of 1933, maturity date not
shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Sweden Kr. 100.-

Country of issue: Belgium

Belgian Francs 3.500.- 4% Federation des Cooperatives pour
Dommages de Guerre, bearer bonds of
1921 - 2011

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Belg.Fr. 3.500.-

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Country of issue: Belgium

Belgian Francs 1.500.- 7% Chantiers Navals Belges bearer bonds of 1921 - 1926

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Belg. Fr. 1.500.-

Country of issue: France

French Francs 10.000.- War loan bearer bond without interest rate of 1944 - 1948

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	French Fr. 10.000.-

Country of Issue: Hungary

Kroners 2.000.- 4 1/2% Mortgage bearer bond of 1921 of the Pester Hungarian Commercial Bank, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Kr. 2.000.-

Country of issue: Hungary

Kroners 100.- 3% Hungarian Mortgage Bank partial bearer bond of the Conversion Premium Loan of 1906 - 1956

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Kr. 100.-

Country of issue: Hungary

Austrian Guilders 3% Hungarian Mortgage Bank Premium Loan 200.- bearer bond of 1896 - 1934

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Austr. Guild. 200.-

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[Handwritten initials]

Country of issue: Hungary

Austrian Guilders 100.- 4% Premium Loan of 1880 of the Regulierung der Theiss und deren Nebenfluesse und des Wiederaufbaues der Stadt Stepedin, maturity date 1930

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II/10/1	none listed	Austr.Guild. 100.-

Country of issue: Austria

Austrian Guilders 100.- 3% Premium Loan bearer bond of 1880 of the Austrian Real Estate Credit Union Bank, maturity date 1930

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Maximilian Glincki, Posen	Austr.Guild. 100.-

Austr.Guilders 100.- - ditto - of 1889 - 1933

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 14/2	Hedwig Feuer	Austr. Guild. 100.-

Austr. Guilders 300.- - ditto - of 1880 - 1930 and 1889 - 1933

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 13/5	Anton Koller	Austr.Guild. 300.-

Austr. Guilders 100.- - ditto - of 1889 - 1933

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 14/3	Karl Refina	Austr.Guild. 100.-

Austr. Guilders 400.- - ditto - of 1880 - 1930

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 13/1	Victoria Trenkwald	Austr.Guild. 400.-

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Austr. Guilders 200.- - ditto - of 1889 - 1953

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 14/1	Victoria Trenkwald	Austr.Guild. 200.-

Austr. Guilders 100.- - ditto - of 1889 - 1953

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 13/7	Anton Adolf Dobrowolski	Austr.Guild. 100.-

2 Bonus certificates of the Austrian Real Estate Credit Union Bank 3% Premium Loan bearer bonds of 1880, without denomination

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 13/3	Maximilian Kerl	-

2 - ditto - of 1889

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 13/2	Sophie Crapp	-

3 - ditto - of 1880

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 13/8	Victoria Trenkwald	-

2 - ditto - of 1880 and 1889

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 13/6	Anton Koller	-

Country of issue: Czechoslovakia

Kroners 1.200.- 4% Zentralbank der Boehmischen Sparkasse bearer bonds of 1910, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 51/1	none listed	Kroners 1.200.-

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Country of issue: The Netherlands

Dutch Guilders 15.- Dutch Real Estate Credit Union Bank
Premium loan bearer bond of 1904 - 1980
without interest rate

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
I 47/3	none listed	Dutch Guild. 15.-

Country of issue: Roumania

Lei 1.000.- 4 1/4 Roumanian Armament Loan bearer bond of
1934 - 1974

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Jacob Haas, Hauswalde 28	Lei 1.000.-

Lei 2.000.- - ditto - of 1934 - 1974

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Johannes Schuh, Mottelamuehle near Tichel	Lei 2.000.-

Country of issue: Roumania

Lei 1.500.- Banca Agricultura Bucovineana Cernanti bearer
hand shares of 1924

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Magdalene Porosteu, Fuerstenstein	Lei 1.500.-

Country of issue: Roumania

Lei 10.000.- 3 Certificates for payment of the Moars Prattii
Denisco Co. at Cetatea-Alba of 1927

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Gottfried Rudolf Schulz	Lei 10.000.-

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Authority MM 775059By AYT NARA Date 7/8/93

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Recs of Shipments

Box 435

FED

Page 31

Country of issue: Turkey3 Turkish lottery tickets of the Ottoman Railroad Co.
bearer bonds of 1933, maturity date not shown

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	Anton Sauer	-

Country of issue: Poland

Zloty 200.- Bank of Poland at Warsaw bearer shares of 1924

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Zloty 200.-

Zloty 3.500.- - ditto - of 1924

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Zloty 3.500.-

Zloty 100.- - ditto - of 1924

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 105/1	none listed	Zloty 100.-

Zloty 100.- - ditto - of 1924

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 105/5	none listed	Zloty 100.-

Zloty 2.900.- - ditto - of 1924

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
not shown	none listed	Zloty 2.900.-

Zloty 16.000.- - ditto - of 1924

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
3	none listed	Zloty 16.000.-

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Recs of Shipments

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Country of issue: Latvia

Lats 100.000.- Baltic Cellulose Factory shares of 1936

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
219/1	H. Krommer, Riga	Lats 50.000.-
219/1	Guido Rohsner, Sloka b. Riga	Lats 50.000.-

Country of issue: LithuaniaLitas 30.300.- Central Bank for furtherance of Jewish
Cooperation shares of 1927

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 104/1	Jacob Jawschitz formerly Munich, present address unknown	Litas 30.300.-

Country of issue: Latvia

Lats 20.- Wegetan bearer bonds of 1931 with premium payment

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
291/1	none listed	Lats 20.-

Country of issue: Latvia

Lats 40.- Riga insurance company of 1804 shares of 1923

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
293/1	none listed	Lats 40.-

Country of issue: Latvia

Lats 20.- Riga Commerzbank shares of 1922

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
210/2	none listed	Lats 20.-

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By AVT NARA Date 7/8/83

Recs of Shipments
Box 435
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Country of issue: Esthonia
Kroners 50.- Pernau Credit Bank & Co. share of 1932

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
294/1	none listed	Kroners 50.-

Country of issue: Esthonia
Kroners 50.- Revalsch. Verlagsgenossenschaft share of 1934

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
349/1	none listed	Kroners 50.-

Country of issue: Esthonia
Kroners 50.- Kooperativgenossenschaft "OMA VARA" share of 1935

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
341/1	none listed	Kroners 50.-

Country of issue: Esthonia
Kroners 540.- Revaler Vorschuss & Sparkasse shares of 1929, 1933, 1936, 1938

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
341/1	none listed	Kroners 540.-

Country of issue: Esthonia
Kroners 235.- Revaler Vorschuss & Sparkasse, Einlageschein of 1929

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
343/1	none listed	Kroners 235.-

Country of issue: Esthonia
Kroners 3000.- bearer bond of 1939 of the Bethel Gemeinde in Reval

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
299/1	none listed	Kroners 3000.-

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By AVT NARA Date 7/8/83

P.G. 260

Recs of Shipments

Box 425

FED

Country of issue: Esthonia

Kroners 50.000.- mortgage bearer bonds of 1938

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
-	none listed	Kroners 50.000.-

Country of issue: Esthonia

Mk 27.000.- 3½% Real estate of 1885 of the Esthonian Credit Bank

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
212/2	Werner v. Meding, Hannover, Sedanstr. 64	Mk 5.400.-
212/2	Bank des Berliner Kassenvereins, Berlin C-2, Oberwallstr. 3-4	Mk 1.500.-
212/2	Frau Lilli Prien, Hannover, Goebenstr. 5 I	Mk 600.-
212/2	Bank des Berliner Kassenvereins, Berlin C-2, Oberwallstr. 3-4	Mk 600.-
212/2	Bank des Berliner Kassenvereins, Berlin C-2, Oberwallstr. 3-4	Mk 300.-
212/2	Dr. Med. Ludwig Boeckel, Wismar, Luebschestr. 48	Mk 900.-
212/2	Bank des Berliner Kassenvereins, Berlin C-2, Oberwallstr. 3-4	Mk 3.600.-
212/1	L. Schweiggart, Berlin-Wilmersdorf, Suedwestkors 59	Mk 600.-
212/2	August Meyer, Hannover, Stadtstr. 15	Mk 9.000.-
212/2	Bank des Berliner Kassenvereins, Berlin C-2, Oberwallstr. 3-4	Mk 4.500.-
		<hr/> Mk 27.000.-

Country of issue: Esthonia

± 245.-.- Coupons of "Republic of Esthonia, Banking and Currency Reform, 7% Loan 1927"

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
214/2	own property	± 245.-.-

Country of issue: Latvia

Lats 300.000.- Scrip receipts of Utag shares

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
224/1	none listed	Lats 300.000.-

Country of issue: Austria

Guilders 100.- Credit Bank of Comers share of 1858

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
341/3	none listed	Guilders 100.-

Country of issue: Austria

Guilders 250.- premium loan bearer bonds of 1882 of the Austrian Red Cross

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 21/8	Maximilian Kerl	Guilders 10.-
II 26/2	Karl Refine	" 10.-
* II 21/5, 21/6	Anton Koller	" 130.-
II 27/2	B. Treukwald	" 10.-
* II 21/2, 21/1	Karl-Ludwig Gratovralki	" 10.-
II 24/4	Franzisca Horner	" 30.-
II 26/3	Friedrich Umbrowski	" 20.-
II 27/1	Deutsche Abwicklungsstelle fuer Umsiedlung Rumaenien, Bukarest	" 10.-
II 21/7	Unknown present	" 10.-
II 27/3	Anton Adolf Dobrowski	" 10.-
		Guilders 250.-

Country of issue: Austria

Kroners 200.- premium loan bearer bonds of 1916 of the Austrian Red Cross

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 26/8	Eugen Panlowicz, Breslau, Franziskanerkloster, Volksdeutsches Lager 140	Kroners 80.-

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<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 26/4	Hilde Willner	Kroners 30.-
II 21/7	Unknown present	" 20.-
II 25/1	Karl Regina	" 20.-
		<hr/> Kroners 200.-

Coupons of premium loan bearer bond of 1882 of the
Austrian Red Cross

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
II 21/3	Dr. Alfred Kokoschinski	-
*II 21/5, 21/6	Anton Koller	-
*II 21/2, 21/1	Karl-Ludwig Gratevralki	-
*see page 20		

Country of issue: Poland

Zloty 2.900.- "Sugar-Industry Co. Chodgrov" shares of 1925
and 1928

<u>Depot No.</u>	<u>Owner</u>	<u>Amount</u>
-	none listed	Zloty 2.900.-

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 By LE NARA Date 11-99

RG 260
 Entry FINANCE
 File FED
 Box 93

Dign
~~METALS~~
~~TEST~~

FOREIGN EXCHANGE DEPOSITORY

**XI Safety of Strategic Valuables under OMGUS Control
 in Event of Alert or Emergency**

18 August 1949

1 Chief Director 18 Aug
 FED Finance 1949
 APO Division
 757 OMGUS
 US APO 742
 Army US Army

1. The FED is custodian for substantial quantities of valuables including strategic items such as industrial diamonds and platinum type metals.

2. Similar valuables formerly in FED custody have been released for safekeeping to Bank Deutscher Laender, Frankfurt/Main, subject, however, to instructions of OMGUS as to further disposition.

3. Whether or not appropriate plans have been formulated in anticipation of an alert or emergency to prevent the above strategic and other valuables falling into the hands of an enemy power is not known to this office.



FRANK J. ROBERTS
 Acting Chief
 Foreign Exchange Depository

Tel: Frankfurt 7396

DECLASSIFIED
Authority <u>NND765036</u>
By <u>WSD</u> NARA Date <u>1/30/83</u>

RG 260
 Entry ECONOMICS
 File # 386-RESTITUTION
 Box 81

81
REST

386

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)
 ECONOMICS DIVISION
 Restitution Branch
 APO 742

5 February 1946

MEMORANDUM

FOR : The Chief, Restitution Branch.

SUBJECT : Valuation of Property Subject to Restitution.

I. PROBLEM.

1. The standard form of receipt for property subject to Restitution provides for a valuation of such property and for the deduction of such value from the claimant's Reparations claim [See Exhibit A]. Despite the difficulties involved in valuing such widely diversified items as radium, platinum, chemical filters, machine tools, barges, railroad cars, etc., our office has insisted that a final valuation be made at the time of signing the receipt, because a valuation offers a comparative measure of progress in the program as well as a figure to be deducted from the claimant's Reparations. We must now set criteria for the valuation of such property and evolve a method for effecting it.

II. DISCUSSION.

2. Criteria for Valuation. The problem involved in valuation of property subject to Restitution is more complicated than that of valuation of industrial capital equipment subject to Reparations, because there is involved a wider scope of property and a large number of dissimilar small lots. On the other hand, strict accuracy in valuation is not required, because no reciprocal payments by the Soviet are involved. The problem is not limited to depreciation. A painting, for example, may appreciate in value rather than depreciate over a period of years. Metals do not depreciate; machine tools, barges, and other industrial property do. However, in the latter case the short supply and urgent need for economic rehabilitation will create a fictitiously high value in current markets. In general, it becomes a question of two types of valuation:

- a. Depreciable property;
- b. Property with a relatively static value.

It is felt that some general breakdowns should be made in the principles of valuation between these two types of property. These principles should be worked out in coordination with the Visiting Missions for Restitution. The specific criteria for such valuations are suggested in Exhibit B.

3. Method of Valuation. The other major problem is that of establishing a method for valuation. The American Army cannot supply appraising personnel competent to set valuations on 100,000 different types of items. Nor should the claimant nations be utilized in setting fair valuations. Therefore, it is suggested that a tentative valuation be made by representatives of the appropriate local Handelskammer using German experts and the experience of the German holder of the property. They are the only ones in a position to know the value of the particular item and will neither profit nor lose by a fair valuation. The valuation should then be examined by the Land Offices of Military

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Government and by the claimant nation which would have the right of appeal to the Office of Military Government (U.S. Zone). The final Restitution valuation, when approved by the Office of Military Government (U.S. Zone) and placed in the formal receipt would govern. The implementation of such a method of evaluation is set forth in Exhibit C.

III. RECOMMENDATIONS.

4. The attached Exhibits B (Criteria for Valuation) and C (Method of Valuation) should be submitted to the Chief, Industry Branch, and to the Visiting Missions for Restitution. Upon receipt of the Missions' comments and approval by that Branch and the Division Director, they should be submitted to the Reparation, Deliveries, and Restitution Directorate as the U.S. position.

5. The Chief, Restitution Branch, should be authorized by OMGUS to commence the T.O. revision necessary to establish small Valuation Sections in Frankfurt-Höchst and in the three Länder.

Robert L. L. McCormick
ROBERT L. L. MCCORMICK
Lieutenant USNR
Executive Officer

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EXHIBIT A

RECEIPT AND AGREEMENT FOR DELIVERY OF IDENTIFIABLE
PROPERTY OTHER THAN CULTURAL OBJECTS

{Place} _____

{Date} _____

2. Said Government hereby accepts the item(s) described in said schedule "A" attached believing them to have been in existence at the time of the occupation of its territory and which were taken out of such territory by the enemy, whatever the means of dispossession may have been: or which were produced during the occupation and removed by an act of force. By the acceptance of said items, said Government hereby waives any further claim as reparation or otherwise based upon the removal of the item(s) concerned by the Germans or the exaction of funds used by the Germans to pay for it and also agrees to save harmless the United States and all its agents and representatives from any claim for loss, damage or deterioration suffered by any item at any time whatever.

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EXHIBIT B

SUBJECT: Principles of Valuation of Property being
 Delivered by Reason of Restitution.

1. Definitions - For the purposes of this paper there will be two different types of valuation, the first type to be for property with a normally static or an appreciating value, hereinafter called "Static Property", and the second to be for property with a normally depreciating value, hereinafter called "Industrial Property".

a. "Static Property" is deemed to include such property as works of art and other cultural works, corporate shares, other securities, livestock, patents and formulae, raw materials, semi-finished and finished goods, scientific equipment, precious stones and metals, and currency. It shall also include all other such property, goods, or chattels, the value of which is not diminished by normal depreciation or usage, but shall not include industrial capital equipment.

b. "Industrial Property" shall be deemed to include all property in the form of capital goods which is used directly or indirectly, on a repetitive basis, in the creation of goods or wealth, and which, through normal usage, depreciates in value. It shall include such items as industrial capital equipment, transportation equipment, and communications equipment, as well as fixed industrial installations such as harbor installations and rail or road installations.

c. "Visiting Mission" is that mission of a claimant country which is properly accredited to the Commanding General, U.S. Forces, European Theater, and is entitled " Mission for Restitution to ". All such missions will be properly accredited to the Office of Military Government for the Land as is set forth in Title 19 - M.G.R.

2. Valuation of Static Property.

Flowers
 a. ~~Plant and equipment as declared available for advance deliveries on account of restitution shall be valued at 1938 replacement cost, in Germany in Reichsmarks, plus 15 per cent, and less War Damage, if any. Such values shall be subject to final quadripartite agreement.~~

b. "Replacement Cost" shall be computed by analysis of purchase price at market values as they were in 1938 without delivery expense, by actual insured value as of that year, by appraisals as of that year, or by present appraisal intended to estimate values as of that year.

c. Valuation will be made in accordance with the methods set forth in exhibit B hereto.

d. The value of securities will, in general, be

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computed on the basis of the highest current market values in the Paris, Amsterdam, Copenhagen or London Exchanges.

3. Valuation of Industrial Property.

a. Plant and equipment to be shipped on account of Restitution shall be valued on 1938 replacement cost, in Germany in Reichsmark, less depreciation, and less War Damage, if any. *Such values shall be subject to final quadripartite agreement.*

Frances

b. "Replacement Cost" shall be taken to mean purchase price if new in 1938, without delivery or installation expenses.

c. From the 1938 cost, as described above, shall be deducted depreciation at annual rates expressed as a percentage, multiplied by actual age in years, allowing 1.35 years per year of war use. This addition for war-time use is intended to compensate for the additional depreciation due to the increased rate of war and tear during the war years as well as the wear and tear resulting from the dismantling and movement of machinery and equipment. The annual rates of depreciation will be taken from the agreed schedule to be prepared for Reparations by a Committee of Engineers reporting to the Economic Directorate.

d. From the 1938 cost shall likewise be deducted war damage. "War Damage" shall include all damage by Allied or German Forces, consequential damage, e.g. exceptional depreciation of plant and machinery due to wind and rain etc., the following partial destruction of the premises, or abandonment partially or wholly of the premises for any reason, as well as any broken or missing parts from any cause. The deduction for war damage will be the best approximation that can be made expressed as a percentage of the 1938 cost.

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Box	<u>81</u>

EXHIBIT C

Method of Valuing Property Subject to Restitution.

1. When property subject to Restitution has been located and properly identified, the Restitution Branch in the Office of Military Government for the Land will, concomitantly with the forwarding of the standard form of release, refer the specific property to the Land Economic Office for purposes of valuation by that Office. That Office using the criteria set forth in Exhibit B hereto and utilizing the personnel of the appropriate Handelskammer, will set a tentative valuation upon all such property within two weeks.
2. In computing such a valuation, tax values, insurance values, on the spot appraisals, or the holder's books may be utilized. In addition the Visiting Missions' opinions may be of assistance.
3. The Restitution Branch, Office of Military Government for the Land may revise such valuation in any manner it deems proper.
4. The Restitution Branch of the Office of Military Government for the Land will inform, through the Office of Military Government (U.S.Zone), the cognizant Restitution Mission of the valuation so arrived at. If that mission and the Office of Military Government for the Land agree upon such a valuation, it will be used in the official "Receipt for Identifiable Property other than cultural Property".
5. If the mission and the Office of Military Government for the Land do not agree upon such tentative valuation, the valuation figure will be forthwith referred to the Office of Military Government (U.S.Zone). That Office will have final and complete responsibility for setting valuation on the property, although, in setting such a final valuation, it will give due consideration to such facts concerning valuations as may be presented as evidence by the Visiting Mission. Any determination by the Office of Military Government (U.S.Zone) will be final and will be placed in the standard form of "Receipt for Identifiable Property other than Cultural Property". No property will be restored until this receipt is properly executed.

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By WSD NARA Date 1/20/85

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Entry ECONOMICS
File # 386-RESTITUTION
Box 81

REST.

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Valuation of Restituted Property

1 Director, RME 21
ED Mr. Nov
ED 46

1. The Missions have for some months taken an unsatisfactory attitude in regard to supplying of restitution valuations as required by quadripartite procedure. Colonel Kluss has taken the matter up with the Missions on several occasions and has pointed out to them the necessity for getting firm and reasonable figures on all receipts. Statements made by him to them are being consistently disregarded.

2. In view of the fact that quadripartite restitution procedure requires each occupying nation to submit a monthly report to the RDR Directorate and to CORC on the value of items restituted, and in view of the further fact that the attitude presently being shown by the Restitution Missions makes it impossible for the U.S. Zone to comply with this provision, recommend I be authorized to give Colonel Kluss the attached directive authorizing him to delay restitution shipments until reasonable valuations are shown on the pertinent receipt form.

1 Incl: a/s
Telephone 42009

JOHN H. ALLEN
Colonel, GSC
Chief, Restitution Branch

*Hand carried
by Col. Allen
to Maj. Paderborn's
office. JAL*

DMC FILED - Restitution Br., JHA/eb

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 File # 386-RESTITUT
 Box 81

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)
 Economics Division
 Restitution Branch
 APO 742

21 November 1946

MEMORANDUM

SUBJECT: Valuation of Restituted Property

FOR : Colonel Kluss

1. On 28 May 1946 we wrote you regarding the ridiculous low figures being submitted by some Restitution Missions in connection with valuations. We again wrote on 24 October 1946 pointing out that no valuations to speak of have been received by you from any of the Missions since about 15 June 1946, and that many of the older receipts either show no valuation or show some obviously facetious figures.

2. In the course of our telephone conversation of today you advised me that you have made every effort to convince the Missions concerned of the necessity of showing sound valuation figures as provided in the quadripartite agreements setting up restitutions. It appears that, while ready to accept restitution, they are not at all ready to cooperate in the matter of submitting sound valuations as required by the same quadripartite agreement as provided for the restitution functions.

3. I am sure that you have shown the Missions the basic quadripartite documents, namely COML/P(46)3 and CORG/P(46)143. Appendix C of the latter is the approved receipt and agreement, paragraph 4 of which agreement provides for showing a "fair and proper" value.

4. The same quadripartite procedure which provides for restitution also requires reporting the values of the restitutions monthly by each occupying nation to the RDR Directorate and to the Coordinating Committee. It would appear that the Restitution Missions are not concerned over the fact that they are making it impossible for us to comply with the entire procedure.

5. We are not disposed to do a half way job any longer. You are, therefore, requested to advise the Chiefs of the Missions concerned that no restitution shipments (other than cultural objects on which no values are placed) will be permitted to leave the U.S. Zone from now on unless a fair valuation in terms of

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By MSJ NARA Date 1/15/85

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1938 RM appears on the receipt form as part of the receipt. Any valuation not acceptable to your office may be rejected by you at your discretion.

6. You should obtain assurances from each Mission that valuation for deliveries which have been effected in the past will be supplied as soon as possible, and that any unsatisfactory valuations which have been supplied will be suitably amended without delay.

Telephone 42009

JOHN H. ALLEN
Colonel, GSC
Chief, Restitution Branch

DECLASSIFIED
 Authority MM765036
 By WVJ NARA Date 1/15/85

RG 260
 Entry Control OFFICE
 File McJunkins MISC. COMRA
 Box 472

ACST

clay
 1307

LTK/MS

LTK

GR/cJ

Berlin, Germany

4 January 1949

Dear Dr. Pender:

This will acknowledge receipt of your letter of 14 December 1948 concerning restitution from the U. S. Zone.

Our restitution policy is based on the London Declaration of 5 January 1945 and implemented by Military Government rules. I wish to point out that the London Declaration specifically applies "whether such transactions or dealings have taken the form of open looting or plunder, or of transactions apparently legal in form, even where they purport to be voluntarily effected".

The concept of "Normal Commercial Transaction" has been evolved along the line laid down in the Restitution Operation Guide of 28 July 1948 with which you are familiar. Fewer dealings are only one, although the most frequent and important of the factors which are taken into consideration. You will note that the Restitution Operation Guide specifically states that "no hard and fast rules can be laid down as to what constitutes a Normal Commercial Transaction and each case will have to be decided on its own merits in the light of the London Declaration of 5 January 1945".

Appeals by the German holder or the Ministry of the Land concerned have received in the past all due consideration by the Karlsruhe and Berlin offices of Restitution Branch, and I am satisfied that the U. S. Restitution policy, as it stands, is well founded and is being equitably interpreted and administered.

I must inform you therefore that I do not intend to make any changes as far as this policy is concerned.

Sincerely,

LUCIUS D. CLAY
 General, U.S. Army
 Military Governor

Dr. Hermann Pender
 Chairman of the Executive Committee
 of the Combined Economic Area
 50 Feuerbachstrasse
 Frankfurt/Main

317024

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 Authority MM765036
 By WBJ NARA Date 1/20/85

RG 260
 Entry At Normal File
 File #20415 1051-1111
 Box 808

1051-

CONFIDENTIALCOPY NO. 6923 March 1948STATE-ARMY-NAVY-AIR FORCE COORDINATING COMMITTEEDECISION AMENDING SANACC 204/30RESTITUTION FROM AUSTRIANote by the Secretaries

1. By informal action on 23 March 1948 the State-Army-Navy-Air Force Coordinating Committee approved SANACC 204/30 as amended by SANACC 204/31.

2. Holders of SANACC 204/30 are requested to make the following changes therein:

a. Substitute the attached revised page 109 for the one contained therein and destroy the superseded page by burning.

b. Substitute a period for the comma after the word "urgency", and delete the remaining portion of the last paragraph on page 105.

H. W. MOSELEY

W. A. SCHULGEN

V. L. LOWRANCE

V. F. FIELD

Secretariat

317025

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 Authority NND765036
 By WJD NARA Date 1/20/85

RG 260
 Entry Al-Nazari File
 File #204/5 1657mm
 Box 808

CONFIDENTIALCOPY NO. 69SANACC 204/3020 February 1948Pages 105 - 109, incl.STATE-ARMY-NAVY-AIR FORCE COORDINATING COMMITTEERESTITUTION FROM AUSTRIA

References: a. SWNCC 204/2
 b. SWNCC 204/5
 c. SCE 7/3
 d. SCE 7/4
 e. SCE 7/5

Note by the Secretaries

The enclosure, a memorandum by the State Member, is circulated for consideration by the Committee as a matter of URGENCY.

H. W. MOSELEY
 W. A. SCHULGEN
 V. L. LOWRANCE
 V. F. FIELD
 Secretariat

SANACC 204/30

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Authority	MM765036
By	MSJ NARA Date 1/20/83

RG	260
Entry	At Normal File
File	#204/5 1851111
Box	808

CONFIDENTIALE N C L O S U R ERESTITUTION FROM AUSTRIAMemorandum by the State Member

The subject of restitution from Austria has been under consideration by the Subcommittee for Europe of SANACC in SCE 7/4 and SCE 7/5. There are a number of difficult points which are still under consideration by the Subcommittee.

The turnover of responsibilities for ex-enemy restitution to the Austrian Government, which is included in SCE 7/4 and SCE 7/5, has become a matter of urgency by reason of negotiations which the Austrian Government is carrying on with the Hungarian Government on various property questions. It is desirable to strengthen the hand of the Austrian Government without delay by permitting it to execute the responsibilities in this field which have hitherto been discharged by the U.S. Forces. Attached hereto as Appendix "A" is a copy of an aide memoire on this subject presented to the Department of State by the Legation of Austria, February 11, 1948.

It is recommended that the telegram attached hereto as Appendix "B" be dispatched to the Commanding General, U.S. Forces, Austria as a matter of urgency, ~~and that SCE 7/5 be amended accordingly in due course.~~

317027

DECLASSIFIED	
Authority	NMD 765 036
By	WSD NARA Date 1/20/85

RG	260
Entry	AG Dec 1946 File
File	#30415 1851-1946
Box	808

CONFIDENTIALAPPENDIX "A"AIDE-MEMOIRE

The restitution of Hungarian property from the American zone in Austria is being effected at the present time without consultation with the Austrian authorities.

It is far from the intention of the Austrian Federal Government to withhold property which has not been legally acquired. Although there is no binding agreement on its part to do so, the Austrian Government is prepared to restore to Hungary all those goods which, after October 15, 1944, were brought by force or duress into Austrian territory by the German Wehrmacht or by the then Hungarian Government.

The Austrian Government is prepared to assist a Hungarian Restitution Mission in its endeavors to locate and identify Hungarian property and, through the intermediary of the Austrian Federal Ministry for Property Control and Planning to issue permits for the return of such property to Hungary, upon suitable proof of ownership under the above mentioned provisos.

The American military authorities, on the other hand, have been guided by considerations that the restitution of Hungarian property in their military zone of occupation rests exclusively with themselves. When the above Austrian Federal Ministry made representations to the American military authorities in this matter, they referred to instructions from the Department of State, contents of which is not known to the Austrian Government.

The Austrian contention is that Article 5, Paragraph III of the Control Agreement of June 28, 1946, which provides for direct action by the occupation powers, is not applicable in this respect, since Hungary is not a member of the United Nations so that any intervention in accordance with the mentioned paragraph is not warranted.

Department of State,
Washington, D.C.

317028

DECLASSIFIED
Authority <u>NND765036</u>
By <u>WSD</u> NARA Date <u>1/20/85</u>

RG	<u>260</u>
Entry	<u>AC General File</u>
File	<u>#20415 185PMW</u>
Box	<u>808</u>

CONFIDENTIAL

Paragraph 42 of the draft for an Austrian State Treaty as proposed by the United States again refers only to the question of property in Austria of the United Nations and their nationals.

In the event that the stipulations of the Hungarian Peace Treaty are being applied, it should be noted that Austria is neither a party to this Treaty, nor is the matter of the restitution of Hungarian property, which was forcibly removed from Hungary by the Germany army, or by civil authorities, and brought into Austria, touched upon in the said Treaty.

It is therefore requested that the American military authorities in Austria may be instructed as soon as possible in this matter, which is of the utmost economic importance for Austria, to the end that the respective negotiations shall proceed in consultation with the Austrian Federal Government. In this connection, it is pointed out that the question of restitution of Hungarian property in Austria was brought up by the Hungarian Prime Minister on the occasion of his visit to London in June 1946. The Government of the United Kingdom at that time assured the Hungarian Prime Minister that all identifiable Hungarian property situated in the British zones of Germany and Austria, except war booty, would be returned through the intermediary of the British military authorities.

However, when the Control Agreement for Austria was concluded on June 28, 1946, the British Government found that the British element of the Allied Control Commission for Austria was not in a position to initiate the fulfillment of the promise of restitution of Hungarian property in the British zone of Austria, and notice to this effect was received from the then Political Representative of Great Britain in Vienna, by verbal note of November 11, 1946, addressed to the Austrian Federal Chancellery, with reference to the promise which had been made to the Hungarian delegation prior to conclusion of the Control Agreement. Thus, the Austrian contention, namely, that Article 5, Paragraph 3, of the

DECLASSIFIED
Authority <u>NND765036</u>
By <u>WSD</u> NARA Date <u>1/20/85</u>

RG	<u>260</u>
Entry	<u>At National File</u>
File	<u>#20415 Restitution</u>
Box	<u>808</u>

CONFIDENTIAL

Control Agreement is not applicable to the restitution of Hungarian property has been confirmed by the United Kingdom.

The Austrian Federal Government has drawn the foregoing to the attention of the U.S. High Commissioner in Austria as well as of the United States Envoy Extraordinary and Minister Plenipotentiary at Vienna.

Washington, D.C., February 11, 1948

317030

DECLASSIFIED	
Authority	<u>MM765036</u>
By	<u>MBJ</u> NARA Date <u>1/20/81</u>

RG	<u>260</u>
Entry	<u>At Normal File</u>
File	<u>#20415 RESTORATION</u>
Box	<u>808</u>

CONFIDENTIALAPPENDIX "B"DRAFT CABLE FROM JOINT CHIEFS OF STAFF TO USFA

PRIORITY
CONFIDENTIAL

Subject is restitution from Austria to ex-enemy countries.

1. Authorize you terminate immediately restitution program to ex-enemies under WX 99226 amended with exception of final action on claims already allowed. You should notify Austrian Government and transmit to appropriate Austrian agency all relevant data in your possession on properties claimed for restitution on which you are terminating action.
2. You shld advise respective missions of foregoing, pointing out restitution questions hereafter for negotiation between those countries and Austria.
3. In absence any official claim that Weiss properties are German assets, foregoing applies to them, and disposition will accordingly be left to Austrian Govt.
4. State Dept advising US missions Vienna, Budapest, Bucharest.
5. This directive does not apply to restitution to Italy, which was formally recognized as a co-belligerent by the United States, the United Kingdom, and the U.S.S.R. in the three-power declaration of October 13, 1943. You will accordingly continue restitution to Italy until further directed.

317031

WEST

FOD/HR

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)
Property Division
Berlin, Germany
APO 742

6 November 1948

*OK'd by
Gen Clay
& Hoff
ma*

MEMORANDUM

TO : General Clay

The attached protest on the Restitution Program was delivered to me in person by the Chief of the Reparations and Restitution Division, French Group Control Council, with a statement that the comments given in the letter do not reflect his personal opinions.

As to the requests made by the missions as outlined on page 6, I would like to make the following comments:

1. Accepting their request that shipping dates not be rigorously enforced would mean abandoning our all-out program to complete deliveries as soon as possible.
2. The responsibility for investigation of claims has always been that of Military Government and not of the Missions. Reinvestigation by their own experts of claims that have been dropped not only is outside their responsibilities but also will serve only to delay completion of the whole Restitution Program.
3. Our policy on acceptance and processing of meritorious claims has been repeatedly stated to these missions and should be well enough known to preclude their request that such claims be accepted.
4. Their request "that a policy should be laid down on looted properties of foreign nations for the period of transition until such time that a peace treaty will be signed (including a clause safeguarding restitution rights)" is already covered by our policy of continuing to accept "meritorious" claims involving exceptional circumstances.
5. I would like to remark that this protest is not from a very high level and represents only the opinions of the technical or semi-technical staffs of certain missions. We have been informed that the report was probably instigated by the chief of the Belgian Restitution Mission in Karlsruhe. For your information, this mission has recently adopted a policy of converting released properties in Germany by substitution for other properties or by selling their released properties for D marks. This procedure would be comparable to restitution from current production to which we are definitely opposed and is in

317032

RG 260
Entry Control Office
File No. 471
Box

DECLASSIFIED
Authority MMD765036
By (M) NARA Date 11/20/75

REPRODUCED AT THE NATIONAL ARCHIVES

direct violation of JMW export regulations. We have taken appropriate action to correct this situation.

The following report is submitted with respect to the individual missions that have signed the letter attached:

1. ROMANIA: Deliveries have been completed to this nation and they have removed all of their personnel from the Zone with the exception of the chief of the mission. The chief of the mission has agreed to close his office in Karlsruhe and will depart from the Zone today.

2. POLAND: The work-load with Poland has been greatly reduced, and the chief of the mission has agreed to reduce his personnel by 50% by not later than 15 November 1948. There will be little work left for the Polish Mission after this month, and I can see no reason at this time why the entire mission should not be removed from the Zone by the end of the year.

3. YUGOSLAVIA: Deliveries to this nation will be substantially completed by 15 November, and we have requested the mission chief to reduce his personnel by 50% by not later than 15 November. All deliveries to Yugoslavia are scheduled for completion by not later than 30 November 48, and I see no reason why we should not request the mission to remove the remainder of their personnel from the Zone by 15 December 1948.

4. FRANCE: We expect to complete the investigation of all French claims during the present month and have taken strong action to expedite the deliveries. We are trying to complete deliveries by 31 December 1948 but it may take until the end of January.

5. CZECHOSLOVAKIA: I have previously discussed the completion of the restitution work on two occasions with General Dastich, Chief of the Czechoslovak Military Mission in Berlin, and was informed that they have made their own plans to complete the restitution program for their Government this year. For this reason, I place no particular importance to the signing of the attached protest by his technical personnel in the Zone.

6. BELGIUM: We expect to complete the investigation of Belgian claims about 15 November and have taken action to stop up their deliveries. We hope to complete deliveries to this nation by the end of the year but may possibly require until the end of January.

7. AUSTRIA: Investigations of claims will be completed by 15 November and we expect to complete their deliveries by the end of the year. We have had considerable difficulties with this mission because of the lack of Austrian representatives to receive their pro-

317033

RG
Entry Control Office
No File
471
Box

Authority M765036
DECLASSIFIED
By WJL NARA Date 1/15/75

parties and because of the fact that their Government has not provided sufficient funds for their mission to obtain necessary motor transportation required for their work.

RECOMMENDATIONS:

I do not feel that you should dignify this protest by a personal reply, and suggest you authorize me to inform the missions that we do not consider it necessary to make any changes in our present policies and procedures and that the program will be continued without change.

Tel: 43050
Rm 1010 Econ Bldg

OSWEN R. MCJUNKINS
Chief - Reparations and
Restitution Branch

- 5 -

317034

RG 260
Entry Control Office
File No. 471
Box

DECLASSIFIED
Authority MMD765036
By WJD/NARA Date 1/20/75

REPRODUCED AT THE NATIONAL ARCHIVES

DECLASSIFIED

Authority NND 78 5009
By MBY NARA Date 11/22/95

RG 260
Entry USACA - Property Control
File P-1400
Box 21

CVN

File PCIRO

ORIGINATORS FILE No. _____

USACA/R

USFA MESSAGE FORM

PC File

UNCLASSIFIED

CLASSIFICATION

SPACE BETWEEN HEAVY LINES FOR SIGNAL USE ONLY

ACTION TO:

DEPARTMENT OF THE ARMY FOR CAD PASS TO JAMES GARRISON

INFORMATION TO:

(REF No.)

P _____

PC = 8

Received cable PCIRO re transfer of looted currency to their reparations representative. Request you inform PCIRO Washington attention Abba Schwartz that arrangements for anticipated transfer will be completed on about 1 May.

- DISTRIBUTION
- 1 - SCS
 - 1 - Director USACA
 - 1 - Sec-Fin Div
 - 3 - Pol Div
 - 1 - AG Cables
 - 1 - AG Records
 - 1 - NSAR Div

PRECEDENCE: Routine

ORIGINATING SECTION: NSAR Division, USACA

CONTENT AND CLASSIFICATION AUTHENTICATED BY:

NAME TYPED Edwin L. Johnson, Col. GSC
TEL No. D-4852

DATE - TIME - GROUP
 26 March 1948

DECLASSIFIED
Authority 1111785009
By KN NARA Date 11/19/99

RG 260
Entry USACA - Property
File P-801
Box 9

copyright

YG:AMC

Vienna, Austria
1 February 1949

File: P-801

Mr. E. F. Werner-Hades
Berlin-Charlottenburg 2
Knesebeckstrasse 83
Germany

Dear Sir:

Reference is made to your letter dated 3 January 1949 in which you request the assistance of this office in regaining or securing certain literary property to which you hold the copyright.

This headquarters regrets that it cannot be of assistance to you in regaining possession of this property at the present time. The subject ten thousand copies of your book, belonging to Verlagsbuchhandlung Haude & Spener of Berlin, represent a German external asset being held under control pending a decision as to its disposition.

Yours very truly,

JAMES A. GARRISON
Chief, RDR Division

Telephone: VIENNA B-48420

DECLASSIFIED
Authority: 11/17/85 509
By: [signature] NARA Date: 11/19/99

RG 262
Entry USACA - ^{property} control
File P-801
Box 9

EG:AMC

Vienna, Austria
31 January 1949

File: P-801

Federal Ministry for Property
Control and Economic Planning
Vienna I
Hofburg, Amalienstrasse

Gentlemen:

A letter was received from Mr. Werner-Rades, a German national of Berlin-Charlottenburg 2, Kneesebeckstrasse 83, in connection with his claim to certain literary property to which he holds the copyright and which is reportedly located at Schwala-Struck, Vienna VII, Zieglergasse 61.

This Headquarters understands that Mr. Werner-Rades is the author of "Hanse: Sund and Tyske Bryggen," ten thousand copies of which are alleged to belong to Verlagsbuchhandlung Haude & Spener, Berlin-Friedenau, Gesselerstrasse 24. Mr. Werner-Rades states that Schwala-Struck refused to place the book at his disposal or to pay him his fee in order to withhold the profits from him.

The following information was obtained from the Berlin's Custodian of the U. S. Government, Berlin Sector:

The firm Haude & Spener has not obtained a publishing license in Berlin and is not in business.

Through the Fantes Publishing Company in Berlin Mr. Werner-Rades is in a position to carry on the sale of his book and receive his fees thereon.

This Headquarters would appreciate your Ministry's views concerning the books stored with the Austrian publishing firm in Vienna.

Yours very truly,

JAMES A. GARRISON
Chief, RDRS Division

Telephone: VIENNA B-48420

317037

DECLASSIFIED
 Authority 11115785009
 By KN NARA Date 11/19/99

RG 267
 Entry USACA - Property Control
 File P-801
 Box 9

SG:AMC

File: P-801

31 January 1949

Mr. R. F. Werner-Rades
 Berlin-Charlottenburg 2
 Knesebeckstrasse 83

Dear Sir:

Reference is made to your letter dated 3 January 1949 in which you request the assistance of this office in regaining or securing certain literary property to which you hold the copyright.

This Headquarters regrets that it cannot be of assistance to you in regaining possession of this property at the present time. The subject ten thousand copies of your book, belonging to Verlagsbuchhandlung Haude & Spener of Berlin, represent a German external asset presently the subject of an investigation by this Headquarters.

As the copyright owner and author of the book you will be duly informed of further developments in the case.

Yours very truly,

JAMES A. GARRISON
 Chief, RDR Division

Telephone: VIENNA B-48420

317038

DECLASSIFIED
Authority 111D785009
By CP NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File P-807
Box 9

To: FSN

URGENT

- 1) It appears advisable to contact immediately the firm SHWALA-DRUCK, Vienna VII, Fieglergasse 61 and to take the 10,000 books under custody.
- 2) These volumes are apparently German external assets.

3 January 1949

P.B.

Turnover

processed

Mc
4 Jan 49

Sch 8/4



RG 260
 Entry USACA - Property Control
 File P-801
 Box 9

Translation ex German

E.F. Werner=Rades (1) B e r l i n: Charlottenburg 2,
 Knesebeckstrasse 83,
 c/o. certified account
 Dr. W. Parthey

P-801

3 January 1949

To the American Military Government
 Property Control Branch

V i e n n a: Austria

subj: Verlagsbuchhandlung Haude & Spener, Berlin-
 Friedenau, Gesslerstrasse 24./ Chwala's
 Druck, Wien VII, 62, Zieglergasse 61.

As you have been informed by the custodian
 of the American Military Government, Property Control
 Branch, there are at the firm C h w a l a 's D r u c k
 in Vienna about 10,000 copies of

HANSE: SUND and TYSKE BRYGGEN

which belong to the Verlagsbuchhandlung Haude & Spener .
 I have the copyright to this book.

The firm Chwala's Druck does not want to
 place this book at my disposal or to pay me my fee.
 According to the contents of their recent letters they
 seem to try to get around me and to obtain the profits
 solely for themselves.

May I therefore ask you to prevent the
 firm Chwala's Druck from making disposition of these books
 without my knowledge and consent.

Will you please assist me in regaining or
 securing these books, thereby attending to the interests
 of the publishing firm Haude and Spener Berlin.

registered mail

Yours truly

317040

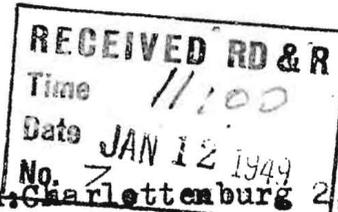
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Translated by: Dr. Grete Lorenz



RG 260
 Entry USACA-Property
 File P-801
 Box 9

827



E.F. Werner=Rades



Berlin: Charlottenburg 2,
 Knesebeckstrasse 83,
 Adr. Wirtschaftsprüfer Dr. W. Parth
 den 3. Januar 1949.

An die AMERIKANISCHE MILITÄRREGIERUNG
 Property Control Branch

W I E N : Oesterreich.

betr. Verlagsbuchhandlung Haude & Spener, Berlin-Friedenau, Gessler-
 strasse 24 ./.. Chwala's Druck, Wien VII, 62, Zieglergasse 61.

Wie Ihnen mit Schreiben vom 25.10.1948 durch den Bezirks-
 Custodian der hiesigen Amerikanischen Militärregierung, Property
 Control Branch bekannt gegeben wurde, befinden sich bei der Firma
 Chwala's Druck in Wien ca. 10.000 Bände:

HANSE : SUND und TYSKE BRYGGEN

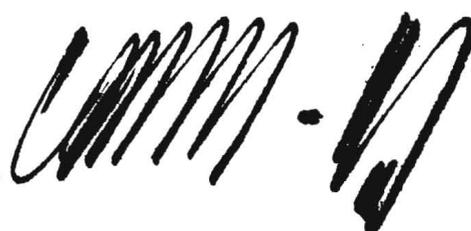
die der Verlagsbuchhandlung Haude & Spener gehören. Das Urheberrecht
 an diesen Werke besitze ich.

Die Firma Chwala's Druck ist nicht geneigt, mir dieses Werk
 zur Verfügung zu stellen oder mir mein Honorar auszuzahlen. Nach
 ihren letzten Mitteilungen an mich versucht sie anscheinend unter
 Umgehung meiner Person, sich den alleinigen Nutzen zu verschaffen.

Ich bitte aus diesem Grunde, zu verhindern, dass Chwala's
 Druck über die Auflage der Bände selbstständig verfügt, das heisst,
 also ohne mein Wissen und ohne meine Genehmigung.

Ich bitte Sie demzufolge: mir bei der Aushändigung bezw.
 Sicherstellung der Bände für meine Person, zugleich in Wahrung der
 Rechte der Verlagsbuchhandlung Haude & Spener Berlin, behilflich zu
 sein.

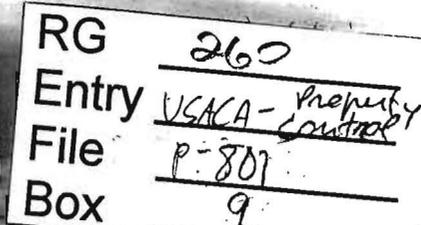
Respektvoll



Einschreiben!

317041

414



TRANSLATION

WILLI HOPP

Bezirks Custodian of the U.S. Military Gov't
Berlin Sector--District Schoeneberg

Berlin-Steglitz
25 October 1948

U.S. MILITARY GOV't
Property Control Branch
Vienna

RE: Publishing Firm Haude & Spener, Berlin-Friedensau, Gosslerstr. 24
Verlag Schwala-Druck, Wien VII, Zieglergasse 61

As competent Bezirks Custodian of U.S. Government, Berlin Sector (Military) I was given by the local District Office Schoeneberg the documents of the subject firm, to work on them.

It turns out that 50% of the firm is owned by Mrs. Emma Paschke, Bln-Friedenau, Gosslerstr. 24 and 50% is owned by Mr. Marthin Wulfling, whose whereabouts at present is unknown. Whereas Mrs. Paschke is allegedly politically clear, reports exist to indicate that Mr. Wulfling was a member of the NSDAP in the Reichstag, owner of the golden Party membership badge, and Gau Inspector of the Nazi party.

The firm has not obtained publishing license in Berlin, and is not in business.

Moreover it turns out that at the Publishing House Schwala-Druck, Vienna 7-62, Zieglerg. 61, approx 10,000 volumes "Hanse, Sund und Tyske Bryggen" are in storage, which belong to the subject firm of Berlin. The author of this volume, Mr. Werner Rades, Kl. Mac'now nr/Berlin, Sonnenhag 39, has author's rights in this volume and wishes to press these. Via the Pontes Publishing Co. of Berlin, he is in a position to carry on the sale of this book and receive his fee on it.

After a talk with American Military Gov't, Berlin Sector, Property Control Branch, it must be stated the subject firm here in Berlin may not be taken under control as it is not in business and owns no assets here. I was asked to notify you and to ask you, if need be, to take under control this cultural work (the book). I notified Mr. Werner Rades, the author, of this letter. He will contact you directly.

s/Willi Hopp

transl b. CM-c

317042

DECLASSIFIED
 Authority 111178509
 By EP NARA Date 11/19/99

RG 260
 Entry USACA - Property Control
 File P-801
 Box 9

pe file

Willi HOPP

Bezirks Custodian
 der amerikanischen Militärregierung
 Berlin Sektor / Verwaltungsbezirk Schöneberg

Bankkonto: Berliner Stadtkontor
 Berlin-Steglitz, Schloßstraße 36
 Willi Hopp, Custodian Konto
 Konto Nr. 14 114/7

Berlin-Steglitz, den 25. Oktober 1948
 Beymestr. 5
 Fernsprecher: 72 20 34

RECEIVED RD
 Time 0930
 Date DEC 16 1948
 No. 2

An die

Amerikanische Militärregierung,
 PROPERTY CONTROL BRANCH,

W i e n

16. DEZ 1948
 Property Control Branch
 R. D. & R. Division

Bett.: Verlagsbuchhandlung Haude & Spener, Berlin-Friedenau, Gosslerstr. 24
 ./ Verlag SHWALA-DRUCK, Wien VII, Zieglergasse 61.

Als zuständiger Bezirks-Custodian der Amerikanischen Militärregierung - Berlin Sektor - wurden mir vom hiesigen Bezirksamt Schöneberg die Akten der Verlagsbuchhandlung Haude & Spener zur Bearbeitung übergeben. Es wurde festgestellt, daß die Firma zu 50 % Frau Emma Paschke, Bln-Friedenau, Gosslerstr. 24 und zu 50 % Herrn Marthin Wülfli'ng, z. Zt. unbekanntes Aufenthaltes, gehört. Während Frau Paschke politisch unbelastet sein soll, liegen Meldungen vor, wonach Herr Wülfli'ng Mitglied des Reichstages zur Zeit der NSDAP, Inhaber des goldenen Parteiabzeichens und Gauinspekteur der NSDAP gewesen sein soll. Die Firma hat in Berlin die Verlags-Lizenz nicht erhalten, der Betrieb ruht.

Es ist ferner festgestellt worden, daß bei dem Verlag SHWALA-DRUCK, WIEN VII/62, Zieglergasse 61 ca 10 Bände "Hanse, Sund und Tyske Bryggen" liegen, die der Firma Haude & Spener gehören. Der Urheber dieses Werkes, Herr Werner-Rades, Klein-Machnow bei Berlin, Sonnenhag 39 hat an diesen Bänden Urheberrechte und macht diese geltend. Er hat über den PONTES-VERLAG Berlin die Möglichkeit, durch Vertrieb dieses Werkes, sein Honorar realisieren zu können.

Nach Rücksprache mit der Amerikanischen Militärregierung - Berlin Sektor PROPERTY CONTROL BRANCH, kann die Firma Haude & Spener hier in Berlin, nicht unter Kontrolle genommen werden, weil der Betrieb ruht und Vermögenswerte hier nicht vorhanden sind. Es wurde mir aufgegeben, an Sie zu berichten und zu bitten, erforderlichenfalls dieses Kulturwerk unter Aufsicht zu nehmen.

Herr Werner-Rades ist von diesem Schritt von mir benachrichtigt worden und wird sich direkt mit Ihnen in Verbindung setzen.

Hochachtungsvoll



10.000 Bände

317043

DECLASSIFIED
Authority 111A785009
By KD NARA Date 11/19/99

RG 260
Entry VSACA - Property
File P372 - 379
Box 2

pensions

File: P-376

EG/mb

13 October 1949

Mrs. Hermine Teichmann
Vienna III
Aspangstrasse 17

PC D-2a

Dear Mrs. Teichmann:

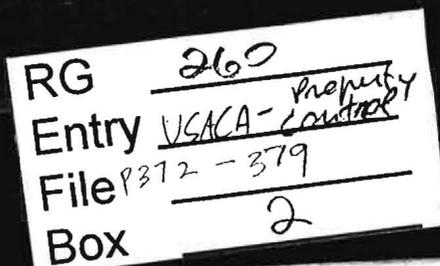
Reference is made to your letter dated 4 October 1949 in which you request copies of two letters dated 6 August 1946 from the Creditanstalt-Bankverein, addressed to this Headquarters and concerning a settlement of pensions rights of Mr. and Mrs. Felix Traub of Washington, D. C.

Attached you will find one copy each of the requested correspondence setting forth the terms of a settlement of these pension claims.

Yours very truly,

JAMES A. GARRISON
Chief, RDSF Division

Telephone: VIENNA E-47209



TRANSLATION

Hermine Teichmann
 Vienna III, Aspangstrasse 17

Vienna, 4 October 1949

HQ USFA * USACA * RD&R * PC * APO 777

SUBJ: Felix and Hildegard Traub, Washington.

Felix and Hildegard Traub were employed with the Creditanstalt before March 1938 and, according to the law for bank employees, after 16 years of service have established a claim to a pension. Dr. Schweizer of Property Control, whom I notified of this loss as my brother-in-law's and sister's plenipotentiary agent some time ago, has submitted this claim to the Creditanstalt and received a letter from the Creditanstalt in August or September 1946. Dr. Schweizer read this letter to me at the time and I took it down in writing as well as I could. The content ran about as follows:

"The Creditanstalt is offering a monthly payment of \$ 219.75 starting 1 June 1946, of its free will without court judgment. This offer is cancelled if future legislation under the heading restitution obliges the Creditanstalt to make payments which payment in the legal amount will then take the place of the above pension offer. There will be no payments or restitution offers for the time from 1 September 1938 to 31 May 1946. These will only be made, and only to the extent legally necessary, if the Creditanstalt is obliged to pay by legislative means. If Mr. Traub declines this offer, the freely made offer will be considered nonexistent. - "

For Hildegard Traub this was \$ 128.27 a month. - "

Mr. and Mrs. Traub did not immediately accept this offer, but asked me in 1948 to investigate with the Creditanstalt when this offer would become invalid due to time lapse. On 21 September 1948, the Creditanstalt informed me that pension claims will not become invalid because of time lapse before 30 June 1949. On 14 June 1949, Felix and Hildegard Traub accepted the settlement suggested by the C.A., as follows:

"With reference to your letter of some time ago, we accept the settlement suggested by you of our pension claims, i.e.

\$ 219.75 per month for Felix Traub

\$ 128.27 per month for Hildegard Traub

to be paid from 1 June 1946.

We, of course, expect that a legislative settlement for pension claims from 1938 to 1946 will also concern us.

s/ Felix and Hildegard Traub."

Meanwhile the 7th Restitution Law which settles claims arising from employment conditions in private industry has been promulgated, and Mr. Traub fears that he will have difficulties with the C.A.

317045

DECLASSIFIED
Authority 1111785009
By CP NARA Date 11/19/99

RG 260
Entry VCACA - Property Control
File P372-379
Box 2

REVOLUTION

TRANSITION

1000, 4. October 1949

because of his acceptance of 14 June 1949. Therefore, I should request most fervently a copy of the former letters of the Creditanstalt to Property Control whose content I only know as to the line of thought from you.

Thank you in advance for a prompt attention.

Yours very truly,

s/Hermine Teichmann

1000, 4. October 1949

Property Control
1000, 4. October 1949

DECLASSIFIED
 Authority 111/1785009
 By EP NARA Date 11/19/99

RG 260
 Entry USACA - Property Control
 File P372 - 379
 Box 2

INVESTIGATION

Hermine Teichmann,
 Wien III., Aspangstrasse 17.

Wien, 4. Oktober 1949

Titl.

USFA - USACA - APO 111 - U.S. ARMY
 RD - R Div.
 PROPERTY - CONTROL - BRANCH
 ALLIANZ + BUILDING

W i e n IX.,

 Frankplatz 3

Betr.: Felix und Hildegard Traub, Washington.

 Felix und Hildegard Traub waren vor März 1938 in der Creditanstalt angestellt und haben laut dem Gesetz für Bankangestellte nach 16 Dienstjahren einen Anspruch auf eine Pension erworben. Herr Dr. Schweizer der Property-Control, bei welchem ich als Bevollmächtigte meines Schwagers und meiner Schwester diese Forderung seinerzeit anmeldete, hat bei der Creditanstalt diese Ansprüche geltend gemacht und wurde ihm von der Creditanstalt im August oder September 1946 geschrieben. Herr Dr. Schweizer hat mir diesen Brief seinerzeit vorgelesen und ich habe so gut ich konnte mitgeschrieben. Der Inhalt war ungefähr wie folgt:

" Die Creditanstalt will eine freiwillige Zahlung von S 219.75 per Monat ab 1.6.1946 ohne einen Rechtsanspruch aufnehmen. Diese Zusage wird hinfällig, falls eine zukünftige Gesetzgebung aus dem Titel Wiedergutmachung die CA zu Leistungen verpflichtet, die sodann in dem bindenden Ausmasse an die Stelle der wie oben zugesagten laufenden Pensionszahlungen treten. Für die Zeit vom 1.9.1938 bis 31.V.1946 werden derzeit irgendwelche Zahlungen bzw. Wiedergutmachungsleistungen nicht gewährt. Solche werden erst dann und insoweit geleistet, als die CA durch gesetzliche Regelung hierzu verpflichtet werden sollte. Falls Herr Traub diese Regelung ablehnt, gilt die gemachte Freiwilligkeit der Pensionszusage als nicht gegeben. - "

Für Hildegard Traub waren es S 128.27 per Monat. - "

Herr und Frau Traub haben sich zur Annahme dieses Vorschlages nicht sofort entschlossen, sondern mich im Jahre 1948 ersucht, bei der CA. rückzufragen, wann diese seinerzeit gegebene Zusage verjährt. Am 21.9.1948 hat mir die Creditanstalt mitgeteilt, dass Pensionsansprüche nicht vor dem 30.6.1949 verjähren. Felix und Hildegard Traub haben am 14.VI.1949 ihr Einverständnis mit der von der CA. vorgeschlagenen Regelung gegeben und zwar wie folgt:

RECEIVED RD & R
 Time
 Date OCT 10 1949
 No. 19

225
 RECEIVED
 10. OKT. 1949
 Property Control Branch
 R. D. & R. Division

317047

DECLASSIFIED
Authority 11A78509
By ED NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File 793
Box 8

pension

Active file

P-793

File: PG/27

EG/egm

Vienna, Austria
17 January 1949

SUBJECT: Transfer of Jurisdiction, Karl Gruber
vs. German Reich (Railroads)

TO : Commanding Officer
S-5 Section
7831 Land Upper Austria Area Command
APO 174, U. S. Army
Attn: Property Control Officer

1. Reference is made to your letter dated 30 December 1948 with attached investigation report concerning above restitution case.
2. This Headquarters has no objection to the adjudication of this claim by the Restitution Commission of the Land Court Linz.

JAMES A. GARRISON
Chief, ROAR Division

Telephone: VIENNA B-48420

DECLASSIFIED
Authority 11/15/78 509
By ED NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File 793
Box 8

RECEIVED
14 JAN 1949
Property Control
R. D. & A. Division
PR

AG - 4

Informal Routing Slip

HEADQUARTERS
UNITED STATES FORCES IN AUSTRIA

SUBJECT: KARL GRUBER VS REICHSBAHN (CURATOR)

Number each message consecutively. Fill in all columns, authenticate message, draw a line across the page just below authentication. Use entire width of page. Use only for inter-office communication.

NO	FROM	TO	DATE	MESSAGE
1.	Head GEA Branch	Head Property Control Branch	14 Jan. 1949	<p>1. This Branch has no objection to the adjudication of this claim as there appears to be no German External Asset appropriate for reparations involved.</p> <p>2. Subject property falls within the category of property disposed of under the First Restitution Law.</p> <p style="text-align: right;"> HAL D. HOUSTON Head, GEA Branch</p>
F.D. SMUIN/dag Tel: VIENNA B-48431				

DECLASSIFIED
 Authority 11/15/78 5009
 By ED NARA Date 11/19/99

RG 260
 Entry USACA - Property Control
 File 793
 Box 8

RECEIVED RD & R
 Time 1630
 Date JAN 4 1949
 No. 19 HEADQUARTERS

Dispatched
 LUAAC 4544

7831 LAND UPPER AUSTRIA AREA COMMAND
 APO 174 US ARMY

PC/27

S-5

30 DEC 1948

SUBJECT: Transfer of jurisdiction, Karl Gruber
 vs. German Reich (Railroads)

TO : Commanding General
 Zone Command Austria
 APO 541, US Army

RECEIVED
 5 JAN 1949
 Property Control
 R. D. & R. Division

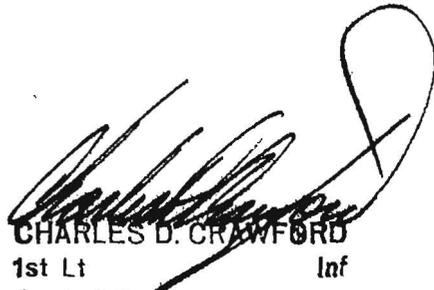
1. Transmitted herewith for action by Property Control Branch, R.D.&R.Division, USACA Section, USFA is request of Dr.Franz Bockschutz, 11 October 1948, together with investigation report, this Headquarters, 21 December 1948.

2. Dr.Franz Bockschutz requests authorization for the Restitution Commission of the Land Court Linz to take jurisdiction in the civil action of Karl Gruber against the Deutsches Reich (Reichs Railroad Property), for the restitution of the real estate EZ 353, 475 and 476, cadastral community Leonding, house No 29, Untergaumberg.

3. Suggest that the authorization be given as requested.

FOR THE COMMANDING GENERAL:

Telephone:
 Linz 22276


 CHARLES D. CRAWFORD
 1st Lt Inf
 Asst. Adj.

Inclosures:
 1 - Request 11 Oct 48
 2 - Investigation Report 21 Dec 48

317050

DECLASSIFIED
Authority 111D785009
By ED NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File 793
Box 8

Dispatched
AAC 4544

Time 103
Date JAN
No. 19 HEADQUARTERS

Rechtsanwalt
Dr. Franz Bockschütz
Linz a. d. Donau
Landstraße 15, I. Stock
Telephon Nr. 230 82
Bürostunden von 8 bis 12 und 1/23-1/27 Uhr
Samstag nachmittag und Sonntag geschlossen

To the

American Military Government
LUAAC , S - 5 , Property Control Branch

LINZ/Donau
=====

KARL G R U B E R , receiver of a pension,
at Schwarzenberg No.53 im
Mühlkreis,

through :

[Handwritten signature]
Rechtsanwalt
Dr. Franz Bockschütz
Linz a. d. Donau, Landstraße Nr. 15 I. St.
Telephon Nr.

submits PETITION stated inside.

single
3 inclosures.

. / .

317051

Inclosure 1

DECLASSIFIED
Authority 111D78509
By EP NARA Date 11/19/99

RG 260
Entry USACA - Property
File 793
Box 8

At the Restoration-Commission (Rückstellungs=
kommission) at the Land-Court LINZ/Donau I filed the
proposition for restoration, a copy and a translation
of which I inclose (of) as a supplement of this and
through my attorney I herewith submit the Petition
to give your approval to carry out the procedure of
restoration in question.

LINZ /Donau, on 11 October 1948.

Karl G r u b e r .

DECLASSIFIED
Authority: 11/17/85
By: [signature] NARA Date: 11/19/99

RG 260
Entry USACA - Property
File 793
Box 8

Rechtsanwalt
Dr. Franz Bockschütz

Linz a. d. Donau
Landstraße 15, I. Stock

Telephon Nr. 2 30 82

Bürozeiten von 8 bis 12 und 1/2-1/2 Uhr
Samstag nachmittag und Sonntag geschlossen

Free of fees acc. to § 29 of the
third Restitution Law.

TO: RESTITUTION-COMMISSION at
Land Court of LINZ

L I N Z / Danube,

Applicant : KARL GRUBER , Pensioner at S C H W A R Z E N-
BERG No. 53, Mühlkreis.

represented by :

(Inclosed is Power of Attorney, authenticated by [signature])

Rechtsanwalt
Dr. Franz Bockschütz
Linz a. d. Donau, Landstraße 15 I. St.
Telefon Nr. 23082

Counter-applicant : The German Reich (Rail-road property),
Attention: A Curator, who will be appointed.

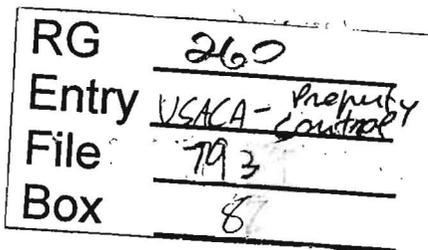
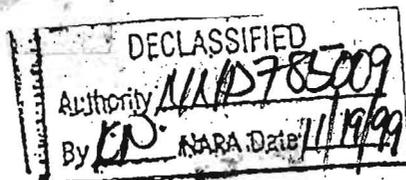
A P P L I C A T I O N for R E S T I T U T I O N .

because of restitution of the Real Estates
House No. 29 Untergaumberg, registration-number
of ground-book No.353, ground, registration-num-
ber on ground-book No.475 and ground, registration-
number on ground-book No.476, all of them of catastro
community of LEONDING.

In duplicate 1 rubric
1 Power of Attorney
3 Inclosures.

/ over

317053



- 2 -

By virtue of the notarial purchase contract ddo. LINZ, on August 9, 1906, GZ 6160, as well as the purchase contract dtd November 9, 1912, the right of ownership for the Real Estates

a) House No. 29 Untergaumberg, registration-number of ground-book No. 353 of the cataster community of Leonding, consisting of the estates No. 815/4 garden and No. 290 building area with house No. 29,

b) Ground, registration-number of ground-book No. 475 of the cataster community of Leonding, consisting of the estates No. 810// field and 812/11 field, and

c) Ground, registration-number of ground-book No. 476 of cataster community of Leonding, consisting of the estates No. 810/8 field and 812/12 field, had been incorporated to ea ohe half for KARL and MARIA T E U F E L, as my and my wifes names were at that time.

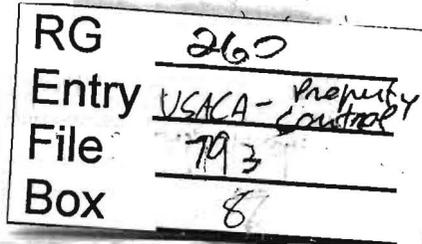
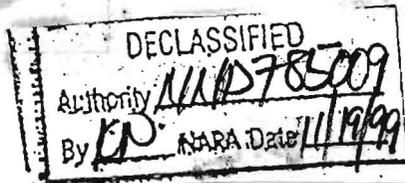
By virtue of the decree of Imp. and Royal Staathalterei, dtd January 31, 1917, Z. 496/IV and the Certificate of Marriage, dtd June 13, 1894, the change of name of KARL and MARIA TEUFEL to KARL and MARIA GRUBER was noted on all the above listed real estates at B - sheet of the before mentioned registration-numbers of ground-book of the cataster community of Leonding.

By virtue of the Deed of Conveyance of the District Court of LINZ/Danube, dtd Sept. 30, 1925, GZ a V 291/25 and the Agreement of inheritance dtd Sept. 15, 1925, GZ a V 291/25 of the District - Court of LINZ/Danube, the right of ownership for the halves of Marie Gruber of the above listed three real estates had been incorporated on ground-book in my, Karl Gruber's favor, so that I had become hereby the sole owner of the concerned real estates, registration-number of ground-book No. 353, 475 and 476 of the cataster community of Leonding. In addition the prohibition for sale had been noted at same time in accordance with the written last will, dtd March 4, 1925 at the former halves of Maria Gruber of the concerned three real estates.

PROOF : The officially authenticated extracts from ground-book, concerning the real estates registration-number No. 353, 475 and 476 of cataster community of Leonding in A, B and C, insight in

/ over .

317054



- 3 -

the ground-book for the catastro community of Leonding, Court-district of LINZ/Danube, as well as in the documents archiv there and by hearing the parties.

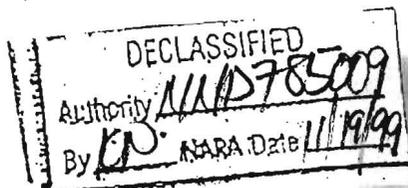
My before mentioned three real estates were taken away from me by means of a compulsory legal action during the time of Austria's occupation by Germany in connection with the National-Socialistic junction.

When Austria had been occupied by the Germans, and when National Socialism governed in Austria, then called Ostmark, it was schemed besides other projects, to make a new construction of the Rail-Station at Linz/Danube, and that in an extent, as it never before was intended in Austria. For the realization of this project, the NS State required many real estates, which did belong to other owners, but which were situated on the area, necessitated for the Rail-Station project. In general, the owners of these real estates did not agree with a voluntary transfer, if also paid transfer of their real estates. Then the expropriation-procedure was introduced, or the German Reich came in possession of the concerned estates in depriving the resisting owners by applying various unfair menaces and repressions under the pretext of "Voluntariness" by way of compulsive legal actions. I also was treated like that, and there cannot be spoken of the counter-applicant's observation of the rules of honest transactions.

The former National Socialistic German Reich, demanded through German Rail-road, Rail-road Management Linz my three above mentioned real estates and claimed the purchase of them for the Rail-Station construction. At first I contradicted to this claim. Upon that repressions and menaces began. I was informed, that I, the pensioner had no need to live in town and had to move to the country; but my estates would be expropriated. They told me that if I would not agree, I could not reckon with any benefits of German Rail-road at the expropriation- and compensation negotiations, and that I then would be in the disadvantage. There was no rest any more for me, always and again

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RG	<u>260</u>
Entry	<u>USACA - Property Control</u>
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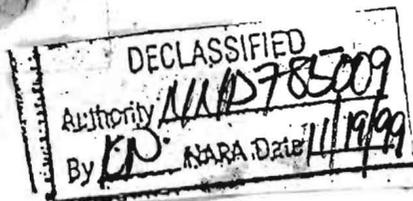
- 4 -

I had to appear there, the menaces, which at first were somewhat uncertain, became more and more decisive, and this was continued, until I, then being already 70 years of age, was completely at a break-down and could no more resist. In this way they deprived me of my own free will and, what I would never have done when there would not have been a National - Socialistic regime in Austria, I had to sell according to purchase contract, dtd March 6./7., 1940 my three real - estates herein concerned, which I loved with all my heart, and which not only according to my own will, but also by virtue of the last will of my deceased wife Maria Gruber, dtd March 4, 1925, ought to remain in the possession of the family for all future times, as she ordered a prohibition for sale, that is to say I had to sell them to German Reich (Rail-road property) and had to agree, that the right of ownership for these concerned registration-numbers 353, 475 and 476 was incorporated to cataster community of Leonding. The total purchase price was RM 25.500.- In compliance with part 3.) of the above mentioned purchase contract, the sold real estates were considered as handed over, respective taken over by completed signature of this purchase contract, which did take place on March 6, respective March 8, 1940. Besides this it was stated in an annex to the purchase contract, that, if this purchase contract would not have been concluded, the German Rail-road would have had the authorization for expropriation of these real estates. On account of the annulment declarations, dated 9th and 12th of March 1940 and the Certificate of Death issued by the Parish of Steyregg, dated 13th of March 1940, the notation of the prohibition for sale had to be annulled on all real estates.

PROOF: Engelbert G R U B E R , Rail-road employee at L I N Z / Danube, Burgenlandstrasse No. 16, Mathilde P H I L I P P, nee GRUBER, household at L I N Z / Danube, Schreiberstrasse No.16, Dr. W. K I R C H N E R , official of Rail-road Management at

/ over

317056



RG	<u>260</u>
Entry	<u>USACA - Property</u>
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LINZ/Danube, Building of Head Management, as witnesses, the purchase contract dated 6.7/ March 1940, inclosed in documents archiv, regarding the catastro community, of Leonding of the year 1940 under No. 345, the last will of Mrs. MARIE GRUBER dated March 4, 1925 in the property left deed a V 291/25 of the District Court of LINZ/Danube, the presentation of which is demanded, and the hearing of parties.

It is still to stress, that the Austrian Federal Rail-roads n e v e r schemed the new construction of the Rail-Station at LINZ/Danube to such an extent as it was carried through during National Socialistic regime, and that therefore Austrian Federal Rail-roads never would have claimed my real estates. After the break-down in May 1945, the former project of the new construction of the Rail-Station at LINZ/Danube, as it was planned by the National Socialistic Germany, was not only not realized, but this project was completely abandoned by Austrian Federal Rail-roads. Therefrom it is to see, that my real estates were only taken from me by the above described way, that means only in connection with the National Socialistic Regime during the time of Austria's occupation by Germany.

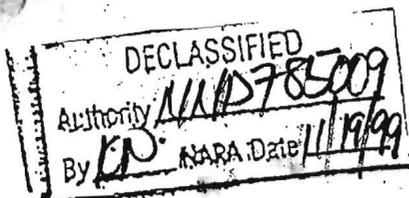
PROOF : An informed representative of Austrian Federal Rail-roads, Rail-road Head Management at LINZ/Danube, inquiry at Rail-road Head Management at LINZ/Danube, and hearing of parties.

Thereby it is explained, that all the suppositions of § 1 of the third Restitution Law, dtd February 6, 1947, Federal Law Form No. 54, for the restitution of the estates in question to me, are given.

Through my attorney, identified in A by means of an officially authenticated Power of Attorney, I hereby submit

/ over ...

317057



RG	<u>260</u>
Entry	<u>USACA - Property Control</u>
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the application to Restitution Commission at Land Court of LINZ/Danube to ORDER, ADJUDGE and DECREE :

1.) The purchase contract, contracted between German Rail-road, Rail-road Head Management LINZ, and Mr. KARL G R U B E R , then at Untergaumberg, Post-office Leonding, dated 6.7/ of March 1940, is declared to be null and void.

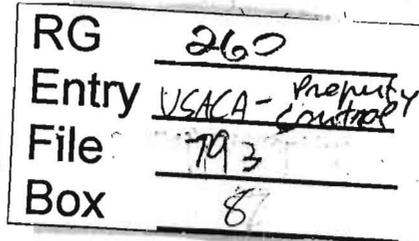
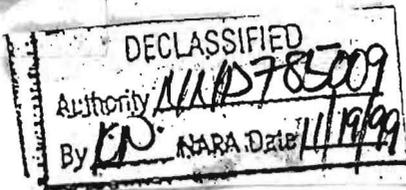
2.) The counter applicant, that is the German Reich (Rail-road Property) is found guilty to immediately restitu-te the below quoted real estates, and that are House No.29 Untergaumberg, registration-number on ground-book No.353 of the cataster community of Leonding, further more the ground, registration-number on ground-book No.475 of cataster com-munity of Leonding and finally the ground, registration-number on ground-book No.476 of cataster community of Leonding -- to the applicant Karl G R U B E R , in compliance with the regulations of the Third Restitution Law, and to grant ap-proval to the incorporation of the right of ownership in favor of KARL G R U B E R for these real estates.

3.) The counter-applicant, that is the German Reich (Rail-road Property) is further found guilty to present bills about the proceeds of the real estates house No.29 Unter-gaumberg, register-number of ground-book No.353 of the catas-ter community of Leonding, further of the ground, register-number of ground-book No.475 of cataster community of Leon-ding and finally of the ground, register-number of ground-book No.476 of cataster community of Leonding for the time during which the same is in possession of these real estates that is since March 7, 1940, and to hand over these proceeds to the applicant in duly considering § 5/3 of the Third Resti-tution Law.

4.) The counter-applicant, that is the German Reich (Rail-road Property) is finally found guilty, to compensate the costs of this proceedings to the applicant KARL G R U B E R, to wit 3.) and 4.) within 14 days by restraint.

/ over

317058



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Application is submitted at same time to order the introduction of the restitution proceedings at the real-estates house No.29, Untergaumberg, register-number on ground-book No.353 of cataster community of Leonding, further ground, register-number on ground-book No.475 of cataster community of Leonding, and finally ground, register-number on ground-book No.476 of cataster community of Leonding, all of them on ground-book of district court of LINZ/Danube, and to apply for ratification at District-Court of LINZ/Danube.

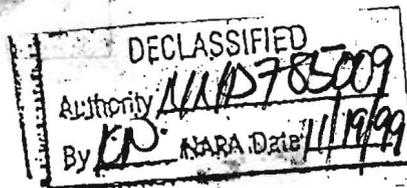
Further I submit the application that a curator be appointed for the counter-applicant, which is the German Reich (Railroad Property), for representation at subject Restitution Proceedings.

Since Restitution Commission is of opinion, that for the accomplishment of these restitution proceedings the approval of American Military Government will be necessary, I want to mention, that through my attorney I did already introduce the request for this approval of American Military Government. According to the inquiries of my attorney, it probably will take some time until this permission is granted. As soon as I will have received the approval of American Military Government, I will immediately submit it to Restitution Commission as a supplement to subject Application for Restitution.

LINZ/Danube, October 6, 1948.

KARL GRUBER.

317059



RG	<u>260</u>
Entry	<u>USACA - Property Control</u>
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Box	<u>8</u>

S-5 SECTION
7831 LAND UPPER AUSTRIA AREA COMMAND
APO 174 US ARMY

S-5 Property Control/LM/mw

21 December 1948

Investigation Report

SUBJECT : Transfer of jurisdiction Mr. Karl Gruber
vs. German Reich (Railroad Property)

REFERENCES:

Letter, 11 October 1948, and attached restitution claim, 6 October 1948, for the real estate house No 29, Untergaumberg and garden.

DISCUSSION:

1. The registered owner of the real estate EZ 353, 475 and 476 groundbook Leonding, house No 29 at Untergaumberg and garden was Karl Gruber, Austrian, due to the purchase contract, 9 August 1906, and inheritance decree of District Court Linz, 30 September 1925.

2. It was registered that subject property may not be sold, due to the written last will of Mrs. Maria Gruber, who was owner of 1/2 part before 15 September 1925.

3. In 1940 the owner was forced by threat of expropriation to sell this property to the German Reich (Railroad property) as urgently needed building lot for the erection of a planned new railroad station in Linz. On 6 March 1940 the ownership of the German Reich (Railroad property) was registered in the groundbook, The purchase price of 28,300.00 RM was fixed by the German Railroad Administration, and reduced to 25,500.00 RM by the Preisüberwachungsstelle. This amount was paid by the German Railroad to the owner on 13 April 1940 and 15 July 1940 resp., in cash.

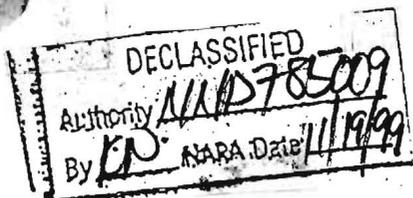
4. The real estate is a German external asset, according to the entry in the groundbook in favor of German Reich (Railroad property), therefore Dr. Franz Sockschutz, lawyer in Linz, as legal representative of the claimant, requests that the Restitution Commission at the Land Court Linz be authorized to take jurisdiction in this restitution case.

FINDINGS :

5. As stated in par. 3 of this report the sale was made under pressure and force. There was no free decision of the owner to sell his property nor was he able to chose the purchaser freely. The purchase price was not agreed to by the owner but fixed by the purchaser.

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RG	260
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Box	8

It was therefore like an expropriation, and it is proved that the sale would have never been made but for the Nazis acquiring power in Austria. So the provisions of the Third Austrian Restitution Law are given.

6. On the subject property the German owner never erected the planned railroad station. The house is used at present by tenants, employees of the Austrian Railroads, and the garden is also rented. Only a part of the garden is rented to and used by the former owner's daughter. Improvements or repairs were not made by the German owner.

RECOMMENDATIONS:

7. It is recommended that authorization be granted to the Restitution Commission at the Land Court Linz, to take jurisdiction in the restitution proceedings for the subject German external asset.

Dpkfm Millecker

Dpkfm. Millecker
Auditor

DECLASSIFIED
Authority: 11/15/78 5009
By: EP NARA Date: 11/19/99

RG 260
Entry USACA - Property Control
File P-843
Box 10

patent

File: P-843

EG:AMC

Vienna, Austria
18 March 1949

George Eric Rosden, Esq.
1025 Vermont Avenue N. W.
Washington 5, D. C.

Dear Mr. Rosden:

Reference is made to your letter dated 21 January 1949 concerning a claim of your client, Dr. Albert Reissner, to a patent registered in Austria under number 140,479.

In conformity with established procedure on restitution claims, your case has been referred to the Austrian Federal Ministry for Property Control and Economic Planning as the appropriate authority for the processing of claims.

In the interest of an expeditious settlement of the case, it is suggested that you appoint a competent legal representative resident in Vienna.

Yours very truly,

WALTER Q. LOEHN
Acting Chief, ROAR Division

Telephone: VIENNA B-48420

DECLASSIFIED
 Authority 11/17/85009
 By EP NARA Date 11/19/99

RG 260
 Entry USACA - Property Control
 File P-843
 Box 10

LAW OFFICES OF

GEORGE ERIC ROSDEN

THOMAS H. KING
 JOHN P. OLIVER

January 21, 1949

TELEPHONE STERLING 4575, 4576, 4577
 CABLE ADDRESS "LAWROS"

1025 VERMONT AVENUE, N. W.
 WASHINGTON 5, D. C.

RECEIVED
 3 FEB. 1949
 Property Control Branch
 R. D. & R. Division

James Garrison, Esq.
 Hq., USFA
 APO 777, c/o Postmaster
 New York, N.Y.

Re: Dr. Reissner

P-843

Dear Mr. Garrison:

I should appreciate it if you would take action in the following matter:

My client is Dr. Albert Reissner, a German born Jew who was a rather well known dental surgeon in Munich. He is, incidentally, the discoveror of the fluorine treatment for tooth cavitis. Dr. Reissner immigrated to the United States as a quota immigrant in 1940 and became a citizen in 1946. He has been and still is a resident of the United States since his immigration.

Dr. Reissner entered into a contract with I.G. Farben, whereby he assigned the patent rights of his invention to the I.G. Farben. Consequently, the I.G. Farben industry obtained the patent in Austria on February 11, 1935, under the number 140479.

In 1939, because of various breaches of contract, amongst others the non-payment of royalties, and the confiscation of his property by the German government, Dr. Reissner rescinded said contract and has been entitled to return of his patent ever since.

It is hereby requested that Property Control take proper action to protect the interest of Dr. Reissner and to bring about the transfer of said patent to him.

I am enclosing

- (a) photocopy of my power of attorney
- (b) photocopy of the contract between my client and I.G. Farben

492 AIR MAIL

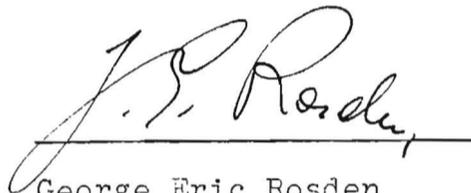
317063

DECLASSIFIED
Authority 111D78509
By EP NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File P-843
Box 10

(c) photocopy of the letter of rescission.
Further evidence is at your disposal upon request.

Sincerely yours,



George Eric Rosden

GER:AL

- 3 Encls.:
1 - power of attorney
2 - contract
3 --letter of rescission
(all in photocopy)

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Authority 11/17/85009
By ED NARA Date 11/19/99

RG 260
Entry USACA - Property
File P-843
Box 10

P O W E R O F A T T O R N E Y

KNOW ALL MEN BY THESE PRESENTS, That

I, DR. ALBERT REISSNER, of 694 East 40th Street, Brooklyn, New York, have made, constituted and appointed and by these presents do make, constitute and appoint GEORGE ERIC ROSEN, Attorney at Law of Washington, D. C., my true and lawful attorney, for me in my name, place and stead to do all acts and things necessary for the purpose of recovering title of certain patents or inventions of mine which have been assigned to I. G. Farben and are registered in their name or the name of their subsidiaries or assignees in whatever countries that may be, and for the purpose of recovering license fees, royalties for such patents and/or under license agreements, and for the purpose of recovering payments of any kind for infringement of such patents, and for the purpose of negotiating and closing license agreements under such patents, giving and granting to my said attorney full power to do and perform all and every act and thing necessary to be done in and about the premises, as fully and to all intents and purposes as I might or could do if personally present at the doing thereof, including the acceptance of payments and execution of receipts and acquittances, with full power of substitution and revocation, hereby ratifying and confirming all that my said attorney or his substitute may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 29 day of October, 1948.

Albert Reissner (SEAL)

STATE OF NEW YORK
COUNTY OF Kings : SS.:

Subscribed and acknowledged before me
this 26 day of Oct., 1948.

James Mattese
Notary Public

JAMES MATTESE Notary Public
Kings Co. No. 761 Exp. No. 349
Commission Expires March 30, 1949

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Authority 1111785009
By EP NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File P-843
Box 10

UNITED STATES FORCES IN AUSTRIA
HEADQUARTERS
LIAISON SECTION
GERMAN SUBSECTION
APO 777 US ARMY
(tel. Vienna B 47039)

TRANSLATION 452

date of original document: 27 August 1940
Date and time received
in this section: 2 1400 hrs. March 1949
Date of finished transl: 10 March 1949
Date out of this section: 10 March 1949

I.G. Farbenindustrie
Management
Leverkusen/Rheinl.

Brooklyn, N.Y. August 27, 1940
Dr. Albert Reissner, 134 Henry-Street.

Since you did not meet in any respect your liabilities, stipulated in the contract, and as you did not respond upon my urgent letters referring to it, I herewith declare the contract null and void.

Herewith I withdraw from you once and for all, all patents and other rights, resulting from the contract and demand immediate transfer of all patents to my name.

I make you fully responsible for all damages arisen up to now and for those still to arise, reserving the right of further measures to be taken against you.

From this day on, I am reserving all rights of my invention for myself.

Respectfully

per air mail, registered against receipt.

Mailed on 26 August 1940
Brooklyn-Borough Hall Post-Office

Attached the receipt of the post-office.

Translated by: [Signature]
Checked by: [Signature]
10 March 1949

[Signature]
HUGH B BENNETT
USDAE CHIEF
GERMAN SUBSECTION

26.8.40 Brooklyn Borough Hall Post Office

DECLASSIFIED
 Authority 111D785009
 By EP NARA Date 11/19/99

RG 260
 Entry USACA - Property
 File P-843
 Box 10

Brooklyn, N. Y. August 27, 1940. 8
 Dr. Albert Reissner, 134 Henry-Street.

J. G. F a r b e n i n d u s t r i e ,

D i r e k t i o n ,

L e v e r k u s e n . / R e i n l .

Da Sie Ihren Verpflichtungen aus dem mit mir getaetigten Vertrag in keiner Hinsicht nachgekommen sind und auf meine diesbez. dringenden Briefe bis her in keiner Weise reagiert haben, erkläre ich nunmehr den Vertrag für null und nichtig.

Ich entziehe Ihnen hiermit alle Patent und sonstigen sich aus dem Vertrag ergebenden Rechte für ein und alle Male und verlange die sofortige Uebertragung saemtlicher Patente auf meinen Namen.

Ich halte Sie für allen mir bis dato entstandenen und noch entstehenden Schaden voll und ganz verantwortlich und behalte mir alle weiteren Schritte gegen Sie vor.

A l l e R e c h t e d e r A u s w e r t u n g m e i n e r E r f i n d u n g s t e h e n a b h e u t e n u r m i r a l l e i n z u .

Ergebenst

Per Air-Mail, Einschreiben gegen Empfangsbestaetigung

26. August 1940 *ausgegeben Brooklyn-Borough*
Hell Post Office

317067

DECLASSIFIED
Authority 11/17/85009
By KN NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File P-843
Box 10

Form 3806 (Rev. Jan. 21, 1935) 17341 (POSTMARK OF)

Receipt for Registered Article No. 17341
Registered at the Post Office indicated in the Postmark

Fee paid W cents Class postage

Declared value W Surecharge paid

Return Receipt fee W Spl. Del. Fee W
Delivery restricted to addressee:

In person W or other W
Accepting employee W in space
indicating restricted delivery

POSTMASTER, per W

(MAILING OFFICE)

The sender should write the name of the addressee on back hereof as an identification. Preserve and submit this receipt in case of inquiry or application for indemnity.
Registry Fees and Indemnity.—Domestic registry fee ranges from 15 cents for indemnity not exceeding \$5 up to \$1 for indemnity not exceeding \$1,000. The fee on domestic registered matter without intrinsic value and for which indemnity is not paid is 15 cents. Consult postmaster as to the specific domestic registry fees and surcharges and as to the registry fees chargeable on registered parcel-post packages for foreign countries. Free on domestic registered C. O. D. mail ranges from 25 cents to \$1.20. Indemnity claims must be filed within one year (C. O. D. six months) from date of mailing.

U. S. GOVERNMENT PRINTING OFFICE

05-6862

TRANS-ATLANTIC AIR MAIL
20
1940

Form 2865
Post Office Department, United States of America
Administration des Postes des États-Unis D'Amérique

Return Receipt
Avis de réception

Stamp of office requesting this receipt
Timbre du bureau expéditeur de l'avis

Registered article Letter (1)
Envoi recommandé

Brooklyn NY
mailed at (déposé au bureau de poste de)

Aug. 26-40 17341

Order No. (sous le No.)
W. G. Reesner

Mailed by (expédié par)
I. G. Farbenindustrie

and addressed to (et adresse à)
Levarkusen

Return to (Renvoyez à) W. G. Reesner

Street Address or Rue et Numéro ou 134 Henry St.

P. O. Box No. Brooklyn NY

Boite Postale No.

Post Office at Bureau de Poste Brooklyn NY

State État de NY

UNITED STATES OF AMERICA
États-Unis d'Amérique

LEVARKUSEN
9.40.17-18
L.S. WERK

¹ Nature of article, registered (letter, print, etc.). If article is insured, cross out the word "Registered" and insert "Insured" before the word "article." "Registered" et insérez "avec valeur déclarée" après le mot "Envoi."

5-1183

The undersigned declares that the registered or insured (declared value) article described on other side was duly delivered on 9. Sept. 19 40.

delivered on / livré le 9. Sept. 19 40.

Stamp of delivering office / Timbre du bureau destinataire

SIGNATURE

I. G. FARBENINDUSTRIE AKTIENGESELLSCHAFT
Sekretariat Allgemein

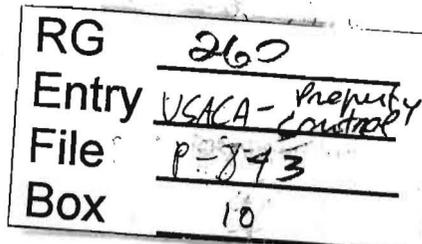
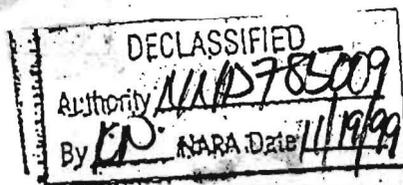
of the addressee (du destinataire)

of the postmaster of the delivering office (de l'agent du bureau destinataire)

¹ This receipt must be signed by the addressee or, if the postal regulations of the country of destination so provide, by the postmaster of the delivering office, and then returned by first mail direct to the address on reverse side. Cet avis doit être signé par le destinataire ou, si les règlements postaux du pays de destination le comportent, par l'agent du bureau distributeur, et être renvoyé ensuite, par le premier courrier, directement à l'adresse au verso.

U. S. GOVERNMENT PRINTING OFFICE: 1934 5-4183

317068



Inclosure to transl. 452

2 stamps on photostat copy.

C O N T R A C T

Between Hofzahnarzt (dentist) Dr. Albert Reissner, Munich, Odeonsplatz 12/1,
on the one hand

and

the I.G. Farbenindustrie Inc. with its seat in Frankfurt/Main, in the
following text, shortly called "I.G.", on the other hand, the following con-
tract was concluded today:

art. 1.

Dr. Reissner has worked out a method in order to produce preparations,
chiefly from embryonal tissue of animal teeth, cut, or at the point of cutting
or developing, as well as of tooth sockets of jaw bones, to the ascending branch
of the lower jaw and the soft parts of the jaw. These preparations should be used
in the treatment of tooth- or jaw diseases of the human teeth, especially in cases
of tooth caries or paradentose; here, the embryonal efficiency of the pulp is
to be specially considered. The application of this method for the German Reichs
patent is filed under No R 84056 IV a/30 h.

art. 2.

Dr. Reissner cedes the up-to-now results of his work within the sphere men-
tioned in article 1, to the "I. G." as its absolute property; he pledges himself
to inform the "I.G." of any future experiences and to put the results of his
work within this sphere at the disposal of the "I.G."

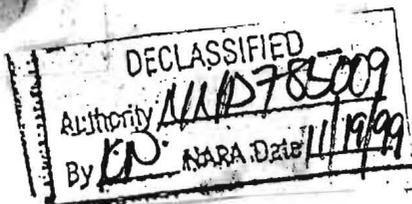
The "I.G." will produce substances according to the named methods and
test them thoroughly, pharmacologically, if necessary also clinically, as to their
practical adaptability. Should substances be found

./.

317069

Die I.G. wird nach dem genannten Verfahren Substanzen dar-
stellen und diese auf ihre praktische Verwendbarkeit pharmako-
logisch und gegebenenfalls klinisch durchprüfen. Sollten Sub-
-2.

492



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Entry	USACA - ^{Property} Contract
File	P-893
Box	10

- 2 -

the economical use of which seems to be suitable, the " I.G. " will have the exclusive right of production and utilization of the substances. The " I.G. " alone is entitled to decide, if and when a preparation seems proper for industrial utilization.

art. 3.

Besides the application for the German Reichspatent, mentioned in art.1, no other applications, especially abroad, are evident. The " I.G. " takes charge of the further adaptation of all patent matters within the range of the contract; for this purpose Dr. Reissner will hand over his up to now deeds concerning his patent to the " I.G. " and, by request, assist the " I.G. " in any possible way in the elaboration of the patent.

The " I.G. " has priority in deciding whether respectively which further patent registrations should be made in the inland and abroad. The expenses, resulting from the registration of patents will be covered by the " I.G. "; the up to now patent costs will be repaid to Dr. Reissner. Should the " I.G. " refuse a demand of Dr. Reissner for making any patent registration in the inland or abroad, Dr. Reissner will be entitled to make a patent application in the inland or abroad for himself, on his own name and at his own expense; failure to reply within a period of four weeks for a patent registration is considered as identical with a refusal.

The applications can be made on the name of Dr. Reissner or on that of the " I.G. ", just as the " I.G. " may see fit. However, the " I.G. " may ask at any time for the transfer of the patents, proposed by Dr. Reissner or entered for him, with exception of those, mentioned in par. 2, sentence 3.

In the case of a cancellation of the contract, Dr. Reissner may ask

./.

S

in

317070

stellen und diese auf ihre praktische Verwendbarkeit pharmakologisch und gegebenenfalls klinisch durchprüfen. Sollten Sub-

492

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Authority 11/17/85009
By ED NARA Date 11/19/99

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File P-843
Box 10

- 3 -

the re-transfer of the patent at his own costs. On the other hand, the " I.G. " will not be entitled to reclaim from Dr. Reissner the expenses resulting from patent registration and from the examination of the method.

art. 4.

All improvements etc., obtained by Dr. Reissner or by the " I.G. " in the course of further elaboration of the method, mentioned in article 1, apply also to this contract. This concerns also inventions for the preparation of final products of synthetic nature, where the products, made within the sphere of the contract, are used as original - or intermediate products, no matter who of the two contract partners will find such final products.

The " I.G. " is entitled to acquire and to utilize methods for the manufacturing of preparations for the treatment of caries or paratentose, which are independent of the original product, entered by Dr. Reissner. The " I.G. " has no obligation towards Dr. Reissner for products of this kind.

art. 5.

Should the " I.G. " make commercial utilization of one of these inventions, applying to this contract, Dr. Reissner will have a share in the turnover net of the products applying to the contract, at a rate of 2½% (two and a half percent) for the duration of protection of the patent mentioned in article 1.

The turnover net means the realized invoiced price, minus discount, customs, business revenues, loading and exterior packing.

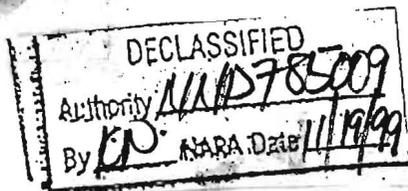
Besides, Dr. Reissner receives a single amount of RM 2000,00 (two thousand Reichs Marks) as a compensation for his up to now work

./.

317071

Die I.G. wird nach dem genannten Verfahren Substanzen darstellen und diese auf ihre praktische Verwendbarkeit pharmakologisch und gegebenenfalls klinisch durchprüfen. Sollten Sub-

492



RG	<u>260</u>
Entry	<u>USACA - Property Control</u>
File	<u>P-843</u>
Box	<u>10</u>

6 - 4 -

as well as for his expenses, from which sum RM 1000.-- are payable at the conclusion of the contract and further RM 1000.-- at such time, when the contract product is placed on the market.

art. 6.

Dr. Reissner will put at the disposal of the " I.G. " any publication within the sphere of the contract always in manuscript form for reading and approval before being printed. On the other hand Dr. Reissner will be informed in the same way of eventual publications on the part of the " I.G. ".

art. 7

The present contract will be declared invalid, if the sued Reichspatent will not be granted; it can be cancelled by any one of the contract partners within a one months period, if products which are to be utilized in therapeutics are not found after expiration of 3 years. Besides, the contract expires with the termination of the profit sharing, established in article 5.

art. 8

The rights resulting from this contract cannot be transferred without agreement on the part of the other contract partner. However, Dr. Reissner cannot refuse the agreement of a cession to any associated enterprise of the " I.G. " or to any association abroad, if the acquirer enters into the same liabilities towards Dr. Reissner, according to the arrangements made in the present contract.

art. 9

The details of this contract have to be kept secret before other people.

As it was decided, the Land Court in Duesseldorf will concern itself with all differences which may result from this contract.

./.

317072

Die I.G. wird nach dem genannten Verfahren Substanzen darstellen und diese auf ihre praktische Verwendbarkeit pharmakologisch und gegebenenfalls klinisch durchprüfen. Sollten Sub-
-2.

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By CP NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File P-843
Box 10

- 5 -

The present contract is made in duplicate; both of the partners were handed over one copy each.

The stamp fees for the contract are covered by the " I.G. "

Franfort /Main, 3 May 1932

I.G. Farbenindustrie Inc.
2 signatures illegible

Munich, 9 May 1932

/s/ illegible

Translated by M.A.Z.
Checked by: [Signature]
10 March 1949

[Signature]
HUGH B BENNETT
USDAE CHIEF
GERMAN SUBSECTION

317073

Die I.G. wird nach dem genannten Verfahren Substanzen darstellen und diese auf ihre praktische Verwendbarkeit pharmakologisch und gegebenenfalls klinisch durchprüfen. Sollten Sub-

492

DECLASSIFIED
Authority: 11/15/78 5009
By: CP NARA Date: 11/19/99

RG 260
Entry USACA - Property Control
File 1378
Box 2

Trademark

P.O. File

AS/rk

File: P - 378

26 February 1947

SUBJECT: Berthold Weiss

TO : Reparation Division
French Element Allied Commission
Huetteldorferstrasse 126
Vienna XIV.,

1. Reference is made to your letter of 27 November 1946 No. 3722 CE/CB N/Dossier # 100 a, requesting that information be secured on the relationship Messrs. Weiss - Fischer.
2. Attached is copy of letter dated 9 February 1947, from the attorney of Mr. Berthold Weiss, with affidavit signed by the latter.
3. Information on the developments in the matter would be appreciated.

FOR THE DIVISION CHIEF:

2 Incls.

1. Cy of ltr fr attorney of Berthold Weiss dtd 9 Feb 47
2. Cy of affidavit

WALKER M TREED
Chief, Property Control Branch

Telephone: VIENNA B-48422

Handwritten signature and scribbles

317074

DECLASSIFIED
Authority 11/17/85 5009
By EP NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File 1378
Box 2

LEO LICHTBLAU
COUNSELOR AT LAW

RECEIVED BD & R
TELEPHONE BERKMAN 3-5831
Time
Date FEB 20 1947
No. 16
220 BROADWAY NEW YORK 7, N. Y.

February 9, 1947

Major Howard V. Judson, A.G.D.
H.Q. United States Forces in Austria,
APO 777, U.S. Army,

FEB 20 1947
21.300
PRO.
R. 1000

Dear Sir:

I am writing on behalf of Mr. Bertold Weiss and in reply to your letter of December 19th, 1946, directed to Wally Thread Manufacturing Corporation 553 Eighth Avenue, New York, New York, Attention, Mr. Berthold Weiss, concerning Mr. Weiss' property, a textile firm, "Berthold Weiss, Zwirn und Nähseidenfabrik in Vienna, I. Ruprechtsplatz 1.

In response to your request to be advised on the extent of my client's relationship with Mr. Harry Fischer and as to the veracity of Mr. Fischer's allegation that he acted in my client's firm, I wish to enclose a statement signed in my presence by Mr. Berthold Weiss.

In addition I wish to inform you that the French military authorities appointed a second administrator (in addition to the one administrator appointed by the Austrian Government) of Mr. Fischer's firm in Vienna, apparently in order to safeguard some alleged interest of the French firm Cartier-Bresson, which is based on an alleged mortgage by Fischer to said French firm.

I wish to point out that Harry Fischer had no right to mortgage the aryanized assets to anybody and any such act would be void and without effect; furthermore that he could not validly mortgage or transfer even his own assets to any alleged creditor in preference to my client's claims for restitution and damages.

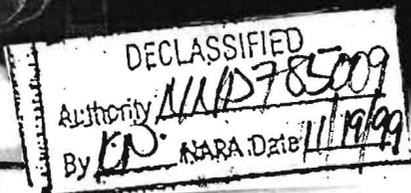
There is obviously the danger that even now the interests of my client may be jeopardized; may I therefore, on behalf of Mr. Weiss apply to you, that a representative of your office supervise the administration of Mr. Fischer's firm and safeguard the interest of my client therein.

I shall be glad to supply any additional information and data which you may desire.

I thank you for your assistance.

Very truly, yours,
Leo Lichtblau

317075



RG 260
 Entry USACA - Property Control
 File 1378
 Box 2

317076

Major Howard V. Judson, A.G.D.
 H.Q. United States Forces in Austria
 APO 777, U.S. Army

Dear Sir:

- 1) I am an American citizen by naturalization and reside at 333 West 86th Street, New York, New York. I started my business in Vienna in 1921 and developed it during the subsequent fifteen years to a very successful business in Austria. My Trade Mark "Bubikopf" especially the item called "Unterfaden" became most popular in Austria. At the time of the Hitler invasion of Austria, in March, 1938 the assets of my firm in Vienna consisted, to the best of my recollection, approximately of the following: Machinery; Schillings 30.000.- Accounts receivable; Schillings 100.000.- Merchandise; 100.000.- Value of the Trade Mark "Bubikopf"; 250.000.- Total of assets approximately, 480.000 Schillings, as against liabilities of not more than approximately 30.000 to 40.000 Schillings. The value of the Trade Mark is based on an actual offer I received in that amount in February, 1938 from the Harlander A.G., the Austrian Branch of J.P. Coats in Glasgow, Scotland-
- 2) I knew Harry Fischer in Vienna as the representative of the French firm, Cartier-Bresson and few other textile firms. After the Nazi Anschluss, while I was in Zürich, Switzerland, Mr. Fischer visited me there approximately in April, 1938 and suggested that I sell and transfer my firm and assets in Vienna to him against payment of the price, he mentioned 100.000 Swiss Francs, to me in Switzerland. It was obvious and understood by Mr. Fischer that I was interested in a transfer to him only if the purchase price would be paid to me and at my free disposal outside of Austria and Germany. For that reason Mr. Fischer went from Switzerland to France to the above mentioned French firm, Cartier-Bresson in order to secure from them the 100.000 Swiss Francs or whatever the agreed price would be for payment to me in Switzerland. The securing of such payment in Switzerland was a condition precedent to my consent to transfer my firm and business to Mr. Fischer. One or two more meetings took place between me and Harry Fischer with a complete negative result because Mr. Fischer could not secure the amount from Cartier-Bresson or from any other source to be paid in Switzerland.
- 3) I do not have any knowledge from own observation about

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 Authority: 111D785009
 By: CP NARA Date: 11/19/99

RG 260
 Entry USACA - Property Control
 File 1378
 Box 2

-2-

the subsequent fate of my business in Vienna. I tried by correspondence to have my business transferred to Miss Katharina Kranner, a faithful and reliable employee who for many years assisted me in building up and conducting the business. However these my efforts failed and I learned later that my business was tranferred to Mr. Harry Fischer. I am not in a position to make any definite statements as to Mr. Fischer's motives and intentions when he ~~he~~ acquired and continued to conduct my business. It occurs to me that the way and the methods in which Mr. Fischer conducted my business, whether he tried to preserve my assets, the value of my Trade Mark, and the profits, during the Nazi period in such a way that they can now be readily restored to me, should be very indicative of his motives and intentions at and since the time of Aryanization of my business.

Respectfully yours,

Berthold Weiss
 Berthold Weiss

Signed in the presence of

Leo Lichtblau

Leo Lichtblau,
 Att.-at Law

New York, February 9 1947.

317077

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Authority 11/17/8509
By EP NARA D218 11/19/99

RG 260
Entry USACA - Property
File 1578
Box 2

RECEIVED
21, DEZ 1946
Property Control Branch
R. D. & R. Division

HEADQUARTERS
UNITED STATES FORCES IN EUROPE
APO 777, U. S. ARMY

Approved for Dispatch
J. Gannon
JAMES A. GANNON
Chief RDRR Division
19 December 1946

P 378

Woolly Thread Manufacturing Corp
553/555 Eighth Avenue
New York, N. Y.
ATTN: Mr. Berthold Weiss

Dear Sir:

This headquarters has been in contact with the High Commission of the French Government in Austria concerning your property, a textile firm located in Vienna I, Rudolfsplatz 10. An investigation by the French has shown that a Mr. Harry Fischer, owner of a textile firm in Vienna VI, Mariatsilferstrasse 101, organized your firm. It is set out in the French report that Mr. Fischer claims that he had acted in your best interests, and that certain German regulations forbade the payment of commercial debts to you in foreign currency.

It is therefore requested that this headquarters be advised by you of the extent of your relationship with Mr. Fischer, and as to whether you think that Mr. Fischer has acted in your best interests, so that an adequate reply may be given by this headquarters to the French Commission.

Very truly yours,

J. Gannon
James A. Gannon
Chief RDRR Division

Handwritten mark

Handwritten: H-11/11/46

DECLASSIFIED
Authority 11/17/85009
By EP NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File 1378
Box 2

COPIES OF THIS DOCUMENT RECEIVED

File

File: P-978

Letter to Wally Thread Mfgng Corp, ATIN; Mr. Berthold Weiss

1 RDR Director 19 Request that the inclosed letter
Division of Public Dec be approved and forwarded to A.G. for
USACA Economy 1946 dispatch.

JAMES A GARRISON
Chief RDR Division

Incls

Ltr to Wally Thread Mfgng Corp
ATIN; Mr. Berthold Weiss ✓
w/Eng Trans of ltr fr High Comm Fr. Govt
in Austria, dtd 27 Nov 46, for AG Files. ✓

EEB/mch

Telephone: VIENNA A-29041



Susp.
17 Feb. 1947

317079

DECLASSIFIED
Authority 11/17/85009
By EP NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File 1378
Box 2

RL&R File:

HEADQUARTERS
UNITED STATES FORCES IN AUSTRIA
APO 777, U. S. ARMY

19 December 1946

Wally Thread Manufacturing Corp
559/555 Eighth Avenue
New York, N. Y.
ATTN: Mr. Berthold Weiss

Dear Sir:

This headquarters has been in contact with the High Commission of the French Government in Austria concerning your property, a textile firm located in Vienna I, Rudolfplatz 10. An investigation by the French has shown that a Mr. Harry Fischer, owner of a textile firm in Vienna VI, Mariahilferstrasse 101, organized your firm. It is stated in the French report that Mr. Fischer claims that he had acted in your best interests, and that certain German regulations forbade the payment of commercial debts to you in foreign currency.

It is therefore requested that this headquarters be advised by you on the extent of your relationship with Mr. Fischer; and as to whether you think that Mr. Fischer has acted in your best interests so that an adequate reply may be given by this headquarters to the French Commission.

Very truly yours,

Simp
17 Feb

317080

DECLASSIFIED
Authority NA 31785009
By ED NARA Date 11/19/99

RG 260
Entry USACA - Property Control
File P-865
Box 10

HEADQUARTERS
ZONE COMMAND AUSTRIA
APO 541 US ARMY

Time 1100
Date APR 7 1949
No. 9

RECEIVED
7 APR. 1949
Property Control Branch
R. D. & R. Division

AG OLO
(PCO)

2. Apr. 1949

P-865

SUBJECT: Estate of Mrs. Maria Frins, deceased,
German citizen.
TO : Commanding General
United States Forces in Austria
APO 777, US Army
Attn: Property Control Branch,
R.D. & R. Division USACA Section.

1. Transmitted are translation of request of Dr. Franz Buchmayr, 2 March 1949 and death certificate 17 November 1947.
2. Recommend that transfer of jurisdiction be authorized since the death of the German citizen occurred already before 8 May 1945.

FOR THE COMMANDING GENERAL:

Tel.: Linz 22723

Inclosures:

- 1 - Request of Dr. F. Buchmayr
2 March 1949
- 2 - Death Certificate
17 November 1947

John M. Ford
JOHN M FORD
Capt Inf
Act'g Asst Adj Gen



317085

DECLASSIFIED
 Authority 11/17/85 009
 By EP NARA Date 11/19/99

RG 260
 Entry USACA - Property Control
 File 1378
 Box 2

WEISS Berthold, 333 West 86th Street, New York, New York, P - 270
 Cert.No.5588405 dated JULY 12, 1946.

Received U.S. Citizenship as per letter State
 Department, dated September 6, 1946. PC/44.

Monsieur W. M. TREECE
 Chief Property Control Branch
 Headquarters U.S. Forces in Austria

Affaire Berthold WEISS.-
 (N/dossier W. 100 a)

RECEIVED RD & R
 Time
 Date DEC 3 1946
 No. 14

J'ai l'honneur de vous signaler que M. L'Ingénieur Harry FISCHER, propriétaire d'une maison de textiles se trouvant au 101, Mariahilferstrasse, Wien VI a aryanisé la firme de M. Berthold WEISS située à Vienne I, Rudolfplatz 10. Cette affaire a d'ailleurs fait l'objet d'une correspondance antérieure.

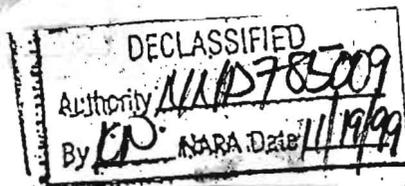
M. FISCHER prétend qu'il a agi dans cette affaire au mieux des intérêts de M. B. WEISS. S'il n'a pas pu payer le fonds de commerce de M. WEISS en devises, c'est qu'il en a été empêché par la réglementation allemande.

Il me serait très utile de savoir si les informations de M. FISCHER sont conformes à la réalité et je vous serais obligé de vouloir bien faire inter-
 roger sur ce point M. Berthold WEISS, Wally Thread,
 Mfg. Corp. 553/555, Eight Avenue New-York City.

L'Agent au Chef de Division

n. nyf

317081



RG	<u>260</u>
Entry	<u>USACA - Property Control</u>
File	<u>P-865</u>
Box	<u>10</u>

NOT SURE if
useful -
Bank account

JMD/hh

File: P-865

18 April 1949

SUBJECT: Estate of Mrs. Maria Frins, Deceased,
German Citizen.

TO : Property Control and Restitution Branch
Zone Command Austria
Civil Affairs Section
APO 541, U. S. Army

1. This is a technical matter.
2. Reference is made to your letter dated 2 April 1949, above subject.
3. This Headquarters has no objection to the distribution of the estate of Mrs. Frins, nee Braun, since her death occurred prior to 8 May 1945.

JAMES A. GARRISON
Chief, R D & R Division

Telephone: VIENNA B-48423

317083

DECLASSIFIED
 Authority 111/1785009
 By EP NARA Date 11/19/99

RG 260
 Entry USACA - Property Control
 File P-865
 Box 10

AG - 4

Informal Routing Slip

RECEIVED
 12 APR. 1949
 Property Control
 (R. D. & H.)

HEADQUARTERS
 UNITED STATES FORCES IN AUSTRIA

SUBJECT: Estate of Mrs. Maria Frins, Deceased.

Number each message consecutively. Fill in all columns, authenticate message, draw a line across the page just below authentication. Use entire width of page. Use only for inter-office communication.

NO	FROM	TO	DATE	MESSAGE
1	Acting Head Head GEA Br.	Head Property Control	12 April 1949	This Branch has no objection to the distribution of the estate of Mrs. Frins, nee Braun. <p style="text-align: right;"><i>Hans H. Schroeder</i> HANS H. SCHROEDER Acting Head GEA Branch</p>
2 Incl:	Request of Dr. F. Buchmayr Death Certificate			
	AR Perry/n Vienna B 48431			

317084

DECLASSIFIED
Authority: 111D785009
By: EP NARA Date: 11/19/99

RG 260
Entry USACA - Property Control
File 1378
Box 2

TRANSLATION

RECEIVED RD & R
Time DEC 9 1946
Dist 38
Vishman November 27, 1946

MM/SB

HIGH COMMISSION
OF THE FRENCH GOVERNMENT
IN AUSTRIA

EXECUTIVE COMMITTEE

Reparation, Restitution
and Delivery Branch

No. 3722..... RE/CE/CB

Chief of the Reparations, Restitution and
Delivery Branch

to

Mr. W. MM TREECE

Chief Property Control Branch

Headquarters U.S. Forces in Austria

P 378
(Citizenship)

Subject: Berthold WEISS

(N/dossier W 100 a)

~~P-378
U.S. Stigler cert #
5589405 July 12, 1946~~

RECEIVED
10. DEZ 1946
PROP
R.D.

I have the honour to inform you that Mr. Ing.

Harry FISCHER, owner of a textile-shop in Vienna VI, Mariahilferstasse 101,
aryanized the Berthold Weiss's firm, located in Vienna II, Rudolfsplatz 10;
This affair was the subject of former correspondence.

Mr. Fischer states that he acted in the best
interests of Mr. Berthold Weiss. The German regulations were the reason for his
inability of paying the commercial debts of Mr. Berthold Weiss in foreign currency

It would be very useful for me to know whether
the information given by Mr. Fischer conforms with the truth and I would be obliged
if you could question Mr. Berthold Weiss, Wally Thread, Mfg. Corp. 553/555, Eight
Avenue New-York City.

Assistant of the Division Chief:

Signature illegible

Translated by: A.F.

Checked by:

[Handwritten signature]

*Its written
to French
13 Dec 46.*

317082