

Regional Office

September 5, 1957
11:30 A. M.

Memorandum to:	Mr. Philip A. Loomis	Mr. Irving Pollack
	Mr. John E. Loomis	Mr. Woodside
	Mr. Holden	Mr. Manuel Cohen ✓
	Mr. Blair	Mr. Windels - New York
	Mr. Meeker	Regional Office
	Mr. McCauley	Miss Curtis

Re: Transfer of responsibility for certain investigations from New York Regional Office to Home Office

(Messrs. Philip A. Loomis, Irving Pollack, and Manuel Cohen were present.)

Consideration was given to a memorandum dated September 4, 1957, from the General Counsel, the Director, Division of Trading and Exchanges, and the Director, Division of Corporation Finance, recommending that the Commission's home office in Washington assume responsibility for the completion of the following investigations pending in the New York Regional Office:

Basic Atomic, Inc.) (File NY-2913)
(Reich & Co.)

Soil Builders International Corporation) (File NY-PJ)
(Aluminum and Chemical Corporation)

F. W. MacDonald & Co.)
(Tri-Tor Oils, Limited)) (File NY-2802)
(Philips & Company))

F. W. MacDonald Co. (Files NY-2893 and NY-2894)

M. J. Shuck Company (File NY-2914)

Owen K. Taylor, Inc. (File NY-2929)

The memorandum gave the following reasons for the recommendation:

"The above investigative matters appear to involve the activities of Attorney M. Mac Schwebel and also involve the use of various foreign transactions and devices. Since Senator Fulbright has requested the Commission to report in January on the latter problem and since a review of the files indicates generally a common pattern of activity, the General Counsel's office and the Divisions of Corporation Finance and Trading and Exchanges are of the view that the investigations in these cases should be consolidated and placed under direct home office jurisdiction, so that they may be concluded at the earliest possible date.

"It is intended that if the cases are so transferred, that a home office senior attorney would be placed in charge of completing and coordinating further investigation, with the assistance of the New York Regional Office, which presently has responsibility for these investigations and which has done some work on them.

"Since subsequent investigation may reveal other connected cases, it is suggested that the Commission authorize the assumption by the home office of responsibility for these cases and such other related matters as may develop in the course of further inquiry. If this recommendation is adopted, the home office would notify the regional office of any other cognate matters as to which ultimate responsibility was being assumed."

The staff reported that they had discussed the recommendation with Mr. Windels, New York Regional Administrator, and that the above recommendation was acceptable to him.

Specifically, it was proposed that John E. Loomis, Associate Director, Division of Trading and Exchanges, assume the supervision of the said investigations; that Edward C. Jaegerman of that Division (who was returning to duty following a year in Europe as a recipient of a Rockefeller Public Service Award) be assigned to commence work immediately on the Basic Atomics and Soil Builders cases; and that John T. Callahan of that Division also be assigned to work on the subject cases upon the completion of his present assignments.

The recommendation of the staff that the responsibility for the above cases be assumed by the home office, as well as the staff's proposed procedure, was approved by the Commission.

Nellye A. Thorsen
Assistant Secretary