

APPENDIX "III"

Biographies of German and Portuguese Associates of Dithmer

German: Erich Heinrich Schlimmer
August Hauser
Konrad Zembrod
Karl Loy
Juan and Jurgén Schlubach
Carlos Dickson

Portuguese: Artur Penetra, Jr.
Dr. Sousa Machado
Jose Maria Pinheiro
Dr. Silva Ramos
Joao Silva (Jose Maria da Silva)
Lina de Souza
Antonio Martins
Joaquim Mendes

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BIOGRAPHIES

Erich Heinrich Schlimmer

Not much personal information is available on Schlimmer. He appears to be the next most important German in the Porto Group, particularly as he uses, alternately with Dithmer, the code name Itman or Ithman in property negotiations. References to him in reports on meetings or transactions usually refer to his presence, rather than a specific job he holds. He sat in on the conferences concerning the projected loan to Hitzemann e Cia., and the remodelling and management of the Hotel da Batalha. Together with August Hauser, he began a project for a gasogene shop, after the closing of the mining companies.

Schlimmer went with Hauser in January on a very confidential trip for Dithmer to Spain. On their return they held a meeting with Dithmer, when they discussed Dithmer's plan to have Hauser substitute for him as head of the mining companies.

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BIOGRAPHIESAugust Hauser

Address: Eoz do Douro (near Porto), Avenida Marechal Gomez da Costa 155.

A Swiss citizen, born in Germany of German family. He is very important in Dithmer's personal organization, and held the position of engineer with both C.M.N.P. and Empresa Mineira de Sabrosa. His recent assignments have included responsibility for disposal of company property, supervision of sale of mining machinery against provisions of Portuguese law, and acting as agent for purchasers of company property.

Hauser seems to live part of the time at Dithmer's place at Ermezinde, and to act as organizational manager. Holding this position of confidence, he entered into negotiations, through Fritz Schreiber in Switzerland, for the restitution of the mines to their rightful owners, Gruenfeld in London and Nilson in Sweden.

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BIOGRAPHIES

Konrad Zembrod

Zembrod is evidently the closest German associate of Dithmer. He does not hold the high position of administrative confidence that Hauser and Schlimmer apparently hold, but both in business and private affairs he is constantly the closest to Dithmer and the most trusted.

Apart from the C.M.N.P. and Empresa Mineira de Sabrosa, Zembrod has a quite large interest in Rocha Couta, Cia., which was increased on Dithmer's orders. Using his position in both companies, he arranged the sale of former C.M.N.P. equipment and inventory to Rocha Couta. He also purchased the Victoria Bicycle Company for the German Group, under the name of Jose Pinheiro. In addition, he has acquired various bonds, such as 15,000,000 escudos worth of Brazilian bearer bonds, held at Ermezinde.

He made one trip to Germany that is recorded, from 4 April to 4 May 1945. During this time he visited Dithmer's wife at a sanatorium near Vienna. It is believed that he came from Germany with Dithmer, shortly after the war was declared.

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BIOGRAPHIESKarl Loy

Address: Rua do Peuheiro 333.

Loy is a German, although he has posed as a Dane. He is married and apparently has a business address at Rua de Cedofeita 1-3, 1st. He has been a resident of Porto for some time. He has been working as a commission agent, on his own account, for many years. Karl Loy deals in electrical goods and accessories, especially radios, and has simultaneously represented German, Italian, Swiss and American firms. His financial transactions are executed through the Banco de Portugal, the Banco Ultramarino, and the Banco Portugues do Atlantico. He has no property in his name.

The German Group evidently use Loy for many purposes, and he is frequently reported at their meetings. His name appears as a creditor of the mining companies.

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BIOGRAPHIES

Juan and Jurgen Schlubach

Juan Schlubach lives at Sabrosa and is Director of the mines of Companhia Mineira do Norte de Portugal and Empresa Mineira de Sabrosa. He was sent to Spain in 1944 by Dithmer for a meeting with a certain Schnee. He is believed to be back in Portugal. His brother, Jurgen Schlubach, lives at Vale dos Gatos. Jurgen was reported in 1944 as being the right-hand man of Hans Carl Weber, the engineer. If Jurgen stayed with Weber, this would tend to deny Weber's allegation that he has nothing more to do with Dithmer, although it is possible that Jurgen is now working with Dithmer, following Weber's leaving the C.M.N.P.

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BIOGRAPHIES

Carlos Dickson

Address: Valadares, Vila Nova de Gaia.

Carlos Dickson once owned an automobile display stand at Rua de Dr. Magalhaes Lemos, Porto, and was agent for Bussing cars. He subsequently became assistant manager of the transportation section of Companhia Mineira do Norte de Portugal, in which position he gained the confidence of the German Group of Porto. In November 1944, he was financed by this group in the amount of 1,200,000.00 escudos for the construction of a factory at Valadares, the work on which is now in progress.

On 8 February 1945, he purchased from C.M.N.P. an Opel Blitz bearing the company's order number 41 and the registration AG 11-62.

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BIOGRAPHIES

Artur Penetra, Jr.

Address: Rua de S. Verissimo 189, Porto.

Penetra is 40 years old. Before his connection with the German Group, he was not a landowner nor did he have any personal capital. At one time he was clerk-cashier of the Banco Ferreira Alves e Pinto Leite. He left there to become an employee of the Empresa Mineira de Sabrosa, Lda. and of the C.M.N.P. His salary was from 3,000.00 to 3,500.00 escudos monthly.

Penetra was the chief accountant of the C.M.N.P. and still holds 250 shares. In addition he has carried out various jobs for the German Group. In November, 1944, he acquired the Julio Diniz Cinema and subsequently the Sousa Bastos Cinema in Coimbra. He was also negotiating for the Group to purchase the Teatro Sa da Bandeira, Porto, and the cinema in Guimaraes. He reportedly left the C.M.N.P. to take over the management of the theatres, but was making arrangements to have the overt title of at least two of them, transferred to the name of Ferraz, the proprietor of the Tabacaria Ferraz in Porto.

Penetra presumably holds a position of high confidence in the Group, even as a Portuguese. He accompanied Hauser on a secret trip into Spain in January of this year. Penetra's account with the Banco Borges & Irmao, Porto, was evidently a holding account, having stood at an even 100,000 escudos during the entire month of April. During May and June, it dropped in one day to 5,000.00 changing only by the addition and subsequent withdrawal of 4.40 escudos in early June. In the first days of July his account jumped to 494,000.00 escudos, presumably including a cash transfer from a Lisbon account of 389,000.00 escudos. The exact function of this account is not known, nor is it known where Penetra has his other personal checking and business checking accounts.

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BIOGRAPHIESDr. Sousa Machado

Machado seems to be the most important member of the German Group for negotiations with the Portuguese Government. He is said to be a close friend of the Conde de Lumbrales, Minister of Finance. While he has made considerable money from activities on behalf of the German Group, they apparently believe his intervention, particularly in protecting the Group from British pressure, has been valuable. Allegedly, he has prevented the deportation of Dithmer himself. He also attempted to arrange the sale of the C.M.N.P. buildings to prevent their confiscation by the Government.

On 9 May, Machado received the sum of 600,000 escudos from the Group for safe-keeping in the event of confiscation of German assets. All of the assets formerly in the name of Arnaldo Folhadela Guimaraes had previously been transferred to Machado's name. On 21 May, Dithmer placed several millions at the disposal of Machado to be used in the financing of textile plants in the north of Portugal. Machado is undoubtedly making a considerable sum for himself personally. Possibly to avoid suspicion from the Portuguese and Allied Governments, Machado recently began to transfer many of his holdings and those held for the German Group to the name of his nephew, Abel Falcao of Porto.

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BIOGRAPHIES

Jose Maria Pinheiro

Address: Povoia de Varzim, Rua Santos Graca.

Pinheiro was an ordinary clerk prior to his connections with the German Group. He began to assume importance when he became Chief of the Complaints Department of the Companhia Mineira do Norte de Portugal. On 10 May 1945, it was reported that his duties were to attend to C.M.N.P.'s correspondence with Germany, except for strictly confidential matters, which are handled by Konrad Zembrod. He is the son of poor people, but seems to have gained the confidence of Dithmer, Hauser, and Zembrod. He received 2,500 escudos monthly and at various times gratuities of 8 to 10,000 escudos for special services.

The following investments were made in Pinheiro's name: Victoria Bicycle factory; milling plant at Mirandela; and the Teatro Avenida of Coimbra. In addition it was reported that on 16 May a credit of 800,000 escudos was opened in Pinheiro's name for the purchase of various pieces of property on behalf of the German Group.

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BIOGRAPHIESDr. Silva Ramos

Subject owns a country estate in Guilhabreu, Vila do Conde, which was purchased with money advanced by the German Group. He is employed by the C.M.N.P. Dithmer has used him as confidential secretary in some of the Group's real estate activities, and for personnel problems connected with the companies. Ramos was reported in May of this year to have complained to Dithmer that his association with the German Group had ruined him commercially. According to this report, Ramos received an advance of a large sum.

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BIOGRAPHIES

Joao Silva

Joao Silva, an employee of the Coliseum of Porto, was unemployed until the second phase of the Coliseum's construction in 1938. At that time Alberto Carvalho, a director of Garantia Insurance Company, obtained a job for him as an inspector of the Coliseum works. When the management of this property was turned over to M. da Rocha Brito, his bookkeeper Vigoco, and Alberto Carvalho, Joao Silva became acquainted with the members of the German Group of Porto and offered his cooperation.

Today he is one of the principal owners of the future Praca de Touros (Bull Ring) in Porto. A large plot of ground on Avenida Fernao de Magalhaes was purchased as the site for the Bull Ring. This property is registered in the names of Joao Silva and Antonio Maria Lopes, but is actually owned by the German Group of Porto, which is financing the project. Joao Silva has connections with Kurt Dithmer, Artur Penetra, Jr., August Hauser and Dr. Sousa Machado.

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BIOGRAPHIESLina de Souza

Lina de Souza is Dithmer's mistress and lives with him at Quinta do Monte, Ermezinde. This estate is registered in her name. She has never been reported as having any influence in the policy of the German Group, but has frequently been used by Dithmer to cover real assets of the Group. She is said to hold title to the property at Ermezinde and all the furniture and ornaments, valued at 800,000 escudos. In addition, Dithmer has given her for safekeeping jewels and gold and silver objects valued at 1,200,000 escudos and the sum of 500,000 escudos in cash. She also has been used to convert cash into fixed assets by making purchases of silver articles. Her account in the Banco Espirito Santo e Commercial de Lisboa, Porto, was 104,000.00 escudos as of 12 May. This would not appear to be a checking account, and following the general practice of the German Group, need not represent her actual personal wealth.

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BIOGRAPHIES

Antonio Martins

He is the chauffeur of Kurt Dithmer. He is apparently completely trusted by Dithmer and the German Group. He accompanied Dithmer on at least one expedition involving wolfram smuggling, and property purchases for the Group have been made in his name. On 9 May, it was reported that Dithmer turned over 1,500,000 escudos to Martins to make investments in his own name for the German Group. This sum is probably part of the large cash fund Dithmer had in the company safes to avoid the freezing decrees of May.

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BIOGRAPHIESJoaquim Mendes

Address: Rua da Alianca 345, Porto.

Subject was formerly employed in the statistical section of the Companhia Mineira do Norte de Portugal. Before the war he had no personal wealth and lived solely on his salary as an ordinary clerk. At the beginning of 1939, he obtained employment in the insurance section of the C.M.N.P. When the C.M.N.P. and Mineira Sabrosa were sold to the Germans Mendes went into the ore purchase section. He soon found favor with the Germans, and in 1943, he was named Chief of the Statistical Section. He earns 7,000.00 escudos monthly and receives gratuities of 20 to 50 contos from Dithmer for special services.

Mendes is a widower, is clever and polished, and lives with his mother-in-law and three children. It is estimated that he has made a fortune of 1,000 contos from the C.M.N.P. He assisted in the sale of mining machinery and cars at Sabrosa to Werner Ratfisch. The cost was 300 contos and the material was reported as having been shipped to Spain.

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Erratum

Appendix III - Dr. Sousa Machado

The Minister of Finance is referred to as "Conde De Lumbrales", whereas the usual official reference is properly "Costa Leite (Lumbrales), Minister of Finance."

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