

894.61332/1-145--12-3146-47-48-49



STANDARD FORM NO. 64

*Tea - Private Trade*

*Office Memorandum* • UNITED STATES GOVERNMENT

TO : Mr. Sellon

DATE: October 23, 1945

FROM : Mrs. Moffat *MAM*

SUBJECT: Japanese Tea.

Mr. Edwin Martin, A-C, in charge of all economic affairs for Japan, tells me that present plans anticipate that for the next six months or a year USCC will be the buyer of all tea (as of all other exportable products in Japan). This proposition has been discussed with high officials of USCC, and it is expected that the deal will be settled today. The reason for this is that if U.S. supplies food to Japan, as we expect will be the case, we wish to secure the foreign exchange accruing from Japanese exports. Such an arrangement would also forestall the possibility that other allied nations might claim that exports should be shipped against reparations accounts, thus giving Japan no foreign exchange for imports.

It is anticipated that if USCC is the sole buyer, commodities in short supply will have to be allocated by some arrangement among the allies, possibly by CFB allocation or through an Allied Supply Commission such as was established in Germany.

U.S. dealers in Japanese tea will get their supplies through USCC.

I told Mr. Martin that a CFB tea allocation was being made November 12 or 14, to which the U.S. was sending a representative from the Department of Agriculture with advisors from CD and FEA, and that I thought it imperative that we have a complete statement of policy on the matter, since no statement concerning the allocation of Japanese tea is now included in the U.S. position. Mr. Martin said that Merrill Gay of CP is handling the details of the matter. I explained to Mr. Martin that CD rather than CP is the division which usually represents the Department in connection with tea allocations. I shall get in touch with Mr. Gay and endeavor to get a statement which may be added to the U.S. position at the Requirements and Allocations Committee meeting October 25.

FOR - CLAIMS UNIT

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CD:MAMoffat:fmh

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MEMORANDUM OF TELEPHONE CONVERSATION BETWEEN  
MR. SELLON AND MR. WHITMAN OF JK

*File  
Del: 12/13/48*

February 15, 1946.

894.61332/2-1546

I asked Mr. Whitman what further information he had with regard to exportable Japanese tea which might be available in coming months. He said that they were trying to clear up the confusion caused by two recent cables from Japan, one of which stated that there was no tea of exportable quality available, while the other listed some 3,000,000 pounds as suitable for export markets.

I then asked Mr. Whitman whether there was any clarification of the manner in which Japanese tea would be tied in with CFB allocation. He said that the Far Eastern Commission was being re-organized to admit Russian members and that it might meet for the first time next week. Soon thereafter he said that JK would propose the setting up of an Inter-Allied Committee to handle problems concerning Japanese exports of short supply items. He said that JK would recommend that with regard to tea that this Inter-Allied Committee cooperate with the CFB Tea Committee. Apparently this would work in the following manner:

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After it had been definitely determined how much and which qualities of Japanese tea were available for export, IR would be informed. However, he was of the opinion that the Inter-Allied Committee might indicate preferences as to where these teas might be sold in order to produce the foreign exchange most valuable from the standpoint of the Japanese import requirements. IR would then, through the proper channels, make known to the CFB Tea Committee the quantities of the Japanese tea available and the preferences of the Inter-Allied Committee. The United States representative on the CFB Tea Committee would then have to be informed from Washington as to the position he was to take with regard to Japanese tea.

I said that if the amounts of Japanese tea to be available were very small, we might, after consultation with the CFB Tea Committee, decide on free purchase or we might decide on making purchases of Japanese tea deductible from international allocations.

I asked in what manner Mr. Whitman thought our importers could buy Japanese teas. He replied that USCC would purchase teas in Japan and import them into this country, then making them available to the United States trade.

He mentioned the fact that at the February 6th meeting of the

*Handwritten initials and signatures*

CFB

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CFB Tea Committee the British representatives had proposed extension of MOF exclusive purchasing to non-Empire tea sources. On the face of it, this proposal might include Japan. I said that we would undoubtedly oppose extension of the MOF purchasing to other areas at the May 8th meeting of the CFB Tea Committee meeting. I also said that I hoped that we would shortly have the final word on the final set-up which would be arranged for controlling the exportation of Japanese commodities in order that we might be able to instruct our representatives intelligently for the March meeting.

IR:PKSallon:nlh  
2/15/46



**MAY 15 1946**

In reply refer to  
IR

My dear Mr. Mitchell:

I have your letter of May 3, 1946 requesting information concerning the availability of new crop Japanese teas suitable for this market, and the arrangements which are being made for the export of these teas from Japan and for its handling upon arrival in this country. You state that you have also written to Mr. William Trout of the U. S. Commercial Company on this subject.

The U. S. Commercial Company is in much closer touch than this Department with the operating details of marketing Japanese tea. Mr. Trout has read me his letter in reply to your inquiries, giving you all the specific information now at his command, and there is little that I can add at this time. However, tea is one of Japan's important export commodities and special attention is being given to its marketing by the military authorities.

I will be glad to keep in touch with you as additional specific information becomes available.

Sincerely yours,

DCR - ITP Unit  
LOH

Anal. \_\_\_\_\_  
Rev. \_\_\_\_\_  
Cat. \_\_\_\_\_  
Dist. \_\_\_\_\_

*EGC*

Edward G. Cale  
Associate Chief  
International Resources Division

894.61332/5-346

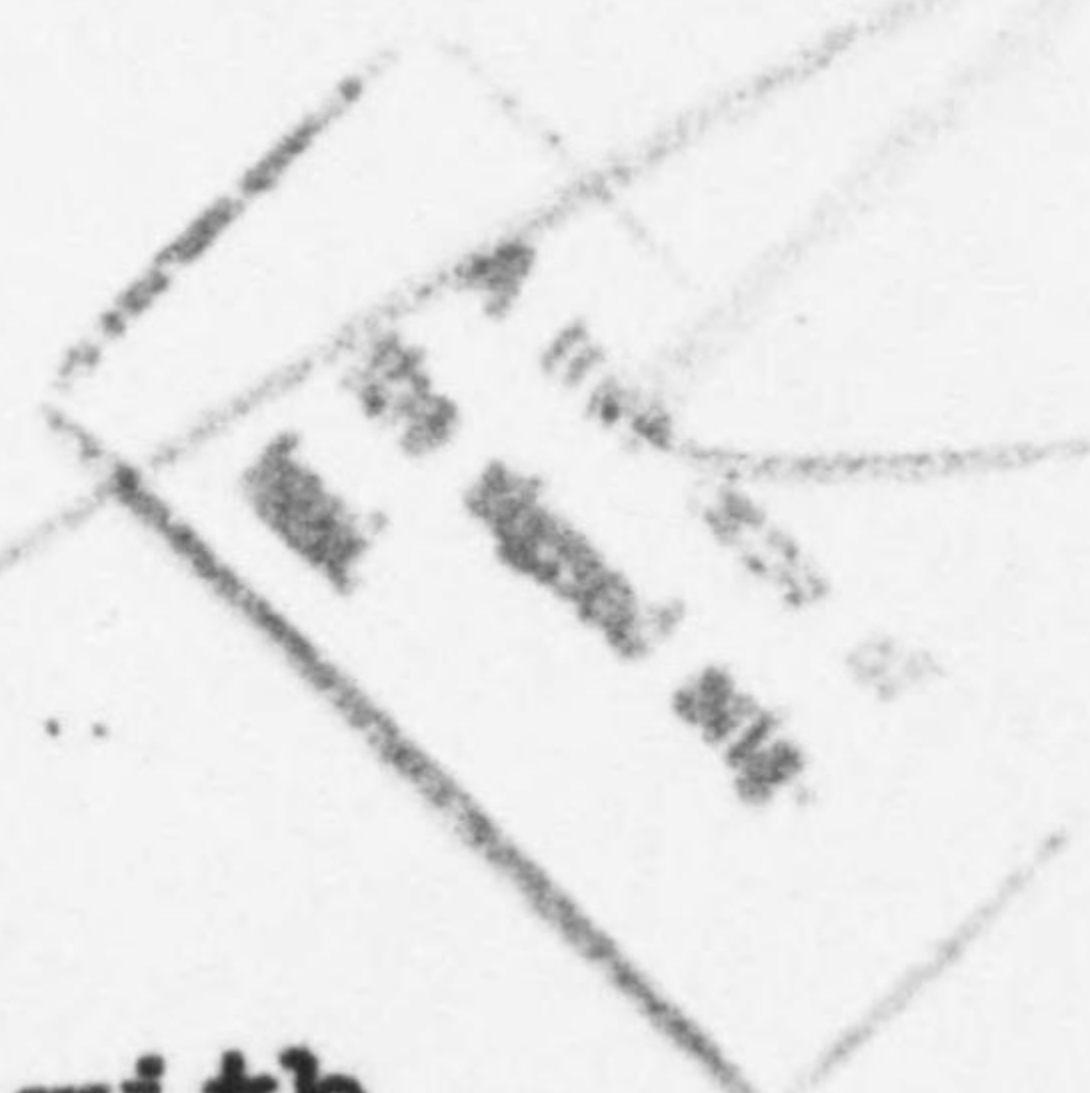
CS/VJ

Mr. George F. Mitchell,  
President, Tea Association of the  
United States of America,  
82 Wall Street,  
New York 5, New York.

MAY 15 1946 P.M.

M.A.M. gvh  
IR:MA Moffat:esg  
5/13/46

(Cleared by phone with  
R.H. Whitman -JK)



894.61332/5-346



George F. Mitchell  
President

J. Grayson Luttrell  
Vice-President

George E. Hall  
Treasurer

William F. Brummer  
Executive Secretary

Tea Association of the United States of America  
(Founded 1899)

Cable Address  
"Teafont"

82 Wall Street  
New York 5, N. Y.

Telephone  
HAnover 2-8190

May 3, 1946

INTERNATIONAL RESOURCES DIVISION  
Gek. 5-13-46 / R.M.A.M.; ay  
MAY 8 - 1946  
DEPARTMENT OF STATE

Mr. Edward G. Cole  
State Department  
1818 "H" Street  
Washington, D. C.

Dear Mr. Cole:

At the last meeting of the Directors of the Tea Association held on Tuesday last, there was much discussion as to how the new crop of Japanese teas, which we understand will be shipped to America soon, ought to be handled.

A Resolution was passed at this Meeting, instructing me, as President of the Tea Association to write to you, as well as to the U. S. Commercial Company (Attention of Mr. Trout in Room 2457) to ascertain all particulars about these new crop Japan teas. If you haven't all information in hand at this time, we are very desirous that cables be sent at once to Japan so that this information can be in the hands of the Tea Association as quickly as possible in order that we may disseminate this information among the members, as well as among the Tea Trade in general.

When you send the particulars about handling this tea, will you kindly let us know, if possible, about how much tea there will be shipped and a description of the kinds to be sent? We would be especially interested in knowing how the tea will be handled in Japan as well as on this side of the water. Will it be shipped and handled through former exporters in Japan? The reason I am asking this question is because America takes only a certain kind of teas, and I hope that the teas will be handled by experts who know what America needs and not have teas shipped in here which will be entirely unsatisfactory for the American market!

If you are unable to answer our questions in full, will you please let us know right away the status of this thing at present? All of our members are interested in knowing what is going on; all we hear here are rumors.

Very truly yours,

*George F. Mitchell*  
George F. Mitchell,  
President

DOR - ITP Unit

LDR

GFM R

BUY UNITED STATES VICTORY BONDS

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1946



*Irwin-Harrisons-Whitney, Inc.*

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*JK for activities 40*  
*W*  
*91 Wall Street,*  
*New York 5, N. Y. A*

July 3rd, 1946

RECEIVED  
 DIVISION OF JAPANESE AFFAIRS  
 DEPARTMENT OF STATE  
 JUL - 9 1946

INTERNATIONAL RESOURCES DIVISION  
 Acknowledgment disp/63  
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 July 16. NAM  
 DEPARTMENT OF STATE

The Secretary of State,  
Department of State,  
Washington, D.C.

My dear Mr. Secretary:-

In connection with the proposed shipments of Japan Tea to the United States through SCAP, the Board of Directors of THE TEA ASSOCIATION OF THE U.S.A. under date of May 23rd, 1946, appointed a special sub-committee, referred to as the Japan Tea Committee, for the purpose of co-operating with the U.S. Governmental Authorities in any way which may seem feasible and appropriate.

The Membership of this Committee consists of

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*611-9431*  
 Arthur T. Hellyer - a large Exporter of Japan Tea in normal times, and recently in Japan investigating tea under the Tea Section of SCAP

E. W. Payne  
 Vere Powers - both of whom have had experience in tea in the Far East and have been closely associated with the distribution of Japan Tea in the United States

Duncan J. MacKenzie (Chairman) who had twenty-six years continuous experience in the exportation of Tea from Japan, and who for many years acted as Chairman of the Tea Exporters Association of Shizuoka, comprising American and Japanese Exporters.

DIVISION OF JAPANESE AND KOREAN  
 ECONOMIC AFFAIRS  
 DEPARTMENT OF STATE  
 JUL 11 1946

On the 27th of June 1946 the Board of Directors of THE TEA ASSOCIATION OF THE UNITED STATES passed the following resolution -

"THAT THE SUB-COMMITTEE RECOMMEND TO THE PROPER WASHINGTON AUTHORITIES THAT A QUALIFIED AMERICAN WITH FULL KNOWLEDGE OF JAPAN TEA AND THE AMERICAN MARKET BE APPOINTED TO DEAL WITH ALL PHASES OF THE IMPORTATION AND DISTRIBUTION OF JAPAN TEA".

This letter is addressed in duplicate to the Secretary of State, the Secretary of Agriculture, Mr. Dewitt C. Schieck of the U.S. Commercial Co., and to Mr. Paul Porter of the Office of Price Administration.

DIVISION OF COMMERCIAL AFFAIRS  
 DEPARTMENT OF STATE  
 JUL 3 1946  
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 AUG - 5 1946

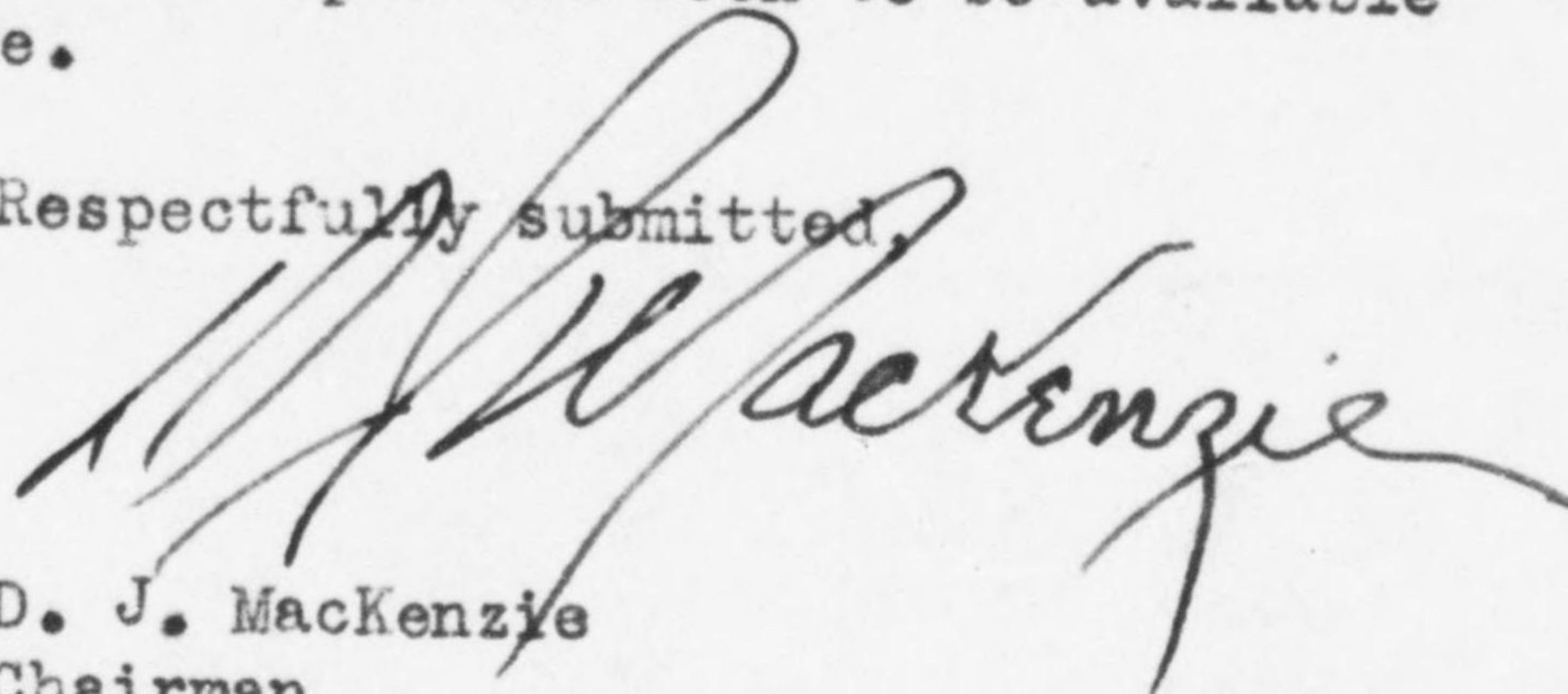


The Secretary of State

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The Japan Tea Committee, authorized by the Board of Directors of THE TEA ASSOCIATION OF THE U.S.A., holds itself in readiness to cooperate with the appropriate Government Authorities, and trusts that the combined knowledge and experience represented in this Committee may be of value in helping arrange the details of the importation and distribution of the Japan Tea soon to be available for the United States Tea Trade.

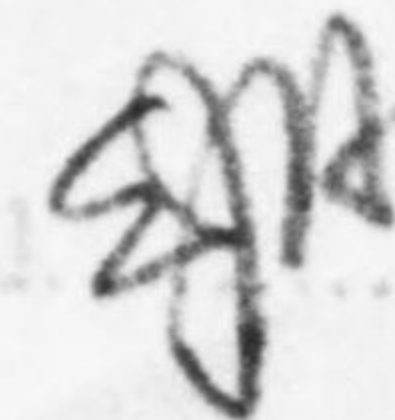
Respectfully submitted,



D. J. MacKenzie  
Chairman  
Japan Tea Committee  
Tea Association of the U.S.A.

DCR - ITP Unit

ans.





*Harris-Harrisons-Whitney, Inc.*

TELEPHONE WHITEHALL 3-0510

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91 Wall Street,

New York 5, N. Y.

DIVISION OF JAPANESE AND KOREAN  
ECONOMIC AFFAIRS  
DEPARTMENT OF STATE

June 12th, 1947

*Reply drafted 6/27  
1947  
D/R file*

Department of State,  
Washington, D.C.

Attention - Director of Far Eastern Affairs.

Dear Sir:-

The Board of Directors of the Tea Association of the U.S.A. have requested me to advise you of the dismay occasioned the Tea Trade of the United States through the Press release from Tokyo that four hundred private trade representatives are to be permitted to enter Japan after August 15th for the purpose of arranging export business, while in contrast former American Tea Exporters from Japan are to be kept out, and the Tea business is to be controlled for the 1947 crop Teas by SCAP and U.S.C.Co.

Please be advised that for three months the Tea Association of the U.S.A., the Western States Tea Association, and numerous important firms in the trade, have been endeavoring to arrange for a qualified American technical Tea expert to be added to SCAP's personnel in Japan, for the purpose of correcting the defects in 1946 crop shipments.

To all our appeals SCAP and U.S.C.C. returned the excuse that the American Tea Trade could not be favored over other export business. In taking this position, SCAP and U.S.C.C. entirely overlooked the fact that it would be equally as beneficial to them as it would be to the American Tea Trade to have the Japan Tea shipments supervised by a qualified American Tea expert instead of depending on the <sup>technically</sup> unqualified personnel SCAP has at present.

To the consternation of the American Tea Trade, the present arrangements discriminate against the American Tea Trade and former American Tea Exporters from Japan, and places the entire American Tea Trade a year behind other kinds of expert business from Japan.

It seems inconceivable that it could be the deliberate intention of American Administrative Departments and Agencies to discriminate against former American Tea Exporters from Japan, and by so doing, discriminate against the American Tea Trade, who need the efficient handling of Japan Tea shipments restored as quickly as possible.

We, therefore, trust that you will take prompt steps to rectify the palpable injustice to American Tea Exporters and the American Tea Trade without delay.

May we refer you to Mr. John M. Hancock, who is familiar with the American Tea Trade and is acquainted with the writer.

Yours very truly,

D.J. MacKenzie - Chairman  
Japan Tea Committee  
Tea Association of the U.S.A.

*D.J. MacKenzie*

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JUL 3 1947

In reply refer to  
JK

894.61332/6-1247

My dear Mr. MacKenzie:

I desire to acknowledge your letter of June 12, referring to the tea situation in Japan.

You may be assured that there has been no intent to discriminate against the American Tea Exporters. Traders, however, are not permitted to enter Japan prior to August 15, and no contracts may be negotiated prior to September first. We understand, however, that the 1947 tea crop will be ready for shipment in July; hence the necessity of maintaining tea on a government trade basis was required by the circumstances. I may say that the very important trade items represented by raw silk and cotton textiles are also not at this time being made available for foreign trade.

You may be sure that the various agencies and departments of the Government are giving continuing consideration to Japan's foreign trade problem and governmental controls will be dropped as rapidly as possible.

Sincerely yours,

Anal.	DOE - ITP Oalt MK
Rev.	W
Dist.	

*RHW*  
 Roswell H. Whitman  
 Associate Chief  
 Division of Japanese and Korean  
 Economic Affairs

Mr. D. J. MacKenzie, Chairman  
 Japan Tea Committee,  
 Tea Association of the U.S.A.,  
 91 Wall Street,  
 New York 5, New York.

JK:DOBowman:bcb  
 6/27/47

cc: Mr. Schieck - USCC, with copy of incoming letter.

*WV*  
 JUL 3 1947 P.M.

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