

March 13, 1936

## MEMORANDUM ON CIPHER DEVICE TYPE M-138

1. On March 10 I visited Intelligence Section, Coast Guard HQ, and saw Mr. Price, the contractor who made the Treasury Department form of strip cipher device. I outlined to him what I had in mind, as per memo dated March 9, 1936, and he agreed to cut up (at no expense to the Government) some of the waste sheets of bakelite left over (spoils, etc.) from the Treasury contract.
2. On March 12 Mr. Price brought the sections to Washington and I got them from Coast Guard HQ. On March 13 I brought them to this office, showed the assemblies to my personnel, and also phoned Navy.
3. Lieuts. Wenger and Wood came over from Navy Code and Signal Section to see the device. They agreed it had excellent cryptographic features, with great security. Lieut. Wood said it was a question of not stopping work on their present order for 500 of the metal type M-138. Further developments may be expected shortly.

  
William F. Friedman.