

DECLASSIFIED

Authority

975029

SECRET

095

SHOWA AIRCRAFT Co.

Binder # /

1 JAN ~~49~~ . . . . thru . . . . 31 Dec 50

G-4 Adm File

SECRET



*095 Showa  
400.12*

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS  
APO 500

AG 400.12 (9 Jun 49)GD

SUBJECT: Procurement Demand JPNO 1033

TO: Commanding General  
Eighth Army  
APO 343

G-4 ROUTINE	
ED POWERS	
A C/S G-4	
D AC/S G-4	
EXECUTIVE	
PLANS & POLICY	
OPERATIONS	23 MAR 50
CONST & FAC	
SUPPLY	
PETROLEUM	
PERSONNEL	
ADMINISTRATION	K

1. Reference letter, General Headquarters, Supreme Commander for the Allied Powers, AG 400.12 (9 Jun 49)GD, subject as above, 9 June 1949.

2. The matter of ownership of the materials stockpiled at Showa Aircraft Company has been determined, and the materials found to be private property of the company. The materials which have been used in connection with JPNO 1033, now JPNS 1226, on which separate accounting was directed by reference 1 above, are approved for payment within the limitations of JPNO 1033 and/or JPNS 1226. Materials have not been included in approved preemptions from this same stockpile of materials, for above procurement demands.

BY COMMAND OF GENERAL MacARTHUR:

Copy Furnished:  
CG, FEAF, APO 925

MAILED 0800 MAR 24 50  
C. D. CONLEY  
Major, AGD  
Asst Adj Gen

GPA  
COM  
ESS  
CPC



*Sup*

3464

G-4 Comeback copy



SP GD ELT/EHM/ra  
21 Mar 1950

## MEMO FOR RECORD:

1. Problem: Procurement Demand JPNO 1033 (JPNS 1226).
2. Corres Refs: a. Ltr, SCAP, AG 400.12 (9 Jun 49), to CG 8th A, subject as above, 9 June 1949.
  - b. M/R to ref 2a.
  - c. 21st Ind, Hq 8th A, ACGM 400.12 (26 Jan 48), 20 May 49 to ltr Hq JAMA JASUP 400.12, Procurement of Materials, 26 Jan 48.
3. Addl Data: a. Ref 2a ltr informed CG 8th A that the ownership of materials stockpiled at Showa Aircraft Co. was under investigation and pending determinations that a separate accounting would be maintained for property used in connection with JPNO 1033. Payment for such materials was directed to be withheld pending SCAP approval.
  - b. Ref 2c pertains to payment as preemptions for property consumed by the AF from a stockpile of material said to be private property of the Showa Aircraft Co. An investigation was made to determine ownership.
4. Discussion: a. Action taken in connection with 3b above resulted in finding that the property was private property. (See ltr to CG FEAF AG 142.1 (26 Jan 48), subject, "Stockpiled Materials of Showa Aircraft Co., JAMA Area, FEAF," 23 Nov 49 and M/R thereto). Settlement of preemptions was authorized 10 March 50 (C/N #1 G-4 thru Comp to GPA)
  - b. Property consumed in connection with JPNO 1033 (JPNS 1226) has been reported by Hq FEAF (Lt Col W. H. McGuire A-4 Sect) not to be included among items consumed by preemptions.
5. Decision: To inform CG 8th A that the materials for which separate accounting was directed are approved for payment in connection with the procurement demand under which they were used. Instant ltr accomplishes this action.
6. SDSA -- none.
7. Initiated action: See G-4 JN 83893 in connection ref 2a.

ELT ELT 26-6456EHM M 26-6043 (Div Chief)



*095 Showa*  
~~142.1~~

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS

APO 500

AG 142.1 (26 Jan 48)GD

SUBJECT: Release of Stockpiled Materials of the Showa Aircraft Company, JAMA Area, FEAF

TO: Commanding General  
Far East Air Forces  
APO 925

G-4 ROUTING	
AG C/S G-4	22 MAR 50
PLANS & POLICY	
OPERATIONS	
CONST & FAC	
① SUPPLY	MB
PETROLEUM	
PERSONNEL	
ADMINISTRATION	K

1. References: a. Letter, General Headquarters, Supreme Commander for the Allied Powers, AG 400.1 (26 Jan 48)GD, subject, "Stockpiled Materials of the Showa Aircraft Company, JAMA Area, FEAF," 23 November 1949.

b. Letter, General Headquarters, Supreme Commander for the Allied Powers, to Eighth Army, AG 400.12 (9 Jun 49)GD, subject, "Procurement Demand JPNO 1033," 9 June 1949.

2. The Commanding General, Eighth Army, has been instructed to effect the necessary procurement action to settle preemptions of property from the Showa Aircraft Company JAMA Area, FEAF, in an amount not to exceed ¥188,000,000. Categories and values as finally determined are as follows:

a. Value of materials consumed prior to 31 March 1948, ¥153,965,398.

b. Value of materials consumed subsequent to 31 March 1948 to which Imperial Ordinance 88 is applicable, ¥13,002,197.

c. Value of materials consumed subsequent to 31 March 1948 to which Imperial Ordinance 88 is inapplicable, ¥2,129,490; total ¥169,097,085. Action is being taken by General Procurement Agent, this headquarters, to inform the receiving officer of the amounts of approved procurement which are settlements in full for all preemptions in this case.

3. It is requested that action be taken to release to the control of the Japanese Government the balance of materials of the Showa Aircraft Company remaining in the JAMA Area which is subject to Imperial Ordinance 88, 17 February 1946, and to require Showa Aircraft Company to remove the remaining stockpile of materials not

21 MAR 1950  
G-4

3429

G-4

G-4 Comeback copy



AG 142.1 (26 Jan 48)CD, 22 MAR 50

Subj: Release of Stockpiled Materials of the Showa Aircraft Company,  
JAMA Area, FEAF

desired by the Air Forces or Eighth Army. Such items of this stockpile as may be desired must be obtained through procurement demands in accordance with existing instructions.

4. Since by reference 1b above this headquarters directed Eighth Army to approve for payment no materials drawn from Showa Aircraft Company stockpiled material until approved by Supreme Commander for the Allied Powers, action is being taken to inform Eighth Army that payment for materials used in connection with JPNO 1033, now JPNS 1226, is authorized on the basis that property consumed was private property and not included in subject preemption settlement.

BY COMMAND OF GENERAL MacARTHUR:

MAILED 1 330 MAR 22 50 AG. - GPO

Copy Furnished:  
CG, Eighth Army, APO 343

C. D. CONLEY  
Major, AGD  
Asst Adj Gen

GPA  
COM  
ESS  
CPC



SP GD ELT/EHM/ra  
22 March 1950

MEMO FOR RECORD:

SUBJECT: Release of Stockpiled Materials of the Showa Aircraft Company,  
JAMA Area, FEAFF

1. Problem: Release of Stockpiled Materials of the Showa Aircraft Company, JAMA Area, FEAFF.

2. Corres. Refs: a. SCAP ltr to FEAFF, AG 400.1 (26 Jan 48)GD, subj, "Stockpiled Materials of the Shows Aircraft Company, JAMA Area, FEAFF," 23 Nov 49.

b. SCAP ltr to Eighth Army, AG 400.12 (9 Jun 49), subject, "Procurement Demand JPNO 1033," 9 June 1949.

c. For detailed references see M/Rs to above refs 2a and b.

3. Discussion: a. Instant action is in connection with that portion of stocks of the company not consumed by preemptions and directs CG FEAFF to release the material to the Japanese Government which is subject to provisions of Imperial Ordinance 88 and to require the company to remove the balance of the materials. CG FEAFF is also advised that any portions of the stockpile desired by FEAFF must be obtained in accordance with current procurement instructions.

b. Since 8A has initiated procurement action to cover the preemptions in an amount not to exceed ¥188,000,000, it is necessary to advise the receiving officer of the actual amount of procurement. GPA will so advise the receiving officer and this information is furnished to CG FEAFF and sets forth exact amounts.

c. At the time the question of the ownership of the property was raised the CG 8A was advised to withhold payments for material consumed under JPNO 1033, now JPNS 1226, pending determinations of ownership. Since a determination has been made by the EIB of JG, concurred in by SCAP, that the property is private property, and since the property consumed under JPNO 1033 (JPNS 1226) is not included in the property preempted, CG FEAFF is informed that CG Eighth Army will be advised that suspension of payment will be terminated.



## MEMO FOR RECORD (CONT'D)

4. Decision: To advise CG FEAF:
  - a. To release the Showa property to JG and Showa.
  - b. That the receiving officer will be advised of the amounts of the preemption by GPA.
  - c. That the suspension of approval for payments of property consumed under JPNO 1033 (JPNS 1226) is revoked and that 8th A will be so advised.
5. SDSA — none.
6. Initiated action in connection w/G-4 Journal No. 3338.

ELT EAT 26-6456EHM (M) 26-6043 (Div Chief)



095 SHOWA  
X4700-12  
X4700-11  
X473

Maj Harper  
26-6456

File  
11 DEC 1951

Expendable Hand Tools and Equipment Procured on PD's  
with the Showa Aircraft Industry Company

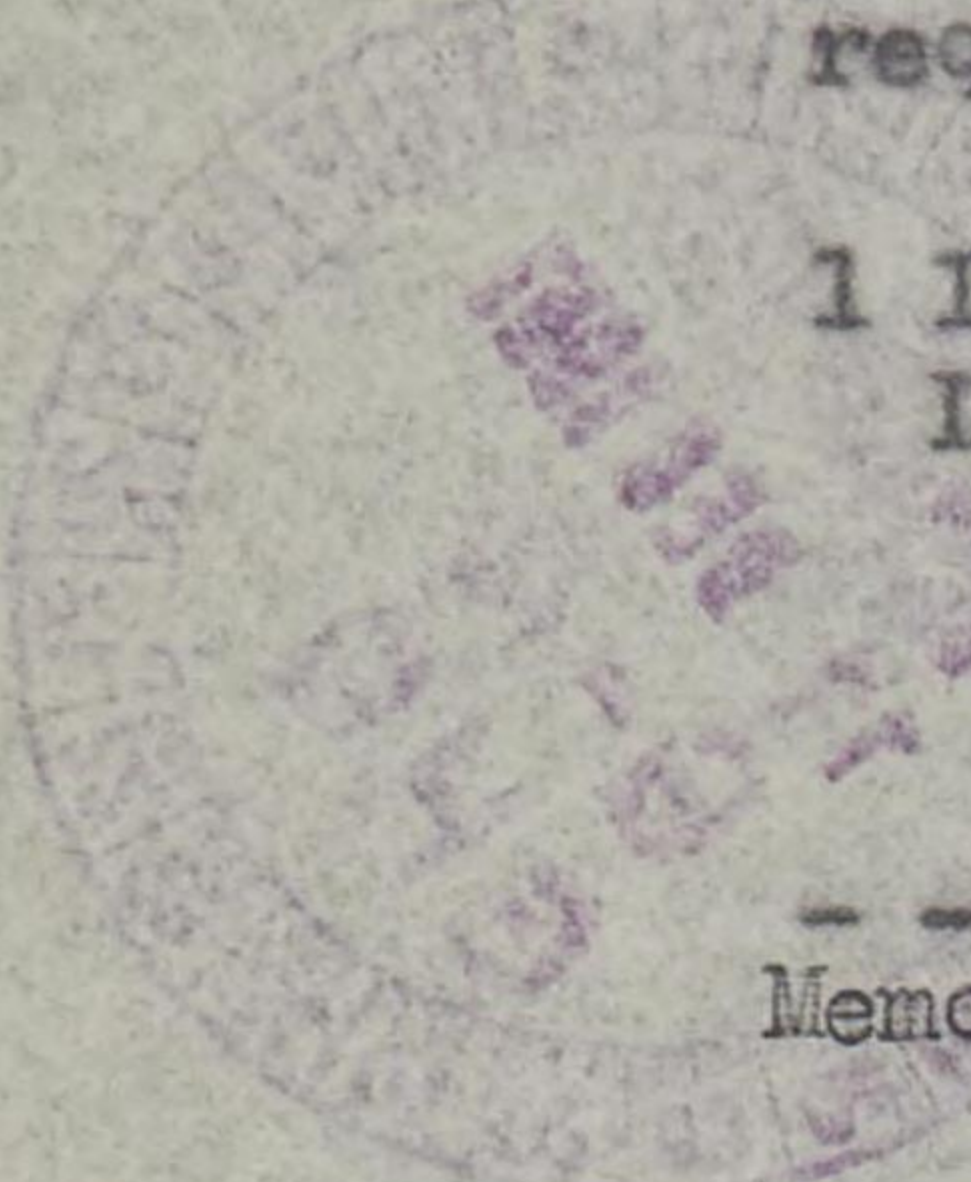
G4

JA

11 DEC 1951

1 With reference to the attached correspondence on Expendable Hand Tools and Equipment Procured on PD's with the Showa Aircraft Industry Company, it is requested that you furnish comments and recommendations.

1 Incl  
Ltr, AMCPT, Hq FEAMCOM,  
subj as above, 25 Oct 51,  
w/4 Ind and Incls thereto.



Memo for Record: -G. L. E.-  
GD/E RLH/MSG/JHFB/bc 10 Dec 51

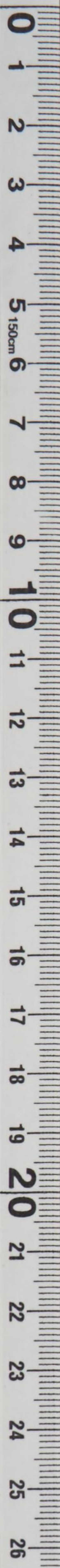
1. Ltr, FEAMCOM, AMCPT, subj: as above, 25 Oct 51, fwds to JICOM, a ltr and inventory of expendable hand tools and equip submitted to FEAMCOM by the Showa Aircraft Industry Co., This company has had yen PD Contracts w/Ord and AF for the past several years. The contractor claims that since the tools were charged to his fixed fee, they now belong to him and that since the terms of the contract and medium for payment (dollars, rather than yen) are changed, the AF should purchase the stock of expendable hand tools and equip. FEAMCOM contends that these tools and equip belong to the Occupation Forces. FEAMCOM requested the JICOM Contracting Offr's decision on the ownership of the tools and should the tools be determined to belong to the contractor, requested that immediate action be taken to renegotiate past contracts under the Price Re-determination Clause on the basis that the contractor's allowance w/in his fee for the procurement of expendable hand tools and equip nec for the opn of the contract was excessive. A copy of a FEAMCOM JA Staff Study was attached.
2. By 1st Ind to FEAMCOM thru FEAF, 3 Nov 51, JICOM stated that since the hand tools and equip were purchased fr the Contractor's fixed fee, such tools and equip are considered to be the property of the contractor and that the fixed fee cannot be renegotiated at this time.
3. By 2d Ind, 10 Nov 51, FEAF fwded JICOM comments to FEAMCOM.
4. By 3d Ind, 4 Dec 51, FEAMCOM requested CINCFE concurrence or reversal of JLC decision.
5. By 4th Ind, 8 Dec 51, FEAF fwded the FEAMCOM request to CINCFE.
6. As this problem requires a decision by the JA, instant C/N fwds the corres to JA for comments and recommendation.
7. Coordination is unnecessary.
8. History - No.
9. Action complete on G4 JN 23307.

RLH          26-6045    MSG          26-6055    JHFB          26-6044 (Div Chief)

(B)  
23307  
sup  
JA

GLFile





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1. Mr. WILSON, AICPT, advised as above, 25 Oct 51, that to HIGON, a firm and inventory of expendable hand tools and equipment admitted to HIGON by the Shows Aircraft Industry Co. This company has had very few contracts and has been in business for the past several years. The contractor claims that since the tools were placed in his fixed fee, they now belong to him and that since the terms of the contract and method of payment (dollars, rather than yen) are changed, the AF should purchase the stock of expendable hand tools and equipment. HIGON contends that these tools and equipment belong to the Corporation because HIGON requested the AF to purchase the tools and equipment on the ownership of the tools and should the tools be determined to belong to the contractor, requested that immediate action be taken to reimburse the contractor under the fixed fee determination. HIGON on the basis that the contractor's allowance was his fee on the procurement of expendable hand tools and equipment for the term of the contract was excessive. A copy of a HIGON 14 Staff Study was attached.

2. As stated in HIGON's report, 3 Nov 51, HIGON stated that since the hand tools and equipment were purchased by the contractor's fixed fee, such tools and equipment are considered to be the property of the contractor and that the fixed fee cannot be renegotiated at this time.

3. By 23 Ind, 10 Nov 51, HIGON advised HIGON comments to HIGON.

4. By 24 Ind, 10 Dec 51, HIGON requested HIGON concurrence or reversal of HIGON decision.

5. By 25 Ind, 8 Dec 51, HIGON advised the HIGON request to HIGON.

6. As this problem requires a decision by the AF, Assistant CMA, the course to be followed for comments and recommendations.

7. Coordination is unnecessary.

8. History - No.

9. Action complete on 10 Dec 51.

100-26-0011 (Rev. 1-1-51)



G-4 ROUTING

A C/S G-4

D AC/S G-4

EXECUTIVE

PLANS & POLICY

OPERATIONS

CONST & FAC

SUPPLY

PETROLEUM

PERSONNEL

TRAINING

095 Showa acft. Co

Lt Col Tucker 26-6456

Establishment of Yen Value of Materials of Showa Acft Co. - List "A" of Exhibit A2 - Bd Proceedings

GPA

20 March 1950

(3)

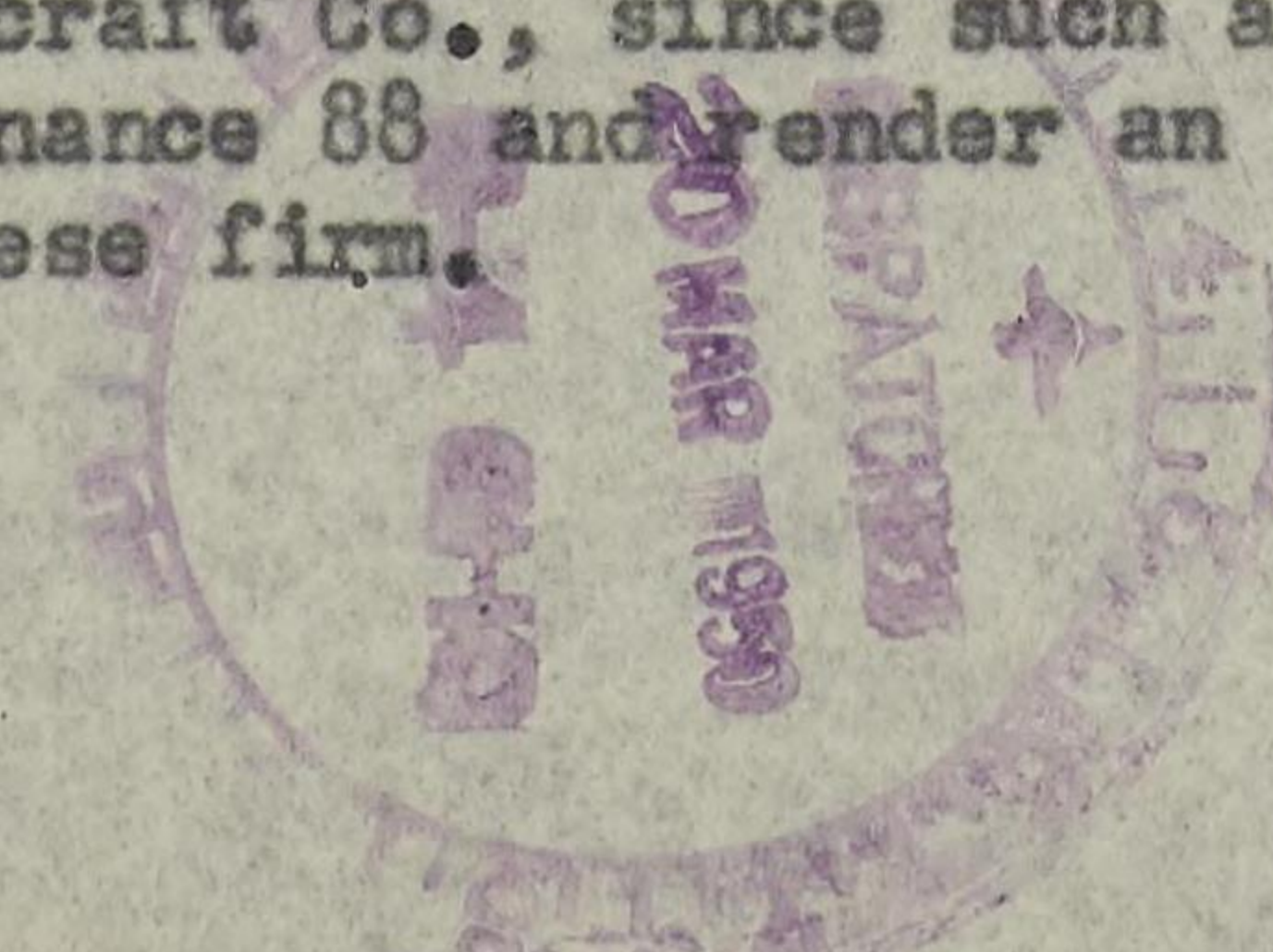
1. Reference is made to C/N #1, G-4 thru COMPT to GPA, subject, "Request for Procurement Demand to Cover Preemptions from Stockpile Materials of the Showa Aircraft Co.," 11 March 1950.

2. a. Transmitted herewith are board proceedings forwarded to CINCPAC by Hq FEAF in ltr file MAT-SUP-SP 004, subject, "Stockpiled Materials of the Showa Aircraft Company," 2 February 1950. Exhibit A<sup>2</sup> of board proceedings is composed of four (4) lists as follows:

- (1) List "a" which is the total quantity of materials determined as consumed.
- (2) List "b" the quantities of materials consumed prior to 31 March 1948.
- (3) List "c" the quantities of materials consumed subsequent to 31 March 1948 to which Imperial Ordinance 88 is applicable.
- (4) List "d" the quantities of materials consumed subsequent to 31 March 1948 to which Imperial Ordinance 88 is inapplicable.

b. Values have been established for lists "a" thru "d" incl. as set forth in para 1 C/N #2 above.

c. The significance of list "c" is that settlement should be effected between the Occupation Forces and Sangyo Fakkō Kodan representing the Japanese Govt. (Ref GHQ-FEC ltr AG 142.1 (26 Jan 48)GD, subj, "Stockpiled Materials of the Showa Aircraft Company - JAMA Area FEAF," 23 Nov 49). This list represents materials of the stockpile which should have been transferred to the control of the Japanese Government based on inventories as of 31 March 1948 as provided in Japanese "Cabinet Order Concerning Urgent Inventories of Critical Materials," an implementing directive in connection with Imperial Ordinance No. 88, 17 February 1946. Said materials were not transferred since the Showa Aircraft Company was unable to comply as the company was denied access to the material which was in the hands of the Air Force. Although part of the total preemption, payment therefor is not due the Showa Aircraft Co., since such action would defeat the purpose of Imperial Ordinance 88 and render an unfair preferential status to this particular Japanese firm.



M

S4P 3338

G-4



Lt Col Tucker 26-6456

Establishment of Yen Value of Materials of Showa  
Acft Co. - List "A" of Exhibit A2 - Bd Proceedings

G-4

GPA

20 March 1950

(3)  
(Cont'd)

3. G-4 concurs in the values established for the respective lists, namely, List "b" ¥153,965,398; list "c" ¥13,002,197; list "d" ¥2,129,490; Total ¥169,097,085. Request Eighth Army be issued necessary instructions for settlement of these preemptions.

1 Incl  
n/c

*M. J. ...*

G. L. ...

SP GD ELT/EHM/ra  
20 March 1950

MEMO FOR RECORD:

1. This C/N transmits to GPA detailed information in connection with the costs of preemptions authorized for payment under a yen ceiling allotment of ¥188,000,000 as approved by G-4 and Comptroller and referred to in par 1 this C/N. For details see previous M/Rs this subject.

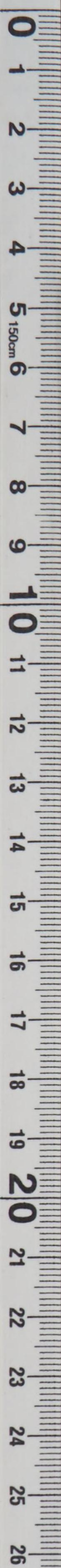
2. G-4 Journal No. 3338 complete.

ELT *ELT* 26-6456

EHM *CM* (Div Chief)

G-4





Lt. Col. Tucker 26-6456

Subject: Establishment of Yen Value of Materials  
of Showa Acft Co. - List "A" of Exhibit  
A2 - Ed Proceedings

From: G-4

To: ESS

Date: 6 February 1950

From: ESS

To: G-4

Mr. Kito 26-6320  
WFM/FLW/VLB/FEK/vhw  
Date: *dm. O+B/MK*

20 MAR 1950

2

1. In accordance with check note no. 1 and subsequent discussion with G-4 the following yen values were the Japanese Price Agency's preliminary appraisal of the attached lists of materials secured from the stockpiled materials of the Showa Aircraft Company:

List B	¥ 171,072,665
C	14,446,886
D	<u>2,366,100</u>
List A	¥ 187,885,651

2. Since the commodities included in the lists do not have detailed informations relative to specifications, quality, and quantity the Price Agency commodity specialists made varying assumptions in their appraisal. As a result, obvious discrepancies in the unit prices and total values are noted. The Price Agency, therefore, recommends a 10% reduction in the total values of each list. The revised total values are as follows:

*20 MAR 1950*



(6 Feb 50)ESS, 20 MAR 1950

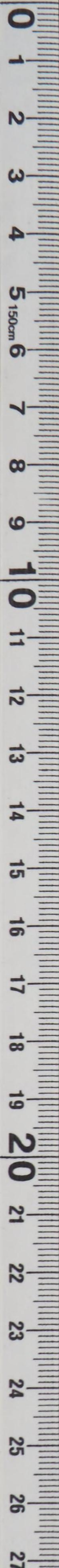
Subj: Establishment of Yen Value of Materials of Showa Acft. Co. -  
List "A" of Exhibit A2 - Bd Proceedings

2  
Cont'd

List B	¥ 153,965.398
C	13,002.197
D	<u>2,129,490</u>
Total-List A	¥ 169,097.085

1 Incl:  
n/e

-----W. F. M.-----





095 Showa (New file)  
~~4709.12~~

Lt Col Tucker 26-6456

Request for Procurement Demand to Cover Preemptions  
from Stockpile Materials of the Showa Aircraft Co.

G-4

Thru: Comptroller  
GPA

11 March 1950

- (1) 1. Request contained in basic communication for issuance of procurement demands to cover preemptions of materials used by the Air Force is approved subject to confirmation by the Comptroller of the availability of funds in an amount not to exceed ¥188,000,000.
- 2. Request GPA issue necessary instructions to Eighth Army.

1 Incl  
Ltr Hq FEAF (in quad)

*M. K.*

G. L. N.

G-4 ROUTING	
A C/S G-4	_____
D AC/S G-4	_____
EXECUTIVE	_____
PLANS & POLICY	_____
OPERATIONS	_____
CONST & FAC	_____
SUPPLY	_____ <i>(M)</i>
PETROLEUM	_____
PERSONNEL	_____
ADMINISTRATION	_____ <i>(A)</i>



*Leggy*  
2912



SP GD ELT/EHM/ra  
11 March 1950

MEMO FOR RECORD:

SUBJECT: Request for Procurement Demand to Cover Preemptions from Stockpile Materials of the Showa Aircraft Co.

1. Problem: Procurement Demands for Preemptions from the Showa Airc Co.
2. Corres refs:
  - a. SCAP ltr AG 142.1 (26 Jan 48)GD subject, "Stockpiled Materials of the Showa Aircraft Company JAMA Area, FEAF," 23 Nov 49.
  - b. Detailed information is included in M/R to ref 2a.
3. Discussion:
  - a. The basic action in this case is ltr Hq JAMA, JASUP 400.1, subject, "Procurement of Materials," 26 Jan 1948 and 21st Ind thereto, Hq 8th A AGGM 400.12 (26 Jan 48), 20 May 49. The basic question raised as a result of this request for procurement was whether the materials consumed belonged to the Showa Aircraft Company or the Japanese Govt. Subsequent investigation by the Economic Investigation Board of the JG determined that the materials in the stockpile were private property of the Showa Aircraft Company. ESS further determined that the Company was a private enterprise and not a JG agency. As a result of these determinations a board of officers appointed by FEAF made a determination of the amounts of supplies consumed. The findings of the board were forwarded to GHQ-FEC for value determinations.
  - b. Price determinations have been made by the Japanese Price Board based on May 1, 1949 values. Although all details of value have not been reported, reliable figures have been furnished within which the procurement costs will fall. Upon editing and checking of values the final figures will be furnished to Eighth Army for final procurement action.
  - c. In order to permit the obligation of funds prior to 31 Mar 50, FEAF has requested procurement action be taken within the Yen limitation of 188,000,000.
4. Decision: To forward approved the FEAF request, thru Comptroller for verification of the availability of funds, and to GPA for the necessary instructions to 8th Army.
5. Further action: Upon receipt of the edited and verified values from ESS, 8th Army will be furnished the detailed information for procurement.
6. SDSD -- none.
7. Action is within established policy and instructions.
8. Action complete on G-4 Journal No. 2912.

ELT 467 26-6456

EHM MD (Div Chief)



HEADQUARTERS  
FAR EAST AIR FORCES  
APO 925

AG 400.12 MAT-SUP-Q

SUBJECT: Request for Procurement Demand for Settlement of Claim,  
Showa Aircraft Co.

THRU: Supreme Commander for the Allied Powers, GHQ, FEC, APO 500

TO: Commanding General, Eighth Army, APO 343

1. Request that supply type procurement demand be issued for the settlement of claims arising from the consumption by Air Force activities of stockpiled materials, "JAMA Area", which were subsequently determined, by GHQ, SCAP, to be the private property of the Showa Aircraft Company.

2. Requirements for these materials are as follows:

- a. Procurement account code PAC 208-33-410-08.
- b. Stockpiled materials. Detailed bill of materials presently being priced by ESS.
- c. Total limitation of ¥188,000,000. Telephonic advice from Comptroller, GHQ, advises ¥188,000,000 being made available to FEAF.
- d. No marking, packaging and packing instructions required as materials have been consumed.
- e. Procurement demand to be made on Showa Aircraft Company for ¥173,500,000 and on Sangyo Fukko Kodan for ¥14,500,000.
- f. Delivery schedule not required as materials have been consumed (2 Sept 45 to 23 Nov 49).
- g. Receiving Officer: Commanding General, Far East Air Materiel Command, APO 323.
- h. The Sangyo Fukko Kodan is named jointly with the Showa Aircraft Company by virtue of the fact that a portion of the materials consumed fall within the provisions of the Japanese Government Imperial Ordinance No.88 dated 17 Feb 46 and should have properly been delivered to the Sangyo Fukko Kodan as of 31 March 1948.

FOR THE COMMANDING GENERAL:

CC: CG FEAMCOM

A. P. KRUGER  
MAJOR, USAF  
Asst Adj. Gen

192926



400.12

GENERAL HEADQUARTERS  
FAR EAST COMMAND  
APO 500

*file # should be entered by  
office of origin*

AG (9 JUN 49)GD

9 JUN 49

SUBJECT: Procurement Demand JPNO 1033

TO: Commanding General  
Eighth Army  
APO 343

1. Reference: 21st Indorsement dated 20 May 1949, Headquarters Eighth Army, file AGGM 400.12 (26 Jan 48) to letter Headquarters Japan Air Materiel Area, file JASUP 400.12, "Procurement of Materials", dated 26 January 1948.

2. The matter of ownership of the materials stockpiled at Showa Aircraft Company is under investigation and until finally determined, it is desired that appropriate materials therefrom be utilized in connection with Procurement Demand JPNO 1033 but that approval for payment for such materials so used be withheld pending SCAP approval. A separate accounting will be maintained for all materials from subject stockpile used in connection with JPNO 1033.

3. It is further desired that no materials from aforesaid stockpile be used for any purpose other than in connection with JPNO 1033 without prior SCAP approval.

BY COMMAND OF GENERAL MacARTHUR:

JUN 9 49

*should be  
copy furnished:*

4 ROUTING	
A C/S	Copy to: _____
D AC/S	CG FEAF, APO 925
EXECUTIVE	_____
PLANS & POLICY	GPA _____
OPERATIONS	COM _____
CONST & FAESS	Ord _____
TRANSPORTATION	FAESS _____
SUPPLY	CPG _____
PETROLEUM	(M) _____
BUDGET	_____
PERSONNEL	_____
ADMINISTRATION	_____

CLARK MARSHALL  
Major, AGD  
Asst Adj Gen  
JUN 9 6  
DISPATCHED  
WV NIP 6

(M)

53893

*Should have SCAP heading.*

(2)  
G4 File

G4 File



SP CD HAH/EHM/ra  
8 June 1949

MEMO FOR RECORD:

SUBJECT: Procurement Demand JPNO 1033

1. Problem: Use of materials (stockpiled at Showa Aircraft Co.) under PD JPNO 1033.

2. Background data:

a. Showa aircraft Co. land and buildings were allotted to 5th AF in Sept 45 by allocation 20-1, replaced by Real Estate PD TKYC 865 retroactive to 17 Sep 45; and currently replaced by JPNR 4106 as of 1 July 47.

b. When the physical plant was taken over in Sept 45 by 5th AF there was a stockpile of materials for fabrication of aircraft at Showa Aircraft Co.; duralumin, bar steel, aluminum, rivets, bolts, copper sheeting, brass, tubing, electric supplies, wire, etc. This stockpile has been drawn upon by various units of AF and the contractor under JPNO 1033 for rehabilitation of vehicles has used material from this stockpile. The contractor Showa Seisako-sho is the same entity as Showa Aircraft Co. and has rec'd paymt on GPA Forms 2 for materials used under JPNO 1033. No compensation has been made for materials used other than on JPNO 1033.

c. Ltr, Hq JAMA, JASUP 400.12, "Procurement of Materials," 26 Jan 48 with 21 Inds; ltr Hq JAMA, JACEN 400.12, "Procurement of Materials," 24 Aug 48 with 3 Inds and C/Notes 1 thru 6 between GPA, Ord and G-4, trace the story of subject stockpile of materials. JAMA recommends that a confirming PD be approved for all materials from subject stockpile used for purposes other than on JPNO 1033 and that the remainder of the stockpile be procured for future use.

d. Radio WAR 84940 (25 Aug 47) to SCAP directed the plants of primary war facilities, including aircraft mfg and assembly plants, be impounded and that all machinery therein be made available for reparations; however, SCAP is authorized to except from this directive any plant required to meet the needs of the occupation forces.

e. ESS/IND and CPC/Reparations are currently working on a list of plants to determine ownership and status in view of fact they were primary war facilities. Showa Aircraft Co. is included. Ess/IND Mr. Thurman states that ownership of the stockpile of materials at Showa Aircraft Co. plant is obscure.



3. Decision: Ownership of stockpile of materials at Showa Aircraft plant has not been accurately determined. If these materials were owned by Japanese Govt at termination of war they now belong to the occupation. Until ownership is determined definitely known, no further payments should be approved for materials used by the contractor under JPNO 1033. G-4 so directs CG 8th Army by this action. Copies to CG FEAF, GPA, COM and Ord.

4. Supply Division suspense date - 16 June 49.
5. Interim action G-4 Journal 83893. Suspend to 16 June 49.
6. Concurrence: G-4 BIC (Lt Col Irvin, Maj Johnson).
7. Coordination: Comptroller (Lt. Col. C. L. Melnich.)

HAH ~~HAH~~ 26-6456

EHM ~~EW~~ 26-6043

CLARK MARSHALL  
Major, AGD  
Asst Adj Gen



DECLASSIFIED  
Authority 975029

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