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No 416 B-18 JUL 1949

Forma 291-5 M.L.F.

THE MEXICAN LIGHT AND POWER COMPANY, LIMITED
(COMPANIA MEXICANA DE LUZ Y FUERZA MOTRIZ, S. A.)

DIRECCION TELEGRAFICA }
CABLE ADDRESS }

"MELIPOCO"

2A. CALLE DE GANTE No. 20.

APARTADO POSTAL }

P. O. BOX }

124 BIS

MEXICO, D. F.

July 13, 1949.

H. 4124

AIR MAIL

REC'D 18.7.49					
H	Sp	Eh	Wm	VI	YJ
Sm	Vdm	Vh	Sm	Clm	Sh
de Transports Industrielles				Bh	Br
Th	Hul	Lv	Ad	Clk	Du
REPI:					
FILE: Messersmith					

D. N. Heineman, Esq.
Societe Financiere
et D'Entreprises
SOFINA, S.A.
38 Rue de Naples
Ixelles, Bruxelles.

*M. Heineman
Wilms
le Page
Chinet*

Cade-2-199 Mr. le Page

Dear Dannie:

With reference to the personal and confidential note of July 12 which I wrote you in connection with my recent trip to the United States, and with particular mention ~~to~~ conversations which I had with respect to credits for the Argentine, I find, after forwarding this letter, that there is an important point which I failed to mention.

During the conversation with Mr. Gaston of the Export-Import Bank, he asked me where Cade bought its equipment. I told him that while I had been in the Cade plants in Buenos Aires in 1929 when I was serving as Consul General and also while I was there as Ambassador in 1947, I had noticed that most of the heavy equipment -- boilers, steam turbines and the generators -- came from the United States, principally from General Electric and perhaps some from Westinghouse, although I was not sure of the latter. I was unable to say to him what percentage of the equipment in the plants of the Cade came from the United States, but I was confident that over 50% of the heavy equipment came from that country and that very probably the percentage was very much higher.

You will recall that one of the requirements under the statutes governing the Export-Import Bank is that these loans are made to promote the sale of American goods abroad, and that it is a specific requirement in loan agreements that the money advanced by the Export-Import Bank under loans shall be for the purchase of equipment in the United States.

It is possible that it may be useful for me, the next time I am in Washington to discuss the question of credits in a general and preliminary way, to mention to Mr. Gaston the percentage of the equipment of the Cade which has been secured in the United States. A telegram from Mr. Brosens to you would easily bring forward this informa-

*Mr. de la Paige
going over equipment*

absolutely not

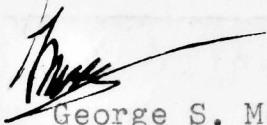
July 13, 1949.

D. N. Heineman, Esq.

tion, and I think it would be sufficient if I would receive by letter, or telegraph, a statement of the percentage of the equipment of the Cady which has been purchased in the United States - that is, more specifically, manufactured in the United States.

Believe me, with very good wishes,

Cordially and faithfully yours,


George S. Messersmith
~~Chairman of the Board.~~

GSM:eh