

VIA: (SPECIFY AIR OR SEA POUCH)

DISPATCH NO. EGNA-135

Secret - Security Information
CLASSIFICATION

29 September 1952

TO : Chief, EE
FROM : Chief of Mission, Frankfurt
SUBJECT: GENERAL - CASE/Operational
SPECIFIC - WILLI HOETTL
REF - EGQW-301

DATE:	29 September 1952	Check
Hq Action Req.	by cable	
See para	by pouch	
Hq Comments Req.	by cable	
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For info and files		

1. This is not the first time that I talked to F. W. HEINZ about his connections with HOETTL. He always assured me that he had never paid HOETTL any money for his reports, had been well aware of his fabrications but, on the other hand, felt that HOETTL seemed rather well informed on internal Austrian politics which he needed for background information. I did not fail to point out to HEINZ that his continued relations with HOETTL would in the end discredit the entire Blank Office.

2. [] had the bright idea to attach to the above referenced letter from [] an unclassified letter from Lt. Col. Simon N. Granam, copy of which is enclosed. I showed this letter to HEINZ and Achim OSTER on 26 September, and it impressed them more than anything I could have said against HOETTL, because it contained a formal denunciation of HOETTL by a responsible American officer written on official US Army stationery.

3. HEINZ then told me, in the presence of OSTER, that around the middle of August 1952, he (HEINZ) had officially notified HOETTL that he wished to break off all relations with HOETTL, would not accept any more reports from him, and that HOETTL should stop telling people in Austria, he represented the official German intelligence service in Austria as a representative of HEINZ in the Amt Blank. This notice was transmitted to HOETTL through HEINZ's Munich representative, Dr. SCHACHT, who was also ordered to break off all relations, both official and personal, with HOETTL. HEINZ intends to go even further than that. He said he was going to dismiss SCHACHT and offer him a job at the Blank Office as the head of the parachute section yet to be created. Despite this specific "Verbot", HEINZ was aware that SCHACHT would probably still continue his personal contact with HOETTL, and the only way to stop it was to remove SCHACHT

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physically from Munich and bring him to Bonn where he would be out of the intelligence picture entirely. SCHACHT is to be replaced in Munich by HEINZ's Berlin representative, Jakob KOLB, and the latter will be replaced by KOLB's present deputy, GERSTEN. HEINZ will let me know when this reshuffle will become effective.

4. HEINZ authorized me to inform the allied authorities in Austria of this break in relations with HOETTL and even recommended that the allies should take whatever steps they deem necessary to stop HOETTL from representing himself as HEINZ's official representative in Austria. Moreover, HEINZ is all in favor of exposing HOETTL as an intelligence fabricator and swindler.

5. I would like to go a step further. As you know the Bundesamt fuer Verfassungsschutz (BfV) has started to issue warning lists of known intelligence swindlers, and, subject to your approval, I would like to put HOETTL's name on that list. By special arrangement with the BfV, names submitted by the three allies will not be mentioned as coming from any of the allies, but the BfV is given as the source. However, any one of the three allies has the right to ask the BfV which one of the three allies has submitted the names. The list is circulated to all the eleven Landesverfassungsaemter (Lfv's) in Germany, in addition to the intelligence services of the three allies. Here is how HOETTL's name would appear on the list:

Name	:	HOETTL
First name	:	Dr. Wilhelm (Willi)
Cover name	:	
Date of birth	:	
Place of birth	:	
Last residence	:	
Basis	:	Long known in Austria and Germany as a fabricator of intelligence information. His reports normally consist of a fine cobweb of fact, heavily padded with lies, deceit, conjectures, and other false types of information.
Reported by	:	BfV
Placed on list	:	1 November 1952

6. You will note that I have quoted part of Graham's letter verbatim since it beautifully expresses in a very few words the nefarious activities of HOETTL. This is all that is necessary as far as the BfV is concerned, except that you will have to furnish me with the information left blank, i. e., cover name or names, date and place of birth, and last known address. Incidentally, if you wish to place other intelligence swindlers on the BfV warning list, all you have to do is to furnish me the type of information shown above.

Approved by

[S.A.K.]
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