





G.V. Beaudry/MEC

8636-A-40c

FILED IN L. PERSI - ORDS	
File No.	8636-A-40c
Sub.	Chron. 10 Filed

Ottawa, July 24th, 1947.

The Secretary of State,  
Department of Secretary of State of Canada,  
West Block,  
O t t a w a.

Attention: Mr. Mathieu, Custodian

You will recall a conversation which we had in your office, concerning the disposal of the German and Japanese wines and liquors to the benefit of our Embassy in Washington. I am enclosing to that effect a letter from our Minister in Washington, Mr. Thomas H. Stone, in which he asks whether you would be prepared to break up the lot in order to sell only a certain number of bottles and to set a price on the items in which he would be interested. I am enclosing the list which he submits, making a total of 475 bottles.

I should be grateful if you could let me know as soon as possible your decision on this matter.

Guy V. Beaudry

For Under-Secretary of State  
for External Affairs.





8636-A-400  
Chron. 18 Filed  
Washington, D.C.,  
July 21, 1947.

Dear Sicotte:

I have your letter of July 5th from which I assume ✓ that the Custodian wishes to dispose of the German and Japanese wines and liquors in one lot, excepting those wines, of course, which the examining expert has declared unfit for human consumption. I am afraid, however, that the Ambassador and I are not interested in purchasing all of the 1,018 bottles which are still said to be drinkable. Among this collection are wines which we think it would be very risky to buy as we are fearful, (a) that they would not stand the journey to Washington, and (b) that we could not consume them here before they deteriorate to such a point as to be undrinkable. We have, therefore, selected from the complete list a number of wines and spirits which we would be prepared to purchase. If the Custodian would set us a price on these we would be interested if the price is reasonable. I am enclosing a list which you will see amounts to some 475 bottles, of which 141 are Rhine Wine, 168 Claret, 42 Burgundy, 18 liqueur, 51 Whiskey, 17 Gin, 10 Sherry, 14 Rum and 14 Champagne. We would not, of course, be prepared to pay \$1406 plus carrying charges for 475 bottles of wines and spirits as this would bring the cost per bottle up to something over \$3.00. If the Custodian is not, therefore, prepared to break up the total amount and let us have that part of it in which we are interested, I am afraid the deal is off. I should be grateful if you would get in touch with him as soon as possible and let us know how he feels about this. In the event that he is willing to break up the collection, perhaps he would quote us a price on the list which I enclose.

Incidentally, the spirits in this collection will not have improved with age. Whiskies, rums and liqueurs only improve in the wood. After they are in glass they stop working.

Yours sincerely,

Thomas A. Stone

G. Sicotte, Esq.,  
Department of External Affairs,  
O t t a w a, Canada.



M e m o r a n d u m

May 28, 1947.

I have extracted the following items from the custodian's list of German and Japanese wines as being the only ones of any particular interest.

- No. 452 - 5 bottles - of a red Burgundy Chambertin 1934, Cuvee Heritiers Latour.
- No. 456 - 7 bottles - of white Rhine wine Oesteicher Lenchen Rheingau 1937.
- No. 461 - 12 bottles - of Scotch Whisky - Hedges & Butler Vat  
(26  $\frac{1}{2}$  oza) 250.
- No. 463 - 5 bottles - red Bordeaux Kressmann's St.Emilion 1934.
- No. 464 - 4 bottles - Kressmann Chateau Neuf du Pape 1934 - Red Burgundy.
- No. 465 - 6 bottles - red Burgundy Kressmann Nuits 1934.
- No. 466 - 9 bottles - Red Bordeaux Kressmann St. Emilion 1934.
- No. 467 - 9 bottles - red Bordeaux Kressmann St. Emilion 1934.
- No. 468 - 5 bottles - red Bordeaux Kressmann St. Emilion 1934.
- No. 469 - 6 bottles - white Rhine wine Oestricher Muhlberg Rheingau 1935.
- No. 470 - 9 bottles - red Bordeaux Kressmann St. Emilion 1934.
- No. 471 - 10 bottles - red Bordeaux Kressmann St. Emilion 1934.
- No. 472 - 11 bottles - white Rhine wine Oesteicher Lenchen Rheingau 1934
- No. 476 - 11 bottles - red Bordeaux Kressmann St. Emilion 1934.
- No. 477 - 7 bottles - red Burgundy Chambertin 1934 - Cuvee Heritiers Latour.
- No. 478 - 11 bottles - red Bordeaux Kressmann St. Emilion 1934.
- No. 479 - 6 bottles - red Burgundy Kressmann Nuits 1934.
- No. 481 - 5 bottles - red Bordeaux Kressmann Chateau Latour Martillac 1929.
- No. 482 - 6 bottles - white Rhine wine Oestricher Muhlberg Rheingau.
- No. 483 - 9 bottles - red Bordeaux Chateau Latour Martillac 1929.
- No. 485 - 9 bottles - red Bordeaux Kressmann St. Emilion 1934
- No. 487 - 10 bottles - white Rhine wine Oestricher Muhlberg Rheingau 1937.
- No. 489 - 1 bottle - red Bordeaux Kressman St. Emilion 1934.
- 3 bottles - white Rhine wine, Oestricher Muhlberg Rheingau 1935.
- No. 493 - 3 bottles - white Rhine wine Oestricher Muhlberg Rheingau 1935.
- No. 496 - 6 bottles - Amontillado Sherry - Valdespino.



- 12 bottles - white Rhine wine Oesteicher Lenchen Rheingau 1937
- 505 - 3 bottles - Benedictine Fecamp
- No. 514 - 5 bottles - red Burgundy Kressmann Nuits St. Georges 1934.
- No. 515 - 12 bottles - white Rhine wine Oestricher Muhlberg Rheingau 1937
- No. 518 - 5 bottles - red Bordeaux Chateau Latour Martillac 1929
- No. 519 - 11 bottles - white Rhine wine Oestricher Muhlberg 1937
- No. 544 - 2 bottles - Cognac Courvoisier VVO
- No. 546 - 4 bottles - Valdespino Amontillado Sherry.
- No. 549 - 2 bottles - Benedictine Fecamp.
- No. 552 - 4 bottles - red Burgundy Chambertin 1934 - Cuvée Heritiers Latour.
- No. 553 - 12 bottles - white Rhine wine Oesteicher Lenchen Rheingau 1937.
- No. 554 - 11 bottles - white Rhine wine Oesteicher Lenchen Rheingau 1937.
- II. No. 242 S - 3 bottles - white Rhine wine Ruppertsberger Nubbian 1929.
- No. 243 S - 11 bottles - red Bordeaux Kressmann Chateau Latour Martillac 1934.
- No. 244 S - 17 bottles - red Bordeaux Kressmann Chateau Latour Martillac 1934.
- No. 246 S - 3 bottles - white Bordeaux Graves Monopole 1934 Kressmann
- No. 249 S - 4 bottles - Courvoisier V.O. Cognac
- III. No. 1 - 4 bottles - red Bordeaux - Chateau La Mission Haut Brion 1934.
- Case 2 - 5 bottles - white Burgundy Louis Latour Chablis 1933.
- 2 bottles - Cuban Bacardi Rum
- 3 bottles - Cognac Monnet V.S.O.P. - vieille reserve.
- Case 6 - 11 bottles - Booth's House of Lords Dry Gin
- Case 7 - 6 bottles - Hedges & Butler Club Dry Gin
- 3 bottles - Hedges & Butler Royal Vat Scotch Whisky
- Case 8 - 11 bottles - Kehl Oppenheimer Saar Spatlese 1921
- Case 9 - 12 bottles - Hedges & Butler Royal Vat Scotch Whisky
- Case 12 - 12 bottles - Chateau La Mission Haut Brion 1934.
- Case 13 - 12 Bottles - Bacardi Cuban rum
- Case 14 - 12 bottles - Chateau La Mission Haut Brion 1934.







EXTERNAL AFFAIRS RECORDS	
File No.	8636-A-402
Sited	3/12
Classified	12
Filed	

Ottawa, July 5th, 1947

Dear Mr. Stone:

Before leaving for Lausanne, Mr. Measures asked that we look into the question of the purchase of Japanese and German wines and spirits which are now in the hands of the Custodian. Yesterday we had a conversation with Mr. Mathieu, Assistant Custodian, who has been looking after this matter. Mr. Mathieu informs me that the list which was referred to you had been compiled by Mr. Chapleau from Quebec who is known as the Canadian expert on wines and spirits. Each bottle was examined and you will note Mr. Chapleau's remarks following each item on the list, as well as an indication of the approximate value of the different items.

We have looked over the list and find in view of the quality which is fairly good if not extra, that the prices asked are not exorbitant, particularly with regard to the spirits which have improved with age. There is also the matter of storage expenses which have to be recovered by the Custodian. This represents an amount to date of \$388 - approximately 3.8¢ a bottle. There are 1018 bottles all told. Mr. Mathieu has agreed to accept for these bottles the sum of \$1406. This, of course, does not include shipping costs to Washington. The question is, of course, whether you prefer quantity to quality as I doubt that such a varied pre-war stock could be purchased anywhere at such a price.

I would very much appreciate an early reply as to whether you are still interested in making the purchase as the Custodian is very anxious to dispose of this stock.

Yours sincerely,

*B. Heath*  
Under Secretary of State  
for External Affairs.

T.A. Stone, Esq.,  
Minister,  
Canadian Embassy,  
Washington, D.C.





DEPARTMENT OF THE SECRETARY OF STATE  
OF CANADA

EXTERNAL	075
File No.	8636-A-40
Sub.	6 Ch 1 D

Confidential and  
Personal.

Ottawa, May 21, 1947.

Dear Mr. Measures,-

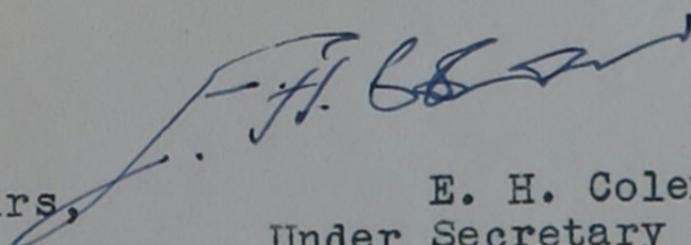
I have your confidential and personal letter of the 19th May.

It was difficult to have an appraisal made of the wines and liquors to which you refer but finally we succeeded in having an inventory made and the wines examined by an officer of the Quebec Liquor Commission who was recommended to us by the Deputy Minister of National Revenue for Customs and Excise. A very considerable quantity has been found to be spoiled due to lapse of time. You will recollect that from 1939 to 1945 most of the goods were stored under instructions from the Swiss Government representing German interests. We are told, for example, that there are 196 bottles which are valueless and could be destroyed immediately.

I have today discussed the matter with the Custodian, who has asked me to obtain a price valuation on the various items mentioned in the appraiser's report. When I have this I shall be glad to send it to you so that it may be studied by any of our diplomatic officers who may wish to consider the purchase. In the meantime, for confidential communication to Mr. Wrong, I am enclosing an office copy of the inventory. It may be that when he looks over the inventory he will decide that certain of the items will be of no interest to him. As soon as I have a valuation I will communicate with you again.

Yours sincerely,

W. H. Measures, Esq.,  
Chef du Protocole,  
Department of External Affairs,  
O t t a w a .

  
E. H. Coleman  
Under Secretary of State  
and Deputy Custodian.



## DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA

CONFIDENTIAL AND PERSONAL

885

May 19 W.H. Measures/MEC 47

Sir,

I have the honour to transmit to you, herewith, 1  
~~copies~~ of the paper mentioned in the subjoined schedule.

I have the honour to be,

Sir,

Your obedient servant,

EXTERNAL AFFAIRS RECORDS	
File No.	8636-A
Sub.	Chron. 17.30

W.H. MEASURES

For Secretary of State

The Canadian Ambassador,  
 Washington,  
 D.C., U.S.A.

for External Affairs.

NAME AND DATE

SUBJECT

Letter (Confidential and Personal),  
 of May 19th, to Dr. Coleman, from  
 Mr. Measures.

Former German and Japanese  
 wines and liquors.



W.H. Measures/MEC

CONFIDENTIAL AND PERSONAL

8636-A-40c

File No.

8636-A-40c

Sub 16 Chron.

File 30

O t t a w a,  
May 19th, 1947.

*File*  
*in*

Dear Dr. Coleman:

May I refer to your letter of  
January 16th, regarding the former German  
and Japanese wines and liquors.

I have received a letter from Mr.  
Wrong, saying that in view of the long delay,  
he is inclined to give up the scheme he had  
in mind, by which some of the stocks might be  
sold to the diplomatic personnel of the Embassy.  
Mr. Wrong mentions that he has not been able to  
get a satisfactory list of the contents of the  
cellars, and that in view of all the circumstances,  
he is proposing very shortly to place orders for  
his needs for next winter, through other channels.

Yours sincerely,

W.H. MEASURES

W. H. Measures,  
Chef du Protocole.

Dr. E. H. Coleman, C.M.G.,  
Under-Secretary of State,  
Department of Secretary of State  
of Canada,  
OTTAWA.





CONFIDENTIAL.

EXTERNAL AFFAIRS RECORDS	
File No.	8636-A-100
Chron.	12
Filed	20

Washington 6, D. C.,  
May 8th, 1947.

*File*  
*u*

Dear Howard:

I think that we should give up the scheme that certain of the wines and liquors in the hands of the Custodian might be sold to diplomatic personnel at this Embassy. There has been such a tremendous delay on the part of the Custodian in furnishing information on what he has and on its quality that I am inclined not to bother with the matter any more. I originally advanced the proposal as a way to help the Custodian out of difficulties in disposing of the stock, although I had a second motive in that, if the quality was good and the price reasonable, I should have been glad to replenish the cellar here from this source. I remember that Coleman spoke to me on the matter more than once last summer and asked for such assistance as we might be able to give in disposing of the cellars. As a result of several months of effort, we have not even got a preliminary list of the contents although I know that such documents do exist. I am, therefore, proposing very shortly to place orders for my needs for next winter through other channels.

Yours sincerely,

W. H. Measures, Esq.,  
Department of External Affairs,  
Ottawa, Canada.



EXTERNAL AFFAIRS RECORDS		
File	8636-A-400	
Sub.	Chron.	Filed

Ottawa, March 25th, 1947

Confidential

Dear Hume:

On receipt of your WA-870 of March 19, I wrote to A.H. Mathieu, the Custodian, and have this morning received a telephone message from him regarding the wines and liquors formerly in the German and Japanese cellars. Mr. Mathieu expects to be able to send us a full report in writing at the end of the present week. The expert from Montreal finished his work last week. The examination has, in Mr. Mathieu's opinion, been thorough and careful, but it was necessary to take some samples to Montreal for analysis. The expert's preliminary report indicates that some of the wines are found to be "not very good", because of unsatisfactory storage conditions.

Mr. Mathieu will send us his report as soon as he can, and we will transmit it to you without delay. Mr. Mathieu mentioned that the date on which the report will be available depends somewhat upon the progress of laboratory tests. The report will include details of vintages, names, dates, descriptions, etc.

Yours sincerely,

W.H. Measures

H.H. Wrong, Esq.,  
Canadian Ambassador to the  
United States,  
Canadian Embassy,  
Washington, D.C.



*Copy to Can. Amb. Washington  
marked secret  
see letter to Wrong  
WHM*

Confidential

Ottawa, March 24th, 1947

EXTERNAL AFFAIRS RECORDS

File 8636-A-40c

Sub. 28 Chron 2 Filed 15

Dear Mr. Mathieu:

With reference to your letter marked secret and confidential dated March 3rd regarding the disposition of the wines and liquors formerly in the German and Japanese cellars, we have received an enquiry from the Canadian Ambassador in Washington as to whether you are yet in a position to supply the Ambassador and Mr. T.A. Stone, who is <sup>detail</sup> Minister at our Embassy, with the precise ~~entry~~ of vintages, dates and descriptions which Mr. Stone referred to in his conversation with you over the telephone at your house on March 5th.

If you would like us to send a message to Mr. Wrong, we shall be glad to have it forwarded through this office.

Yours sincerely,

*u*  
Under Secretary of State  
for External Affairs.

A.H. Mathieu, Esq., for the  
Assistant Deputy Custodian,  
Department of the Secretary of State  
of Canada,  
O t t a w a.



TELETYPE

No. 8636-A-400

From THE CANADIAN AMBASSADOR TO THE UNITED STATES  
To THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

EN CLAIR

MAR 19 1947

WASHINGTON, March 19th, 1947.

TELETYPEWA-870File  
h

WA-870. Following for Measures from the Ambassador,  
Begins:

Grateful, in case you have not yet heard from  
Mathieu following Tommy Stone's telephone conversation  
with him when he was in Ottawa, if you would jog his  
memory about the wines. Ends.

CANADIAN AMBASSADOR

Rec'd: 11:21 a.m.  
Washington, D.C.

DEPT. OF EXTERNAL AFFAIRS

MAR 19 1947

38222



WHM/EN  
File 8636-A-104  
Sub 2 of Chron 2 Filed 11

Confidential

Ottawa, March 6th, 1947

Dear Hume:

When Tommy Stone was here yesterday, he and I had a word together with the Under Secretary regarding the disposition of the wine, etc., formerly in the German and Japanese cellars.

Not having heard from the State Department or the Custodian in Dr. Coleman's absence in London, we tried, after your personal letter of February 12 arrived, again to get the State Department to bestir themselves.

This resulted in a letter signed by Mathieu, the Assistant Deputy Custodian, dated March 3rd, which was not very encouraging. It said:

"As we are still awaiting the arrival of an Inspector from the Quebec Liquor Commission to examine and value the stock of wines and liquors there is nothing new to report. This Official was supposed to come from Montreal during the latter part of February but he has not yet announced his arrival. Meanwhile if Mr. Stone would like to consult the lists we have here I will be pleased to make them available for him at any time he so desires."

Mr. Mathieu was away from his office today, but Tommy telephoned to him at his home and urged him to have the matter dealt with as soon as possible. From what I could gather from the conversation, Mr. Mathieu promised to supply a more precise list and description, giving dates, vintages, etc.

Hume Wrong, Esq.,  
Canadian Ambassador,  
Washington, D.C.

Yours sincerely,

W.H. Measures



/M

CANADA

DEPARTMENT OF THE SECRETARY OF STATE

OFFICE OF THE CUSTODIAN

CONFIDENTIAL

RESS ALL  
UNICATIONS  
TO THE  
ODIAN'S OFFICE

PLEASE REFER  
TO

BY HAND

FILE NO.....

Ottawa, March 3rd, 1947.

Attention - Mr. W.H.Measures

TO: The Under-Secretary of State for External Affairs

Due to the absence of Dr. Coleman overseas  
your letter of February 20th has been passed to me for  
attention.

As we are still awaiting the arrival of an  
Inspector from the Quebec Liquor Commission to examine  
and value the stock of wines and liquors there is nothing  
new to report. This Official was supposed to come from  
Montreal during the latter part of February but he has  
not yet announced his arrival. Meanwhile if Mr. Stone  
would like to consult the lists we have here I will be  
pleased to make them available for him at any time he  
so desires.

*A. H. Mathieu*  
A. H. MATHIEU  
Assistant Deputy Custodian.

*Mr Stone spoke by telephone from my office to Mr Mathieu at his home*

*12.45  
S.M.*

*3/3/60*



CONFIDENTIAL

EX-100	8636-A-48C
File	25 20 15
Sub	

OTTAWA, February 28th, 1947

The Under Secretary of State,  
Department of State,  
O t t a w a.

May I refer to Dr. Coleman's letter of January 16 marked confidential regarding the proposal that certain of the wines and liquors held by the Custodian as part of enemy property might be acquired by the Canadian Embassy in Washington.

We are in receipt of a further enquiry from Mr. Hume Wrong who would be glad to learn what the present position is. Mr. Wrong mentioned that with the passage of time some of the wine may have passed its prime and begun to deteriorate. At the present time, Mr. Wrong and others at the Embassy are withholding an order for wines which they had intended to place in France until some more information is available regarding the above supplies.

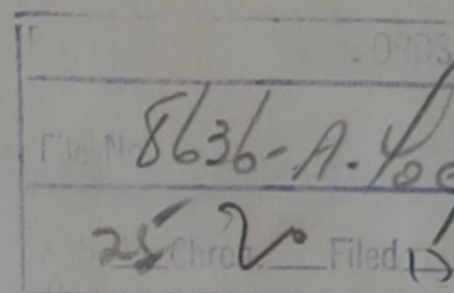
Mr. T.A. Stone, Minister Plenipotentiary at the Canadian Embassy in Washington, will be in Ottawa early next week and I should be grateful if you could let me have a reply to this letter in time to tell Mr. Stone what the present situation is.

Yours sincerely,

W. H. Measures

*for* Under Secretary of State  
for External Affairs.





Personal and Confidential.

Washington 6, D. C.,  
February 12th, 1947.

*File  
me  
B.F. Mar 4  
noted*

Dear Mike:

I was glad to learn from your letter of January 20th that some progress had been made in the matter of the cellars formerly belonging to the Japanese Minister and the German Consul General. I cannot of course make a firm offer for any of the contents until I know what I am getting. As I recall the papers on the Department's files there was a moderately complete inventory of the Japanese cellar but only a most sketchy listing of the German stuff. Whether much of it is worth buying would also depend on where it has been stored during the last seven years. If it has been kept in an unheated building with great fluctuations of temperature, much of the wine may have been ruined. I expect also that a good deal of the white wine has passed the safe age limit and has begun to deteriorate.

Tommy and I have been holding up an order from Bordeaux until we got some more information. I hope, therefore, that the Custodian has made progress in having the cellar inventoried and examined. Tommy will be in Ottawa at the beginning of March and he would be able to go into the question then a little further.

As I said in an earlier letter, from my memory of the total quantities I doubt that we, between us, could take all of it off the Custodian's hands. It might, however, be possible to dispose of a number of cases among other members of the staff here.

Yours sincerely,

L. B. Pearson, Esq.,  
Under-Secretary of State  
for External Affairs,  
Ottawa, Canada.

18/151



Personal & Confidential

Ottawa, January 20th, 1947

8636-A-7-  
12 97

Dear Hume:

I am sorry that the matter of the disposition of the wine formerly in the German and Japanese cellars, about which you wrote to me on November 5th, has been further delayed.

I now have a letter from Dr. Coleman saying that he has discussed the matter with the Department of National Revenue for Customs and Excise who says that it will be possible, in the event that you desire to acquire the supply, to grant export permits without the payment of duty and taxes.

This is an advance on the attitude taken by Sim when we first discussed the matter with him when your letter was received.

Dr. Coleman also says that the Custodian agrees that there should be an appraisal and that the Custodian's Office will try to make a satisfactory arrangement for an expert to examine the cellars and give an opinion as to the present quality of the wine.

This is also a change for the better; Sim's first response to our earlier enquiries was that the cases could not be opened for the purpose

H.H. Wrong, Esq.,  
Canadian Ambassador to the United States,  
Canadian Embassy,  
Washington, D.C.

/of





DEPARTMENT OF THE SECRETARY OF STATE  
OF CANADA

EXTERNAL AFFAIRS	
File No.	8636-A-10
Sub.	Chron. 12 Filed 27

*Done*

*B.F.K.*

W. H. Measures

Ottawa, January 16, 1947. Feb. 5

Confidential

Dear Mr. Measures,-

With reference to your confidential letter of January 6th, I have discussed the proposal that the Canadian Ambassador in Washington might be able to acquire certain wines and liquors held by the Custodian as part of enemy property formerly in German consular residences and in the former Japanese Legation.

I discussed the matter this morning with the Deputy Minister of National Revenue for Customs and Excise who informs me that it will be possible, should the Canadian Embassy in Washington desire to acquire the supply, to grant export permits without the payment of duty and taxes.

I have discussed the matter also with the Custodian and he is of the opinion that we should have an appraisal. We are taking steps to this end. Mr. K. W. Wright of the Custodian's Office will probably be in charge of the matter and will communicate with you when we have been able to make satisfactory arrangements for an expert to examine the cellars and to give an opinion as to the present quality of the wines.

Yours sincerely,

E. H. Coleman  
Under Secretary of State.

W. H. Measures, Esq.,  
Department of External Affairs,  
O t t a w a .



CONFIDENTIAL

WHM/EN

EXT. AFF. FILE NO. 7636-A	
File No.	7636-A
Subj.	Chron. File

W. H. Measures

OTTAWA, January 6th, 1947

Dear Dr. Coleman:

With further reference to your letter to Mr. Robertson of June 28, 1946, regarding wines and liquors formerly belonging to the German Consulate General at Ottawa, I have received a suggestion from Mr. Hume Wrong, Canadian Ambassador in Washington, that the Embassy might be able to take the supplies of the German and possibly the Japanese cellars for use there.

Before Mr. Wrong can decide whether it would be possible for him and other officers of the Embassy to make such a purchase, he enquires whether you could:

1. Supply a detailed inventory of both cellars, showing in the case of all the wines, the name and year of vintages;
2. Set a price on the stocks;
3. Have a test made, in the case of certain wines, to establish their present quality.

With regard to setting the price, I should be glad to learn whether the supplies could be exported to the Canadian Embassy in Washington without the payment of duty and taxes; if so, the price should disregard all tax elements; if not, the price should include taxes.

The condition of a test mentioned in number three, above, is necessary because of the uncertainty that the wines have been stored during the war

/in

Dr. E.H. Coleman,  
Under Secretary of State,  
Dept. of the Secretary of State  
of Canada,  
O t t a w a.



in suitable temperatures, and because the champagne  
and other wines may by this time have passed their  
prime.

Yours sincerely,

W.H. MEASURES  
Under Secretary of State  
for External Affairs.

for the





EXTERNAL AFFAIRS RECORDS
File No. 8636-A-40C
69

PERSONAL AND CONFIDENTIAL

Washington 6, D. C.,  
November 5th, 1946.

Dear Mike:

I left some papers in your office about the disposition of the wine held by the Custodian, which came out of the German and Japanese cellars in Ottawa. I think, as you know, that the best disposition of the wine, if it could be arranged, would be for the Government to take it over and turn it into a government cellar for official entertainment. There may well be insuperable difficulties, and, barring this solution, I should be ready to take over at least a portion of it at a reasonable valuation.

The Custodian could only dispose of it legally in Canada by sale to a provincial liquor commission - and neither Quebec nor Ontario is interested; to Rideau Hall - and Coleman agrees with me that this is open to objection; or to the Government, which according to Sim would have to pay duties and excise taxes so that the total cost might be considerable. He might also peddle it to the diplomatic corps in Ottawa free of taxes, but this is open to so much criticism that I am sure it should not be entertained. Outside Canada he could, I suppose, sell it to some firm in the United States, but that would be a rather difficult way to dispose of a number of odd lots. He could also sell it to diplomatic missions abroad, which could import it without payment of duties or taxes.

I have not got an inventory of the contents of the two cellars. My memory of the lists I have seen is that, taken together, they are rather too much for this Embassy alone to manage. It might be possible for us to take all of one of the cellars. It would be hard for the Custodian to sell item by item as it would leave him with a residue which might be impossible to get rid of.

/On

L. B. Pearson, Esq.,  
Under-Secretary of State  
for External Affairs,  
Ottawa, Canada.



On the assumption that purchase for government hospitality is out of the question and that sale for my use and that of other members of the Embassy is considered feasible, I wonder if it would be possible for the Custodian to take the following steps; (1) to have a proper inventory prepared of the contents of both cellars, showing in the case of the wines the name and year of vintage; (2) to have a price set on the stocks, disregarding all tax elements; (3) in the case of certain wines, to have some test made of their present quality.

The last condition arises because I do not know whether they have been stored during the war at suitable temperatures, and so on, and, in any event, the champagne and some of the lighter wines may well have passed their prime by now. There was a good deal of German wine in the German cellar of short-lived varieties, and champagne that is more than a dozen years old is of uncertain quality, especially when stored in other than first class conditions.

I am sorry to bother you with this matter, but Coleman has spoken to me more than once of his desire to clear it up, and my suggestion may serve towards that end. Stone would be glad to share with me in getting some of the wines and other liquors if they are satisfactory in price and in quality. I think that the Japanese cellar included a fair amount of red French wines which ought still to be all right unless they have been maltreated. I am enclosing a copy of this letter in case you wish to pass it on to Coleman for his consideration.

Yours sincerely,

*W. H. Murray*

*Sim  
Coleman*

*San Beaton  
in Town.*

*Nominal*

*Bromley. Excise & Customs.*



MEMORANDUM FOR MR. HEENEY:

8636-A-40  
Sub. Chron. Filed 30

HHW/ET  
30 Sept., 1946  
CONFIDENTIAL

You told me the other day that a Government Hospitality organisation might be set up as part of your *Office*. There is a minor point in this connection which you might consider. The Custodian has in storage quite a large cellar of the German Consul-General containing perhaps 30 dozen bottles of wine and a smaller quantity of spirits. He also has the cellar of the Japanese Minister, which is smaller but from the inventory looks as though it were of high quality. He is anxious to dispose of these liquors and we have had our eye on them as a cellar for Government hospitality for some time. We have not, however, been able to work out any arrangement for their being taken over without payment of duties and taxes, nor have we settled the question of valuation. The Custodian cannot dispose of them to Provincial Liquor Commissions as they are not interested in handling small quantities of assorted liquors.

I had a word with Dr. Coleman about this the other day, and said that if other arrangements failed, I would probably be prepared to buy part of the contents for use in Washington, but this would not solve the whole problem. I think that this stock is a windfall which, if only means can be found, would be best used for Government hospitality here. Other solutions, except sale to Canadian Diplomatic Missions abroad, all seem to be ruled out. It would not be proper to peddle the stock to Government House or to foreign diplomatic missions here. Some of the wines are probably deteriorating, which seems a pity in these days of shortage.



HHW/HMP  
September 3,  
CONFIDENTIAL

1946 NATIONAL ARCHIVES RECORDS  
File No. 8636-A-40C  
Sub. 3 Chron. 23 Filed 30

MEMORANDUM FOR MR. ROBERTSON

.....  
I tried to get somewhere in your absence over the question of our taking, for hospitality purposes, the German and Japanese liquors now held by the Custodian. As you will see from the attached papers I have not succeeded. Coleman is willing but Sim cannot suggest any means of our taking over the stocks without payment of taxes. There is also the question of price to be settled. The only device that I can think of for avoiding payment of taxes would be to use the complete fiction that they are being put under the control of the Governor General.

I am, however, firmly convinced that the Custodian should not peddle these stocks around the diplomatic corps in Ottawa. As the Provincial Liquor Commissions don't want them, I think there are three possible courses. The first is for us to purchase the stocks or take them over on whatever terms we can agree on, paying the taxes if necessary. The second is for the Governor General to buy them from the Custodian for the Rideau Hall cellars. The third is that they should be sold by the Custodian to Canadian diplomatic missions abroad. This will involve individual purchases, but the amount is not so very large and I think that all or most of it could be disposed of in Washington and possibly London.

HW



# TELEGRAM

From THE HIGH COMMISSIONER FOR CANADA IN GREAT BRITAIN  
To THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

PERSONAL & CONFIDENTIAL LONDON, August 20th, 1946.

CODE

NO. 1750

AUG 20 1946

EXTERNAL AFFAIRS RECORDS
File No. 8636-A-40c
Sub. 23/2/30

No. 1750. Personal and Confidential. Following  
for Wrong from Hudd, Begins:

Reference my letter of August 9th.

Customs confirm, with view to avoiding possibility  
of speculation of sale, stock was sold by the Ministry  
of Food to Government Hospitality Committee at lower  
price than could have been obtained in the open market.  
Price was fixed by the Ministry after consultation with  
Customs authorities who determined what amount of customs  
and excise tax it was proper and fair to levy in the  
circumstances. Ends.

ACTING HIGH COMMISSIONER

Sent: 4:38 p.m.

Rec'd: 1:08 p.m.

54108



OFFICE OF THE

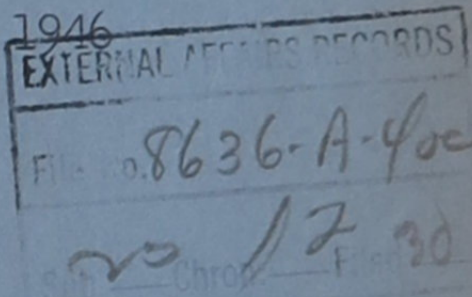
HIGH COMMISSIONER FOR CANADA,

CANADA HOUSE,

LONDON, S.W.1.

PERSONAL AND CONFIDENTIAL

August 9, 1946



Dear Hume:

Replying to your letter of July 27th  
about the taking over of the cellar of the German Consulate  
General:

I have made enquiries and find that the  
Government Hospitality Committee here did in fact take over  
the contents of the cellars of the German Embassy. This  
they did at the request of the Ministry of Food, who were  
anxious to avoid its outside sale and the possibility of  
of it getting into the Black Market. I find that the Govern-  
ment Hospitality Committee purchased the stock at a price  
fixed by the Ministry, and that this included the payment  
of duty and other taxes.

I hope to get more precise information  
regarding the procedure from a friend in the Customs who  
dealt with the matter, but I thought you would like to know  
the general position in the meantime.

Sincerely yours,

*Federic Sudd.*

H. Hume Wrong, Esq.  
Department of External Affairs  
OTTAWA  
Canada



EXTERNAL AFFAIRS RECORDS

File No. 8636-A-40c

22 / 2 30

OTTAWA, July 27, 1946.  
PERSONAL & CONFIDENTIAL

Dear Frederic,

I write to you about a somewhat delicate matter knowing your capacity for making discreet enquiries. We have been considering for some time whether it would be possible to take over the fairly well stocked cellar of the German Consul General which has been in the hands of the Custodian since 1939, and also perhaps the smaller but rather select cellar of the former Japanese Minister. This too is in the hands of the Custodian. Our idea is that the wines should be used for government hospitality only. So far as I can find out, no ministerial sanction has been given to the scheme and I have doubts whether the Prime Minister would, in fact, approve it. I am, however, engaged in making enquiries and I find that the Deputy Custodian is ready to turn over the stocks, provided that we get full clearance from the Department of National Revenue.

In view of our system of Provincial liquor control, the Custodian could only dispose commercially of these stocks by selling them to Provincial Liquor Commissions or by peddling them among the diplomatic corps here (or possibly to Government House). The Liquor Commissions are not interested because there is too small a quantity of any one variety for them to bother about. I do not like the idea of a government agency seeking to dispose of the stocks among the local diplomats. It would be a great convenience to us, however, to have them for use at government dinners.

We have heard that the government hospitality fund in London acquired the ample cellar of the German Embassy. Could you find out what procedure was followed?

Frederic Hudd, Esq.,  
Acting High Commissioner for Canada  
in Great Britain,  
LONDON.



Was this turned over without the payment of duty and other taxes? Did the fund pay for the contents or was it handed to them without charge of any sort? If no duties, etc. were paid, what was the legal authority for exemption? David Sim sees difficulties but is considering the problem.

I thought I might perhaps be able to clear the matter with Mr. St. Laurent during the next few weeks and I should, therefore, be glad to get a prompt answer to this letter if you can manage it.

Yours sincerely,

H.H. WRONG.



July 26, 1946.

File No. 8636-A-400

Wines and liquors belonging to the German Consulate-General

There are some earlier references to these on file 8636-40c.

On Sept. 25, 1945, the Swiss Consul-General gave us lists of the property he handed over to us, including a long list of wines and liquors belonging to Windels (tagged).

On Dec. 6, 1945, the Assistant Deputy Custodian wrote us:

"There is also the question of the large quantity of wines and liquors believed to be stored in cases. Since it is illegal under Provincial law to dispose of these wines and liquors by private sale, the only alternative would appear to be to ask the Liquor Control Board of the Province where the liquor is located if they desire to purchase it. It might be, however, that the Government would wish to dispose of this liquor in a different manner. I would suggest, therefore, that it would be preferable for your Department or the Government to express a definite opinion in this matter."

We replied on Jan. 10, 1946:

"On the question of the wines and spirits I understand that you have ascertained that the Government is not interested in acquiring these and consequently assume that they will have to be sold through the intermediary of the Liquor Control Board of the province where they are located."

Part 2 of the same file shows that the Manitoba Liquor Commission declined to buy 5 bottles of wine and 2 part-bottles of rum and gin left behind in Winnipeg, on the grounds that most of the wine showed a very heavy sediment and would not have sales appeal for the public, and that they couldn't buy spirits in bottles on which the seal had been broken. The wine and spirits were then given to the Winnipeg General Hospital, which accepted them without comment.

M. McK.



W.H.M.

23.vii.46

No. 8636-A-400

Sub. Chron. Filed 30

Memorandum for Mr. WrongWines and liquor of the former Representatives  
at Ottawa of Germany and Japan

The information in the Legal Division memorandum of July 19th indicating that these supplies may be available for government hospitality is most welcome. The procedure up to this time for securing supplies from the Ontario and Quebec Liquor Commissions for government functions in Ottawa and the Country Club respectively has been complicated, irritating, and somewhat hazardous in the matter of complying with provincial legislation and regulations. I hope eventually that a proposal which Mr. David Sim made informally will be realized, that is, that the Under-Secretary of State for External Affairs be authorized to import and take delivery through bond of supplies for government hospitality without recourse to the provincial liquor boards.

I suggest the following action regarding the present windfall:

1. Cabinet <sup>or ministerial</sup> approval of our acquisition of these supplies;
2. A letter from the Under-Secretary of State for External Affairs to the Deputy Minister of Public Works, marked confidential, asking for space in a fireproof government building vault of the moderate year-round temperature for storage space large enough not only for more than 800 bottles of the German supplies but for the Japanese supplies; I would hope that some permanent solution such as the above Sim suggestion will have been accepted by the Cabinet before the German and Japanese supplies are exhausted.

Mr. Sim has expressed the same hope to me, but he is not at all encouraging about our taking over the German stock without some statutory authority. He is going into the question further. He is under the impression that the P.M. would not approve, but I think he may be mistaken.

he has a no. of unused vaults in the Building - one under room 23, and the one on the same floor, and a third off a room used by Records on the first floor. Could we use any of these as a cellar?



3. Theoretical custodianship should, I think, rest with the Under-Secretary of State for External Affairs and not with a Cabinet Minister. A suitable Cellar Book should be obtained, perhaps from New York, and serve as a register. Mr. Hemsley's advice as to periodical inventory practice would be valuable.

4. I think Legal Division should consider the position regarding the transport of supplies from the storage to the banquet place, for example, to the Chateau Laurier in Ontario and to the Country Club in Quebec, and consider also whether we should obtain clearance from the two provincial boards for transporting the supplies under existing provincial law and regulations.

I attach a summary of the quantities and kinds which I have made from the list.

Wm

It is apparent that there is confusion about the position. Colman talked the matter over with the Undersecy on June 26<sup>th</sup> + app. got the impression that the Govt was likely to take over the wines (see his letter of June 22). Knight of the Custodian's office told Andette that Customs had agreed to collect no duty (see Andette's memo of July 19). Sim, however, told me on July 26 that the answer was far from clear & that he thought the P.M. would have more of it.

Wm: 27/vii/46

Perhaps. But the more correspondence about the subject, the less likely is it to be adopted.

Wm



CONFIDENTIAL

W.H.M.  
23.vii.46

The cellar of the former Consul  
General of Germany

Bordeaux	-	272	bottles
Hock	-	77	"
Red Wine	-	200	"
Vermouth	-	20	"
Burgundy	-	36	"
Sherry	-	20	"
Champagne	-	90	"
Whisky	-	10	"
Gin	-	24	"
Benedictine	-	3	"
Cognac	-	3	"
Kersch	-	1	"
Cointreau	-	4	"

760

and certain unspecified  
quantities and kinds.

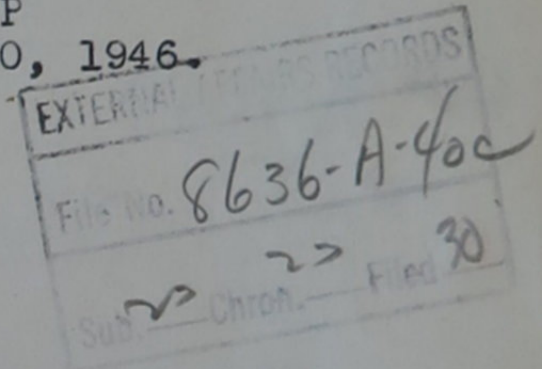


HHW/HMP  
July 20, 1946.

NOTE FOR

~~MR. HEMSLEY~~

MR. MEASURES -



.....  
With regard to the attached correspondence concerning the cellar of the former German Consul General, as I say in my letter to Dr. Coleman, I do not know exactly what stage has been reached in the negotiations nor how far the matter has been cleared. Can you throw any light on this point? It seems to me that we should be quite sure that no claim will be made for customs duties, and also the project ought to receive some sort of ministerial sanction. It may be that Mr. Robertson mentioned it to the Prime Minister but, if so, I can find no record of it.

I should also like suggestions on the points raised toward the end of Mr. Wershof's memorandum, concerning storage and custodianship. As soon as we take charge of the wines we should have, in effect, some sort of regulations governing their issue.

/M.

I have heard nothing about the negotiations — only the general indication that it might be well to follow the British practice in operating the Hospitality Fund + wine cellar.  
Mr. Kirk tells me Public Works have a building once used as a winery + cellar.  
This, with special arrangements, might be suitable.  
P.S.



HHW/HMP.

EXTERNAL

File No. 8636-A-400

v3 12 30

OTTAWA, July 20, 1946.

CONFIDENTIAL

My dear Coleman,

I hope to give you very early a definite answer to your letter of June 28th, enclosing a list of the contents of the wine cellar of the former German Consul General. I regret to say that even the experienced palates of members of this department are unable to judge the quality of the wines included in this list in the absence of a more extended description. I suppose that the Custodian would not feel able to provide us with a selection of samples.

I am hopeful that we can make arrangements to take over the stock very shortly, but I am slightly handicapped by my ignorance of the exact point reached by Mr. Norman Robertson in his discussions before he left for England.

Yours sincerely,

*H. H. Wrong*

Dr. E.H. Coleman,

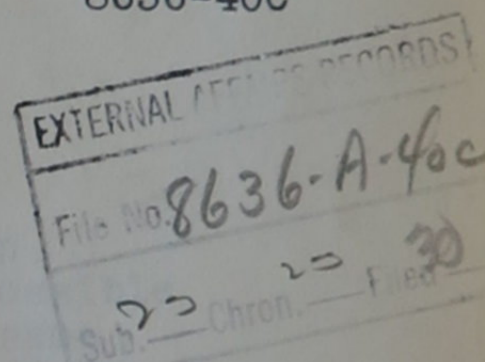
Under Secretary of State of Canada, H.H. Wrong.  
Ottawa.



July 19/46  
LCA/B  
8636-40C

MEMORANDUM FOR MR. WRONG

German Consular Wines and Liquors



Mr. Wright of the Custodian's Office states that he understands that it is now fully agreed that these wines and liquors are to be turned over to the Department of External Affairs for governmental hospitality.

I understand from him that it has been agreed with the Customs authorities that no duty will be collected thereon. Apparently they are considered to be for the use of the Governor General.

Mr. Wright further states that the provincial authorities have no interest at all in acquiring these wines as their disposal would present practical problems with which the Liquor Control Board of Ontario does not wish to deal. The Board has apparently suggested the present form of disposal in order to avoid having to find a market therefor, and fully concur in the transfer to us.

The question of payment is not one which has been decided in the Custodian's Office, and I can obtain no positive information thereon. However, indications point to the fact that these wines will be transferred to us without charge. Mr. Coleman will be called upon to give a final decision upon his return.

If a charge is made eventually, I am informed that it will be in the neighbourhood of \$400 to \$500. Mr. Hemsley believes this money could readily be found.

Possibly Mr. Measures and Mr. Hemsley could agree upon the storage and custodianship of these

*I'm afraid  
this is  
incomplete.*



items when the time comes.

When a decision has been reached upon the disposal of Japanese assets, it may be possible to obtain their wines and liquors under the same conditions. This case would constitute a useful precedent at that time.

Attached, hereto, is Dr. Coleman's original letter, dated June 28, 1946, and the list of wines. Mr. Measures and Mr. Hemsley would probably be glad to see the list when you are through with it.

S.c.a.

MW

Do you wish legal to  
do anything further  
at present?

MW



ATM



DEPARTMENT OF THE SECRETARY OF STATE  
OF CANADA

EXT. AFFAIRS RECORDS		
File No.	8636-A-400	
Sub.	73	Chroa. 12 Filed 38

Confidential

Ottawa, June 28, 1946.

My dear Robertson,-

With reference to our conversation of the 26th instant, I am enclosing a list of the wines and liquors formerly belonging to the German Consulate General at Ottawa and now stored in the vault of the Capital Storage Company, 52 Driveway, Ottawa.

You will, of course, understand that when we took over the effects of the former Consul General during the past winter, the cases were not opened and we therefore can give no guarantee as to the present state of the contents. The boxes have been in storage since 1939 and it may indeed be that the long period of storage may have affected the quality of the beverages. I am not a judge in in these matters and defer to the superior experience and palates of you and your associates in the Department of External Affairs.

Will you please let me know at your early convenience whether the Government would desire to take over the cases for Government hospitality. I observe by press despatches that that was the course followed in the United Kingdom in relation to the wines and liquors found in the German Embassy.

Yours sincerely,

*E. H. Coleman*  
E. H. Coleman

N. A. Robertson, Esq.,  
Under Secretary of State for External Affairs,  
O t t a w a .

12310



# INVENTORY OF LIQUORS REMOVED FROM DR. WENDEL'S EFFECTS

## SAID TO CONTAIN THE FOLLOWING

107 boxes

448. 1 Box of Red Wine
449. 1 Box of Red Wine
450. 1 Box of Red Wine
451. 1 Box of Red Wine
452. 1 Box of Red Wine
453. 1 Box of Red Wine
454. 1 Box of Red Wine
455. 1 Box of Red Wine
456. 1 Box of Red Wine
457. 1 Box of Red Wine
458. 1 Box of Red Wine
459. 1 Box of Red Wine
460. 1 Box of Red Wine 13
461. 1 Box of Whiskey
462. 1 Box of Dry Gin
463. 1 Box of 12 Les Palmes Kressmann (1934) ?
464. 1 Box of:
  - 4 bottles Chateau du Pape
  - 6 " Kressmann red Burgundy still?
465. 1 Box of:
  - 4 bottles Oestricher Nihlberg Rhinegau Hook
  - 7 " Milts
466. 1 Box of 10 Les Palmes Kressm.
467. 1 Box of 10 Les Palmes Kressm.
468. 1 Box of 10 Les Palmes Kressm.
469. 1 Box of:
  - 6 bottles Oestricher Nihlberg (1935) Hook (Rhinegau)
  - 6 bottles Oestricher Nihlberg (1937) Bordeaux
470. 1 Box of 10 Les Palmes St. Emilion
471. 1 Box of 10 Les Palmes
472. 1 Box of 10 bottles Chateau Lafite
473. 1 Box 12 bottles Deftricher? Holle Perhaps a Nierstein Rhine-Hesse Hook
474. 1 Box of 10 bottles Pomeroy Bordeaux
475. 1 Box of 11 bottles Ernest Irroy
476. 1 Box of 11 bottles Les Palmes Kressmann?
477. 1 Box of Dry Gin
478. 1 Box of 12 Bottles Les Palmes Kressmann?
479. 1 Box of:
  - 3 bottles Pornerol
  - 7 bottles Milts
480. 1 Box of 10 bottles Champagne
481. 1 Box of:
  - 3 bottles Chateau Lafite Bordeaux, Pauillac-Lafite. might be a badger brand
  - 2 Bottles Champagne
  - 5 bottles chateau latour Bordeaux
482. 1 Box of 12 bottles Muhlberg
483. 1 Box of 10 bottles Chateau Latour Bordeaux
484. 1 Box of 10 bottles Red Burgundy
485. 1 Box of 10 bottles Les Palmes?
486. Box of 11 bottles Ernest Irroy
487. 1 Box of 12 bottles Muhlberg Moselle - Le Saar



488. 1 Box of:  
4 Bottles Vosene Romanel  
6 Bottles du Pape
489. 1 Box of:  
5 bottles Kressmann  
1 bottle Les Palmes  
3 bottles Muhlberg
490. 1 Box of:  
10 bottles Vosene Romanel
491. 1 Box of:  
5 bottles Cinzano  
4 bottles Dry Gin
492. 1 Box of:  
5 bottles Cinzano  
4 bottles Wine
493. 1 Box of:  
7 bottles Red Burgundy  
3 bottles Muhlberg
494. 1 Box of:  
5 bottles Cinzano  
5 bottles Wine
495. 1 Box of:  
5 bottles Vermouth  
5 bottles Wine
496. 1 Box of 10 bottles Old Sherry
497. 1 Box of Red Wine
498. 1 Box of 10 bottles Chateauneuf du Pape
499. 1 Box ?
500. 1 Box of Red Wine
501. 1 Box of Red Wine
502. 1 Box of Red Wine
503. 1 Box of Champagne
504. 1 Box of 12 bottles Champagne
505. 1 Box of:  
3 bottles Benedictine  
1 bottle Kerschfine d'Alsace  
4 bottles Cointreau
506. 1 Box of:  
5 bottles Wine  
5 bottles Vermouth
507. 1 Box of 8 bottles Champagne
508. 1 Box of 10 bottles Champagne
509. 1 Box of Wine
510. 1 Box of 10 bottles Champagne
511. 1 Box of Red Wine
512. 1 Box of Red Wine
513. 1 Box ?
514. 1 Box of 5 bottles Milts
515. 1 Box of 12 bottles Muhlberg
516. 1 Box of 10 bottles Vosene Romanee
517. 1 Box of 10 bottles Chateau Lafite



- 518. 1 Box of 8 bottles Chateau Latour
- 519. 1 Box of 12 bottles Muhlberg
- 543. 1 Box Vermouth
- 544. 1 Box of:
  - 7 bottles White Eagle
  - 3 bottles Cognac
- 545. 1 Box of Liquor
- 546. 1 Box of 10 bottles of Sherry
- 547. 1 Box of Champagne
- 548. 1 Box of 10 bottles of Champagne
- 549. 1 Box of Liquor
- 550. 1 Box of Kressmann
- 551. 1 Box of Champagne
- 552. 1 Box of Champagne
- 553. 1 Box of Liquor
- 554. 1 Box of Liquor