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NOV 2 1955

Honorable Edmund F. Mansure
Administrator
General Services Administration
Washington 25, D. C.

Dear Mr. Mansure:

There is enclosed a revised Stockpile Procurement
Directive for the Fiscal Year 1956. This revision super-
cedes the Directive dated July 1, 1955, and all amendments
thereto.

Sincerely yours,

Arthur S. Fleming
Director

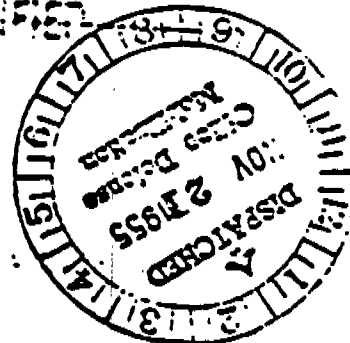
Enclosure

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CC: Mr. Walsh, EPS
Mr. Fleming
Mr. Orden
Mr. Cleveland
GDM Files

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A.S.Cleveland:haw
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OFFICE OF DEFENSE MOBILIZATION
STOCKPILE PROCUREMENT DIRECTIVE (Revised)
FISCAL YEAR 1956

Pursuant to Section 3 of the Strategic and Critical Materials Stock Piling Act as amended by the Federal Property and Administrative Services Act of 1949 and Reorganization Plan No. 3 of 1953, and Title III of the Defense Production Act as amended, the General Services Administration is hereby authorized and directed to purchase for the National Stockpile the kinds and quantities of strategic and critical materials set forth in the attached Tables I and II. The programs authorized under this directive shall be carried out in accordance with the following provisions and procedures:

1. GENERAL PROVISIONS:

1. All materials purchased for the stockpile shall meet stockpile purchase specifications.
2. Procurement is authorized to replace materials under approved rotation programs.
3. Prior to open market purchases toward minimum objectives, consideration and preference shall be given to the availability of supply from any Government-owned surplus or purchase program for that material.
4. Procurement of the materials authorized in this directive shall be additional to any free acquisitions of the same materials which may occur prior to June 30, 1956, provided the stockpile objectives for such materials are not exceeded.
5. In carrying out the program for achieving minimum stockpile objectives, the attention of the General Services Administration is directed to the following policy objectives of the Office of Defense Mobilization:
 - (a) Minimum stockpile objectives will be achieved in the shortest possible period of time, keeping in mind the considerations set forth in (b), (c) and (d) below.
 - (b) Minimum stockpile objectives will be achieved without interfering with the current defense program and without creating undue hardship within the civilian economy.
 - (c) Procurement toward the minimum stockpile objectives shall make the maximum contribution to strengthening our domestic sources of supply and, at the same time, keep the United States in a position where we can continue to turn to foreign sources of supply in those areas where we know it will be impossible for us to rely completely on domestic sources of supply.

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- (d) In providing the amounts scheduled, every effort shall be made to procure the materials in the most economical manner possible.

6. Deviations from this directive shall be made only after prior approval of the Office of Defense Mobilization.

B. PROVISIONS CONCERNING PROCUREMENT FROM THE COMMODITY CREDIT CORPORATION AND FOR A SUPPLEMENTAL STOCKPILE:

The following provisions and procedures shall govern procurement by the General Services Administration of stockpile materials acquired by the Commodity Credit Corporation. The kinds and quantities of the materials authorized for procurement from the Commodity Credit Corporation toward long-term objectives and for the supplemental stockpile are shown in Table II.

1. All materials purchased from the Commodity Credit Corporation shall meet the stockpile specifications that are in effect at the time the materials are acquired by the Commodity Credit Corporation. All materials purchased for the supplemental stockpile shall meet stockpile specifications.
2. Reimbursement of the Commodity Credit Corporation for stockpile materials shall occur only after receipt of the materials and shall not exceed the value of the same materials in the open market at the time of purchase by the Commodity Credit Corporation.
3. Reimbursement of the Commodity Credit Corporation by the General Services Administration for materials acquired for the long-term stockpile program shall be made only from funds appropriated for the purpose of such reimbursement.
4. The General Services Administration shall inform the Commodity Credit Corporation of the kinds, quantities, and specification of the materials authorized in this directive for open market procurement toward minimum objectives and insofar as feasible, consideration shall be given to the procurement of such materials through barter as provided for in Section 303 of Title III of the Agricultural Trade Development and Assistance Act of 1954.
5. Procurement towards completion of unfulfilled long-term stockpile objectives for materials of foreign origin, and towards those objectives that are large enough to permit barter procurement without impairing the domestic mobilization base, will be made from Commodity Credit Corporation inventories to the extent that materials of stockpile grade are available.

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6. The kinds and quantities of materials shown in Column 3 of Table II are authorized for procurement toward long-term objectives in accordance with the policy stated in Paragraph 4, above. These quantities shall be purchased only from the Commodity Credit Corporation.

The General Services Administration shall inform the Commodity Credit Corporation of the kinds, quantities and specifications of the materials authorized for such procurement and shall accept custody when such materials are released to the stockpile by the Commodity Credit Corporation.

7. In no event, however, will the General Services Administration acquire materials of foreign origin from the Commodity Credit Corporation for either minimum or long-term objectives when the same amounts of such materials are available from domestic production.

C. SPECIAL PROVISIONS CONCERNING SPECIFIC MATERIALS:

1. Antimony - Preference shall be given to material of domestic origin offered at the market price.
2. Beryl - Includes 77 1/2 short tons of beryl ore in the form of 1,080,000 pounds of 4 percent beryllium-copper master alloy. This alloy shall be purchased from the two domestic producers in approximately equal shares with deliveries prorated throughout the contract periods at an approximately even rate. Contracts shall be limited to six months periods. The alloy shall be credited to the stockpile of beryl ore and refined copper in equivalent amounts.

3. Chromite, Metallurgical

The quantity authorized for open-market purchase (Table I, Revised) shall be procured only from the Commodity Credit Corporation. The material may be in the form of ore or the equivalent amount in the form of ferro-chrome.

The quantity authorized for barter procurement toward the long-term objective (Table II) includes 250,000 long dry tons that may be purchased in the form of ore or the equivalent amount in the form of ferro-chrome.

4. Diamonds, Port - To be procured only if obtainable without obligation to take industrial diamond stones.

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5. Fluorspar, Metallurgical

- (a) The quantity of 60,000 tons shall be procured in the form of concentrates for delivery before March 31, 1956.
- (b) Within the first few weeks of the purchase program, the General Services Administration will attempt to procure materials of domestic origin.
- (c) To the extent these efforts are unsuccessful, the General Services Administration shall procure on the world market in small quantities spread throughout the period so that the General Services Administration will have a maximum opportunity to purchase material of domestic origin.
- (d) Procurement shall be at prevailing market prices taking into consideration the application of the Buy-American Executive Order #10582.

6. Lead and Zinc

The quantities shown in the market purchase column of Table I (Revised) are the amounts purchased from July 1 to October 1, 1955, plus authorization for the purchase of an additional 10,000 short tons of lead and 15,000 short tons of zinc during the month of October for delivery no later than December 15, 1955. Purchases shall be confined to metal produced from newly mined ores of domestic origin and shall be made at market prices based on common grade, New York, for lead and prime western grade, East St. Louis, for zinc.

Ores of domestic origin shall be defined as:

- (1) Ores (including concentrates derived therefrom) mined in the United States subsequent to December 31, 1954; or
- (2) A mixture of domestic ores with other ores and/or scrap, provided the quantity of lead or zinc sold by a supplier to the government under the long-term program does not exceed the lead or zinc contained in ores of domestic origin (including concentrates derived therefrom) that have been mined subsequent to December 31, 1954 and acquired by the supplier.

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7. Talc, Steatite - May be procured in block or lump form. Procurement is limited to material produced in the southern part of India.
8. Tin - Procurement is limited to material produced at the Texas City smelter.

This directive shall take effect on

Arthur S. Flemming
Director

9. Platinum - See Amend. 2
10. Copper, OFHC - See Amend. 4.

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STOCKPILE PROCUREMENT PROGRAM
FISCAL YEAR 1956

TABLE I (Revised)

Materials Authorized for Procurement in the Open-Market
and From Defense Production Act Inventories

<u>Unit</u>	<u>Material</u>	<u>Market Purchases</u>	<u>Purchases From DPA Inventories</u>	<u>Total Procurement F.Y. 1956</u>
<u>MINIMUM PROGRAM</u>				
ST	Antimony	4,000	—	4,000
ST	Asbestos, Amosite	2,500	—	2,500
LDT	Frankite, Metallurgical, Jamaica Type	—	250,000	250,000
ST	Beryl	1,753	964	2,727
ST	— Ore	989	964	1,953
ST	Copper Master Alloy	774	—	774
LDT	Chromite, Metallurgical	408,000	11,431	419,431
LB	Cobalt	—	1,936,000	1,936,000
CT	Diamonds, Industrial Bort	3,000,000	—	3,000,000
VDT	Fluorspar, Metallurgical	60,000	—	60,000
F	Graphite, Ceylon	770	—	770
LB	Iodine	550,000	—	550,000
LDT	Manganese, Battery (Synthetic)	3,000	—	3,000
LDT	Manganese, Chemical, Type A	4,489	—	4,489
LB	Mica, Muscovite Block	125,000	766,734	1,191,734
LB	Stained and Better	125,000	74,734	199,734
LB	Stained	300,000	692,000	992,000
LB	Mica, Muscovite Film	250,000	—	250,000
LB	Molybdenum (Metal Content)	—	849,000	849,000
LB	Nickel (Metal Content)	—	56,127,000	56,127,000
LB	Opium (Morphine Content)	35,000	—	35,000
OZ	Platinum (Palladium)	80,000	—	80,000
LB	Selenium	10,000	—	10,000
LB	Shellac	3,000,000	—	3,000,000
ST	Silicon Carbide, Grade	40,000	—	40,000
ST	Talc, Steatite Block	700	—	700
<u>LONG-TERM PROGRAM</u>				
LB	Columbite	—	352,177	352,177
ST	Lead	12,500	—	12,500
LDT	Manganese Ore, Battery Grade	5,000	—	5,000
LDT	Manganese Ore, Metallurgical Grade	—	240,000	240,000
DT	Tin	16,600	9,128	25,728
AT	Zinc	21,750	14,263	36,013

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STOCKPILE PROCUREMENT PROGRAM
FISCAL YEAR 1956

TABLE II

Materials Authorized for Procurement Toward Long-Term Objectives
from the Commodity Credit Corporation and for a Supplemental
Stockpile with Foreign Currencies

<u>Unit</u>	<u>Material</u>	<u>Authorized for Procurement toward Long-Term Objectives</u>	<u>Authorized for a Supplemental Stockpile</u>
ST	Aluminum	250,000	250,000
ST	Antimony	5,000	5,000
ST	Asbestos, Amosite	7,000	3,000
LDT	Bauxite, Surinam Type	3,000,000	2,000,000
LDT	Bauxite, Refractory Grade	--	300,000
ST	Beryl Ore	2,000	3,000
LB	Bismuth	--	100,000
LB	Cadmium	--	7,000,000
LDT	Chromite, Chemical	50,000	50,000
LDT	Chromite, Metallurgical	800,000	300,000
LDT	Chromite, Refractory	200,000	200,000
LB	Cobalt (Metal Content)	20,000,000	15,000,000
ST	Copper	1,000,000	500,000
KT	Diamonds, Industrial Sort	15,000,000	5,000,000
KT	Diamonds, Industrial Stones	3,000,000	2,000,000
ST	Graphite, Ceylon	700	500
LB	Iodine	200,000	100,000
ST	Lead	--	100,000
ST	Magnesium	--	100,000
LDT	Manganese Ore, Chemical Grade		
	Type A	5,000	5,000
	Type B	10,000	5,000
FL	Mercury	--	30,000
LB	Mica, Muscovite Block, Stained & Better	3,000,000	2,000,000
LB	Mica, Muscovite Film	500,000	500,000
LB	Mica, Phlogopite Splittings	--	500,000
LB	Nickel, (Metal Content)	--	100,000,000
LB	Opium (Morphine Content)	--	25,000
TR OZ	Platinum, Platinum	60,000	80,000
ST	Rare Earths, Sodium Sulphates, Oxide Content		5,000
LB	Selenium	50,000	500,000
LB	Shallac	--	3,000,000
ST	Talc, Steatite Block	100	--
ST	Zinc	--	100,000

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