

Serial: 594
22 MAR 1952

Dr. M. J. Felly, President
Bell Telephone Laboratories, Inc.
463 West Street
New York 14, New York

Dear Dr. Felly:


In May 1951 you were most generous in making available to this Agency the services of Dr. Claude E. Shannon of your company as a consultant on certain problems in which he is eminently qualified to assist us.

It has become apparent that Dr. Shannon could, if he were made available to this Agency in the immediate future for a month of continuous service, be of considerable aid in our work on an especially vital problem now confronting us. I fully realize that the absence of Dr. Shannon will be a source of inconvenience to your organization, and you may be sure that only the most compelling reasons cause me to make the request.

In your letter of May 11, 1951, to General Walter B. Smith, Director of Central Intelligence, making available Dr. Shannon's participation, you proposed that his services be contributed by the Laboratories, with reimbursement to him by the Government for incidental travel and living expenses. This arrangement has been eminently satisfactory. You mentioned, however, that should the need for Dr. Shannon's continued participation in the program arise, you would like to reconsider the extent and scope of such participation and the basis on which it should be arranged. I might say at the moment that we would be glad to pay Dr. Shannon the usual consultant's fee of \$50.00 per day in addition to the usual per diem allowance in lieu of subsistence, and incidental travel expense. Should you wish, however, to discuss in more detail the considerations arising from a month-long absence of Dr. Shannon, I shall be most happy to do so either by telephone or by correspondence.

Please accept my appreciation for your past cooperation, and let me assure you again that only the most urgent consideration of National Defense prompts me to make the request.

Sincerely,


RALPH J. GANIE
Major General, US Army
Director, Armed Forces Security Agency

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RE: RFPeterson/AD/60219/nrp/21 Mar 52