

May 16, 1941

CONFERENCE MEMORANDUM

Re: Conference with William T. Gardiner, 1 Court Street,
Boston – Friday, May 16, 1941

Mr. Schenker referred Mr. Gardiner to me to discuss his fears of potential manipulation of the stock of the Pacific Coast Cement Company, an 83% subsidiary of the Pacific Coast Company, of which Mr. Gardiner is Chairman of the Board. Mr. Gardiner told me that a Mr. Magid, associated with Hill, Thompson and Company, over-the-counter dealers, has given indications that he plans to acquire a substantial block of the common stock of the Pacific Coast Cement Company in the open market. Mr. Gardiner is not sure whether or not Magid's purpose will be to obtain a greater voice in the management or to facilitate liquidation of stock which he now has under option and stock which he may buy in the open market.

I told Mr. Gardiner that we would keep the market action of this stock under observation and thanked him very kindly for his information. In the course of the discussion, I explained the difference between purchasing securities for the purpose of inducing others to buy and purchasing securities for purposes of investment, acquiring control, or similar designs.

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CC: Mr. Howard