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November 14, 1961

Dear Eliot:

Confirming our recent telephone conversation, I want to give you the facts concerning such information as I have about the Transportation Company of Texas and its operations.

It is true that we do know at least one of the gentlemen active in the operation of this company. He has been a political supporter in Texas for a good many years. We do not know anything about his business operations and neither have we assisted nor has he asked us to do so in connection with any of his contracts with the government. We did not even know that he was operating on Kwajalein Island until long after he was there. And, we only learned the details after an inquiry was made by a reporter of Fortune Magazine sometime last year. At that time the Navy wrote a letter to the Fortune representative stating that there had never been any contact whatever from anyone in our office concerning the matter. The Navy also stated at that time that the selection was made on a bid basis purely on merit, and obviously the present Secretary of the Navy could have had nothing to do with it since the contract was signed and went into effect during the Eisenhower Administration and many months before the inauguration of President Kennedy.

I had never heard of the Island of Roinamur until your inquiry about the matter. However, upon checking I now learn that a food service company had a contract with the general contractor during the period of the construction of the facilities on Roinamur. This general contractor was not RCA. RCA had a contract for the construction of the communication facilities only and it may be that the same food service contractor served the RCA employees during the construction period. TCT's original contract, I am told, provided that it would serve the Naval personnel on Roinamure upon

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completion of the construction. Thus, when the construction was completed and the facilities were turned over to the Navy, TCT automatically took over the service as provided in its original agreement with the Navy.

I do not know the source of the information you received but I can assure you that any implication that Vice President Johnson or his office has any interest in or knowledge of the operations of TCT is entirely inaccurate.

Sincerely,

Walter Jenkins
Administrative Assistant to
The Vice President

Mr. Elliot Janeway
Janeway Publishing & Research Corporation
350 Fifth Avenue
New York 1, New York

WJ:mjdr

United States Senate

MEMORANDUM

Dear Walter:

Bobby

PS Would you also ask the boss about the invitation in Colonel Louis Johnson's letter which is attached.

From

ELIOT JANEWAY

Walter Jenkins

October 3, 1961

To: Bobby Baker

Have you ever heard of the Transportation Company of Texas (TCT)?

EJ

EJ/m



WALTER E. HELLER & COMPANY

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SEP 28 1961

WALTER E. HELLER
CHAIRMAN OF THE BOARD

September 27, 1961

Mr. Eliot Janeway,
Janeway Publishing & Research Corporation,
350 Fifth Avenue,
New York 1, N. Y.

My dear Mr. Janeway,

When we were together, I believe it is a week ago now, I made mention to you that I had been told that a company--or companies--in which Vice President Johnson was supposed to have an interest was getting preferential treatment, and that contracts that had been previously served by others were being transferred to that company. You expressed an interest in knowing more about it.

I have made inquiry. The name of the company in which he is supposed to be at interest is the Transportation Company of Texas, known as TCT in the trade. They serve outlying bases with food and housekeeping materials. They were awarded the contract at Kwajalein; also at a downrange missile station in the Pacific--not too far from Kwajalein--called Roinamur. The general contractor, at least for Roinamur, is RCA, who had allocated the sub-contract for the type of service above mentioned to another company, but had canceled and had given the sub-contract to TCT, and had said to the company whom they canceled out, before the base had been completed or any service could have been rendered, that they were sorry, but RCA had no alternative. It is generally felt, I believe, that the Secretary of the Navy is really Johnson's man. Both of the contracts above mentioned and some missile launching bases in the United States are under the auspices of the Navy, and it is under those auspices that TCT appears.

I was also told that FORTUNE, and my informant believes it was in November or December, 1960, had run an article on the Navy and the awarding of contracts by the Navy, which thinly veiled the implication that Johnson was at interest in some of the contracts awarded.

I think that is about as much as I can supply. It is hearsay, would certainly need checking, but I am inclined to believe, from its source, that it is probably pretty close to correct.

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Mr. Eliot Janeway

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September 27, 1961

Mrs. Heller and I thoroughly enjoyed the privilege of having you with us,
and trust it may be repeated.

Sincerely yours,

Walter E. Heller
Ep.

WALTER E. HELLER & COMPANY

weh:cp

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