

FOREIGN CLAIMS SETTLEMENT COMMISSION  
OF THE UNITED STATES  
WASHINGTON, D.C. 20579

IN THE MATTER OF THE CLAIM OF

YEAR BOOK MEDICAL PUBLISHERS, INC.

Under the International Claims Settlement  
Act of 1949, as amended

Claim No. CU-0404

Decision No. CU 3592

Counsel for claimant:

Isham, Lincoln & Beale  
By David J. Rosso, Esq.

PROPOSED DECISION

This claim against the Government of Cuba, under Title V of the International Claims Settlement Act of 1949, as amended, was presented by YEAR BOOK MEDICAL PUBLISHERS, INC. in the amount of \$4,082.06 based upon the asserted loss of payment for merchandise shipped to Cuba.

Under Title V of the International Claims Settlement Act of 1949 [78 Stat. 1110 (1964), 22 U.S.C. §§1643-1643k (1964), as amended, 79 Stat. 988 (1965)], the Commission is given jurisdiction over claims of nationals of the United States against the Government of Cuba. Section 503(a) of the Act provides that the Commission shall receive and determine in accordance with applicable substantive law, including international law, the amount and validity of claims by nationals of the United States against the Government of Cuba arising since January 1, 1959 for

losses resulting from the nationalization, expropriation, intervention or other taking of, or special measures directed against, property including any rights or interests therein owned wholly or partially, directly or indirectly at the time by nationals of the United States.

Section 502(3) of the Act provides:

The term 'property' means any property, right, or interest including any leasehold interest, and debts owed by the Government of Cuba or by enterprises which have been nationalized, expropriated,

intervened, or taken by the Government of Cuba and debts which are a charge on property which has been nationalized, expropriated, intervened, or taken by the Government of Cuba.

Section 502(1)(B) of the Act defines the term "national of the United States" as a corporation or other legal entity which is organized under the laws of the United States, or of any State, the District of Columbia, or the Commonwealth of Puerto Rico, if natural persons who are citizens of the United States own, directly or indirectly, 50 per centum or more of the outstanding capital stock or other beneficial interest of such corporation or entity.

Evidence of record reflects that YEAR BOOK MEDICAL PUBLISHERS, INC., which presented this claim, was incorporated in Illinois in about 1931, and on November 5, 1965, subsequent to filing this claim, transferred all its assets and liabilities to YB Corporation, a subsidiary of The Times Mirror Company, and which changed its name on that date to YEAR BOOK MEDICAL PUBLISHERS, INC., for a sum in excess of the amount of this claim. The former YEAR BOOK MEDICAL PUBLISHERS, INC. is now known as YBM Liquidation Corporation. All of the stock of said corporations has been held by nationals of the United States at all times pertinent to this claim. The Commission holds that YEAR BOOK MEDICAL PUBLISHERS, INC., and its predecessor in interest, qualify as nationals of the United States within the meaning of Section 502(1)(B) of the Act.

The record includes copies of claimant's ledger card showing a statement of account against Manuel V. Fresneda Bookstore of Habana, Cuba, and correspondence between claimant and the Department of State concerning the inability of the claimant to obtain payment for merchandise shipped to the above-named Cuban consignee prior to April 1961. The record shows that the outstanding balance due and owing by the Cuban consignee on July 1, 1961 was \$3,459.38. Claimant states it has not received any funds in payment of this outstanding balance.

The Government of Cuba, on September 29, 1959, published its Law 568, concerning foreign exchange. Thereafter the Cuban Government effectively precluded not only transfers of funds to creditors abroad, but also payment to creditors within Cuba, by numerous, unreasonable and costly demands upon the consignees, who were thus deterred from complying with the demands of the Cuban Government. The Commission holds that Cuban Law 568 and the Cuban Government's implementation thereof, with respect to the rights of the claimant herein, was not in reality a legitimate exercise of sovereign authority to regulate foreign exchange, but constituted an intervention by the Government of Cuba in the contractual rights of the claimant, which resulted in the taking of American-owned property within the meaning of Section 503(a) of the Act. (See Claim of The Schwarzenbach Huber Company, Claim No. CU-0019, 25 FCSC Semiann. Rep. 58 [July-Dec. 1966]; and Claim of Etna Pozzolana Corporation, Claim No. CU-0049, 1967 FCSC Ann. Rep. 46.)

Accordingly, in the instant claim the Commission finds that claimant's property was lost as a result of intervention by the Government of Cuba and that, in the absence of evidence to the contrary, the loss occurred on July 1, 1961 as to \$3,459.38.

In addition to the above loss, claimant has asserted the loss of interest in the amount of \$622.68; however, the Commission has decided that in certification of losses on claims determined pursuant to Title V of the International Claims Settlement Act of 1949, as amended, interest should be included at the rate of 6% per annum from date of loss to the date of settlement, and in the instant case it is so ordered. (See Claim of Lisle Corporation, Claim No. CU-0644.)

CERTIFICATION OF LOSS

The Commission certifies that YEAR BOOK MEDICAL PUBLISHERS, INC., suffered a loss, as a result of actions of the Government of Cuba, within the scope of Title V of the International Claims Settlement Act of 1949, as amended, in the amount of Three Thousand Four Hundred Fifty-nine Dollars and Thirty-eight Cents (\$3,459.38) with interest thereon at 6% per annum from July 1, 1961 to the date of settlement.

Dated at Washington, D. C.,  
and entered as the Proposed  
Decision of the Commission

APR 9 1969

*Leonard v. B. Sutton*

Leonard v. B. Sutton, Chairman

*Theodore Jaffe*

Theodore Jaffe, Commissioner

*Sidney Freidberg*

Sidney Freidberg, Commissioner

The statute does not provide for the payment of claims against the Government of Cuba. Provision is only made for the determination by the Commission of the validity and amounts of such claims. Section 501 of the statute specifically precludes any authorization for appropriations for payment of these claims. The Commission is required to certify its findings to the Secretary of State for possible use in future negotiations with the Government of Cuba.

NOTICE: Pursuant to the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, the decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. 531.5(e) and (g), as amended, 32 Fed. Reg. 412-13 (1967).)