



NEW ZEALAND POLICE.

Subject: K.W.SCHMIDT - EMPIRE TUNG OIL PRODUCTS LTD.

100,000/5/36-3024]

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~~SECRET~~

37/10/6

[N.Z.--397.]

General Headquarters,
New Zealand Military Forces,
Wellington, C.3,

IN YOUR REPLY
please quote this number.

14th JUNE, 1937.

~~SECRET~~

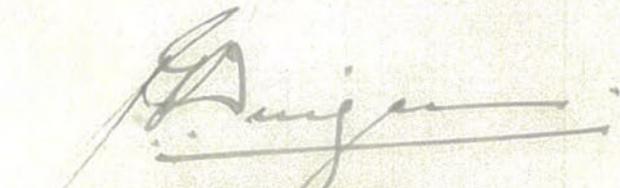
MEMORANDUM for :

The Commissioner of Police,
WELLINGTON, C.1.

I have to acknowledge receipt of your memorandum Secret 37/10/5, dated 4th June, and to thank you for the information contained therein.

I should be glad to receive any further information which you may receive.

Your reference to the last paragraph of the letter has been noted.



Major-General,
COMMANDING N.Z. MILITARY FORCES.

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Misc

37/19/5

IN YOUR REPLY

Series	_____
Sub.	/

PLEASE QUOTE THESE NUMBERS.



Office of the Registrar of Companies,

NATIONAL BANK CHAMBERS,

WELLINGTON, C.1. 8th June, 1937.

The Commissioner of Police,
WELLINGTON.

TUNG OIL COMPANIES.

With reference to your memorandum of the 4th instant, I shall be glad to advise you of further registrations of companies formed for the purpose of producing tung oil in New Zealand.



Pearce

Registrar of Companies.

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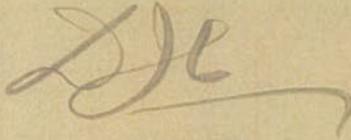
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~~CONFIDENTIAL~~

4th June, 1937.

The Commissioner of Stamp Duties,
WELLINGTON.

For confidential purposes I shall be pleased if you will
until further notice cause me to be advised of the registration in future
of any Company for the development of Tung Oil Fields in New Zealand.



Commissioner of Police.





If any reply, please quote this number:

37/10/5

POLICE DEPARTMENT,
WELLINGTON, c.1.4th June , 1937.

MEMORANDUM for

The Inspector of Police,
NEW PLYMOUTH.

EMPIRE TUNG OIL PRODUCTS LTD.

A file concerning the above-mentioned Company was forwarded to you on 8th June, 1936 - this office No.36/268. Please return.



J. Hemming

Commissioner of Police.

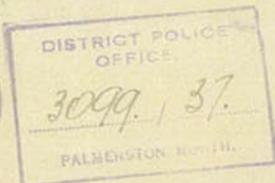
Inspector of Police
PALMERSTON NORTH

Our records show that this file was forwarded to you for inquiries on I/6/36; there is no record of its return here.

J. Powell
Inspector of Police
7/6/37

The Inspector of Police,
NEW PLYMOUTH.

Records show the file received from you on the 3rd. June, 1936 and forwarded to the Commissioner on the 5th. idem. It appears to have been sent to you from the Commissioner's Office subsequent to the latter date.



J. Hemming
Inspector of Police,
9th. June, 1937.

The Commissioner,

We have no record of receipt of this file since forwarding to Palmerston North for inquiry on I/6/36.

J. Powell
Inspector of Police
11/6/37

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~~SECRET~~

~~SECRET~~ 57/10/3

4th June, 1937.

The General Officer Commanding,
New Zealand Military Forces,
WELLINGTON.

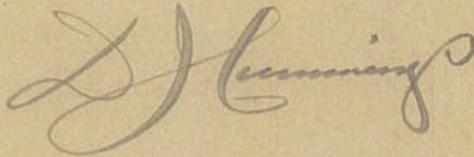
For your information I am forwarding copy of a confidential letter received by me.

The Company concerned appears to be Empire Tung Oil Products Ltd., a Company incorporated in New South Wales and registered in New Zealand for the development of Tung Oil Fields. The Directors are all resident in Australia, their Auckland representative being Mr. W. Crawford Young, of whom I do not know anything unfavourable.

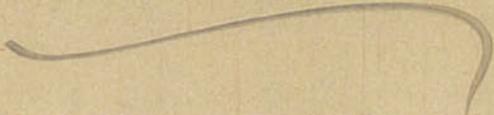
Endeavours are being made to obtain further information concerning this matter, and I shall be pleased to inform you of the result.

In view of the possibility of foreign Companies commencing operations here, I am asking the Commissioner of Stamp Duties to advise me of the registration of any such Company.

I beg to draw your attention to the letter paragraph of the letter.



Commissioner of Police.



4th June 1937.

Colonel Sir Vernon Kell,
Box No. 500,
Parliament Street, B.O.,
LONDON, S.W.1.

Dear Sir Vernon,

I have to acknowledge, with thanks, receipt of your letter OF.22/7/D.S.7a. of the 16th March last concerning the interest being shown in the production of Tung Oil by Kurt Wilhelm Schmidt. The matter had not previously come under my notice, and I shall be pleased to receive any further information you can let me have.

There are several Companies interested in the development of Tung Oil in New Zealand, but none is yet producing Oil. It is expected that the New Zealand Tung Oil Corporation Ltd. will be in a position to commence supplying in about twelve months, but that it will be at least four years before the plantations of Empire Tung Oil Products Ltd. are ready to yield.

As a result of the information you have supplied, I am causing inquiries to be made regarding the latter Company. For your information I am forwarding a copy from a page of their prospectus booklet. You will notice that the Directors are entirely residents of Australia, the Company being incorporated in New South Wales. Nothing is known of the Directors here. The New Zealand Attorney, Mr. W. Crawford Young, is regarded as a man of good standing. He is at present in Sydney.

Other Companies with similar interests are:-

- N.Z. Tung Oil Corporation Ltd.
- Parenga N.Z. Tung Oil Ltd.
- N.Z. Tung Oil Corporation Ltd.
- Tung Oil Debenture Trust Ltd.
- N.Z. Tung Ltd.
- Northern Tung Oil Ltd.
- Tung Oil Plantations Ltd.
- Tung Oil Securities (N.Z.) Ltd.

I am mentioning these for your information in case there is any reason to believe Schmidt has approached any Company other than Empire Tung Oil Products Ltd.

In view of the possibility of any foreign Company seeking registration in New Zealand for the purpose of developing Tung Oil Fields, I am asking the Registrar of Companies to advise me of any such registration. I shall be pleased to inform you on receipt of any such information.

Yours sincerely,

Commissioner of Police.

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NEW ZEALAND POLICE.

37/10.

Police-station, Detective Office, Auckland.

Date 7 th May, 1937

REPORT of Detective E.A.Stevenson, No. 2627

relative to KURT WILHELM SCHMIDT, and inquiries re
Empire Tung Oil Products Ltd.

"Vide attached"

I respectfully report that Empire Tung Oil Products Ltd. is a company incorporated in New South Wales. The Company Office in Auckland have no record of this company, but it is registered at Wellington as a foreign company. The New Zealand manager, attorney and accountant for the company is W. Crawford Young, a well known Auckland Public Accountant and Auditor. He is a most reputable man and is a lecturer at the Auckland University College. His office is on the 3rd floor of the National Bank of New Zealand Bldgs, Shortland St, Auckland.. He is also the Manager of four other companies.

Mr Young left Auckland for Sydney by the "Niagara" on the 4th inst on a business visit.

The New South Wales office of this company is at 12 - 14 O'Connell St, Sydney. The attached copy of a page from the prospectus booklet of the company shows the personnel of the directorate and officers of the company.

I have endeavoured to make some discreet inquiries about the company's tung oil prospects. There appear to be some 4 or 5 tung oil concerns with offices in Auckland.. All the plantations are, of course, in the North Auckland district.

The New Zealand Tung Oil Corporation Ltd was the first company to get trees planted. This was about 7 years ago and it is expected that another year will elapse before the nuts are ready for the production of oil. Many unforeseen difficulties have been encountered. The trees are very susceptible to wind and special shelter belts have had to be grown.

I am informed that Empire Tung Oil Products Ltd, whose plantations are somewhere near Waitangi, have had their trees down only about 3 years. It will be at least 4 years yet before they are in a position to supply any oil.

From what I can gather no company can yet be in a position to state that it will be able to deliver oil at prices considerably below the ruling rate, as is stated in para.3 of the attached Memorandum.

I have made arrangements with Mr Walton, Asst. Registrar of Companies at Auckland whereby he will inform me should any further tung oil company be registered at Auckland.

The Chief Detective,
Auckland.

The Insp.
S. O'Keefe
-y-h-e-w
7-5-37

E. A. Stevenson.
Det. 2627.

Forw^d to the Commissioner
S. J. Hill
4/5/37

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EMPIRE TUNG OIL PRODUCTS LIMITED.
(Registered under the N.S.W. Companies' Act 1934)

NOMINAL CAPITAL £100,000.

DIRECTORS (Australia)

H.B.JAMIESON Esq., F.C.A. (Aust) (Chairman)
Chartered Accountant, 115 Pitt St, Sydney.

E.D.CAMPBELL Esq., 87 Sydney St, Willoughby, Sydney
Late Branch Manager, Commercial Banking Co of
Sydney Limited.

D.M.EVANS Esq., 14 Spring St, Sydney.
Consulting Accountant and Loss Assessor.

BRYAN C. FULLER Esq.,
Barrister.
Phillip Street, Sydney

C.A.PERCIVAL Esq.,
Merchant,
Rockdale, Sydney.

LOCAL DIRECTORS:

CECIL GRAVE Esq., 380 Collins Street, Melbourne.

O.H.Tuck Esq., 20 Grattan Street, Carlton, Melbourne

R.GOYNE MILLER, Esq., St. George's Terrace, Perth.

AGRICULTURAL ADVISORS (New Zealand):

GEO.A.GREEN, N.D.H.(N.Z.),

Consulting Horticulturist & Citriculturist to the N.Z.Dept.of
Scientific and Industrial Research.

J.T.F.MITCHELL Esq., High Street, Auckland.
Agent & Sharebroker.

Late Manager in Auckland, & Director of Wright Stevenson
& Co.Ltd, Late President, Auckland A.& P.Association.

NEW ZEALAND ATTORNEY &
ACCOUNTANT:

W.CRAWFORD YOUNG Esq.,
B.Com.F.P.A. N.Z.

Public Accountant & Auditor,
National Bank Buildings, Auckland.

AUDITORS:

JOHNSON, EDWARDS & CO.,
Chartered Accountants,
Bank of New Zealand Buildings,
George Street, Sydney.

SECRETARY:

C.McKENZIE CLARK Esq., F.F.P.A.,
Company Secretary,
14 Spring Street, Sydney.

SOLICITORS:

McLACHLAN, WESTGARTH & CO.,
74 Pitt Street, Sydney.

H.G.ROSE Esq.,
Vulcan Lane, Auckland.

BANKERS:

COMMERCIAL BANKING COMPANY OF SYDNEY LIMITED,
Sydney, Melbourne.

NATIONAL BANK OF N.Z.
Auckland.

TRUSTEES FOR CERTIFICATE HOLDERS:

SIR JOHN BUTTERS, C.M.G.M.Inst.C.E. M.I.E.Aust.
Late Chief Commissioner Federal Capital Territory
Com. Govt Savings Bank

F.J.L. DUNLOP
Late Manager, Head Office of
Com. Bkd. Co. Sydney Ltd

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In your reply please quote this number:

37/10/37

NEW ZEALAND POLICE

POLICE DEPARTMENT,

WELLINGTON, 29 th April 1937

MEMORANDUM for

The Superintendent of Police
AUCKLAND

KURT WILHELM SCHMIDT

Secret information has reached this office to the effect that Kurt Wilhelm Schmidt, referred to in previous secret correspondence, has been in touch with the management of Empire Tung Oil Products Ltd concerning the prospects of Tung oil plantations in North Auckland.

It appears that tung oil, owing to it's use in the aircraft industry, is regarded as a War essential.

Schmidt is said to have been in communication with the Auslands Organisation in Germany, suggesting that North Auckland is more suited to the production of tung oil than either China or America. He has also informed them that not only will Empire Tung Oil Products Ltd be able to deliver oil at a figure considerably below the ruling price, but that the company will place itself at the disposal of German enterprises if they wish to acquire land of their own for the development of tung oil fields.

Will you please have inquiries made into the directorate and management of the company referred to; preserving the secrecy of the information. Their address is said to be c/o National Bank Chambers Auckland.

It may be possible to make some arrangement with the Registrar of Companies in Auckland whereby you will be advised of the registration in Auckland of any company registered within the next several months for the development of tung oil fields.

An early reply will be appreciated.

For the Inspector
S. J. Hill
1/5/37 *Supt*

J. D. Cunningham
Commissioner of Police

The Chief Det
R. Hara
1/5/37 *Supt*
W. Stevenson
S. O'Hare
1-5-37

Chief Detective,
Report attached.
E. Stevenson.
Dec. 2627.
7-5-37.

~~SECRET~~

Telephone No. :
VICTORIA 1552-3-4
OF. 22/7/D.S. 7a.

BOX NO. 500,

PARLIAMENT STREET, B.O.,
LONDON, S.W.1.

16th March 1937.

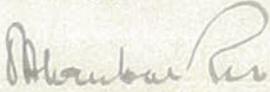
Dear Mr. Cummings,

I understand that tung oil, owing to its use in the aeroplane industry, is to be regarded almost as an essential war material. Australia's present annual requirements of tung oil are about 1,000 tons per annum, all of which is obtained from China, but the Empire Tung Oil Products (N.Z.) Ltd. is now growing tung trees in New Zealand, and this company has decided to establish in Australia a growing, marketing and milling organisation, with headquarters at 65 King Street, Sydney, with a capital of £100,000. A subsidiary company called Tung Oil Mills Ltd. has been registered in Sydney with a capital of £10,000, the majority of the shares being held by the Empire Tung Oil Products Ltd. This subsidiary company have contracted with individual Australian growers to take their entire crops at guaranteed prices, and the New Zealand company have agreed also to supply their entire nut crops to the Australian firm.

In the meanwhile, Kurt Wilhelm SCHMIDT, the Stützpunktleiter of the National Sozialistische Deutsche Arbeiter Partei in Auckland, is interested in the production of tung oil and is in communication with the Aussenhandelsamt of the Auslands Organisation in Berlin on the subject. He has got into touch with the managers of the Tung Oil Company in New Zealand and has been making enquiries about the prospects of the plantations there. He has expressed the opinion that the soil and climate in North Auckland are more favourable for the cultivation of tung oil than in China or America. While the world price of tung oil has varied between £40 and £120 per ton, he expects the New Zealand company will be able to deliver the oil at £30. He has further informed the Aussenhandelsamt in Berlin that the New Zealand company places itself at the disposal of German enterprises in case they should wish to acquire land of their own for the construction and working of similar concerns.

This information has been obtained by us from a very delicate source and it is desirable that precautions should be taken to ensure that it does not come to the knowledge of the National Sozialistische Deutsche Arbeiter Partei that we have obtained it. I am forwarding it to you as I think you may consider it worth while to communicate it, subject to the above reservation, to the Departments of Defence and Trade in your Dominion.

Yours sincerely,


Colonel Sir Vernon Kell.

D.J. Cummings, Esq.,
Commissioner of Police,
Wellington,
NEW ZEALAND.

Det. Harty