CUBA WILL SUPPLY MOLASSES FOR WAR

3,827,240 Tons Will Be Available for Industrial Alcohol

Department

State

Special to THE NEW YORK TIMES.

Reports

WASHINGTON, Jan. 7—Reporting on the progress of negotiations for Cuba's molasses output, the State Department said today that Cuba had agreed to supply invert molasses equivalent to 800,000 short tons of sugar for the production of industrial alcohol at a

vert molasses equivalent to 800,000 short tons of sugar for the production of industrial alcohol at a price of 2½ cents a pound total sugar content.

Negotiations are still under way for Cuba's estimated 180,000,000 gallons of blackstrap molasses (sugar production by-product) which this country also would like to acquire for industrial alcohol production. The State Department reported that members of the

Cuban delegation and of the Foreign Economic Administration and other United States agencies expect to reach satisfactory conclusions "in the not-distant future."

The agreement on invert molasses specifies that the product is to be purchased by the Defense Supplies Corporation, for the production of industrial alcohol.

"As a result of the agreement," the announcement stated, "the Cuban sugar crop can now be fixed at a minimum of 4,827,240 short tons. Of this total 200,000 tons will be used for local consumption in Cuba and 800,000 tons of sugar

sugar that can be produced in

Cuba by grinding all available

cane, will be acquired by the Com-

modity Credit Corporation under

ban sugar crop can now be fixed at a minimum of 4,827,240 short tons. Of this total 200,000 tons will be used for local consumption in Cuba and 800,000 tons of sugar in the form of invert molasses will be used for production of alcohol for the war effort. The remainder of the 4,827,240 tons, or 3,827,240 tons, as well as any additional

the contract signed in September, 1943."

To domestic whisky distillers who have been hopeful that molasses purchased from Cuba for conversion into industrial alcohol would free part of the grain stocks being used here for the same purpose and thereby make possible partial resumption of whisky production, today's announcement

however, in possible purchase of blackstrap molasses. They feel that the huge quantities which might be obtained from Cuba would make a considerable difference in the domestic production picture.

ficials who ordered conversion of liquor distilleries to industrial alcohol output said they had included the 800,000 tons of invert molasses in their calculations of alcohol raw material supplies for 1944.

Distillers are keenly interested,

Board of-

gives little comfort.

War Production