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Through the Treasury Department it was learned that on September 19, 1940, Ganda had proposed to a confidential informant a scheme for smuggling the Gorlikon guns out of Switzerland and selling them to the United States, with the idea of having the United States resell them to the British. During the conference on the subject Mr. Ganda attempted unsuccessfully to obtain a letter of introduction to Secretary Morgenthau.

When Mr. Ganda was attracting attention by his lavish entertaining in Washington during the inauguration ceremonies, he was reported by Commander Galbreath to have been accompanied by "two so-called 'Czechoslovakian refugees'" who, the Commander insisted, were not Czech but really Austrians. These women — Olga and Marcheta Kraffta — were subsequently reported to be in Havana, Cuba. Ganda admitted to federal investigators that he had been having an affair with Olga Kraffta and stated that she was anti-Nazi. A known espionage agent had reported having heard that Mrs. Kraffta was engaged in espionage activities for the German Government. One other acquaintance of Olga Kraffta and Antoine Ganda had advised FBI agents on September 31, 1940 "that Olga Kraffta, as well as Ganda, were very pro-Nazi, believing in the success and destiny of Hitler." While Olga Kraffta, when interviewed, stated that Ganda, like herself, was anti-Nazi, she remarked, "Ganda is an inveterate liar."

Mr. Ganda's relations with Baroness de Kapri were also the subject of inquiry. Ganda called on the Baroness several times during her stay at the Roosevelt Field Hotel. She had stated that he was her superior and had been working her too hard.

Mr. Ganda admitted to the FBI that he had an affair with Baroness Lisette de Kapri whom he met the first part of 1939 in Berne, Switzerland. He stated that she had a letter of introduction from the President of the Fairchild Aircraft Co. Who had been living with the Italian ambassador in Havana. He expressed the opinion that Kraffta as well as Lisette de Kapri were as good Americans as he was himself. He denied any knowledge of Juan March & Co. and advised that he never sold any munitions to any representatives of the Spanish Fascist regime.

Baroness de Kapri, a Romanian by birth, made her headquarters in the Italian Legation in Havana and is said to have used ministers' cars. The Baroness has an excellent technical knowledge of aviation and is a good pilot. She was strongly suspected of gathering United States aviation information for the Italian Government.

Mr. O. S. Jones, Manager of the Roosevelt Hotel at Mineola, Long Island, stated that she had worked as secretary of the Italian Legation in Havana, Cuba. On February 25, 1940, she sent a telegram to Ganda at Zurich that she would wait in the Hotel Lexington until he arrived. On March 7, 1940, she sent another message reading, "Please wire news."

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On March 9, 1940, she sent a telegram to Perucco, Italian Legation at Havana: "Please telephone me. Love. Lisette."

On March 10, 1940, she sent another, reading:

"Please think it over. I fear to make a mistake if I move. Perhaps it would be better to wait for him with patience. Letter follows. Infinite love."

Baroness de Kapri, who also uses the name "Lisette Pignat", wrote to her husband in Switzerland on October 12, 1940, saying that she was suspected of being a spy because of her association with Gauda, who has a very bad name. She advised him that she saw Gauda every two weeks as he traveled on business and she thought he was an honest man and not a spy.

It is reported that Mr. Gauda was accompanied on his South American trip by Mrs. Renée Mac Ready, the divorced wife of a United States Army officer. Mrs. Mac Ready's room at the Roosevelt Hotel adjoined that of Otto Spillern, an Austrian long resident of London and "allegedly her stepfather". According to Mr. Brown, credit manager at the Ambassador Hotel, Mrs. Mac Ready was a friend of one August Kern, who received several calls from the German Embassy and who was friendly with Princess Stephanie von Hohenlohe. Mr. Gauda admitted having an affair with Mrs. Mac Ready, stated she was anti-Nazi and that the affair had been broken up because of the arrival of his wife.

Sir Arthur Conan Doyle, Jr., of Shinsbeck, New York, reported that he had known Gauda in London in 1939, and that it was the general impression that "there was something 'phony' about his makeup," the suspicion being expressed that he was a Nazi spy. It was Sir Arthur's belief that Mr. Gauda's anti-Nazi front was merely a blind.

The son of Antoine Gauda, by a previous marriage, is Johann Gauda, who has been an active leader in the Hitler Youth movement in Austria. Mr. Gauda is said to have solicited sympathy as a result of his son's imprisonment by the Gestapo. Commander Mitchell pointed out, however, that young Gauda's arrest was not due to any anti-Nazi activities but simply because of failure to comply with the regulations requiring all holders of foreign currency to declare the same. Antoine Gauda's mother, as well as his son, lives in Austria.

Mrs. Antoine Gauda, née Leopoldine de Suchan, was formerly the wife of Lt. Commander Weiss de Vilbren of the Austrian Navy. She indicated on her alien enemy questionnaire that her son-in-law -- Herbert Rochemond -- was a reserve officer in the Austrian Army. On entering the United States, Mrs. Gauda signed an affidavit to the effect that her husband "has been working on military employment for the Allies for several years in the United States."

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Originally admitted for a temporary period of three months, Antoine Ganda applied to the Commissioner of Immigration and Naturalization on January 20, 1941, for an extension and stated that the circumstances requiring his presence in the United States were that he had "business with the Bureau of Army and Navy in organizing a company for the manufacture of the Oerlikon cannon." He claimed that he was an expert manager of the Oerlikon Gun Works, Oerlikon, Switzerland, which company, he said, would pay all necessary expenses during his stay in this country.

The files at Ellis Island include a number of requests by Ganda for admission of various visitors, whose prominence he endeavored to call to the attention of the Immigration authorities. One such request contains the following sentence:

"The former Polish Ambassador, Mr. Michel Moscicki, son of the Polish President, as my closest relative in this country, is most anxious to see me."

Mr. Moscicki's address was given as 17 East 86th Street, New York City. A visitor -- Mrs. Runciman -- identified by Ganda as the wife of Runciman, the British official, called on Mrs. Ganda. Other persons reported as having been in contact with the Gandas include F. T. Wenderoth, a patent attorney of Washington, D. C.; Robert Sweeney, 30 Pine Street, New York City, a director of the A.O.C. Corp., who agreed to act as a sponsor for Ganda; and the Stadlers of Washington, D. C.

During Mr. Ganda's trip to Washington in December, 1941, all expenses were taken care of by Karl Behr, vice-president of Dillon Read & Company, who informed FBI agents that he personally would vouch that Ganda was of the utmost reliability and that he felt he was indispensable to this Government as a manufacturer of the Oerlikon gun. Mr. Behr said further that he had been acquainted with Ganda both in business and socially and intimated that he would be willing to do all that he could to obtain Ganda's freedom for him.

Prior to Ganda's release from Ellis Island, information was received from Commander Mitchell and Messrs. Remeyn and Gleaves, of counsel for the British Purchasing Commission, that they were in receipt of a cable from the Admiralty Office in London, to the effect that Emil Muchlis, of Zurich, Switzerland, was negotiating with the Admiralty to have them use their good offices to have Ganda released. From the tenor of the message, they were convinced that Mr. Ganda was smuggling messages out of Ellis Island.

Although the opinion was expressed that Antoine Ganda probably is not "a particularly dangerous person because he is not smart enough to understand technical matters for purposes of transmitting them," some

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concern was evidenced as a result of reports that he had become familiar with the changes made in the gun which is being produced by the American Carlikon Corporation. While indicating that he was skeptical of Ganda's ability to deliver, Commander Mitchell said he could see no reason why the opportunity should not be given him to try his hand at such projects as the 22 mm. gun, the sub-chaser torpedo boat, etc. The Commander, however, wrote a memorandum for the files of the British Purchasing Commission, in which he stated: "I wish to put on record that, in my opinion, this man is exceedingly plausible and pleasant, and in many ways brilliantly clever, though he is entirely unreliable." The men at the British Purchasing Commission are convinced "that Ganda was trying to deal with the Admiralty through several channels, with the idea of playing them each against the other, thereby hoping to obtain a better deal for himself and his company." Mr. Leigh reported that "the preliminary work which Mr. Ganda had done was found to be always faulty and inadequate," and that "Mr. Ganda has never been straightforward in his dealings with B.P.C., and has been totally unreliable and rapacious;" that "Ganda had the audacity to claim 5% of the contract value as a personal fee for himself, payable to him by us, in addition to the fees to the Swiss Carlikon Company." In a report for the BPC's files, he wrote:

"It is submitted that the dilatory and greedy acts of Messrs. Bushrile and Ganda were not those of individuals who were trying to help the British Government obtain these guns as promptly as possible, but, on the contrary, they were the actions of men who were deliberately trying to delay the progress and to extract profits for themselves."

Antoine Ganda's balance at the National City Bank on July 26, 1941, was \$182,700. He applied for and received permission to withdraw up to \$8,000 monthly for living expenses, plus \$10,000 monthly for experimental work. Emil Bushrle is reported to have several million dollars in New York banks and had the original agreement been executed, part of the funds were scheduled to be placed in a trust fund in a New York bank.

The American Carlikon-Ganda Corporation was incorporated in Delaware in October 1940.

Capitalization:

Authorized:

\$510,000, represented by 5,000 \$4 cumulative preferred \$100 par shares and 12,000 \$1.00 par common shares.

Issued:

\$10,000, represented by \$1.00 par shares of common.  
\$60,000, represented by 600 shares of cumulative preferred.

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60-0-28156Officers and Directors:

George H. Houston, 63 Wall Street, New York City  
(president)  
George A. Rentschler, 63 Wall Street, New York City  
Robert Sweeney, 41 Broadway, New York City  
Charles B. Rose, 63 Wall Street, New York City  
Antoine Sando, Waldorf Astoria Hotel, New York City

Norman Purchaser

cc - Messrs. Isaacs and Levi

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Bolton Square, New York, N.Y.

60-0-28

NS, b6

October 21, 1942

MEMORANDUM FOR CHIEF, INFORMATION B. DEPT.Re: Ukrainian Nationalist Groups

FEB 10 1943

In July, 1941, a publication "The Hour" (100 West 42d Street, New York, N.Y.) brought to the attention of the Government the existence of a Ukrainian National Association, 83 Grand Street, Jersey City, New Jersey, had urged that its funds be blocked because of its alleged activities in behalf of the Nazis.

An investigation was made by the United States Treasury of various Ukrainian organizations, including the Ukrainian National Association and the accounts were blocked. However, pressure from various sources, including Senators and Congressmen, resulted in the unblocking of the accounts shortly after. The Immigration and Naturalization Service of the Department of Justice conducted an investigation of these Ukrainian organizations and the Department investigator, Sylvester Pindyk, was quite concerned at the action of the Treasury in unblocking the blocked accounts and "stated that he had information which definitely established the fact that many of the officers of the Ukrainian National Association were closely associated with various subversive groups".

Albert L. Kahn, editor of "The Hour", was contacted. Most of the information summarized below was obtained from Mr. Kahn, from his publication "The Hour", and from the files of Foreign Funds Control, 283 Broadway, New York, N.Y.

I. Present status and policies of the Ukrainian National Democratic Union (UNR) and the Organization of Ukrainian Nationalists (OUN)

UNR ceased to exist when Russia annexed Galicia. Whether it had been restored, upon occupation of Galicia by the Nazis, is not known.

The OUN continues to have its center in Germany. Some of its agents are known to have been visiting the occupied Ukrainian territories, while others, among them, notably, one Kursenovitch, have been filling official posts under Germans. Minor members of the OUN have been carrying police duties in Poland, the Ukraine, etc.

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**II. Status and mission of Ukrainian groups existing  
about Berlin, Warsaw, Pavlovo, and Smolensk  
-Kirovgrad.**

Melnik is the titular head of the OUN; Sevyryk (or Svirsky) is dead; Pavlenko cooperates with the Germans in the Ukraine; Skoropadsky, last heard of, continues to live in Berlin, while his son, Pavlo, is reported to be in London.

**(a) Biographical information on the above individuals.**

Melnik was born in Galicia, at that time, Austria, and is now about 50 or 52 years old. He served in the Austrian Army in the Ukraine. He was closely associated with the late Konovalets and was designated by the latter as his successor. Melnyk is a figurehead. The real boss of OUN is Captain Mike Levy.

Shevchenko was born in the province of Volhynia, at that time part of Russia. He lost his life in a train wreck in Germany, about a year ago. He was then about 46 or 47 years old. In 1919 he signed the Brest Litovsk treaty on behalf of the Ukrainian Republic. He lived in Switzerland, Italy and France between the years 1919 and 1938 or 1939, after which he moved to Germany where he remained until his death.

Pavlenko was one of Petliura's generals. After Petliura's debacle he lived in Czechoslovakia and is reported to have been in constant contact with the Germans.

Skoropadsky is the ex-Hetman of the Ukraine (1918-1919). He is a former general of the Russian Imperial Army, now about 64 years old. One of his ancestors was a Hetman of the Ukraine in the eighteenth century. Skoropadsky succeeded in becoming Hetman with the aid of the Germans and fled the Ukraine in 1919. After a short stay in Switzerland, he went to Germany, where he remained. It is said that the Germans supported Skoropadsky financially.

**(b) Inter-relationships between these individuals and between their respective groups.**

Under pressure from the Germans, who supported both the Melnyk and the Skoropadsky groups, inter-relationship between these two groups became closer in the years immediately preceding the outbreak of the present war. A plan was aired whereby Skoropadsky would play a role of a monarch, while Melnyk, that of a chancellor. However, the Germans did not regard these plans seriously and used them rather as a bait. Nevertheless, locally, branches of the OUN (the ONU) cooperated with those of the Hetman Organization, such as the one in Chicago, whose publication "The Hetman" staged a public Sturm Trepp

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demonstration in August 1940. The "Order of the Day" issued by the Chicago Hetman "District Command" called upon "the uniformed Hail Youth Hundreds" to appear "Armed with rifles". The source of this information is a book by Deyoree and Kahn, "Sabotage! The Secret War Against America".

Sovryuk had a small group of his personal collaborators and friends. His group acted as liaison between the two above groups. Sovryuk possessed greater confidence in the Nazi Government than either Shoropadsky or Melnyk. Thus, through him, the Nazi Government often influenced both the OUN and the Hetman.

Pavlenko maintained contact with Sovryuk and other groups, preserving, however, a sort of independence. He was not very active before the war. However, one of his collaborators, Leonid Klimenko, collaborated closely with the OUN.

III. Information on General Biskupski (not a Ukrainian)  
described as head of all Russian Monarchist groups.

Biskupski is a former general in the Russian Imperial Army. He is believed to be about 62, and is reported to be associated with the Hetman Shoropadsky. He became closely associated with Hitler and Alfred Rosenberg during the early 1930's in Munich. He was the Nazi Government's trusted man for all Russian affairs, holding the same post as that held by Sovryuk: a trusted, confidential advisor of the Government.

(a) Extent to which any of the Ukrainian groups  
cooperate with Biskupski

Although not always admitting the relationship, all pro-Nazi Ukrainian groups cooperate to some extent with Biskupski. Biskupski's official program for a Nazi-dominated Russia calls for a loose federation, consisting of national units, such as the Ukraine. It is believed, however, that Biskupski would yield to any demand of the Germans, including complete separation from Russia.

IV. Information on General Lanza, described as leading  
a military organization of Russian emigres apparently  
distinct from that of Biskupski.

Very little information has been obtained on Lanza. It is reported, however, that while not officially subordinated to Biskupski, he is associated with him in a manner similar to that between Shoropadsky and the late Sovryuk.

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V. Information on the status, policies and affiliations of the several church groups in the Ukraine.

(a) The Polykarp group, Ukrainian Nationalists opposed to Bishupski and apparently associated with Melnyk.

The Polykarp group, Ukrainian Nationalists, were opposed to Bishupski and apparently associate with Melnyk. Bishupski is opposed to Polykarp, because the latter represents a separate Orthodox Church tendency, while the Moscowite, Bishupski, would like to see the Ukrainian church united with that of Moscow. When the German Commissioner for the Ukraine administered the oath of fidelity to the Archbishop Polykarp, theArchbishop made the following declaration:

"In accordance with legal canonical enactments and decisions of the Head of the Holy Orthodox Church, I have been appointed Administrator of the Orthodox Church on Ukrainian territories which have been freed from the Bolsheviks. Assuming the duty of spiritual guardianship over the Ukrainian Orthodox population and together with it the responsibility before God, History and the authorities, I consider as my duty to point out my full consciousness of the importance of the blood sacrifice of the heroic German soldiers and their part in the liberation of the Ukrainian territories from the Jewish Moscovite domination which was characterized by savagery and barbarian massacres for a long time press and culture of the whole world, and particularly in Europe. I realize that a better future of my people is closely connected with the victory of the great German nation and therefore I express my readiness to collaborate loyally with the German nation. May the Almighty keep in spiritual and physical health the great leader of the German nation and give him further success and a final victory over his enemies from East and West. For this victory I and my faithful people shall pray to the Almighty."

(b) German sponsored church groups headed by Bishop Chichava and Poliakov.

These groups are said to support pro-Germany.

(c) Groups affiliated with the Nationalist forces in Ukraine.

These are the groups that oppose German occupation in the Ukraine.

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(c) Roman Catholics, Uniates and other groups.

Roman Catholics are few and their importance is slight. Uniates (or the Greek-Catholics) recognize the Pope. Galicia is the stronghold of the Uniates. Through them, the Vatican hopes one day to convert the whole of the Ukraine to Catholicism. Baptists are numerous in the Ukraine, but their present attitude is unknown.

VI. (1) Dr. Svyatoslav, "outstanding leader of the OUN, of which General Andrew Melnyk is the titular head".

Svyatoslav (or Svyatosh, Svyatosuk) is a lawyer in New York City. He is a member of the Central Executive Committee of the ODNU which is the American branch of the OUN. (Melnyk is the head of the OUN).

(2) Count Andrius Saprytschi, "uncrowned king of the Ukraine, archbishop of Greek Catholic 'Uniates' in Polish Ukraine".

Count Saprytschi's influence is said to be considerable in Galicia, which is Greek Catholic. He has no influence of any kind in the rest of the Ukraine, whose population is predominantly Greek Orthodox (and does not recognize the Pope). It is a gross exaggeration to call Saprytschi "an uncrowned king of the Ukraine". Nine-tenths of the Ukraine know nothing of Saprytschi.

(3) General Popov, "leader of Taurian Ukrainian Guards, emigres, pro-German".

General Popov is reported to have been associated with Biskupski and probably continues to be so associated.

(4) Dr. Alexander Kochatz, "distinguished anti-Communist and outstanding man from the Russian Ukraine".

Dr. Alexander Kochatz, reported to be a distinguished anti-Communist and outstanding man from the Russian Ukraine, is a chess conductor whose political views are hardly important, although he is said to be associated with the Ukrainian pro-Nazi.

VII. Information on Ukrainian groups and prominent Ukrainians in the United States, among others:

(1) The Ukrainian National Association (UNA), the United States branch of the OUN.

The UNA, a fraternal body, with some 40,000 members and \$6,000,000 capital, is located at 83 Grand St., Jersey City, N.J.

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Both its board of directors and its organ "Svoboda" are said to have consistently supported pro-Nazi policies in this country. However, it would be a mistake to call it a U.S. branch of the OUN. The United States branch of the OUN is the ODU (Organization for the Rebirth of the Ukraine). The ODU was organized in its present form in 1937 during the Congress of the Ukrainian Nationalists in Vienna. After the death of Colonel Konovaletz, the new head, Melnyk is said to have received the open protection of the Germans. The USA served rather as a front for the ODU, most of whose 8,000 members are or have been members of the Ukrainian National Association and some of them holding important positions therein. The following paragraphs from Michael Sayers and Albert John's book "Sabotage", are self-explanatory:

"The ODU was organized by the Intelligence Division of the German War Office in the early 1930's to carry out espionage and - when the right time came - sabotage assignments in America. Ukrainian fifth columnist by the name of Iosif Senyuk-Oribivsky was sent into the U.S. by the German Intelligence to take charge of building the ODU apparatus. Senyuk-Oribivsky was well qualified for the job: he had achieved world-wide notoriety for his work as a professional saboteur, spy and assassin. Under his expert guidance, the ODU experienced a mushroom growth and soon claimed several thousand members in this country. ODU cells sprang up overnight in key industrial centers. ODU members penetrated every once Ukrainian-American organization. (There are approximately 1,000,000 Ukrainian-Americans in the U.S.) The vast majority of them are staunchly pro-democratic, and they have carried on a tireless fight against the ODU and its plottings.)

"Many ODU members have been painstakingly trained in espionage and sabotage techniques. At special schools, established in the Third Reich, and even in the U.S. by the German Military Intelligence, ODU members learned how to steal military secrets, how to photograph factories and transportation facilities, how to disrupt trade unions, how to make bombs and other explosive devices, etc.."

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"In 1938 a sensational series of kidnappings occurred in New York City. A number of well-to-do persons were seized by a mysterious gang which blindfolded them, gagged them, and took them by car to a secret hideout in the city. Ransoms ranging from \$100,000 to \$200,000 were demanded. In certain cases the kidnapped victims were tortured to make them write pleading notes to their relatives and friends. One of the victims, Norman Miller, who had been forced to pay \$15,000 ransom, remembered that while he had been held captive he had heard church bells ringing and the sound of billiard balls clicking. He also recalled the number of steps down which he had been led, blindfolded, by his kidnappers. These clues helped the police to locate the Ukrainian National Home, 'a mutual benefit society' at 219-229 E. 6th St., New York City, as the place that fitted Miller's description.

On November 2, 1953, the police raided the Ukrainian National Home. In the basement they found a torture chamber, its walls pitted with bullet holes. They also found a German-made machine gun and other weapons. The police dug up the basement floor and came upon human bones. One of the kidnapped men, Arthur Fried of White Plains, had died under the torture. His body had been stuffed in the heating furnace, and the bones later hidden under the basement floor.

The four members who made up the kidnapping gang were arrested. Two of them were sentenced to life imprisonment. The other two, Penetrine Gula and Joseph Kozoda, were convicted of murder and executed in the electric chair at Sing Sing.

One highly significant fact not mentioned at the trial was that Gula and Kozoda were both members of a Berlin-directed Ukrainian terrorist organization known as the ODMU. At the time no one thought of connecting these brutal kidnappers with the Nazi espionage-sabotage machine in the U.S.

The Berlin-directed ODMU again hovered just behind the headlines when, early in 1941, a Ukrainian-American Captain in the U.S. Army was court-martialed

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and deprived of his commission for betraying confidential information to a foreign agent. This captain was the leader of an ONU unit in Pennsylvania. The foreign agent in the case had been Gavril Sava-Cribivitsky, a Ukrainian terrorist who had come from Berlin in 1931 to found the ONU in the United States.

Another hint of the inner nature of the ONU came on July 13, 1940, when the New York police arrested a Ukrainian-American named William Pianek on charges of violating the Sullivan Law. In a basement storeroom of Pianek's residence at 228 E. 85th Street detectives of the New York sabotage squad found a veritable arsenal which included two machine guns, tear gas grenades, rifles, sets of brass knuckles, a trench knife and 1,112 rifle cartridges of assorted calibers.

William Pianek's brother, Michael Pianek, is the attorney of the Ukrainian Nationalist Association, an old Ukrainian-American society which the ONU has sought to infiltrate and dominate. Until shortly before the police raid, the two Pianek brothers lived together in the house which contained the basement arsenal. The usually cautious attorney, Michael Pianek, revealed his own political proclivities at a Ukrainian meeting in Brooklyn Park, New York, on July 1, 1938, when he declared: "Now Hitler calls the youth to organize. Now, also Mussolini calls the youth to organize. And now, we, the Ukrainian Nationalists, too, must call the youth to organize!"

(2) Luke Mychuk, "outstanding personality of WHA"

Mychuk is the editor-in-chief of the WHA's organ Symbata. He has visited Germany frequently and has played an important part in pro-Nazi Ukrainian movements in the U.S. According to the aforementioned book:

"Back in World War I, Mychuk was a petty

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officer in the Imperial Austrian Army. He served with the Kaiser's forces in the Ukraine, where his knowledge of the language made him useful to the Germans. He came to the U.S. in 1921 and soon got a job on the staff of the newspaper Svoboda, organ of the Ukrainian Nationalist Association, a fraternal benefit society with some 40,000 members.

In 1933, when the Nazis took over in Germany and started their organization of the ODESS in America, Byshuhn became editor of Svoboda. He was already in touch with Colonel Nicolsi's agents who were seeking to place their co-workers in strategic positions in the Ukrainian-American community. As the Nazi influence in the powerful Ukrainian Nationalist Association was still small at that time, it took some typical scheming on the part of the 'Big Mouse' to get himself elected editor of Svoboda.

The Svoboda offices at 83 Grand St., Jersey City, became a clearing house for espionage directives coming in from Berlin, Tokyo and Rome. For many years, these directives have been regularly reaching the Svoboda offices by mail from Spanish and South American 'drops' or through the special 'couriers' of the Axis spy system. Liaison officers from Germany and Japan made their headquarters at 83 Grand St. when they visited the U.S. Semyon-Gribivsky's mail was always sent to this address.

Before the outbreak of the Second World War the 'Big Mouse' (literal translation of the name Byshuhn) made numerous trips to Europe. From London, on Oct. 28, 1938, he mailed home a dispatch to his associates in the U.S. which informed them that he had 'just sent off two long telegrams to Ribbentrop and Ciano', the Foreign Minister of Nazi Germany and the Foreign Minister of Fascist Italy."

The newspaper "Svoboda" was raided by the F.B.I. in January of this year. It had previously been reported that Svoboda carried articles giving instructions on the manufacture of bombs and other explosives.

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By WJD NARA Date 4/11/00RG 60Entry 285BFile 60-0-28Box 156(3) Bavuk, Shumytsa, and Stolkevitch, editors of Svoboda.

Stolkevitch died a few months ago. Shumytsa edits Svoboda's English page (The Ukrainian Weekly). He is Vyshnia's stooge. Bavuk is an assistant editor of the Svoboda, and is opposed to pro-Nazi leanings among Ukrainians in the U.S.

The political editor of Svoboda, Mr. Eugene Lachovitch, was examined by the Immigration and Naturalization Service. His testimony which fills 109 typewritten pages throws further light on the activities of the Ukrainian Nationalist groups in the U.S.

It has been established that the "Organization for the Rebirth of the Ukraine (ODNU) is connected with Ukrainian Nationalist organizations in Axis-held territory, and that, according to a Treasury memorandum of February 3, 1942, it "is part of the international network controlled by Adolf Hitler and used by him for espionage purposes". That this organization is controlled from Europe, was admitted by Emil Bavuk, associate editor of Svoboda in his testimony before the House Committee. The international organization with which the "Organization for the Rebirth of the Ukraine" is connected - the OUN - has its headquarters in Austria and in Germany. It has been committed to acts of terrorism in Poland and Russia for years and its leader, Col. Konovaletz was killed by a terrorist in Rotterdam. Mr. Lachovitch's testimony by implication corroborates the report that the OUN is a terrorist organization, as is indicated in the following statement:

"...that ODU were not exactly the same organization. Their purposes were different. Here in America, they had no necessity to make a revolution. All they had to do was to arouse sympathetic workers and collect funds and help them. So the objectives of this organization were entirely different, although, I must say, they were directed to help those that were fighting."

The president of the ODU is Professor Gronovsky of the University of Minnesota, who resides at 2101 Snadler Ave., St. Paul, Minn. According to Mr. Lachovitch, Professor Gronovsky is in direct contact with members of "Fyvid", Governing Board of OUN in Europe.

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A Treasury Department memorandum in the files of Foreign Funds Control, classifies the Ukrainian organizations in three different groups:

"The group at the top is the ONU (Organization of Ukrainian Nationalists), with headquarters at present in Central Europe. It is, therefore, definitely under German domination, but it is said to have been double-crossed by the Germans after the invasion of Soviet Russia. The ONU is controlled by the ODU and closely follows its policy. There is also a separate body, which is closely affiliated with the ONU, and which is called "the United Ukrainians Organization". This organization also sent considerable amounts of money to Europe through a steamer agent, Steven Korvashuk, 277 E. 10th St., New York City, who forwarded it to a bank in Holland.

"The two publications of the ONU, "Ursident" and "Ukraine" were combined last February.

On June 28, 1941 the Ukrainian National Association filed a statement with the Central Home Trust Co., indicating that its officers were as follows:

Nicholas Muraske, Supreme President  
Gregory Serman, Supreme Vice President  
Maria Malovick, Supreme Vice President  
Dmitri Malychka, Supreme Secretary  
Roman Gobadian, Supreme Treasurer.

The following biographical information was supplied by Mr. Lachovitch in the course of his testimony before the Immigration and Naturalization Service:

1. **Gregory Serman.** He is referred to as a leading figure in ONU (page 12 of Lachovitch's testimony) and he is also said to have compiled a list of Ukrainian engineers which might be useful to Germany. In Mr. Hexter's note, of Feb. 3, 1942, reference is made to his discharge from the army, and to statements made by him to the effect that he had been "duped" into his membership of ONU. He is one of the officers of the Ukrainian National Association.

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Roman Lunkin (of Chicago). He is Chief Comptroller of the Ukrainian National Association, and probably played a leading part in OUN. He is a lawyer in the Mid-west. It is important to note that he promised to the Treasury Dept. a voluminous memo, denouncing the supposedly small minority of pro-fascists in American-Ukrainian organizations but that he never fulfilled his promise.

Eugen Lunkin. He is the political editor of "Voboda," the newspaper of the Ukrainian National Association, and in his testimony, he admits his connection with OUN, which he represented in London in the early 30's. He maintains that he has represented the pro-English minority in OUN.

Nicholas Lysychka. He is the Financial Secretary of the Ukrainian National Association, and was the District Leader of the Boston District of OUN.

Stanley Lurman (of Chicago). He is an officer of the Ukrainian National Association, and was also connected with OUN.

Nicholas Lysachka. He is the President of the Ukrainian National Association and Chairman of the Ukrainian Congressional Committee in America. He was formerly an active sympathizer of OUN, and possibly was a member, but his importance is probably now limited to his work in the Ukrainian National Association.

Roman Blahodat. He was a sympathizer with OUN, but apparently broke with OUN in 1938. He was never active in politics.

Michael Pisan is a close friend of Luke Myachuka, who is editor-in-chief of "Voboda," and who is suspected of being an American agent of OUN. Myachuka, shortly before the outbreak of the European War, made a speech in Vienna, over the German-controlled radio, in favor of Ukrainian independence.

Bohdan Malakhym. He was in charge of the United Ukrainian organization referred to supra. He is an affiliate of OUN and sent large amounts of money to Europe. He is the Recording Secretary of the Ukrainian National Association and is said to be sympathetic to OUN.

The following paragraph from the June 8, 1941 number of "The Hour" throws additional light on certain of the officers of the Ukrainian National Association:

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"Nicholas Morushko, President of the USA, is known to be a member of the ODU. Mykola Balyshyn, the Recording Secretary, is an ODU leader and is custodian of the secret address in Europe through which Nazi-Ukrainians maintain contact with the Eraxis (Berlin headquarters). Other officers and members of the executive board are Iakov Mychka, editor of the pro-Nazi *svoboda*, who two years ago was the Berlin radio agent of Dr. Paul Joseph Goebbels; Eugene Asherwitz, well-known as a liaison officer for the ODU; Stephen Lureps, ODU member and contact man for Captain Suchko, a Nazi agent who represents the *Fayvid*; Roman Saur, a leader in Midwestern Nazi-Ukrainian circles - who, incidentally is also a U.S. Army Captain; Nicholas Davskyba, go-between of the ODU and the Tashnago, an Armenian terrorist band; John Rose, professional labor spy and fascist Ukrainian bigwig, who in 1938 cabled Adolf Hitler congratulating him on his settlement of the 'minority problem'."

In the April 6, 1941 issue of "The Hour", an attempt is made to link Ukrainian fascist organizations with the wrecking of a Pennsylvania railroad train on March 16 of last year. This information is presented for whatever it may be worth:

"In connection with the Pennsylvania Railroad train wreck which occurred on March 16 and caused the death of five persons, The Hour urges an immediate investigation by the federal authorities of the Ukrainian terrorist groups active in and about Pittsburgh.

The Cleveland-to-Pittsburgh express was derailed by sabotage within 20 miles of Pittsburgh. The area surrounding this industrial city is infected with cells of the ODU (Organization for the Rebirth of the Ukraine) and the Hetman, twin Ukrainian fascist bands.

Both of these Fifth Column groups receive instructions from Nazi Germany. The ODU operates under the *Fayvid* ("directing body" in Berlin, which is supervised by the Intelligence Division of the German War Office. *Fayvid* members undergo a period of training at an 'Espionage and Sabotage School' in Berlin.

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Contact between the Fryvd and the various fascist Ukrainian affiliates in this country is maintained by liaison officers, specialists in espionage and sabotage work. Captain Leonid Klinenko is a Fryvd agent. He came to the U.S. from Germany on a mysterious mission a few months ago and only recently returned to the Third Reich.

The War has learned that while here Capt. Klinenko held secret conferences with leading fascist Ukrainians in Pittsburgh.

#### Significant Clues

Among those injured in the Pennsylvania Railroad wreck was Vassil Shabatura. Shabatura, who works closely with ODU and Setman members, is secretary of the Ukrainian National Mutual Aid Society. It may be mere coincidence that during Leonid Klinenko's recent visit to Pittsburgh, he met privately with Vassil Shabatura.

At the Interstate Commerce Commission hearing held in Pittsburgh on March 29, experts expressed the belief that the derailment plot was aimed at the 13-car Manhattan Limited which had passed over the same tracks some twenty minutes before the Cleveland-to-Pittsburgh express was wrecked. Also it was learned at the hearing that a group of U.S. Army men were aboard the Manhattan Express, and that the train carried 44 Russians, "part of a group of engineers and diplomats who arrived at San Pedro, California, from Vladivostok on March 12". It is a well known fact that the ODU and the Setman are violently anti-Soviet and that much of their work has been directed against the present government of Russia.

#### Key Ukrainians

Among the Ukrainian fascists who have been operating in and about Pittsburgh during the last few months are the following:

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Ivan Baran, whose name was linked with that of Theodore Vosniak in connection with the famed Black Tom explosion. Lately Baran has been traveling considerably in the U.S. and has become a frequent visitor to Pittsburgh.

Yanail Arzamazian, who is an intimate of Baran and usually travels with him. He has organized a "film company" which specializes in taking pictures of industrial centers, bridges, roads, etc. He works closely with the OGPU and plays a leading role in fascist Ukrainian activity in Pittsburgh and other centers.

Halina Lissiuk, who is a bigwig in fascist Ukrainian circles and periodically visits Germany. When the Nazi-Ukrainian agent Capt. Bernad Klimenko was in this country, Lissiuk worked closely with him. Lissiuk is a constant traveler between New York City and Pittsburgh. When in New York he can usually be located at the Muhart Film Products, Inc. at 33 W. 43d St. Japanese as well as Nazi agents occasionally drop in at this address.

The first individual in New York City to be informed (by urgent message) of Shabatura's being injured in the train wreck was Luke Myshura, editor of the Ukrainian-language newspaper Svoboda. It was Svoboda which recently printed, for the enlightenment of its readers, a series of articles giving detailed instructions in the making of bombs and other explosives.

#### Addenda

There are many indications that Nazi Germany intends to use its Ukrainian henchmen in the U.S. for large-scale sabotage activity. Ukrainian fascists are expert at such work; and hundreds of them are today strategically located in industrial centers throughout this country. An immediate investigation of their entire network is of vital importance.

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In urging an investigation of Nazi-Ukrainian sabotage activity, The Hour considers it important to point out that the ODU, the Hetman and other fascist Ukrainian groups represent a minority movement in the Ukrainian-American community, that the vast majority of Ukrainian-Americans are staunchly pro-democratic, and that they have been carrying on a militant struggle against the Hitlerite elements in their ranks.

Shortly after the article quoted above appeared, "The Hour" was deluged with telephone calls, protesting against the story, and a Mr. Theodore Wogniak who was connected with the Black Tom explosion during World War I, called to protest a statement that he had been associated with some of the individuals mentioned in the article. Subsequently Mr. Wogniak was taken into custody.

A great deal of information is available on the Ukrainian organizations and individuals, including information with regard to their international ramifications. The files of the Treasury Department in Washington, the files of the FBI and the files of the Immigration and Naturalization Service of the Department of Justice, as well as the files of the Special National Defense Unit, are sources which should be consulted. In addition, information may be obtained from a Mr. Marsalka, formerly with the State Department in Moscow and subsequently with the Immigration and Naturalization Service. Mr. Marsalka speaks both Ukrainian and Russian. He is now associated with the Red Cross at 17th and E, Washington, D.C.

NORMAN BURSLER,  
Expert

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DIVISION OF RECORDSAUG 13 1942  
60-Q-28

September 23, 1942

ANTITRUST DIVISION  
NEW YORK MEMORANDUM TO S. S. ISSEKS

RECORDED

Re: "Transocean News Agency"

Here's the information you asked for:

The Agencia Noticiosa Transocean (T.O.) has operated in the Argentine Republic since 1929 as the representative of the German news agency Transocean, G.m.b.H., the headquarters of which are located at No. 9 Herman Göring Street in Berlin. This agency began operating in 1915 for the distribution of news to newspapers and individuals. It is a limited corporation, having the following board of directors:

President of Board: Peter Ernst Eiffe, minister plenipotentiary in the diplomatic service; members of Board: Dr. Kurt Weigelt, representative of Hamburg economy in Berlin; John T. Essberger, state counsilor and president of Kassel chamber of commerce; Dr. Otto Christian Fischer, Berlin banker and director of German shipping in Hamburg; Dr. Adolf Helfeld, editor of Hamburger Fremdenblatt; Prof. Dr. E. H. Meyer, member of the board of directors of the Dresdner Bank, Berlin; Dr. Engineer Poensgen, general manager of the Vereinigte Steel Works at Duesseldorf. The agency operates under the management of Karl Schulte and Friedrich von Homayer.

The majority of the shares of the agency are held by the Dresdner Bank, Deutsche Bank, I.G. Farben, Hapag, Lloyd Norte German, Karl Seiss (Jena), Robert Bosch (Stuttgart), Vereinigte Steel Works (Dusseldorf). Smaller holdings are in the possession of 240 German business houses.

In the Argentine Republic, the Transocean Agency has its office at Avenida de Mayo, No. 883, 3rd Floor, which is also the general headquarters for all Latin America, with Walter von Simons as general manager.

Norman Bursler

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Room 233, United States Court House  
Foley Square, New York, New York

File No. 60-0-28

September 23, 1942

DEPARTMENT OF JUSTICE  
NOV. 18 1942  
DIVISION OF RECOGNITION

REVIEWED  
*MS*

ANTI-TRUST MEMORANDUM FOR COL. F. D. SHARP

Re: Transradio Internacional Compania Argentina de Telecommunicaciones, S. A.  
REFERENCES: Intercept 1127/42  
Memo from Robert Wohlfarth to Col. Sharp 8/27/42

MAR 12 1943  
The individuals named below were interviewed on September 17 and 18 in an effort to obtain information concerning the extent of Axis influence in the above-mentioned concern:

Mr. H. M. Mackenty, Director of Foreign Operations, of the Radio Corporation of America, 30 Rockefeller Plaza, New York City;

Mr. Martin Wallauer, Managing Director, of Commercial Radio International Committee, Electra House, Victoria Embankment, London, W. C. 2, temporarily at the Waldorf Astoria Hotel, New York City;

General Robert Davis, Chairman, Board of Trustees of Transradio Internacional, 315 Lexington Avenue, New York City;

Messrs. John B. Boston and W. H. Barsby, Traffic Manager and Assistant Traffic Manager, respectively, R.C.A. Communications, Inc., 66 Broad Street, New York City.

Transradio Internacional Compania Argentina de Telecommunicaciones, S.A. is one of three South American consortium companies jointly owned by R.C.A. Communications, Inc. with English, French and German radio interests, the other two consortium companies being: Transradio Chilena Cia de Radiotelegrafie, Ltd. (Chile), and Compagnie Radio-telegraphie Brasilien (Brazil). The companies participating in the consortium are:

1. R.C.A. Communications, Inc. (American);
2. Marconi Wireless Telegraph Co., Ltd. (English);
3. Compagnie Generale de Telegraphie Sans Fil (French);
4. Telefunken Gesellschaft für Drahtlose Telegraphie m.b.h. (German);

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Coordination of policy between the four companies is effected through Martin Hallauer, who as manager of the consortium has the title "Managing Director Commercial Radio International Committee." Mr. Hallauer, a citizen of Danzig, makes his headquarters in London but is presently in New York, where he came by invitation to participate in a meeting of the trustees held at the R.C.A. offices on August 31 and September 1. The trustees--two from each participating company--held 60 per cent of the voting shares, the remaining 40 per cent being held largely by Argentine, French, German and Italian interests. While each company is represented by two trustees, R.C.A. has the right to appoint a disinterested public figure as chairman who decides in case of tie votes. The seat of the trust is in London and its stock is held by the London branch of the Guaranty Trust Co. of New York. The Executive Committee, which is composed of one representative of each of the four companies, has not met since the war. The Managing Director, Mr. Hallauer, sends out notices of meetings of the trustees, keeps minutes of such meetings as well as records of finances and is responsible for seeing that such investments as the new building for Transradio International are financially sound. The plans were submitted to him for approval. Mr. Hallauer said that no one outside the Argentine would know anything about the tenants using the building of which Transradio occupies three floors.

Trustees

American - General James G. Harbord, Director of the  
Radio Corporation of America  
Mr. Bernard Garden

British - Lord Inverforth and  
Sir Pdw. Vilshire

French - Emil Girardeau and )  
Lt. Col. Lucien Garnier ) since October 1921

German - Mr. Martin Schwab (since December 1933)  
Prof. Hans Bukep (since January 1936)

Swedish substitutes appointed by the Germans are:  
C. Reuterauerd ) address unknown  
T. Elmquist )

Other Germans who have served on the Board of Trustees are:

Dr. Carl Chapira, who served from October 1921 to December 1935. Mr. Hackney states that Dr. Chapira is now a resident of New York City; that he has had nothing

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to do with Telefunken since the persecution of the Jews started. The doctor now is a Spanish citizen and has been here for several years;

Dr. Fritz Ulfers, October 1921 to December 1932.  
Present whereabouts unknown but probably in Germany;

Dr. Emil Mayer, January 1933 to November 1933.  
Consulting engineer in New York. Of Jewish faith, he is said to have come over in 1935.

#### Directors:

Transradio International has a board of directors consisting of eight persons. It meets once a month. The nationality of the members is as follows:

- 3 Argentines
- 1 American
- 1 Englishman
- 1 Frenchman (Marique Chanourdie, said to be sympathetic to the Free French)
- 1 Italian (Dr. Felipe Gottheil de Luca)
- 1 German (Ing. Reinhard J. Schmidt Deussen; Mr. Schmidt Deussen has been a member of the board for 20 years.)

#### Alternate Directors:

- Dr. Emilio F. Cardenas
- Dr. Bustamio Nendez Belfino
- Mr. George W. Hayes (American slated for Mr. Pinceman's position as managing director.)
- Mr. Everard Maynell
- Ing. Georges Carrus
- Dr. Arnoldo Stoep
- Mr. Alberto J. Smettone

#### Personnel:

None of the men interviewed appeared to know whether any of the Axis directors may have been instrumental in having technical or

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other personnel hired. John B. Rostrom observed that although he had not seen Mr. Henry Pinceman, the Managing Director of Transradio Internacional for sixteen years, he remembered him as one who openly expressed his contempt for democracy and especially the United States brand. Mr. Pinceman's makeup, he said, was such as would make him a satellite of Hitler.

General Davis, although unwilling to discuss personnel matters, feeling that it touched too closely on matters related to his confidential mission to South America for the State Department, stated that according to all reports, Mr. Pinceman was a great admirer of the Vichy Government. General Davis arrived in Buenos Aires on August 1 and Mr. Pinceman resigned on August 6 because of his health. The managing director is said to be in a position to maneuver the directors and appoint personnel. Transradio Internacional has open circuits to Germany, Japan and Rome and since the Argentine has no censorship, the German director reported everything to Berlin. While the French/<sup>Director Chanourdie</sup> is said to be personally sympathetic to the United Nations' cause, he, of course, carried out orders of the French Company. Since the fall of France, Bordeaux has gone off the air and the circuit has been shifted to Lyons.

Mr. Rostrom expressed the opinion that Transradio had practically all the German business. Most of the blacklisted firms have used Transradio's facilities and because the Germans have been such an important factor in the company and because the circuit is the only one in which they had an interest, there is no doubt but that their people were instructed to make use of it. Similarly, the Japanese, since Transradio has the only direct circuit to Japan and the Japanese Government controls the Japanese end of the circuit, have learned that they are expected to use Transradio's communication facilities.

Mr. Mackenty stated that he was unaware of any personnel changes aside from the resignation of Mr. Pinceman. If Mr. Pinceman utilized his position as Managing Director to employ Nazis or Axis sympathizers in the Argentine these individuals are apparently still with the company.

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One of the key men is Celestino Schiavi, the traffic manager, who is an Argentine of Italian parentage who worked in New York for R. C. A. Communications, Inc. from 1919 to 1923 or 1924. Those interviewed believe Mr. Schiavi to be democratic in his outlook. Mr. Schiavi is responsible for the clerks. Since the staff is shifted about and placed on different assignments at different hours from week to week, it was not believed that any of them could make a practice of passing out information.

The assistant manager, the Frenchman Pedro J. Noiseux, is responsible for the transmitting and receiving stations, while Mr. Juan Lafon B. is in charge of the transmitting station at Monte Grande, and Mr. Luis F. Merlo is in charge of the receiving station of Villa Elisa.

Other officials include Mr. German Krahenbuhl, in charge of technical services, and Mr. Luis J. Feoli, Comptroller General; Mr. Manuel Ferradas, Public Relations, and Mr. Bautista Pittelli, Office Manager. Nothing is known about these men.

#### Method of Transmitting Messages on the Buenos Aires Circuit.

Messages sent on the Buenos Aires Circuit from 7 A.M. to 7 P.M. are scrambled on Multiplex on the automatic printer and could not be picked up. Messages sent from 7 P.M. to 7 A.M., however, are on the straight Morse channel and are susceptible to interception. Messages pass through a clerical department for checking and from there are sent to the delivery department through which they are sent out by whatever means may be employed for delivery; i.e., messengers, telephone or private wire telegrams. Several people would have an opportunity to scrutinize the message. Messages at the other end may be brought back on a receiving printer. If the printer is not in operation it is recorded in dots and dashes on a paper tape. The practice in New York City is to keep the tape for four months and then destroy it by burning; the practice in Buenos Aires is not known. War-time regulations of the FCC require that all messages transmitted from this country - both incoming and outgoing - must be kept for the duration.

The Chairman of the Board of Trustees is described as an impartial referee to whom the minority have the right of appeal in case they object to an action of the majority as was the case when the recent meeting was called in New York City without German and French members present. When General Charles G. Dawes, who held the chairmanship for a short time, was made a director in the Radio Corporation of America in 1938, the position was left vacant. General Davis stated that the State Department representatives at the Rio conference deemed it necessary that the chairmanship should be filled. Although the General's trip was ostensibly to look over the property of the Transradio International and meet the various individuals concerned, it was in reality, he said, a confidential mission for the State Department. The axis

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directors, he reported, have nothing to do with the operation of the company. The influential managing director is appointed by the President who must be an outstanding citizen of the country in which the company is situated. Mr. Mackenty stated that the State Department had undertaken to notify the German directors of the meeting on August 31 and September 1. No one, however, was able to supply any information as to the communications from the French and German trustees. Mr. Mackenty stated that Breckinridge Long and other State Department officials were concerned about the circuit existing between South American and axis countries and that his company had been dealing daily with the State Department for the past four or five weeks. He mentioned specifically Francis DeWulf and Mr. Burke, of the State Department, as having been in contact with R.C.A. The "rump" meeting of the trustees held in New York on August 31 and September 1 was attended by the two American trustees -- General Jas. G. Harbord and Mr. Bernard Garden; Mr. A. H. Ginsman of Montreal representing the English trustees; Martin Hallauer as managing director of the Board of Trustees; General Robert Davis, the newly appointed chairman; William A. Winterbottom, Vice-President and General Manager of R.C.A. Communications, Inc.; Dr. Teodoro Bacu, Vice-President of Trans-Radio Internacional, who happened to be in this country as a guest of the State Department; and Mr. Bouguie, the managing director of the Brazilian company.

Financial:Capital Stock

Preferred shares	4,000,000 pesos	(3,000,000 Argentine, remainder mostly American and English)
Ordinary A shares	2,400,000 pesos	
Ordinary B shares	100,000 pesos	(60% of the voting shares held by Board of Trustees in London for their respective companies)

Dividends Paid

1926	192,000 pesos	1933	169,000 pesos
1927	278,000 "	1934	568,000 "
1928	270,000 "	1935	568,000 "
1929	278,000 "	1936	700,000 "
1930	119,000 "	1937	700,000 "
1931	none	1938	658,000 "
1932	80,000 "	1939	700,000 "
		1940	700,000 "
		1941	700,000 "(but net paid)

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Dividends Paid to Nationals of Axis-Dominated Countries

According to Mr. MacKenty, the Germans received no dividends prior to 1934 because they did not own any preferred stock unless they acquired small amounts on the Argentine Exchange, which he is inclined to doubt. At present, out of the common stock listed at 2,400,000 pesos, the Germans hold 486,000. They also own 12,150 "of what they call bonds" out of 60,000 outstanding of 100-peso denomination, which were issued because the preferred share holders thought the ordinary shares should be written down from 4,000,000 to 2,400,000. As compensation, the ordinary share holders received the bonds which earn dividends only after the common and preferred shareholders have been paid.

Dividends have been paid as follows:

1934 - 7%	2 pesos on 12,150 100-peso bonds
1935 - 7%	2 "
1936 - 7%	4 " 20
1937 - 7%	4 " 20
1938 - 7%	3 " 50
1939 - 7%	4 " 20
1940 - 7%	4 " 20
1941 - 7% earned but not paid out.	4 pesos 20

Mr. MacKenty was not certain how many of the "bonds" were held by the French Company but he said the French held 450,000 ordinary shares and that the Italian radio company held 320,000 shares, which, of course, paid the same dividends as shown above. Thus it would appear that communications companies of Axis-dominated countries own 52-1/3 per cent of the income-earning common stock. No one interviewed was able to supply any information as to the identity of the Argentine stockholders. It is safe to assume, and as has been previously reported, that some of the Argentine stockholders are undoubtedly of pro-Axis sympathies. It should be pointed out here that the trustees hold non-income bearing B stock of the German and French companies which represents 30 per cent of the voting shares. Since the Germans, French and Italians have a majority of the income-bearing shares accounting for that portion of the voting stock not in the hands of the trustees, it would appear that a majority of the voting stock as well as the income-bearing common stock is under Axis domination.

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It was stated that no dividends had been paid since 1940 due to Argentine legislation; that the last meeting of the trustees, prior to the recent "rump" meeting, was held in 1938 or 1939. The three South American consortium companies were outgrowths of a situation resulting from the fact that the American, English, French and German radio companies after the last war found that between them they had practically all the patents in the radio field and communications concessions in the various South American countries. In order to eliminate destructive competition in a field where there did not appear to be sufficient business for all, the facilities of the four companies were pooled. The B stock was issued as a convenience for purpose of having the stock in the hands of the trustees who were to vote as indicated by the interested companies and in case of disagreement appeal to the impartial chairman appointed by the American company but having no connection therewith.

There is apparently more to Transradio Internacional than meets the eye. In the course of the interviews, it seemed that each person interviewed wished to describe the person last seen as the one who had the desired information. No one seemed able to supply information with regard to the loyalty of employees or the methods by which their appointments were obtained. No one knew whether any of the officers or employees of the company were members of the Argentine Fascist organization. Everyone almost immediately stated that they had heard stories that Transradio Internacional was Axis dominated and that these reports developed from commercial rivalry from the International Telephone & Telegraph Co. which boasted that it was "All-American". It was pointed out that I.T. & T. also had direct connections with Berlin. J. S. Wright, Assistant Vice-President of the latter concern, after conferring with his superiors, stated that I.T. & T. did not wish to discuss Transradio on the ground that I.T. & T. would rather not discuss a competitor.

General Davis, although unwilling to discuss personnel prior to his appointment as chairman, expressed the opinion that at present the company was dominated by men sympathetic to the cause of the United Nations. Examination of the report of General Davis to the State Department, as well as conversations with the members of the State Department familiar with Transradio Internacional, would appear to be desirable in order to determine the true facts in the case.

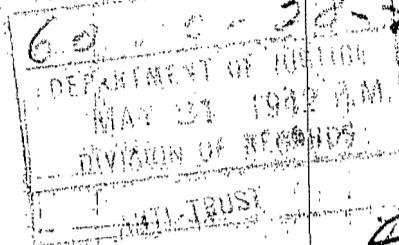
NORMAN BURSLER  
Expert

cc: Messrs. Isseks and Levi.

DECLASSIFIED

Authority NN0812045By JW NARA Date 4-12RG 60Entry 285BFile 60-0-28Box 156*SECRET*Room 233, United States Court House  
 Foley Square, New York, New York

File No. 60-0-28

May 30, 1942  
EAO:lsh/laMEMORANDUM FOR THE FILES

## BOARD OF ECONOMIC WARFARE

Source: Examination of the notes on the file of Jürgen-Heinz von Lepel, Enemy Alien Held on Ellis Island; Arrived Ellis Island 4/8/42. (File #99813/350)

The subject was born 11/6/10 in Berlin, the son of Egbert von Lepel, who held the rank of Rittmeister in the Radio Corps of the German Army in World War I. The subject attended Berlin Gymnasium 12 years and Art School 1-1/2 to 2 years. He holds no college degrees. He has a complete knowledge of English and German. While in Germany he was employed for a short while in the Geibit Radio Factory on Fevrig Str., Berlin, as an apprentice for a short while, and at the DMW Motor Company, Spandau, Berlin, Germany, where he received a salary of about 8 marks a week.

He came here as a tourist in 1932, again in 1936 as a quota immigrant, and in October 1937 arrived again as returning resident in possession of a reentry permit. He has been here continuously since and has his first papers. On his return in 1937 he brought with him his wife, Adelgard Diebitsch von Lepel. From 1936 until his arrest he was employed in the Lepel Laboratories located at 39 West 50th Street, New York City, which had been founded by his father. In his personally sworn statement he said that his work there consisted of production of induction heating machines and medical short wave machines specializing in induction heating. His salary from 1936 to 1942 was \$600 per month. Upon his father's death in 1941, the control of the firm passed to the executors of his father's estate, Newman, Hauser & Teitler, attorneys, 29 Broadway. (Newman and Teitler agreed to act as sponsors should he be released by the Alien Enemy Board. Both these men are Hebrews.)

The subject significantly omits to answer page after page of the Alien Enemy Questionnaire which contained questions on his business relating to number of employees, how many were aliens.

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By <u>Jay</u> NARA Date <u>4-12</u>

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233, United States Court House  
 Foley Square, New York

their names, earnings of the company, and other intimate details of the business. He has a savings account, and a joint checking account at the Fort Washington Bank in the name of Adelgard and Jurgen-Heinz von Lepel and a safe deposit box in the same joint names with the Manufacturers Trust Company, 1819 Broadway, New York City. He says he has no bank account or safe deposit boxes in any foreign country. The only amount of wealth he lists is \$1,500 in Defense Bonds, of which \$750 is in his wife's name. His answers to other questions about his wealth indicate that he has other funds. He says he has about \$10,000 worth of life insurance and owns a 1941 Nash. He has a \$9,000 mortgage on his home. In his statement he says he lived continuously in this country from 1936 to 1942, but the records show that he returned to Germany in 1936, and came back in October 1938. His wife was born in Oppeln Silesia, Germany, on 10/3/11. She entered New York in October 1937. They have one child, Stephanie Karin, one year old, born in New York.

The subject named four sponsors should be released. The first is Joseph V. Howe, Decker Street, East Norwalk, Connecticut, phone Norwalk 5965. He is connected with the Irving Trust Company, 1 Wall Street, Phone Digby 4-5300, where he is the vice president of the Foreign Division. He is 51 years of age and has known Lepel three years.

The second sponsor is Samuel L. Feitler, residing at 4572 Bedford Avenue, Brooklyn, phone Sheepshed 3-3648. He is an attorney, member of the firm of Newman, Hauser & Feitler, phone Digby 4-6821. Incidentally, the members of this law firm are the executors of Egbert's estate and as such control the Lepel High Frequency Laboratories Incorporated. Feitler is 36 years old and has known subject five years.

The other sponsor is Samuel B. Newman, 197 Marlborough Road, Brooklyn, New York, phone Ingerson 2-2989, law partner of Feitler, 43 years old. He has known subject five years.

It is significant that A. Johnson, the fourth sponsor named by subject, address Seccor Drive, Fort Washington, Long Island, did not send the affidavit though notified by Mr. Diana of the Parole Office of the Department of Immigration that subject had named him as possible sponsor. Lepel has stated on a Department of Immigration form that he does not want to be repatriated.

Agent F. W. Armstrong of the F.B.I., who arrested subject, says that both he and his father were anti-Semitic. His wife is

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outspokenly pro-Nazi. The elder Lepel had sued the United States Government in 1925 for patents used by the United States Navy in World War I, while he was in charge of wireless communication in Germany. As a result, he collected the sum of \$200,000 from the United States Government. In Germany the father had been associated with I. G. Farben.

According to a letter written by Samuel L. Teitler, attorney and executor of the estate of Egbert von Lepel, which letter was written to Commodore William Laub of the Port Washington Yacht Club, Egbert was an accomplished personality in the field of wireless and high frequency electricity. Foremost of his inventions was a spark gap by reason of which a Marconi wireless was greatly improved. In his suit against the United States Government he recovered an award of \$500,000 but apparently collected some \$200,000. According to Teitler, the Government war contracts which the Lepel Laboratories were working on at the time of the subject's arrest, consisted of the production of bombarders and converters for heat treatment of metals and parts used in critical defense industries by Bendix Aviation Corporation, Air Associates Incorporated, Colt's Patent Fire Arms Mfg. Co., Western Electric Co., Black & Decker Company, Radio Condenser Company, De Laval Steam Turbine Company, Crucible Steel Company of America, International Business Machine, Climax Molybdenum, Piccatinny Arsenal, Cincinnati Ball Crank Company, Corning Glass Works, etc. Both Teitler and Newman stress Egbert's democratic views and religious tolerance. All other sources of reports from the F.B.I., from tipsters, etc., report the opposite, saying that Egbert was autocratic, anti-Semitic, as were his son and daughter-in-law.

D. C. Goodwin of the Retail Credit Company, 250 Franklin Street, Port Washington, New York, former Commodore of the Port Washington Yacht Club, which club subject tried hard to join, recommended his rejection because of the pro-Nazi view of the whole family and of subject's praise of Hitler right up to December 7, 1941.

Confidential Sources of Information T1 says Egbert's Quenched Spark Gap is used for radio transmitting equipment, electro-medical treatments and commercial high-frequency generators. It further says that most of the employees at Lepel Laboratories were pro-Nazi.

Mr. De La Fluer, Monitoring Officer in charge of Federal Communications Commission, New York City, after seeing circuit diagrams of the Lepel Company's diathermy machines, and after seeing one of the machines, said they were readily usable for transmission

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of short wave code, that such machines at all times when in operation were transmitting short waves and that in order to transmit code it would only be necessary to insert a telegraphic type key into the circuit of the machines at appropriate places. He further advised that such a key could be simply introduced in an antenna circuit of the usual type if such a circuit were to be used to replace the diathermy pads presently connected to the machines. He stated that the machines were so built that the diathermy pads were plugged into the machines by use of a block in the nature of a telephone jack, or a plug which is designed on the principal of the ordinary lamp plug. To use the machine as a transmitting apparatus, it would only be necessary to pull out the plugs leading to the diathermy pads and insert pads already connected with an aerial circuit in which circuit a telegraphic type key has been placed. In other words, the serial circuit could be packed in a small container with a telegraphic key inserted and could be pulled out for use and insertion into the plug sockets whenever short wave transmission of signals was desired. Mr. De La Fluor advised that it would not take an experienced man more than fifteen minutes to set the machine into operation for use as a transmitter of signals and that anyone connected with radio transmitting devices would be able to so convert the machine.

Subject worked in the laboratories six years, but claimed he did not know that the machines could transmit signals.

It was reported that the subject's house in Port Washington, which rests on the crest of a high ridge overlooking Manhasset Bay, was bought for a cash payment of between \$15,000 and \$18,000.

While the subject was in Germany up and until the time he permanently took up residence in the United States he was a member of the S.S. (Elite Guard) and of the Nazi party. Adelgard was a member of the Nazi Student Bund. He says he joined the S.S. because a higher type of man was in that organization. He says he took no activity in S.S. police work but only worked for propaganda purposes. However, E. P. Capita of 100 West 20th Street, New York City, an employee of Ecco High Frequency Corporation, visited subject at his home in Berlin in 1935, and subject told of his connection with the Nazi party and how he went on raids against the Jews and showed Capita how he used the butt of his revolver on Jews. Subject further told him that he wanted to leave Germany and his party connections would permit him to do so.

Capita stated that Egbert was connected with the Schering Kalke, parent corporation of I.G. Farben Co. Egbert was associated with Dr. Wellitzine and a Mr. Erdmann, both of whom he thought were directors of Schering Kalke and who operated the chemical company

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in Bloomfield, New Jersey. Capita felt they were both dangerous aliens. (Feitler, Lepel's lawyer, said Capita had had legal difficulties with von Lepel.)

When seized by the F.B.I., Lepel had a 32-caliber Winchester rifle and three cameras in his home, all of which were confiscated.

George Gordon, electrical engineer of 39 West 50th Street, informed that subject and the Lepel Company itself is wholly composed of Nazis.

From the above information obtained from the files of Heinz von Lepel, I am not particularly convinced that he personally has a great technical knowledge of radio or that he could necessarily give us much information of the type we desire. However, he may be able to put us on to others who are possessed of such knowledge.

HOWARD ALAN CUTTERBERG,  
Special Attorney

CC: S. S. Isaacs, Esquire, New York  
Edward H. Levi, Esquire, Washington, D. C.

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By JW NARA Date 4-12

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DIVISION OF RECORDS

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By JW NARA Date 4-12RG 60  
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File 60-0-28  
Box 156Mr. BanksT. J. L.DEPARTMENT OF JUSTICE  
Room 233, U. S. Court House  
Foley Square, New York, N.Y.

60-0-28

May 26, 1942

## MEMORANDUM FOR THE FILES

Re: Amitas, Ltd.

FEB 13 1943  
H. G.

The National City Bank of the City of New York has informed us that Albert Van de Maele, one of the directors of Amitas, Ltd. and of Securitas, Ltd., offered them a million dollar deposit to be placed in the account of Securitas. He declared that the account would not be blocked as it has been worked through some "mysterious" manner through a Panama company which his group had formed. (Evidently he meant Services, Inc., located at 8 Calle Segunda Panama, Republic of Panama, one of a number of companies formed by the Heineman group in this Country.)

Van de Maele also offered to deposit voting shares of the group's South American holdings and of the Panama company, but the National City Bank turned both propositions down. The National City Bank was later informed that the Chase National Bank had accepted these accounts.

"Chade", the South American utility system controlled by "Sofina" was originally formed for the purpose of cloaking German shareholders, according to National City Bank.

HOWARD ALAN GUTTENBERG,  
Special Attorney

c.c. Messrs. Isseks, and Levi.

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JUN 2 1942 P.M.	
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*Signatures*

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By JW NARA Date 4-12RG 60  
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## DEPARTMENT OF JUSTICE

Room 233, United States Court House  
Foley Square, New York, N.Y.

60-0-28

May 21, 1942

## MEMORANDUM FOR THE FILES

Subject: Amitas Ltd. (Cont'd)Source: Foreign Property Control Department of  
the Federal Reserve Bank.

*FEB 13 1943*  
*H. G.*  
 According to the statements filed at the Foreign Property Control Department, the entire capital stock of Amitas Ltd. is owned by Securitas Ltd., which, in turn is 100% owned by American citizens. As a result, the account of Amitas is not blocked, but the company must apply for licenses to pay salaries of Belgian nationals who are employees and who were formerly employed by "Sofina" in Belgium. All assets of "Sofina" outside of Belgium are now held in the United States in trust by Securitas.

Amitas' reply to Form TFBE-1 indicates cash in bank and on hand as of 4/30/41, to be \$2,309,000; receivables, \$259,000. Of \$311,000 representing total disbursements for the month of April, \$23,700 were paid out for salaries.

Auchincloss in a sworn statement to the Federal Reserve Bank says Amitas is doing work that "Sofina" formerly did for all the corporations throughout the system in Belgium, but now the work is done for those corporations which are located in North, Central and South America, and Portugal. Amitas negotiates and arranges for the purchase in the United States of materials to be shipped for the corporations named herein. All directors and executives of Amitas are in the United States.

Under Schedule A, service agreements with the following companies are in effect:

1. Services, Inc. (a Panamanian company), 8 Calle Segunda  
Panama, Republic of Panama;
2. Securitas Ltd. (a Delaware company), 15 Exchange Place,  
Jersey City, New Jersey;

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DEPARTMENT OF JUSTICE	
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3. Loyalties, Ltd. (a Delaware company), 317-325 South State Street, Dover, Delaware;

4. Formeno Ltd. (a Delaware company), 317-325 South State Street, Dover, Delaware.

Schedule B shows the companies for whom materials and supplies are purchased in the United States:

1. Companhias Reunidas Gaz e Electricidade (a Portuguese company), 45 Rua Victor Cordon, Lisbon, Portugal;
2. Compania Argentina de Electricidad (an Argentine company), 184 Calle Balcare, Buenos Aires, Argentina;
3. Compania Argentina de Talleres Industriales Transportes y Anexos (an Argentine company), Zepita 3220, Buenos Aires, Argentina;
4. Compania Generale de Industrias y Transportes (an Argentine company), 102 Calle Humberto 1, Buenos Aires, Argentina.

Balance sheet appended April 30, 1941 is as follows:

Assets

Cash	\$2,309,000
Accts. receivable from South American countries listed above.	259,000
Other assets - about	<u>22,000</u>
Total assets -	2,589,000

Liabilities

Accts. payable	45,000
Long term loan due June 30, 1949 to "Sofina"	2,500,000
Capital stock \$100 share no par stated at -	10,000
Earned surplus -	<u>33,945</u>

Total liabilities - 2,589,000

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By JW NARA Date 4-12RG 60  
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Box 156Summary of Cash Receipts  
April 1941.

Amount received, \$142,000, in cash from South American countries for payment to suppliers in the United States.

Income for service fees, - \$60,000.

Other income in cash brings total cash received in April 1941, to \$208,999.

Summary of cash disbursements  
April 1941.

Payments made to suppliers in the United States for machinery, coal supplies and freight to various South American companies - \$271,000.

Salaries to employees - 23,739

Total cash disbursements - \$311,052.

Schedule G shows the more important American companies from whom machinery, coal, electrical products, materials and supplies were purchased for export on behalf of others by Amitas. They are as follows:

1. International General Electric Co., 570 Lexington Avenue, New York City.
2. Combustion Engineering Company, 200 Madison Avenue, New York City.
3. Consolidation Coal Co., 30 Rockefeller Plaza, New York City
4. U. S. Steel Export Co., 30 Church Street, New York City.
5. Habirshaw Cable & Wire Division, Phelps Dodge Copper Products Corporation, Yonkers, N. Y.
6. Western Precipitation Corporation, 1016 West 9th St., Los Angeles, Calif.
7. Armco International Corporation, Middletown, Ohio.
8. Bethlehem Steel Export Corporation, 25 Broadway, New York City.

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9. Yeoman Brothers Co., 1433 Dayton St., Chicago, Ill.
10. Fairbanks Morse & Co., Inc., 80 Broad St., New York City.
11. Monsanto Chemical Co., St. Louis, Missouri.
12. Sangamo Electric Co., 60 East 42d St., New York City.
13. Crane Export Corporation, 4730 - 29th Street,  
Long Island City, N. Y.
14. Johns-Manville International Corp., 22 East 40th Street,  
New York City.
15. Crucible Steel Company of America, Post Office Box 11,  
Grand Central Station, New York City.
16. Meehanite Metal Corp., Chattanooga, Tenn.
17. Jones & Laughlin Steel Corp., Pittsburgh, Pa.

Securitas Ltd.

There are 1,000 shares of no par common stock outstanding which are deposited pursuant to terms of a 10-year voting trust agreement, expiring 1949. The control of the company is, therefore, in the hands of the voting trustees, of whom there are seven. As only two of these trustees are Americans, to all practical purposes the company is foreign-controlled, although as a result of apparent American ownership of Securitas Ltd. stock, the Amitas account is not blocked. (Who owns Securitas stock?) All directors of Amitas are located at 50 Broadway, at the offices of the company. The following directors of "Sofina" are in New York:

- (a) Vicomte Van de Vyvere, at Hotel Beverly, 50th Street and Lexington Ave., New York City.
- (b) David-Michel Van Buuren, Hotel Plaza, 59th St. and 5th Ave., New York City.
- (c) Baron Cassel, Room 708D, 44 Wall St., New York City.
- (d) Andre Meyer, Lazard Freres & Co., 120 Broadway, New York City.
- (e) Maurice Soesman, Essex House, Central Park South, New York City.
- (f) Frederic G. Steines, c/o Arnold Bleichroeder, 30 Broad Street, New York City

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Authority NN0812045  
By JW NARA Date 4-62RG 60  
Entry 285B  
File 60-0-28  
Box 156Purchases by Amitas for European Corporations

1. For the company Companhias Reunidas Gaz e Electricidade,  
45 Rua Victor Cordon, Lisbon, Portugal.

Quite a number of purchases of various types were made for this company in June 1941 until the outbreak of the war. The purchases consisted of various types of pipes and multiconductor cables, radiators, fittings and electrical equipment running into thousands of dollars.

Most of the applications of Amitas for licenses concerned money needed to pay current salaries to Belgian nationals employed in the New York office. One item which I felt was significant was that on October 3, 1941 Amitas applied for a license to transfer \$20,000 of the Portuguese company mentioned above, which sum was in the account of a Portuguese bank at the Bank of Manhattan. This account was in reality the account of the above-mentioned Portuguese utility company. Amitas, in its application, stated that the Reunidas company needed the money to pay for supplies which it had purchased in this country. Amitas, in its affidavit, declared that Reunidas would use all of the supplies purchased in its plants in Portugal and that none of the supplies would be resold. However, the application was denied. Incidentally, all purchases of material which I saw listed in the applications for purchases from the period June 1941 through August 1941, were solely for this Reunidas company.

The above completes the information available on Amitas and Securitas and "Sofina" available at the Foreign Property Control Department of the Federal Reserve Bank.

However, there was an application for a license among the papers, by Georg Eisler, of 121 E. 92d Street, a German national whose funds have been blocked. The application which was granted was made in his behalf by Eric M. Warburg, of 52 William Street, New York City, a naturalized American citizen who describes himself as an investment advisor and custodian. Eisler has an account with him. I mention their names as they may be of use in our work.

HOWARD A. GUTTENBERG,  
Special Attorney

c.c. Edward H. Levi, Esq.  
Samuel S. Isseks, Esq.

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By JW NARA Date 4-12RG 60  
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60-0-28-11 DEPARTMENT OF JUSTICE  
 Room 238, United States Court House  
 Foley Square, New York, New York

<u>60</u>	DEPARTMENT OF JUSTICE
60-0-28-9	MAY 21 1942 P.M.
	DIVISION OF RECORDS
	Memorandum For The Files.
	ANTI-TRUST
	Board of Economic Warfare

May 18, 1942.

Source: Amitas Ltd., 50 Broadway, New York -- Bowling Green 9-3223.

The company was incorporated under the laws of Delaware on October 3, 1939, with an authorized capital of 100 shares of no par stock. It filed papers in New York in 1939 as a foreign corporation doing business under New York laws.

FEB 13 1943  
 G. C.  
 The officers are Gordon Auchincloss, president; Donald T. Sherman, secretary; Albert Van de Maele, treasurer. The directors include these three above-mentioned men and, in addition, Marcel Ronge, Jean Ehrlich, and C. J. Wilmers. Mr. Auchincloss is the senior partner of Auchincloss, Alley & Duncan, attorneys. He is a director of the Chase National Bank, Crosse & Blackwell, International Paper & Power Co., "Sofina", and Solvay American Corp.

Mr. Sherman was born in Belgium where his father was the American consul at Antwerp. He says he worked for "Sofina" in Brussels for several years. Mr. Van de Maele was formerly an executive in "Sofina" in Brussels, Belgium. The other directors were also executives in the Belgium Headquarters of "Sofina".

Several times from August 1941 to February 1942 inquiries were made by Dun & Bradstreet of Auchincloss, Sherman and Thomas (one of the managers) as to the financial standing of Amitas but were always met with the reply that no information would be forthcoming and that the company had such sufficient backing so as to enable it to get along without the use of credit.

The company acts as an agent for Societe Financiere de Transports et d'Entreprises Industrielles (known as "Sofina"), a corporation formed in Belgium in 1928 succeeding a business established in 1898 in Belgium.

Sofina holds securities of electric power concerns, other manufacturing concerns including manufacturers of chemicals, and is reported to have a substantial interest in many holding companies. It has been referred to as an International holding company of high standing with substantial means at its command. The electric light, power, gas and transport properties controlled by "Sofina", or in which "Sofina" has a substantial interest, are located in Berlin, Paris, London, Lisbon, Madrid, Brussels, Venice, Barcelona and Algiers and South America.

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Amitas occupies three entire floors at 50 Broadway, New York City, and has a reputation for meeting all current bills with great promptness. It has an account with the Chase National Bank.

In the October 31, 1941 issue of the New York Times, a full column article carrying over to another page discussed Amitas. The substance of the article was that the Securities Exchange Commission, the Department of Justice and the Treasury Department were investigating the big trust known as "Sofina". The article went on to say that Dannie Heineman (report on him already in our files?) born in the United States but spent most of his life in Belgium, had formed the organization here in the United States, bringing to Amitas most of the "Sofina" personnel consisting of over 300 former European nationals. Securities, Ltd., an International holding company, located in the same building, controls Amitas which, in turn, stems back to "Sofina". According to the Times, the Federal Government says "Sofina" has assets of over two billion Belgium francs. The Times continues to say that "Sofina" has stock interests in Panhandle Eastern Pipeline, the stock being held through nominees.

The Treasury on October 15th, froze all funds of Amitas. Amitas, according to the Times, has an engineering and technical staff handling shipments to Brazil and Argentina of electrical equipment, generating supplies, and fuel purchases in the United States. These shipments are handled in South America through the Compania Hispano-Americana de Electricidad, known as "Chade", a utility system which "Sofina" controls. The "Chade" system is spread throughout most of South America. The Times also gave a list of the Board of Directors of "Sofina", all of whom may be in this country. I have appended the list to the end of this memorandum.

Dun & Bradstreet have letters dated March and April of 1942, from Mr. Wilbur Osterling, an official of the Securities Exchange Commission informing Dun & Bradstreet that while an investigation of Amitas was undertaken by the Commission yet no action has been taken against the company and, therefore, they are unable to make available any of their records on the company to the public.

*Howard Alan Guttenberg*  
HOWARD ALAN GUTTENBERG,  
Special Attorney.

CC: S.S. Isseks, Esq. - New York, N. Y.  
Edward H. Levi, Esq. - Washington, D.C.

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Authority NND812045  
 By JW NARA Date 4-62

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 Box 156

The directors' names of "Sofina" in the New York Times are as follows:

Viscount Van de Vyvere  
 Dannie Heineman  
 Charles de Le Hoye  
 Lucien Janlet  
 Max Horn  
 Raoul Richard  
 Henri Speciael  
 David-Michel Van Buuren  
 Gordon Auchincloss  
 Gaston Barbanson  
 Rodolphe Bindschedler  
 Gaston Blaise  
 Maurice Bock  
 Francisco de A. Cambo y Battle  
 Jean Cassel  
 Mariano de Foronda  
 Maurice de Patoul  
 Jules Descamps  
 Albert d'Huer  
 Bernard Dudley  
 Franck Docker  
 Sir Hugh J. Elles  
 Sir George Grahame  
 Fernand Hautain  
 Maurice Hermans  
 Reginald McKenna  
 Andre Meyer  
 Maurice Pesson-Didion  
 Maurice Soesman  
 Frederick G. Steiner  
 Viscount Swinton  
 Giuseppe Volpi di Misurata  
 Louis Wibratte  
 Lord Wiggram

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Box 156C O P YSuite 820, 208 South La Salle Street  
Chicago, Illinois

60-0-28

DEPARTMENT OF JUSTICE

JUL 21 1942 P.M.

MEMORANDUM FOR MR. BRITT

ANTI-TRUST Re Economic Warfare

Interview with Nathaniel Samuels, Attorney at Law,  
120 South La Salle Street, Chicago, Illinois  
Telephone State 2315FEB 18 1943  
Mr. Samuels was interviewed by Messrs. Cramond and Smith at the  
Division Chicago office, Saturday, June 6.In 1940 and 1941, Mr. Samuels, as a representative for Arnhold  
and Bleichroeder, endeavored to develop negotiations with various  
Chicago companies owning properties within Germany for the sale of  
those properties.Arnhold and Bleichroeder is a private banking firm on the order  
of Lazere Freres or the Rothschild firm, and operated all over the  
continent of Europe as well as in most other parts of the world. It  
was a consolidation, formed in the twenties, of two banking firms of  
considerable antiquity, operated by the Arnhold and Bleichroeder  
families, respectively. The principal offices were in Berlin, but  
are now located in New York City. Frederick Steiner, who was for  
many years Dillon Read's Paris manager, is now chairman of the Board  
of Arnhold and Bleichroeder, with offices in New York City. Hans  
Arnhold, the ranking surviving member of the Arnhold family, also  
makes his headquarters at the New York office. As far as Samuels  
knows, all of the principals of the firm are Jewish.Arnhold and Bleichroeder, to Samuels' knowledge, still operates  
internationally. Its Swiss correspondent bank is Adler and Company,  
and its English affiliate is the Anglo Continental Bank. Samuels  
does not know whether or not these two enterprises are actually owned by  
Arnhold and Bleichroeder. He does know that the firm has, since 1904,  
owned the General Ceramics Company, which is located in New Jersey,  
and is interested directly or indirectly in S.O.F.I.E.A., the Belgian  
international utilities corporation, since Steiner is a member of its  
Board of Directors.

S.O.F.I.E.A. operates utilities throughout South America.

Arnhold and Bleichroeder have, particularly since the outbreak  
of the war, been building up a trading business throughout South  
America and, particularly, between South America and England.

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through a subsidiary known as the Arnhold Export and Import Co. This enterprise is directly managed by Jose Gleicher, who is an Austrian by origin but has resided for many years in Colombia. The banking firm also operates the Arnhold Trading Co., but it is Samuels' understanding that that firm's business is mostly carried on by Arnhold Export and Import Co. and that the former firm is practically dormant at this time.

Samuels met Steiner in Chicago two or three years ago. (It is his understanding that Steiner came to this country shortly after the outbreak of war on the continent.) Perhaps because Steiner learned that Samuels was closely acquainted with members of the Swift family, he asked Samuels to represent his firm in soliciting negotiations for the sale of Swift and Company's German properties as well as those of any other companies headquartered in Chicago which Samuels might be able to interest in the proposition. Since none of the deals went through, Samuels has never learned who the principals for whom Arnhold and Bleichroeder were acting were, but he believes that the firm was operating through its Swiss agents, Adler and Company, and contacting individuals within Germany, as well as other interests, particularly in the Balkan countries who had financial resources in Germany. The sales were to be carried out with German funds in this country which had been blocked, and it was Arnhold and Bleichroeder's belief that they would be considered advantageous by American companies which were unable to withdraw any money from their enterprises in Germany. Samuels was advised to state that the purchase price was entirely subject to negotiations, but that it would probably approximate 15 per cent of the value.

Samuels offered the proposition to Swift and Company, where he talked first to Mr. Lawrence, the assistant treasurer, and later to one of Mr. Lawrence's superiors, and during the course of the negotiations he learned that Swift and Libby jointly owned a large condensed milk and milk by-products factory just outside of Hamburg. Swift had never had any other producing facilities in Germany, though it had a considerable sales organization which, after the outbreak of the war, concentrated on selling the products of the milk plant, and was apparently still operating early in 1941. Swift also has owned, since the days of the inflation immediately following the first war, two large office buildings in Hamburg--one known as Neidlinger Haus, and some apartments in Altona, a suburb of Hamburg. Swift ultimately informed Samuels that it was unwilling to sell its interest in the milk plant because it contemplated either purchasing Libby's interest or selling its interest to Libby, in the interests of more efficient operation, and that it already had a prospective purchaser for the plant if it did want to sell, in the

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Nestle Company in Switzerland, which was evincing considerable interest in purchasing. Swift did want to sell the Hamburg real estate, but the deal fell through when title examination revealed that title was held by Swift and Company of Germany, since Arnhold and Bleichroeder discovered that they could consummate sales only from American corporations.

Samuels contacted various other Chicago companies, but he remembered few of the details at the time of his interview. He stated that he would go through his files this week to refresh his recollection, and would give us the information thus developed. He did recall at the time of this first interview the following information, which will be of some assistance in contacting Chicago firms:

William P. Wrigley Co.'s vice-president in charge of export is a man named Stanley, who lived in Berlin for many years. Wrigley had a plant in Frankfurt at least until 1938 or 1940.

International Harvester's vice-president in charge of its foreign properties is named Brittingham. They had properties in Germany but were not interested in selling because they said they were being operated on a profitable basis even though all funds were held within Germany.

Quaker Oats operates a large plant in Germany, and owns real estate on the Rhine, to which it, in 1940, had contemplated moving in order to take advantage of the water transportation.

Crane Company has a large plant in occupied France.

Samuels endeavored to obtain an exclusive sales agency of Sprague Warner products in South America for the Arnhold Import and Export Company, but was not successful in so doing. He has subsequently learned that Sprague Warner has employed another South American agent. Myron Kunin, the youngest of the many Kunin brothers who are now the principal owners of Sprague Warner, was the man with whom Samuels discussed this proposition.

Samuels has a close friend named Stanley Sigmund, of 428 St. James Place, Chicago--Telephone, Lincoln 2860. Sigmund, who was born in Poland, came to America prior to the last war, and, by fighting in the United States Army, became a citizen. After the war, he took over the control of three large manufacturing companies operated by his family in Poland for a number of years. He managed these plants until May 1940, when he returned to this country, after the German occupation of Poland. The first of these plants manufactures burlap and other jute products. Another manufactures brick, and the third manufactures wall paper.

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Another friend of Samuels is named Victor Grunbaum, of 437 Roslin Place, Chicago--Telephone, Diversey 2057. Grunbaum, who is an Austrian Jew, was employed for many years by Styrische Magnesite Wirk, the Austrian subsidiary of the International Magnesite Cartel. He left Austria in 1939, after spending some time in a concentration camp, so there is no certainty that his information will have current value.

Samuels is also closely acquainted with Melchior Palyi, who was, until Hitler came in power, the economic adviser of the Deutschesbank, and is now teaching economics at the University of Chicago. Samuels and Palyi took a trip through Europe together in 1934.

All of the above named companies and individuals will be interviewed as soon as possible.

Samuels has recently received an appointment to the European and African Trade Division of the Board of Economic Warfare, but is having difficulty persuading his Draft Board that he would be of more value in that service than in the army. Since he has, for the last several years, devoted a great deal of his attention to international financial transactions and is well acquainted with many of the problems and personalities in that field, he would apparently have considerable value to the Board of Economic Warfare.

He will notify the undersigned when he has refreshed his recollection of transactions which might be of interest, and will make up a list of the companies in the area with continental properties. Samuels had no knowledge of Japan.

It is suggested that Frederick Steiner and Hans Arnhold be interviewed by the New York office, since Samuels states they financed a good part of the expansion of the German steel industry in recent years and are thoroughly familiar with its layout and operation.

WALKER SMITH

JAMES C. CHAMOND

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By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-0-28  
Box 156*M. J. Jackson*  
*File*Room 233, U. S. Court House  
 Foley Square, New York, N. Y.

HARSHIRE

60-0-28

Sept. 17, 1942

MEMORANDUM FOR THE FILESSubject: Liebmann Breweries, Inc. and Frederick &  
Otte Sonberg.Source: Dun & Bradstreet report of July 1, 1942  
Affidavit of Alfred Liebmann of Sept. 16, 1942  
Interview with Herman Schuelein on Sept. 16, 1942

FEB 18 1943

Corporate history and method of operation

Liebmann Breweries, Inc., 36 Forest Street, Brooklyn, N. Y. was incorporated under the laws of the State of New York on December 17, 1923. This company was formed to consolidate the business of Obenskyer & Liebmann Brewing Company, Inc., organized in 1909 and S. Liebmann's Sons, Inc. S. Liebmann's Sons Inc. had succeeded a business originally established by S. Liebmann in 1840, which later became S. Liebmann & Sons and was incorporated in 1888 as S. Liebmann Sons Brewing Company. As of Dec. 15, 1941 Liebmann Breweries, Inc., under a royalty arrangement, acquired the draught beer accounts of the Greater New York Brewery, Inc., 501 - 5th Avenue, New York City and from that company also purchased production rights of the trade name of "McMorley's Ale". A former distributing subsidiary in New Brunswick, N. J. was merged with the parent organization on June 30, 1937 and operations at that point are now conducted as a branch distributing station. Liebmann Breweries Distributing Corporation, Boston, Mass., was organized in 1936 as a distributing unit in the state of Massachusetts.

Liebmann Breweries, Inc. produces draught and bottled beer under Federal License U-209 and State License D-2. In the New York metropolitan area it sells principally to hotels, restaurants and retail stores, on terms ranging from cash to short terms, depending on the individual risk. It also sells throughout the Eastern Seaboard to wholesalers' distributors on thirty day terms. It owns and operates a fleet of delivery trucks for distribution in the New York metropolitan area. The principal product is sold under the label "Rheingold"; a secondary item is "McMorley's Ale". Annual capacity is approximately 1,000,000 barrels.

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Box 156Officers and Directors

The president is Julius Liebmann, 65 and married.

The vice-president and treasurer is Alfred Liebmann, 63 and married. He is a brother of Julius Liebmann. The secretary is Alfred L. Rose, an attorney. He is a member of the New York firm of Proskauer, Rose and Paskus, 11 Broadway, the attorneys for the corporation.

The directors include Julius Liebmann and Alfred L. Rose, already mentioned above and Thomas Liebmann, a brother of Julius and Alfred and assistant treasurer of the corporation. In addition the following are directors of the corporation:

Otto E. Bamberg - 44 and married. Bamberg is a citizen of Argentina and spends most of his time in Buenos Aires. He was elected to the Board of Directors in 1936 as one of the representatives of the Argentine interests which bought into the company at that time.

Norman Schuellein - 35 is married. Schuellein is an enemy alien who came to this country from Munich via Switzerland in 1936. His final hearing for United States citizenship papers is scheduled for Sept. 25, 1948. He is now in active charge of the production end of Liebmann Breweries, Inc. Schuellein is also a representative of the Argentine interests.

Samuel S. Steiner is president of S.S. Steiner, Inc., wholesale hops, 535 - 5th Avenue, New York City.

Mrs. Louis (Elinor) Gabel is a daughter of Samuel S. Steiner.

Peter Wahrli is the third Argentine representative of the Board. Originally from Zurich, Switzerland, now lives in the Argentine and is presently in this country on a visitor's visa. He is married to an American woman whose father is a partner in Kuhn-Lott (name presently unknown).

Financial Control of the Company

There is authorized, issued and outstanding, 3,000 shares of no par common stock of Liebmann Breweries, Inc. This common stock is the voting stock of the Corporation and is deposited with Voting Trustees. Under the Voting Trust Agreement the Argentine interests (later more particularly described) are the record holders of 1,000 shares, while the remaining 1,000 shares are held by the Liebmann family and Eleanor Gabel. There is a similar 50-50 division with

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respect to the 5,000 outstanding shares of "Class A" preferred and the 6,036 outstanding shares of 6% non-cumulative preferred. (More specific information with respect to the above may be obtained from the affidavit of Alfred Lichmann executed on September 16, 1947 for the Treasury Department, a copy of which is attached hereto).

Herman Schuelein's story on the Bamberg's and their control of Lichmann Breweries, Inc.

Herman Schuelein, a Jewish refugee, was known in Munich as the "King of the Brewers". Schuelein, who is an outspoken anti-Nazi, left Munich early in 1936 and went to Switzerland. From Switzerland he came to the United States, arrived here in August 1936. He has succeeded in bringing over his entire family and now has no living relations abroad. Schuelein was the head of Lowenbrauerei-Böhmisches Brauhaus, A.-G. in Munich and was likewise a stockholder in that corporation. The Bamberg's, according to Schuelein, were large stockholders, but Schuelein believes that actual control was vested in the banks. Schuelein obtain his present job through the Bamberg's when they brought him to Lichmann Breweries, Inc. in May of 1956.

According to Schuelein, S. S. Steiner, who sold and still sells hops to the Bamberg's, offered an interest in Lichmann Breweries, Inc. to Chas. Wehrli, the father of Peter Wehrli. Charles Wehrli owns a private bank in Zurich, Switzerland, known as Wehrli, A.G. The actual negotiations were carried on, after the original offer, between Charles Wehrli on behalf of the Bamberg's and Alfred L. Rose on behalf of the Lichmann's.

Schuelein states that since Peter Wehrli and Otto Bamberg normally live in the Argentine, Alfred Rose is the real Bamberg representative on the Lichmann Board of Directors.

Schuelein has known the Bamberg's for many years, on a business rather than on a social plane. He states that Frederick and Otto Bamberg were born in the Argentine and are Argentine citizens. The Bamberg's had a Paris office and continually moved back and forth between Paris and Buenos Aires. When the war broke out they remained in Buenos Aires. Schuelein doesn't believe that they were ever French citizens.

Schuelein states that the Bamberg's are reputed to be the richest people in the world. In addition to extensive brewing and banking interests in Argentina, the Bamberg's own extensive haciendas and have considerable interests in the cheese business. Their banking in the U. S. is done through J. P. Morgan, the Guaranty Trust Company and Brown Bros. Harriman & Co. A further and more detailed description of the Bamberg's South American holdings may be found in "Fortune" for December 1937.

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Schuelein states that he has specific knowledge the Bemberg's are not only openly anti-Nazi but that they carry such a feeling deeply in their hearts. He adds that their property in France and in Germany is but a drop in the bucket compared to their Argentine holdings and that he is sure they would not jeopardize their position by maintaining their connections abroad. The Bemberg's Paris office is closed and as far as Schuelein knows, the Bemberg's take no active interest in their foreign properties.

Two Bemberg sons, one named Edward, are supposed to be presently studying at Harvard. The Bemberg's have a sister, a brother and a brother-in-law presently abroad - probably in France.

#### Undeveloped Leads

The above material represents the information gathered in carrying out the specific assignment of looking into Liebmann Breweries, Inc. Further information can undoubtedly be developed from the sources indicated below, but nothing further will be done in view of our present man power shortage, unless a specific direction is received:

Peter Wahrli of St. Barrington, Mass.

Alfred L. Rose, 11 Broadway, N. Y. C.

J. P. Morgan Company

Guaranty Trust Company

Brown Bros. Harriman & Company

National City Bank

"Fortune" December 1937

Bemberg Brothers, Cambridge, Mass.

Samuel G. Steiner

MELCHIOR A. SHARPE  
Special Attorney

cc: Mease, Isaacs, Levi  
Wohlfarth  
Momo book

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Authority NND812045  
By JW NARA Date 4-12RG 60  
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File 60-2-28  
Box 156STATE OF NEW YORK  
CITY OF NEW YORK } SS.  
COUNTY OF KINGS }

ALFRED LIEHMANN, being duly sworn, deposes and says:

That he is the Vice-President and Treasurer of the Liemann Breweries Inc., located at 34 Forrest Street, Borough of Brooklyn, City and State of New York.

That there is authorized, issued and outstanding by the Liemann Breweries Inc. 2,000 shares of Common Stock of the Corporation of no par value, said Common Stock being Voting Stock. The Common Stock of the corporation is deposited with Voting Trustees, as hereinafter set forth.

That there is authorized 7,000 shares of Ordinary or Non-Cumulative, Non-Voting Preferred Stock, each share having a par value of \$100.00 per share. Of this class of stock, there was issued and outstanding as of May 1, 1942, 6,056 shares.

That there is authorized 5,000 shares of Class "A" or Cumulative Non-Voting Preferred Stock, of which 3,000 shares are issued and outstanding, as of May 1, 1942, each share having a par value of \$100.00.

There follows herewith Stockholders of Record as of May 1, 1942. The shares listed in the column marked "Voting Trust" represent certificates of beneficial interest issued by the Voting Trustees against the Common Stock carried in the name of the Voting Trustees.

	Voting Trust	Class "A" Preferred	Or Non- Cumulative
Kathleen L. Bach	57 1/2	57	124 1/2
Bucher & Co.	54 1/2	114	122 1/2
Joseph H. Berg		20	
Central Union Trust Co. as Trustee under Ind. dated 1/22/34 made by David Liemann	102-4/18		

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	Voting Trust	Class "A" Preferred	6% Non- Cumulative
Central Hanover Bank & Trust Co., Trustee under Ind. dated 1/22/24 by David Liebmann		70	176-318/300
Central Hanover Bank & Trust Co., Trustee under Ind. dated 1/22/24 by David Liebmann		159	
Rhoda de Terra	4	50	27-9/100
Harriet L. Heimardinger		3 1/2	124 1/2
Amanda L. Hoff			27-9/100
Charles S. Hoff and William J. Hoff, Trustees	15		
Lucille W. Heming		18-27/36	
Henry L. Heming		18-27/36	
Fred. M. Heimardinger, Mark Heming, Henry L. Heming & George W. Kurzman, Trustees under Will of Sara L. Heimardinger, Dec'd.	57 1/2		124 1/2
Charles S. Hoff	7-16/36		27-9/100
Frederick M. Heimardinger		20	
Mark Heming		20	
William J. Hoff			27-9/100
Lucy H. Kurzman		20	
John E. Liebmann	18	30	42 1/2
William E. Liebmann	18	30	42 1/2
Thomas Liebmann	18	30	42 1/2
Walter E. Liebmann, Jr., G. O. Hidde & Walter J. Oppenheimer, Trustees	32-9/36	60	72 1/2
Julius Liebmann	49-33/36		176-74/100
Samuel Liebmann	12-22/36	12	62 1/2
Walter H. Liebman Jr.	25	48	
Walter H. Liebmann	48-22/36		45
Charles J. Liebmann	40-22/36	49	184-11/16
Viola S. Liebmann	7	7	
Selma A. Liebmann	102-6/36	75	214-318/300
Tony Liebman, Julius Liebman & Alfred Liebmann, as Trustees	42		
Julius Liebman, Tony Liebman & Alfred Liebmann, as Trustees	37 1/2		
Tony Liebman	18-27/36		13 1/2
Alfred Liebmann, Alma W. Liebmann & Juline Liebman, as Trustees	57 1/2		
Alma W. Liebmann, Alfred Liebmann & Juline Liebman, as Trustees	57 1/2	216	
Margaret H. Liebmann	18	30	21 1/2
Charles J. Liebmann, Jr.	17	50	
Alfred Liebmann, as Executor of Est. of Alma W. Liebmann, Dec'd.	22-8/36		58-27/100
Alfred Liebmann	50-15/36		199-188/300

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Voting Trust	Class "A" Preferred	6% Non- Cumulative
Julius Liebmann, James Liebmann & Tony L. Bakleton, as Trustees	216	136-74/100
Estate of Walter H. Liebmann	72	200-11/18
Alfred Liebmann, Dorothea L. Strauss & Philip Liebmann, Trustees		129
Julius Liebman & Tony Liebman as Joint Owners or the Survivor		38-11/12
Charles J. Liebmann, Sr.		91 1/2
Henry S. Oppenheimer & Co. C. Hiddrie as Trustees of Est. of		160-94/100
Ida L. Oppenheimer, Dec'd.	50	27-9/100
Patricia H. Polyzoides		
Sam S. Steiner	10	16
Dr. Leopold Stieglitz		140
Est. of Sadie L. Steiner, Dec'd.		110-94/100
Margaret H. Zimmerman	7 1/2	27-9/100
*Dominick & Dominick	387	1,532
*San Juan Anonima Commercial, etc., Buenos Aires	115	2,679
		339

Otto E. Bemberg, Alfred Pestalozzi, Alfred L. Rose and Peter Wohrlin,  
as Trustees under Voting Trust Agreement are the record holders of 1,000  
shares of Common Stock, 1,500 shares of Class "A" Preferred Stock, and 3,018  
shares of 6% Non-Cumulative Preferred Stock.

1,000 Additional shares of Common Stock are held by Alfred Liebmann,  
Thomas Liebmann and Elinor S. Gabel, as Voting Trustees.

Voting Trust items marked with an asterisk, represent certificates  
issued by the latter trustees.

As regards shares held by the Central Hanover Bank & Trust Co., as  
Successor Trustee for the Central Union Trust Co., under indenture dated  
January 24, 1924, made by David Liebmann according to an affidavit submitted  
by the said Central Hanover Bank & Trust Co., signed by Roger C. Faust, the  
beneficiary of said trust is David Liebmann.

As regards shares held by Walter H. Liebman, George C. Hiddrie and

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Walter J. Oppenheimer, as Trustee, are held by them subject to an indenture dated March 29, 1938, a copy of which indenture is on file with this corporation, and in my custody. The principal beneficiaries under the said trust are Mildred O. Knopf and Margaret O. Kiddrie.

The deponent further deposes and says that the foregoing information is true to the best of his knowledge and belief and was obtained from such sources as were available including Trustees, Executors and Administrators of the various trusts and estates.

LIEBMANN BREWERIES INC.

Sworn to before me this  
16th day of September, 1942

By:

Vice-President &amp; Treasurer.

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Box 156

*M. G.*

Fowler Hamilton, Esquire,  
Chief, Enemy Branch, CEWA,  
Board of Economic Warfare  
Washington, D.C.

*Mr. Adams*

Confidential Report  
December 19, 1942  
Re: La Banque de Paris et  
des Pays-Bas  
Submitted by: James B. Adams, Jr.  
Antitrust Division  
Department of Justice  
225 Broadway, New York.

IntroductionImportance of La Banque de Paris et Des Pays-Bas

La Banque de Paris et Des Pays-Bas (Paribas) because it has more far flung banking and commercial interests at stake in the path of present military operations than other French banking institutions, is of special import at the present time. The policy of this large commercial, governmental and investment Bank is collaborationist. Therefore, its widespread activities and broad European and North African influences make it an instrument of potential harm to the United Nations.

We have discussed the influence of Paribas on the economy of French Morocco in a previous report. We now turn to a brief outline of the type of business and the principal interests of the Bank, together with some notes on the management. There is included herewith a listing of the principal bank stocks held by Paribas, the interlocking directorates of its directors and, where possible, the influence of Paribas in such listed institutions.

Type of Institution

Paribas, it should be noted, holds an unique position among Parisian banks, and, indeed, among all French banks. It is unlike the large French deposit banks which have an enormous number of small deposits and maintain hundreds of branches, e.g., Credit Lyonnais, Societe Generale, etc. Instead of this type of banking business with the usual investment of funds in French government and other securities of a conservative nature, Paribas, through stock ownership and interlocking directorates maintains interests in banks and industries in French colonies, in Central Europe, Turkey, Canada, South America, as well as in France and the Low Countries.

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By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-9-28  
Box 156Chief Enemy Branch, OENR,  
Washington, D.C.

Submitted by: James B. Adams, Jr.

Paribas is a financial-business bank or banque d'affaires, giving loans to foreign governments, taking shares in industrial companies, and exercising joint control with other interests in foreign businesses. Lazard Freres, a private Parisian partnership bank, did a similar type of banking business to that of Paribas; in fact, the two firms were the most important in this type of banking in France. They were the most important, that is, until the Vichy racial decrees forced Lazard Freres to liquidate their banking business in Paris. This enforced liquidation of Lazard Freres left Paribas pre-eminent as a so-called financial business bank in France.

Paribas is a stock company and its shares are widely held. There is no single owner of a working majority of the stock. The management of the Bank has always been able to secure more than sufficient proxies to maintain its dominance and direction of the affairs of the Bank.

#### History

Paribas was organized in 1872 and throughout its history has been instrumental in handling large colonial financing. The Bank has worked with the French government in developing French colonies and protectorates, notably Morocco.

In 1928 Cie. Financiere d'Electricite was formed to hold the electric company securities of the Bank.

Cie. Generale des Colonies was organized by Paribas as a holding company for various securities and interests in the colonies, especially in Africa. Other commercial interests in which Paribas played a part were Librairie Hachette, an important publishing house, Radio France, the news service Agence Havas, and the reorganization of Ste. Andre Citroen with Lazard Freres and Michelin Rubber Co.

Paribas is represented through its directors and through stockholdings in a variety of industries: railroads, metallurgical firms, shipbuilding firms, chemical factories, foreign banks, insurance companies, and other industries.

The head office of the Bank was maintained in Paris until the fall of France in 1940, when it was removed to Marseilles. Foreign branches are at Amsterdam, Brussels and Geneva.

On September 15, 1942 the branch office in Geneva was placed on the British Black List. On October 10, 1942 the Geneva branch was placed on the proclaimed list of blocked nationals in the United States.

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To: Fowler Hamilton, Esq.  
Chief Enemy Branch, OENR,  
Washington, D. C.

Supplemental Conf. Report  
December 19, 1942.  
Submitted by: James B. Adams, Jr.

Management of Paribas

We have already discussed M. Laurent-Atthalin, who is the president of the Bank and the son-in-law of Barthelmy, Minister of Justice for Laval.<sup>2</sup> Atthalin, we learn, is the dominant and controlling personality in the whole bank and demands centralized control over all branches, subsidiaries and representatives. Even in Morocco, where Paribas, through Banque d'Etat du Maroc has been a dominant financial factor, M. Atthalin has set policies that were followed, and Atthalin has been described, among all the officers and directors of the Bank as "quite the collaborateur".

One informant<sup>3</sup> stated that Maurice Boyer, New York representative of Paribas, was "under the direction of Paris (home office of Paribas). It was not the custom of Paris to allow anyone to act on his own and he probably is no different than anyone else".

Political Sympathies of Paribas  
in Germany-Dominated France

Paribas has steered a course since the fall of France which has been variously described as Fascist, collaborationist, pro-Nazi and pro-Vichy. A former manager<sup>4</sup> of Paribas describes his directors in the following words:

"All of them seemed to be anti-fascist, pro-British and pro-American before the Germans occupied France, but after the French armistice the sympathies of several of them apparently changed. They probably made the following reasoning: 'Paris has been taken by the Germans just like Amsterdam and Brussels; our business is in Paris, Amsterdam and Brussels; if we go against the Germans we are done for; let us throw everything in with the Germans.'

Should things go well with the United Nations, these same men will probably try to act the same as Darlan has.

With people like this board of directors, their feeling was probably that it is better to have the Germans restore order and to collaborate with them than to be the prey of a communist revolution."

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Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-2-28  
Box 156To: Fowler Hamilton, Esq.  
Chief Enemy Branch, OEWAA,  
Washington, D. C.Supplemental Conf. Report  
December 19, 1942  
Submitted by: James B. Adams, Jr.Banks in Which Paribas Holds a Stock Interest

As of June 20, 1939, Paribas held important stock interests in a number of banks, mostly colonial and foreign. In the following banks, Paribas had an important influence in the management. In some cases this influence amounted to control of a majority of stock. Wherever possible, the amount of stock ownership is given.

Name	Capital (in Millions)	Surplus	Control
Banque Cotonniere	F.F. 6.3	2.6	50%
Banque des Produits Alimentaires et Colon	F.F. 2.5	.06	55%
Banque Sud-Belge	B.F. 9.9	2.3	Controlled by subj. with Banque de Commerce, Antwerp, Credit Du Nord, Lille and Credit du Nord Belge, Brussels.
Banque Franco-Chinoise pour le Commerce et l'Industrie	F.F. 50	45	Subj. tog. with Banque de l'Indo-Chine & Lazard Freres
Banque Francaise et Italienne pour l'Amérique du Sud	F.F. 100	111.8	Subj. owns abt. 30% B.C.I. 55%
Banque Franco-Serbe	F.F. 20	1.9	
Banque Franco-Polonaise	F.F. 25	16.3	
Banque Ottoman	L 5	1.3	
Banque des Pays de l'Europe Centrale	F.F. 100	18.6	
Banque Franco-Bulgare	Leva 51	4.2	
Commercial & Industrial Bk., Prague (formerly "Laenderbank")	Kr. 120	113	
Banque de Madagascar	F.F. 10	1.2	
Banque d'Etat du Maroc	F.F. 46	37	

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Washington, D. C.

Supplemental Conf. Report  
December 19, 1942  
Submitted: James B. Adams, Jr.

In the following banks, Paribas held a stock interest but had no important voice in the management thereof.

Name

Banque Francaise d'Acceptation  
Caisse de Transport  
Banco Nacional de Mexico  
Banque Nationale Francaise du Commerce Exterieur  
Banque de l'Indo-Chine  
Caisse Centrale de Reescompte

Capital      Surplus

(In Millions)

F.F.	25	.2
EP.	10	?
Mex.	\$16	.6
F.F.	25	26
F.F.	120	133
	?	?

Miscellaneous Investments

Banco Espanol de Credito  
Zivnostenska Banka  
Credit Anversois  
Rotterdamsche Kb.  
Banca Commerciale Italiana  
Banque de Credit Roumain

Ptas.	51.4	65.8
Kr.	240	352
B.P.	60	14
Fl.	45	16.5
Lire	700	148
Lei	400	190

Directorates Held by Officers and Directors of Paribas

The position of director in a French bank or industrial concern often carries with it a sizeable fee. A nominal sum, such as obtains in the United States, is not the rule for French directors. A typical arrangement was that ten per cent of the net profit after charges on capital was allocated to the board of directors. It was highly profitable for the French business man to obtain as many directorates as possible and hold them until death. To correct abuses of this system the Vichy government recently decreed that no one over 70 might serve as director; that only ten directorates be allowed one person; that an individual may be head of no more than three enterprises.

With this in mind a better appraisal is possible of the following list of directorates held by officers and directors of Paribas. For example, no significance need be attached to the representation of Paribas by one director in the huge bank Credit Lyonnais; nor by the two representatives in the great joint enterprise, Credit National pour Faciliter la Reparation des Dommages Causes par la Guerre. However, the four directors in Banque d'Etat du Maroc is highly significant.

In the list which follows the number preceding the name of the institution or Company indicates the number of Paribas directors when more than one.

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Washington, D. C.

Supplemental Conf. Report  
December 19, 1942.  
Submitted by: James B. Adams, Jr.

Directorates - Banks

- 4 Banque d'Etat du Maroc
- 2 Banque de L'Indo Chine
- Credit Foucier Egyptien
- 3 Banque de Madagascar
- Credit Foucier France-Canadien
- Union Syndicale des Banquiers de Paris et de la Province
- 2 Credit National pour faciliter la reparation des dommages causes par la guerre
- 3 Banque Nationale Francaise du Commerce Exterieur
- Credit Lyonnais
- Banque Franco-Chinoise pour le Commerce et l'Industrie
- 3 Banque Francaise et Italienne pour l' Amerique du Sud
- Banque Ottomane
- 3 Banque des Pays de l'Europe Centrale
- Credit Foucier de France
- 2 Banque Franco-Bulgare
- 2 Banque Commerciale du Maroc

Directorates - Industries

- Cie Generale du Maroc
- 2 Ste. Norvegienne de l'Azote et de Forces Hydro-Electriques
- 2 Librairie Hochette
- 3 Cie Generale des Colonies
- 3 Cie des Chemins de Fer de Paris à Lyon et à la Mediterannee
- Cie des Chemins de Fer du Maroc
- Cie Radio France
- Cie Generale d' Electricite
- Cie d' Assurances "La France"
- 2 Cie Generale de Chemins de Fer dans la Province de Buenos Aires Standard, Francaise des Petroles
- Cie du Chemin de Fer de Paris à Orleans
- Ste. Generale des Chemins de Fer Economiques
- Cies d' Assurances "La Nationale"
- Cie Universelle du Canal Maritime de Suez
- Ste. des Raffineries et Sucreries Say.
- Cie des Produits Chimiques et Electro-Metallurgiques, Aleas, Froges, et Camargue.
- Ste. Internationale de Regie co-Interessees des Tabacs au Maroc
- Cable Telegraphiques
- Ste. Industrielle des Telephones
- 2 Grand Moulins du Maghreb
- 2 Chaux Ciments et Materiaux de Construction au Maroc
- 2 Ste. Marocaine de Distribution d' Eau de Gaz, et d'Electricite

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By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-Q-28  
Box 156

To: Fowle Hamilton, Esq.  
Chief Enemy Branch, ONSA,  
Washington, D. C.

Supplemental Conf. Report  
December 19, 1942.  
Submitted by: James B. Adams, Jr.

Directorates - Industries (Con't)

- 2 Brasseries du Maroc
- 3 Energie Electrique du Maroc
- 2 Ste. les Exploitations Electrique
- Le Preservatrice
- "La France" Incendie
- "La France" - Risques de toutes nature
- 2 Cie Francaise des Petroleos
- Ste. Anonyme "Automobiles Industrielles Latel"
- Chemin de Fer de Smyrne, Casablanca et Prolongement
- 2 Chemin de Fer de la Province de Santa Fe
- Mines de Potasse de Bolodelsheim
- Automobiles Delaunay-Belleville
- Mines Balie Karaidin
- Ste. des Mines de Murville
- Ste. Financiere et Industrielle de Chemins de Fer
- Omnium Lyonnais
- Forges et Oieries du Nord et de Lorraine
- Union d'Electricite
- Cie Lorraine d'Electricite
- Cie Generale d'Enterprises Electriques
- Cie Parisienne de l'Air Comprime
- ( Steama Romana
- ( Columbia Humanian Oil Cos.
- ( Omnium Francais des Petroles
- Tramways et Autobus de Casablanca
- Ste. Financiere de Transports et d'Enterprise Industrielles
- Cie Generale de Telegraphica Sans Fil
- Ste. Anonyme Andre Citroen

It is important to note that Paribas has interests in banks in the following enemy and enemy-occupied countries:

Belgium  
French Indo-China  
Yugoslavia  
Poland  
(Pays de l'Europe Centrale)  
Bulgaria  
Czechoslovakia  
Holland  
Italy  
Romania

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Authority NND812085  
 By JW NARA Date 4-62

RG 60  
 Entry 285B  
 File 60-9-28  
 Box 156

To: Fowler Hamilton, Esq.  
 Chief Enemy Branch, CEWA,  
 Washington, D. C.

Supplemental Conf. Report  
 December 19, 1942  
 Submitted by: James B. Adams, Jr.

Paribas also has an important interest in Banque Ottomane in Turkey and Banque de Syrie in Syria. Control of Banque Ottomane, however, is in London. Paribas, likewise, has a small stock interest in Banco Espanol de Credito in Spain.

NOTES:

1. See confidential report dated November 21, 1942, and entitled "Report on Banque de Paris and Des Pays-Bas and Its Relation to North Africa". A forthcoming overall report on French North Africa by Alexander Sacks will also touch on the Bank's influence in that region.
2. Atthalin secures information for his father-in-law, Barthelmy, regarding the United States, through Maurice Boyer.
3. M. Raphael Salem was born in Salonica, Greece, in 1898, came to France in 1915 and resided there continuously until 1939. From December 1939 until the French Armistice, he was personal assistant to the Chairman of the Anglo-French Coordinating Committee of the War Cabinet in London. He became a naturalized French citizen in 1928 but was de-nationalized by Vichy decree in 1942, presumably because of his Jewish origin. He emigrated to Canada and thence to this country, following the French Armistice.

He has been described by a banker who formerly competed with Paribas as follows:

"Salem had one of the finest minds in the Banque de Paris et des Pays Bas. He is the son of the lawyer for the bank in Constantine. He is a mathematician by training, with a decided genius for mathematics. He is now teaching pure mathematics at Harvard and Massachusetts Institute of Technology, in Cambridge.

He is a conformist, personally endowed with an analytical mind which neutralizes any strong convictions which he may have. He will be accurate, but will give a colorless report about things he knows better than anybody else. However, he is honest, decent and probably suffering a lot because of the way he has been treated by the Banque de Paris et des Pays Bas, in which he believes earnestly, of all things! He was evicted from the Banque because he is Jewish. Laurent-Atthalin is directly responsible for this.

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By JRW NARA Date 4-62RG 60  
Entry 285.B  
File 60-0-28  
Box 156To: Fowler Hamilton, Esq.  
Chief Enemy Branch, ODEA,  
Washington, D. C.Supplemental Conf. Report  
December 19, 1942  
Submitted by: James B. Adams, Jr.

Salem was in charge of the Banque because of his knowledge of the Irak region. He had been made a director of the Compagnie Francaise des Petroles. He was a Leftist of moderate allegiance, probably a member of the Daladier party.

He is certainly a decent and loyal and honest man. I like Salem and I would trust him. He is not of the fighting kind. However, he would be reluctant about disclosing information about former associates that would be harmful in the belief that he may some day return to the Banque."

SOURCES:Interviews with:

Charles Brugger, Vice-President of Irving Trust Co., at 1 Wall Street, New York City, on November 21, 1942, and on November 24, 1942.

Horton Kennedy, Assistant Vice-President of Bankers Trust Co., at 16 Wall Street, New York City, on November 21, 1942.

J. C. Stewart, formerly Marketing Assistant for Socony Vacuum Oil Co., in Casablanca, at 26 Broadway, New York City, on November 18, 1942.

Andre Meyer, formerly partner of Lazard Freres et Cie in Paris, at Hotel Carlyle, New York City, on December 3, 1942.

REFERENCES:

Annuaire Chaix, 1940  
Didot Boltin

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Authority NND812045  
By JAS NARA Date 4-12RG 60  
Entry 285B  
File 60-0-28  
Box 156in progress  
**CASE**8th Floor - 225 Broadway  
New York, New York

60-0-28-111

RECOR...  
WAS/ph  
February 3, 1943

Edward H. Levi, Esquire  
 Special Assistant to the Attorney General  
 Antitrust Division  
 Department of Justice  
 Washington, D. C.

Dear Edward:

6 1943 FEB  
 Your letter of 1/30/43 to Bob was given me for reply. I inadvertently forgot to pick up the Washington copy of the phosphate report during my trip last week, so it is either in your office, or was replevined by one of the various agencies which is interested in the subject. More copies of the report will be ready when I have completed my intended revisions. I have a photostatic copy of the report and do not, of course, wish to part with it.

H. G. A further problem re North African banking: the key figure in the United States representing the North African Minister of Economic Affairs, M. Poge, is M. Rudolph d'Adler, now on an official mission to Washington, with offices in the Pentagon Building (\*phone ext. 77076). On Friday, I expect to have a list of very pertinent questions which might be asked of d'Adler. I know that there is some ritual, or protocol, which must precede our interviewing anyone on an official mission, and I would like to have this arranged.

D'Adler is the answer to the question of Axis influence and control in French North-African banking according to information here. Will you be good enough to let me know if an appointment can be arranged for some time during the week of February 8, 1943. Further details appear in the accompanying memorandum.

Very truly yours,

SAMUEL S. ISSEKS,  
 Special Assistant to the Attorney General

By

ALEXANDER SACKS,  
 Special Attorney

Enc.

cc - Messrs. Isseks and Wohlforth.

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Authority NN0812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-9-28  
Box 1568th Floor - 225 Broadway  
New York, New YorkMr. Lester  
**CASE**

AS/ph

60-9-28-111

February 3, 1943

RECORD

MEMORANDUM FOR EDWARD H. LEVI

Re: The Banque Nationale Pour le Commerce et l'Industrie

FEB 6 1943

H. G. The Banque Nationale Pour le Commerce et l'Industrie, with over 800 branches, agencies, etc., throughout France and French North Africa, deserves attention because of its size and its growing importance to Vichy and the Axis. It came into existence in 1932, and succeeded to the business of the Banque National de Credit which was liquidated after Laval appropriated 2 1/2 billion francs of public funds to pay its depositors.

It has absorbed 19 other banks from the date of its origin to May 1941. Most of these absorptions occurred in 1940 and 1941. It has, since the Armistice, tripled its capital and has greatly expanded its operations in North Africa.

These facts alone would warrant an investigation of Axis influence. There are a multiplicity of circumstances surrounding the bank and its personalities which demand clarification.

M. Alfred Poze, its managing director in Paris has been given charge of economic affairs in North Africa. Poze has confided to friends that he is a secret DeGaulist agent in Paris and North Africa. DeGaulist opinion in New York has been highly suspicious of Poze, and has recently become denunciatory since the arrival of M. Rudolph D'Adler in Washington as head of the North African mission. D'Adler, whose real name we do not know, is an Austrian who is part of the administrative set up of the Worms and Spitzer banks, both of which are openly under German control. D'Adler's sponsor is M. Lemaigre-Buhreil, who recently departed from the United States. Lemaigre-Buhreil was a member of the Cagoulards, organized the Green Shirts (peasant Fascists), and handed out millions of francs with a lavish hand to any (except Leftist) publications which cared to accept the money.

D'Adler, although here on a diplomatic visa, has engaged in private business on behalf of the BNCI, and has given code books to three American banks (Chase, Guaranty, and Irving Trust, all

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in New York City) for the purpose of effecting the transfer of money now in North Africa to individuals in the United States. To preserve appearances, he has been using the former head of the legal department of the BNCI, a refugee now in New York City, whom he totes at these conferences.

D'Adler is the missing part of the BNCI banking puzzle in North Africa. We expect to have a list of very specific questions ready Friday evening (2/5/45) based upon information which will make it very difficult for d'Adler to deny knowledge or refuse to answer.

The answers should disclose:

1. The exact extent of German banking control in North Africa.
2. The identity of the collaborators in the banking field.
3. The participation of American banks in a conspiracy to conceal and safeguard German interests and holdings in North Africa, and possibly France.
4. The role which d'Adler, Poze and Lamagre-Dubreil are playing in the United States-North Africa/triangle.

---

ALEXANDER SACKS,  
Special Attorney.

cc - Messrs. Isaacs and Wehlforth.

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Authority NN0812045By JW NARA Date 4-12RG 60Entry 285BFile 60-Q-28Box 156*Mr. J. S. Seale**J. S.*325 Broadway  
New York, New York

60-Q-28

January 30, 1943

## MEMORANDUM FOR THE FILES

*FEB 6 1943*  
*H. C.*

Re: Conference at Securities & Exchange Commission offices, New York City on January 29, 1943.

## Presents:

Representing the Antitrust Division -  
Robert Kohlforth, Alexander Banks  
and Leonard Dorn.

Representing the Securities & Exchange  
Commission - Irving Salper, Henry E.  
Mills, Roland Pierotti and Eugene Kline.

## Subject: French and French North African Banking

We discussed the subject as defined by the letters of Max Kays, of the Board of Economic Warfare, dated January 11, 1943, and of Paul Appleby, formerly of the Department of State, dated January 4, 1943. It was agreed that the general purpose of the letters could best be served by avoiding as much as possible any general study of French and Colonial banking, because of the huge amount of preliminary research involved and because of the obvious need of immediate reporting on Axis or collaborationist French holding interest in the banking system.

In order to avoid a routine study of the banking system bank by bank, it was agreed that a study of individual North African banks be undertaken and a preliminary report for each bank be composed with essential factual material as the scope of the Weyg and Appleby letters required. A division of work was agreed upon. S.E.W. undertaking the investigation and reporting on the Banque Commerciale du Maroc and the Antitrust Division doing likewise with the Banque Nationale pour le Commerce et l'Industrie. In order to avoid a possible duplication of research which may have already been done by the Office of Foreign Funds Control (Treasury Department), both S.E.W. and the Antitrust

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J. S.

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By JW NARA Date 4-12

RG 60  
Entry 285B  
File 60-0-28  
Box 156

Division are to make contact with Messrs. Lesser and Bernstein of Foreign Funds Control to acquire a current picture of the banks mentioned.

Periodic consultations will be arranged between the Anti-trust Division and the S.E.C. to expedite the issuance of reports and to devise future assignments for the investigation of other North African banks. Mr. Pierotti of S.E.C. is to be kept informed of our contacts with the Office of Foreign Funds Control.

ALEXANDER SACKS

CC: MMEBFS, Lewin and Levi

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file

225 Broadway, New York, N. Y.

60-0-28 - 111

RECORDS

February 13, 1943

Edward H. Levi, Esquire  
 Special Assistant to the Attorney General  
 Antitrust Division  
 Washington, D. C.

Dear Ed:

FEB 19 1943

The assistant vice president of the Banque Nationale Pour le Commerce et l'Industrie, R. Haemmerli, applied for a visa in 1942 to Mr. W. M. Altoffer, American Consul General, Bahnhofstrasse 3, Zurich, Switzerland.

As you know, we are investigating the B.N.C.I. and are especially interested in its efforts to branch out in the United States. Haemmerli, in a letter to our Zurich consul dated June 2, 1942, a copy of which is attached, refers to the "rather important interests of this bank in the United States" and "the various pending matters needing personal contacts with our Wall Street correspondents".

His purpose in coming to the United States, as stated in his letter, is "the opening of a representative's office in New York" and to take care of the interests referred to above.

He previously received a visa in Paris on December 26, 1940, from the United States Embassy in that city but was unable by reason of illness to use it. Haemmerli is known to the management of various large Swiss banks. We should like to know and have made available:

1. All information Department of State records reveal re R. Haemmerli, his connections, his personal and political background.
2. What purpose R. Haemmerli claims to have in trying to come to the United States.
3. What interests and financial connections the B.N.C.I. have in the United States.

Very truly yours,

SAMUEL S. ISSEKS  
 Special Assistant to the Attorney General

By

ALEXANDER SACKS  
 Special Attorney

225016

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Authority NND812085  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-0-28  
Box 156

Mr. Isaacs

8th Floor - 225 Broadway  
New York, New York

60-0-28-111

RECORDED

AB/ph

CASE

April 7, 1943

MEMORANDUM FOR EDWARD H. LEVI

R 12 1943

H G In the course of our investigation of the Banque Nationale Pour Le Commerce et L'Industrie (BNCI), we had occasion to talk with Mr. H. Eugene Dickhuth, financial writer for the New York Herald Tribune. He suggested that I get in touch with a gentleman by the name of Mr. Robert Brunner, who lives at the Waldorf Astoria in New York.

Mr. Brunner is supposed to be extremely well informed on current developments in French banking. What interested me very much in Mr. Dickhuth's remarks which, incidentally, he asked me to treat as extremely confidential, was the statement that Brunner is the financial and personal advisor of Otto of Hapsburg, the Empress Zita, et al. He is a Belgian, who is supposed to have excellent international connections and is probably the brain behind the Otto movement. He is also supposed to be the chief financial adviser of another important group in Europe.

I should like to see an F.S.I. clearance on this fellow before seeing him.

ALEXANDER SACKS,  
Special Attorney

cc - Messrs. Isaacs  
Wohlforth

60-0-

DEPARTMENT OF JUSTICE
APR 10 1943 A.M.
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Authority NND812045  
By JW NARA Date 4-12

RG 60  
Entry 285B  
File 60-0-28  
Box 156

Eighth Floor, 225 Broadway  
New York, New York

*Chas S.*

60-0-28 - 111

*RECORDED*

AS:hba

April 7, 1943

Edward H. Levi, Esquire  
Special Assistant to the Attorney General  
Antitrust Division  
Department of Justice  
Washington, D. C.

Dear Ed:

Thanks for your letter of April 1, 1943 and the news of d'Adler's return to the United States.

There are a number of questions that have arisen since my talk with him which I am sure he could answer. Some of them go to the heart of the BMGI-Axis tangle. I am sure d'Adler will be glad to come to New York to see me (he always has plenty of business to handle here anyway) and it would save me a trip to Washington if he could be told of my desire to talk to him. Could you have Ward or Jim arrange this?

R 12 1943  
One word more. Inasmuch as "the O.S.S. deal with d'Adler was only a foreign currency exchange matter which has now been terminated and did not involve anything more than that", would it be proper to ask d'Adler for details?

Sincerely yours,

SAMUEL S. ISSEKS  
Special Assistant to the Attorney General

By:

ALEXANDER SACKS  
Special Attorney

cc: Mr. Isseks

225018

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Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-0-28  
Box 1566th Floor - 225 Broadway  
New York, New YorkMr. Justice  
**CASE**

NY/PA

March 31, 1943

RECORD

Edward H. Levi, Esquire  
 Special Assistant to the Attorney General  
 Antitrust Division  
 Department of Justice  
 Washington, D. C.

Attention: James S. Martin, Esquire

19 Dear Jim:

APR 3  
 Dr. Pollack states that Pauline Reinsch prepared for the Federal Reserve Board a report entitled "Penetration of German Commercial Banks in Occupied Europe". It was issued, with a supplement on February of 1943, to the Board of Governors of the Federal Reserve Bank. He wishes to have a copy of this document and I wonder if you can do anything about getting it for him down in Washington.

With respect to your note of March 26 about Dorn supplementing his huge report on Siemens, the Board people must be referring to Dorn's report entitled "Capacity of German Industry to Build Turbines, Generators and Transformers."

With respect to your note of March 29 about Cadcock and his report on machinery for manufacturing wood products in Germany, this project has been abandoned because of more pressing work on the Japanese study for the SEW.

Sincerely,

SAMUEL S. ISSIEH,  
 Special Assistant to the Attorney General

By \_\_\_\_\_

ROBERT WOLFGARTH,  
 Expert

cc - Messrs. Isaacs  
Levi

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Entry 285B  
File 60-0-28  
Box 156*M. Issek*6th Floor - 285 Broadway  
New York, New York

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60-0-28

APRIL 15, 1943

MEMORANDUM

The following is a proposed working outline for the report on the

BANQUE NATIONALE POUR LE COMMERCE ET L'INDUSTRIE —  
"Lebel's Bank"

An Analysis of Axis Financial Pipe Lines  
In North Africa and the United States.

APR 21 1943

H. G.

A. History and organization of the Banque Nationale pour le Commerce et l'Industrie and its predecessor bank — dated up to 1940.

- I History of the Banque Nationale de Crédit, its organization and activities up to its failure in 1932.
- II Activities by Government to save the Banque Nationale de Crédit and establishment on the Banque Nationale pour le Commerce et l'Industrie.
- III Organization and activities of the Banque Nationale pour le Commerce et l'Industrie.
- IV Expansion of the Banque Nationale pour le Commerce et l'Industrie from 1932 to May 1940.

B. Personalities, and the parts they played in the development, expansion and political activities of the Banque Nationale pour le Commerce et l'Industrie, 1932 - 1940.

- V Albert Buisson
- VI Erik Haguennin
- VII Jules Guiraud
- VIII Alfred Poos

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Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-2-28  
Box 156C. The infiltration of the Nazis into French financial institutions  
after the fall of France, May 1940 - November 1942.

- IX Nazi build-up and use of funds in the Reichsbankkasse by means of occupation costs and assessments.
- X Nazi decrees relating to the control of French, British and United States banks.
- XI Favored banks under the German occupation.
- A. Banque Nationale pour le Commerce et l'Industrie
  - B. Chase Bank and Morgan et Cie.

D. The Banque Nationale pour le Commerce et l'Industrie's activities after the German occupation.

- XII Establishment of the BNCI (Algiers).
- XIII Spitzer & Company and the BNCI.
- XIV The North African Standard Oil interests and the BNCI.
- XV Nord Afrique and the BNCI.

E. Banque Nationale pour le Commerce et l'Industrie, and its attempts to penetrate the United States.

- XVI Expansionist activities, 1940-1941, and United States attempts.
- XVII Richard J. Rosenthal
- XVIII Harry Lest
- XIX Rudolph d'Ailey
- XX Jacques Lemaigne-Dureuil
- XLI Michel Pobere

ALEXANDER SACHS,  
Special Attorneycc - Leopold Loebke  
Levi  
Wohlforth

225021

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-0-28  
Box 156CHASEEighth Floor, 425 Broadway  
New York 7, New York

AS:JRW

60-0-28-1111/10  
PACIFIC

June 8, 1943

JUN 12 1943  
GMCJames S. Martin, Esquire  
Chief, Economic Warfare Section  
War Division  
Department of Justice  
Washington, D. C.

Attention, Edward H. Levi, Esquire

Dear Ed:

We received a phone call from Jim Sharp of the Foreign Agents Registration Section yesterday morning and were told that Joe Bremer of his office would call to look at the Voici correspondence which is still at our office. Bremer arrived and asked that we give him photocopies of the letters. We explained that a matter of policy might appear to be involved in the transfer from one section to another of material which might be used in a criminal prosecution. He explained that we would turn the photocopies over to you and that you or Mr. Cox would decide. We were told that prosecution is definitely contemplated though nothing was said about a grand jury investigation or an information.

In the course of our talk on Voici, we mentioned Philippe J. Montegut, still an officer of the French Book Selection Club, Inc. which is an affiliate of Voici and in which Societe Nouvelle Sagana of Paris still owns a 50% interest. Montegut was involved in a skirmish with the United States Treasury authorities, in 1928, was officially connected with the Vichy Embassy, and worked at the U.S.I. for one year. Montegut is now at Fort Benning, Georgia, being trained for special work in North Africa or France. Perhaps this should have been mentioned in the Voici report, but it did not seem to be directly in point at the time.

Bremer informed me that a number of the Vichy-French who were interned at Hershey, Pa. were released at the request of the State Department so that they might get their training at Fort Benning for future activity in France. Bremer said he would forward the list. Needless to add, this news distresses me more than I can say, and I am simply hoping that this is untrue.

225022

DECLASSIFIED

Authority NND8120X5  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-0-28  
Box 156

A sense of realism forces me to regard this as a possibility, however, and I want, in addition to my Quisbranco story and the large volume of material on French banking, to keep abreast of the Vichy-French and their activities. Mr. Cox, during my conference with him, said that we might get FBI files for this purpose from the Foreign Agents Registration Section who get them directly.

The following individuals with important banking connections in France and now in the United States would be worth starting with:

Joshua G. B. Campbell  
(Guaranty Trust Company of Paris)

Theodore Rousseau  
(Guaranty Trust Company of Paris)

Jean Soliva  
(Banque de l'Indochine)

Jean de Sleye  
(French-American Banking Corporation)

Boris Souvarine  
(Workers & Company)

Mme. "Minou" de Montgomery  
(now with the French Military Mission)

Henry-Jean Duteil  
(Editor financially backed by Claudio St. Phalle, stockbroker)

I shall send the photostated material from my Voici files to you within the next day or two. I should like to hear further about the records of the individuals mentioned above.

Sincerely yours,

SAMUEL S. ISAKS  
Special Assistant to the Attorney General

By \_\_\_\_\_  
ALEXANDER SACKS  
Special Attorney

cc. Messrs. Isaacs  
Levi

225023

DECLASSIFIED

Authority NN0812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-9-28  
Box 15616th Floor - 20 Broad Street  
New York 4, New York

NY/PA

July 31, 1945

60-9-28-111

Edward E. Lowry, Esquire  
First Assistant  
War Division  
Department of Justice  
Washington, D. C.

Dear Ed:

I have had further conferences with our friends in the banks and I have advised them at length of the objective of our project and the general uses to which it will be put. I have also advised them that the material we want is much more detailed and broader in scope than anything we used for example, in State's bank report. We want the type of material from the banks that will permit us to begin writing reports where Foreign Funds Control, the S.E.C., the Treasury Department and the Federal Reserve are. I have told them we want everything from the private diaries of their foreign representatives down through to the usually secret vice-presidents' files that each bank maintains, including complete access to all records as per the attached list. These vice-presidents' or presidents' files contain confidential reports by foreign representatives on the industrial, political, financial and economic situation in the foreign representative's particular territory, and are some of the really significant items we want.

Our friends see the value of the project and would like to help. They state that we should be able to get the cooperation of all the other large banks as well, provided certain conditions are met. We have talked the matter over quite frankly and I have asked them to lay down their back hair and they are disposed to do so but they are concerned that they do not get their bank hair caught in the machinery.

They feel that they do not want to let out this type of confidential financial information and banking intelligence unless they can be assured, preferably in writing, where in report form it is going (to whom Government agency), and what individuals in the Government agencies are going to see it. They are not satisfied with the statement I can give them with respect to the interest of our War Division, the Army and the State Department in the project.

CONFIDENTIAL

225024

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-9-28  
Box 156

Further, they are concerned that the information they supply for our reports may receive unwanted dissemination within Government agencies, and it may not reach the individuals in the Government agencies who ought to have it. They want to know precisely who in the Government is going to receive our reports.

Furthermore, they are concerned about the information getting into the hands of particular agencies because of leakage and adverse publicity. They are concerned with the fact that the information may be supplied by Governmental agencies to members of the Legislative Branch of the Government and that it be revealed in public hearings on the Hill. In short, they are willing to come along 100% with us, but they are not going to take any chances of having their intimate papers and secrets kicked around publicly or have them get in the hands of individuals or of agencies that would result in embarrassment or publicity.

I have attempted to meet all their objections but, of course, I cannot answer all their queries.

I have discussed with them the matter of masking the information in the reports that we send out of this office. They agree that this is a good idea, but they do not think it is enough. They made an additional suggestion that the information (i.e., our reports) be submitted to a designated individual in the Department of Justice and that this individual be responsible for transmitting various parts of the information to the interested agencies upon their request and when, in the opinion of the Department, the request is justified and that the information will be helpful to the war effort. This suggestion, as with their first request that they be precisely informed of the particular individuals who will receive the information, indicates to me that they want a person or a number of persons designated to whom they can look and upon whom they can place the responsibility for the safeguarding of the data. Will you and Hugh consider these two plans and let me have your reaction?

We can go ahead as we are now and do reports roughly of the same content and nature as the report on Levitt's Bank. But, we cannot get really significant information -- information which no agency of the Government possesses, and which has been collected by the foreign branches of the big American banks -- unless we give them further assurances than I am implemented to give at present. This is important. If you want us to do a complete job and get this information, we have got to organize a modus operandi that will satisfy our friends. We have to have more active cooperation from the Army and more cooperation from the State Department. By cooperation I mean some evidence of their interest in the information and some indication of how it is going to be utilized and handled.

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-0-28  
Box 156

If this cannot be done, then I think we had better forget about asking for 100% cooperation from the banks and go on as we have before - contacting the various foreign representatives and vice-presidents in the banks and have them give us what they think it is proper to give us without going upstairs to the banking hierarchy. We are making quite some progress in this respect at present. We are already in the files of the French-American Banking Corporation. We would of course contact our other sources as set forth in the Lavel banking report.

I do not think we should become a party to a request which is likely to result in embarrassment. I certainly do not want to compromise my New York contacts and my long associations over a period of years with the banking fraternity at this time. With the requested assurances, as above indicated, we can give you reports that will be really significant and of much greater worth than anything we have done before, I hope. In any event, give this your best thought and let me know promptly.

I will be away the next week or so, but I will be in and out of the office and in constant touch with the office. I think everything will go along satisfactorily while I am away.

Sincerely yours,

SAMUEL S. ISSING,  
Special Assistant to the Attorney General

By

ROBERT WOLFSKIN,  
Expert

Enclosure  
cc - Morris Isaacs  
Martin Sacks

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-Q-28  
Box 156**Record Room Correspondence Files****Credit Files****Correspondence Files****Investigation Files****Personal Report Files****Personnel Files****Central Files****Record Books****Cable Files****Telegram Files****Confidential Files****Private Files****Officers' Files****and all other papers relating to the following banks:****Comptoir National d'Echange****Banque de l'Algérie****Banque de l'Indochine****Banque de la Martinique****Banque de la Madagascar****Banque de la Guadeloupe****Banque de la Guyane****Banque de la Réunion****Banque de Nouvelle Caledonie****Banque de l'Afrique Occidentale****Banque Industrielle de l'Afrique du Nord****Cie. Algérienne.**

With respect to the personnel of the bank formerly engaged in duties for the bank in Europe, we wish to see all documents containing records of events, copies of laws, records of conversations held with German or French officials in the occupied or unoccupied regions of France or in Germany; records of all negotiations with French or German banking, industrial or military authorities; records of all conferences held with these French or German officials as well as with employees or officers of other banks, whether American, British, French, or German; also any daily records kept by such employees or officers which in any way relate to the situation of the American or French banks in France, or of the functioning of the banking business in France; especially data on the industries in which such banks have investments, as well as holding companies; also all papers and documents which in any way refer to any of the activities of American officers or employees of banks in France, whether in the occupied or formerly unoccupied zones.

225027

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File 60-0-28  
Box 156DEPARTMENT OF JUSTICE  
DIVISION OF RECORDS

ENCLOSURE FILES

**MATERIAL MUST NOT BE  
MOVED FROM NOR ADDED  
TO THIS FILE**

ORDER OF THE ATTORNEY GENERAL

825028

DECLASSIFIED

Authority NND812045By JW NARA Date 4-12

RG 60  
 Entry 285B  
 File 60-0-28  
 Box 156

MR. ESSEKS

Room 233, United States Court House  
 Foley Square, New York, New York RWS:pg

60-0-28

October 14, 1942.

## MEMORANDUM FOR MR. HITCHIN

1. I have advised you previously of the ephemeral plan of Henry Mann, former Chairman of the Board of the German National Cash Register Co., W. B. Banta, former vice president of National City Bank, W.E. Jacoby of Synthetic Nitrogen Products to shark up a superchemical firm in this country from the remnants of German firms and to attempt again a strong postwar position in the chemical field. They are advertising Dr. Max Mayer of Auscig as their technical man. They have been calling on Colonel Sharp and attempting to enlist his interest. I have advised Colonel Sharp to be wary.

Banta is the National City vice president who guessed wrong on the war. I understand that after the fall of France he assumed that England would collapse and he rushed back to Berlin on his own authority, reopened the National City Bank office and started doing business figuring that he would be in on the ground floor if England did collapse. The National City Bank threw him out.

Colonel Sharp is extremely anxious to be informed about Henry Mann and Banta. We have some data on Henry Mann in our files. He has been interviewed by Herb Abrons, the FBI and other governmental agencies.

You can probably call upon George Newton at the National City Bank to get information on Banta but you also should develop further leads. Please assign someone to put this stuff together. You should deliver it personally and discuss it with Colonel Sharp.

2. Colonel Sharp has finally cleared with the proper authorities to get to discuss Norwegian Power matters with Mr. Larson about which we had so much difficulty clearing matters. Colonel Sharp has suggested a joint conference with Larson on Norwegian Power to be made up of BEW, C-2 and ourselves. You can expect Colonel Sharp to call about this.

60-0-28-132

DEPARTMENT OF JUSTICE
NOV 10 1942 A.M.
DIVISION OF RECORDS
ANTI-TRUST

RECORDS FILE

225029

DECLASSIFIED
Authority <u>NND812045</u>
Sy <u>JW</u> NARA Date <u>4-12</u>

RG 60  
 Entry 285B  
 File 60-9-28  
 Box 156

3. Sharp was particularly interested in the Ukraine, the situation on which Bursler is working. Bursler leaves on the 22nd and he is certain he has something in writing that you or he can deliver to Sharp before his leaving.

4. Colonel Sharp is particularly interested in the firm of Shaw-Strupp. I have written some memos about this situation with respect to the firm's getting off the Black List. My information came from George Newton of the National City Bank. He can probably give additional data. Miss Gooch will collect all my memos which I think are sufficient for somebody to write an overall memorandum for Colonel Sharp's attention. You should take this up and discuss it with him also.

5. Colonel Sharp's office will start a course in Japanese this winter. Anyone wanting to study Japanese may join.

ROBERT WORLPORTH  
 Expert

cc - Messrs. Levi, Isaacs, Martin, Sayler.

DECLASSIFIED

Authority NND812045

By JW NARA Date 4-12

RG

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Entry 285B

File Correspondence  
Box 157

CORRESPONDENCE OCTOBER 1942

225031

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12

RG

60Entry 285BFile Correspondence  
Box 157ADDRESS REPLY TO  
THE ATTORNEY GENERAL  
AND REFER TO  
INITIALS AND NUMBERDEPARTMENT OF JUSTICE  
WASHINGTON, D.C.

HHR:rs

September 26, 1942

## MEMORANDUM FOR EDWARD LEVI

RE: Fritz Mandl, Buenos Aires, and his friends  
in United States

Mr. Fritz Mandl was the largest gun manufacturer in Austria. His reputation is very bad. He supported the Hitler and Schuchnigg regimes at the same time to save his own head. He is now in Argentina and began his great success with the establishment of a bicycle plant. He is now very much interested in establishing a synthetic rubber plant in Argentina.

It is difficult to see who is behind him. We have to be very careful with him and his connections. I received from a confidential source the attached about him and his friends in New York.

I would suggest investigation of Mme. Mathys very carefully. It is difficult to know if we will find much economic material or if the case should be treated as a political case.

HEINRICH KRONSTEIN

enc. 778021



225032

DECLASSIFIED

Authority NND812045

By JW NARA Date 4-12

RG

60

Entry 285B

File Correspondence  
Box 157

ENCLOSURE

No. 778021

FROM  
Department of Justice

7-849

225033

DECLASSIFIED

Authority NN0812045  
By JW NARA Date 4-12RG 60Entry 285BFile Correspondence  
Box 157

September 22, 1942

FRITZ MANDL  
BUENOS AIRES

Reference our Memo J-79

Attached to our aforementioned memo was Intercept TRI. 10487/42 addressed to Emile Mathys, New York City. The following about Mathys may be of interest to you:

Emile Mathys was the owner of the Mat-Ford Plant in Alsace Lorraine, recently badly hit by the R.A.F.

Mathys has started two concerns in New York:

(1) MAWEN MOTOR CO., 500 Fifth Avenue

(2) MATAM CORP., 45 Pearson St., Long Island

The latter was recently presented with an "E" pennant by the U. S. Navy.

Mathys is the brother-in-law of Maurice Boyer, New York representative of the Banque de Paris and Des Pays-Bas (now Nazi-controlled). Mathys is said to have been on the French Black List, 1914-18, being born German and obtaining French citizenship when Alsace and Lorraine reverted to France in 1918. Mme. Mathys has a somewhat turgid past and has been passed around a good deal. She is vulgar and flashing and known as "La Belle Mme. Mathys". They live at the Ritz Carlton Hotel.

225034

DECLASSIFIED

Authority NND812045By JW NARA Date 4-62

RG

60Entry 285BFile Correspondence  
Box 157

September 22, 1942

FRITZ MANDL  
Buenos Aires

One of the companies controlled by Fritz Mandl is Arrocera Mazaruca, Soc. Anon. Agricola Ganadera & Industrial, Buenos Aires. This company owns a large agricultural property known under the name of "Mazaruca". The firm engages in the cultivation of rice, the raising of live stock, the development of forest land, etc., and it seems that this is the main agricultural investment of Fritz Mandl in the Argentine.

It may be of interest to you that the vice president of this company is Otto Wetzler, a German, who is also president and manager of Bromberg & Cia, S.A., Commercial, Moreno 970, Buenos Aires, which firm is on the U. S. Proclaimed List.

This confirms that Fritz Mandl is not too careful in the selection of his business friends, to say the least.

225035

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-62RG 60  
Entry 285B  
File Correspondence  
Box 157REPLY TO  
ATTY. GENERAL  
DO NOT REFER TO  
MAILS AND NUMBERDEPARTMENT OF JUSTICE  
WASHINGTON, D.C.

HK:rs

September 26, 1942

## MEMORANDUM FOR EDWARD LEVI

RE: Almacenes Hilda and Friends

This firm is black listed and considered as a very dangerous firm. We received information that Henry Ludeke, a banker in New York, is closely connected with this firm.

If investigation should be made by another Division of the Department, I would be grateful if we could get a copy of the report of the Division.

HEINRICH KRONSTEIN



225036

DECLASSIFIED

Authority NND812045

By JW NARA Date 4-12

RG

60

Entry 285B

File Correspondence  
Box 157

Please return to Dr. Kronstein when  
you have finished.

225037

DECLASSIFIED

Authority NN0812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File Correspondence  
Box 157

J-142

September 22, 1942

ALMACENES HELDA LTDA.  
Colombia

The aforementioned company, which is one of the largest German controlled companies in Colombia and on the U. S. Proclaimed List, is formally owned by Sosico S. A., Zurich, Switzerland (U.S. Proclaimed List).

Sosico S.A. was founded shortly after the outbreak of the war, by A. Held, of Bremen, Germany, who really owns Almacenes Helda.

Sosico, in the management of Almacenes Helda, was represented by Walter and Adolph Held, leading Nazis in Colombia, who, in view of the Enemy Alien Regulations in Colombia, recently resigned the management, to the effect that the only representative of Sosico S.A. is now Jose Arturo Andrade, a Colombian citizen, who, beside Walter and Adolph Held, was one of the three representatives of Sosico in charge of Almacenes Helda.

Almacenes Helda is a limited liability company of which the capitalist member is Sosico. Industrial partners are Jose D. Pumarejo, a Colombian citizen, and Henry Ludeke, an American citizen of German descent.

Henry Ludeke was for years employed by C. A. Stern & Co., foreign exchange brokers in New York City. His present address is 40 Exchange Place, New York City.

It is very interesting that, since the placing of Almacenes Helda on the U. S. Proclaimed List, on July 17, 1941, an American citizen was permitted to hold an interest in a blacklisted company. In this connection, it is of interest that Henry Ludeke also is the representative in New York of the Banco Aleman Antioqueno, Medellin, Colombia. This bank has

225038

DECLASSIFIED  
Authority NND812045  
By JW NARA Date 4-12

RG 60  
Entry 285B  
File Correspondence  
Box 157

-2-

been on the U. S. Proclaimed List from its inception. The bank was recently taken over by the Colombian Government, and its name was changed to Banco Commercial Antioqueno. It seems that Henry Ludeke continues to represent the bank in this country. It may be noted that Almacenes Hilda has over 400 shares of the Banco Aleman Antioqueno in the safekeeping of the Credit Suisse in Zurich.

Almacenes Hilda are known as one of the principal centers of political Nazi activities in Colombia. For this reason, the connections between Henry Ludeke and Almacenes Hilda might be worth while looking into.

225039

RG 60  
Entry 285B  
File New York Corresp.  
Box 157

# Department of Justice

# **RDS ADMINISTRATION BRANCH**

**DO NOT BE REMOVED FROM NOR ADDED TO THIS FILE**

By Order of the Attorney General

FILE HAS BEEN CHARGED AS INDICATED BELOW

**O TRANSFER**—Notify the Service Unit, Br. 500.

**Division**      **Date Issued**      **Returned**

A black and white photograph of a spiral-bound notebook page with horizontal ruling lines. The page is heavily redacted with black ink, obscuring most of the text. The redaction is done in a style where the ink is applied over the lines, creating a textured, layered effect. The redacted area covers approximately three-quarters of the page width and all but the last few lines of the height.

225040

DECLASSIFIED	RG <u>60</u>
Authority <u>NND812045</u>	Entry <u>285B</u>
By <u>JW</u> NARA Date <u>4-62</u>	File New York Comrse Box <u>157</u>

*Corres*

ECONOMIC WARFARE SECTION  
WAR DIVISION  
12th Floor - 30 Broad St.  
New York 4, New York

60-0-26

In reply refer to: EWS

January 8, 1968

Robert W. Youngs, Esquire  
Dominick & Dominick  
14 Wall Street  
New York 4, New York

Dear Mr. Youngs:

I will greatly appreciate it if you would make available to Mr. Harold J. Carter, a member of our staff, whose signature appears below, whatever records you may have on the following:

Societe Anonyme Internationale de L'Acierite-Ciment  
Zurich, Switzerland  
Societe Anonyme Eternit  
Niederurnen, Switzerland  
Holdertbank Financiere Claris S.A.  
Claris, Switzerland  
Societe Anonyme Participants  
Genova, Switzerland  
Amiantus S.A.  
Niederurnen, Switzerland  
Ernest Schmidheiny  
Colligny - Genova, Switzerland  
Max Schmidheiny  
Colligny - Genova, Switzerland

Mr. Carter will indicate the portions of the records which he may desire to have photostatted.

Your cooperation in this matter will aid us in our proposed study.

Sincerely,

Harold J. Carter

ROBERT MULFORD,  
Chief, New York Office  
War Division

225041

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12

RG

60Entry 285BFile New York Corresp.Box 157*Contra Bk*

WAN DIVISION  
 ECONOMIC WARFARE SECTION  
 12th Floor - 30 Broad Street  
 New York 4, New York

AB/SD

60-4-29

November 21, 1944

Robert Young, Esquire  
 Dominick & Dominick  
 14 Wall Street  
 New York, New York

Dear Sir:

In pursuance of the authority vested in the Attorney General,  
 an inquiry is being made into the operations of Pictet et Cie.,  
 Geneva, Switzerland.

You are requested to make available:

- (1) A list, by number and name (where available), of all accounts of Pictet et Cie., its holding companies, subsidiaries and related companies;
- (2) A list of the securities held by your company in the accounts indicated in (1);
- (3) A statement of cash balances, held by your company, in the accounts indicated in (1);
- (4) For photostating by the Department, certain papers selected by the Department's representative.

We note and wish to thank you for your offer to cooperate in this matter.

Very truly yours,

MORTON GOODMAN  
 Assistant Attorney General

ROBERT WOLFGANG,  
 Chief, New York Office

225042

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp.  
Box 15716th Floor - 50 Broad Street  
New York 4, New York

NY/PA

60-0-28

AUGUST 11, 1943

Henry C. Alexander, Vice-President  
 J. P. Morgan & Company  
 23 Wall Street  
 New York, New York

Dear Mr. Alexander:

Pursuant to the conferences our Mr. Wohlfarth had with you recently, I wish to inform you that we are grateful for your offer of cooperation in the study of French banking which the Economic Warfare Section of the War Division of the Department of Justice is now undertaking.

This present project is an effort to accumulate detailed banking intelligence upon a selected number of important French banking institutions, their key personnel, and their activities in Europe. The project is one of collecting information on this subject and has no present objective outside of that scope. The information is being collected for the War Division of the Department of Justice and will be made use of by the War Division of the Department of Justice in advising and consulting with the appropriate divisions of the War Department, State Department, and Treasury Department.

It is the intention of the War Division to submit these reports from its New York office in such a manner that sources are masked. The sources will, of course, be kept confidential in so far as it is within the power of the War Division to do so.

The material requested is as follows, and we would like to have our accredited representatives have full and free access to such material as they may wish to have made available to them from time to time:

- Record Room Correspondence Files
- Credit Files
- Correspondence Files
- Investigation Files
- Personal Report Files
- Personnel Files
- Central Files

225043

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp  
Box 157

## Record Books

Cable Files

Telegram Files

Confidential Files

Private Files

Officers' Files

and all other papers relating to the following banks:

Comptoir National d'Escompte  
 Banque de l'Algérie  
 Banque de l'Indochine  
 Banque de la Martinique  
 Banque de la Madagascar  
 Banque de la Guadeloupe  
 Banque de la Guyane  
 Banque de la Réunion  
 Banque de Nouvelle Caledonie  
 Banque de l'Afrique Occidentale  
 Banque Industrielle de l'Afrique du Nord  
 Cie. Algérienne.

With respect to the personnel of the bank formerly engaged in duties for the bank in Europe, we wish to see all documents containing records of events, copies of laws, records of conversations held with German or French officials in the occupied or unoccupied regions of France or in Germany; records of all negotiations with French or German banking, industrial or military authorities; records of all conferences held with these French or German officials as well as with employees or officers of other banks, whether American, British, French, or German; also any daily records kept by such employees or officers which in any way relate to the situation of the American or French banks in France, or of the functioning of the banking business in France; especially data on the industries in which such banks have investments, as well as holding companies; also all papers and documents which in any way refer to any of the activities of American officers or employees of banks in France, whether in the occupied or formerly unoccupied zones.

Very truly yours,

---

JAMES S. MARTIN, Chief  
 Economic Warfare Section  
 War Division

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp  
Box 157*Corres*

ROBERT WORLPORTH, Esquire

October 12, 1964

James B. Adams

I could use any material you gathered on Rogers, Gausbeck,  
Schellendorf, von Wimmersperg immediately on the Ruckwanderer  
draft.

JBA

225045

DECLASSIFIED

Authority NN0812045  
By JW NARA Date 4-12

RG

60Entry 285BFile New York CorrespBox 157*Contra*DRAFTDRAFT12th Floor - 30 Broad Street  
New York 4, New York

60-3-28

October 2, 1944

The Honorable  
 Norman A. Mc Larty  
 Custodian of Enemy Property  
 Ottawa, Canada

Dear Sir:

For the last two years desultory efforts have been made by various agencies in the United States, Canadian, and British governments to identify the beneficial owners of Eastern Province Administration, Ltd., a Canadian corporation and its Canadian and United States affiliates and associates. The trail lead to Worms et Cie of Paris with the strong suspicion that they were only acting for the ultimate beneficial owners whose identity is still something of a mystery.

The War Division of the Department of Justice is now engaged in departmental studies on the financial activities of various foreign financial institutions and Worms et Cie and its affiliates are one of the principal items of interest.

We understand that your office has collected considerable information on the persons, firms and corporations listed below, among others, which are connected in various ways, directly and indirectly, with Worms et Cie.

We would appreciate your permission to examine such records as may be available in your office relating to the following:

Eastern Province Administration, Ltd. (formerly called Parimontal Ltd.)

Canadian Eastern and Pacific Company, Ltd.

and all related companies.

If such inspection can be arranged, we will have a representative of our Division visit your office at a time that will be convenient for your good self.

Very truly yours,

HENRY F. WECHSLER  
Assistant Attorney General

cc - R. Bonnerth, J. Martin, A. Stroks  
S. Carter

225046

DECLASSIFIED

Authority NN0812045  
By Tew NARA Date 4-62RG 60  
Entry 285B  
File New York Corresp.  
Box 157

9-28-44

*file*

ROBERT T. SWAINE  
 HOYT A. MOORE  
 DOUGLAS M. MOFFAT  
 CARL W. PAINTER  
 LEONARD D. ADDINS  
 MAURICE T. MOORE  
 CHESTER A. McLAIN  
 BRUCE BROMLEY  
 ROSWELL MAGILL  
 WM DWIGHT WHITNEY  
 CARLYLE E. MAW  
 EDWARD S. PINNEY  
 L. R. BRESLIN, JR.  
 ROSWELL L. GILPATRIC  
 THOMAS A. HALLERAN  
 ALBERT R. CONNELLY

## CRAVATH, SWAINE &amp; MOORE

15 BROAD STREET  
NEW YORK 5TRANSPORTATION BUILDING  
WASHINGTON 6, D.C.

NEW YORK September 26, 1944.

Dear Mr. Wohlforth:

The form of request which you sent with your letter of September 22nd meets the objections which I had made to your request of September 20th. Accordingly, I have passed it on to Sir William Wiseman, of Kuhn, Loeb & Co., and suggest that you arrange the mechanics of your investigation directly with him.

Very truly yours,

*Robert T. Swaine*

Robert Wohlforth, Esq.,  
 Department of Justice,  
 12th Floor, 30 Broad Street,  
 New York 4, New York.

D

225047

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp.  
Box 157*comes*12th Floor - 30 Broad Street  
New York 4, New York

60-0-26

September 18, 1944

Robert T. Swaine, Esquire  
 Gravath, Swaine & Moore  
 15 Broad Street  
 New York, New York

Dear Mr. Swaine:

Thank you for your offer of cooperation in respect of the Kuhn Loeb & Co. material, which we discussed in connection with the study of French financial institutions being undertaken by the Economic Warfare Section of the Department of Justice.

This project is an effort to accumulate detailed banking intelligence upon a selected number of foreign banking institutions, their key personnel, and their activities in Europe. The project is one of collecting information and has no present objective outside of that scope. The information is being collected for the War Division of the Department of Justice and will be made use of by the War Division of the Department of Justice in advising and consulting with the appropriate divisions of the War Department, State Department and Treasury Department. All results of the project are handled under appropriate security regulations.

We would like to have our accredited representatives have access to such material as they may wish to have made available to them from time to time from the Kuhn, Loeb & Co.:-

Record Room Correspondence Files  
 Credit Files  
 Correspondence Files  
 Investigation Files  
 Personal Report Files  
 Personnel Files  
 Central Files

Record Books  
 Cable Files  
 Telegram Files  
 Private Files  
 Confidential Files  
 Officer's Files

and all other files relating to the following banks:

Banque de Paris et des Pays-Bas  
 Banco Nacional de Mexico  
 and all other companies, institutions and individuals connected in any way with either of these two banks.

Very truly yours,

MORTON WOLFGANG  
 Chief, New York Office  
 Economic Warfare Section  
 War Division

225048

DECLASSIFIED

Authority NND812085  
By JW NARA Date 4-12RG 60Entry 285BFile New York Corresp.  
Box 157

Recd 10/14/44

OFFICE OF STRATEGIC SERVICES  
 630 FIFTH AVENUE  
 NEW YORK 20, N.Y.

October 20, 1944

Mr. Robert Wohlforth  
 Department of Justice  
 12th Floor - 30 Broad Street  
 New York, N. Y.

Dear Mr. Wohlforth:

I would greatly appreciate if you would be kind enough to send me two copies of your report on TRANSMARCS CORPORATION (#3391).

Thanking you in advance, I am,

Sincerely yours,

I.H. Sherman  
R.W.

Irving H. Sherman

Xpled to I as by phone  
 1925/4/4 stalled in Rep't  
 1925/4/4

225049

DECLASSIFIED

Authority NND 812045  
By JW NARA Date 4-12RG 60Entry 285BFile New York Corresp.  
Box 157CONFIDENTIALDEPARTMENT OF JUSTICE  
WAR DIVISION  
ECONOMIC WARFARE SECTIONStatement of Reports Released During Month of September 1944

Report on The Wartime Activities of German Firms' American Connections: TRANSMARES CORPORATION; Judith Coplon, Economic Warfare Section, War Division, New York, September 8, 1944.  
34 pp. text; 24 pp. footnotes. (#3391).

Germany's Four Year Plan to speed up rearmament could not have been realized, had not certain friendly commercial firms in North and South America found a means of procuring the necessary supplies of copper and oil and cotton.

The firms in the United States that engaged in this commerce were owned by persons of German birth or ancestry, or by German interests abroad. When European hostilities cut them off from their associated firms in Germany, they began shipping American goods to affiliates in Latin America, many of which appeared on the British Black List and later on our own Proclaimed List.

CONFIDENTIAL

225050

DECLASSIFIED

Authority NN0812045By JW NARA Date 4-12RG 60Entry 285BFile New York Corresp.Box 157*file*

November 13, 1944

Alexander Stock

William Von Allen

Daniel E. Sickles

Daniel E. Sickles, who is also known as Captain Daniel Sickles, is about 42 and married. He gained his title as captain by serving with the French armed forces. One report states that Sickles is a native of Paris, France, while in another report it is stated that he was born in Belgium, and that at the time of his birth his father was Ambassador to Belgium (presumably from the United States). It was reported in May 1942 that Sickles traveled extensively, and that whenever he was in New York City he stayed with his family at the Savoy Plaza Hotel, 1 East 59th Street, New York City. He was reported to be visiting his ill mother in Spain for a month in May 1942.

Mr. Sickles' present business connections were not determined. In the past he was a customers' man for the New York Stock Exchange firm of Harriman & Keech, 11 Broadway, New York City, which is reportedly out of business now. He was also connected with the Saint Cyr Corporation of Carson City, Nevada, and was a director of the Langley Aviation Corporation, airplane manufacturers at 30 Rockefeller Plaza, New York City. He severed the latter connection when he went to Spain (date not given). Langley Aviation Corporation was organized as a Delaware corporation in September 1940 as Columbia Aircraft Corporation. The name was changed to its present form in January 1941. Vincent Bendix is chairman of the board of this firm.

Mr. Sickles is or was married (I heard they were recently divorced) to the former Carolyn Storre. She is the daughter of the late Frank Vance Storre and inherited half of her father's estate which was valued at over two and one-half million dollars when he died in March 1939. Sickles owns a large collection of rare books and paintings which in May 1942 were in this country and Paris, France. The Paris collection has been written off as a loss while the collection in this country is said to be worth about \$100,000. On several occasions paintings have been stolen from Sickles' home. A story of one of these occasions is contained in the following issues of the New York Times: August 13, 1941, page 12; August 23, 1941, page 15; and November 26, 1941, no page given.

Some of this information on Daniel E. Sickles is vague and limited, but it represents all available data in the following reports:

1. Dun & Bradstreet Report of June 3, 1941.
2. Dun & Bradstreet Report of May 11, 1942.

DECLASSIFIED  
Authority NND812045  
By JW NARA Date 4-12

RG 60  
Entry 285B  
File New York Corresp.  
Box 157

*Conne Bk*

WAR DIVISION  
ECONOMIC WELFARE SECTION  
12th Floor - 30 Broad Street  
New York 4, New York

AZ/EM

60-3-38

In reply refer to: AB

Swiss Bank Corp.  
16 Nassau Street  
New York City

Attn: Mr. Faroli

Dear Sir:

In accordance with the suggestion of Mr. Chapuisat, of your bank, made today in the course of a telephone conversation with Mr. Jacobs of our office, that a written request for information be addressed to your bank, we are hereby requesting that you furnish

1. A list of all securities held by the Swiss Bank Corp. or the Swiss Custodial Corp. for the account of Edouard Pictet.
2. A list of all coded envelopes or parcels held by the Swiss Bank Corp. or the Swiss Custodial Corp. in the name of any of the following:

Edouard Pictet  
Pictet et Cie  
Alexandre von Bernheim  
Fiduciary Custodian Corp.  
Marok Ltd.  
or any company, agent or representative affiliated with Pictet et Cie.

We thank you for your offer to cooperate in this matter.

Very truly yours,

HERBERT WECHSLER  
Assistant Attorney General  
War Division

ROBERT WOHLFORTH,  
Chief, New York Office

cc - Messrs. Martin  
S. Carter  
Jacobs

225052

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-62RG 60  
Entry 285B  
File New York Corresp.  
Box 157*Conres*ECONOMIC WARFARE SECTION  
WAR DIVISION  
10th Floor - 30 Broad St.  
New York 4, New York60-0-28  
In reply refer to: AS

January 11, 1945

Sherrill Smith, Esquire  
 Vice-President  
 Chase National Bank  
 Nassau & Pine Streets  
 New York 4, New York

Dear Mr. Smith:

The War Division is now engaged in a study of the financial operations of the asbestos industry. We should appreciate your efforts in having a check made of the records of the Chase National Bank to ascertain whether any of the companies listed herein has or has recently had an account with your bank. We should also like to examine the credit files of the ones who have or have recently had such an account.

Your cooperation in this matter will aid us in our proposed study.

Sincerely,

ROBERT MCKEEVER, JR.,  
 CHIEF, New York Office  
 War Division

Societe Anonyme Internationale de l'Asbestos-Ciment  
 Zurich, Switzerland

Societe Anonyme Eternit  
 Niederurnen, Switzerland  
 Holderbank Financiere Claries, S. A.  
 Claries, Switzerland

Amiantus S. A.  
 Niederurnen, Switzerland

Societe Anonyme Eternit  
 Cappelle-au-Bois, Belgium  
 Deutsche Asbestzement, A. G.  
 Berlin, Germany

225053

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp  
Box 157*Conner Bk*

MAR DIVISION  
 ECONOMIC WARFARE SECTION  
 12th Floor - 30 Broad St.  
 New York 4, New York

80-8-28

In reply refer to: AS

AS/ent  
December 22, 1944

Edouard Pictet, Esquire  
 Office of Calvin Bullock  
 1 Wall Street  
 New York, New York

Dear Sir:

In accordance with your conversation of December 22, 1944, with Mr. Sacks of our office we request that you make available to our office the following:

1. Letter from Dominick & Dominick to Edouard Pictet, dated May 25, 1944;
2. Letter from Fiduciary Custodian Corporation to Dominick & Dominick, dated May 25, 1944;
3. Draft of letter from Edouard Pictet to Clark, Dodge & Co., dated November 25, 1942;
4. Letter from Clark, Dodge & Co. to Edouard Pictet, dated November 24, 1942;
5. Letter from Banco de Londres y America del Sud to Fiduciary Custodian Corporation, dated August 5, 1944;
6. Statements of accounts at the Banco de Londres, etc. (2 pages);
7. Letter from Banco de Londres, etc. to Fiduciary Custodian Corporation, dated March 25, 1943;
8. Letter from Banco de Londres, etc. to Fiduciary Custodian Corporation, dated November 16, 1943;
9. Letter from Fiduciary Custodian Corporation to Montgomery, Scott & Co., April 30, 1944;

225054

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp.  
Box 157

10. Mimeographed letter, unsigned and undated, addressed to Spencer, Frack & Co.;
11. Letter from Emile Meyer to Edouard Pictet, dated May 3, 1943;
12. Letter from Edouard Pictet to Emile Meyer, dated April 10, 1943;
13. Letter from Emile Meyer to Edouard Pictet, dated April 1, 1943;
14. Letter from Rafael de la Colina to Fiduciary Custodian Corporation, dated October 25, 1941;
15. Letter from Dominick & Dominick to Rafael de la Colina, dated September 4, 1941;
16. Memorandum from Mr. Collings to Mr. Berthoud, dated August 30, 1941;
17. Letter from Rafael de la Colina to Fiduciary Custodian Corporation, dated August 19, 1941;
18. Letter from Rafael de la Colina to Fiduciary Custodian Corporation, dated June 23, 1941;
19. Letter from Rafael de la Colina to Dominick & Dominick, dated August 19, 1941;
20. Letter from Fiduciary Custodian Corporation to Rafael de la Colina, dated May 24, 1941;
21. Letter from Fiduciary Custodian Corporation to Andre Lelarge, dated May 24, 1941;
22. Letter from Amphi Selayeek (?) to Fiduciary Custodian Corporation, dated May 24, 1941;
23. Letter from Fiduciary Custodian Corporation to Rafael de la Colina, dated May 23, 1941;
24. Letter from Fiduciary Custodian Corporation to Dominick & Dominick, dated May 23, 1941;
25. Letter from Fiduciary Custodian Corporation to Rafael de la Colina, dated May 23, 1941;
26. Letter from Fiduciary Custodian Corporation to Andre Lelarge, dated May 23, 1941;

225055

DECLASSIFIED  
 Authority NND812045  
 By JW NARA Date 4-12

RG 60  
 Entry 285B  
 File New York Corresp.  
 Box 157

27. File titled: Dr. & Mrs. A. Wissner, acct. no. 12607 (procuration H. Kowarsky).
28. Power of Attorney, from Edouard Pictet to Alexandre van Berchem, dated September 1940;
29. Letter from Pictet et Cie. to Fiduciary Custodian Corporation, dated August 16, 1940;
30. Memorandum for Mr. van Berchem, re Fiduciary Custodian Corporation, dated August 26, 1941 (9 pages attached).

We request that you make available to Mr. Sacks, of our office, on a day to be agreed upon, the security slips and advices, and all other files and documents, now in your control, bearing upon the business of Pictet et Cie., its related companies and accounts.

Very truly yours,

---

ROBERT WOHLFORTH,  
 Chief, New York Office  
 War Division

cc: Messrs. Johnson  
 Carter  
 Wohlforth

225056

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp  
Box 157

Covers. Bk.

WAR DIVISION  
ECONOMIC WARFARE SECTION  
12th Floor - 50 Broad Street  
New York 4, New York

AB/ph

60-0-26

January 13, 1945

Edward Pictet, Esquire  
Office of Calvin Bullock  
1 Wall Street  
New York, New York

Dear Sir:

In accordance with your conversation of January 12, 1945 with Mr. Sacks of our office, you are requested to make available for our inspection Box No. 7, now in your possession, containing data concerning the accounts of Pictet et Cie. and Fiduciary Custodian Corporation. The box will be returned to you upon the completion of our inspection.

We are returning by messenger all the files and papers requested in our letter to you of December 22, 1944.

Will you kindly indicate by signature that all these files and papers have been returned to you in good order.

Very truly yours,

---

ROBERT WORLFORTE,  
Chief, New York Office  
War Division

All files and papers  
received in good order

---

EDWARD PICTET

cc - Messrs. Johnson, S. Carter, Sacks.

225057

# **Department of Justice**

# RDS ADMINISTRATION BRANCH

**DO NOT BE REMOVED FROM NOR ADDED TO THIS FILE**

## **APPROVAL OF THE RECORDS ADMINISTRATION BRANCH**

**By Order of the Attorney General**

**FILE HAS BEEN CHARGED AS INDICATED BELOW**

**TO TRANSFER**—Notify the Service Unit, Br. 500.

**Division**      **Date Issued**      **Returned**

A black and white photograph of a spiral-bound notebook page with horizontal ruling lines. The page is mostly blank, but features several large, dark, hand-drawn numbers and arrows. A vertical column of numbers from top to bottom is 1, 2, 3, 4, 5, 6, 7, 8, 9, 10. To the right of each number is a large, bold, black arrow pointing to the right. There are also some smaller, faint markings and a few small checkmarks.

225058

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12

RG

60Entry 285BFile New York Corresp.

Box

157*Casper Bk*12th Floor - 30 Broad Street  
New York 4, New York

AS/PA

80-0-20

September 22, 1944

Kuhn, Loeb & Company  
62 William Street  
New York, New York

Dear Sirs:

In pursuance of the authority vested in the Attorney General, the Economic Warfare Section of the War Division, Department of Justice, has been directed to undertake departmental studies of various foreign financial institutions, their affiliates, correspondents and subsidiaries. In consequence, the Section is now engaged in an investigation of the financial relationship existing between the Banque de Paris et des Pays-Bas, various foreign financial institutions and the Banco Nacional de Mexico, covering the transactions which have occurred since the period before the commencement of hostilities in September 1939 to date.

In connection with the investigation now under way, we request the production for inspection by the representatives of the Department of Justice of:

1. All files containing memoranda and correspondence between Sir William Wiseman and the Banco Nacional de Mexico, its officers, Directors and supervisory personnel, and of the subsidiaries and affiliates of the Banco Nacional de Mexico;
2. All files containing documentary material of any description relating to the ownership, control, management and operation of the Banco Nacional de Mexico and of its subsidiaries and affiliates;
3. All files containing documentary material of any description relating to the real or nominal ownership and control of the capital stock of the Banco

225059

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60Entry 285BFile New York Corresp.  
Box 157

Nacional de Mexico, its subsidiaries and affiliates,  
with particular reference to the Banque de Paris  
et des Pays-Bas, Pictet & Cie., Lombard, Odier & Cie.,  
or any French or Swiss financial institution.

We wish to thank you for the offer of cooperation made by  
your bank.

Very truly yours,

ROBERT WILFORTH  
Chief, New York Office  
Economic Warfare Section  
War Division

cc - Messrs. Martin  
S. Carter  
Sacks

225060

DECLASSIFIED

Authority NN812045  
By JW NARA Date 4-12RG 60Entry 285BFile New York Corresp.  
Box 157*Contra*12th Floor - 10 Broadway  
New York 4, New York

80-0-28

In reply refer to: AS

December 16, 1944

Irving Salpeter, Esquire  
 Securities and Exchange Commission  
 180 Broadway  
 New York, New York

Dear Sir:

The War Division is now conducting an investigation into the activities of certain Swiss financial institutions operating in the United States. In accordance with your telephone conversation today with Mr. Sacks, of our office, we should appreciate your making available to us photostats of designated items in your files on the American European Securities Company.

In File #812-120-1

1. The application of the American European Securities Company, dated 1-27-41, for exemption from the provisions of Section 10 (b) (5) of the Investment Act of 1940.
2. The Findings and opinion of the Commission, Pages 1 through 5.

In File #812-27-1

3. The minutes of the meeting of 6-13-41 of the American European Securities Company.

In File #811-180-1

4. Form D-88-1 (Registration of Company).

In File #1-8028-1

5. Form 10 (application for registration pursuant to Section 12 (b) and (c) of the Act of 1934). Filed 8-10-42.
6. Form 10K filed for year ending 12-31-42.
7. Form 8, suspended registration statements, filed on 7-14-42.

225061

DECLASSIFIED

Authority NND812085  
By JW NARA Date 4-12

RG 60  
Entry 285B  
File New York-Corresp.  
Box 157

Thank you.

Very truly yours,

**ROBERT WHEELER**  
**ASSISTANT ATTORNEY GENERAL**  
**WAR DIVISION**

**ROBERT WHEELER**  
**Chief, New York Office**

cc - R. Rosenthal  
A. Sacks  
J. Harrel

225062

DECLASSIFIED  
Authority NND812045  
By JW NARA Date 4-12

RG 60  
Entry 285B  
File New York Comresp  
Box 157

*Conrad*

12th Floor - 30 Broad Street  
New York 4, New York

60-0-28

July 11, 1964

Lt. Colonel Edward L. Berlin  
Room 811  
1270 Sixth Avenue  
New York, New York

Attention: Major A. R. Baney

Dear Major:

The material we would like to see, and which we believe can be secured through the Office of Naval Intelligence here in New York, is the following:

O.N.I. Reportant

- 1) Jean Monnet
- 2) Murnane & Monnet
- 3) Coudert Brothers
- 4) Sullivan & Cromwell
- 5) Debenice, Stevenson, Plimpton & Page
- 6) Count Rene de Chantrenne
- 7) Francois Monahan
- 8) Maurice Boyer

Sincerely yours,

DOROTHY WILFORT  
Expert

cc - H. Carter  
J. Martin  
A. Sacks

225063

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12RG 60Entry 285BFile New York Corresp.  
Box 157*Open*12th Floor - 30 Broad Street  
New York 4, New York

40-0-38

August 14, 1944

Henry C. Alexander, Esquire  
 Vice-President of J.P. Morgan & Co.  
 23 Wall Street  
 New York, New York

Dear Mr. Alexander:

Approximately a year ago we had several discussions and received your kind cooperation in supplying the Economic Warfare Section of the War Division of the Department of Justice with information relating to certain French financial institutions. You will recall a letter dated August 24, 1943 from James S. Martin, the Chief of our Section in Washington which was addressed to you setting forth the objectives and a suggested procedure relating to the request.

In keeping with the statements in that letter, we now ask that your firm make available to our credited representatives, at a time convenient to your associates,

Record Room Correspondence Files  
 Credit Files  
 Correspondence Files  
 Investigation Files  
 Personal Report Files  
 Personnel Files

Cable Files  
 Record Books  
 Telegram Files  
 Confidential Files  
 Private Files  
 Officers' Files

and all other papers relating to the following banks:

Pictet et Cie.	Genova, Switzerland
Lombard Odier Cie.	Genova, Switzerland
Bordier et Cie.	Genova, Switzerland
Hirschfeld Pils et Cie.	Genova, Switzerland
Banque de Paris et des Pays-Bas.	Province, Belgium, Holland, Switzerland

Would you let us know (Hanser 2-5507, Ext. 55) when it will be convenient for us to look at this material?

Very truly yours,

G. M. HARRIS, Jr., Director  
 S. C. GIBSON  
 A. COOK, H. H. MITCHELL  
 L. DAVIS

EXHIBIT DIVISION  
 Report

225064

DECLASSIFIED

Authority NND812085  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp.  
Box 157OFFICE OF  
ALIEN PROPERTY CUSTODIAN  
NEW YORK 5, N. Y.  
120 BroadwayIn replying, please  
refer to: JGW:gb

April 19, 1945

The Economic Warfare Section  
War Division  
Department of Justice  
New York 4, New York

Gentlemen:

Please furnish Examiner Joel G. Watsky of this office with whatever information he desires from your files relating to Transmères Corporation. Any material furnished him will be returned by this office after photostating.

Very truly yours,

Walter C. Gorsuch, Chief  
Division of Investigation  
New York Office

225065

DECLASSIFIED

Authority NN0812045  
By JW NARA Date 4-12RG 60  
Entry 285B  
File New York Corresp.  
Box 157*comes*

April 18, 1945

Received from the Economic Warfare Section, War Division, Department of Justice, 30 Broad Street, New York 4, New York, photostats of the following letters to be returned in about two weeks:

<u>From</u>	<u>To</u>	<u>Date</u>	<u>Pages</u>
Adam T. Schildge	Privy Councillor Dr. Harnack	8/9/39	4
Geo. W. Hirschfeld	Adam T. Schildge	12/9/37	3
Lents & Hirschfeld	Mauserwerke A.G.	8/10/39	1
Lents & Hirschfeld	Schildge, von Rumohr & Co.	4/11/39	3
Lents & Hirschfeld	Adam T. Schildge	10/7/38	3
Lents & Hirschfeld	Schildge, von Rumohr & Co.	4/11/39	2
Adam T. Schildge	Lents & Hirschfeld	8/9/38	1
Adam T. Schildge	George W. Hirschfeld	10/21/38	1
Adam T. Schildge	German-American Chamber of Commerce	10/22/38	1
German-American Chamber of Commerce	Adam T. Schildge	10/17/38	1
Lents & Hirschfeld	Adam T. Schildge	6/3/39	2
Lents & Hirschfeld	Willi Hentze	3/28/38	1
Adam T. Schildge	Willy Hentze	4/12/38	1
Lents & Hirschfeld	Willy Hentze	2/21/39	4
Lents & Hirschfeld	C.A. v. Rumohr	2/21/39	2
Schildge, von Rumohr & Co.	Lents & Hirschfeld	3/14/39	1
Stahlunion-Export G.m.b.H.	Adam T. Schildge	5/3/39	1
Schildge, von Rumohr & Co.	Stuart Hesie	9/14/39	1
Guenter von der Heide	Schildge, von Rumohr & Co.	9/20/39	2
ATS	Chris	10/21/39	1
Stahlunion Limitada	Transmarae	4/4/40	2
ATS	Juan Carlos Tobal	1/25/42	6
	Lents & Hirschfeld	11/23/37	3

with three page translation

JOEL G. WATSKY  
Alien Property Custodian  
120 Broadway  
New York, New York

225066

DECLASSIFIED  
Authority NN081204R  
By JW NARA Date 4-12

RG 60  
Entry 285B  
File 60-0-28  
Box 157

DEPARTMENT OF JUSTICE  
DIVISION OF RECORDS

MATERIAL MUST NOT BE  
MOVED FROM NOR ADDED  
TO THIS FILE

ORDER OF THE ATTORNEY GENERAL

225067

DECLASSIFIED

Authority NND812045  
By JW NARA Date 4-12

RG

60

Entry

285BFile 60-0-28Box 157225 Broadway  
New York 7, New York

60-0-28

DEPARTMENT OF JUSTICE

JUN 15 1943

DIVISION OF RECOGNITION

ALL TRUST

Lee *[Signature]*

SB/oh

June 10, 1943

JUN 1 1943

MEMORANDUM FOR MR. ISSEKS

Re: Files of Mr. Emil Schill  
 Relating to the Waldes  
 Companies

Waldes & Co., Inc., was established in 1919 as a subsidiary of Waldes a spol of Prague, with the stock being held by the partners of the latter. In June 1925, Waldes & Co., Inc., was succeeded by Waldes Koh-I-Noor, Inc., and Waldes Manufacturing Co., Inc., with Waldes Koh-I-Noor, Inc., engaged in the manufacture and sale of fasteners, including "zippers," and Waldes Manufacturing designated as the owner of the machinery used in the manufacture of the fasteners, renting the machinery to Waldes Koh-I-Noor, Inc. The stock and convertible debentures of the two American companies were owned by the partnership, Waldes a spol of Prague. According to Czechoslovakian law, each partner has the power of attorney to act for the partnership, and it appears that the Waldes a spol partners exchanged powers of attorney, so that each could act for the other.

The Waldes manufacturing plant, located at Long Island, N. Y., has been managed by Mrs. H. Arthelm. Mr. Emil Schill (also president of Nirosta Corporation) served as secretary of the American Waldes concerns in addition to serving as their vice president and director. Mr. Schill had become interested in the Waldes firms when the law firm of Briesen & Schrenk recommended him to one of the Waldes a spol partners, Jindrich Waldes. Early in 1939, Mrs. Arthelm took steps to disassociate Waldes Koh-I-Noor, Inc., from the Prague interests by ordering the discontinuance of the forwarding of the dividend checks and information to Prague. Mr. Schill, though still nominally vice president and director, was relieved of his duties as secretary, which he had assumed shortly before. It may be well to note that Mr. Schill, as well as the attorneys for the American concerns, was aware of the necessity of concealing the

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fact that the American companies were owned and controlled by Europeans under German authority.

In December 1938, Mr. Sigmund Waldes, a Waldes a spol partner and head of the firm's German subsidiary in Dresden, after establishing residence in England, ordered the assignment of the securities of the American companies to Mr. V. Bert Zenaty, a director of the companies and a United States citizen, serving in the capacity of custodian for Waldes a spol. Sigmund Waldes, in ordering this transfer of the securities acted under authority of power as a partner in the parent company and a special power of attorney from Jindrich Waldes. In March 1939, Mr. Zenaty had the securities transferred to a New York corporation, Useng, Inc., created for the purpose of taking over the securities.

In July 1939, the German Reichsprotector for Bohemia and Moravia, in accordance with the regulations for the control of Jewish property, designated Mr. Emil Waller as trustee to reorganize Waldes a spol since this firm had both Jewish and non-Jewish partners. Powers of attorney for the American companies were assigned to Emil Schill and H. H. A. Meyn, the latter an attorney in the law firm of Briesen & Schrank of New York and formerly secretary and director of Waldes Koh-I-Noor, Inc., following negotiations with Mr. Schill in Prague in August 1939. The assignment of powers of attorney were signed by two Waldes a spol partners, Jindrich Waldes and Mr. Puc, and by Mr. Waller. In August 1939, Sigmund Waldes came to the United States and "purchased" the securities of the American companies from Useng, Inc. When Mr. Schill returned to the United States in October 1939, he was told by Mr. Max J. Rubin of the law firm of Karelson, Karelson & Rubin that he (Schill) had been relieved of his duties as vice president of the American interests. Mr. Schill decided that he would not be able to establish his "rights" without commencing a suit against the American group, but he was not able to secure the funds required for such proceedings from Prague.

Jindrich Waldes, who had been in the "custody" of German authorities, was released from such "custody" in May 1941 after Sigmund Waldes had effected an agreement for the release, the agreement providing for the payment of \$250,000 to Waldes a spol in Prague upon the safe arrival of Jindrich Waldes in Lisbon. Jindrich Waldes died before reaching the United States.

Under agreements between Waldes Koh-I-Noor, Inc., Waldes a spol, and the Waldes firm of Dresden, Sigmund Waldes, the family of Sigmund Waldes, and the family of Jindrich Waldes were assigned the rights and title to shares of capital stock, debentures, and other bonds and securities of the American firms, each party giving to the other.

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without compensation, the right to the unlimited use in their respective territories of the Waldes patents. The stockholders are at present residents of the United States. This being the case, the Alien Property Custodian has ruled that the Waldes firms are American concerns.

SARAH BECKER  
Expert

CC: Messrs. Levi and Whilforth

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By JW NARA Date 4-12RG 60  
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File 60-0-28  
Box 157*Mr. Isaacs**JL***CASE**14th Floor, 50 Broad Street  
New York 4, N. Y.

60-0-28

July 20, 1943

**MEMORANDUM FOR THE FEDERAL BUREAU OF INVESTIGATION**

Attention: H. H. Anderson, Esq.

*JL*  
 JUL 27 1943

In accordance with arrangements previously made, we would like to have made available from the British Security Coordination, all material in their possession relating to the following companies and individuals. The individuals are all connected in various capacities with the listed firms.

**1. Companies.**

F. L. Smith & Co., Inc. (New York and New Jersey),  
 60 E. 42d Street, New York City  
 Pennsmith Corporation, 60 E. 42d Street, New York City  
 Bimeo Trading Corporation, 60 E. 42d Street, New York City  
 Elizabeth Bag Company, Inc., Elizabeth, New Jersey  
 The National Portland Cement Co., Philadelphia, Pa.  
 F. L. Smith & Co. A.S., Copenhagen, Denmark

**2. Persons.**

Arnold Gunnar Larsen  
 Erik Thune  
 T. Stig-Madsen  
 Orla Thomassen  
 Joseph Groeger  
 Archie B. Zahn  
 Robert B. Thyrrine  
 Axel V. Jorgensen  
 Carl H. J. Grimselmann  
 James Gunnar Larsen  
 George R. Madsen  
 S. G. Thyrrine  
 H. M. Jensen  
 Sigurd Pedersen

Your cooperation in this matter is appreciated.

SAMUEL S. ISAKS  
 Special Assistant to the Attorney General

cc: Messrs. Isaacs, Lewis,  
 Wohlforth

HOBERT WOHLFORTH  
 Export

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TR 8-1

## TRANSFER TO

ANTITRUST DIVISION - DEPARTMENT OF JUSTICE

Starting in July, 1942, the Board of Economic Warfare has had an arrangement with the Antitrust Division of the Department of Justice, whereby some of the Board's funds are transferred to the Antitrust Division, and the Antitrust Division in turn makes available its field staff for interviewing and other investigative work.

The Economic Intelligence Division of Office of Economic Warfare Analysis has been able to use the staff of the Antitrust Division of the Department of Justice in two important phases of its work:

1. To interview businessmen, refugees, returned travelers, and other people who have specialized information about the foreign areas (especially enemy and occupied areas) with which the BEW is concerned.
2. To contact business firms in this country which have representatives or connections abroad, or which have in their files information which would be useful in conducting economic warfare.

This arrangement is an excellent example of the use of existing peace-time resources for wartime purposes. For several years the Antitrust Division of the Department of Justice has been conducting investigations of monopolistic practices, cartels, and other forms of business organizations which may operate in restraint of trade. In the course of these investigations, the lawyers and economists in the Antitrust Division have become familiar with many American businesses which have almost endless ramifications abroad. An obvious example is the tie-up between certain American companies (Standard Oil Company, General Aniline, and many others) with I. G. Farbenindustrie, the German chemical trust. As a result of this tie-up, a number of American businessmen have personal knowledge and in their files, a tremendous store of information about the organization, business practices, and facilities of the German chemical industry. There are literally hundreds of American industrial business organizations which have information of this type about industries in enemy and occupied areas.

It takes trained investigators and skilled interviewers to distill the economic intelligence from the mass of material which is available in this way. Rather than build up its own staff to do this work, the Board chose to use the Antitrust Division's lawyers and economists, most of whom were already familiar with one or more of the great industrial combinations which dominate the enemy's industrial war machine.

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TR 8-2

ANTITRUST DIVISION - DEPARTMENT OF JUSTICE (Continued)

The training of the Justice people for the Board's type of economic intelligence is particularly good. In connection with work on industrial objectives and enemy economic weaknesses the Board needs information on the weak points, the economic bottlenecks of each industry with which it is concerned. If the German aluminum industry is being studied it is essential to know whether the limiting factor, the "bottleneck", is in the production of bauxite, in the aluminum plants, in the final fabrication of the aluminum into airplanes or other parts, or in the transportation system which connects the various stages of the industrial process with each other. The investigators in the Antitrust Division are trained to look for economic bottlenecks - for it is usually at the limiting point in an industrial process that economic control is established by a monopolistic combination. The reason is simple: it is easier to control a small process than a big one - it is easier to put a dam across a narrow river than to try to dam up a lake.

It might be useful to take a specific example of the type of work which is done for the Board by the Antitrust Division. It so happens that it is possible to learn a tremendous amount about the Japanese machine tool industry by contacting a single American firm. The Mesta Corporation, which manufactures machine tools in Pittsburgh, happens to have provided the Japanese with nearly all their machine tools prior to Pearl Harbor. Two investigators from the Antitrust Division, together with a representative of the Board, spent several weeks in Pittsburgh interviewing the members of the Mesta Corporation and going through the company's files on Japanese purchases and deliveries of machine tools. With this information, together with information from current intelligence sources, it has been possible to estimate quite exactly the tools on hand in certain key Japanese industries.

The BEW intends to continue to use to full advantage the people in the Antitrust Division. The competence of the Justice field staff lies primarily in the field of business, finance, and industry and their investigators are not used in connection with certain other specialized sources of information.

The Economic Warfare Unit of the Antitrust Division is now engaged in the following four special major confidential studies for the Board of Economic Warfare, but additional requests are made as the war proceeds.

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ANTITRUST DIVISION - DEPARTMENT OF JUSTICE (Continued)

(1) The Aeroplane Component Parts Industry. The Antitrust Division has had three aeroplane cartel cases: Bendix, Bosch, and Sperry. These cases have given the staff material and leads to details of the German war plants producing parts of aeroplanes. The manufacture of fuel injectors by Robert Bosch of Stuttgart was one of the factors relevant to the air raids on Stuttgart. The information which Bosch and Bendix in this country have and which the Antitrust Division also has, through its knowledge of patent license agreements, covers the European manufacture of magnetos. This information is useful first in pointing out bottlenecks which if destroyed would seriously affect the German production of aircraft. Second, it is useful in indicating the probable German potential for the production of aircraft. The Economic Warfare Section is engaged presently in the study of about twenty major component parts of Axis aircraft, locating bottlenecks and rechecking estimates of productive capacity.

(2) The Japanese Machine Tool Industry. Before the war there were extensive purchases of American machine tools by Japanese firms and there were some over-all agreements in the field of machine tools useful for aircraft production. It is believed that the best estimate of Japanese aircraft production could probably be obtained by an analysis of the Japanese purchases of machine tools. This study, however, also yields valuable information on bottlenecks in the Japanese war productions. Examples of such bottlenecks are to be found in the Unit's reports on the Japanese High Speed Steel Industry and on the Mizaguchi Gear Works. The basis for this work so far as the Antitrust Division is concerned are its own files and its staff which has been engaged in major machine tool cases over a period of years. An additional source which the Division does not have an adequate staff to exploit fully is the files of the former Japanese firms in this country. Much useful information has already been obtained from such files even with an inadequate staff.

(3) The location of synthetic Nitrogen and Coke plants in Axis territories. The Division has expert knowledge on these subjects through its experience with the World Nitrogen Cartel and with the coke industries. This study divides itself into two parts. So far as Japan is concerned the study of the synthetic nitrogen industry appears to be one of the most promising ways to begin the analysis of Japan's chemical industry. So far as Europe is concerned, the coke industry may be one of the important bottlenecks in the European chemical industry.

(4) The Axis radio industry and the manufacture of electrical and radio parts. The sources for this information are available to the

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TR 8-4

## ANTITRUST DIVISION - DEPARTMENT OF JUSTICE (Continued)

Economic Warfare Unit because of the Antitrust Division's work in the international lamp and radio cartel field. The raid on the N. V. Philips' radio tube plant in Eindhoven is an example of the use of the Division's material.

In carrying on this work it is necessary for the Division to have a small staff working exclusively on these Economic Warfare matters and then to have access to the Antitrust Division staffs located in the Division's regional offices throughout the country. Each one of these offices is now engaged in the production of confidential reports similar to those mentioned in the description of the four major projects now being undertaken. Thus, the Division is continually producing material on key power stations and on vital plants such as those engaged in the production of diesel motors for submarines. The material presented by the Division on October 12, for instance, on engineering, electrical and mechanical machinery works at Hengelo, Holland, is relevant to the March 1 raid on Hengelo.

Based upon the current rate of expenditure and the anticipated work for 1944, it is estimated that the sum of \$255,000. will be needed, detailed as follows:

01	Personal Services, Departmental	\$ 26,700.
01	Personal Services, Field	185,720.
02	Travel	35,000.
04	Communication Services	2,000.
05	Rents and Utilities	500.
07	Other Contractual Services	4,000.
08	Supplies and Materials	500.
09	Equipment	500.
<b>Total</b>		<b><u>\$255,000.</u></b>

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WASHINGTON CORRESPONDENCE May 1943

NY office

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By JRW NARA Date 4-12RG 60Entry 285B

File Wash Corresp.

Box 158*Conrad BK*8th Floor - 225 Broadway  
New York, New York

AS/PH

60-0-38

May 5, 1943

James S. Martin, Esquire  
 Chief, Economic Warfare Unit  
 War Division  
 Department of Justice  
 Washington, D. C.

Dear Jim:

Bob has been in touch with Irving S. Brown, Acting Agent in Charge of the Investigative Unit of Foreign Funds Control, (Treasury) in New York with a view to copying their Comptoir d'Escompte and Banque d'Indochine files. Brown said he had to get the O.I. of Theodore Ball in Washington.

Inasmuch as Lesser or Ball is getting a copy of the RIKI report, they should be willing to consent to the arrangement. When they do, I should like to hear of it and we will renew our request with Brown.

Very truly yours,

SAMUEL S. ISSAKS,  
 Special Assistant to the Attorney General

By

ALEXANDER SACKS,  
 Special Attorney

cc- Moore, Isaacs  
 Levi  
 Wohlforth

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By <u>JW</u> NARA Date <u>4-12</u>	File	<u>Wash Corresp.</u>
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Corras Bl

225 Broadway, New York, New York

60-0-28

May 13, 1943

AM/la

Edward H. Levi, Esquire  
 Special Assistant to the Attorney General  
 Economic Warfare Unit, War Division  
 Department of Justice  
 Washington, D. C.

Dear Ed:

I have been developing your request re "Voici" and Jean Paul Freyss. It appears rather important: First, because Freyss' letters to Jim Sharp do not disclose his close ties with Henri-George and the Vichy Embassy; second, because Freyss and his chief financial and intellectual sponsor are both violently pro-Petain--even at this late date. His sponsor is Mr. J. G. B. Campbell, vice president in the Guaranty Trust Company in New York. Archibaldi told me last November that Campbell was one of Vichy's most active partisans in the United States.

Freyss was close to Count Rene de Chambrun, Laval's son-in-law, who is now Laval's personal secretary. Freyss also discussed "Voici" policy with d'Adler while here. Freyss is opposed to both Giraud and de Gaulle and said that he would oppose any government for France which did not include Petain.

I have his correspondence with Anne Morgan, Pierre Cartier, Lady Gabrieli, Mrs. Justine Ward, J. G. B. Campbell, the French Embassy, and a few other files; also his list of subscribers and contributors. Most of the material is in French, and the important portions are now being translated.

Freyss is now having some financial difficulties and Campbell is doing everything in his power to tide him over. The circulation of the magazine has dropped very abruptly since the withdrawal of the support in the form of subscriptions which the French Embassy had given Freyss. He shows every indication of expecting to continue with his magazine, and at the conclusion of my interview with him asked me if I knew whether or not the Department of Justice in Washington was expecting to have him discontinue publication.

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I shall try to whip this material into shape as soon as important bits of correspondence are translated and shall send a memorandum on the subject to you as quickly as possible.

I forgot to mention that Mr. Campbell and Freyng have established contact with a Captain or Colonel Morrison at West Point and have been feeding him some material. The correspondence will disclose more along this line.

I should appreciate hearing further from you regarding any angle which you may want developed on this.

Very truly yours,

SAMUEL S. ISSEKES,  
Special Assistant to the Attorney General

By \_\_\_\_\_

ALEXANDER SACKS,  
Special Attorney

CC: Messrs Issekes and Martin

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MID 004.2

May 13, 1943

Mr. James S. Martin  
 Special Assistant to the Attorney General  
 Department of Justice,  
 Washington, D.C.

Dear Mr. Martin:

Thank you very much for your letter of the 8th, with which you enclosed a copy of the report on Banque Nationale Pour le Commerce et L'Industrie. This report has proved of the greatest interest and value to this Service. It is hoped that your organization will find it possible to pursue these investigations to a conclusion, in order that this Government may have at its disposal complete data on the clandestine relations conducted and maintained through financial channels. Such definitive information as that contained in this report is of great value to the war effort, and can make it possible to insure the security of the peace.

Will you please convey to Mr. Alexander Sacks and his associates my compliments on the excellence of this illuminating report?

Sincerely yours,

R. S. BRATTON,  
 Colonel, General Staff Corps,  
 Chief, Intelligence Group

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Authority NND812085By JW NARA Date 4-12RG 60Entry 285BFile WashCorresp.Box 158

Corres. Bl.

8th Floor, 225 Broadway  
New York, New York

60-0-28

May 19, 1943

Hugh Cox, Esquire  
 Assistant Attorney General,  
 Department of Justice,  
 Washington, D. C.

Attention: Ernest S. Myers, Esq.

Dear Mr. Myers:

Bob Wohlforth turned over to me your letter of May 14 regarding your investigation of International Telephone & Telegraph Corporation. I have been in contact with them in connection with a report I intend to write on the German affiliates of I.T.&T.

We have written a number of reports based on material secured from I.T. & T. as follows:

1. Confidential Report, dated May 2, 1942, with respect to "I.T. & T. activities in securing material from Enemy and Occupied Territory for the needs of its Spanish Companies", by John Walker and Robert Wohlforth (5 pp.)
2. Confidential Report, dated April 20, 1942, with respect to "I.T. & T. activities in securing material from Enemy and Occupied Territory for the needs of its Spanish Companies", by Robert Wohlforth (2 pp.)
3. Confidential Report, dated March 4, 1942, on "Japanese Radio Industry" by Robert Wohlforth (3 pp.)
4. Confidential Report, dated March 13, 1942, on "Radio Industry in France", by Robert Wohlforth (3 pp.)
5. Confidential Report, dated March 16, 1942, on "Spanish Communications" by Robert Wohlforth (3 pp.)

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6. Confidential Report, dated July 24, 1942, on  
 "United Incandescent Lamp & Electrical Co. Ltd.",  
 by John J. Purcell (4 pp.)

7. Confidential Report, dated Feb. 20, 1942, "German  
 Radio Industry", by Robert Schilfirth (10 pp.)

In addition, we have a considerable amount of correspondence and shorter memoranda relating to the radio industry in Germany and on the continent. All this is very important in understanding the situation abroad, especially the material on the Philips people. The other material we have consists of the following:

1. A loose-leaf book containing general information, statistical data and financial statements of I.T.T. Corporation and its subsidiaries. In this book is listed for each of the companies, the date of incorporation, the nature of the business, capital stock structure, funded debt, net income (usually from 1934 to 1938), number of employees, balance sheets (usually as of December 1938 and December 1937), and statement of income accounts (usually as of December 1938 and December 1937).
2. A folder containing --
  - a. Copy of agreement between Edward Ernst Kleinschmidt of Highland Park, Illinois, Siemens & Halske, A.G. and C. Lorenz, A.G. on the subject of teleprinters, dated February 11, 1939, providing for the assignment by Kleinschmidt of certain patents in tele-printers" in consideration of a sum to be paid yearly.
  - b. Agreement between C. Lorenz, A.G. and Siemens & Halske, A.G., dated December 2, 1938, providing for the pooling of patent rights and licenses on teleprinters.
  - c. Modifying agreements concerning the above.
3. Annual report for the years 1937 to 1941, of I.T.T. Corp.
4. Annual report for the year ending December 31, 1940, filed pursuant to Sec. 16 of the Securities Exchange Act of 1934.

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5. Three reports on G. Lorenz, A.G., dated 1930, containing description of the type product produced and a description of the physical properties of G. Lorenz.
6. Folder containing agreements between Siemens & Halske, A.G., Standard Elektrizitäts, A.G. and Deutsche Telephonwerke, dated Oct. 18, 1935, wherein the business of producing telephone equipment within Germany was divided. This folder also contains supplemental arrangements.
7. A chart showing the names, locations, number of employees, and products of most of the continental subsidiaries.
8. A short chronological history of I. T. & T. Corp.
9. A pamphlet explaining the Lorenz instrument-landing system.
10. A bound volume in German, dated 1930, showing the development of G. Lorenz from 1880 to 1930.
11. Corporate charts issued as of Dec. 30, 1941, showing the subsidiaries of the company and containing brief statements as to income (some as late as 1941), capital structure, type of business, and in the case of telephone operating companies, number of telephones in service.

I also have some interview notes which I have not yet had transcribed, concerning the physical lay-out and activities of Lorenz and Mix & Genest.

If I can be of any assistance, or if any of the above material is interesting to you, please call on me.

Very truly yours,  
 SAMUEL S. ISHAK,  
 Special Assistant to the Attorney General

By \_\_\_\_\_

LEONARD LIEBER,  
 Special Attorney

cc Messrs. Isaacs, Levi

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By JMW NARA Date 4-12

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BOX

CORRESPONDENCE — JUNE 1942

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By JW NARA Date 4-62RG 60  
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Box 159Suite 820, 208 South La Salle Street  
Chicago, Illinois

WDS:fe/bg

60-0-28

June 19, 1942.

## MEMORANDUM FOR MR. BRITT

Re: Subversive Activities  
Among German-Americans in Chicago

Dr. Eric von Schroetter, 611 Woodland Park, Chicago. Telephone Oakland 5996, was interviewed by the writer in this office Monday, June 15. Because he was for years national secretary of the German-American League for Culture, Inc., among whose members are many leading German Christian men and women in many cities throughout the country, I was of the opinion that he was conversant with the subject of subversive activities and also with individuals who had to do with war industry in Germany and in Central Europe. Dr. von Schroetter has been here since 1926 and became a citizen in 1931. He was not particularly well informed as to late developments in German war industry, even though he was in considerable correspondence with men abroad, up to the entry of America into the war.

For several years Dr. von Schroetter was a lecturer at Northwestern University, and until 1939 editor of the Anti-Nazi German newspaper published in Chicago known as "Volksfront." He occupied this position for five years. In this capacity as well as organizer for the German-American League for Culture, Inc., he was in constant contact with the German-American community in Chicago.

He stated that the organization known as "Deutscher Konsumverband" (German Consumers League), a branch of the Bund, is still active and operating in this city. Its president is Otto Willumeit, who was indicted by a federal grand jury in New York for violation of the Sedition Act last week. This organization, known as DKV, had the same telephone number as the Bund, and for years advertised in the "Weckruf," the official organ of the Bund. DKV held its meetings in the Germania Club, the oldest and largest German organization in Chicago, which maintains an imposing clubhouse at 105 West Germania Place, Chicago. This is at the corner of Clark Street and is one half block south of North Avenue. The principal tenets of DKV are anti-Semitism, loyalty to Hitler, and limitation of purchases to those German business houses which subscribe to its principles. Dr. von Schroetter states that, to his knowledge, DKV carries on considerable propaganda, though not of course as overtly as during the pre-war period.

The Germania Club has been the host of all Nazi leaders who came to this city. It feted the President of the German Red Cross,

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Carl Edward, Duke of Saxe Coburg and Gotha, one of the original royal Nazis, and one of the most "influential protectors" of the National Socialist Party. This occurred in March 1940. The Japanese Consul Hiroshi Acino was also a guest of honor at the Club on April 14, 1940.

Among Nazi meetings were those of the Bund, which usually conducted its main dinners and mass meetings at the Germania Club. The United States Nazi leader Kuhn, and also Kunze, were speakers at the Club. One of these meetings addressed by Kunze broke up in a riot.

Dr. J. E. Siebel is the present president of the Germania Club. Major A.F.W. Siebel, a Chicago lawyer and veteran of the Spanish-American and World War, was president until June 1, 1942. He is now Major in the United States Army Reserve. Other officers and directors are Gustav A. Brand, former City Treasurer of Chicago and formerly vice president of the Club; Gustav M. Wensel, Assistant Postmaster of Chicago, 2nd vice president; Otto Dwors, a public accountant, treasurer; Harold H. Roesser, reelected secretary. Board of Directors: Gordon T. Brummel; Colonel Frederick H. Chetlain; Charles Hoepfner; A.G. Nest; Ludwig W. Kaschffl; Paul Wichelhaus; Harry A. Hoff; Dr. Herman R. Wenger; Mrs. Harry H. Hoff, reelected president of the Women's Division; Mrs. Henry C. Boner, secretary. New Directors: Mrs. Fr. H. Chetlain; Mrs. John Siebel, and Mrs. Ludwig Kaschffl.

Colonel Frederick H. Chetlain, above listed, is now in active duty with the Army Air Corps. Until recently he was assigned in Chicago in charge of recruiting for his branch of the service.

I can corroborate Dr. von Schrester's statement that every one of the directors of the Germania Club is strongly pro-Hitler.

On March 31, 1943 the Chicago Abendpost reported that the Germania Club conducted a dinner at which the Horst Wessel song was sung. This is the national Nazi anthem. The Club is still conducted by the same men who formerly were in charge. It was at the Club that the Mayor of Stuttgart, Chief of Propaganda for the Nazi Foreign Service, Dr. Stoecklin, decorated four Chicagoans with medals for their services rendered to Nazi Germany. These are: Peter Gissibl, brother of the former chief Nazi of the United States and at that time "pro tem" leader of the Chicago Nazis; George Iberle, Secretary of the Schwabenverein (Saxonian Society); Karl Eitel of the Hotel Bismarck; and Gustav Brand, former City Treasurer, who succeeded in having the Nazi Swastika hoisted at German Day celebrations in Chicago.

Other Nazi leaders were or are: Walter Silge; Captain George Weidling, Chicago police captain; Michael Belden, proprietor of a furniture store and president of the German Day Association, which will again have its annual "Tag" June 28, 1942 at Harms Park, Chicago; Richard Sieben, Secretary of the German-American National Alliance, the organization which supported the pro-Nazi German radio hour over

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radio station WHIP, through which Saxonia, Schiller Liedertafel, Lorelei, Rheinischer Gesangverein, and other singing organizations, as well as the Lincoln Turner Cafe owned by the Lincoln Turnverein, Diversey Boulevard, Chicago, advertised. This program has been eliminated. It was dedicated to the dissemination of racial and religious hatreds following the Nazi technique. Among the most virulent pro-Nazis was Ernest Ten Eiken, still active in Chicago, who addressed a meeting of German-American delegates at the Atlantic Hotel February 13, 1942. This meeting was called ostensibly for the purpose of deciding whether a German-American loyalty rally should be held. It was decided not to hold the rally. Ten Eiken maintained that the principal work of German-Americans was to fight against discrimination rather than to defend the nation. Postmaster Kruetgen was present at the meeting but did not participate in the discussion.

An anti-Nazi speaker, William Jaeger, was shouted down by the delegates and refused a hearing. Von Schroetter reports that a considerable number of delegates went to Jaeger and shook hands with him, alleging that while they were against the Nazis, they could do nothing about their opposition because the sentiment of the organizations represented by them was pro-Nazi, certainly as far as the leadership was concerned. No Chicago newspaper reported the meeting.

Von Schroetter reports that the "Einheitsfront," the German-American National Alliance above referred to, is still active.

It is von Schroetter's opinion that the real danger lies in the activities of naturalized German citizens who came here since the last war, most of whom are strongly pro-Nazi. Among native born men and women, Major Siebel is alleged to be the outstanding pro-Nazi. His present position in the Army and in Civilian Defense work bears investigation, according to von Schroetter.

WILLIAM D. SALTIEL

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Board of Economic Warfare  
 ECONOMIC DEFENSE BOARD  
 WASHINGTON, D.C.

March 6, 1942

Mr. Robert Wohlforth  
 Antitrust Division  
 Department of Justice  
 Room 233, U. S. Court House  
 Foley Square  
 New York, New York

Dear Bob:

Thank you for your letter of March 5. Please try all your powers of persuasion to get the I. T. & T. to agree to use their channels of communication abroad. I feel sure that they will want to keep in touch with their connections abroad, and our plan will enable them to do this without getting them into trouble under the "Trading with the Enemy Act". Have you pointed out to them that they can write in any way they want to and according to the codes that they have undoubtedly worked out with their associates?

With regard to the idea of personal interviews in Spain and Portugal, I think this might be worked out and will investigate to see which persons over there would be most suitable for this type of work. Would the I. T. & T. have any way of knowing when their representatives will be in Spain and Portugal?

As you have undoubtedly heard, Export Control is now a part of the Board of Economic Warfare. The office in New York now known as the New York office of the Board of Economic Warfare was formerly the New York Export Control office. I think these two functions have been combined.

Sincerely yours,

Ben H. Reese  
 Senior Administrative Officer  
 Intelligence Section  
 European-African Division

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