



1 April 1966

MEMORANDUM FOR RECORD

SUBJECT: Request for Platinum

31 MARCH) We received two calls from a Mr. Russell Richards, GSA, regarding our request for platinum. I was able to call GSA back at 1715 hours and talked with Mr. Jameson (in Mr. Richard's absence) on the GSA calls. Mr. Jameson indicated that they had been studying the request of our March 28 letter, but, unfortunately, were not able to satisfy either of our requirements -- the one for platinum or the one for rhodium. Mr. Jameson indicated that there appeared a good possibility for us to satisfy our requirement for platinum by contacting the Bureau of the Mint since he had just a few days ago received a "Declaration to the Stockpile" from the Mint on 4500 troy ounces of refined platinum (in bars or shot). Mr. Jameson suggested that I contact immediately Mr. Roger Reed in the Bureau of the Mint and attempt to arrange an inter-agency transfer of that surplus platinum which he indicated GSA planned to turn down as excess to the stockpile since GSA had already placed platinum on the surplus list and planned to offer some 316,000 ounces from the stockpile for sale early next week.

Mr. Jameson explained as regards our request for rhodium that he was in an even less favorable position to satisfy our requirement since they had available only 378 ounces total vs our requirement for 1278 troy ounces of rhodium.

On 1 April, I called Mr. Roger Reed at the Mint, explained our problem and related Mr. Jameson's suggestion. Mr. Reed immediately contacted Mr. G. C. Wiggen who had been handling this particular Declaration for the Mint and put him on the telephone. Mr. Wiggen explained that, since they had prepared the "Declaration to the Stockpile" on the 4500 troy ounces of platinum, he was not sure whether the Mint could now negotiate with us on the transfer, or whether we would have to deal with GSA since the Declaration had officially been made to GSA. Mr. Wiggen suggested that I check this deal with GSA before proceeding further.

I then called Mr. Jameson and related to him my discussion with Mr. Wiggen and asked if it would not be appropriate for us to deal with GSA since they did, in fact, receive the Declaration from the Mint. Mr. Jameson explained that, although they had received the Declaration, they had, in fact, decided officially to turn down this Declaration as excess to the stockpile and that it would automatically revert to the Mint for their disposition. I then suggested to Mr. Jameson the possibility of his interceding on our behalf and arranging this transfer in light of the current status of the Declaration. Mr. Jameson declined, saying that they would now have to continue to process the "turn down" and while he would be happy to help us, he was sorry that this action had already been initiated.

I thanked Mr. Jameson for his help and called Mr. Wiggen once again indicating that GSA could not arrange the transfer and would definitely be turning down the Declaration as excess to the stockpile. I mentioned to Mr. Wiggen that Mr. Jameson indicated that the platinum would automatically revert to Mint ownership. I then suggested to Mr. Wiggen that I approach the Mint with our request to discuss arrangements for an interagency transfer between the Mint and us. Mr. Wiggen felt that there was a good possibility for such a transfer and advised that we prepare such a request to the:

Director of the Mint
Treasury Department
Washington, D. C.


W. R. YOST
Major USAF

DEPARTMENT OF THE AIR FORCE
WASHINGTON



OFFICE OF THE SECRETARY

4 April 1966

MEMORANDUM FOR GENERAL STEWART

SUBJECT: Request for Platinum

The attached MFR relates the latest activity on the request for platinum.

As noted in the last paragraph, we are now at the point of attempting to arrange an interagency transfer of a quantity of platinum which has just been declared to the stockpile by the Bureau of the Mint. This possibility was suggested by GSA in light of the present "excess to the stockpile" situation.

Attached at Tab B is a proposed letter to the Director of the Mint which attempts to arrange for the necessary discussions.

Recommendation: That you sign the letter at Tab B.


W. R. YOST
Major, USAF



GENERAL SERVICES ADMINISTRATION



Property Management and Disposal Service
Washington, D.C. 20400

IN REPLY REFER TO: DDSMM

Lt. Colonel William Yost
Office of Space Systems
Office of the Secretary of the Air Force
The Pentagon
Washington, D.C. 20330

Dear Colonel Yost:

General Services Administration entered into an agreement with the Office of Space Systems, signed by General James T. Stewart, USAF on September 3, 1960 whereby 2,202.334 troy ounces of platinum were placed in the custody of the Department of the Air Force. This is to advise you that GSA is making plans to recall the platinum presently in the custody of the Department.

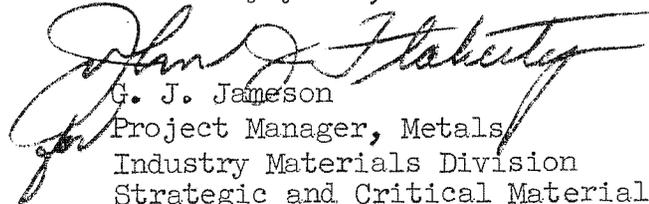
After a recent revision of the stockpile objective for platinum, the Office of Emergency Planning issued a directive to GSA that all platinum held by other Government agencies under special custody agreements was to be considered as part of the excess to the objective. Proposed legislation has been introduced into the Congress to authorize the release of all excess platinum from the stockpile. When authorization of disposal is received, we shall be obliged to terminate the existing custodial agreements and either to transfer the platinum to the custodial agency or to recall it for sale to industry.

If the Office of Space Systems has a continuing requirement for the 2,202.334 troy ounces of platinum, we suggest you request a transfer of that material to your agency on an interagency transfer agreement when disposal is authorized. Your agency would be invoiced at the published producers' price per troy ounce f.o.b. the present storage location, in effect on the date of transfer of

If you wish, a commercial type of invoice may be utilized which would permit your contractors to submit payment to GSA on whatever arrangement with them that you might desire.

An early reply expressing your wish in this matter will be appreciated. If you require further information, please do not hesitate to call upon us.

Sincerely yours,


G. J. Jameson
Project Manager, Metals
Industry Materials Division
Strategic and Critical Materials Division

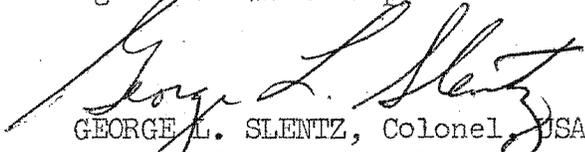


27 April 1967

Memo to: LtColonel William R. Yost

Subject: Reimbursement For Platinum On Loan From GSA

1. Reference your memo of 25 April 1967 on subject loan and GSA letter on same subject dated 21 April 1967.
2. This area has been researched by this office and it appears the only practical course of action is to have your office request a transfer of the platinum to the Air Force on an interagency transfer agreement when disposal is authorized by Congress.


GEORGE L. SLENTZ, Colonel, USAF
Deputy Director for Procurement

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28 APR 1967

1) Original contract Fulfilled for 2200

2) SA #1 reduced price of AF-2833 to 330K for as result of furnishing 2200.1 Troy Oz of platinum as GFE

3) Platinum so on Plant to start, then payment could be made by O/S de to be unced to us. In addition we are probably have to pay 6000 for the involved

~~1) Appears attempts have been made to draw O/S, secure platinum from Englehart at \$100/oz to replace the loan. No platinum available at that price.~~

7 L

Handle via BYEMAN Control System

BYE-66557/67

1 H

