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OUTGOING TELEGRAM Department of State

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Origin
Info:

ACTION: Amembassy RIO de JANEIRO 116
INFO: CINCSO for POLAD

JOINT STATE/AID/DEFENSE MESSAGE

R.E. Staggs, Manager of Export, Government, and fleet airplane sales, Beech Aircraft Corporation, reported to officials of Department July 17 interest of FAB in purchase of several Beechcraft "Queen Air 80" transport aircraft. Staggs indicated only block to sale is FAB lack of funds and wondered if credit assistance might be made available through MAP credit sales. Staggs was told Department had no knowledge proposed transaction and no action could be taken until formal request for credit received through diplomatic channels. Decision whether or not grant credit would depend on complex of factors including assessment of (1) FAB need for and capability to support aircraft, (2) priority to be assigned this purchase in terms of other potential purchases by FAB and other two services, and (3) availability of funds.

Staggs, who is aware details C-130 sale, undoubtedly will communicate with Beech representative Brazil on his discussions in Department, and it is likely Beech representative and/or FAB will be in touch with Embassy. Department would appreciate (1) any details Embassy has or can obtain on proposed sale, and (2) comments on desirability extending credit assistance if request received.

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DEF 12-5
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Microfilm by RMA

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