

UNITED STATES PACIFIC FLEET  
HEADQUARTERS OF THE COMMANDER IN CHIEF

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CINCPACFLT FILE

L8-5  
Ser 1826

8 APR 1954

From: Commander in Chief U. S. Pacific Fleet  
To: Chief of Naval Operations

Subj: Disposal of sunken ship as scrap

Ref: (a) CNO msg 301715Z of January 1954

Encl: (1) Copy of NAVAD Saipan ltr L8-5 ser 322 of 10 March 1954 with endorsement thereon

1. By enclosure (1) NAVAD Saipan transmits request of the Micronesia Metal and Equipment Company to acquire as scrap the hulk of a Japanese vessel now resting in the harbor of Saipan. The Company would cut up the hulk and pay the Navy a percentage of proceeds in accordance with terms of a presently effective contract for scrap collection. NAVAD Saipan notes that the sunken vessel is a potential hazard to navigation and recommends that the contractor's request be approved. By first endorsement, COMNAVMARIANAS concurs. The Honolulu office of the Micronesia Metal and Equipment Company advises it will provide an appropriate guarantee providing protection to the Navy in event of negligence or improper fulfillment of contract.

2. CINCPACFLT considers that cutting up and removal of the hulk is highly desirable since it would clear the harbor of a menace to navigation as well as generate funds. However, CINCPACFLT feels that the matter should be referred to CNO for determination, because of the circumstances set out below.

3. A preliminary contract which is cited in reference (a) and which is between the Government of the Trust Territory and the firm styled J. H. Pomeroy & Co., Inc., gives Pomeroy "exclusive right to the salvage and disposition of all vessels and cargoes, formerly enemy owned, sunk or beached in and about the Trust Territory" for a period of 150 days from 27 January 1954. This contract was made with the Contractor by the Secretary of the Interior, with the knowledge of the office of the Secretary of Defense. It may be regarded as binding upon the Navy Department regardless of the facts that the Navy Department and not Interior administers the Saipan District of the Trust Territory and that the Secretary of the Navy did not sign the contract and was not a party thereto.

4. With respect to proposed large-scale salvage operations in the area of the Northern Marianas, CINCPACFLT believes that

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security considerations existing now and in the foreseeable future will preclude granting J. H. Pomeroy and Co., Inc., the security clearance that would be required. Consequently it is not intended to issue the security clearances necessary for the firm to conduct a survey of the Northern Marianas or their territorial waters, especially since the survey team would include aliens. With respect to the Bonin Islands, CINCPACFLT is cooperating with the Pomeroy Company by authorizing a survey of that area.

5. So far as the Micronesia Metal and Equipment Company's request is concerned, no additional problem of security is involved. This company already operates on Saipan and Tinian and employs U. S. citizens and indigenous residents only. In view of the benefit which would result from removal of the sunken ship, CINCPACFLT requests authority to give approval to the recommendation contained in reference (a).

A. P. STORRS  
Acting Chief of Staff

Copy to:  
COMNAVMIANAS  
NAVAD, Saipan