

36, 4th copy,

July 13, 1955  
362 Riverside Drive, Apt. 7C  
New York 25, N. Y.

7/13/55 (2nd copy to Japan,  
3rd copy to Mrs. Sato, Hawaii)

Mr. Oliver Stone  
Arlington Building  
1025 Vermont Avenue, N. W.  
Washington, D. C.

Dear Mr. Stone:

In regard to Nakata's claim, I have received the letters from Japan and Hawaii. It seems those letters do not indicate the exact nature of a whole situation on Nakata. However, the contents of those letters follow:

1 Two reasons why my father changed his organization from the form of proprietorship to that of corporation are (a) the impending relationship which existed between the two nations at that time; (b) the tax angle involved.

2 Some of the shares were beneficially given away to the old time employees including Nakata without any cost to them.

3 Before 1941, my father had a difficult time in coordinating the business matters of the main store in Hawaii and those of the company at San Francisco. Therefore, by the use of the various means like promotion and pay-raise, he used to send his employees from Hawaii to San Francisco and vice versa. Nakata was one of those employees who was sent to San Francisco by my father by being given a promotion with pay-raise.

4 Some shares in my father's name were given to few employees to decentralize his control over his company. This was done for another reason--mainly because of the tightening up of the bank credits and transactions to my father who, being a Japanese citizen, was advised (probably by Murakami or Marumoto) to give beneficially some shares to Nakata and others. (Refer to my father's letter of 4/16/52.)

5 Not only Nakata but also other employees like Yano, Omeri, etc. were given few shares beneficially.

6 The branch office of Alien Property in Hawaii advised my sister that my father's name on those controversial shares was actually replaced by the names of Nakata, Yano, Omeri, etc., by my father and therefore, the office confiscated the shares by issuing the various vested orders. It in its opinion recommended my sister to make a counterclaim for those shares of former employees.

7 The actual record of how the shares were distributed among the employees at that time should be in the books of the corporation. My sister is going to look into books and write me about it soon.



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Now, I would like to make a suggestion to you. I believe it is for us to make a move over Nakata's claim; I see no reason why you should not write Nakata again of our intention of filing a counterclaim against him if Nakata failed to respond to your letter within a definite time limit. I sincerely hope such a counterclaim be filed to the Department of Justice before August 15.

Awaiting ~~you~~ your further correspondence on this matter, I remain.

Sincerely yours,

L. F. Miwa