

Cuba Good Hunting Ground for Western Salesmen

By JUAN de ONIS

Special to The New York Times

HAVANA, Nov. 23 — Salesmen from Western countries are increasingly active in Cuba and they say there are handsome profits to be made in running the United States economic blockade.

The consensus of British, Canadian, French and other non-Communist traders is that Premier Fidel Castro has available for trade with the West between \$100 and \$120 million a year.

This is based on the belief that Cuba will sell sufficient sugar in Western markets, even if that means reducing sugar sales to Communist countries.

Representatives of Western companies here talk about Cuba as a salesman's dream, a market free of United States competition with a tremendous pent-up demand for Western goods. They say the Cubans pay punctually, without too much haggling over prices.

"If you want to make a good capitalist profit in a hurry, this is the place to be," said a Canadian salesman.

Priorities Listed

"If the Government would let us bring in some of our small motorcars I could sell 3,000 of them, just standing on the corner, at \$3,000 apiece," said a Briton.

The Government's priorities for Cuba's scarce foreign exchange preclude pleasure cars. They concentrate on critical spare parts, transportation equipment, pharmaceuticals and veterinary supplies, breed-

ing stock for cattle and poultry farms, books and films.

After several years of experience with Soviet trucks, Czech buses, Chinese electrical switches and other industrial goods from Communist countries, Cuban workers and maintenance men familiar with United States products agree that the new equipment is inferior.

This explains to a great degree why Cuban officials have ordered British Leyland buses for urban and intercity transport and French Berliet trucks for heavy transport.

Heavy Trucks Needed

Leyland is also investigating the truck market. The sugar industry alone is believed to require more than 15,000 large trucks in the next couple of years.

British sales engineers are also looking at the port and railroad situation. The Canadian electronics industry has sold \$1 million worth of communications equipment for Cuba's ships and planes.

A Spanish textile mission ended a visit here last week with a \$3.5 million order from Havana for cotton goods. A French Government financial adviser discussed payment systems for French exports with Cuban state bank officials two weeks ago.

The Cuban public's desire for the Western goods that were common here until 1961 is striking. These goods are brought in by merchant seamen and returning travelers, and are sold at high prices.

An American lipstick is sold for 14 pesos (the peso is nominally \$1.) A set of piston rings for a 1952 Plymouth can bring

as much as 150 pesos; a flint for a lighter sells for one peso.

Cuba's capacity to import depends on sugar, which accounts for 75 per cent of her income from exports. Exchange reserves are believed to be about \$35 million, and the country's 1965 imports depend on the marketing of sugar that is still in the canefields.

World sugar prices are half what they were when delivery contracts were signed covering the last harvest. This means Cuba will have to sell twice as much sugar in the West in 1965 if she hopes to match 1964's dollar earnings.

Sugar-output figures are an official secret, but most commercial observers estimate 1964 production at 3.8 million tons, a very small crop. It is believed that 800,000 tons were sold for foreign exchange at something over 7 cents a pound, earning about \$120 million.

The price is now below 4 cents a pound. Observers think Cuba will try to sell about 1.5 million tons in Western markets to earn more than \$100 million next year. The Government will thus have to increase production substantially or cut back on deliveries scheduled for the Communist countries.

Cuba is supposed to deliver 2.1 million tons in 1965 to the Soviet Union, China and other Communist countries and Spain, Morocco and other traditional markets, plus Cuba's own consumption of 300,000 tons, will require 1.5 million tons more.

U.S. Protests Lisbon Deal

LISBON, Nov. 23 (AP)—The United States has protested

orally to Portugal over her recent trade agreement with Cuba, informed sources said today. Under the arrangement the Portuguese are to buy 30,000 tons of raw sugar, half to be paid in pounds sterling.