

SECRET TELEPOUCH

DISP NO - EGNA-37384
FILE NO - []
DATE - 9 DECEMBER 1968
INDEXING - NONE
MICROFILM - NONE
TO - CHIEF, CHINA OPERATIONS
INFO - CHIEF, EUR
FROM - []
SUBJECT - KOBIRD/CO - CURRENT STATUS STMURAL/1
ACTION - PLS SEE PARA 5X
REFS - A. [] 8257
B. DIRECTOR 55916 - Co/10

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DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2E
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2008

1. FOLLOWING RESUME RECENT CONTACTS WITH STMURAL/1 FORWARD-
ED PER REF B-

A. DURING 14 OCT CONTACT STMURAL/1'S OFFICE HE APPEARED
INCREASINGLY COOPERATIVE TALKING ABOUT /1/ 17 OCTOBER ELECTRICAL
POWER AND CABLE CONFERENCE CHAIRED BY DR. LEHMAN OF SIEMENS TO
FORMULATE GUIDELINES FOR GERMAN POWER AND CABLE INDUSTRIES IN
FUTURE DEALINGS WITH BLOC COUNTRIES TO AVOID ANTAGONIZING SOVIETS,
/2/ HIS COMPANY'S TRADE WITH RUMANIA CONDUCTED THROUGH COMPANY
AFFILIATE IN PARIS AND /3/ HIS COMPANY'S INTEREST GETTING BACK
INTO CHINA TRADE AS EXEMPLIFIED BY RECENT ABORTIVE EFFORTS SELL
COPPER PLATE WIRE TO CHINA IN COMPETITION WITH JAPANESE, BRITISH
AND ITALIAN CABLE MANUFACTURERS. STMURAL/1 WHO IN TOUCH EXPORT
MANAGERS VARIOUS FIRMS IN ABOVE INDUSTRIES DEALING WITH CHINA
LEFT NO QUESTION THAT HIS COMPANY WILL CONTINUE PURSUE CHINA
TRADE EFFORTS.

B. 23 OCTOBER CONTACT WITH STMURAL/1 AT [] HOME
LARGELY SOCIAL.

C. 14 NOVEMBER CONTACT WITH STMURAL/1 TOOK PLACE AT
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GROUP 1
Excluded from automatic
downgrading and
declassification

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COLOGNE/FRANKFURT AUTOBAHN RESTAURANT AT HIS REQUEST. SHORTLY AFTER MEETING, STMURAL/1, WHO OBVIOUSLY UPSET, PULLED OUT COPY 14 NOV EDITION "DIE WELT" WHICH CONTAINED ITEM THAT SUBJ []/PRESIDENT OF COMPANY/ WAS RETIRING FROM COMPANY END 1968 OVER DISAGREEMENT WITH BOARD RE HOW COMPANY'S AFFAIRS SHOULD BE CONDUCTED. STMURAL/1 HAS BEEN CLOSELY ASSOCIATED WITH SUBJECT FOR SOME THIRTY-FIVE YEARS AND, WITH HIS DEPARTURE, DOES NOT KNOW WHAT FUTURE WILL HOLD FOR HIM UNDER NEW MANAGEMENT. OPINED THAT HE SUPPOSED HE COULD TAKE ANYTHING DURING TWO YEARS HE PLANS REMAIN WITH COMPANY PRIOR RETIRING AT PENSION EQUAL 64 PERCENT SALARY PLUS DM 125 MONTH SOCIAL SECURITY. DURING COURSE CONVERSATION BECAME APPARENT THAT STMURAL/1 DOES NOT FEEL HAS BEEN ADEQUATELY REWARDED FOR HIS MANY YEARS WORK WITH COMPANY. RECOGNIZES THERE WILL CERTAINLY BE NO CHANCE FOR RECTIFICATION UNDER NEW MANAGEMENT.

2. DURING ABOVE CONVERSATION STMURAL/1 SAID PREVIOUS DEALINGS WITH [] HAD BEEN BLESSED PERSONALLY BY SUBJECT. WITH SUBJECT'S IMMINENT DEPARTURE, STMURAL/1 SAID NEW MANAGEMENT MIGHT TAKE DIFFERENT POINT OF VIEW. SAID THOUGH HE WOULD PERSONALLY CONSIDER EXCHANGE OF VIEWS WITH [] THAT ESSENTIAL PROBLEM WOULD BE HOW TO EXPLAIN RELATIONSHIP TO NEW MANAGEMENT. [] SUGGESTED WE DEFER ANY DECISION PENDING FURTHER CONSIDERATION OF PROBLEM. STMURAL/1 AGREED.

3. ON DUE REFLECTION SERIOUSLY DOUBT WHETHER NEW MANAGEMENT TEAM WOULD HAVE SAME STRONG PRO-WOLADY ORIENTATION AS SUBJECT AND THUS DISINCLINED APPROACH THEM. FROM OUR STANDPOINT MIGHT BE WORTHWHILE MAKE EXPLORATORY PROBE TOWARD DETERMINING WHETHER STMURAL/1'S CURRENT DISENCHANTMENT WITH COMPANY COULD BE EXPLOITED CONVERT HIM INTO STRICTLY UNILATERAL ASSET. AS WE SEE IT PRIMARY USE, IF HE AMENABLE, WOULD BE REPORTING CHINESE

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ENQUIRIES FOR ALL TYPES TELECOMMUNICATIONS EQUIPMENT PLUS SALES,
DISCUSSIONS WITH EXPORT MANAGERS OTHER COMPANIES IN HIS FIELD
WHO TRAVEL CHINA PLUS ASSESSMENTS AND AS POSSIBLE LEGAL TRAVEL-
LER IN HIS OWN RIGHT. PRESUME MOTIVATION FOR ANY UNILATERAL
COOPERATION WOULD BE FINANCIAL. IF HQS CONCURS, WILL ATTEMPT
DETERMINE WHETHER SUBJECT CAN BE USED IN ABOVE CONTEXT. IF
GET FAVORABLE REACTION TO LOW KEY APPROACH, WOULD PLAN RECRUIT.

4. PLS ADVISE.

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APPROVED - []

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