

Sidney Ross & Co - Sterling Products  
Dave Cocoran - Chinese Purchasing Commission

\$350,000 - Opus Christi  
Kaiser

Berthme - Her counsel SFC,  
lines with

2-3020

*file on brown*  
**Postal Telegraph-Cable Company**  
**PRESS TELEGRAM**

1925 Geo Mc Nulty - wages & home <sup>Gen</sup> counsel

Ed Foley - Gen counsel - Treas

1925 Allan Throop - Gen counsel SEC.

1925 John J Burns - " "

25 John Rogge - Gen counsel - <sup>Gen</sup> investigation

Mat McGuire

8080



# Postal Telegraph-Cable Company

## PRESS TELEGRAM

Penn Radio - Penn army ignores Govt.  
US troops back

Bombing lag - dismissed?

Tanks - no British equipment  
for landing on Continent

Foggy mids 1811

8 comes against  
this fine cooperation  
with Henry held  
up by Biddle.  
in restraint of trade

Tom Conover threatens  
Hugh Cook to be solicitor  
General - " be fired.

Vierick

cool wif. } Martinique  
                  } Penn- Schenck

at 8 in the  
a 4 servants.

Peggy can't handle even 1.  
be happier in apartment  
with Peggy about all  
cooking

488

MARQUESET 22394

Postel Telegraph - Cable Company



## Drew Pearson Predicts Ben Cohen Will Go to London As Winant Aid



Robert Allen

Drew Pearson

As political prophets go, Drew Pearson and Bob Allen, the Washington Merry-Go-Rounders, have just about the highest batting averages in the business. They strike out once in a while, but when they connect they connect solidly. On their radio program of Sunday night, Jan. 28, for example, they forecast the exact day the Government would bring suit against ALCOA as a magnesium trust. Mr. Allen was absent from last night's Merry-Go-Round radio session (WJZ 7:30). But partner Pearson, doing a solo, carried on with several new predictions, which we'll check on. Here is part of NBC text of Mr. Pearson's predictions:

1. We disclosed earlier how one of the President's most famous Brain Trusters, Tom Corcoran, would be appointed to high official position. And now here's a prediction regarding his partner, Ben Cohen. Ben Cohen is the silent partner of the team of Corcoran



Ben Cohen

and Cohen. He is the man who wrote some of the most famous bills passed by the New Deal—the truth and securities act, the holding corporation act, and the bill for the regulation of the stock market. But now I predict that Ben Cohen shortly will leave for London, where he will act as legal adviser to the American Embassy. (Early this morning the United Press quoted "authoritative Washington sources" to the effect that Cohen would go to London.)

2. Now here's a prediction regarding labor, which, because of various strikes delaying the national defense program, is all-important today. It has been charged in certain parts of the country that certain unions have been charging exorbitant initiation fees to workers seeking to enter the union and get defense jobs. These charges have been especially rampant against the building trades unions which all belong to the American Federation of Labor. If a non-union worker cannot afford to pay this initiation fee, he is automatically barred from work. And so, here is my prediction. I predict that tomorrow when the executive committee of the American Federation of Labor holds its quarterly meeting in Miami, William Green, president of the A. F. of L., will deliver an important message urging that union initiation fees be scaled down to a level which the unemployed worker can afford to pay.

3. Here's another prediction regarding that important branch of the Government, the State Department. Yesterday Judge Walton Moore, the counselor of the State Department, died at the age of 81; and in

line with the President's desire to reorganize the State Department, I predict that Mr. Moore's position as counselor will now be filled by Dean Acheson, who is now

Assistant Secretary of State. I further predict that Mr. Will Clayton, largest cotton buyer in the entire world, soon will be appointed as Assistant Secretary of State, replacing Mr. Acheson. It is particularly interesting that both of these men have been vigorous critics of the President on his domestic policy. Mr. Acheson, when Under Secretary of the Treasury, differed so vehemently in regard to gold policy that he was asked to resign, and Mr. Clayton was one of the big contributors to the Liberty League which so steadfastly opposed the re-election of Roosevelt in 1936. On foreign policy, however, they are 100 per cent with the President.



Dean Acheson

4. Now we have time for just one more prediction, and I want to make it regarding Pan-American Airways, that giant air system which now connects the United States and Europe, South America, Alaska, China and Australia. Pan-American Airways has done a notable job in pioneering this vast network, but also it has been very greatly dependent upon the Government and receives a Government subsidy of \$1,000,000 a month. Furthermore, with international relations now so complicated, the job of connecting the United States with foreign countries by air has become more and more a Government problem. So, here is my prediction. I predict that one of Roosevelt's most important plans during the coming year will be to divide up Pan-American Airways into separate companies in each of which the Government of the United States will be a partner. One will fly the Atlantic, another to South America, another to the Pacific, and so on, but the Government of the United States will be an active partner and part-owner in each company.

# Corcoran's Drug Firm Gets Permit For Big Export Deal In 5 Days

*Balti. Sun July 17 '45*

High Pressure Blitz Enables Sterling Products To Ship Rare Material To South America

By GERALD GRIFFIN

[Washington Bureau of The Sun]

Washington, July 16—Within a period of five days, Sterling Products, Inc., a large drug firm represented in its dealings with the Government by Thomas G. Corcoran, has been granted licenses for exporting \$3,000,000 worth of drug products to Latin America, it was learned this afternoon.

The speed and high-pressure methods employed in obtaining Government approval of shipments of this magnitude by one firm, together with the fact that some of the items are on the critical list, left numerous officials angered and gasping.

Items which were approved included \$50,000 worth of caffeine, described by Government officials as a critical product, and \$100,000 worth of aspirin. It was understood, in addition, that the list contained several thousand ounces of quinine, a highly critical product; large amounts of epsom salts and other items for which figures were not immediately available.

#### Record Indicated

Informed officials expressed doubt whether any other firm could have obtained such quick approval of the export of such a large amount of drugs, particularly in the light of present wartime needs.

They called attention, moreover, to the fact that Sterling Products, up until early last fall, was a party to an international drug cartel along with the powerful I. G. Farbenindustrie of Germany.

Sterling was fifty per cent. owned by the German-controlled General Aniline and Film Corporation; the other half being owned by American nationals. The stock of General Aniline and Film is now vested in Leo T. Crowley, alien property custodian, who thus holds a half interest in Sterling.

Sterling's rapidly growing South American business is handled by a subsidiary, the Sidney Ross Company, set up especially for this purpose. It is headed by David Corcoran, Tommy's brother.

#### Virtual Monopoly

The size of the export shipments by Sterling and Sidney Ross for which approval has now been obtained, it was declared, is such that in some instances the organization probably will have a virtual monopoly in the Latin-American drug market.

Credit for the Blitzkrieg performance was given to Thomas Corcoran, the same "Tommy the Cork" who figured so prominently in New Deal affairs up until a couple of years ago, when he set up law offices here for himself.

Corcoran, it was learned, set about getting approval for the Sterling export licenses in the whirlwind style he used when lobbying for New Deal legislation and when negotiating the consent decree at the Justice Department last

(Continued on Page 8, Column 4)



THOMAS G. CORCORAN



# "THE CORK'S" FIRM SCORES

Former New Deal Figure Lands  
Big Export Permit In  
Five Days

High-Pressure Blitz To Grab  
Trade Leaves U. S. Of-  
ficials Angered

By GERALD GRIFFIN  
(Continued from Page 1)

year under which Sterling agreed to dissolve its ties with I. G. Farben.

## Table-Pounding

Utilizing what was described as the "table-pounding" technique, he got the export licenses approved by the export control division of the State Department and the division of the Treasury headed by Edward N. Foley, Jr., general counsel, before going to the Board of Economic Warfare for the actual licenses.

At the BEW his proposal was approved by the export control section, of which Col. Royal B. Lord is chief.

## By-Passing Adds Speed

The regular time-consuming channels were by-passed in several instances, it was asserted, and sub-officials who ordinarily examine and pass upon such applications had no voice in this matter.

In addition to the licenses for exporting the \$3,000,000 worth of products, it was understood, the Sterling firm obtained shipping priorities to make possible early deliveries to Latin America.

The reason for the display of speed on Corcoran's part, and the agencies involved, went unexplained today. In the case of aspirin, for example, it was indicated that the amount involved would normally be a many months' supply and that no shortage existed in South America.

## Defense Policy

Authoritative sources said it was not surprising that export licenses were given for shipments of drugs to Latin America, even for critical items. The hemispheric defense policy has called, throughout, for the sharing of United States' products with the other American republics.

This applies even to articles of which there is a shortage in this country, in accordance with the principle of maintaining close economic ties and preserving a strong hemispheric front against the Axis.

But it is a different matter, it was contended, for one firm to be able to obtain the lion's share of the trade. Thus such other drug firms as Parke Davis and Lilly & Co. were reported to be upset over the success attained by Sterling products in obtaining export licenses.

## Not All Approved

Not all applicants for export permits of drugs receive approval, it was emphasized. Thus it was recalled that Charles Cosse, head of the American Quinine Company—an independent concern—was refused permission to export to South America, even though his company processes its product from South American cinchona bark.

Most of the quinine exports to Latin America approved thus far, it was disclosed, have been made by

its major source of supply, in the Dutch East Indies, is held by Japan.

## Must Be Conserved

Hence the conservation of the present sizable stocks of quinine, as well as the large-scale development of substitutes, are regarded as essential steps in the conduct of the war.

The Sterling Company and Merck have informed the Government that they will be able to meet the needs for the quinine substitutes, but some officials stated that the supply is still short.

Similarly, they declared, the supply of caffeine is short, so much so that the licensing of \$50,000 worth of exports by one company is viewed as a large and important item. Caffeine is particularly useful in war as a nerve stimulant.

## Pre-War Connections

Linked with the indignation aroused among some officials by Sterling's success in obtaining large export licenses was the background of the company's pre-war connections with the German cartel.

Its representatives have met with difficulty in convincing some Government officials that Sterling should be permitted to retain control of the German patents on the anti-malarial drugs, and the agencies through which the company operates in Latin America also have been subjected to close scrutiny.

William LaVarre, explorer and author who now heads the American Republics unit of the Bureau of Foreign and Domestic Commerce, is numbered among these officials.

"One of the liabilities which the Western Hemisphere faced during the period when the Axis was preparing for actual warfare," he asserted, "was the network of Axis-owned commercial and industrial organizations, the great strength of which was due primarily to the fact that they had been allowed to continue through the last war and provide the nucleus for further growth after the war, and for both economic and political power."

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Most of the quinine exports to Latin America approved thus far, it was disclosed, have been made by Merck & Co. and the New York Quinine Company—the leading American concerns in this field.

Recently the Winthrop Chemical Company, a fifty per cent. owned subsidiary of Sterling Products, entered into an agreement with the Merck company under which Merck will manufacture atabrine and plas-mochin, German-developed synthetic drugs which, next to quinine, are regarded as the most useful in treating malaria.

#### Holds German Patents

The Sterling company, through Winthrop, holds the German patents on the manufacture of these synthetic products, and a group of Government officials have been persistently urging that these patents should be made freely available to all American firms.

In this instance, as well as in the export licenses, Corcoran is said to be actively representing Sterling's interests.

The importance of quinine, and the synthetic anti-malarials, has been greatly increased by the war, it was pointed out. For the first time in its history, the United States has or will have troops stationed in the malarial belt nearly around the world. At the same time,

its major source of supply, in the Dutch East Indies, is held by Japan.

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# Shipyard Client Of Corcoran Loses Contract

12-Ship Job Canceled;  
'Trustees' to Control  
Cohen's Arms Plant

1-3-42  
The Maritime Commission yesterday disclosed that it has cancelled a contract for construction of 12 "Liberty Fleet" ships by Savannah Shipyards, Inc., which last month was subjected to investigation by a Senate committee in search of evidence of "influence sales" by former high-ranking Government officials.

In a three-sentence announcement, bare of all but the most essential details, the commission revealed that the company failed to meet two conditions of a contract that ultimately would have repre-



FRANK COHEN

sented a Federal outlay of approximately 23 million dollars on a cost plus fixed fee basis.

(The Senate committee investigating defense expenditures in three days of public hearings interrogated, in succession, Thomas Corcoran, former confidant of President Roosevelt; Charles West, former Undersecretary of the Interior, and Frank Cohen, organizer of Empire Ordnance Corporation, of which Savannah Shipyards, Inc., is a subsidiary.)

The Post learned, meanwhile, that the War Department, in conjunction with the British Purchasing Commission, has virtually completed arrangements to place stockholders' trustees in complete charge of tank gun manufacturing plants at North Philadelphia which are controlled by Empire Ordnance.

The purpose of placing trustees in charge of the plants, it was explained, would be to provide management "satisfactory" to both the commission and the War Department who would be represented by two of three trustees.

Although Empire Ordnance has

See SHIPYARDS, Page A, Col. 3.

city.

merame.

## Corcoran Client Loses Ship Contract

SHIPYARDS, from Page 1.

produced "some" guns under British contracts, the company is "some months" behind on its production schedules, it was learned. The War Department has no contracts with Empire, but does contemplate use of some of its facilities.

Empire Ordnance is the creature of Cohen, New York promoter, who in a little more than a year raised the company from a "shoestring" investment of a relatively few thousand dollars to holder of 34 millions in war contracts, including those canceled by the commission yesterday, and 16 millions in British contracts.

### Denied Selling "Influence"

Both Corcoran and West denied to the committee headed by Senator Truman (Democrat), of Missouri, that in their association with Cohen they either sold or attempted to sell "influence" in securing Government war contracts. Corcoran admitted receiving \$5000 as a fee for advice given the law firm of Dempsey & Koplovitz. The firm was consulted by Cohen in preliminary negotiations for construction of Savannah Shipyards facilities.

West admitted during the hearing that he "sat in" on a conference at the Maritime Commission when the Savannah Shipyards contract was discussed. William J. Dempsey of the firm of Dempsey & Koplovitz, is the son of former Representative John J. Dempsey, who used to be a member of the commission.

Although Maritime Commission members emphasized that final decision on operation of the Savannah shipyards has yet to be reached, it was reliably reported that the commission will take over the company's facilities at Savannah, Ga., and either operate them itself or assign them for operation by an-

other shipbuilding concern.

The conditions which the company failed to meet, declared the commission, are these:

1. Stipulation that Savannah Shipyards, Inc., should be able to provide, within 30 days of signing the contract, "satisfactory proof" of its financial ability to carry out its agreement.

2. That "specified progress should be made in completion of the facilities" for constructing ships. It was understood that the contract stipulated that the yard be finished December 26.

no E.



## Corcoran Reveals His Fees in Year Total \$100,000, Denies Ever Receiving Brokerage

Thomas G. Corcoran—President Roosevelt's "Tommy the Cork"—revealed yesterday that in approximately a year he has run up a \$100,000 total in fees from organizations having relations with Federal defense agencies, and that there is a fair chance his earnings on this account will be higher.

After a 3½-hour session with the Special Senate Committee investigating defense expenditures, however, he remained unshaken in his denial that he ever received, or expects to receive any fee in the form of brokerage or defense contracts.

As the session drew to a close, however, it became increasingly clear that the former White House lieutenant had been given advantages and privileges not often afforded Senate witnesses.

With elaborate courtesy and in unctious tones, Corcoran skillfully turned aside a barrage of questions, and when his interrogators showed signs of getting tough, Sen-

ator Connally (Democrat), of Texas, an Administration leader, came to his aid.

Corcoran received further assistance from the committee itself. Senator Truman (Democrat), of Missouri, the chairman, produced for the record two documents, both of which had been secured by committee investigators at Corcoran's request.

One of the documents was an affidavit from Benjamin A. Dowd, president of the Empire Ordnance Corp., a concern with which Corcoran's name has been linked in rumor, to the effect that the witness neither holds office with nor receives salary from the company.

The other was a letter from Howard L. Vickery, member of the Maritime Commission, which stated that at no time did Corcoran appear before the commission in connection with its award of ship construction contract to the Savannah Shipyards Corporation owned by interests that also control Empire Ordnance.

Corcoran's biggest fee was \$65,000 for his part in obtaining a \$3,500,000 loan from the Reconstruction Finance Corporation for construction of a magnesium plant by a syndicate that included the Todd Shipyards Corporation, of New York. He told the committee that he understood he was to be given additional payment in stock.

His next largest fee was \$25,000 for his participation in joint purchase by the Federal Government and the British Purchasing Commission of World War Liberty engine parts from the Vimalert Co., of New Jersey. The total purchase price was approximately one million dollars.

For legal advice on financing Savannah shipyards, an opinion delivered not directly to company officials but to attorneys engaged by them on Corcoran's recommendation, Corcoran said he received \$5000. The attorneys were William Koplovitz and William J. Dempsey with offices in Washington. Dempsey's father, John J. Dempsey, was a member of the Maritime Commission.

Corcoran received a similar amount—"I never worked for anything less than \$5000 in my life," he said. "Frankly, I can't afford it"—for assistance in the corporate organization of Chinese Supplies, Inc., which supervises all lend-lease arrangements for China.

Half facetiously, half seriously, Republican Senators Ball of Minnesota, and Brewster of Maine, suggested that Corcoran's skill might be used to advantage if he were given a Government post. Brewster suggested a subcabinet position in the Navy Department and Corcoran retorted: "I am willing." The legislator said he was "paying tribute to the wisdom of retaining you," and Corcoran's reply was:

"Thank you, Senator. I hope a great many people heard that."

At one point, Connally objected to a question on the ground that it was "palpably an attempt to embarrass the witness."

Blandly, Corcoran told the committee that he had no understanding of the word "broker," no comprehension of a reference to "intimate" friends in the Government and no realization of the meaning of "influence."

Meanwhile a special Military Affairs Committee in the House heard Leon K. Shanack, of New York, defend a \$52,000 profit for ten months work on \$282,000 in defense subcontracts. "A lot of people have made a lot more than that," he declared.

MBER 17, 1941

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Another New Role:

## Corcoran Now Revealed as War Junk Dealer

By THOMAS L. STOKES

Tommy Corcoran really gets around in his new role of super-lobbyist and super-salesman here.

This story of the former key New Dealer has to do with his activity as a junk salesman.

It involves some Liberty Motor parts left over from the last war, a junk dealer in New Jersey who owned them, the British who wanted them, and Mr. Corcoran, representing each party at one time or another, who turned the trick thru a lend-lease operation.

In this little national-defense comedy Tommy turns up first as representative of the British, who wanted some Liberty Motor parts for use in repairing tanks. The biggest single owner of Liberty Motors left over from the last war is Vimalert Co., Ltd., of New Jersey, junk dealers.

### USED BY RUM RUNNERS

In the early '20s, the War Department sold great quantities of surplus war materials, including Liberty Motors, to junk dealers and others. There was a flourishing business for some junk dealers during prohibition—they sold the motors to bootleggers to use in fast rum-running boats.

Tommy contacted Vimalert on behalf of the English but his principals thought the price asked was too high.

Then, suddenly, Tommy turns up here at various places such as OPM and the War Department, but now as representative of the junk dealer, and proposes to sell the motor parts to the War Department to be turned over to the British under the Lend-Lease Act.

### FILED REQUEST IN APRIL

Attending him in his negotiations was Bernard J. Flynn, vice president of Vimalert.

That was in late July.

As far back as April, the British had put in a formal request for Liberty Motor parts thru Lend-Lease funds, and this request had been pending.

## Washie Organizes Club and He's Whole Works



## Pretty Little Good Neighbors



—HARRIS & EWING.

From beyond our borders, these young ladies are here to attend the Dunblane Hall of Immaculata Seminary. Their fathers are members of the Washington diplomatic corps. Left to right: Regina Sarmanho, daughter of the Commercial Counselor of the Brazilian Embassy; Teresa Castro, daughter of the Minister from El Salvador; Mirga Zadeikis, daughter of the Minister from Lithuania, and Maria Fernandez, daughter of the Minister from Costa Rica.

## Panzers Ready to Take City

## Blue Army Pierces Shreveport Defenses

(See "Hold Everything" on Page 23.)

By United Press

The Blue Army claimed today that advance forces armored division had entered Shreveport and that the city was expected soon, ending the Army's great maneuvers.

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As far back as April, the British had put in a formal request for Liberty Motor parts thru Lend-Lease funds, and this request had been pending. Subsequently Lend-Lease funds were allocated to the War Department for purchase of the required parts.

In conferences with OPM officials and War Department Ordnance officials, Mr. Corcoran and his client haggled over price. Vimalert first named what is described as "a considerable" price on each part required. Then the price was reduced somewhat, and Mr. Corcoran and Mr. Flynn thought the deal was ready to go thru.

#### OFFICIALS OBJECT

But Ordnance officials balked at the price, and at that point Under Secretary of War Patterson turned the job of negotiation over to Julius H. Amberg, special Assistant to the Secretary of War. Mr. Amberg discovered that the War Department had a price list for such materials, the "standard nomenclature list," or SNL, which fixes prices at which various materials are charged against appropriations in the Government when transferred from one department to another.

Some of the prices for Liberty Motor parts on the SNL list were lower and some higher than the prices being asked by Mr. Corcoran for his client. Tommy protested that this list did not properly represent values, that some prices were too high, some too low. His contention was for a cost-of-reproduction basis.

#### REACH AGREEMENT

Finally Mr. Amberg agreed that the War Department would purchase from Vimalert such items as it offered at lower than the SNL price, equal to it, or 5 per cent higher, and that the British must purchase the rest for which a higher price was asked, out of their own funds.

The British, it is reported, did not like this. Mr. Amberg informed them that, if they could wait until Congress passed a pending bill authorizing the War Department to requisition such supplies, then the Department could act under that to procure the motor parts for them thru Lend-Lease.

The British did not want to wait—they would still have been waiting. So the deal was closed.

#### INVOLVED MILLION

The War Department's part of the purchase was between \$400,000 and \$500,000, and the British had to pay for the rest, the whole deal involving something around a million dollars. The price finally paid by the War Department was about \$100,000 less than Mr. Corcoran previously had asked.

Thus the War Department bought back motors the Government paid for once 20 years ago. They never did get into use in the last war, and the whole Liberty Motor chapter was the subject of a post-war investigation.

## Washie Organizes Club and He's Whole Works



"Washie" Bratcher and admirers.

By DIXON DONNELLY

Tonight at 9:30, some 500 toilers in Uncle Sam's vineyards will gather at the Washington Hotel for one of a series of weekly dances arranged by "Washie" Bratcher under the auspices of the All States Club (founder and managing director: Washie Bratcher). Music by Washie Bratcher's 14-piece orchestra.

Everett Malcolm Bratcher, a 27-year-old version of Mickey Rooney in the role of frenzied rotadlan—freely admits he launched the club to get bookings for his band—and promote Washie Bratcher.

"Okay," he says, as candid as a mouthwash ad, "I've got a good spot for my outfit. I've also got a chance to make myself known. What this town needs is a good name band. When I sell Washie Bratcher, I'm also selling my band. The club's a swell way to do it.

#### ONLY THE BEGINNING

"But," he adds with the disarming persuasion of a Bible salesman, "I'm also promoting an organization where Washingtonians from all over the country can get together for clean fun

at little cost. These dances are only the beginning. When the club really gets going, with regular elected officers, I want to step out of the picture. Then my only connection will be supplying its music."

He proposes a super All States clubhouse, to be constructed by "local business men and interested westerners," which would also serve as "show case" for eastern industry. Tied up with it in some way would be a lobby to promote western interests.

The current dances, shortly to be made thrice-weekly affairs, have as their nucleus about 100 members of the club, which charges \$1 entrance fee. Washie is building up a mailing list by offering door prizes.

## Marshall and Eliot Oppose United Air Plan

By CHARLES T. LUCEY

Renewed argument for and against an independent air force by three military authorities—Gen. George C. Marshall, Army Chief of Staff; Maj. Alexander de Seversky and Maj. George Fielding Eliot—today spurred a controversy that is due for an early airing before Congress.

Both Gen. Marshall and Maj. Eliot, the latter writing in the October Foreign Affairs, opposed creation of an air force independent of the Army and Navy, and offered sharp criticism of England's independent Royal Air Force to support their claims.

Maj. de Seversky, airplane designer and flier, writing in the October American Mercury, censured this country's air-power development and commented:

"Until there is American air power,

with a unified command under sighted officers, and a planned strategy, the industry cannot h



Gen. Marshall

(Continued on Page 1)

From beyond our tend the Dunblane are members of t right: Regina Sarn of the Brazilian Eri ister from El Salv ister from Lithuan Minister from Cos

## Panzers Reach Blue Army Shreveport

(See "Hold Everything")

By United Press

The Blue Army cl armored division ha city was expected s maneuvers.

Leon Kay, United blitzkrieg and is no Walter Krueger, said column which entered Texas.

Meanwhile the Red Lear—were massed drive by the bulk of United Press war co is assigned is about expected to make a t ents follow:

## 'Reds' Surrounded by Armored Forces

By LEON KAY

WITH THE BLUE T IN THE FIELD, Sept. 2 Shreveport was believed day as advance element Army's second armored trated its defenses and city.

The armored units h est secrecy crossed the into Texas at Merryville ing, moved 200 miles r skirting the defendin Army forces, and recr at Shreveport.

Meanwhile the r sisted by aviation the Red center ur less than 40 m The Reds still with massed f predicted the the defendin surrounded.

Red par miles b were drop but he. po. so rea fro

S

J



Didn't Like Decision:

# Arnold Offered to Quit in Drug Suit Action

By THOMAS L. STOKES

Thurman Arnold, Assistant Attorney General and head of the Justice Department's Anti-Trust Division, submitted his resignation to Attorney General Biddle at one point in the proceedings over anti-trust suits involving contracts between German and American drug interests.

He was thoroly aroused over the proposed settlement of the suits, a settlement seemingly acceptable to Mr. Biddle. Among those negotiating with Mr. Biddle was Thomas G. Corcoran, former key New Dealer, now super-lobbyist, who represented Sterling Products, Inc.

Mr. Corcoran was fighting strenuously against the filing in court, along with the consent decrees, of an "information," a substitute for grand-jury indictment. He sought to prevent any sort of criminal action—which an "information" represents—against his clients, and to save them publicity, tho none of the other American companies attacked by the department for similar tie-ups with German cartels had been so delicately treated.

## BALKED AT PROPOSAL

The Anti-Trust Division balked at any such disposition of the case.

Eventually the division won its way on the "information" and, all in all, got a better settlement than previously proposed, tho far from satisfactory to those who worked on the case and knew the facts and who criticize the final decrees as not strong enough or tight enough.

Having won some concessions, Mr. Arnold did not press his resignation. His indignation at that time was mild compared to what employees in his division still feel over the disposition of the case, and the circumstances surrounding it, particularly the way Tommy moved in and tried to take over.

## HELPED BIDDLE GET JOB

Mr. Corcoran was instrumental in bringing Mr. Biddle into the Administration and was active on behalf of his recent elevation from Solicitor General to Attorney General, to which there was some opposition within the department. Tommy now is promoting himself for Solicitor General.

While he could not ward off the "information," the voluminous evidence dug up by Justice Department investigators never went before a grand jury, tho some of it was sensational. This was quite a victory, for other similar German-American cartel cases did go before grand juries.

The whole episode has been discouraging to those in the Anti-Trust Division who have developed a splendid esprit de corps under Thurman Arnold, and who are fearful that it forecasts innovations in anti-trust policy under the guise of "national defense," an easing-up in the fight against monopoly and concentrated control.

## FEAR REPETITION

The combinations between German and American drug companies, now broken up by consent decrees, kept up the prices of some drugs thru marketing agreements, involving division of territory, patent pools, price-fixing, and actual percentage payments to the Germans for use of their processes and patents.

The question asked here is, will the consent decrees be effective in preventing a repetition of these practices?



Mr. Arnold

# \$6000 Limit on Ho' Crowded D. C. Jr

The \$6000 sale price ceiling on residential housing here, the OPM said today

Officials added that "apparently a misconception had been placed on the order."

"OPM does not intend for the \$6000 price to be an average; it is absolutely the top price except in special cases," they said. "We would look with the greatest favor on dwellings with a sale price considerably under the ceiling."

## PRACTICALLY A BAN

Exceptions to the order, The News was told, will be "few and far between."

It was pointed out that while the order does not prohibit the construction of dwelling units with a price in excess of \$6000 or of apartments or rental units which require more than \$50 monthly, construction under these figures will be absolute priority and, therefore, be virtually impossible to more expensive buildings.

Actual defense housing, some of the "few and far between" exceptions will be granted disregard of rental or characterized by OPM "small, low-cost units, defense plants and the plant personnel."

## THE 'RETROACT'

Altho the order will apply to dwelling construction, it "conceivable" the worked out to without regard

The order unanimous builders. Washington developer

"It is is planned in V ruin vel"

Odditi  
La  
A





Dramatic Incident Recalled:

# Tommy's 'Junk' Client Once Defied State Dept.

By THOMAS L. STOKES

Old front-page stories and personalities have a way of bobbing up again.

Few perhaps recall now, tho it was less than five years ago, the incident of the Spanish ship Mar Cantabrico, loaded with airplanes, engines and engine parts for Loyalist Spain, which slipped out of New York harbor over the State Department's protest while Congress was vainly trying to pass a resolution that would have halted it.

It was a few days' sensation, soon forgotten.

But there is a link between that incident and the recent sale to the War Department of World War Liberty Motor parts for transfer to the British under the Lend-Lease Act. The parts are to be used in repairing British tanks.)

## CORCORAN WAS AGENT

The link is the Vimalert Co., Ltd., of Jersey City, dealers in surplus war materials. Vimalert furnished the cargo for the Spanish vessel, and Vimalert supplied the Liberty Motors parts for sale to the War Department for nearly half a million dollars.

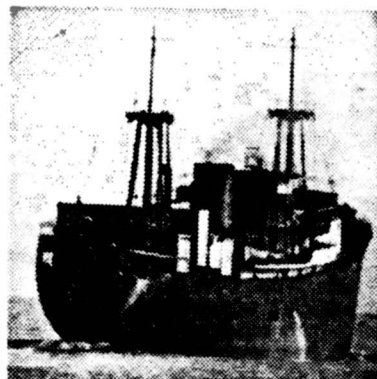
The second chapter is interesting here because Tommy Corcoran, ex-New Deal official turned lobbyist, was the representative, first of the British and then of Vimalert, in selling the Liberty Motor parts—once sold by the Government—back to the War Department and to the British.

Mr. Corcoran was a Government official when Vimalert's president, Robert Cuse, defied the State Department five years ago on the Spanish ship matter, and he was fully aware of all the circumstances and the Administration's resentment.

## DIDN'T COME THIS TIME

Mr. Cuse did not appear here at all in the Liberty Motors deal. He is still president of Vimalert, and the real principal in this latest deal, but he did not show as Mr. Corcoran's client. "Barney" Flynn acted instead.

Mr. Cuse, as a matter of fact, is not



S. S. MAR CANTABRICO  
A Forgotten Sensation

in very good favor with the Administration. At the time of the Spanish ship incident five years ago he got in the hair of officials here from President Roosevelt on down.

He had a cargo valued at \$2,777,000 at stake then, being loaded for Spain. He came to the State Department to get a license and officials tried to dissuade him, explaining fully the hands-

off policy of the Administration toward the Spanish war.

But Mr. Cuse had the letter of the law on his side and he insisted.

President Roosevelt called in State Department officials and congressional leaders and decided that prompt action must be taken thru a simple resolution, which could be passed thru Congress in one day, banning shipments of war materials to either side in the Spanish Civil War.

The resolution was rushed thru Congress the next day, but not quickly enough, for the Mar Cantabrico steamed out at 1:47 p. m., while Congress was still debating.

Thus Mr. Cuse gave the Administration the slip.

Women  
Work

just the control you need

the

Nation

# WESTERN UNION PRESS MESSAGE

1595

R. B. WHITE  
PRESIDENTNEWCOMB CARLTON  
CHAIRMAN OF THE BOARDJ. D. WILSON  
FIRST VICE PRESIDENT

Corcoran  
file

Corcoran

lives in a little apt on K. street.  
half time servant. Supports father.  
Now 4 servants & says Peggy can't manage one.  
Roos told T.V. Soong Tom was smartest lawyer in Wash.  
Tom uses Missy Lefland to get into W. House. She's  
sick. Pa Watson doesn't like him.  
Tom paid Roos phone bills so he no come back on Roos.  
Went on some notes to borrow for Roos. Campaign.  
Dug up money (\$10,000) for Maybank for Senator 1941.  
Jim Rowe asked Max Tarnet to speak to Tom.  
Worried about him.  
Shawcross T. res. between Arnold & Bristol



Listen and You'll Hear:

# About That Midnight Ride of 'Paul Revere' Corcoran

By THOMAS L. STOKES

Around the Justice Department now they speak of Thomas G. Corcoran as "Paul Revere Corcoran."

Tommy's nickname comes from a night ride into the Virginia mountains which occurred while the lawyer-lobbyist, formerly a key New Dealer, was busying himself about the department as representative of Sterling Products, Inc. This firm was cited for violation of the anti-trust laws along with three subsidiaries which had contracts with German companies and a German-controlled Austrian company—contracts now dissolved by consent decrees.

The story has to do with a letter



Paul Revere  
1775 1941

which Attorney General Biddle was to send to Commerce Secretary Jones suggesting that the Commerce Department provide information about some aspects of the South American drug trade to be used in connection with the anti-trust cases. (One of the contracts assigned the South American territory to the Germans.)

## WOULDN'T STAND FOR DELAY

The letter was prepared. Tommy wanted to get it into Secretary Jones' hands at once. He wanted everything in connection with the case done in a hurry. But Mr. Biddle's signature was required and Mr. Biddle was not in Washington. He was at Skyland, Va.

Tommy would not listen to suggestions that the letter await Mr. Biddle's return from the week-end. It must be signed right away. So he persuaded Thurman Arnold, head of the Anti-Trust Division, to go with him by automobile at night to Skyland to get the Attorney General's signature.

They located Mr. Biddle, and he signed.

This is typical of what is now called around the department "the Corcoran blitzkrieg" on behalf of his clients, for whom his brother David is employed in Sterling International, and export subsidiary.

## LAWYERS WOOZY

Lawyers and experts of the Anti-Trust Division know they have been thru something. They are slightly woozy—but, more than that, they are resentful that a lawyer in private practice should move in and take over the way Tommy did, even tho he is a close friend of the Attorney General and a former rapid-fire order-giver in the Administration. They discovered that he hadn't changed much, tho paid more now for his super-generalship.

He was constantly interfering, de-

manding speed, speed and more speed. He insisted that employes handling the case work into the night, and, on orders from above, they did. One night the lights burned until 3 a. m. His explanation was that it was necessary to get the case settled quickly in order to oust the Germans from the South American market. Once he said, in his staccato fashion, that while they were delaying here "the Germans are putting up pillboxes in South America."

In these tactics, however, those working on the case suspected an attempt to tire them down, wear them out, with the prospect that something would be overlooked that might have penalized Mr. Corcoran's client.

He spent much time in the Attorney



Mr. Biddle



Mr. Arnold

They gave the signal.

General's office, but was forever darting in and out of other offices where

(Continued on Page 32)

## They're Battling Today



—News-Atlas.

NEW YORK—John R. Davis, insurgent Republican (left), is matching his strength today against Fiorello LaGuardia (right) for the Mayoralty of New York. Dist. Atty. Dwyer is unopposed for Democratic nomination.

## Corcoran...

(Continued From Page 3)

people were at work on the case, suddenly stepping to the telephone every so often to buzz some important official. Some of these calls went to Jesse Jones.

One of his outbursts has become famous around the department.

"You see," he said, "I'm not trying to exert any pressure or influence. The only person I talk to is Biddle."

Mr. Corcoran was influential in bringing Mr. Biddle into the Administration. Recently he busied himself on behalf of Mr. Biddle's promotion from Solicitor General to Attorney General.

Sen. Truman (D., Mo.), chairman of the special Senate Committee on National Defense, recently said he was having his investigators look into lawyer-lobbyists.



An Important Question:

# Who Stopped Inquiry Into Tommy the Cork's Clients?

By THOMAS L. STOKES

A Federal grand jury never got to hear the evidence dug up by Justice Department investigators concerning contracts between a group of American drug firms and German interests—contracts recently dissolved in consent decrees.

The investigators never completed their work.

It can be stated authoritatively that they were turning up some rather sensational evidence concerning the more recent operations of subsidiary companies of Sterling Products, Inc., in South America, evidence which leaves a big question mark as to the efficacy of the consent decrees designed to drive the Germans from that market.

## GOT OFF CHEAPLY

Had this evidence gone before a grand jury, Sterling Products, represented by Thomas G. Corcoran, formerly New Deal lieutenant now turned lobbyist, might not have got off with the negligible fines of \$26,000, with an "information" substituting for grand jury action, and with consent decrees that have been criticized as much

weaker than they should have been.

Previously, these articles have disclosed the incessant activity of Tommy Corcoran for this client with whom his brother, David Corcoran, is associated; his constant close touch with Attorney General Biddle; his annoyance of Government lawyers working on the case; his calling upon the powerful Jesse Jones, Commerce Secretary and Federal Loan Administrator, for whom he formerly worked when in the Government.

## WHO STEPPED IN?

Who stopped the investigation?

Who stopped submission of the evidence to a grand jury?

These are important questions in view of certain circumstances which may here be recited.

One of the subsidiaries of Sterling is

the Winthrop Chemical Co., Wilmington, Del., which produces "ethicals," drugs which require a doctor's prescription as distinguished from proprietary medicines. Altho its contracts of 1923 and 1926 with I. G. Farben, the German drug corporation, forbade it to sell in the South American territory, yet from January, 1940, to April, 1941, it took over the Latin American market for I. G. Farben because the latter could not get its products thru British blockade. They were distributed thru I. G. Farben agents.

## HOLDING FIRM HOLDS HALF

Fifty per cent of the stock of Winthrop is held by General Aniline & Film, a holding company which the Justice Department has said is controlled by I. G. Farben, so that presumably 50 per cent of the profits of the South American business will find their way ultimately back to I. G. Farben.

The consent decrees do not sever this stock relationship, tho they dissolve the 1923 and 1926 contracts covering all joint business arrangements.

The question raised, outside of the fact that the American company is ostensibly building up reserves for the German company, is whether, after the war, I. G. Farben will not resume its shipments to Latin America as heretofore and Winthrop withdraw, on the ground of too severe German competition and without the necessity of making any agreements with I. G. Farben such as are barred under the consent decrees.

While the object of the consent decrees is to force Sterling Products to compete with I. G. Farben in South America, Sterling is left free under them to decide where it can sell its products feasibly and profitably, which would seem to have a loophole in view of the company's past associations with German interests.

The Bayer Co., of New York, is another subsidiary of Sterling which, like Winthrop, was a party to the anti-trust case. It had a contract with I. G. Farben, dating back to 1920, by which it was assigned the United States territory, and agreed to pay I. G. Farben 75 per cent of its profits in South America.

Like Winthrop, it helped out its German associate when the British blockade stopped shipments to South America.

From December, 1939, to April, 1941, Bayer shipped aspirin to I. G. Farben agencies in South America for distribution and supplied that market with aspirin and other proprietary medicines, made in the United States but packaged just like the German product and marked "sold for account of I. G. Farben," which kept the German name predominant in South American markets.

The Justice Department began its investigation in April, 1941.

## 3 Warships Blown Up at Swedish Navy Base

STOCKHOLM, Sept. 17—Three of the most modern of 12 destroyers in the Swedish navy were reported today to have been destroyed in an explosion in which 31 were killed and 11 injured. The destroyers were said to have been the Goteborg, the Klas Horn and the Klas Uggle.

Reports said the explosions had occurred at the Maersgarn Naval Base in the Stockholm archipelago.

## AMES BALK PROBE

Klas Horn and the Klas Uggle, of 1020 tons, were laid down in which had normal complements of 120 officers and men. The ship laid down in 1935, was of normal complement and men.

Copenhagen to the official Agency said the explosion in Stockholm Harbor, laying oil on water disaster prevented investigation.)

Archipelago includes islands and small islands.

The Goteborg near a point that mis-

in

## Six More Freighters Sunk, Berlin Reports

BERLIN, Sept. 17—The High Command today said German submarines operating in the North Atlantic had sunk six more enemy merchant ships totaling 27,000 tons.

(The High Command's communique did not say when or where. The ships presumably were British or operating for the British. Submarines normally do not report ships destroyed by them for some time after sinkings have occurred and it is possible the ships reported sunk today went down before President Roosevelt made his "shoot first" speech.)

## Wheeler Is Target for Eggs at Rally

BILLINGS, Mont., Sept. 17—Six eggs were thrown at Sen. Burton K. Wheeler, isolationist leader, when he mentioned the name of Charles A. Lindbergh in an address here last night under auspices of the America First Committee.

Sen. Wheeler said freedom of speech had been denied the flier. The Senator was not hit by the eggs and while booed he continued to accuse President Roosevelt of subscribing to techniques of dictators in order to bring America into "cruel, bloody, war."

in

Ben Cohen left York

Billy Wilkerson

Hillside 7411

## Postal Telegraph-Cable Company

PRESS TELEGRAM

dring Hoffman

Geo H. Bradford

A9 90

Bill Flythe

— #

Keenan

Pelley  
Grandall out now or ad in later  
starting  
— #file  
Cochran

R.

78,000 Ton sky  
on aug 1 for ship yardsPike - Lionnini  
S.E.C.

Tom Cochran

Cochran → 3525  
← 7811

Carpenter's work

Lunch

blowing up stuff in lunch  
wants foot contracts  
after ya bet.

Thom Cochran

As per in

scrap steel

Chest 1224

Major Gillespie Radio



# Postal Telegraph-Cable Company

## PRESS TELEGRAM

Sterling

"you must do what I told you"  
John McChitock (Francis) - alien Property Custodian  
office. Made deal with  
Germ. after war

Thurn submitted resignation once

Sterling - willing collaborator with Germans  
if Nazis win they have  
" " have " get patents etc.

Sterling takes over Nazi drug outlets in SA. single  
prints labels like Germ & stops them down

$\frac{1}{4}$  mil

paid 1 mil

John Cahill - represents Germ  
Tom Corcoran - family matter

Dave - VP of a subsidiary - was SA representative

Sterling tied up with Germans in Cahill agent limit  
outfit. when this went before the jury - C & C came  
down & raised hell. But Thurn didn't hold up  
material from going before jury.



## Postal Telegraph-Cable Company

PRESS TELEGRAM

now go back to civil suit. - consent decree  
 Biddle insisting on it.  
 " a scared liberal

civil suit  
 no contest - was a criminal indictment  
 fine

Bursch & Lamb - names in press release  
 going to investigate.

German was OK.  
 lost - they took over German patents }  
 exclusive contract to look out for German in LA.  
 don't open that territory up for all competing  
 chemical firms.

drug stores etc  
 most firms in LA are German. Therefore now  
 depositing this patents & goods with Lynde Sterling  
 & Sterling keeps monopoly. - barrier round SA for drugs.

sterling joined by Wm Clutts after war  
 took over German patents & business  
 then back to German.

Germany did research  
 Lord Kelchord - said Britain spent 100 essential chemicals  
 at start of war - spent \$10 mil in genetic research.  
 US same as in last war.

## Postal Telegraph-Cable Company

## PRESS TELEGRAM

Sterling      Fattler  
 cushions shock.

if Put stuff before getting they really got town  
 will be ~~substantive~~ negative

Thun take brass clock.

Thun capture trader.

.. started out as tremendous cruiser  
 ends as bookshoper jacked by  
 days

Comes in Govt. — get soft.  
 why then should be turn over.

MEMO

Thurman Arnold graduated from Princeton in 1911.

Earl Irvine McClintock graduated from Princeton in 1912.

McClintock is listed in Poors 1941 directory as

VP Sterling Products, Inc.  
Pres. and Director of Sterling Products Export  
Director of Sterling Remedy Co.  
VP, Sec. and Dir, of Bayer Co.



Corona - atty for China  
 L. G. Whitney Rushing airm  
**Postal Telegraph-Cable Company**

**PRESS TELEGRAM**

TV. Soong - hide-away in Wash.

Predicts Japanese will drive for Chungking  
 much Chinese govt. - up Yangtze River  
 Then go for South Pacific or Siberia

Chinese want 150 bombers with fighter planes to  
 accompany them. Don't need 1st class planes,  
 merely some of best planes, such as Superfortresses  
 which British don't want to get over to England.  
 Tong tries to get Hopkins to move. But Henry  
 dined with a Dukes & wants everything to go to

England.

Japs doing this because US taking fleet out of Pacific  
 base declared means spreading US forces there  
 US depending on big bombing planes at Hawaii  
 You can't offend Japanese. They'll jump  
 while they can.  
 (except with China).

Friend Gen Staff officers have nothing to do. But round  
 Vichy - Why they US they forget about Atlantic -  
 Paris on Japa - bldg it in S. Wks. Smack Tokyo.  
 Yokohama. After that ~~that~~ war ~~was~~ over. Effect  
 on German people be stupendous. Wouldn't have to  
 worry over Atlantic after that. If we get into war,  
 we'll be fighting for Britain. We take the lead.



## Postal Telegraph-Cable Company

## PRESS TELEGRAM

Tony Core. says only 2 people talk to Ross today

Hopkins & Frankfurter.

1. Can't forget Oxford

2. British made you possible.

When Any wants something straightened out they go to Ben Cohen. No real damn man at

W. House. Secretaries  
each other's toes.

Log in ~~US~~ public opinion in last two months  
not been led.

Henry Wallace - letters talking about merging them & Crumphy - Morris had orders from W. House to get on  
Wallace poor train or travel with him ME replies this foolish, people  
would see that something was up. He ~~it~~ joins  
train. Wrote statement for Wallace. When Ray Sprague  
met him at station. "You want to talk to me about  
some letters I presume." "Well here's my answer.  
Published of pocket. Told Block letters were forgeries.  
said this was no time for anyone to be injecting  
religious issue into campaign especially one of Block's  
religion. clumpies he would see. Crumphy then.



# Postal Telegraph-Cable Company

## PRESS TELEGRAM

Kaiser did more to prod steel manufa OPM than anyone else did.  
 He opposes Mrs. Dunn's report, demands that steel  
 Bethlehem, Carnegie & US steel either enlarge their  
 factories or else go. finance <sup>him</sup> building  
 plant on W. Coast. He went to see Ross, kept  
 hammering until OPM hates him. When a representative  
 of his comes in, they throw up their hands.  
 Kaiser sends a carbon copy <sup>to FOR</sup> of all letters he writes  
 opposing OPM set-up.

---

Walter Chrysler will get OPM

job

R. (2)



# WESTERN UNION PRESS MESSAGE

R. B. WHITE  
PRESIDENTNEWCOMB CARLTON  
CHAIRMAN OF THE BOARDJ. C. WILLEY  
FIRST VICE-PRESIDENTOscar  
June 2, 1941

Warty helped Tommy with Magnesium & Kaiser Co. re mineralized  
Bureau of Mines under Warty } - their recommendation  
Geological Survey .. .. } - with setting RFC.  
loans

" also helped Tommy re aluminum & Reynolds Metals Co.

Kaiser supposed to be mixed up with Reynolds.

Alcoa wanted Bonneville & Grand Coulee power, but  
Tommy then Warty stopped them & saw to it that  
Tommy's clients got power. Tommy boasted that Alcoa  
couldn't get the power.

dekes landed with Knox sometime before he went  
for. with Ross. Then he called Knox on phone few days  
later & OK'd deal. Havenstreet wanted couldn't get  
any more money from his bank to drill in Alaska & wanted  
Govt to back him. If he signed a contract with  
Navy to sell it oil, he could then go to OPM & get free  
money for development & drilling. Havenstreet really had little  
to do with it, but Knox insisted that he have letter  
from dekes approving. "Smart enough to see  
he might be criticized. So on day dekes leaving, he  
called Magola & told him to draft letter OKing deal.  
However, now Magola looked into it less he wanted to  
draft such a letter. Finally he dropped letter  
recommending Navy look into matter but adding that



# WESTERN UNION PRESS MESSAGE

(2)

R. B. WHITE  
PRESIDENT

NEWCOMB CARLTON  
CHAIRMAN OF THE BOARD

J. C. WILLEVER  
FIRST VICE-PRESIDENT

financial arrangements outside realm of interior Dept.  
Margold meanwhile had had phone call from Tony (2  
Frankfurter boys fighting between them) who asked him  
if he had drafted letter. "I'm not going to draft  
any such letter", Margold exploded.  
Deches called him "Have you got that letter  
ready." "No I'm not going to draft any letter like  
that." He implied it was crooked deal. By this  
time Warty was present. "Nothing crooked about it. I  
sent these boys to Tom Carson."

Finally letter was sent as drafted, Deches left,  
& Tom explained to Chents that Deches had left in  
hurry but would handle matter fully when he  
returned. Meanwhile he gave Chents impression Deches'  
letter was favorable.

[Before this Tom had taken Haverstrut &  
1 other to see Knox - Presumably arranged thru Deches].  
While Deches away Haverstrut & Rice came  
to see Chapman about some Calif. lands on Fort. land  
& got to " asked how his Alaskan lands  
were getting along. H. let loose at great length  
telling how he was getting some govt money, how Deches  
had written letter to Knox & how deal sure to go thru. Clear  
testimony his eyes bulging. Before they at elevator the



# WESTERN UNION PRESS MESSAGE

③

R. B. WHITE  
PRESIDENTNEWCOMB CARLTON  
CHAIRMAN OF THE BOARDJ. C. WILLEVER  
FIRST VICE-PRESIDENT

Margold to ask about letter.  
Later he called Knop. "Did you  
understand the letter from the Sac re Alaska oil to  
be favorable, because if you did, please hold  
the matter up until he returns."

"No I didn't understand it to be favorable  
but even if it was, I wouldn't have approved  
it before he returns or after he returns."

After he returns Tommy approached  
him again. DeKes asked Margold to draft new letter.

Simultaneously Tommy began phoning Eddeston &  
those he knew were drafting letter, suggesting paragraphs  
to be put in. Finally he got disgusted at Margold's  
refusal to cooperate & said: "all right I'll take that one."

Shortly thereafter Warty took letter in to DeKes -  
who apparently had not known of beginning & having.  
DeKes had it on desk when Burlew happened in.  
DeKes said: "What do you think of this." "I haven't read it."  
"Well read it" "I think it's terrible." Burlew then  
told him of adverse news DeKes & he had sent  
~~attached~~ to Margold.

Charley next spelled to Jones

# WESTERN UNION PRESS MESSAGE

R. B. WHITE  
PRESIDENT

NEWCOMB CARLTON  
CHAIRMAN OF THE BOARD

J. C. WILLEVER  
FIRST VICE-PRESIDENT

Chas. Colburn - head of big companies is Brother-in-law of Harveststreet & is mixed up in Kainer Co. when Wirtly was told St. Louis PD had never met Harveststreet that was true. He had met Colburn.

Harveststreet came in & told Chapman this in company with Peter D. here. Ref. oil lawyer. Wirtly was careful to say that he didn't represent Harveststreet in Alaska deal, only in Calif. leases.

Bulwer, Wirtly & Chapman had all attached memos to Wirtly recommendations against it - vigorously. Wirtly however dropped letter for Dick to sign recommending project to Navy Dept & giving word approved. Wirtly had it on desk desk late in day when Bulwer happened in on another matter.

"What do you think of this?" Dick asked saying Bulwer said before  
"I don't think" never seen letter before. Better not let me see it. Because I am very much opposed to it."

Harveststreet had drilled 8,700 ft - Alaska on govt land. dry hole. Wanted govt put would put up \$500,000 for more drilling. On govt land. at govt expense & no guarantee to govt for finding royalty to govt if struck oil.

Tom was on telephone urging Wirtly to get letter signed. He had dropped the letter. Dick had had Knox to lunch & recommended matter orally. Then to cover him, Bulwer & Chapman sent letter to Navy which merely suggested Navy look into it.



# WESTERN UNION PRESS MESSAGE

R. B. WHITE  
PRESIDENTNEWCOMB CARLTON  
CHAIRMAN OF THE BOARDJ. C. WILLEVER  
FIRST VICE-PRESIDENT

Wirtz was continuing working on things  
connected with Reynolds Metals & Kaiser.

(2)

Tom cleaned #1 out on these two desks  
Hank Deles calls sister Hilda. Thinks all babies are called that.

One yr ago Deles mentioned to E. Pratt. Defense warning that  
if they didn't do anything about oil & gas prices there be desert  
on East coast in emergency. Now gasless today.

One independent offered put up refinery on East coast if  
could get RFC money, but to give gas at 25% less to anyone  
may. N.D.C. said weren't interested in prices.

Tried to get pipe line to east, but R.R. would give  
its of way. The Bill will move appropriate its of way.

Hansen-Hull

State Dept wanted Crane to head new division

Ross was flustered when Deles ~~asked~~ asked him  
for Tansy's report. But he gave him recommendations.  
T " report typed by State Dept stenog.

Ross wouldn't ask for Crane's resign. personally  
told Deles as if in his name



# Postal Telegraph-Cable Company

## PRESS TELEGRAM

Chosen  
May 22, 1941

Tanning went to Caribbea [on Sumner's & Berle's suggestion]  
Reported rioting, unrest among British West Indian  
natives. Said British pre-occupies & unable to do anything.  
Somebody ~~the~~ should do something.

Recommended State Dept Bureau to keep  
eye on Caribbea.

Ross went to W. House & asked to see  
dekes report. Pres showed it to him but didn't  
show him the Tanning recommendations. State Dept  
keeping these secret from dekes. He's not supposed  
to know anything about them. But he does (just  
like Winchell's secret dinner with Halifax. Everybody in town  
knew about it).

Tugwell had meeting of T. & dekes tries to get  
them reconciled. Lasted 1 hr. very off base, but  
got nowhere - both clocked it up to 1 hr wasted.

Tanning recommended Emerson for head of State Dept  
Bureau.

US. going to be colonial empire when it comes  
out of war. State Dept getting ready to handle.  
Has eyes on Martinique, British West Indies & clocked  
drudges. Meanwhile dekes has told Ross he won't. Dept  
has failed in Caribbean. Supposed to handle pos. affairs  
should have warned that unrest imminent. i. e. dekes  
has been authorized to contact



# Postal Telegraph-Cable Company

## PRESS TELEGRAM

②

B.W.I. governors direct deal with food problem etc.

R British now getting gold bullion from USA for Arabia & Iraq. Gold talks.

Tong suggested to check that Douglas be Sec of State. Several others were prompted by Tong to suggest same to check.

Wirtz was about to resign when our story appeared. Tom irked, called check, pumped up incident & check issued blast. Tom very close to Wirtz. Wirtz now waiting to get in to see ~~check~~ Ross to resign - out in few days. Dempsey being propositioned. Tong close to him.

It was Wirtz who put up to Tong Alaska oil deal. Haverstreet frankly says: "That's why we hired him." Christian Bay Company had been getting nowhere until retained Tong. ~~at~~ Then he saw Sec of State moved. Christian is partly owned by Kaiser Co. Tom paid for using influence, getting entree, using his old friends. Not paid for real law practice. Boasts to friends his made \$1 mil in 1 yr.

To youngsters who came with ideals, it's distressing disillusioning sight. The man they held up as the great idol.

Political take Semple and his reputation. Potter wants deer killed. check Indian Bureau opposes.

check  
Dept  
records  
check  
records  
Tong  
him  
into  
deal



342.13  
274  
594

# WESTERN UNION PRESS MESSAGE

R. B. WHITE  
PRESIDENT

NEWCOMB CARLTON  
CHAIRMAN OF THE BOARD

J. C. WILLEVER  
FIRST VICE-PRESIDENT

Tom C. in N.Y. was very critical of Gov. Roosevelt & of the liberals.  
Tom is a liberal because he hates, not because he loves.  
At Brown he has been non-partisan, less-making little  
chick boy who resented the elite of the student body.  
He worked hard became a Brahmin in the  
Brahmin firm of Cotton & Franklin. Made lot of  
money - at least on paper & then woke up to  
find it was only on paper.  
New Year's 1930 he & Kemper got bottle of  
champagne, shook fists at Wall St across river  
vowed to get even.

Wall St was dead. Franklin (or Cotton) helped  
Later Bob Strout

set him job with RFC.  
Moley asked Kemper who was good man in RFC.  
Kemper introduced them to Tom. Then it was  
Frankfurter & Moley who took him to Roos.  
Versatile, charming, shrewd, has drive. But  
somewhat superficial. Loves power.

Stewart Guthrie Tom got his job in  
Warner Commission & SEC. Has general law practice.  
Tom handles Tom's general work. Tom says he  
doesn't want to establish office because he  
wants Ben to come in with him. Ben hangs back.  
& says "What can I do?"  
Keeps his office in his hat. Sold his prestige  
on mass of notes.



## Postal Telegraph-Cable Company

## PRESS TELEGRAM

Tom Corcoran

file

Todd people, when asked to perform services for  
Kaiser, found it best to say they represented Todd-

[See Wash Star - Jim Barnes testimony]

Dec

## Postal Telegraph-Cable Company

Tom file  
Corcoran

## PRESS TELEGRAM

Dempsey - atty of record  
Tom went to Doubtless WMCA, would listen if he  
don't sell to Noble - face serious trouble over income tax.  
Tom & Miles went to Commissioner

Craves invited on hearing.

Tobey - asked if we had any part - also raised income tax  
" has had various men in N.Y. checking on

" asked FCC for complete file on WMCA  
\$900,000

Flam had another offer for  
over \$1 mil  
has given options to Noble -  
then he tries to wiggle out

Midnight Dec 31,  
Noble ready me him

Flam in hot water for  
yrs. - license might not be  
renewed.



## Postal Telegraph-Cable Company

## PRESS TELEGRAM

C.B.

Rushley

Mint

D. son

Col.

whats after Russia

Rushley &amp; Nagis

File  
Tom Corcoran

Scoll

BobWayne Coy  
printer recordDoubleday  
Parker Dept

ready to spend own cash.

Empire Automobile - James  
Vulcan-drum works } British  
Luhers Steel } & distance  
Turned over to Kohnitz & DempseySummer Pk: Kansas steel plant LA  
coal Oregon - expensive  
notes. Pk not sold.  
"expect that Tom  
behind from him  
"if he does that all hand on him like  
for trucks."

Pred. - Willkie

LeonArg Treaty  
HavanaBob

Anderson - NY

L. H. Franklin

My mother

## Official of Ship Yard Denies Corcoran Was Employed by His Firm

*Ed. Brown*  
**Declares Rumor False  
That New Deal Adviser  
Helped Get Contracts**

By the Associated Press.

A Todd Shipyard Corp. official today termed as not true rumors which Chairman Truman of the Senate Defense Investigating Committee told him had been heard in Washington that the corporation had employed Thomas Corcoran, former administration adviser, in order to get Government contracts.

The shipyard official was James E. Barnes, Washington representative of the Todd corporation, who had testified that his company had received Government and British contracts for 306 ships at an estimated construction cost of \$688,337,000, although "not a dollar of this business was ever solicited by us."

"It is rumored in Washington," Senator Truman told him, "that you employed Tommy Corcoran in order to get these big contracts."

"It's not true," Mr. Barnes replied. "He was employed, if he was employed at all, by Mr. Kaiser in the magnesium business."

Mr. Barnes later told reporters that he referred to Henry Kaiser, an official of six companies, which is in partnership with Todd corporation. Mr. Kaiser, Mr. Barnes said, had many other business interests.

Senator Truman said that nevertheless there were "plenty of rumors" in the Capital that Mr. Corcoran had been retained to get business for the Todd corporation.

Reiterating his denial, Mr. Barnes told Senator Truman that the Todd corporation was "too smart to do that."

Mr. Barnes testified that the maximum profit to the Todd corporation on the contracts, which included vessels for the Navy and Maritime Commission as well as the British Purchasing Commission, would be \$23,587,134.

He asserted that this business came to the company despite the fact that it had been in the ship repair business only before the emergency program and "did everything possible to avoid going into the shipbuilding business."



*John Wilson*

# Lobbyist Role Costs Corcoran Biddle's Job

Judiciary Committee  
100 Per Cent Opposed,  
Van Nuys Declares

By CHESLY MANLY

Thomas G. Corcoran, former No. 1 New Deal Brain Trustee and political fixer, probably will escape an immediate Senate investigation of his fabulous lawyer-lobbying activities, but it will cost him the job for which he has pulled some mighty potent wires—Solicitor General of the United States.

This was the prospect yesterday when Chairman Frederick Van Nuys (D.), of Indiana, said his Judiciary Committee would "vote unanimously to disapprove Tommy Corcoran's nomination as Solicitor General." Because of this opposition, informed sources said, President Roosevelt is not expected to appoint Corcoran to the post recently vacated when Solicitor General Francis Biddle became Attorney General.

## Indorsed by Justices

One high ranking member of the Judiciary Committee, who refused to be quoted, said he had been told "on high authority" that five New Deal Justices of the Supreme Court, headed by Felix Frankfurter, had written to President Roosevelt urging Corcoran's appointment as Solicitor General. Corcoran was one of Prof. Frankfurter's prodigious "hot dogs" at the Harvard University Law School.

Chairman Van Nuys said an Administration spokesman approached him with respect to Corcoran's chances of committee approval. The Senator said a survey indicated his committee would reject the nomination unanimously. But first, he said, there would be an exhaustive investigation of Corcoran's activities.

## Investigation Evaded

Such an investigation has been demanded by many Senators, so far without hope of success. Senator Harry S. Truman (D.), of Missouri, who was sent to the Senate by Kansas City's malodorous Pendergast machine, has been asked repeatedly to hale Corcoran before his special committee created to investigate the preparedness program. Truman, however, has evaded all such requests.

Corcoran resigned his nominal Government job as special counsel for the Reconstruction Finance Corporation about a year ago to escape the inhibitions of the Hatch Act in working for President Roosevelt's election for a third term. Soon after the election, he told friends that his next Government job would be that of Solicitor General of the United States.

## Aimed at Million in Year

Early this year Corcoran was quoted by friends as saying he intended to make one million dollars in one year and then would return to the Government service. More recently, it is related, he said he would have to "double the price or shorten the time," so great was the stream of cash coming in from Government contractors and other clients subject to Government regulation or reward.

Corcoran was peculiarly equipped for his new role as a

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Corcoran was peculiarly equipped for his new role as a lawyer-lobbyist, since there was hardly a Government department or agency the legal staff of which he had not selected in whole or in part. Needing no office, he "practices law out of his hat," moving from one sumptuous air-conditioned Government office to another.

#### \$250,000 Fee Reported

Corcoran is reported to have made \$250,000 representing a single client, Henry J. Kaiser, West Coast "master builder." Kaiser obtained a loan authorization of \$9,250,000 from the RFC to construct a magnesium plant. He is associated with the Todd Shipbuilding Corporation, which has Government contracts aggregating more than half a billion dollars.

Corcoran's numerous other clients have included David Sarnoff, head of the Radio Corporation of America, L. W. "Chip" Robert, former secretary of the Democratic National Committee, whose engineering firm specializes in Navy and other Government business, and the Sterling Products Company, a drug and chemical concern with which Corcoran's brother, David, is associated. Contracts between the drug company and Werman interests were dissolved by Federal court action and a consent decree as entered. Corcoran, it is reported, blocked a grand jury investigation proposed by the Justice Department's anti-trust division.

#### Lillenthal Recalled

It is well understood in Congress that David Lillenthal, director and chairman designate of the Tennessee Valley Authority, had Corcoran in mind when he wrote an article appearing in the current issue of the public administration review.

"We all know of the young men who come into public service with high-sounding talk about devoting their well-trained brains to the public interest," Lillenthal wrote.

"We have seen them develop a

kind of Phi Beta Kappa Tammany Hall, placing their friends in important posts in the service; developing contacts active in promoting vendettas; intent upon personal publicity.

"Having laid this groundwork they then leave the public service in order to represent private concerns which seek Government contracts or loans, or clients having business before administrative agencies manned by men indebted to them for their posts."

# KAYE OP'

Entrance

604 11th S'



10  
tr





An Amazing Man:

Dec 3, 1941

# Here's More Details of Tommy's Ship Deal

By THOMAS L. STOKES

The plot thickens around Tommy Corcoran, once ardent New Deal lieutenant, and the amazing "influence" business he has built up here to get defense contracts for clients.

Herein is more detail about one of his operations, the so-called Savannah shipyards case, discussed previously in these dispatches. This affair involves Frank Cohen, a New York promoter, and his Empire Ordnance Co., which is not an ordnance company at all but a sort of holding company of the type which Mr. Cohen once set up, with rare genius, in the insurance field. Now he has applied the same pattern in the defense contract field.

Mr. Corcoran is field marshal of his Washington "brains and influence" corps, drawing an annual salary, it is learned today, as an officer of the company. Regulations of the War and Navy Departments, as well as of the Maritime Commission (which handled the Savannah case), forbid the payment of a fee to get contracts.

The drama of the Savannah case opened in a law office here last February—the office of the firm of Dempsey & Koplovitz. The partners are William J. Dempsey and William C. Koplovitz, formerly chief counsel and assistant counsel, respectively, of the Federal Communications Commission. Like other young Government lawyers, they moved into the more remunerative field of private practice. Mr. Dempsey is the son of ex-Rep. John J. Dempsey of New Mexico, who for a time was a member of the Maritime Commission and is now Under Secretary of the Interior.

When Mr. Corcoran began the private practice of law here several months back he did not open an office, but availed himself of the privilege of a desk and a place to park his coat in the Dempsey & Koplovitz office.

So, on a day in February, E. George Butler, executive secretary of the Savannah Port Authority, walked into the office of Dempsey & Koplovitz to discuss Mr. Cohen's proposal to build a shipyard at Savannah for the construction of Government ships.

There he found Mr. Cohen, president of Empire Ordnance, Mr. Corcoran, Charles West, former Ohio congressman and New Deal official, and other lawyers up to the total of nine.

(Continued on Page 32)



The Cork



Mr. West



Mr. Dempsey

## Nazi Atrocities Told in Moscow Broadcast

LONDON, Dec. 3 — Radio Moscow, heard by the United Press listening post, today told of ghastly scenes at Rostov when Red cavalry swept back into the city. Quoting the Red army organ, Red Star, the report said:

"Multitudes of innocent people lay everywhere. Many hundreds of intellectuals, workers, old men, women and children were tortured to death and shot by the invaders in the streets and squares of the city."

Near the Gorky Theater, opposite the Rostov city park, the report added, the Germans "seized all passerby and machine gunned them with dum-dum bullets." More than 60 bodies were found there, the report said.

One wounded Russian soldier, it was claimed, was dragged from a cellar and burned alive with kerosene. At another point 35 Soviet wounded prisoners were shot.

## Crash During Chase Fatal to Passenger

A 60-mile-an-hour race with a police car thru Northwest Washington resulted yesterday in the death of Emmett Dodson, 32, of 813 Mt. Vernon Place nw, the District's 85th traffic victim of the year.

Policeman L. C. Houff of the Accident Investigation Unit reported that a car driven by Vernie Plumley, 23, of 4614 Fifth-st nw, passed him at "50 or 60" miles an hour on lower Seventh-st about 1:30 a. m. Monday and that he chased it for 25 blocks before it crashed into a taxi on Kenyon-st.

Mr. Dodson died at Gallinger Hospital yesterday of head injuries.

## LOST AND FOUND

BILFOLD—Black; vicinity 12th and F Sts. N.W. Reward. TR. 1625.

BRACELET—Diamond and Sapphire, lost in front of 5302 Edgemoor Lane, Bethesda, Md. Call Emerson 3223. Reward.

BROWN PURSE  
Containing 2 watches and important papers. Silver Spring bus terminal. Keep money, return contents and purse. MI. 3035.

Cocker Spaniel—\$10 Reward  
Male, black, 4 tan feet, brown collar; no tag. Shepherd 7478-W.

COLLIE—LIBERAL REWARD  
Half grown, auburn & white, vic. Sligo Park, Dec. 1. Mr. Cook. LI. 0484.

OVERNIGHT BAG—Sm. brown; containing baby nesses, pictures, precious keepsakes. 700 block A, St. S.E. Reward. TR. 6915.

SCHNAUZER—REWARD  
MALE, SMALL; ANSWERS TO "ZECK." COLOR, PEPPER AND SALT. WI. 4203.

## More Details of Ship Deal

(Continued From Page 3)

Mr. West, it is recalled, has sued Empire Ordnance for \$687,000 which he says is due for getting \$70,000,000 of defense contracts.

Mr. Butler is not a man to be swept off his feet. He listened to the proposal. Some Savannah interests also wanted to have a part in shipbuilding. He left the meeting and proceeded immediately to look into Mr. Cohen's record.

He discovered quite a lot. He found out about the past history disclosed yesterday in these dispatches—about Mr. Cohen's financial and insurance operations so vigorously denounced by a New York Federal judge and a Massachusetts insurance commissioner. He thumbed thru the pages of the investment-trust investigation report by the SEC, and learned about Mr. Cohen's indictment in New Jersey for taking money under false pretences.

### LOOKED INTO RECORD

Accordingly, when he went before Maritime officials a month later, he raised the question of Mr. Cohen's record. But he got nowhere. He sat looking into the faces of a group with powerful influence. He was aware of that.

Among the 21 persons present, it is learned, were Howard Vickery, Maritime Commission member, Mr. Corcoran, Mr. Koplovitz, Mr. West, and other lawyers and officials. Mr. Cohen was ready to put up the money and build the shipyard, he was told. The arrangements were satisfactory to the commission. Mr. Butler was smothered, figuratively.

Mr. Cohen first proposed to sell bonds to people in the Savannah community. Hugh Fulton, counsel for the Truman (Senate) Committee, who also knows plenty about Mr. Cohen's record and his methods of financing on a shoestring, warned the commission against that. So the bond method was out. Just who backed Mr. Cohen has not been disclosed.

# Young man who practices law out of his Hat!

By ANDREAS SPENSER

One day back when the Supreme Court fight was at its hottest, a lawyer friend of Tommy Corcoran came down from New York to see if he could "talk reason with the boy."

The friend, unlike many a politician who had been summoned into the presence of the Corcoran-Cohen team for one purpose or another, was unimpressed by Tommy's elaborate labyrinth of offices and secretaries.

He said:

"Tom, you're a bachelor, and I suppose you can still be called young."

"But you're working your heart out down here and what does it get you? What are you after? What do you want?"

Tommy Corcoran in those days was a man sought after as no other less than the President himself. He was a Keeper of Official Secrets, a Moulder of Public Power.

Corcoran and Cohen were making law by order of the President and then having it ratified by Congress. And because the Supreme Court had bucked at being told to add its indorsement also, the Court was being fired for the President. By, of course, Corcoran and Cohen. Congress was supposed to get the old Court out and the new Court in. Corcoran and Cohen would show 'em how.

## Tommy Giggles

So, under the circumstances, Tommy had to giggle.

"Well," he said, "I guess about all I want is to see the administration of government go smoothly. We've got a lot of fine young men in the legal divisions throughout the whole Government now. They're trail blazing."

"I'd like, I guess, just to be a Civil Service commissioner some day and help finish up that job see the Government



The only thing is, you would have a hard time hiring Tommy to represent you if you tried to look him up in the 'phone book.

Tommy doesn't have an office.

## Out of the Hat

He "practices law out of his hat," as a perhaps resentful rival attorney with office, name on door, leather chairs and expensive, cash-eating secretaries has put it.

"Right out of his hat," says this eminent counsel.

"Doesn't need an office. He just uses the offices of all those boys he got jobs in the government. Hence, out of his hat."

brother Dave in the chemical business, word has got round that Tommy has been offered the Solicitor Generalship, a post that will fall vacant if Mr. Francis Biddle is made Attorney General.

How have all these wonderful things come to pass, anyhow?

Everybody knows, of course, how Tommy came to Washington. He was a Pawtucket (R. I.) youngster whose grades at Harvard Law School had been so good that the great New York firm of (then) Cotton, Franklin, Wright, and Gordon hired him as a very junior assistant.

RFC Small Timer

No kind of money for a married man.

Tommy gave out that the Hatch pure politics law was driving him from Government as he was a loyal Roosevelt man out for the Third Term. He would stay around somehow, though, as an organizer of the independent voters.

Just when and how Tommy actually quit the U. S. pay roll is a story not known to the public.

But the next heard was that, with a pair of young men he had placed in the Federal Communications Commission as general counsel and assistant general counsel to wit: Messrs.



presence of the Corcoran-Cohen team for one purpose or another, was unimpressed by Tommy's elaborate labyrinth of offices and secretaries.

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"Well," he said, "I guess about all I want is to see the administration of government go smoothly. We've got a lot of fine young men in the legal divisions throughout the whole Government now. They're trail blazing.

"I'd like, I guess, just to be a Civil Service commissioner some day and help finish up that job—see the Government gets and keeps and rewards really good men."

The friend just shook his head, got his hat, and went back to New York.

That was in 1937.

And, curiously enough, just about the same time this year, Tommy Corcoran was talking to another friend, also a lawyer, but in the Government.

He was explaining an action quite different from punching the Supreme Court around by order of the President.

"I'm getting out, Sam," he said. "But not for long.

"I want to make one million dollars in one year, that's all. Then I'm coming back to the Government for the rest of my life."

Tommy does a lot of talking, one way or another.

He saw the friend again, not long ago.

"Say, Sam," he burred, "I've got to raise the price or shorten the time."

Making money, when you get in the habit of it, seems to be a wonderful pastime. Especially when you're not a gay bachelor any more, but a solid married man with a beautiful wife and the cutest kind of a baby.

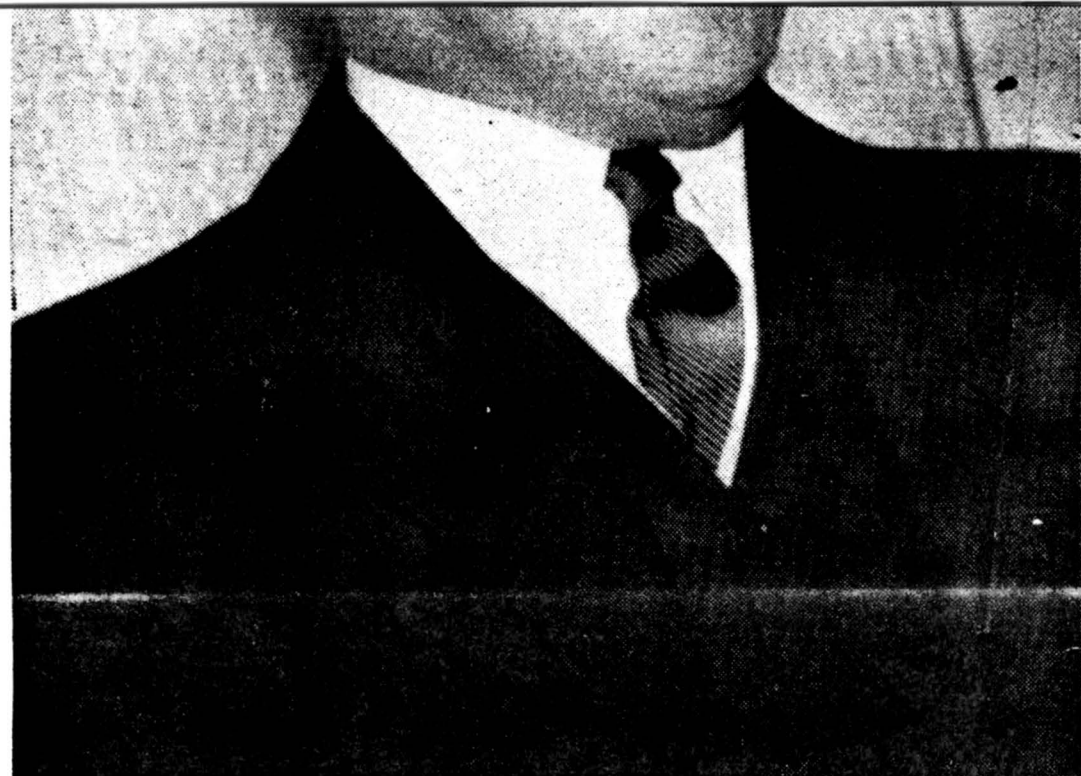
## Fun to make Money

The public and its needs, no matter how hard you try, seem just to fade away before the eyes. Instead, you go shopping for a scientific toy and maybe, by gosh, pick up a bracelet, too, just to show that marriage and love are not always enemies.

Ben Cohen is still the finest fellow that ever lived, so far as Tommy Corcoran is concerned. But Ben spends most of his time in London, now, advising Ambassador Winant.

Not so, Tommy.

Mr. Corcoran is practicing law in Washington.



The only thing is, you would have a hard time hiring Tommy to represent you if you tried to look him up in the 'phone book. Tommy doesn't have an office.

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"Right out of his hat," says this eminent counsel.

"Doesn't need an office. He just uses the offices of all those boys he got jobs in the government. Hangs out first in one air-cooled Federal building and then another, calling up people and quoting the President.

"How is that practicing law? But he sure does get results."

Yes, Tommy practices law out of his hat, but he gets results.

## A Few Clients

Ask Henry J. Kaiser, the big cement, magnesium and shipyard man from California.

Ask L. W. Robert Jr., former secretary of the Democratic National Committee and also an engineer who has found Tommy first class counsel in dealing with the Navy Department concerning airports and hangars.

Ask David Sarnoff, head of the Radio Corporation of America.

Ask R. E. Havenstrite, wildcat oil driller from Alaska, who had a plan to get the Navy to finance further prospecting.

Or even ask Tommy's own brother, Dave Corcoran, who is special counsel to the Chinese purchasing commission here and doesn't want to be bothered by a Department of Justice investigation of who has been getting together with whom to keep up the price and hold down production of drugs and chemicals essential to the prosecution of the war. Dave is also in the chemical business.

There are plenty of other citizens eager to get Tommy to accept them as clients. And Tommy, to hold them down, has no office and keeps his telephone unlisted.

## He's Kept Busy

He doesn't know just when or in what job he will get back to the Government, though he has several times waved around a letter which he said was from the President practically ordering him to take over as an Assistant Secretary of the Navy.

Recently, since he has been explaining to the Department of Justice the position of his

brother Dave in the chemical business, word has got round that Tommy has been offered the Solicitor Generalship, a post that will fall vacant if Mr. Francis Biddle is made Attorney General.

How have all these wonderful things come to pass, anyhow?

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## RFC Small Timer

In 1931 he was shipped down here to help around the RFC and get experience. He not only got experience, but also got acquainted with Ben Cohen and ultimately was on hand among the Democratic policymakers with concertina and Irish songs, also with ideas on legislation.

His worst enemy, would never deny Tommy is a man of charm and dash.

One day in 1934, when he was growling unintelligible dictation through a cigar at a pretty little stenographer sent up to him from the office pool, the girl chirped up and demanded he abandon the stogie if he expected her to work.

Charm and dash. And Irish. Peggy Dowd's father had been a letter carrier in the District. Peggy was a convent educated, clever, nice girl. And Irish.

## New Deal Triumph

Tommy Corcoran was you know what in the New Deal.

The undoubted triumph of his public career was joint authorship with Ben Cohen of the Utility Holding Company Act of 1935—the biggest bill ever enacted into law. It was 65 pages long and its language so technical nobody in Congress even pretended to debate its terms in detail.

Tommy, in those days, was Mr. Roosevelt's very best boy. Like a son.

But, not even in the Supreme Court fight nor in the struggle up to and into the Third Term, was Tommy ever so bright a star again in government.

He was even brighter to Peggy Dowd, though, and on March 4, 1940, the pair of them, with faithful Ben Cohen along, eloped to Leesburg, Va.

At that time, Tommy was getting \$10,000 a year as special counsel to the RFC and Ben Cohen was down for \$9,000 a year as counsel to the National Power Policy Council.

No kind of money for a married man.

Tommy gave out that the Hatch pure politics law was driving him from Government as he was a loyal Roosevelt man out for the Third Term. He would stay around somehow, though, as an organizer of the independent voters.

Just when and how Tommy actually quit the U. S. pay roll is a story not known to the public.

But the next heard was that, with a pair of young men he had placed in the Federal Communications Commission as general counsel and assistant general counsel, to wit: Messrs. William Dempsey and William Koplovitz, he was interesting himself in the radio situation.

Dempsey and Koplovitz, of course, had also quit the Government by then.

Just what went on has never been developed in public, as yet.

The first time Tommy really hit his stride was with the aforementioned Henry J. Kaiser, who is a genuinely fabulous character of the sort best calculated to set off sparks inside a fellow of Tommy's leaping disposition.

## Hitting His Stride

Kaiser was one of the organizers of the celebrated Six Companies, which built Boulder Dam. He was in the cement manufacturing business and had helped build Shasta and Bonneville Dams also. In the spring of 1941, defense contracts were being passed out like hamburger. Kaiser wanted his.

So he came to Washington, hired Tommy Corcoran, and asked to be introduced around. Let it be said at this point—Kaiser declares he is no kin to Secretary of the Interior Ickes. There is an unshakable belief in some circles that Kaiser is Ickes' brother-in-law. Mr. Ickes has not been reached for comment, but Kaiser has. His language is remarkable in denial.

Tommy Corcoran it was that saw Kaiser met the right people, Jesse Jones of RFC, Department of Justice people, Army and Navy officers.

He also went with him to call on Marriner Eccles, head of the Federal Reserve Board and president of the Utah Construction Company, with which Kaiser had done lots of business.

Kaiser even saw the President of the U. S. A.

Upshot of all this:

Kaiser went away from Washington with an RFC loan of \$9,250,000 to build a magnesium plant. The plant is going to defense work until the war is over.





**WHY NOT** beam when you have a wife so beautiful and a baby daughter as cute as that? Tommy is a happy and expansive man these days. Also expensive, for clients who want something from the Government.

Then, Kaiser says, it will be set to building all-magnesium airplane-glider trains to haul freight through the sky across the continent.

He also got \$646,000,000 worth of West Coast shipbuilding contracts. All this within six weeks of his arrival in early January of this year.

Tommy was a made man, right there. For his legal advice to Kaiser his fees have totaled, according to legend, better than \$250,000.

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Kaiser got the idea the RFC ought to underwrite him for a \$150,000,000 West Coast steel-mill expansion program. Ore would be mined in his friend Mr. Eccles' home State of Utah, shipped to California and processed by electric power generated at Boulder and Bonneville dams, which Mr. Kaiser had helped build.

### More to Come

That one is still pending. But Kaiser isn't starving. He has, it is estimated, considerably more than half a billion dollars' worth of Government business of one kind or another, and Government capital is helping him.

And Tommy is his lawyer. To what degree, and on how many fronts, is a matter of considerable speculation and even investigation, of which more will yet be heard.

In the matter of R. E. Havenstrite, the Alaskan oil prospector, Tommy has not been so lucky as with Mr. Kaiser. Havenstrite spent about a million of his own dollars sinking an oil well in public Alaskan lands.

These lands happen to be in the domain of Secretary of Interior Ickes, who is, as all the world knows, one of Tommy's great, good friends.

Just what happened the world does not know, but it appears Tommy called on Mr. Ickes this spring to see about getting the Navy Department to back Havenstrite's adventures further before the RFC. If oil were struck the Navy would profit by having a supply close to its bases.

### RFC's Chances

If he did not, of course, RFC would be a banker with a puckered mouth. There was discussion back and forth between Mr. Ickes and Secretary of the Navy Knox, but no money came of it. Considerable rumpus in the House of Representatives did, however, when news of the negotiations leaked out. Mr. Ickes, at one point, begged to know if



**TYPICAL CLIENT** of Tommy Corcoran is Henry J. Kaiser, the West Coast engineer who paid Tommy a reputed \$250,000 fee after swooping into Washington and blitzing the Government on defense work. Men like Kaiser are most grateful to Tommy if he can arrange meetings such as this pictured of Kaiser and Production Boss Bill Knudsen. The photograph alone is considered invaluable at Board meetings.

his telephones were being tapped.

Tommy's assistance to L. W. "Chip" Robert, is all a part of the Kaiser operation, basically.

Like Kaiser, "Chip" has a tremendous lot of work to do for the Navy, and the two are even doing parts of one or two jobs in common.

What fees Tommy may have collected from the Robert firm is not yet known. But there are inquiries and it is expected that Tommy may yet be called before the Vinson Committee of the House to tell some of his experiences as counsel to firms doing business for the Navy.

### Case for Dave

In the matter of handling Department of Justice relations for his brother Dave, things have taken a strange turn for Tommy.

One of his close associates in the enterprise is John Cahill, former U. S. District Attorney for New York—whom Tommy

placed in public life, and who is now with the old law firm with which Tommy started out.

It is no longer Cotton Franklin Wright and Gordon, but Wright, Gordon, Zachary and Parlin.

### Pretty Hot Times

Dave Corcoran is an officer of Sidney Ross & Company, a drug and pharmaceutical concern fitting in somewhere into the corporate enterprises of Sterling Products Company, a tremendous proprietary medical house with relations in Germany, South America and England.

Somehow, Sterling Products has got itself tangled up in a Department of Justice investigation of anti-trust affairs especially tinged with contracts with German companies and German affiliates.

Tommy, with Cahill and his brother Dave, is defending Sterling's interests. The tempera-

ture in the air-conditioned Department of Justice offices is said to have risen on occasion to considerably more than blood heat.

"Tommy can't get it through his head," reports one observer, "that he's not in the Government any more. To us he's practicing law. He's not the same Tommy I used to know, working on this side of the desk."

After all, though, why should he be?

On January 20 of this year his beautiful Peggy presented him with a daughter that would make any papa proud. Tommy can see in her a lot more than \$10,000 a year.

But, granting even all that, he might at least have his name up on a door somewhere around town like most stable—if less successful—lawyers.

Who knows who may come looking for him, someday?





Times-Herald Photo

## Drive to Save Gasoline

defense program goes into high gear as pretty sticker-upper is Eleanor Wade, and

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## Property Tax Deadline Near

15,000 of 45,000  
Returns Received

Deadline for filing tangible personal property tax returns expires Thursday, July 31.

Failure to meet the deadline will subject the tardy taxpayer to an added assessment of 20 per cent.

District Tax Assessor Edward A. Dent disclosed yesterday that some 15,000 returns have already been filed. A total of 45,000 are anticipated. A last-minute flood of returns is expected to swamp the District tax office before Thursday.

Returns must be made on stock in trade and equipment. No exemption is allowed on these items. There is a \$1,000 exemption on household furnishings, including linens and silverware. Jewelry, boats and any other tangible personal property located in the District must be reported by the re-

## Carmody Plans Inquiry Into Dupont Lease

Second Investigation  
Of Apartment Deal  
To Start Tomorrow

By BEN M. MORGAN

Federal Works Administration John M. Carmody said yesterday he would make full inquiry tomorrow into the Government's leasing of the Dupont Circle Apartments, currently the subject of a congressional investigation.

Carmody announced his decision after a conference with George Reedy, newspaper correspondent who was the tenants' star witness in the opening hearings Thursday and Friday before the House Public Buildings and Grounds Committee. Other tenants fighting conversion of the apartments into office space have sent strong protests to Carmody charging intimidation by the building managers, it was learned yesterday.

### Heads Leasing Agency

Carmody is the head of the Federal agency that supervises acquisition of Government office space here. Among his subordinates who he said he would question tomorrow are Clay J. Guthridge, space control chief accused of abetting the Dupont Circle management in its alleged campaign of intimidation, and W. E. Reynolds, Public Buildings Commissioner and Guthridge's immediate superior.

Guthridge is the official who is said to have given Harry L. Newman the Government's rental commitment more than a month prior to the date Newman, through a stock transfer, became an officer of the corporation controlling the apartment.

Carmody said he did not wish to start a counter-investigation and that he would be guided by revelations of the House probe.

Guthridge, he explained, is the head of a division “with an extremely tough job” and one that is “under terrific pressure” to find space for the myriad new defense offices opening up here.

Carmody reported he had never seen Newman, nor his associates, and knew nothing of his business. Frequently, he pointed out, it is necessary to rent space from persons the administrator has not met.

### Hearings Resume Tuesday

The identity of Harry L. Newman and Associates is expected to be established Tuesday when hearings are resumed by the House committee. Chairman Fritz Lanham (D.), of Texas, has called for Newman and four others identified with the Dupont Circle management to testify Tuesday as to the ownership of the building and the July 3 transfer of corporate control.

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By MARS

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