

# AIRGRAM

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INCO-ANTIQUES 17  
US-BRAZ  
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INT	LAB	TAR
TR	XMB	AIR
ARMY	CIA	NAVY
OSD	USIA	NSA

A-48  
NO.

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HANDLING INDICATOR

TO : DEPARTMENT OF STATE  
MAY 14 AM 7 33

RM/AN  
ANALYSIS & DISTRIBUTION  
BRANCH

FROM : Amconsul Porto Alegre DATE: 10 MAI 1965

SUBJECT : COMMERCIAL PROGRAM: Export License For Antique Telephones

REF : CA-9723, March 18; Deptel 29, May 7, 1965  
COM

The Companhia Telefônica "Melhoramento e Resistência", from which the Turtle Lake Telephone Company, Inc. was seeking to purchase the obsolete equipment, has finally communicated with the Consulate to the following effect:

The Companhia claims that the equipment in question was originally imported into Brazil duty-free, and that in principle, an export license can be granted only after payment of the duty which would have been charged had such a charge been levied at the time of importation. The price to be paid would have to be equal to or higher than the original price plus this duty. It showed little interest in carrying the matter further, and stated that the Consulate's assistance would be both useless and unnecessary.

In the Consulate's opinion, the main bar to consummation of the transaction lies in the fact that the Companhia considers the offer from Turtle Lake too low to warrant the time, expense and difficulty involved in securing a more favorable ruling. The Companhia did not advise the American company of this objection, inasmuch as the stand taken by the Export Control Board (CACEX) appeared to offer sufficient justification for not going through with the sale.

If the Turtle Lake Telephone Company is prepared to make a better offer, it is possible that the Companhia might consider further efforts on its part worthwhile. In October 1964, the Turtle Lake offer was U.S.\$1,000 for 800 sets. At present, only 500 sets still remain available.

The Consulate remains ready to help if its assistance should be required. It must repeat, however, that the Companhia did not seem particularly eager to close a deal.

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FORM 4-62 DS-323

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Drafted by: TJDuffield:gb

Contents and Classification Approved by:


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PORTO ALEGRE

cc: Embassy Rio

  
Thomas J. Duffield  
American Consul

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