

P. O. Box 1974
Manila
January 15, 1963

Mr. Rufus C. Phillips III
Assistant Director for Rural Affairs
U. S. AID
c/o U. S. Embassy
Saigon, Vietnam

Dear Rufe:

I hope Bob Burns and Stu Methven have explained to you why I was not able to call on you anymore when I last passed through Saigon. I got a very urgent message from Naty to return to Manila at once.

From the time I arrived in Manila to the present, I have been kept very busy straightening out my own personal investments in the Philippines. During this time however, I have kept in mind ~~and~~ the things that we have discussed when I last saw you. As I told you I am very interested in helping out in your program as you have outlined or indicated. Your problem seems to be how to obtain the foreign technicians, preferably Filipinos, who are needed to efficiently and effectively implement your programs. It seems as if your difficulty is the possibility of the Vietnamese Government objecting to your directly contracting the individual technicians that you need or to your directly contracting a Filipino private company to supply the technical services which are needed in your program. I very well understand the problem; that the Vietnamese Government would like as much control as possible over the individual technicians or the agency that will provide the services. Bearing all these points in mind, I have tried to find out if it is possible to form a Philippine Company among myself, people who have worked very closely with me in OB, and some people who have some money to give us the necessary financial backing to be able to offer any technical service available in the Philippines for any of the programs of the Vietnamese Government sponsored by you. I have been successful in organizing such a group and once you indicate to me that our group can be the answer to your problems we can immediately incorporate what will be known as the International Services Corporation in Manila and offer to you and thru you to the Vietnamese Government very specific proposals. My associates and I are now drafting this proposal and I shall be able to mail to you these proposals by next week.

To be very frank with you, I have not rejoined Johnny San Juan's group and I am not planning to do so for the following reasons: I believe in Johnny as a friend, a boss and an associate. It is very difficult for me however to work with the people whom he has chosen to surround him -- his top executives. I am afraid therefore that should I work with Johnny, I will have to bypass the top executives of his organization and in the process antagonize them. I have formed this present organization, however,

so that Johnny can be accommodated if he wants to. The accommodation would only be to Johnny personally and not his organization. I also believed that we can put up a more efficient and effective organization in terms of actual output and quality of personnel. On the other hand, I am not afraid to deal with the Vietnamese and the Vietnamese Government officials, and I am sure that it is easier for me and my group to come to terms with the Vietnamese Government on a contractual agreement. When it comes to prices I am also sure that we can beat the prices that Johnny's outfit can offer because in our group we can try to be very lean and avoid the overhead expenses that Johnny's outfit is incurring. Basing from previous experience, I am confident that we can easily put up an organization which can be of more credit to the Philippines and to the Filipinos than that of Johnny's.

I hope that you will keep confidential these reasons that I have outlined because I would always want Johnny as a friend and would like to work with him. Because of the stature that he has developed however, it is difficult for me to even talk to Johnny personally without the people around him knowing about it. It is therefore up to you to let him know that he is very welcome to our group if you think his presence is necessary and if he would like to join us. At this point, out of friendship and gratitude for the things that Johnny has done for me, I am willing to have him participate to the extent of 40% in our corporation.

I am sure that you are familiar with my reasons for extending as much as possible the capabilities and the present potential of the Philippines to our other South East Asian neighbors. I am also sure that you will understand that my objective in getting into any venture is not to make a big profit at once but to be able to make enough to be able to sustain an efficient and effective operation in our neighboring countries. I would appreciate your immediate reply and your very frank comments.

My very best to Barbara, the children and also to all our friends. I am planning to go to Saigon in connection with this and other business commitments by about the first week of February. I would however appreciate a reply from you before then.

Sincerely,


M. O. GRANADA