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OOT/136-52

ATHENEUM-STIFTUNG

DIRECTOR

CONSULTANT

29 September 1952

The following are the most recent developments in the deal with ATHENEUM to acquire a key generator:

- a. On 15 July ATHENEUM accepted our 5 June proposal to buy one HAZARDO key generator at DM 160,000 (approximately \$38,000). SIEMENS u. HALSKE are manufacturing parts; STUDIEN-GESSELLSCHAFT (an ATHENEUM puppet) will assemble them.
- b. A report dated 20 September 1952 from CIA is attached. Attention is invited specifically to par. 3 thereof, dealing with the temporary assignment of AFSA representative Dr. Hugh F. Gingerich to study the HAZARDO in its initial constructional phases. This represents a minor modification in the original plan of having AFSA observers on the spot throughout construction.
- c. Captain Dennis has agreed to this change concerning AFSA representation during the construction. Dr. Gingerich arrived in Germany 11 September for 60 days' TDY. (See attached Memo from Capt. Dennis to CIA, 24 September 1952.)
- d. SIEMENS u. HALSKE are undertaking production commercially of a junior version of the HAZARDO machine.
- e. ATHENEUM has devised an improvement to the M-209, has turned it over to HAGELIN, and will keep us informed.
- f.

EO 3.3(h) (2)  
 PL 86-36/50 USC 3605

WILLIAM F. FRIEDMAN  
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2 Encls

1. Rpt from CIA, dtd 20 Sept 52
2. Memo from Capt. Dennis to CIA, dtd 24 Sept 52

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