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HEADQUARTERS
 ARMY SECURITY AGENCY
 WASHINGTON 25, D C

GAS24 413.46

DEC 29 1954

SUBJECT: Transmittal of Correspondence on Converter M-209

TO: Director
 National Security Agency
 Washington 25, D. C.
 Attn: Mr. W. F. Friedman

The inclosed copies of correspondence concerning the M-209, and possible release to the Indian Government, are provided in accordance with recent telephone request by Mr. Friedman of your office.

FOR THE CHIEF, ARMY SECURITY AGENCY

Wm. C. Bridges

WM C BRIDGES
 CAPTAIN AGC
 ASST ADJ GEN

3 Incls

1. Cy msg from
 WARCOS, 25 Feb 46
2. Cy msg from CG,
 US Army Forces India,
 4 Feb 46
3. Cy Memo for the Record,
 Subj: Disposal of Excess
 Conv M-209, 20 Feb 46

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25 February 1946

CG USFCT Shanghai China

CG USFIBT New Delhia India

CG USFMTO Caserta Italy

From WARCOS

Converter M-209 is classified hereby as military type I. Desire all class A and B stocks be returned to United States. All class C stocks and any class A and B stocks not returned will be destroyed. For security reasons none should be declared surplus to any disposal agency.

End

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FROM: CG US ARMY FORCES INDIA BURMA THEATER HQ NEW DELHI INDIA

TO: ARMY SECURITY AGENCY

MSG NR: DN-1039

040625Z FEBRUARY 46

WDGSS-80 SISIB

REPORTING FOR YOUR INFORMATION THAT UNDER PRESENT WAR DEPARTMENT DIRECTIVES CONVERTERS M 209 ARE BEING DECLARED SURPLUS BY THIS THEATER. IF PRESENT NEGOTIATIONS BETWEEN INDIAN GOVERNMENT AND FEDERAL LIQUIDATION COMMISSION ARE CONSUMMATED INDIAN GOVERNMENT WILL RECEIVE ALL SURPLUS SUBJECT CONVERTERS

ARNO

AS CM-IN NR: 2286 (04 FEBRUARY 46)

ACTION: WDGSS-80

INFO: WDGSS-60

WDGSS-10

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CRYPTO SECURITY DOES NOT APPLY. HANDLE AS CORRESPONDENCE OF THE SAME CLASSIFICATION PER PARAGRAPHS 44g and 53a (3), AR380-5, 15 MARCH 1944

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COPY

WDGSS-24

20 February 1946

MEMORANDUM FOR THE RECORD

SUBJECT: Disposal of Excess Converter M-209

1. After V-E Day this Agency attempted to block sale of Converter M-209 on the open market as surplus property. These attempts were not successful because it was claimed that the machine is unclassified and can be obtained from the Hagelin Company by anyone. On the other hand, the feeling in Army Security Agency is that the sale of the machine would not materially benefit the civilian economy, while its availability in large quantities at a low price would offer aid to any clandestine operators, would benefit cryptographers of some foreign governments, and would raise the level of cryptographic knowledge throughout the world. This belief was accentuated by the fact that several of the smaller foreign governments are known to be interested in obtaining some of the models being offered for sale in overseas theaters as surplus property.

2. As a result of growing alarm over the situation, Colonel Jones of Security Division on 19 February 1946 called Procurement and Distribution Service, CSigO, to determine the action necessary to block the sale of this device. Mr. Montgomery of that office told Colonel Jones that all theaters had been directed over the signature of Under Secretary of War Royall to sell as surplus any excess civilian items, but to return to the Z/I any repairable military items and to mutilate or destroy non-repairable military items before disposing of them as scrap. The instructions left to the Theater Commander the authority to classify supplies as military or civilian. Mr. Montgomery stated that instructions are enroute to Z/I Signal Depots designating the M-209 as a military item and that on 20 February 1946, a command channel radiogram would be sent to all theaters directing them to class the M-209 as a military item. ASA will receive an information copy of this radiogram.

/s&t/ VERN R. HATCH
Major, Signal Corps

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