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THE SECRETARY OF DEFENSE
WASHINGTON
MAR 3 1959

etc

Dear Allen:

Thank you for your expression of keen interest, on behalf of the U.S. Intelligence Board and Dr. Killian, in the Army's acoustic intelligence project NEW PRODUCT.

Last year funding arrangements were made here to enable the Army to develop and field-test this project and to bring it into operation on the basis of the promise it showed for [redacted] intelligence. Since that time, the Army's estimate of FY 1960 costs has substantially risen, based on the conclusion that a more comprehensive system is needed to give optimum results.

We share with you the desire to resolve as soon and as favorably as possible the situation respecting NEW PRODUCT. We are therefore pressing inquiries concerning its various potential uses, its potential in relation to other systems, and certain budgetary aspects. When these facts and evaluations are assembled, we shall all have a better basis on which to judge what scale of support is desirable and feasible. I will keep you currently informed of developments; and I much appreciate your offer of assistance by the Board in establishing and improving the effectiveness of the project.

Sincerely yours,

John A. Gray

Honorable Allen W. Dulles
Director
Central Intelligence Agency

*Copy of this ltr made & sent to
Mr. Lemille, AD/ST per
instructions Kitty Morgan 3/31/59.*

OSD REVIEW COMPLETED

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Document No. _____
Review of this document by CIA has determined that

- CIA has no objection to disclosure
- If possible, the review of CIA info in this report remain classified **TOP SECRET** Authority: **OSD 7C2** (C)

If essential, review of CIA interest
Date 20/2/59 Reviewer [redacted]

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CENTRAL INTELLIGENCE AGENCY

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original
Give to June -

*Dr. Scoville should
have copy also.*

*CPC
(5/6/59)*

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