

CIA HISTORICAL REVIEW PROGRAM
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15 July 1952

2003
MEMORANDUM FOR THE RECORD

SUBJECT: Western Hemisphere Division

1. Mr. Dulles and I had a talk this noon with T. We assured him that, the pros and cons having been weighed, we looked with favor upon a change of management. We told him that we thought his clients, however, should pay the bill as the clients' interests were materially involved. We stated that we could not be of any help in providing either leadership or manpower because we did not have the people available, but we thought we could be helpful in pointing out where the principals might buy the goods they needed. We further stated that if time were of the essence, we had friends who had inventory which we could induce them to turn over on the assurance of his clients that it would be repaid in money or in kind when the business became established. He raised the question of money and indicated several legal impedimenta which made it very difficult for his clients to put up any money in advance. He asked whether we would advance the money upon the assurance of his clients that it would be repaid. We told him we would not cross that bridge until it was the only one left, and pointed out that there were other possible clients who might go into a syndicate with his clients. He said he knew of one such group which already had enough money to provide the cash working capital if the inventory could be acquired on credit as above and asked whether we were in a position to bring this syndicate together with his clients. We told him we thought his clients were in a better position to do this.

2. After Mr. Dulles left, I learned that the head of the syndicate in question will be in New York Wednesday and T arranged to bring his clients to New York to see if their interests could be joined.

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Stuart Hedden

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