

~~TOP SECRET FIDAR~~*Serial: N 2162
18 Sept 1961*

MEMORANDUM FOR THE SECRETARY OF DEFENSE
(ATTN: Mr. Clyde W. Elliott, Deputy Director,
Office of Special Operations)

SUBJECT: Request for Reprogramming Authority

1. Recent developments in the area which the HAIRLINE program was designed to exploit have resulted in a doubling of potential decrypted plain text. The current equipments have the capacity to exploit only a portion of the available favorable situations. Other promising bust situations are now being backlogged to await additional machines.

2. Additional equipment is urgently needed at the earliest possible date in order to produce more decrypted plain text sooner. During construction, several advances will be incorporated into part of the logic to double the capacity of one of the devices. It is also planned to incorporate this modification into the already existing device after the delivery of the projected new one. Thus, it is expected that most of the promising situations will be exploitable more nearly on a current basis.

3. The cost of the new device and of the modification to the present one will be about \$2,750,000 of which about \$2,000,000 will be C&M money, the remainder RDT&E. The latter funds can be made available within NSA RDT&E funds.

4. Authority is hereby requested immediately to reprogram \$2,000,000 from the FY-62 \$16,000,000 funds which were added on to the FY-62 base budget for purposes of coping with the growing signals problems discussed at that time. This reprogramming can be accomplished with minimum disruption which will not appreciably delay the work originally contemplated when the \$16,000,000 was requested.

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5. Simultaneously with the procurement action for the additional device, Research and Development personnel familiar with the problem have entered into an accelerated three-month study which will result in specifications for additional setting devices. These units are necessary to produce decrypted text by extension of the results developed by the equipment mentioned above and other HAIRLINE equipments. Depending upon the nature of the Research and Development proposals, I may have to request additional funds to procure these units. The amounts will be a matter of further correspondence.

6. Additional details can be made available immediately by Dr. Tordella or myself in case they are needed.

L. H. FROST,

L. H. FROST
Vice Admiral, USN
Director

cc: D/DIR
ADR
DADP
DIR ←
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M/R: Text by D/DIR, ADR, and DADP. Procurement action involved has been coordinated with parties concerned in analysis and exploitation.

L. W. Tordella, D/DIR, 3222/mab