

U.S. Officials Only

CONFIDENTIAL

SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

COUNTRY China

SUBJECT The Shanghai Telephone Company: Its Stations, Equipment,
Code Numbers, Labor Union, Financial Problems and
Officials Still in China

50X1-HUM

50X1-HUM

DATE DISTR. 21 October 1953

NO. OF PAGES 3

NO. OF ENCLS.

SUPP. TO
REPORT NO.

50X1-HUM

50X1-HUM

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE
OF THE UNITED STATES. WITHIN THE MEANING OF TITLE 18, SECTIONS 793
AND 794, OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OR REVE-
LATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS
PROHIBITED BY LAW. THE REPRODUCTION OF THIS REPORT IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

1. The Shanghai Telephone Company owns and operates the telephone system in Shanghai, with seven machine switching offices and one manual office. [redacted] it served approximately 95 thousand in greater Shanghai. Originally it was a UK firm, called the Shanghai Mutual Telephone Company. In about 1930, it was purchased by a US firm. The equipment was in poor condition and conversion to automatic switching was begun. This was completed in March 1932. Three old stations - East, North, and West - were abandoned and six new, central automatic stations were built, with new equipment. [redacted]

50X1-HUM

50X1-HUM

2. The new stations were: Wayside-Ward and Paoting Roads; North-North Kiangse Road; Fokien-460 Fokien Road; West-230 Medhurst Road; Pichon-67 Route Pichon; and Montigny-the rear of this station was on the Boulevard de Montigny, behind the Chinese YMCA. Montigny and West were the two stations with French equipment. There was also the Central Office at 232 Kiangse Road. This station retained old automatic equipment [redacted] specially built as 24 V equipment. Difficulties in inter-working occurred, as all other equipment was 48 V. Finally, there was one old, manual station - the Lucerne Station - which served the "Extra-Settlement" area in west Shanghai. [redacted] it was on Lucerne Road, which was unpaved, off Edinburgh Road. Lucerne had a small satellite, manual station located on the corner of Hung-jao and McLeod Roads. It served the Hung-jao Aerodrome and the Hung-jao residential area. All incoming calls to Lucerne and Hung-jao were automatic, but not within the Lucerne exchange.

50X1-HUM

50X1-HUM

50X1-HUM

U.S. Officials Only

CONFIDENTIAL

SECURITY INFORMATION

| | | | | | | | | | | | | |
|--------------|-------|----|------|----|------|----|-----|----|-----|--------|--|--|
| DISTRIBUTION | STATE | -X | ARMY | -X | NAVY | -X | AIR | -X | FBI | ORR-Ev | | |
|--------------|-------|----|------|----|------|----|-----|----|-----|--------|--|--|

CONFIDENTIAL SECURITY INFORMATION/US OFFICIALS ONLY

-2-

50X1-HUM

3. The Shanghai Telephone Company had no control over long distance calls; it served only Shanghai. The toll center for long distance calls was in Chapei, just north of Shanghai.

4. [] the telephone company had equipment for approximately 55 thousand lines [] at that time subscribers' telephones totalled about over 80 thousand. Telephone cables in the city were for the most part underground. Those in the suburbs were aboveground. All the stations, [] had diesel engines and electric generators, which had been installed as sources for emergency power. All telephones were dial "Comsets" (combination receiver and transmitter).

50X1-HUM

50X1-HUM

5. The company used five digit dialing, i.e. a typical telephone number would be 2-3861. The first numeral was the code number, which referred to a specific station. The eight offices had the following code numbers:

Central - 1
 Lucerne (and Hung-jao) - 2
 West - 3 and 6
 North - 4
 Wayside - 5
 Pichon - 7
 Montigny - 8
 Fokien - 9

West Station had the largest amount of equipment. West A used code number "3" and West B, "6". West A was fully equipped for 10 thousand lines and West B had about three thousand lines []. The code numbers and the number of digits were not changed by the Chinese Communists. At least this was true during [] when the Communists took Shanghai)

50X1-HUM

50X1-HUM

6. The above details, of course, indicate that all the code numbers have been used. Therefore, if the number of lines should be increased, there would have to be a change from five to six digit dialing. All the engineering planning work for conversion to six digit dialing had been completed on paper before World War II. Also, the main pieces of equipment - "registers" - already had the necessary wiring for six digit dialing. Therefore, little additional work would be necessary for conversion. []

50X1-HUM

7. When the Chinese Communists occupied Shanghai, trouble began at once, and continued, with the labor unions. One result was a decline of discipline among the workers. Actually, the unions became a source of fear and danger. [] at least, there was no expropriation or official interference with the telephone company, but the Communist authorities used the unions as a weapon against the firm. In addition, the city government of Shanghai had the power of decision whether telephone rates would be raised or not. [] a rate increase was refused, although wages had been raised. The Communists, therefore, possessed the power to drive the company into bankruptcy. The firm, every pay day, was forced to borrow from the Bank of China, a governmental institution.

50X1-HUM

50X1-HUM

50X1-HUM

8. [] There are [] still enough Chinese technicians, who had been with the firm before the coming of the Communists, remaining with the company so that it can be run reasonably well. The danger to the very existence of the company from the unions must not be forgotten, however. [] the Chinese Communists and the Soviets are capable of continuing to provide telephone service for Shanghai, but [] the service would be as of good quality as before []

50X1-HUM

50X1-HUM

50X1-HUM

CONFIDENTIAL SECURITY INFORMATION/US OFFICIALS ONLY

CONFIDENTIAL SECURITY INFORMATION/US OFFICIALS ONLY

50X1-HUM

-3-

9.. The following is a list of the more important officials - all Chinese (there are very few whites remaining with the firm) of the Shanghai Telephone Company, who [redacted] may very well still be with the firm there;

50X1-HUM

a. (fnu) Kiang, an Assistant Vice-President of the company, was left in charge. [redacted]

50X1-HUM

b. Roosevelt Loh remained as General Plant Manager. [redacted]

c. KM Hu (Hu Kung-liang) remained as Plant Superintendent. [redacted]

d. TL Chu became Construction Division Superintendent. [redacted]

e. SF Liu stayed on as Chief Engineer. [redacted]

f. (fnu) Lo was the Plant Engineer. [redacted]

CONFIDENTIAL SECURITY INFORMATION/US OFFICIALS ONLY