

Alaska Corp. to Develop Processing of Fur Seal Pelts

WASHINGTON, October 22—Senator Ernest Gruening (D-Alaska) this week notified Secretary of the Interior Stewart L. Udall that an Alaska corporation was in the process of formation for the purpose of

developing the Alaska fur industry.

The immediate purpose of the non-profit corporation will be to attempt to negotiate a research and development contract with the Interior Department in connection with Pribilof Island fur seal pelts.

Senator Gruening informed Udall that the contract to be offered would contain terms much more favorable to the State of Alaska and the federal government than those in a fur seal skin research and development contract recently negotiated by the Interior Department with the Pierre Laclede Company of St. Louis, Mo.

Senator Gruening renewed a request made five weeks earlier that any further action under the Laclede contract be suspended.

The new plan envisions utilizing the research skills, knowledge, techniques and personnel of the University of Alaska in combination with an experienced Alaska tanning company and the know-how of Fred W. Meyer of the Netherlands.

Senator Gruening informed Secretary Udall that the offer will be made so as to develop in Alaska the ability to process Pribilof Fur seal skins by methods which will greatly enhance their value, resulting in both greater financial returns and "development in Alaska by Alaskans of what is and should be an essentially Alaskan resource."

The State of Alaska under terms of the statehood act receives 70 per cent of the net proceeds of the sale of the United States share of seal skins from the Pribilof Island seal harvest, which is managed by the federal government.

In fiscal year 1965 there was no payment to the State for the reason that there were no net proceeds. This, Senator Gruening said, makes it evident that Alaskans should play a prominent role in the fur seal processing.

Commenting on the development in Alaska, Victor von Reventlow, president of Pacific Seal Company of Alaska, said at Anchorage that the average \$5 million in income realized by the fur industry from sales in Alaska now could be doubled if fur seals skins were marketed in the state.

David Green, Anchorage furrier, said processing of the fur seal skins could result in creating jobs for 100 or more Alaskans.