REF ID: A67385

SPRCIAL MANDANG DESTRICT

29 September 1953

SUBJECT: Cryptographic Device of Dr Oskar Vierling (W-002)

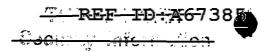
TO:

Chief Army Security Agency Department of the Army Washington 25, D. C.

1. A visit to Dr Vierling disclosed that the Vierling Schluesselscheibe which had been reported previously as being manufactured by Dr Rudolph Hell, in partnership with Boris Hagelin, is not yet in production. As Vierling indicated last year, Huettenhain and Liebknecht had applied for the Swiss patent rights to the Schluesselscheibe which Vierling had permitted to lapse. Vierling contends that they then sold the rights for German manufacture to Dr Hell for a sum in the neighborhood of 80,000 D.M.

2. Hell had previously planned to manufacture a new modified Hagelin, presumably the CX52. According to Vierling, Hell was approached by Huettenhain who allegedly stated that this Hagelin device was not sufficiently secure for German government use and that he and Liebknecht could improve this security by incorporating in some way, elements of the Vierling Schluesselscheibe. Although Hell did not actually use the improvements suggested by Huettenhain, according to Vierling, Huettenhain and Liebknecht are allegedly collecting a royalty from Hell on every machine manufactured for German government use. Vierling, who stated that his information was derived from frequent discussions with Hagelin, attributes the payment of this royalty to Huettenhains great influence with the Bonn government, without which Hell could not sell his machines. Vierling definitely implied a corrupt arrangement, although possibly concealed as payment for

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cryptographic security studies, etc. by Huettenhain and his assistants. It must be stressed that this information is not confirmed.

3. Before Vierling's patent protection expired he made an agreement with Heinrich Gertsch A. G. of Zurich, Switzerland whereby the latter was to manufacture the Schluesselscheibe. Gertsche actually did make a few sample machines, one of which was seen by the assistant TICOM Representative in Vierling's possession. An effort will be made to procure a sample from Gertsch for forwarding to your headquarters.

4. Vierling contends that Gertsch's manufacturing rights are unimpaired despite the fact that Heuttenhain and Liebknecht picked up the expired Vierling patent in Switzerland because Gertsch was assigned these rights by Vierling prior to expiration. Vierling stated that Hagelin is interested in acquiring these Swiss manufacturing rights from Gertsch for 20,000 Swiss Francs but, that he will delay doing so until a market for the device exists.

5. Among other devices of interest which Vierling has developed for G-2, USAREUR are a 15 watt transmitter receiver designed for agent use and disguised as an ordinary portable broadcast receiver and a high speed morse transmitter for agent use using telephone dial to impress magnetic impulses on a wire which is then played back at 65 WPM. The device which is approximately 10x5x2 inches is plugged into a transmitter in exactly the same way as an ordinary radio telegraph key, and enables an agent knowing no morse to transmit messages at high speed. If your headquarters has further interest in these devices, additional information can be secured.

EFECTAL GAMPLING

Aberta - Low

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