

GSAS (17 Nov 47) 672 1st Ind
 SUBJECT: Infringement Claim of Edward H. Nease and Nebraska Code, Inc.

Intelligence Division, GSUSA, The Pentagon, Washington 25, D. C.,
 5 February 1948

To: Chief Signal Officer, Department of the Army, Room 3E 226, The
 Pentagon, Washington 25, D. C., ATTN: Chief, Legal Division

1. The information requested in paragraphs 3a to d, inclusive, of basic letter is of a classified nature, some of it requiring possession thereof to have a cryptographic clearance per Letter AGO-S-3-H 311.5 (16 Sep 46) 18 September 1946, subject: Clearance of Personnel for Cryptographic Duties as Amended by Letter AGO-S (14 Feb 47)RM dated 20 February 1947. It is therefore deemed impracticable to furnish the data without special arrangements therefor having been made in advance, consistent with the requirements of communication security. If the data are desired for the purpose of usage in open proceedings, they cannot be furnished.
2. With reference to the information requested in paragraph 3e, it is believed not only that there is no real basis for a contention of infringement but also that the validity of certain of the claims in the cited patents can be challenged. However, the technical points involved in a contest as to validity of the patents or in refuting claims of infringement are so complex that considerable time, study, and effort will be required to collect and to organize the necessary information. In view of this and of the statement contained in paragraph 2 of basic letter, it is suggested that liaison with the Department of the Navy be commenced without delay. An early conference of representatives from the Army Security Agency, Office of the Chief Signal Officer, Department of the Air Force, and Department of the Navy is deemed to be advisable. Arrangements for such a conference can be made with the Deputy Chief, Army Security Agency, Lieutenant Colonel Paul E. Nease, Code 147, Ext 498.

FOR THE DIRECTOR OF INTELLIGENCE:

3 Inccls
 n/c
 HAROLD G. HOWES
 Colonel, Signal Corps
 Chief, Army Security Agency

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SIGNED AND SENT OUT