

Mr. William T. Gardiner
Incorporated Investors
One Court Street
Boston, Massachusetts

Dear Mr. Gardiner:

I regret the delay in replying to your letter of October 25, 1941 which I acknowledged under date of October 28th and which is in further reference to our conference as to trading in the stock of the Pacific Coast Cement Corporation, a subsidiary of Pacific Coast Company, of which you are the Chairman of the Board.

Your letter states that the Guaranty Trust Company of New York has 4,095 shares of the common stock of the Pacific Coast Cement Corporation for sale. The parent company (Pacific Coast Company) may wish to purchase the stock from the Guaranty Trust Company. In this event, its holdings in the common stock of the Cement Corporation would be increased from 83% to 95% which you say would have some advantages to the company in connection with consolidated tax returns. You ask whether it would be proper for the Pacific Coast Company to make an offer to the Guaranty Trust Company for the stock which it wishes to sell. So far as the anti-manipulative provisions of the Exchange Act of 1934 are concerned, I do not now perceive any reason which would prevent the transaction referred to in your letter. In expressing this view, I am assuming, of course, that neither the Pacific Coast Company nor its management have any purpose to raise the market price of the common stock of Pacific Coast Cement Corporation by, or as a result of, this transaction, or any purpose that the effecting of this transaction should induce others to purchase the stock. I do not, however, wish to express any views with respect to the desirability or necessity of making a similar offer to all other stockholders since this is a matter which is usually governed by the applicable local law.

Very truly yours,

Francis T. Greene
Assistant Director