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SOCIÉTÉ FINANCIÈRE DE TRANSPORTS
ET D'ENTREPRISES INDUSTRIELLES
(SOFINA)
Société Anonyme

16 October 1950.

PERSONAL & CONFIDENTIAL

Mr. George S. Messersmith,
Mexico, D.F.

Sofina

Sec.AD.NS/Cfl. 3662

NS/ss

Dear George,

I have received your letter of October 4th about Mexlight security purchases and Mr. Maryssael's memorandum of October 5th and its accompanying letter of October 7th. Enclosed also were copies of A.G. Becker & Co.'s letter to you of May 11th, 1950 and your reply of May 16th. Please thank Maryssael for his detailed note on his conversations with Messrs. Sacristan and Macedo.

Your worries about this situation, which are my worries too, are understandable. The Sofina group holds 38.9% of the Preference voting power, and 35.2% of the Common, for an overall total of 36.4% of voting power. This is a strong position. However one can never be sure, and we shall try to increase our holdings. The market in these securities is very thin and it is ^{now} not easy to acquire them.

A public utility company can thrive only if it is in strong hands and if there is sufficient^{ly} stable control of its situation to benefit all of its security holders.

During the reorganization I fought desperately to retain at least 40% of the voting power for the Sofina group, but I did not quite succeed. Although not certain, I have the feeling that some of our friends were not too sympathetically inclined towards Sofina. They were quite happy to see our equity, and consequently voting power, reduced. But, as I said above, we shall try hard to improve the situation.

...

NATHANIEL SAMUELS

Ch. WILMERS

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Mr. G.S. Messersmith.

I don't think that the group you mentioned will be able to muster a higher percentage of shares than we can. It would be a disaster if a combination of shareholders could outvote us.

The strong backing of Sofina for Mexlight, especially to-day, can only be highly beneficial to the latter. This is particularly the case with you as head of the company assisted by your competent and devoted staff. Mexlight must become under your leadership an enterprise of the first class.

I know something of Becker in Chicago. They used to have some shares in the Middle West Utilities Company. Occasionally I used to meet Robert Schaffner, who was head of the firm. He used to stay at the Carlyle in New York, but he died some years ago. Samuels, who is in Brussels for the time being, knows his brother in Chicago, Albert Schaffner, who handles the firm's legal work. If you think it useful, Samuels can go to see Albert Schaffner as soon as he returns to the States to try to find out just what the group are doing and what they have in mind.

You are wondering, no doubt, why I have delayed my departure from Brussels. There have been some disagreeable matters which have had to be straightened out, and I hope this can be done before the end of the month.

I am pleased to hear that you bought a house in Cuernavaca and immediately set about to improve it. This certainly shows that you like Mexico. It is always helpful when one likes his work to like his surroundings as well. I never liked Brussels; this was a handicap. I like it less than ever.

Regarding yourself, I made the suggestion concerning you because Allan Graydon was strongly of the opinion that no money out of the World Bank loan could be used for the purpose in mind.

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Mr. G.S. Messersmith.

If there is a better solution, more agreeable to you and acceptable to Allan Graydon, I would gladly and unhesitatingly accept it.

Keep well, and with love to you and Marion,

Very sincerely yours,

D. HEINEMAN

P.S. I am enclosing a copy of the letter I wrote Mr. Maryssael to-day.