

JUL 1 1955

Honorable Edward F. Mazure
Administrator
General Services Administration
Washington 25, D. C.

NOTE: THIS DOCUMENT IS
NOT TO BE REPRODUCED

Dear Mr. Mazure:

There is enclosed the Stockpile Procurement Directive for the Fiscal Year 1956.

The quantities authorized for procurement toward minimum and long-term objectives take account of estimates by your Agency of the materials on hand and on order on June 30, 1955, for both the stockpile and LFA accounts. If these estimates are subsequently modified, please advise me immediately in order that the Directive may be corrected. In any event, no purchases toward minimum or long-term objectives should be made under this Directive that will result in acquisitions in excess of these objectives.

For those materials where the amounts on hand and on order are substantially below the minimum objectives, I will appreciate your prompt advice if quantities additional to those authorized for market procurement become available. Also, if the offers you receive in July for lead and zinc exceed the authorized quantities, no commitments to purchase should be made without further consultation with this Office.

Sincerely yours,

(Signature) Arthur S. Fleming

Arthur S. Fleming
Director

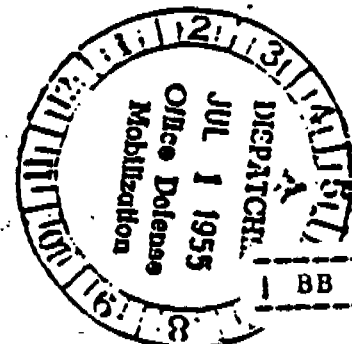
cc: Mr. Fleming
Mr. Floyd
Mr. Cleveland ✓
ODM Files

(Advanced Copy to Mr. Walsh, EPS)

ASCL:cland;ham:mt

6/27/55

THIS DOCUMENT WAS NOT A RECORD OF
PPG INDUSTRIES, INC. DID NOT COME FROM
IT'S FILES AND CANNOT BE AUTHENTICATED
BY PPG INDUSTRIES, INC.



BB 0018136

137

~~CONFIDENTIAL~~
~~SECRET~~

OFFICE OF DEFENSE MOBILIZATION
EXERCISES MANAGEMENT DIVISION
FISCAL YEAR 1956

NOTE: THIS DOCUMENT DID
NOT COME FROM

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:

A. 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.

BB 0018137 1

NOTE: THIS DOCUMENT IS UNCLASSIFIED

(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.

2. ~~PROCUREMENT OF MATERIALS REQUIRED FOR THE STOCKPILE AND SUPPLEMENTAL STOCKPILE~~

The following provisions and procedures shall govern procurement by the General Services Administration of stockpile materials required 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.
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

BB 0018138

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. Aluminum - No procurement is authorized for the third quarter of calendar year 1955.
2. Antimony - Preference shall be given to material of domestic origin offered at the market price.
3. Beryl - Includes 744 short tons of beryl ore in the form of 1,500,000 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.
4. Chromite, Metallurgical - 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.
5. Copper - No procurement is authorized for the third quarter of calendar year 1955.
6. Diamonds, Lust - To be procured only if obtainable without collusion to take industrial diamond stones.
7. Fluorapatite, Metallurgical - To be procured in the form of concentrates produced from domestic ores. Deliveries shall be made at approximately an even rate during Fiscal 1955.
8. Lead and Zinc - The quantities shown in the market purchase column of Table I are the amounts authorized for procurement during the month of July 1955 for delivery no later than September 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 grades, New York, for lead and prime western grade, East of Louis, for zinc.

BB 0019139

NOT COPIED

DD
FILES

- 4 -

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

This directive shall take effect on

JUL 1 1955

Arthur S. Fleming
Director

BB 0019140

~~CONFIDENTIAL~~
 STOCKPILE PLACEMENT PROGRAM
 FISCAL YEAR 1956

NOT COMPLETED

TABLE I

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	Aluminum	-	300,000	300,000
ST	Antimony	4,000	-	4,000
ST	Asbestos, Amosite	2,500	-	2,500
LDT	Kaolinite, Jamaica Type	-	500,000	500,000
ST	Beryl	2,490	125	2,615
	Ore	1,746	125	1,871
	Copper Master Alloy	744	-	744
LDT	Chromite, Metallurgical	-	24,479	24,479
LB	Cobalt (Metal Content)	-	2,244,000	2,244,000
ST	Copper	-	70,000	70,000
KT	Diamonds, Industrial Sort	3,000,000	-	3,000,000
SOT	Fluorspar, Metallurgical Gr.	120,000	-	120,000
ST	Graphite, Ceylon	770	-	770
LB	Iodine	300,000	-	300,000
LDT	Manganese Ore, Battery Gr. (Synthetic)	5,000	-	5,000
LDT	Manganese Ore, Chem. Gr. Type A	4,000	-	4,000
LB	Mica, Muscovite block	425,000	425,000	850,000
	Good Stained & Better	125,000	125,000	250,000
	Stained	300,000	300,000	600,000
LB	Mica, Muscovite Film	125,000	125,000	250,000
LB	Nickel (Metal Content)	-	61,000,000	61,000,000
LB	Opium (Morphine Content)	25,000	-	25,000
LB	Selenium	10,000	-	10,000
LB	Shellac	3,000,000	-	3,000,000
ST	Silicon Carbide, Crude	37,500	-	37,500
ST	Talc, Steatite block	723	-	723
<u>LONG-TERM PROGRAM</u>				
LB	Cobalt	-	670,263	670,263
ST	Lead	10,000	-	10,000
LDT	Manganese Ore, Battery Gr., Natural	5,000	-	5,000
LT	Tin	16,600	9,128	25,728
ST	Zinc	15,000	15,782	30,782

| BB 0018141 |

~~CONFIDENTIAL~~

STOCKPILE PROCUREMENT PROGRAM
FISCAL YEAR 1956

NOTED

NOT COME FROM FILES

TABLE II

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

Unit	Material	Authorized for Procurement toward Long-Term Objectives	Authorized for a Supplemental Stockpile
ST	Alumina	250,000	250,000
ST	Antimony	5,000	5,000
ST	Asbestos, Amosite	7,000	3,000
LT	Asbestos, Corinnex Type	3,000,000	2,000,000
LT	Asbestos, Refractory Grade	-	300,000
ST	Beryl Ore	2,000	3,000
LB	Bismuth	-	100,000
LB	Cadmium	-	7,000,000
LT	Chromite, Chemical	50,000	50,000
LT	Chromite, Metallurgical	800,000	300,000
LT	Chromite, Refractory	200,000	200,000
LB	Cobalt (Metal Content)	20,000,000	15,000,000
ST	Copper	1,000,000	500,000
ST	Diamonds, Industrial Sort	15,000,000	5,000,000
ST	Diamonds, Industrial Stones	3,000,000	2,000,000
ST	Granite, Ceylon	700	500
LB	Iodine	200,000	100,000
ST	Lead	-	100,000
ST	Manganese	-	100,000
LT	Manganese Ore, Chem. Gr.		
	Type A	5,000	5,000
	Type B	10,000	5,000
FL	Mercury	-	30,000
LB	Mica, Muscovite Hk, Stained & Letter	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 CZ	Platinum, Platinum	60,000	80,000
ST	Rare Earths, Sodium Sulphates, Oxide Content	-	5,000
LB	Selenium	50,000	500,000
LB	Shells	-	3,000,000
ST	Talc, Steatite block	100	-
ST	Zinc	-	100,000

BB 0018142

~~CONFIDENTIAL~~

THIS DOCUMENT WAS NOT A RECORD OF
PPG INDUSTRIES, INC. DID NOT COME FROM
IT'S FILES AND CANNOT BE AUTHENTICATED
BY PPG INDUSTRIES, INC.

142