

CLASSIFICATION

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

REPORT

CD NO.

25X1

COUNTRY East Germany

DATE DISTR. 8 August 1955

SUBJECT ~~Scientific~~ Scientific Technical Bureau for Instrument Construction (WTBG) (WTBG)

NO. OF PAGES 3

PLACE ACQUIRED

NO. OF ENCLS. (LISTED BELOW) 25X1

DATE OF INFO.

SUPPLEMENT TO REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT 50 U.S.C. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

25X1

THIS IS UNEVALUATED INFORMATION

25X1

technical bureau for instrument construction (WTBG), which provided for deliveries worth 3.5 million eastmarks, exceeded considerably the value of orders on hand. Of the approximately 470 workers of the plant, only 320 to 350 persons could be employed. However, the Ministry for Machine Construction decided in early February that no workers were to be dismissed. The labor of the WTBG was either to be employed in other work, the value of which was to correspond to the missing orders, or additional orders were to be placed. According to a statement by the ministry, it was very difficult to make ZAFM approve additional research orders since the funds provided for research and development work in 1955 had already been spent. This quota not only included the field of HV Feinmechanik-Optik (Main Administration for Precision Mechanics and Optics) but the entire Ministry for Machine Construction, except for Heavy Machine Construction. Several research and development orders for 1955, particularly some from the Ministry of the Interior, allegedly of highest priority, had not yet been approved in early February.

2. Leading personnel of the WTBG believed that the decision of the ministry, according to which in spite of the few orders, no personnel was to be dismissed, as well as the postponing of certain research and development orders tended to indicate that a major change of the entire research and development plan of the Ministry for Machine Construction was to take place in the near future. It was generally believed that this change was connected with the present political situation and was to represent one of the measures to be taken in case of ratification of the Paris Treaties.

3. During the preceding years, the Funkwerk Koepenick which was in a similar situation, shifted its main efforts from mass production to research and development work. Some 250 engineers and technicians in laboratories and construction bureaus were affected by the shortage of orders, but similar to the WTBG, were not to be dismissed.

25X1

4. In early February, the chief of the department Forschung und Technik (research and technic) of the HV Feinmechanik/Optik (Main Administration Precision Mechanics and Optics), Siegel (Hans), stated after a conference that the capacity of the development

25X1

CLASSIFICATION

STATE	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	NSRB	DISTRIBUTION
ARMY	<input checked="" type="checkbox"/>	AIR	<input checked="" type="checkbox"/>	FBI	

SECRET

- 2 -

plants of the HV RFT was utilized to only a small degree. If new basic research and development orders ^{were} approved by ██████████ ZAFPT, the HV RFT, the unutilized capacity of which exceeded by far that of the WTBG, would have to be predominantly employed.

5. In spite of intensive efforts, the WTBG did not succeed in completing by 31 December 1954, the last target date, all orders received during the period that the plant was known as SAG Kabel. This made it necessary for work on these orders to continue in 1955 and in some cases, 1956. Necessary funds were requested from the central agency for research and development of the State Planning Commission. Since large sums were involved, the Ministry for Machine Construction had ordered that a commission of persons not belonging to the WTBG was to check on the reasons for the delay and the increased costs resulting from this delay.

25X1

25X1

In a final ██████████ statement stated that the reasons given by the WTBG for ██████████ additional sums had proved to be sound and there ██████████ funds be allotted and the new target dates be accepted. On this occasion, it appeared that the former SAG Kabel and thus the USSR were responsible ^{the} only for funds allotted prior to 31 December 1953, the date on which ^{the} plant had been made a nationalized enterprise, while all other costs had to be paid by the GDR Zentralamt fuer Forschung und Technik (Central Office for Research and Technics) ~~(ZAFPT)~~ ^(ZFT). Although the requested funds had not yet been allotted and the new target dates had not yet been accepted by the ministry in early March 1955, work on these orders continued.

6. In mid-March, the WTBG learned from the Central Office for Research and Technics that a number of development orders were to be cancelled and replaced by other important orders. The chief of technical organization with the WTBG was informed on the new orders, which were exclusively placed by the MdI. In connection with these new orders, the WTBG established a "secret laboratory" in mid-March. The doors which connected the laboratory with the other rooms were walled up. A glass window of the entrance was replaced by boards and the door was furnished with a security lock. There was no handle. Visitors had to be announced by telephone. The "secret laboratory" was used for work in the field of sonics.
7. For months, all pertinent enterprises and institutes made joint efforts to coordinate research work in the field of ultrasonics. So far, this had been impossible since negotiations with the main party interested, the MdI, were difficult and protracted. In early April, there were many indications that ultrasonics research will in the future be executed in enterprises of the HV Feinmechanik/Optik with the support of a UNCODED institute, probably of the Leipzig University. Work at the department for ultrasonics development in the Funkwerk Koenpnick of the HV RFT was to terminate.
8. The new development plan was drawn up as "Perspektivplan" in late March but has not yet been approved by the Zentrales Amt fuer Forschung und

25X1

SECRET

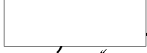
25X1

SECRET



- 3 -

Technik. The new plan provided for approximately 5 million eastmarks for development work instead of 3.5 million eastmarks indicated in the previous plan. On the basis of the increased allotment, the HV Feinmechanik/Optik approved the labor plan with 440 employees. As a result of this plan, 30 persons will have to be dismissed. It is intended to employ the dismissed personnel in other enterprises if possible.



Comments:

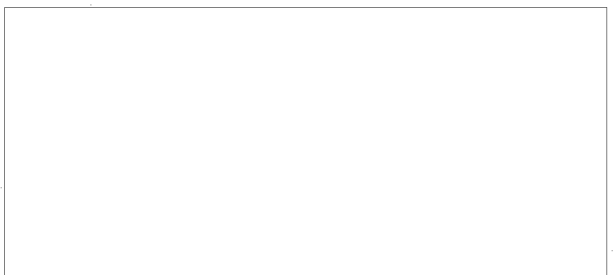
25X1

- 1. Zentralamt fuer Forschung und Technik.
- 2. Ministerium des Innern (Ministry of the Interior).

Innen

*2. Ministerium des Innern
(Ministry of the Interior)*

25X1



25X1

SECRET



CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

REPORT []
CD NO. 25X1

COUNTRY East Germany

DATE DISTR. 8 August 1955

SUBJECT Scientific-Technical Bureau for Instrument Construction (WTBG)

NO. OF PAGES 3

PLACE ACQUIRED []

NO. OF ENCLS. (LISTED BELOW)

DATE OF INFO. []

SUPPLEMENT TO REPORT NO. 25X1

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT OF U. S. C. 56 AND OF AN AMENDMENT. THE TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. APPROPRIATE ACTION IS RECOMMENDED.

THIS IS UNEVALUATED INFORMATION

25X1

1. In early February 1955, the Perspektivplan (long-range plan) for 1955 of the Wissenschaftlich - Technisches Buero fuer Geraetebau (Scientific-technical Bureau for Instrument Construction) (WTBG), which provided for deliveries worth 3.5 million eastmarks, exceeded considerably the value of orders on hand. Of the approximately 470 workers of the plant, only 320 to 350 persons could be employed. However, the Ministry for Machine Construction decided in early February that no workers were to be dismissed. The labor of the WTBG was either to be employed in other work, the value of which was to correspond to the missing orders, or additional orders were to be placed. According to a statement by the ministry, it was very difficult to make ZAFM approve additional research orders since the funds provided for research and development work in 1955 had already been spent. This quota not only included the field of HV Feinmechanik-Optik (Main Administration for Precision Mechanics and Optics) but the entire Ministry for Machine Construction, except for Heavy Machine Construction. Several research and development orders for 1955, particularly some from the Ministry of the Interior, allegedly of highest priority, had not yet been approved in early February.
2. Leading personnel of the WTBG believed that the decision of the ministry, according to which in spite of the few orders, no personnel was to be dismissed, as well as the postponing of certain research and development orders tended to indicate that a major change of the entire research and development plan of the Ministry for Machine Construction was to take place in the near future. It was generally believed that this change was connected with the present political situation and was to represent one of the measures to be taken in case of ratification of the Paris Treaties.
3. During the preceding years, the Funwerk Koeppenick which was in a similar situation, shifted its main efforts from mass production to research and development work. Some 250 engineers and technicians in laboratories and construction bureaus were affected by the shortage of orders, but similar to the WTBG, were not to be dismissed.
4. In early February, the chief of the department Forschung und Technik (research and technic) of the HV Feinmechanik/Optik (Main Administration Precision Mechanics and Optics), Siegels (fnu), stated after a conference with the technical chief of the HV RFT, that the capacity of the development

25X1

CLASSIFICATION []

STATE	<input checked="" type="checkbox"/> NAVY	<input checked="" type="checkbox"/> NSRS	DISTRIBUTION			
ARMY	<input checked="" type="checkbox"/> AIR	<input checked="" type="checkbox"/> FBI				

25X1

SECRET

- 2 -

plants of the HV RFT was utilized to only a small degree. If new basic research and development orders ^{were} approved by ZAFT, the HV RFT, the unutilized capacity of which exceeded by far that of the WTBG, would have to be predominantly employed.

5. In spite of intensive efforts, the WTBG did not succeed in completing by 31 December 1954, the last target date, all orders received during the period that the plant was known as SAG Kabel. This made it necessary for work on these orders to continue in 1955 and in some cases, 1956. Necessary funds were requested from the central agency for research and development of the State Planning Commission. Since large sums were involved, the Ministry for Machine Construction had ordered that a commission of persons not belonging to the WTBG was to check on the reasons for the delay and the increased costs resulting from this delay.

25X1

25X1

In a final report, the commission stated that the reasons given by the WTBG for an allotment of additional sums had proved to be sound and therefore suggested that the funds be allotted and the new target dates be accepted. On this occasion, it appeared that the former SAG Kabel and thus the USSR were responsible, only for funds allotted prior to 31 December 1953, the date on which plant had been made a nationalized enterprise, while all other costs had to be paid by the GDR Zentralamt fuer Forschung und Technik (Central Office for Research and Technics) (ZAF). Although the requested funds had not yet been allotted and the new target dates had not yet been accepted by the ministry in early March 1955, work on these orders continued.

6. In mid-March, the WTBG learned from the Central Office for Research and Technics that a number of development orders were to be cancelled and replaced by other important orders. The chief of technical organization with the WTBG was informed on the new orders, which were exclusively placed by the MdI. In connection with these new orders, the WTBG established a "secret laboratory" in mid-March. The doors which connected the laboratory with the other rooms were walled up. A glass window of the entrance was replaced by boards and the door was furnished with a security lock. There was no handle. Visitors had to be announced by telephone. The "secret laboratory" was used for work in the field of sonics.
7. For months, all pertinent enterprises and institutes made joint efforts to coordinate research work in the field of ultrasonics. So far, this had been impossible since negotiations with the main party interested, the MdI, were difficult and protracted. In early April, there were many indications that ultrasonics research will in the future be executed in enterprises of the HV Feinmechanik/Optik with the support of a university institute, probably of the Leipzig University. Work at the department for ultrasonics development in the Funkwerk Koeppenick of the HV RFT was to terminate.
8. The new development plan was drawn up as "Perspektivplan" in late March but has not yet been approved by the Zentrales Amt fuer Forschung und

25X1

SECRET


SECRET



25X1

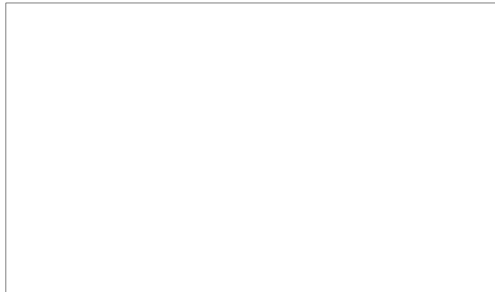
- 3 -

Technik. The new plan provided for approximately 5 million eastmarks for development work instead of 3.5 million eastmarks indicated in the previous plan. On the basis of the increased allotment, the HV Feinmechanik/Optik approved the labor plan with 440 employees. As a result of this plan, 30 persons will have to be dismissed. It is intended to employ the dismissed personnel in other enterprises if possible.

 Comments:

25X1

1. Zentralamt fuer Forschung und Technik.
2. Ministerium des Innern (Ministry of the Interior).



25X1

SECRET



25X1