

Nazi Patents Cover Dye for U. S. Uniforms

By the Associated Press

A Justice Department attorney told the Senate Patents Committee yesterday that 90 per cent of the dyes for American soldiers' uniforms is manufactured by a firm owned largely by Germans but now controlled by the Alien Property Custodian.

Chairman Bone (Democrat) of Washington, expressed indignation at the possibility that impounded profits of the General Aniline & Film Corporation might be handed to the foreign stockholders at the end of the war. No final disposition of the plant's earnings has been decided upon.

"It's an outrage," Bone said. "In short, it stinks."

Turning to Charles D. Pack, special antitrust attorney who delivered the testimony, Bone said he wished every young man about to enter the service could know the "ghastly picture" of the possibility of future German profits from the dyeing of American uniforms—"uniforms that soon may be dyed with American blood."

Indictment Is Cited

Pack introduced in evidence the indictment returned by a Federal grand jury at Trenton, N. J., Thursday, charging E. I. duPont de Nemours & Co., General Aniline & Film Corp., and six other firms with conspiring to monopolize the manufacture and sale of dyestuffs.

He also submitted an extract from the duPont company's "semi-annual report of foreign relations department" of February 9, 1940. That extract indicated that friendly commercial relations existed in South America between duPont, Imperial Chemical Industries, Ltd. (a British concern) and the German dye trust, I. G. Farben-Industrie. Pack said duPont and Imperial Chemical established during the 1930's jointly owned companies in Brazil and Argentina, called the Duperial Companies.

"Arrangements have been made," the semiannual report stated, "for the repayment to the I. G. of money advanced to Duperial for the purchase of shares in the latter company as it is impracticable for I. C. I. to be in partnership relationship with a German company."

Americans on Board

"The Dupont Co. informed I. G. that they intended to use their good offices after the war to have the I. G. participation restored."

Pack listed four well known Americans as having served on the board of directors of the General Aniline & Film Corporation, or its predecessor companies. They were Edsel B. Ford, now president of the Ford Motor Co.; W. C. Teagle, now chairman of the board of Standard Oil of New Jersey; C. E. Mitchell, chairman of the board of the National City Bank, and Paul Warburg, chairman of the board of the Bank of Manhattan Co.

Pack said, however, that the Americans held only nominal amounts of stock and so far as he knew hardly participated at all in the management of the company.

Bone commented that looked like "window dressing."

All of the Americans had resigned by last year when the Treasury Department seized the corporation. Later the properties were turned over to the Alien Property Custodian.

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