

*Sup*

*FLD 468*

~~SECRET~~

25X1

# CENTRAL INTELLIGENCE GROUP

## INTELLIGENCE REPORT

COUNTRY Austria

CONFIDENTIAL DATE:

SUBJECT USIVA Food and Liquor Transactions

DIST. 25X1 July 1947

PAGES 4  
SUPPLEMENT

This document is hereby regraded to CONFIDENTIAL in accordance with the order of 16 October 1978 from the Director of Central Intelligence to the agencies of the United States.

25X1 UNCLAS

25X1

DISTRIBUTION

25X1

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>					
STATE	WAR	NAVY	JUSTICE	R & E	C & D	AA*					

### USIVA Storage and Distributing Facilities

- USIVA operates the following warehouses for storage and distribution of food and consumer goods:

Lager Fortus, Hayosgasse 2, Vienna IV. This is the main warehouse of the central administration of USIVA.

Lager Rakhlenko, Paniglasse 18-20, Vienna IV. The warehouse of the Russian purchasing department.

Lager der Konsumgenossenschaft, Wiedener Hauptstrasse 57, Vienna IV. For employees of Soviet organizations in Austria.

25X1A

Comment: Not all goods delivered to these three warehouses are recorded by the general accounting office of the Food Industry Section of USIVA, so it may be assumed that goods distributed here are for the use of the Soviet occupation forces or for export.)

Lager Weisse, Tolbuchinstrasse 115, Vienna X. This is the former Weisse & Co. K.G. Marsipanfabrik, now administered by USIVA and, according to source, open to Austrian as well as Soviet consumers. The goods are sold at a price increase of 4 to 5%.

### Liquors and Industrial Alcohol

- A large quantity of alcohol, for the manufacture of spirits as well as for industrial uses, is the subject of monthly transactions between Spiritus- und Likorfabrik Wolfrum, Vienna II, and USIVA. Wolfrum receives raw materials, primarily molasses, from the Soviet-controlled Brucker Zuckerfabrik in Bruck a/d Leitha. The figures following indicate the quantities of alcohol and spirituous liquors delivered in May 1947 through these channels to the various depots:

Document No. *001* CLASSIFICATION ~~SECRET~~

NO CHANGE in Class.  
 DECLASSIFIED  
Class. CHANGED TO: TS S C  
Auth: DDA MEMO 4 APR 77  
Date: 17 APR 1978

~~CONFIDENTIAL~~

REFERENCE CENTER LIBRARY

25X1

**CONFIDENTIAL**

Lager Fortus	3000 liters rum
Lager Rakhlenko	15000 liters vodka
Lager der Konsumentenossenschaft	3000 liters vodka
Lager Neisse	240 liters industrial alcohol
	100 liters rum
	500 liters vodka
	100 liters liqueur
Soviet	2000 liters rum
	5000 liters vodka
Soviet	3000 liters vodka

In the absence of exact figures on the quantities received by each concern, source reports the following totals received by the firms listed below:

18930 liters industrial alcohol  
 3515 liters pure alcohol  
 400 liters vodka  
 100 liters liqueur

Chemosan Union A.G., Klosterneuburg  
 P. Beiersdorf & Co. G.m.b.H., chemical factory, Kemarschgasse 52, Vienna X  
 Schimmel & Co. G.m.b.H., chemical factory, Liesing.  
 Gunther Wagner, packing plant, Tolbuchinstrasse 52, Vienna X.  
 Lackfabrik Megerle, Christian Bucher-Gasse 35-37, Vienna XXI.  
 Lackfabrik Herbig-Haarbaus A.G., Wollzeile 22, Vienna I.  
 Optische Anstalt C.P. Goerz, G.m.b.H., Sonnleithnerstrasse 5, Vienna IX.

During May 1947 the following firms each received from 500 to 1000 liters of industrial alcohol.

Chemische Industrie, Rannersdorf.  
 E.T. Gleitsmann, graphic art colors, Habenstein.  
 Gebruder Schmidt, colored printing inks, Wienerstrasse 95, Vienna XXV.  
 Wajjenfels & Co., chemical factory, Schwaigergasse 6, Vienna XXI.  
 Hausermann Fabrik chemischer Gravuren, Gars am Kamp.

The following prices for the above products, were charged by USIVA:

Industrial alcohol	00.83	schillings	per	liter
Pure alcohol	8.40	"	"	"
Rum	50.00	"	"	"
Vodka	42.00	"	"	"
Liquor	50.00	"	"	"

Sugar Deliveries

- During the month of May 1947, 60,000 kg of sugar, at 152.53 schillings per 100 kg, were delivered from the Brucker Zuckerfabrik to Lager Neisse. From November 1946 through May 1947, a total of 1,161,405 kg of sugar was delivered from the Bruck factory, through USIVA, to various Austrian whole-sale food firms in Lower Austria.

25X1A

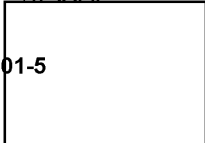
Comment: The above-mentioned 60,000 kg are not included in this figure, presumably because Lager Neisse is a Soviet warehouse open to both Russian and Austrian buyers.)

The sugar intended for Austrian wholesalers, according to directions from USIVA, is sent to individual firms which are required to make payment in advance to USIVA. Included in the purchase price is a commission for USIVA of 2.50 schillings per 100 kg of sugar. This amount corresponds to the 4-5% price increase which USIVA puts on the items sold from its warehouses.

SECRET

GENERAL INTELLIGENCE GROUP

-3-



25X1

[redacted] after the 1946 sugar beet harvest, the Soviets stored up large quantities of sugar in a sealed warehouse near the Brucker Zuckerfabrik.

**CONFIDENTIAL**

Deliveries of So-Called Luxury Items

4. The following commodities were delivered to Lager Neisse in May 1947 from the firm of Dr. A. Oetker in Baden:

- 888,888 forty-five-gram packages of unsweetened pudding powder, at 17 groschen each. This powder is sold ration-free to the Austrian buyer.
- 600,000 fifty-gram packages of baking soda.
- 13,888 packages of Seidlitz powder for Russian purchasers only.
- 7,777 forty-five-gram packages of sweetened pudding powder. This product is sold only to Russian purchasers.
- 75,000 ten-gram packages of baking powder; this is also earmarked for Russian purchasers, allegedly because of the shortage of tartaric acid necessary for the manufacture of this item.
- 1,600,000 ten-gram packages of "Backhilfe" (baking ingredient), costing 8 groschen and sold ration-free to Austrian purchasers.
- 24,000 one-gram packages of "sauce powder" (presumably used for making salad dressings and gravy) reserved for Russian buyers.
- 6,000 kg of grade 1-A malt extract, 5 schillings per kg. reserved for Russian purchasers. This product was supplied by Malzfabrik Schwachat, Dr. Karl Hugendubel, Wismayrstrasse 6, Vienna XXIII.

Soap Deliveries

The following quantities of soap were received in May 1947 at Lager Neisse from Bruhn & Schweitzer, Unterlaa 63, Vienna XXIII:

4,700 kg toilet soap	(80% fat content)	28.70 schillings per kg
1,380 " laundry soap	(40% " " )	9.55 " " "
16,536 " sand soap	(14% " " )	1.74 " " "
19,080 " washing powder		1.05 " " "

The Neisse depot also received 2,000 kg of sand soap (25% fat content) at 3.12 schillings per kg from Kaloderman Parfumerie - u. Toilettenseifenfabrik GmbH, K llnerhofgasse 6, Vienna I.

Payment Methods and Customer Treatment

6. All goods contracted for through USIVA must be paid for by the recipient at the Russian Military Bank #2111 in Starhemburggasse, Vienna IV (USIVA).

25X1

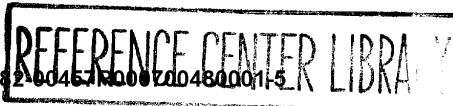
So far, [redacted] no discrepancy between the prices charged the Austrian and Soviet civilian purchasers. However, a great difference exists between the consideration accorded the Austrian and Russian firms. The former are often obliged to wait weeks for deliveries which they have been promised much earlier, and for which they have paid in advance. [redacted]

25X1

[redacted] the case of an Austrian firm in Leoben which had ordered 12,000 kg of liquid soap; the purchase price had been paid and barrels had been sent from Leoben to be filled. Finally, when delivery was not forthcoming, the owner of the firm applied to USIVA and, after considerable discussion, received 1000 kg instead of the 12,000. While he was still in the USIVA office, a representative of the Konsumgenossenschaft, a Soviet-affiliated firm in Austria, was given a delivery certificate for 3,000 kg of soap.

25X1

~~SECRET~~  
**CONFIDENTIAL**



25X1A

~~SECRET~~  
CENTRAL INTELLIGENCE GROUP  
CONFIDENTIAL

Spirits Delivered Through USIVA to Communist Party Officers

7. Several Communist Party district headquarters in Vienna have received varying amounts of spirituous liquors through USIVA as follows: In the period from 1 April through 17 June 1947, 457 liters of vodka, 15 liters of rum, and 30 liters of liqueur were received by the aforementioned Communist headquarters. Prices charged were 42-50 schillings per liter, or about half the current black-market prices for these beverages. The Central Committee of the Austrian Communist Party at Wasagasse 10, Vienna IX, which is also the headquarters for the Party in the city of Vienna and Land Niederoesterreich, receives about 200 liters of vodka every month through USIVA. Proof of these transactions with the Austrian Communist Party, such as delivery slips and claim checks, is removed from the files almost immediately by the Soviet department heads in USIVA.

Austrian Employees in USIVA

25X1 8.  Austrian employees in USIVA are forced to study Russian with an interpreter provided by USIVA, and the time spent on these lessons must be made up in unpaid overtime work on Saturday afternoons or Sunday. Few extra rations come from the Soviets; in one month, an Austrian employee may receive a little dark flour, a few baked goods, a few packages of pudding powder and baking aids, several decagrams of sugar, and, infrequently, a small quantity of marmalade.

This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 50, U.S.C. 31 and 32 as amended. Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law.

CONFIDENTIAL

~~SECRET~~

REFERENCE CENTER LIBRARY