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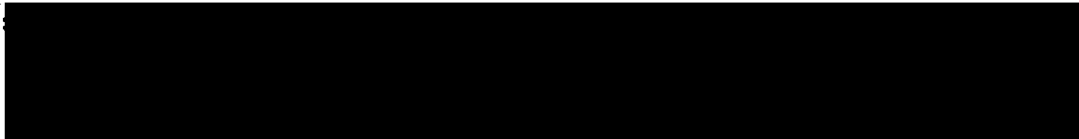
COUNTRY: U.S.S.R.

SECURITY INFORMATION

U 16440

SUBJECT: First State Watch Factory

SOURCES:




INTELLOFAX 21

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1. The Dueber-Hampden Watch Company, Canton, Ohio went into receivership in 1927. The machinery and tools were sold to Amtorg Trading Company for U.S.\$325,000. Amtorg also bought a considerable supply of finished and semi-finished parts.
2. Part of the equipment was considered excess by the Soviets and sold in the U.S. The remainder was shipped to Moscow in 1930 for installation in the First State Watch factory. The shipment made up 27 rail cars.
3. Some Soviet representative, including the plant engineer, had come to Canton to check the shipment. They returned to Moscow with 21 former employees of Dueber-Hampden. In Berlin, the Soviet engineer deserted the party and refused to re-enter the U.S.S.R.
4. The Dueber-Hampden company began operations in 1888 and the bulk of the machinery was worn and obsolete. A fair estimate of the capacity of the equipment would be 200 watches daily. But before the Americans left, the Soviets had set up production goals of several times this figure. The equipment would be useless for other work.
5. After the Americans returned home, numerous inquiries were made by mail to the watch factory, the Moscow English language paper, and Amtorg, as to how the plant had progressed but no replies were received. The only report had was picked up in Switzerland by a former Dueber-Hampden employee of Swiss origin. He met an exiled Soviet Army officer while on a visit to Switzerland in 1947, who said the plant had not done well and was practically closed. His explanation was that the Soviets were not adapted to precision work.

~~[An album of pictures, two separate photos of the watch factory, and a city map of Moscow showing the location of the watch factory have been sent G.M.P. Staff on a loan basis]~~

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