



Abba Hillel Silver Collection Digitization Project

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McDaniel, Bruce, 1954-1955.



ISRAEL INVESTMENT NEWS

Private Enterprise for the Public Good

Published for stockholders and friends of the Palestine Economic Corporation, estab. 1926.

December, 1954

PAPER MILL IN ISRAEL SETS BIGGER GOAL

The ultra-modern plant of American-Israeli Paper Mills in Hadera, Israel, which began full operations a little more than six months ago, is already filling most of Israel's newsprint and industrial paper requirements, according to a report received by P.E.C. in New York.

The new plant, which represents an investment of \$4,000,000, was constructed through the initiative of the Mazer family, founders of the Hudson Pulp and Paper Corp., New York, and the P.E.C. Other investors include paper manufacturers in Brazil and Australia.

A report from Israel on the first six months of operation showed domestic newsprint and industrial paper requirements as already being met while production of writing and book paper is nearing the point where it, too, will fill Israel's needs in this department.

With the stabilization of the local market and an anticipated annual savings to Israel in precious hard currency of approximately \$700,000, the A. I. P. M. is expected to augment its important role as one of the country's prime dollar-savers by becoming a dollar-earner as well. Representatives of A.I.P.M. are currently surveying the European market, preparing the groundwork for selling Israel-made paper products abroad.

Average daily output during the first six months at the Hadera mill ranged between 35 and 43 tons. An output of 42-43 tons daily is expected at a more advanced stage. The plant, covering 9,000 square meters of floor space, handles the entire paper-making process, turning raw-pulp into finished paper up to 10 ft. in width. To operate on a three-shift schedule, 24 hours a day, A.I.P.M. employs upwards of 100 workers.

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P.E.C. ANNUAL DINNER WILL HONOR JACOB BLAUSTEIN

Jacob Blaustein, Honorary President of the American Jewish Committee, will be the guest of honor at the Annual Dinner in New York of the Palestine Economic Corporation on Wednesday, December 8, at the Hotel Waldorf-Astoria, it was announced by Alan M. Stroock, Chairman of the Dinner Committee.

A well-known industrialist and Jewish leader who served for five years as President of the American Jewish Committee and as Chairman of its Executive Committee for six years, Mr. Blaustein will be cited for his lasting contributions to the economic development of the State of Israel and for his "dedicated service to Jewry and to all humanitarian undertakings," Mr. Stroock said.

Former F.O.A. Chief Cites Israel's Growth

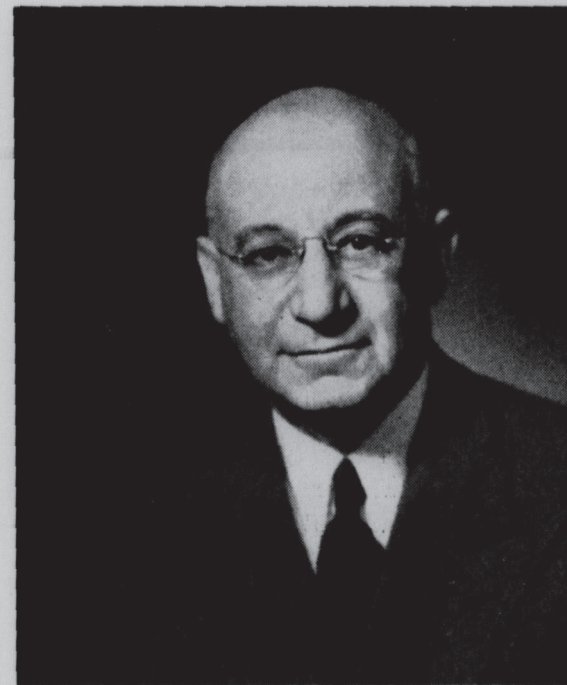
Bruce McDaniel, former Chief of the U.S. Foreign Operations Mission in Israel asserted that "the P.E.C. could be ten times larger than it is if the American Jewish public could be shown the facts of life in Israel." Mr. McDaniel was a guest speaker at the quarterly meeting of the P.E.C. Board of Directors on November 3rd.

"This little country, Israel, has shown the world what can be done by a people determined to achieve its economic independence," Mr. McDaniel continued. He added that "Israel has set a precedent for the entire world."

Pointing to the extensive program of Israel's land reclamation Mr. McDaniel said when he departed from Israel more than 50% of the arable land was already under cultivation.

Another guest speaker was J. R. Sensibar, head of Construction Aggregates Corp. of Chicago, the company which is directing the drainage of the Huleh marshes. Mr. Sensibar indicated that the project is nearing completion and will provide an additional 20,000 acres to the arable land area of Israel by June. As part of the reclamation project, Mr. Sensibar said, his company is supervising the construction of a vast network of irrigation canals.

Picture on Page Three



JACOB BLAUSTEIN

Edward R. Murrow, the distinguished CBS television and radio news commentator, will be the guest speaker at the dinner.

A native of Baltimore, Mr. Blaustein is acknowledged as a foremost communal leader in that city. His capacity for in-

(Continued on Page 5)

ICOA Aide Reports on Organization's Manifold Success

The Israel Corporation of America (ICOA), the trading arm of P.E.C., will establish a world-wide marketing organization to sell the products of the expanded Fertilizers and Chemicals, Ltd., Israel's largest chemical factory, it was reported by Conrad W. Gerstel, First Vice-President of ICOA, on his arrival in New York.

In addition to its manifold functions as a purchasing and sales agency for Israel's growing export industry, ICOA manages the export organization for Fertilizers and Chemicals, Ltd., Mr. Gerstel said.

He reported the first 25,000 tons of chemicals available for export have just been sold to various European countries mostly through barter transactions. Loading on Israeli ships was begun during the first week of November.

During the first six months of 1954, ICOA was instrumental in securing for Israel's industrial plants a wide range of raw materials from every corner of the globe.

Wool tops, imported from Uruguay, Australia and the United Kingdom, were processed in Israel and shipped to the

European market as Israeli-made knitted yarns. Raw materials for the manufacture of electric wires came from Switzerland and the finished product was sold to Turkey. Turkey also received other Israeli products, including antibiotics, crown corks, aluminum utensils and paints, all made from raw materials provided by ICOA through credits to the manufacturers.

A promising market is being developed in the United States for products made in Israel, Mr. Gerstel indicated. Substantial orders for Israeli-made apparel were received recently from the U.S. and will be shipped during the coming months.

For the first time in history, a large part of Israel's citrus products will be shipped in packing-crates manufactured domestically. These crates are made from West African lumber brought to Israel by ICOA in monthly shipload quantities and are processed by the American-Israeli Lumber Mill plants at Natanya and Tiberias.

In cooperation with Israel growers of ground nuts, ICOA is developing a market for this product in various European countries.

AGREEMENT IS REACHED ON KISHON HARBOR DEVELOPMENT

An agreement covering the first stages in the development of Kishon Harbor was signed last month in Jerusalem by Joseph Saphir, Israel's Minister of Transport and Communication, and Lee Harris, General Manager of Bayside Land Corporation, a P.E.C. subsidiary.

Under the terms of the agreement, the Kishon Port Service, Ltd., an operating company in which Bayside has a 50% interest, will direct the construction of light harbor facilities. Kishon Port Service also will supervise the management, warehousing, wharfing, and stevedoring in the new harbor. The contract will run for an initial period of two-and-a-half years with an option to extend it for twenty-five years.

The agreement between Bayside and the Israel Government is another im-

portant development in the P.E.C. program to stimulate the growth of the Haifa Bay area. In cooperation with the Jewish National Fund, P.E.C. has established an industrial zone in the area to provide accommodations for a significant number of Israel's most important industries.

Construction of the Kishon project is expected to relieve the congestion in Haifa harbor during the peak periods and will contribute greatly to the expansion of Israel's shipping facilities. Sheds and warehouses being built at Kishon will offer convenient storage for bulk cargoes such as lumber and iron. New factories will occupy sites along the channel, thus affording easy access from the factories to the vessels virtually docked in their backyards.

Israel Sending Carmel Dry Wines to U.S.

New wines from Israel—including Tokay, Sauterne, Hock and Adom Atic (Burgundy)—are scheduled to arrive in the United States early in January, it was announced by Julius Katz, Director of P.E.C. and President of Carmel Wine Co., Inc., a subsidiary of P.E.C.

The anticipated shipment, Mr. Katz said, is in keeping with the company's plans to make various types of Israel wines available to American consumers the year round.



GOOD WILL AMBASSADOR: Ziva Shapir, Queen of Israel Wine Festival, toured East Coast cities during the past three months to aid the sale of Carmel Wine in the United States. She is shown here being greeted in Philadelphia by Judge Louis E. Levinthal, a Director of the P.E.C.

The first shipment of Carmel Rishon Wine, which arrived in time for distribution before the 1954 Passover holidays, established the product as an instantaneous favorite with American consumers. Nearly 20,000 cases of the wine were imported into the United States. Carmel Rishon is a blend developed especially for the American market by Alfred Fromm, of San Francisco, a wine expert of international reputation.

At the present time, Mr. Katz said, Carmel Wine Company is lining up a large number of distributors to promote the sale of the new wines throughout the United States. There is every reason to expect, he said, that Israeli wine may, in a few years, become one of Israel's most important export products.

A highlight of the pre-Rosh Hashanah sale of Carmel Wine was the participation of Ziva Shapir, Queen of the Israel Wine Festival who visited the United States to help promote Carmel Wine.

SECURITIES DEPARTMENT
PALESTINE ECONOMIC CORPORATION
400 Madison Avenue New York 17, N. Y.

GENTLEMEN:

- ☐ I have a copy of the current P.E.C. Prospectus and wish to purchase additional shares of stock. Please send me a subscription blank.
- ☐ I am interested in subscribing to stock of the Palestine Economic Corporation. Please send me a Prospectus and subscription blank.

NAME

ADDRESS

CITY

MARCH OPENING SET FOR NEW F. & C. UNITS

Six new plants of Fertilizers and Chemicals, Ltd., in Haifa, are expected to be completed in March, 1955, according to word from Alexander Goldberg, Managing Director of the company. Fertilizers and Chemicals, Ltd., is Israel's largest single industrial enterprise.

Construction of the new plants was made possible by a \$1,500,000 loan by P.E.C. which enlisted the participation of a number of leading American industrialists, including Barney Balaban, President of Paramount Pictures; and Fred Lazarus, Jr., of Cincinnati. The loan enabled P.E.C. to acquire a major interest in the export phase of Fertilizers and Chemicals, Ltd. operations.

A progress report covering the period of July 1st to September 30 reveals the existing facilities produced over 8,000 tons of superphosphate, a new record for the plant. The report also shows that 22,000 tons of iron-bearing pyrites calcine were sold to European countries through ICOA, acting for F. & C.'s export company. Pyrites calcines are by-products of sulphuric acid manufacture. A new skill, rubber lining of vessels, was introduced into the plant under the supervision of an expert from the United Kingdom. Previously, the lead-burning craft was similarly introduced.

Increased production during the quarter covered in the report was held to be directly responsible for the financial improvement registered during the period. Production increases were 41% and 32% respectively for sulphuric acid and superphosphate.

While the present plant facilities employ 934 men, this figure is expected to be increased considerably when the new plants are opened.

Primary markets include South Africa, Sweden, Turkey, England, Holland and the U.S. Stepped-up production of superphosphates has made it possible for F. & C. to produce sufficient quantities of the substance to meet all of Israel's needs in the field of chemical fertilizers.

LEGACY ASSURES HOUSING FOR 600 ISRAELI IMMIGRANT FAMILIES

Six hundred needy immigrant families in Israel will be among the initial beneficiaries of the estate of Mrs. Jessie Cohen, of Wilmington, Del., where she and her husband, Max Cohen, lived for more than half a century. Her will stipulated that the residue of her estate—\$290,000—was to be devoted to provide housing for "poor and worthy Jewish residents in the State of Israel."

In recognition of Mrs. Cohen's bequest, the Government of Israel will name two settlements of 300 homes each for Max and Jessie Cohen, one in Holon, near Tel Aviv, and the other at Tirah, south of Haifa. Work has begun on both housing developments and the first residents will be invited to take possession before the end of 1955.

Acting as trustees for Mrs. Cohen's estate, the Testamentary Committee of the Jewish Federation of Delaware concluded an agreement with the Palestine Economic Corporation whereby with the participation of the Government of Israel there was created a fund amounting to IL 2,000,000 (equivalent to \$1,000,000) to implement the housing program.

The Israel Government is providing the land for the housing units and approximately IL 1,500,000 for the project. The P.E.C. is supervising the construction of the houses and also is furnishing the management for the entire undertaking.

Immigrant families will be selected for relocation in the new units by the Jewish Agency from transient camps, primarily those located near the sites of the housing projects.

The plans call for the building of three types of housing: semi-attached homes; four-family dwellings; and one-story terraced buildings. Each home will cost approximately IL 3,300 to build, including installation of water supply, sewers and roads. The immigrants will be able to purchase the individual units on long-term mortgages at low interest rates. The repayment of mortgages from the sale of the housing units—to the extent of IL 1,250,000—will be deposited in a revolving fund—The Max and Jessie Cohen Fund, Ltd.—to be used for the construction of additional homes for immigrants.

Signatories for the Testamentary Committee of the Jewish Federation of Delaware were I. G. Finkelstein, Chairman; Hon. H. Albert Young, Philip Cohen, William Feinberg, Morris Liebowitz, and Nathan Miller, all of Wilmington; and Aaron Baroway, of New York, Vice President of the P.E.C.

A. Roke Lieberman, Executive Director of the Jewish Federation of Delaware, actively participated in the negotiations which led to the agreement.

BRUCE McDANIEL HONORED BY P.E.C.



Bruce W. McDaniel (left), who retired recently as Director of the U.S. Foreign Operations Mission in Israel, was presented with a silver-bound Bible by the Palestine Economic Corporation, at a meeting of its Board of Directors in New York. Mr. McDaniel supervised the expenditures of \$190,000,000 in U.S. aid funds, and was lauded by the P.E.C. for having made a "noteworthy and lasting contribution to the economic development of Israel." Robert Szold, Chairman of the Board of P.E.C., is shown in center, and Ernest Nathan, Executive Vice-President, is at right.

How to Build Israel

GIVE to UJA

LEND thru Israel Bonds

INVEST thru P.E.C.

P.E.C. Investment, Ltd. In Israel Is Listed On Tel Aviv Exchange

A new issue of shares is being offered to the Israeli public with the listing on the Tel Aviv Stock Exchange of 50,000 Ordinary "B" Shares at IL10 each of the P.E.C. Investment Corporation, Ltd., it was announced in Tel Aviv by Dr. Heinz Gruenbaum, Executive Vice-President of the P.E.C. in Israel. Dr. Gruenbaum is Chairman of the new Investment Corporation. The P.E.C. in New York and its wholly-owned subsidiary, Loan Corporation, Ltd., own a substantial amount of Investment Corporation shares, which total IL1,330,000 already paid up of the registered capital of IL1,630,000.

The portfolio of investments of the new company includes securities in such well-established business firms as Ata Textile Co., Enterprises of Assis & Bejarano Bros., Kurdaneh Textile Works and a 50% interest in the Union Bank of Israel, Ltd. Among the more recent industrial undertakings pioneered by the P.E.C. and offered in the new share issue are Fertilizers & Chemicals Ltd., General Tire and Rubber Co., and Delek Fuel Co.

The Directors of the P.E.C. Investment Corporation in Israel are Dr. Heinz Gruenbaum, Victor Bach, Ernst Kahn, Abraham Levin, Dr. Jose Mirelman and Paul Singer as Managing Director.

Suliatan Plant Nears Start of Production

A factory equipped to manufacture an estimated 2,000,000 pairs of synthetic soles and an equal number of rubber heels per year is now within a few weeks of beginning active operation in Israel. It is the new Suliatan factory at Rehovoth, where final testing of equipment and product is underway at the present time.

Suliatan, Ltd., was established by P.E.C. in cooperation with the American Biltrite Rubber Co., of Chelsea, Mass., and Israel Enterprises, Inc.

One of the world's largest manufacturers of synthetic soling, American Biltrite has furnished the entire engineering and equipment for Suliatan and is responsible for the training of skilled personnel and for all technical aspects of the enterprise. Biltrite is sending its Chief Chemist, Sidney Coel to Israel to supervise the final tests. Previously, Biltrite trained the Israeli manager of the Suliatan plant in its own factory in Chelsea.

It is estimated that production of the Suliatan plant will suffice to fill Israel's needs for soles and heels and is expected to account for a saving to Israel of approximately \$500,000 per annum in foreign exchange at present price levels. Suliatan is equipped to manufacture products of qualities equal to those prevailing in the United States.

P.E.C. BOARD ELECTS DEWEY D. STONE

Dewey D. Stone, prominent New England business executive and a leader of the Jewish community in that area, has been elected to the Board of Directors of the Palestine Economic Corporation, it was announced by Ernest Nathan, Executive Vice-President of P.E.C.



Dewey D. Stone

One of fifty Jewish leaders who were invited to Israel in 1950 to confer with Government officials on economic matters, Mr. Stone returned to Israel again in 1953 for a second Conference with leaders of the young State to discuss the economic problems besetting it.

Mr. Stone is Chairman of the Board of the Weizmann Institute of Science, National Vice-Chairman of the Medical School Campaign of the Hebrew University and Hadassah, a Vice-President and member of the National Executive Committee of the Zionist Organization of America, President of the Brandeis Camp Foundation, a founder of the New England Zionist Chest, and a member of the UJA National Campaign Cabinet.

A former national chairman of the American Zionist Expansion Fund, he is currently its Honorary Chairman, and is a member of the Actions Committee of the World Zionist Organization.

Mr. Stone is one of the owners of the Harodite Finishing Company, an officer of the Converse Rubber Company, and has many interests in the textile and related industries.

WANTED IN 1955:

INCREASED CAPITAL INVESTMENTS IN ISRAEL THROUGH THE P.E.C.



Julius Stone, left, Past President of the New England Region, Z.O.A., has accepted the post of Regional Economic Chairman, upon the election of Jacob Rabinovitz, right, to the office of Regional President. In his new post, Mr. Stone will help to direct the drive to enlist New England Z.O.A. members as shareholders in P.E.C.

Interest in P.E.C. has mounted steadily in the New England area since the testimonial dinner on June 10, in honor of Robert Szold, Chairman of the Board of P.E.C. Chairman of the Dinner Committee were Phil Lown and A. Ullman.

PAPER MILL

(Continued from Page 1)

The plant also includes independent laboratories where technicians maintain a round-the-clock quality-control check, testing each roll of paper for quality and uniformity. Massive machines are capable of producing an unusual variety of papers with the same machinery.

The Hadera plant is able to switch easily and speedily from production of industrial paper or newsprint to manufacture of writing paper, thus considerably reducing the initial cost.

Prior to the combination of resources by the Mazer family and the P.E.C. to construct the present facilities, Israel was without its own modern paper-making apparatus. Under a training program, specialists in paper-making from abroad are teaching scores of young Israelis the age-old craft. Within a short period of years the foreign specialists will be replaced by Israelis.

P.E.C. ROLE DESCRIBED BY NATHAN

Ernest Nathan, Executive Vice-President of P.E.C., during his visit in mid-September to San Francisco, Calif., gave an interview to Donald K. White, staff writer on the Chronicle, leading West Coast daily newspaper. Reprinted below is part of Mr. White's account of the interview which appeared in the San Francisco Chronicle on September 23, 1954:

Israel Job Great for Hypertension

If you have high blood pressure and don't mind traveling, there is an ideal place for you to work. It is 1200 feet below sea level on the Dead Sea in Israel, and the job is mining and processing potash.

Ernest Nathan, Executive Vice-President of the Palestine Economic Corp., explained here yesterday, that the Dead Sea Works, Ltd., one of the Corporation's holdings in Israel, is deliberately recruit-

ing workers with high pressure to work on the potash development.

People with normal, or low, pressure work under a handicap on the Dead Sea. The barometer pressure is so high that normal workers keep running up to sea level to stay healthy. Those with hypertension thrive as the high barometric pressure equalizes their blood pressure.

Steady and Sure

Palestine Economic Corp. is, itself, something of a low pressure organization which has made steady and sure progress in Israel over the past 29 years. A Maine corporation, the organization was founded by such people as Justice Louis D. Brandeis, Herbert Lehman, Robert Szold and Felix Warburg. The basic idea was to develop Palestine through private enterprise.

The Corporation has pioneered a great deal of Israel's industrial and business development. It has backed a variety of companies which were the first to start chemical works, hotels, banks, low-cost housing, rubber and paper plants and wineries.

S. F. Executive Praised

Mr. Nathan gave much of the credit for the rebirth of Israel's wine industry to Alfred Fromm, Executive Vice-President of Fromm & Sichel here.

Mr. Fromm went to Israel at his own expense a few years ago and helped reorganize the vineyards and wineries. He brought about a strict plan of quality control so the wine could be exported to the United States. So far this year Israel has sent 20,000 cases of Carmel wine, with a retail value of \$360,000, to this country.

TESTIMONIAL DINNER

(Continued from Page 1)

spiring confidence and his close association with high officials in the United States and other governments were in a large measure responsible for the successful negotiations whereby West Germany agreed to pay \$822,000,000 to Israel and to the Conference on Jewish Claims Against Germany for the rehabilitation of Jewish victims of Nazi persecution. He has been a member of the Presidium of the Conference since its inception and is Senior Vice-President of the organization which is now receiving and distributing substantial sums on account of \$107,000,000 in reparations funds from the Bonn Government.

As a Consultant to the U. S. Delegation to the United Nations Organization Conference in San Francisco in 1945, Mr. Blaustein played an important role in placing the human rights provisions in the U.N. Charter. At the conclusion of World War II, he headed the American

Israel-Made Boxes Win High Rating

The high rating for the "obeche boxes"—products of the American-Israeli Lumber Mills, a P.E.C. subsidiary—was revealed in a report by the Printing, Packaging, and Allied Trades Research Association, an English organization.

While standard boxes, formerly imported into Israel, were found to give satisfactory results, the research organization found "they do not withstand the same degree of rough treatment as the obeche boxes."

clusion of guarantees to aid victims of persecution.

In the period of the Truman Administration, Mr. Blaustein was a member of the President's National Advisory Board on Mobilization Policy. Last year, he was reappointed by Secretary of the Interior Douglas McKay to membership on the National Petroleum Council, Gas and Oil Division, U. S. Department of the Interior.

Mr. Blaustein is a co-founder and Director of the American Oil Co., a Director of Standard Oil Co. (Indiana), the Pan American Petroleum and Transport Co., and a number of other corporations.

Honorary Chairmen of the dinner to honor Mr. Blaustein are: Benjamin V. Cohen, Irving M. Engel, Nahum Goldman, Philip Klutznick, Herbert H. Lehman, Louis Lipsky, Mortimer May, Theodore R. McKeldin, Joseph M. Proskauer, Rebecca Shulman, Abba Hillel Silver, Julius Simon, Simon Sobeloff, Meier Steinbrink, Robert Szold, and Edward M. M. Warburg.

San Francisco Leaders Hail P.E.C. Gains

Plans initiated by P.E.C. as part of its earliest endeavors "antedate the current U.S. Government Point IV program by thirty years," Ernest Nathan declared in San Francisco where he was a guest of P.E.C. shareholders at a dinner held in the Concordia Club.

Mr. Nathan, Executive Vice-President of P.E.C., said that "the first rotary drill used in Israel in the drilling for water over 30 years ago was provided by P.E.C."

He pointed out that P.E.C. is "today working very closely with Point Four administrators in Israel on various aspects of the U.S. Government program to aid the development of the new State."

Turning to a recent development in which P.E.C. played a decisive part, Mr. Nathan described the crucial situation facing the Israel wine industry three years ago. "Israeli vintners desperately needed to find markets abroad," he said. "P.E.C. was asked to help in opening the American market. P.E.C., in turn, asked Alfred Fromm of San Francisco, to give his expert assistance. As a result of Mr. Fromm's suggestions and recommendations the entire Israel wine industry was overhauled.

Mr. Fromm, a wine expert of international standing, is a member of the San Francisco P.E.C. Committee which organized the dinner. The other members of the Committee are Edwin T. Golden, who was one of the speakers, Dan Koshland, Ben Swig and Jack Verdi.



Edward R. Murrow



Alan M. Stroock

Jewish Committee delegation to the Paris Peace Conference and pressed for the strengthening of the human rights clauses in the peace treaties and the in-

CLEVELAND DINNER SPURS P.E.C. SALES



A view of the dais at the dinner to launch renewed P.E.C. activity in Cleveland, shows: (left to right) Dr. Paul Riebenfeld, Director of Securities for the organization; Leonard Ratner, a member of the Dinner Committee; Rabbi Joseph M. Reich, Junior Rabbi of the Park Synagogue; Myron N.

Krotinger, Chairman of the Dinner Committee; Dr. Abba Hillel Silver, the guest speaker; Robert Szold, Chairman of the Board of Directors, P.E.C.; Harry H. Kangesser; A. M. Luntz, a member of the Dinner Committee; and Dr. F. M. Falkman, Dinner Co-Chairman.

Dr. Silver Urges Support for P.E.C.

"Israel's economy must be developed. I know what the government can do. I am not opposed to co-operatives. But, I am enough of an individualist to be in favor of allowing the individual full play to the limits of his capacity," said Dr. Abba Hillel Silver at the P.E.C. Dinner held at the Park Synagogue in Cleveland, on October 27th.

"The Jewish individual is so gifted," he continued. "How many countries and cities have been built by Jews! How many industries have been built by our entrepreneurs! I should like to see this power unleashed for the development of Israel."

Dr. Silver praised the leadership and foresight of Robert Szold, Chairman of the Board of P.E.C., who, he said, "has done in the economic field what others did in the political field to advance the cause of the Jewish State." Dr. Silver said that he is a shareholder of P.E.C., as are all members of his family, and that he regularly adds to his holdings. He ended his address with a strong appeal for investments in P.E.C. which would give it the means to contribute further to the growth of Israel on a private enterprise basis.

Mr. Szold paid tribute to Dr. Silver as the foremost architect in American Jewry of the Jewish State.

Leonard Ratner, prominent Cleveland businessman, expressed his approval of the P.E.C. program, particularly in relation to what it did for the small businessman in Israel. In this connection, he described the value of P.E.C.'s standard factories for the growth of Israel.

The Dinner Committee was headed by Mr. Myron N. Krotinger, as Chairman, with David G. Kangesser and Dr. F. M. Falkman as Co-Chairmen. Other members of the Committee were Messrs. Harry H. Kangesser, A. M. Luntz, Leonard Ratner, Ezra Z. Shapiro, Albert A. Levine, Suggs Garber and David M. Siff.

Israel-Made Tires Winning Wide Favor

Israel-made auto, truck and tractor tires, products of the Petah Tikvah plant of the General Tire and Rubber Co. (Israel), a P.E.C. affiliate, are rapidly winning favor among many customers in Turkey.

Turkish auto accessories dealers report that many of their customers insist on tires made at the General Tire plant in Israel. One Istanbul dealer told how a taxi driver returned several newly-purchased tires with a demand that he be given tires marked with the "square

letter." General tires produced in Israel bear the square-lettered Hebrew wording "General Tire."

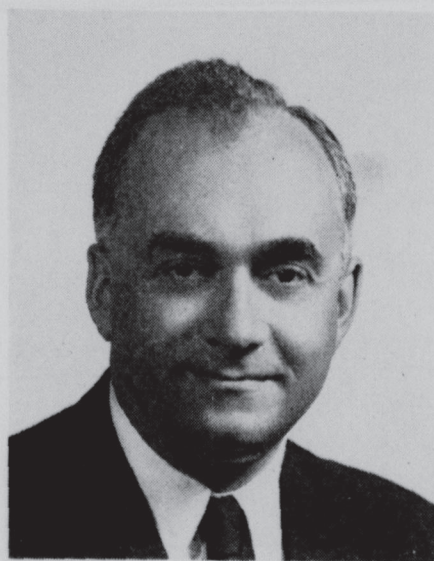
While Turkish dealers insist that tires imported from abroad must be packed in regular cases lined with protective matting, they prefer to have General Tire of Israel use old copies of Israeli newspapers in packaging its products. The dealers contend that the newspapers used in packing help to convince exacting customers that the tire actually was made in Israel.

Boston Zionists Set Drive for P.E.C.

The period of November 15 to December 15 has been designated "P. E. C. Month" in the Brighton-Brookline-Newton (Mass.) Zionist District, it was announced by Bernard Garber, District

Schwartz, Louis Covich, David Knopping, A. I. Lerner, Irving Uretsky, Henry Berlin, Jacob Rabinovitz, Frank Breznjak, and Joseph Rabinovitz.

The regular monthly meeting of the B-B-N Zionist District on November 23 was devoted to a discussion of Israel's economy with particular emphasis given to the private investment program. Dr. Paul Riebenfeld, Director of P.E.C.'s Securities Department, was the main speaker on the program which drew over 800 members of the Z.O.A. and Hadassah.



BERNARD GARBER

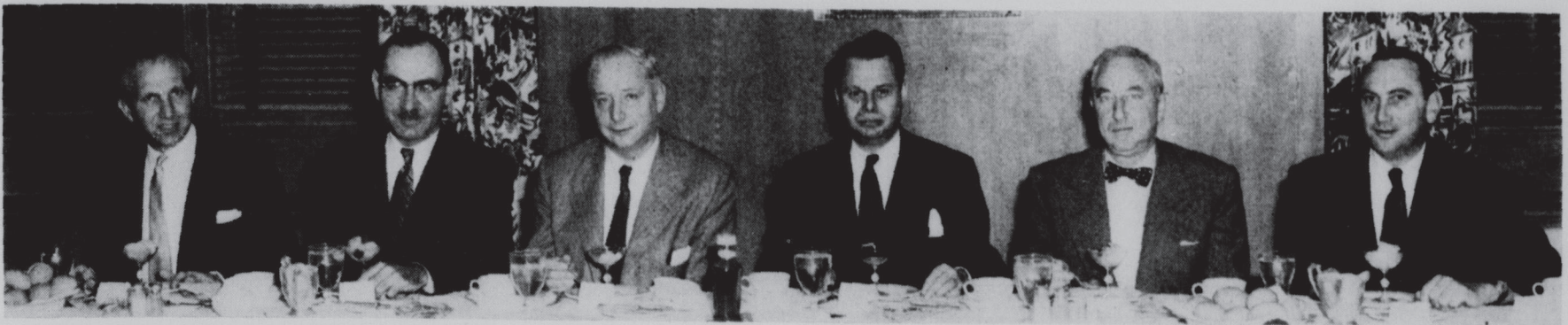
President, and Samuel Black, Economic Chairman for the District.

Under the slogan "Every Z.O.A. member a P.E.C. shareholder," Mr. Garber and Mr. Black are heading up a committee of local Zionists, including David Gopen, Joseph Greenbaum, Nathan



SAMUEL BLACK

CHICAGOANS LAUNCH P.E.C. DRIVE



CHICAGO SHAREHOLDERS LUNCH . . . Left to right: Dr. Paul Riebenfeld, P.E.C. Director of Securities; Simcha Pratt, Israel Consul in Chicago; Samuel N. Katzin, P.E.C. Co-Chairman in Chicago; Ernest Nathan, Execu-

tive Vice-President, P.E.C.; Robert S. Adler, Co-Chairman of Chicago P.E.C. Committee; and Morris Alexander, another Chicagoan who is sparking the P.E.C. effort in the local community.

The growing recognition that P.E.C. "is the ideal mechanism for enabling American Jewry to aid Israel with expert knowledge and investment capital," was stressed by Robert Adler, Chicago P.E.C. Co-Chairman, at a luncheon on November 4th to launch a stock-selling drive in the Midwest. Mr. Adler is sharing the leadership of the local campaign with Co-Chairman Samuel Katzin. Together, they head a committee which includes Morris Alexander, James Becker, Max Bressler, Morris Bromberg, Benjamin Fain, Marshall Holleb, Arthur Hurwich, Charles P. Schwartz, J. R. Sensibar, Hy Smoler and Maurice Spertus.

Ernest Nathan, Executive Vice-President of P.E.C., who was the principal speaker at the luncheon, said that a visit

to Chicago to discuss P.E.C. was "like coming home." He pointed out that "P.E.C. owes its existence, in a large part, to the leadership of Justice Louis D. Brandeis, Bernard Flexner, James Becker, and Robert Szold, all natives of Illinois."

James Becker, member of a leading Chicago investment house, was a guest at the luncheon. He described the early efforts to establish P.E.C. and the important role played at the time by Bernard Flexner, the organization's first president.

Simcha Pratt, Israel Consul in Chicago, was a guest.

P.E.C. has opened an office at 135 So. La Salle St. (Tel.: RAndolph 6-3730) to assist the local committee in mobilizing the widest support for the stock-selling campaign.

P.E.C. INVESTS \$200,000 IN NEW AMERICAN-ISRAELI LUMBER MILL

American investors, represented by P.E.C., have joined hands with Straucher Brothers, an Israeli company, to establish the American-Israeli Lumber Mill, Ltd., now under construction on a 30-acre site at Natanya. P.E.C. has invested \$200,000 in the new venture.

Straucher Brothers own and operate a citrus-box factory in Tiberias where 200,000 crates for Israel's citrus industry were made last year. The Tiberias plant is the largest single producer of citrus-boxes in the country.

The new mill in Natanya will bring the combined output of the Tiberias and

Natanya plants up to 1,000,000 citrus boxes a year. In addition, the mill will manufacture some 300,000 field boxes for the collection of fruit and other purposes.

The Natanya mill, which began preliminary operations last month, will use logs imported from West Africa and also will supply large quantities of lumber to Israel's furniture and building industries. The mill will become the first integrated lumber operation in Israel.

Plant facilities include a seasoning yard, drying kilns, a log mill, and storage facilities. The machinery is being imported from Belgium.

Joseph Mazer Hailed By Connecticut ZOA

Joseph M. Mazer, a Director of P.E.C., was the guest of honor at a dinner sponsored by the Connecticut Region, Z.O.A., at the New Haven Community House on September 13. Mr. Mazer, who also is Chairman of American-Israeli Paper Mills and Treasurer of the Hudson Pulp and Paper Corporation of New York, was cited for "his magnificent achievement" in helping to establish the first modern paper mill in Israel.

Guest speaker at the dinner was Robert Szold, Chairman of the Board of P.E.C., who urged Connecticut Zionists to join with P.E.C. in its program of private investment in Israel.

N. N. Kirschner, P.E.C. Chairman for Connecticut, and Judge Selig Schwartz, President of the Connecticut Region, Z.O.A., were Co-Chairmen of the Dinner Committee.

New Jersey ZOA Meeting Enlists Support for P.E.C.

Meyer Pesin, President of the New Jersey Region, Z.O.A. was one of the principal speakers at a meeting on November 17th at the Jersey City Jewish Center to enlist support from Z. O. A. members in the Garden State. Mr. Pesin, a firm advocate of private investment in Israel through P.E.C., visited Israel during the past Summer.

Mr. Pesin shared the speaker's platform with Dr. Paul Riebenfeld, Director of the P.E.C. Securities Department.

BRANDEIS SAID . . . HAVE FAITH!

"One hears of difficulties, of discouraging incidents, in Palestine. The discouragements of which people talk do not discourage me. It is only he who keeps the mind's eye too near to the object, instead of looking afar into the future, who will be greatly disturbed by a particular failure or setback.

We are trying to build a new land. When Americans think of building a new land, at least those of us who have lived in New England, they are apt to think of the Pilgrim Fathers. We remember what their adventure was and what

they built. The Pilgrims had faith, we should have it.

The same spirit which brought the Pilgrim West is the spirit which has sent many a Jew to the East, and should send many, many more. But those of us who remain behind may have an effective part in the building as well as those who have gone to the front. Let us persevere with redoubled energy. There is no place on earth in which your effort may bring you and to others worthier rewards. Don't be discouraged. Don't be afraid. Have faith."

P.E.C. Committee Grows in Los Angeles

Yoland D. Markson, of Beverly Hills, Calif., a Director of P.E.C., played a leading role in helping to form the Los Angeles P.E.C. Committee which includes some of the outstanding figures in the local community. Joint Chairmen of the Committee are Albert H. Allen, Julius Fligelman, and Edward Meltzer.

Members of the Committee, which is still in formation, are Mrs. Beatrice Rosenus, Sam Engel, Sam Butlin, Eugene Kahan, Jacob H. Karp, Abraham Spiegel, David Tannebaum and Maurice Turner.

The Los Angeles P.E.C. Committee was launched at an informal dinner on October 14 at Romanoff's Restaurant in Beverly Hills on October 14. Albert H. Allen served as host and introduced the speakers of the evening who were Mr. Markson, Dr. Paul Riebenfeld, and Julius Fligelman. Both Mr. Markson and Dr. Riebenfeld described the operations of P.E.C. and its function as a bridge between American Jews and Israel for the introduction of American know-how and private capital. Mr. Fligelman told about his recent visit to Israel to study the structure of P.E.C. and survey its achievements.

As a result of its initial activity, the Los Angeles Committee reports, plans are underway to enlarge the membership of the Committee and to institute regular monthly P.E.C. luncheon meetings.

Brooklyn Z.O.A. to Push P.E.C. Shares

Z.O.A. members in the Brooklyn (N.Y.) Region, sparked by P.E.C. Chairmen in twenty-six district organizations, already have accounted for more than 75% of the substantial quota of P.E.C. shares undertaken in mid-Summer.

The present campaign was kicked-off at a dinner held in June to honor six Past Presidents of the Region for their leadership in mobilizing support for Israel's economy. Those honored were Benjamin G. Browdy, a Director of P.E.C.; Tom Cohen, Isidore Fine, Phil Lassar, Dr. Israel H. Levinthal, and Judge Albert D. Schanzer.

Guest speaker at the dinner was Dr. Harry Halpern, spiritual leader of the East Midwood Jewish Center, where the dinner was held.

Leaders of the district organizations who participated in the dinner were: Abraham H. Golding, Stephen Wise District; David Glushak, Flatbush; Abe Albert, Eastern Parkway; Dr. Nathaniel Applebaum, Brownsville-East New York; Dr. Samuel Markoff, Eastern Parkway; Dr. H. B. Birnbaum, Bensonhurst; Harold Carmeli, Eastern Parkway; Israel Eisenberg, Eastern Parkway; Albert Singer, Flatbush; Harry Rosenblum, Flatbush; Morris Rosen, Brownsville-East New York; Sam Berson, Flatbush; Isidore Fine, Beth Israel; and Joseph S. Scheinberg, Eastern Parkway.

Tests Raise Hope Of Oil In Israel

Deep drilling for oil in Israel at a location about 17 miles southwest of Jerusalem was begun early in October by Israel-Mediterranean Petroleum and Pan-Israel Oil Company, American backed sister companies which hold oil licenses covering more than 800,000 acres throughout Israel. The well, known as Tell-Es-Safi No. 1, will be carried to a depth of 8,000 feet, seeking production principally in the Cretaceous and Jurassic formations, both of which are prolific producers elsewhere in the Middle East.

Prior to moving the American-built rotary rig onto the Tell-Es-Safi location, the two oil companies carried out more than one year of geological and geophysical operations in the area, including the drilling of 20,000 feet of structure holes.

Drilling contractor for Israel-Mediterranean and Pan-Israel is Pantepec Oil Company, a Venezuelan firm which operates in Israel through its wholly-owned subsidiary, Tri-Continent Drilling Co. In addition to extensive core hole drilling, Pantepec's contracts with the companies call for the drilling of a minimum of six deep test wells.

P.E.C. is an investor in Pan-Israel and Israel Mediterranean and has representation in both companies through two of its own Directors. Israel B. Brodie is a Voting Trustee of Pan-Israel and a director of Israel-Mediterranean while Aaron Baroway, Vice President of P.E.C., is a Voting Trustee of both companies and a director of Pan-Israel.

**IF YOU WANT YOUR FRIENDS TO
LEARN ABOUT P. E. C.'s ACTIVITIES,
KINDLY SEND US THEIR NAMES. THANKS!**



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Cable Address, UJAPPEAL, New York

January 11, 1955

Mrs. Ruth Sparrow
The Temple
East 105th Street & Ansel Road
Cleveland, Ohio

Dear Mrs. Sparrow:

Just for the record I want to confirm the information we gave to you during our telephone conversation this morning.

Mr. and Mrs. ~~Bruce McDaniel~~ are due to arrive in Cleveland (EAL 706) at 1:00 P.M. EST on Saturday, January 15. They will be advised that reservations are awaiting them at the Wade Park Manor.

As you know, the McDaniel's plan to leave Cleveland at 8:30 A.M. on January 17th.

With appreciation for your helpfulness

Cordially yours,

Arthur Fishzohn
Director
Speakers Division

AF:WHB