

(SC)A8-5/AM
Op-16-B-10
A8-5/OM/Sperry
Gyroscope Co.
Serial 01353116

CONFIDENTIAL

JUN 11 1942

From: The Vice Chief of Naval Operations.
To: The Assistant Secretary of the Navy (SCSND).
SUBJECT: Sperry Gyroscope Company, Brooklyn, New York.
Enclosure: (A) Conf. ONI summary memorandum, dated June 4, 1942, same subject.

1. The Vice Chief of Naval Operations is informed that the subject corporation is engaged in important confidential contracts for the United States Navy for the manufacture of equipment for the Bureau of Aeronautics, the Bureau of Ordnance, and the Bureau of Ships.

2. From time to time, information has been received by the Office of Naval Intelligence concerning general conditions in the subject corporation and information concerning possible disloyalty on the part of personnel of the corporation. This information has been forwarded to the interested Bureaus as it has been received, but a recent summary of this information has been made in an endeavor to get a clearer picture and better perspective. This summary is forwarded for information as enclosure (A).

3. It has been recommended to the War Department that proper measures be taken to insure the security of confidential information at the subject corporation and that appropriate action be taken concerning the individuals suspected of subversive activity.

H. E. KITCHEN,
By direction.

cc: Asst. SecNav for Air
Chf. Bureau
Chf. BuOrd
Chf. BuShips
DIO JND

Dictated June 9, 1942
Dictated by Lt. Elliott Earl
Typed by J. J. Brady

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H. E. KEISKER,
By direction.

cc: Asst. SecNav for Air ✓
Chf. BuAero
Chf. BuOrd
Chf. BuShips
DIO 3ND

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NAVY DEPARTMENT
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON

June 4, 1942

MEMORANDUM FOR THE FILES

Subject: SPERRY GYROSCOPE COMPANY, Brooklyn, New York.

1. The subject company, often referred to as the "factory branch of the United States Navy", has been extensively criticized in recent months for the surprisingly large amount of pro-Nazi sentiment and activities among its employees. Allegations have been made of espionage, sabotage, the intentional slowing down of production, distribution of subversive propaganda, anti-Semitism, and Bund membership among the personnel. All available information in the files of the Office of Naval Intelligence, when assembled, substantiates for the most part this criticism. The situation at subject plant, insofar as it pertains to personnel, may be summarized as follows:

(a) Approximately fifty employees are believed to be in sympathy with or in the service of the enemy. The majority are naturalized citizens of German birth who work as skilled technicians, some in key positions where they have access to classified information. There is no evidence that this personnel is concentrated in any one part of the plant; on the contrary, it is dispersed among the various buildings of the establishment.

(b) Seven employees have already been discharged for subversion; one of these, Everett M. ROEDER, a member of the notorious spy ring apprehended by the FBI in July 1941, pleaded guilty to the specific charge of supplying a foreign government with information on defense plans. Furthermore, in two of the most highly publicized trials of recent years, the RUMRICH trial in 1938 and the LUDWIG spy case of 1941-42, the Sperry Company was mentioned as one of the more fertile plants for Nazi underground workers.

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(ENCLOSURE)

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(c) There is no reason to suppose that the entry of the United States into war has diminished the attempts at espionage. Two employees, Max LACHMANN and Hans GRONNEBERG, suspected as spies in the past, are still employed by the subject company. The FBI is in receipt of an intercepted letter definitely referring to LACHMANN'S efforts to secure blueprints.

(d) Although no specific cases of sabotage have been reported, one individual, Bernard WIMMERSCHOFF, recently taken into the employ of Sperry, is accused of having engaged in sabotage of airplanes destined for England or the U.S. Army. One instance of distribution of subversive propaganda in the plant and two cases of intentional slow-downs in the construction of a new branch building have been reported.

(e) Of the fifty suspects, more than twenty are known to be German born; the majority are reportedly so. More than twenty have made pro-Nazi remarks in their conversation; at least seven have had relationships with the German-American Bund; five purchased Rueckwanderer marks or German securities.

(f) There is no direct evidence of disloyalty among the company officials. The management has, however, remained complacent in matters of plant and personnel security. On more than one occasion it has shown itself reluctant to make changes recommended as a result of FBI and ONI surveys. The personnel manager, David G. CLICK, has repeatedly defended the loyalty of employees suspected of subversive tendencies. The management of the subject plant has been traditionally linked with Japan as a result of the close relationship of the late Elmer SPERRY and, to a lesser extent, of his successor, Thomas MORGAN, with ranking Nipponese naval officers. The Sperry Company is presently linked, although perhaps unwittingly, with certain individual Italian and South American Fascists.

(g) There is no indication of labor trouble. The plant operates under an open shop agreement; some of the employees belong to the American Federation of Labor, others to the Brotherhood of Scientific Instrument Makers of America, a company union the president of which is an

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employees at the plant. It has been reported that the continued employment of Nazi elements results from the close association of the company and the union in their preference for personnel of German stock. Left-wing elements allege that Sperry is anti-Semitic and anti-Negro in its employment policy. There is little evidence of Communist activity in the plant. Recent newspaper articles point to a loss of morale among the employees due to periods of enforced idleness which result from the peculiar nature of the high precision instruments manufactured by Sperry.

(h) To date, seven Alien Questionnaires have been submitted. Of these, six have received consent for employment by the Secretary of the Navy, with one pending. Two Personnel Security Questionnaires are pending. None of the subjects of these questionnaires is suspected of subversive tendencies; the company has submitted no questionnaires, on the other hand, for those suspected of Nazi activities.

(i) The personnel is presently under surveillance by the Office of Naval Intelligence through the FBI pursuant to the request of the Assistant Secretary of the Navy dated 11 March 1942.

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PLANT PRODUCTION

2. Sperry Gyroscope Company maintains, aside from its main plant at 36-48 Flatbush Avenue Extension, five branch buildings, all in Brooklyn, an experimental division in Garden City, L.I., and a new branch plant at Lake Success, New Hyde Park, L.I. This company is the largest of several subsidiaries of the Sperry Corporation, a holding company, located at 30 Rockefeller Plaza in New York. (Other subsidiaries include Sperry Products, Inc. in Hoboken, N.J., the Ford Instrument Company, the Waterbury Tool Company, and Vickers, Inc. It must be noted, for the sake of clarity, that these companies are not included in the instant report inasmuch as each subsidiary has independent jurisdiction over its personnel.) The subject company is engaged in the manufacture of instruments used as aides to navigation and gunfire for both ships and aircraft. These are, for the most part, precision instruments of a classified nature, on many of which

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Sperry maintains a virtual monopoly. Although the Sperry bombsight, type S1, is not, as has been alleged, "the greatest single military secret in the world today" (Saturday Evening Post, 12-2-39, p. 34) - it is less highly classified than the Norden bombsight, for example - the details of the Sperry instrument are nevertheless of a sufficiently confidential nature to warrant careful protection from enemy agents. Moreover, the highly complex nature of the many precision instruments - it has been estimated that more than 75,000 separate parts are continually en route through the Sperry shop - greatly enhances the possibility of espionage and sabotage.

3. The subject company has contracts with the Bureaus of Ships, Aeronautics, and Ordnance amounting to approximately \$26,000,000.00 at the present time. As a result of the many types and complexity of instruments in production and the difficulty in obtaining perfect synchronization of effort - many instruments have been developed only since the beginning of the war - the company finds itself ahead of schedule in some contracts, behind in others. This situation has apparently caused unavoidable periods of idleness in certain sections of the establishment with a consequent loss of morale among the personnel (see below paragraph 10).

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MANAGEMENT

4. There is no direct indication that the officials of subject plant are disloyal. They have repeatedly, however, evinced a certain reluctance to comply with recommendations made by the FBI, National Bureau of Industrial Protection, and Naval Inspectors of the district. One plant inspection report states that "the management gives the impression that their interest in security is somewhat abstract and indicative of complacency". (Third Naval District report dated 2-19-42.) Recommendations have been made repeatedly that a photographic identification badge system be instituted; to date there is no record in the files of the Office of Naval Intelligence that this suggestion has been adopted.

5. This complacency is perhaps best exemplified by the activities of the personnel director, David G. CLICK. When in February 1941 the FBI requested that the Sperry Gyroscope application form be enlarged to include information on relatives of foreign-born applicants, Mr. CLICK showed himself extremely unwilling to

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effect this change. When asked to explain the reason that copies of the Sabotage Act had not been distributed to personnel, Mr. CLICK replied that "he did not want to put ideas in the employees' heads" (FBI Plant Survey report, 1-9-40, p. 16). Mr. CLICK has repeatedly defended employees suspected of subversive tendencies. He has declared himself satisfied with the loyalty of one Gunther ENGEL, allegedly a member of the German-American Bund; of Frank KELLINGER, a machinist, although the latter refused to serve in the United States Army in 1918 on the grounds that he was at the time an enemy alien; of Ernest SEIFERT, reported to be strongly pro-Nazi and a member of the German air force during the last war; of Walter J. PULSCH, allegedly very pro-German in his conversation and a frequent visitor at Yorkville; of Hans GRONNEBERG, suspected of espionage. The employee who reported GRONNEBERG'S activity has been dismissed; GRONNEBERG was retained at the subject plant. When asked his opinion of William E. BERG, draftsman, who is reported to gloat over British losses and to have Nazi tendencies and who claims that the United States is "ripe for revolution", Mr. CLICK replied that BERG is "very childish". In February 1942, Mr. CLICK vehemently denied the allegations of the New York State Police that Frank ILG, Sperry employee, is identical with one Frank OLLIG, whose automobile was observed at a meeting of the German-American Bund, Camp Nordland, N.J.

Mr. CLICK has been associated with subject company since 10 February 1938. On 28 June 1935, at the age of twenty-seven, he received a commission as Lieutenant Commander, I-V(S), USNR, but has not been called to active duty. A letter from the Chief of Naval Operations to the Bureau of Naval Personnel, dated 8 April 1942, recommended that CLICK be discharged from the Naval Reserve at his own request, on the ground that he is of greater value to the Government in his present civilian occupation than as an officer in the United States Naval Reserve.

6. Allegations have been made that the management is traditionally pro-Japanese because of the many personal and business connections of the late Elmer SPERRY, founder of the company, with ranking military officers of Japan. Thomas ROBINS, a member of the Naval Consulting Board during the first World War, in a letter to the Office of Naval Intelligence dated 11 December 1941 cites a Japanese book, Dr. Sperry as We Knew Him, to substantiate his claims that the Japanese Navy has been amply provided with Sperry devices. Mr. ROBINS states further: "Often when I went to his (Dr. SPERRY'S) works I found him explaining his newest inventions to officers of the Japanese

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Navy". Dr. SPERRY died in 1930. There is no direct evidence of more recent contacts between the subject company and Japan. Mr. ROBINS implies, however, a certain suspicion of Mr. Thomas MORGAN, president of the Sperry Corporation and chairman of the board of directors of Sperry Gyroscope Company, when he quotes from the aforementioned book to the effect that Mr. MORGAN accompanied Dr. SPERRY on one of his visits to Japan, and that in 1930 Mr. MORGAN sent an engineer to Japan to demonstrate the latest compass perfected by Sperry.

7. The management is further linked, although perhaps unwittingly, with certain suspected South American and Italian Fascists.

(a) On 28 February 1942 the company asked permission of the War Department to receive Captain Tulio Regis NASCIMENTO of the Brazilian Army for the study of fire control directors upon his arrival in the United States. According to a United States Coast Guard intercept of 19 February 1942, NASCIMENTO is believed to be in the pay and service of the Nazi Government. The War Department did not grant this permission; consequently, no further information on the relationship between NASCIMENTO and the subject company has been gathered.

(b) In February 1942, John SIRIGNIANO was accepted for employment at Sperry. SIRIGNIANO, a naturalized citizen of Italian birth and one time confidential secretary to Italo VERRANDO of the Italian Steamship Line, allegedly carried from the Italian Government the secret orders for the sabotage of Italian ships in United States harbors in May 1941. SIRIGNIANO was discharged in April 1942, but is presently appealing his case.

(c) Mrs. Katherine DANE, alias Mrs. SAXE-AUERBACH, a known Fascist, has, according to a report from the Third Naval District, "become friendly with the MORGAN family, who are reputed to be interested in the Sperry Gyroscope Company". (It is possible that this information results from a confusion of the J. P. MORGAN family and that of Thomas MORGAN. There is no evidence that the former has any interest in subject company.) Mrs. DANE is a colorful character who resides on Park Avenue and has maintained three summer homes. The source of her income is unknown. According to her own statement, she was sent to this country about six years ago by MUSSOLINI in connection with certain oil contracts, and is now intimately associated with Paul MAURANTI, a known Fascist and owner of a shipyard at Trieste presently residing in the United States.

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8. The loyalty of Robert B. LEA and P. R. BASSETT, vice-presidents of the subject firm, has never been questioned. It should be noted, however, that it was Mr. LEA through whose "kindness" John SIRIGNIANO, according to his own statement, was able to obtain employment with Sperry. Mr. BASSETT was mentioned during the proceedings of the RUMRICH trial as having made a trip to Germany in 1937. "Shortly after BASSETT returned from Germany, two German aviation experts and factory owners visited the Sperry plant and inspected it with the exception of the restricted sections". "(This information was provided in the course of the trial by Johannes STEUER, Nazi suspect and former Government Inspector at the Sperry plant.)

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LABOR SITUATION

9. Two unions are represented in the subject company. Employees of the foundry shop and the pattern shop are members of the American Federation of Labor and have evidently given no cause for dissatisfaction on the part of the management. The more skilled machinists belong to the Brotherhood of Scientific Instrument Makers of America, a company union the president of which is an employee of Sperry. This organization purportedly contains a large membership of German stock; it is, in fact, believed that the union is partially controlled by a Nazi element. On 20 February 1942 a confidential informant reported to the FBI: "One of the machinists working for the Sperry Gyroscope Company has told me that Nazis belonging to the Bund and who openly preached Hitlerism before December 7 are still working in that place. Reason - they are staunch active members of the company union!!!".

10. The management is allegedly anti-Semitic and anti-Negro in its labor policy. On 23 February 1942 the FBI received a complaint that "they (subject company) employed men with Axis allegiance tendencies and forbid Jewish employees despite the fact that many of them have ancestors that go as far back as Revolutionary times and have fought in previous United States wars". On 6 March 1941 it was reported that as a result of subject company's refusal to employ Negroes a demonstration had been planned by the American Peace Mobilization and the National Negro Congress, to center around the Brooklyn plant. There is no indication that this demonstration took place.

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11. Communist influence has been maintained at a minimum. Three employees are presently on file, Sol KORB, machinist, reportedly a Communist in 1936; Arnold SCHUMACHER, investigated in 1934 and now under surveillance; and Andrew BORYSKO, whose automobile was observed at a convention of the American Peace Mobilization in 1941. There is no evidence that these employees have been engaged recently in subversive activities.

12. The Sperry Company has in the past taken pride in the high morale and esprit de corps of its employees. According to an article in Fortune for May 1940, Mr. MORGAN has tried to instill "among his men the down-to-earth friendliness of the sociable North Carolina back country from which he came". (p. 96.) In view of the fact that the plant has recently expanded to a total of six thousand employees (as of December 1941), this spirit has become increasingly difficult to maintain. Two recent articles in the newspaper P.M. imply, moreover, a certain amount of discontent among the workers as a result of enforced idleness and shortages in basic tools and equipment. An article dated 13 April 1942 states that "Sperry workers spend their working hours using war production machines to make trinkets for their personal use". Complaints by the workers about this condition were allegedly met with indifferent shrugs by their immediate superiors. According to an account dated 14 April 1942, the shortage of ordinary accessories and tools has often caused the workers to pay for such equipment themselves at neighborhood hardware stores. "Any number of workers, disgusted because they were not provided with simple wrenches, bought their own. Some asked their bosses to supply them. This, they said, was typical of replies they got: 'You fellows are making enough money to buy your own'".

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SUBVERSIVE ACTIVITIES

13. Real and alleged subversive activities at subject plant include espionage, intentional delays, and distribution of subversive propaganda. There is little direct evidence of sabotage in the establishment. A fire in the interior of a baking oven on 5 January 1941 and the destruction of an anti-aircraft searchlight reflector on 5 June 1941 brought about FBI investigations which uncovered no evidence of sabotage. One Bernard WIMMERSCHOFF, a German-born mechanic who came to Sperry from the Edo Aircraft Corporation, is reported to have engaged in sabotage of airplanes destined for England or the U.S.

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Army. An FBI investigation developed no specific information on the subject.

Espionage

14. There is ample evidence that the Sperry Company has been fertile territory for German operatives since the advent of Hitler.

(a) In the course of the trial of Guenther RUMRICH in 1938 it was pointed out by Dr. GRIEBL, an informant, that one Johannes STEUER, a Government Inspector employed at Sperry, was actually a contact man for German Military Intelligence agents, and that he had supplied them with designs used in connection with the construction of bombsights. Although STEUER denied this accusation, he was subsequently relieved of his post at the subject company.

(b) By virtue of its employment of Everett M. ROEDER, Sperry Gyroscope figured in the spy round-up conducted by the FBI in June 1941, described by Mr. HOOVER as the "greatest of its kind in the Nation's history". ROEDER, a native American and an engineer and designer at subject plant, was arrested on 29 June 1941 with twenty-eight other spies, and at first denied all charges against him. On 2 September, however, he pleaded guilty to the specific charge of supplying a foreign government with information on defense plans. He is no longer in the employ of Sperry.

(c) In the course of the more recent trial of Kurt LUDWIG and his associates, Miss Lucy BOEHMLER, the eighteen-year old star witness, testified that LUDWIG had received a long, penciled discussion of the monthly output of Sperry bombsights from a friend of Mrs. Helen Pauline MAYER, another defendant. It is known that LUDWIG was deeply interested in Sperry, as well as other aircraft factories; in his messages, in fact, he used code names for them, referring to the Brewster Aircraft Company as "Bessie", to the Grumman plant as "Grace", and to Sperry as "Sarah". LUDWIG was subsequently convicted and sentenced to twenty years of imprisonment, the maximum peace-time penalty for espionage in the United States.

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15. There is no indication that the entry of the United States into the war necessarily diminished the amount of espionage at subject plant. Three individuals, already suspected as spies, are still employed, according to information in the files of the Office of Naval Intelligence.

(a) Max LACHMANN, lathe operator, is the subject of an intercepted letter dated 5 May 1940, quoted in part as follows:

"Mr. Krebs

"Dear Friend:

"I am very sorry i lost your address and couldn't write you before, but now that Georgia got your address i want to inform you that Max Lachman at the Sperry Corp. 40 Fulton Street Brooklyn where he works couldn't git the Blueprints and other informations because the Rooms of the 3d floor is locked and guarded in fact there were one arrest allready and Max is at present afraid to take any chance but promised to H. to give all informations as before. I think this is true because they trust him very much also he is now an American citizen and he couldn't lead them to suspicions on him if something happens because he is to smart nothing like the old Fatherland i hope Hitler wind up with Victory

"Yours Mutually
"G.A. Young."

Subsequent investigation disclosed that LACHMANN is German-born, immigrated to the United States in 1930, and was naturalized 10 February 1937. He has been with subject company since 1937, where his work has been "very satisfactory". He has a good reputation in his neighborhood; no subversive activities were noted by the investigator. The identity of Mr. KREBS and of G. A. YOUNG has not been established. Mr. CLICK advised that LACHMANN is not employed in such a capacity that he would have access to confidential information by reason of his position.

(b) Hans A. E. GRONNEBERG, one of the key men in the methods section, is suspected of espionage as a result of information supplied by a subordinate in his section. On

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6 September 1938 William H. SMITH voluntarily reported to FBI agents that six weeks previously certain assembly operation sheets which he had prepared for GRONBERG "suddenly disappeared as if into thin air". GRONBERG, upon being questioned by SMITH, seemed "very evasive", but finally stated that he had transmitted the sheets to the chief clerk. The clerk in turn denied that he had ever received the documents. The sketches reappeared approximately two weeks later with no explanation as to their whereabouts in the interim. SMITH emphasized the importance of GRONBERG's position in the methods section, where he "has complete control and custody of all drawings in connection with the director, the bombsight and other fire control equipment, keeping copies of all drawings in a steel cabinet file to which he alone has access and complete control". SMITH affirmed his suspicions of GRONBERG, "especially since he has a brother, a German citizen as far as I know, who is a mate on a German steamship". In a later report SMITH stated that GRONBERG "still persisted in holding up drawings which pass over his desk". In May 1939 SMITH was discharged from the subject plant; he immediately reported to the FBI that, according to one of the officials of the firm, his dismissal resulted entirely from his allegations against GRONBERG. In the opinion of FBI agent C. K. LEE, "SMITH appears to be the type of person who is overly suspicious of activities going on about him". An investigation of GRONBERG revealed that he is a native of Norway, arrived in the United States in 1914, and was naturalized in 1924. No subversive tendencies were noted by the investigator.

(c) Carl LANGE, a machinist who has recently accepted a position with Sperry, is suspected of espionage on the basis of statements made by his wife, Alma Frieda LANGE. In November 1940, when he was seeking his present job, Mrs. LANGE stated, according to a reliable informant, that she was anxious that her husband obtain this position "so that he could get information about machines and blueprints which could be forwarded to Germany". There is strong evidence that Mrs. LANGE is violently pro-Nazi. Although LANGE himself has maintained a judicious silence, the informant believes that he is dominated by his wife. LANGE was born in Schlesevig, Germany, arrived in the United States in 1923, and was naturalized in 1931.

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Delays in Construction

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16. Aside from the seemingly unavoidable delays described above (paragraph 12), there is no record of any intentional slowing down in the production of military equipment. The FBI has received two reports, however, of alleged delays in the construction of the new plant at Lake Success, New Hyde Park, L.I.

(a) An anonymous letter dated 5 January 1942 states that "a braggart of Italian descent was boasting that he is employed by the Sperry Gyroscope Company which is building a defense plant at Lake Success He boasted that the men work less than WPA workers did, inasmuch as they are experts in the art of stalling, and anyway, the Government can afford to pay for it".

(b) In April 1942 an anonymous communication was received accusing one Rudolf DETTMERING, a bricklayer, of delaying the completion of this same plant. DETTMERING is reported to have two brothers in the German Army, predicts HITLER's invasion of the United States, and discourages the purchase of Defense Bonds. To date the Office of Naval Intelligence has received no investigation report on DETTMERING. The Resident Inspector of Naval Material has advised that several individuals alleged to be employed by Sperry are in reality employed by Stone & Webster, 90 Broad Street, New York, which company is in charge of the construction of the Lake Success plant. It is possible that DETTMERING is in this category.

Subversive Propaganda

17. Subversive propaganda has allegedly been disseminated within the plant by an employee named McGEE of the shipping department. An anonymous informant enclosed in a letter to the FBI, postmarked 24 January 1942, a copy of an extremely anti-Semitic poem written by McGEE and ending with the line: "Damned if I don't think Hitler is right". The author reportedly passed around typewritten copies among the employees of the company. There is no record of an investigation of McGEE in the files of the Office of Naval Intelligence.

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18. Aside from the specific activities alluded to above, the following general comments on subversive sentiments and tendencies may be noted:

(a) Although all the suspects are American citizens - in line with Sperry's rigid policy toward the employment of aliens - the majority are either naturalized Germans or of German parentage.

(b) More than twenty are reported to have made definitely pro-Nazi remarks in their conversation.

(c) A large percentage has allegedly had relationship with the German-American Bund. Edward A. KANGASIER, discharged in 1940, admitted his membership; Eugene HAUE, employed as a mechanic, is known to have been active at Camp Siegfried; Alfred BAUER, Frank ILG, Rudolf KOENIG, and Carl SPAR are all reported to have been associated with the organization; Karl MEITZ and Paul WHITMAN are listed among those Bund members whose pictures were recently published in a New York newspaper.

(d) Eight individuals have been implicated in the purchase of Rueckwanderer marks or German securities. With the exception of Edward BADENBACH, Walter DOERING, Bernhard GOETZ, Rudolf KOENIG, and Charles MEDEL, these employees have since been discharged.

(e) The subversive elements are, on the whole, distributed among the various buildings of the establishment. However, the majority of those whose occupations are on file are machinists or assemblers. A concentration of Germans is reported in the development shop, under Joe BRENNER, foreman, a recently naturalized citizen. The German language is spoken on occasion there. Willie WIENER, one of the more suspicious employees, works as a skilled mechanic in this shop. Three alleged Nazis, William BERG, Henry CHRISTOPHERSON, and James DONET, are located in the Garden City research building.

(f) An examination of the list of subversives reveals that many employees work with close relatives and in-laws in the subject plant. The BAUER brothers, the ROSES, father and son, CHRISTOPHERSON and his brother-

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in-law LANGER, SCHERER and his brother-in-law MISCHLER, the WINNERS, father and son - all these names seem to point to a concentration of pro-Nazi elements, more closely bound by family ties.

(g) Since 1940 seven employees have been discharged for known pro-Axis activities. That more subversives are continually attempting to replace them is indicated by four very recent allegations against suspects said to be seeking employment with Sperry (See below, paragraph 21).

19. The following is a list of those employees at subject plant most strongly suspected of subversion (to be distinguished from paragraph 20 listing those suspected primarily on the basis of their association with undesirables.):

(1) Edward BADENBACH, residing at Junction Avenue, Greenlawn, Nassau County, N. Y., is a first class milling machine operator. On 21 October 1940, with his wife, Franziska, he made application for the purchase of Rueckwanderer marks amounting to \$2,000.00, and indicated in the application a desire to return to Germany in the near future. BADENBACH was naturalized on 8 July 1929 at Buffalo, New York. (Source: FBI ltr. of 3-14-42 to Asst. Chief of Staff, G-2.)

(2) Alfred BAUER, 146 West End Avenue, Englewood, N.J., a first class assembler, is generally considered very pro-Nazi by his fellow employees. BAUER is the younger and more outspoken of two brothers, whose father, a naturalized citizen, worked with Sperry during World War I. Although Alfred, unlike his brother Frank, was born in the United States, he has travelled in Germany and speaks German fluently. At least three co-workers, when interviewed by agents of the New York Police Department, stated that BAUER often upheld Germany's part in the war, stated that Germany was sure to win; furthermore, he has frequently attended German propaganda films in Yorkville; BAUER is also reported to be a member of the German-American Bund. (Source: FBI NYC report 100-1421 of 4-11-41, Title ALFRED BAUER.)

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(3) Frank BAUER, 3 Meadow Street, Cresthill, N.J., a brother of Alfred, was born in Germany in 1908, came to America the following year and became a citizen upon the naturalization of his father. He is also a first class assembler, although he has worked with Sperry only since July 1940. Frank is quieter than his brother and is not known to have expressed any pro-Nazi opinions, although with his brother he has been a frequent visitor to Yorkville. (Source: FBI, NYC report 100-1421 of 4-11-41, Title, Alfred BAUER.)

(4) William E. BERG, 127-09 111th Avenue, Ozone Park, Queens County, N.Y., a native American, works at the Garden City experimental plant as a draftsman. He is reported to gloat over British losses, to have Nazi tendencies, and to have claimed that the United States is "ripe for revolution". It is noted that BERG was employed from October 1940 to March 1941 at Brewster Aircraft Corporation. (Source: FBI NYC report 100-15750 of 3-26-42, Title: William E. BERG.)

(5) Henry C. CHRISTOPHERSON, 1609 Gilford Avenue, New Hyde Park, L.I., is employed on confidential work at the Garden City plant as an instrument maker. The FBI has received three different communications reporting the strong Nazi sympathies of both Henry and his wife, Kaethe. One informant charged that "they rave about Herr Hitler's increasing power, and Mrs. CHRISTOPHERSON even refers to him as a God". An investigation disclosed that CHRISTOPHERSON was born in Germany, arrived in the United States in 1906, and was naturalized seven years later. CHRISTOPHERSON is considered a "conscientious worker" at Garden City, and is reported to have attended the University of Wisconsin to study internal combustion motors. CHRISTOPHERSON'S brother-in-law, Robert LANCER, who has been with Sperry since 1930, is also suspected of subversion. (Source: FBI NYC report 100-8799 of 3-10-42, Title, Henry C. CHRISTOPHERSON).

(6) Rudolf DETTMER, 117-06 149th Avenue, Richmond Hill, South, New York, is one of the individuals accused of impeding the construction of the Lake

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Success plant (see above paragraph 16b). ~~DETTERING~~ has a sizable list of allegations against him as a result of an anonymous communication to the Third Naval District. He reportedly has two brothers in the German Army; is an outright admirer of Hitler; boasts that "Hitler will clean up England and come here"; lampoons the worth of War Bonds; and instructs his children to "Heil Hitler" and to pray for the Fuehrer. The informant is convinced that ~~DETTERING'S~~ neighbors will corroborate the above statements. ~~DETTERING~~ is a naturalized citizen; to date there has been no investigation report on him. (Source: Memo from DIO, 3ND to DIO, 3ND, of 4-23-42, Subject, Rudolf ~~DETTERING~~.)

(7) Walter LORRING, 5 Ridgewood Place, Brooklyn, N.Y. a naturalized German, is an assembly worker on searchlights at the Sperry plant. According to information from the FBI, LORRING recently purchased German securities; further information in the ONI files that he is "pro-Nazi, anti-Roosevelt, anti-British, and listens to German radio broadcasts" seems to give substance to the suspicions against LORRING. (Source: State conf. ltr. of 11-6-41 and memos LVII and LVIII of 10-1-41 and 10-2-41, Subject, Bermuda Censorship - page 10.)

(8) James DONLT, according to an anonymous informant, works in department 75 at the Garden City experimental plant, is an ardent foe of the American Government, and makes remarks which are detrimental to the morale of the personnel at the plant. (Source: FBI ltr. to DMI of 3-21-42, Subject, James DONLT.)

(9) Harvey Edward FROST, 204 West 92nd Street, New York, a native American, has worked as an assembler since October 1939. According to a New York Police Department investigation, FROST lives with one Margaret BURTON, a Canadian citizen, who is reported to be extremely pro-Nazi and to speak with a heavy German accent. Both FROST and his mistress (who usually calls herself Mrs. FROST) are alleged to receive correspondence from a German society. FROST is presently under investigation by the FBI. (Source: FBI NYC report 100-7273 of 1-14-42; Title, Margaret BURTON, Harvey Edward FROST.)

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(10) Bernhard GOETZ, 1920 Grove Street, Queens, N.Y., German-born, entered the United States in 1929. Although his neighborhood reputation is good, it is known that his wife, Berta GOETZ, has made application for the purchase of Rueckwanderer marks and has indicated her intention of returning to Germany at the earliest opportunity. (Source: FBI ltr. to ONI of 4-30-42; Subject, Bernhard GOETZ, Berta GOETZ.)

(11) Henry C. GOODWIN, 424 37th Street, Brooklyn, N.Y., was a sergeant in the 66th Battery, C.A. Borinquen Field, Puerto Rico, before coming to Sperry. Both he and his wife, Marian Jean GOODWIN, are said to be definitely pro-Nazi in their sympathies and to have expressed un-American remarks. GOODWIN was discharged from his post in Puerto Rico in May 1941 upon the expiration of his enlistment. (Source: FBI, San Juan P.R., reports of 4-21-41 and 8-1-41; Title, Mrs. Marian Jean GOODWIN.)

(12) Hans A. E. GRONNEBERG, a naturalized Norwegian and a key man in the methods section, is suspected of espionage (see above paragraph 15b). (Source: FBI NYC reports 65-125 of 3-31-39 and 6-22-39; Title, Hans A. E. GRONNEBERG.)

(13) Edward J. HAUCK, 9445 86th Road, Woodhaven, L.I., a native American, has been working for Sperry since 27 May 1941. According to an associate of Southeastern Cottons, Inc., 58 North St., New York, where HAUCK formerly worked, he has expressed a definite affinity for the Nazi cause, has vehemently defended his position in the matter, and said it is impossible for England to win as against the Axis powers, and expressed his admiration for the Fuehrer and his regime. It is reported that he was brought up by his maternal grandmother, who is German-born, and that she may have inculcated pro-Nazi ideals in his mind. (Source: 3RD NIS report of 10-15-41; Subject, Edward J. HAUCK.)

(14) Karl HEITZ. According to information supplied to the Third Naval District, one of the individuals discovered in a printed photograph of Nazi agents in the United States, published by the New York Journal American on 31 March 1942 is one "Carl HEITZ", reportedly employed

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by the subject company. A check with the personnel files of subject company reveals the name of Karl HEITZ, believed identical with the subject of the photograph. (Source: Memo from DIO, 3ND to RINM, 80 Willoughby St., Brooklyn, N.Y., of 4-24-42; Subject, Karl HEITZ.)

(15) Frank Otto ILG, 11 Darwin Avenue, Hastings-on-Hudson, Westchester County, N.Y., has held the position of junior accountant in the internal audit department since June 1941. Upon learning that the automobile of one Frank OLLG was observed entering Camp Nordland on 28 July 1940, the New York City Police Department conducted an investigation and ascertained that ILG and OLLG are identical. This accusation was vehemently denied by Mr. CLICK, who maintains that ILG is of impeccable character and loyalty. ILG was formerly employed with the Asiatic Petroleum Company at a salary of \$3,600.00 a year. In September 1941 he resigned without explanation and took up his position with Sperry at \$2,700.00 a year. It is stated that ILG has been under a mental and nervous strain for over a year and has acted peculiarly during that time. (Source: FBI NYC report 100-4770 of 3-9-42; Title, Frank Otto ILG.)

(16) Ewald A. KOHLER, presently a salesman for the subject company in St. Louis, is known to be an ardent Nazi. KOHLER'S parents and nine brothers are living in Germany, his brothers serving in the Nazi army. Before his transfer to St. Louis KOHLER was employed at the office of Sperry in Brooklyn. (Source: FBI Atlanta Ga. report 65-816 of 9-11-40; Title, Ewald A. KOHLER.)

(17) Rudolf Ferdinand KOENIG, 432 East 156th Street, Bronx, N.Y., has been employed as a second class assembler since October 1940, although he had been discharged from Vari-Typer, Inc., the same month for displaying strongly pro-Nazi tendencies. KOENIG is German-born, and was naturalized 20 June 1930. An FBI investigation discloses that on several occasions KOENIG stated that he was a member of the German-American Bund, and that he had attended summer camps of this group at Yaphank, N.J. According to his former employer, KOENIG'S pro-German tendencies were resented to such an extent and provoked so many arguments that the morale of the

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employees was visibly affected. When the president of the Vari-Typer Corporation learned of KOENIG'S present employment, he personally advised Mr. GILMORE, president of Sperry, of KOENIG'S tendencies. KOENIG is listed as an applicant for the purchase of Rueckwanderer marks, and it is further known that shortly prior to the beginning of the present war he attempted to return to Germany. (Source: FBI NYC report 100-5339 of 5-3-41; Title: Rudolf Ferdinand KOENIG.)

(18) KUMPF, whose first name is unknown, resides at 1864 Linden Street, Ridgewood, N.Y., and is said to be employed as a foreman by the subject company. An anonymous informant has advised that KUMPF is very pro-Nazi and went to Germany as recently as September 1939, where he remained until January 1940. Upon his return to the United States his wife allegedly remarked that all Jews should be disposed of in the United States as in Germany. (Source: DIO, 3ND ltr. to DMO, 90 Church St., NYC, of 4-30-42; Subject, KUMPF, f.n.u.)

(19) Robert Max LACHMANN, 33 West 84th Street, New York City, has been employed since September 1937 as a bench lathe operator. He was born in Grunberg, Germany, in 1895, received his final citizenship papers in February 1937. LACHMANN is strongly suspected of espionage (see above paragraph 15a). (Source: FBI NYC report 65-2164 of 5-21-40; Title, M. KREBS, Robert Max LACHMANN, with aliases, et al.)

(20) Carl LANGE, Freeport, L.I., is also suspected of espionage (see above paragraph 15c). (Source: FBI NYC report 100-15749 of 1-12-42; Title, Carl LANGE.)

(21) Robert A. LANGER, 714 Foster Avenue, Brooklyn, N.Y., has been employed as an instrument maker since 1930. He was born in Germany in 1901, was naturalized 11 September 1934, and is known to speak and read German fluently. With his brother-in-law, Henry C. CHRISTOPHERSON, he is reported to be pro-Nazi. LANGER'S application at Sperry shows that in December 1937 he obtained a letter of introduction from the Brooklyn office to Sperry Gyroscope, Ltd., London, permitting him to visit

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the British plant. (Source: FBI NYC report 100-8799 of 3-10-42; Title, Henry C. CHRISTOPHERSON.)

(22) Bruno LINDNER, Ridgewood, New York, is reported to have secured employment at the subject plant shortly after his return from a trip to Germany in 1939. He is said to be a former member of the German Navy and presently belongs to the Marine Reserve, 59th Street, Brooklyn. LINDNER is reported to be so strongly pro-Nazi that his wife was forced to abandon him. (Source: ONI card of 4-18-42; Subject: Bruno LINDNER.)

(23) Eugene MAUE, who lives on Willoughby Avenue in Brooklyn, N.Y., works with Sperry as a mechanic. He is known to be a member of the German-American Bund and to have attended meetings at Camp Siegfried. Born in Germany, MAUE became an American citizen in 1936. His wife has not as yet been naturalized. (Source: FBI NYC report 100-1339 of 12-30-40; Title, Eugene MAUE.)

(24) McGEE, whose first name is unknown, is said to work in the shipping department, and is allegedly behind the subversive propaganda which has been disseminated at the plant (see above, paragraph 17). (Source: Anon. ltrs. to FBI of 1-6-42 and 1-24-42.)

(25) Charles G. MEMEL, 1194 1st Avenue, Manhattan, N.Y., who is employed as a mechanic, is reliably reported to be very pro-German and anti-British. It is known that he lives with one Mrs. Maria VOELLER, who purchased Rueckwanderer marks in 1940 amounting to more than \$2,500.00. Mrs. VOELLER'S husband, Albert VOELLER, now resides in Germany. MEMEL was naturalized in February 1937 under the name of Gabriel MEMMEL. (Source: FBI ltr. to MID of 3-26-42.)

(26) Jack MULHOLLAND, whose position at Sperry is unknown, is reported to be very pro-Nazi. An informant has advised that MULHOLLAND once stated that the United States Government is "rotten", and gave the impression that he works in a war plant in order to avoid the draft. On several occasions MULHOLLAND allegedly said that "he would just as soon live in Germany as in the United States". (Source: Conf. memo from DIO, 3ND to RINM, NY, dated 4-22-42.)

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(27) ~~Hugo NICOLISI, 3235 Parkside Place, Bronx, N.Y.,~~
an assembler, is presently under investigation by the FBI as a result of information that he is continually making statements to the effect that he would like to do away with the present government of the United States. NICOLISI is reported to have said if he were called into war, he would turn his gun around and shoot his own men. (Source: Ltr. from DIO, 3ND to DMO, 90 Church St., NYC, of 4-27-42. Subject, Hugo NICOLISI.)

(28) Matthias OPREE, 47-08 31st Avenue, Queens (Astoria), L.I., employed by Sperry since 1931, has already been accused of espionage. On 27 March 1938 the Sunday Worker stated that "a Nazi spy named OPREE employed at Sperry's has free rein to all the facilities at Floyd Bennett Field". OPREE wrote a strong letter to the paper denying the allegation and demanding retraction. He was later interviewed by one of the vice-presidents of the subject firm, who evidently was satisfied by his explanation. Nevertheless, Mr. CLICK has described OPREE as "a through and through German who makes no bones about it". OPREE was born in Cologne, Germany, in 1900, immigrated in 1923, and was naturalized in 1931. Both he and his wife, Gertrude, have made frequent trips to Germany since their original entry, and it is alleged that the purpose of one of the voyages was to vote in the Saar plebiscite, the expenses being paid by the German Government. The investigation of OPREE by the FBI was predicated on a report that a Nazi worker "was the cause of a lot of strife in the company, and that his job was to cause labor trouble and to slow down work". The identity of OPREE with this unknown individual was not established. (Source: FBI NYC report 100-14010 of 2-13-42; Title, John SCHIERLINGER, Walter PULSCH, Matthias OPREE.)

(29) Walter J. PULSCH, 82-31 247th Street, Bellerose, L.I., a native born citizen, has been employed by Sperry at various times and has worked steadily at the plant since 1936. According to a fellow-employee, PULSCH is very pro-German in his conversation at work, so much so, in fact, that the man have made it a practice to leave unfavorable newspaper clippings at his bench. He is

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also reported to be a frequent visitor to Yorkville, although this could not be verified by the FBI investigator. Mr. CLICK regards PULSCH as "loud" but 100% American. It is noted that PULSCH is a former instructor in the Sperry Flying Club and owns a transport pilot's license. PULSCH was investigated as a result of the same allegation that was made against OPREE. (Source: FBI, NYC report 100-14010 of 2-13-42; Title, John SCHIERLINGER, Walter PULSCH, Matthias OPREE.)

(30) John SCHIERLINGER, 78-38 223rd Street, Flushing Heights, NY., has been employed since 1934 as a machinist or tool maker. According to an informant living at SCHIERLINGER'S former residence, he gloried in the early successes of the German Army "made no bones" about his admiration for Hitler, constantly compared the United States in a derogatory manner with Germany, and featured in his home a large picture of Hitler and a map showing the progress of the German Army. SCHIERLINGER was born in Munich in 1901, entered New York in 1927, and was admitted to citizenship in 1934. According to a fellow-employee, SCHIERLINGER made constant references to the excellence of the German system. SCHIERLINGER was investigated by the FBI as a result of the same allegation that was made against OPREE and PULSCH. (Source: FBI NYC report 100-14010 of 2-13-42; Title, John SCHIERLINGER, Walter PULSCH, Matthias OPREE.)

(31) Ernest W. H. SEIFERT, 178-24 147th Street, Jamaica South, L.I., was born in Germany in 1898, entered the United States in 1924 and was naturalized four years later. Although Mr. CLICK stated that he is satisfied with SEIFERT'S loyalty, it is alleged that he is strongly pro-Nazi and was a member of the German air force during the last war. (Source: FBI NYC report 65-6144 of 1-14-42; Title, Ernest W. H. SEIFERT.)

(32) Carl SPEAR, 720 Ditmas Avenue, Flatbush, N.Y., a tool maker, is, according to information supplied to the FBI, a former member of the German-American Bund; it is reported, in fact, that on occasions Bund meetings were held in his home. An informant has advised not only that SPEAR stated that he would refuse to carry arms for the United States, as it was against his

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belief to do anything against the Fatherland, but also that his children are not permitted to salute the American flag. (Source: DIO, 3ND ltr. to DMO, 3ND, of 5-4-42; Subject, Carl SPEAR.)

(33) Fred STEUER, West Sayville, L.I., holds a "responsible position" at the subject company, according to confidential information supplied to the Third Naval District. STEUER is said to be of German descent, and was placed in a concentration camp during the last war after being apprehended for sending a wireless message to submarines off the Long Island coast. (Source: DIO, 3ND ltr. to DMO, 3ND, of 5-2-42; Subject, Fred STEUER.)

(34) Joseph TOTH, reported to be employed as a carpenter on the second shift of the pattern shop, is presently under investigation by the FBI. According to a reliable source, TOTH, a Hungarian-born, naturalized citizen, is pro-German in his attitude and has made statements belittling both the United States Army and Navy and the United States Government. (Source: Conf. ltr. from DIO, 3ND, to DMO, NY, of 5-4-42; Subject, Joseph TOTH.)

(35) Willie WERNER, 586 83rd Street, Brooklyn, N.Y., has been employed as a skilled mechanic since 1934. His position is located in the development shop, where Joe BRENNER is foreman and where the German language is spoken. WERNER is reported to be pro-Nazi and to have been particularly outspoken about his feelings. Typical remarks attributed to him include: "Hitler certainly could do wonders for this country"; "With Hitler at the head this country would boom"; "Maybe the United States would be better off with a leader like Hitler"; and "Hitler is O.K. for Germany". According to Mr. CLICK, WERNER is definitely sympathetic toward Germany, but refrains from entering political arguments. WERNER is known to own a second residence near Highland Mills, New York, where he is regarded with suspicion by some of the neighbors. WERNER'S son is also employed by Sperry in an unknown capacity. (Source: FBI NYC report 100-7785 of 3-4-42; Title, Willie WERNER.)

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(36) Paul (or Frederick) WHITMAN. An informant of unknown reliability has stated that subject, who has recently been transferred to the Lake Success plant, appeared in a picture of Bund members published in the New York Journal American. (Source: ONI card of 5-8-42; Subject, Paul (or Frederick) WHITMAN.)

(37) Bernard WIMMERSCHOFF, 500 Southern Boulevard, Bronx, N.Y., has been employed at Sperry for several months as a mechanic, having transferred from the Edo Aircraft Corporation, College Point, L.I. He is suspected of sabotage (see above paragraph 13). It is further noted that WIMMERSCHOFF is allegedly a member of an anti-Semitic sport club. (Source: FBI NYC report 100-7339 of 12-24-41; Title, Bernard WIMMERSCHOFF.)

20. The following employees are suspected of pro-Nazi sympathies primarily on the basis of their association with subversives and undesirables or on the basis of allegations insufficiently substantiated to date:

(1) Max BETTINGER is stated to be a foreman at the subject plant. According to a letter from the Selective Service Board, Local No. 10, Hudson City, to the Department of Justice, one Kurt THOMAYER, German-born, who was seeking a waiver from 1-A classification, stated that BETTINGER told him that a job would be ready for him at Sperry whenever he cared for it. (Source: Selective Service Board, Local #10, Hudson City, ltr. to Dept. of Justice of 3-13-42.)

(2) Joe BRENNER, foreman of the development shop, arrived in the United States from Germany about ten years ago. Although BRENNER is well thought of by the management, it is understood that the German language is spoken in this shop and that Willie WERNER, strongly suspected subversive, is working under BRENNER. (Source: MID ltr. to ONI of 2-26-41; Subject, Sperry Gyroscope Corp.)

(3) Gunther ENGEL is a precision machinist in a non-confidential area. During the divorce proceedings instituted by Mrs. Lillian ENGEL, it was alleged that

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he was a member of the German-American Bund. Upon being investigated by Mr. CLICK, personnel manager, ENGEL stated that he had never been a member of such organization. ENGEL was retained in the employ of the subject company. An FBI investigation of him was closed for the lack of specific information. (Source: FBI NYC report 65-898.)

(4) Fred FUCHS, 1843 Stevens Street, Ridgewood, Brooklyn, N.Y., a naturalized citizen and a machinist at subject plant, is related by marriage to possible subversive individuals. The parents, six brothers and four sisters of Mrs. FUCHS reside in Germany. Another brother, Erwin Ernst Heinrich MUELLER, is reported to frequent bars in Brooklyn and Yorkville for the purpose of engaging sailors and plant employees in conversation. MUELLER has a considerable arrest record, and is stated to have made disparaging remarks against Americans when arrested. (Source: Conf. memo from DIO, 3ND to RINM, of 4-22-42; Subject, Fred FUCHS.)

(5) Louis Edward HONSA, 45- 19th Avenue North, Brooklyn, N.Y., a native American, has worked as an assembler at subject plant since September 1940. Although HONSA has a good reputation at the firm, an anonymous informant has stated that he has expressed admiration for the Nazi cause. (Source: FBI NYC report of 3-16-42; Title, Louis Edward HONSA.)

(6) John Frank HORVATH, 163 E. 92nd Street, New York, born in New York of Hungarian parents, is employed as a grinder. HORVATH has no subversive record himself, but is known to be a close friend of Albrecht Ernst NEUBACHER, presently under strong suspicion by the FBI. NEUBACHER was educated as a machinist in Germany since the advent of Hitler; has stated that American youth is "too soft"; and left previous positions at both the Ford Instrument Company (a Sperry Corporation subsidiary) and the Nathan Manufacturing Company under circumstances leading informants to think he was there only to gather information. (Source: FBI NYC report 100-8360 of 3-5-42; Title, Albrecht Ernst NEUBACHER; also 3ND card of 4-6-42; Subject, Albrecht NEUBACHER.)

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(7) Arthur HUTT, 8835 Elmhurst Avenue, Flushing, N.Y., has come under suspicion because of the fact that he resides with one George BASTON. BASTON was under investigation by the FBI for soliciting information from service men; this investigation was terminated, however, when it was found that BASTON is employed at the Commodity Exchange Administration of the United States Department of Agriculture in New York. (Source: FBI NYC report 65-8887 of 3-3-42; Title, George BASTON, Ralph FELLMAN, Charlotte BIXLER, Arthur HUTT.)

(8) MISCHLER, whose first name is unknown, resides at 6434 Catalpa Avenue, Brooklyn, N.Y.; he is a naturalized German and the husband of Lena MISCHLER, whose brother, Karl SCHERER, was arrested 10 April 1942 as an enemy alien with definitely pro-Nazi sentiments. (Source: 3ND card of 5-4-42; Subject, Karl SCHERER.)

(9) ROSE, whose first name is undetermined, is reliably reported to be the son of a pro-Nazi, superintendent of an apartment building at 2285 Ocean Avenue, Brooklyn, N.Y. ROSE, SR. has said, according to the informant, that he would rather see his son dead than in the army. A check of the personnel files of the subject company reveals six employees named ROSE. Three of these, respectively named Donald, Francis, and Raymond, reside at 375 E. 78th Street, Brooklyn, N.Y., and may, in the belief of the Resident Inspector of Naval Material, include the father and son referred to above. (Source: DIO, 3ND ltr. to DMO, 3ND, of 4-20-42; Subject, ROSE, f.n.u.)

(10) Bernard John RUSIECKE, 449 Wyone Street, Brooklyn, N.Y., a native citizen born of Polish parents, is reported to be a close friend, along with John F. HORVATH, of Albrecht NEUBACHER, presently under strong suspicion by the FBI (see above paragraph 20(6)). (Source: FBI NYC report 100-8360 of 3-5-42; Title, Albrecht Ernst NEUBACHER, with aliases; also 3ND card of 4-6-42; Subject, Albrecht NEUBACHER.)

(11) George SCHENK, 1935 Linden Street, Brooklyn, N.Y., has recently been taken into the employ of the subject company. SCHENK was born in Schwennigen,

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Germany, entered New York in 1930 and was naturalized in October 1940. SCHENK has been investigated by the New York City Police Department as a result of confidential information stating that he left his former position as a private chauffeur in order to acquire a position in some national defense work at a considerably reduced salary. (Source: FBI NYC report 100-5959 of 1-12-42; Title, George SCHENK.)

(12) Rudolph SCHERER, 1632 Putnem Avenue, Brooklyn, N.Y., allegedly employed by Sperry, is the brother of Karl SCHERER, arrested as an enemy alien in April 1942. Karl has purchased Rueckwanderer marks, was a member of the Kyffhauser Bund, and was on the mailing list of the German Library of Information. At the time of his arrest he was in possession of German propaganda literature. Karl is presently in custodial detention of the FBI. (Source: 3ND card of 5-4-42; Subject, Karl SCHERER.)

21. The following individuals are seeking employment with the subject company, according to recent allegations. A check with the Sperry personnel files discloses no evidence that they have been accepted to date.

(1) Reinhold HAUPTMANN, 3340 98th Street, Corono, L.I., subject of an FBI letter to the First Naval District dated 3 March 1942, was discharged in January 1942 from the Naval Air Station at Quonset Point, R.I. for "inattention to work". HAUPTMANN was born in Saxonia, Germany, in 1903, and has been naturalized. An allegation that he is already employed by Sperry has been proven false. (Source: FBI, Providence, ltr. to IND of 3-3-42; Subject, Reinhold HAUPTMANN; also IO, Quonset Point, card of 3-16-42; Subject, Reinhold HAUPTMANN.)

(2) John ROUFF, 1806 Vyse Avenue, Bronx, N.Y., is said to be seeking employment as a machinist with the Sperry Company, primarily in order to secure permanent draft deferment. ROUFF'S wife is said to be an enemy alien with strong German sentiments who was preparing to return to Germany at the outbreak of the war. (Source: ONI card of 4-4-42; Subject, John ROUFF.)

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(3) Ellwood Jay SCHUMANN, E. 53rd Street near 1st Avenue, New York, was reported in April 1942 to have given up a position in order to accept employment as an accountant at the subject company. He and his wife, Dorothy, are reported to be extremely pro-Nazi and anti-British. A confidential informant stated to the FBI that on one occasion when this couple visited her apartment they were so extremely outspoken in their defense of Hitler that she was forced to ask them to leave. (Source: FBI NYC report 100-20548 of 4-15-42; Title, Ellwood Jay SCHUMANN.)

(4) Walter Edward Frederick STRAUBEL, 253 Highland Avenue, Palisades Park, N.J., is reported to have left his employment at the Gorham Manufacturing Company in Providence, R.I. in order to take a position with Sperry Gyroscope Company. STRAUBEL is known to have made contradictory remarks, claiming at one time a commission in the German air force during World War I, and later stating that he was in the American Intelligence Service. STRAUBEL'S wife is reported to have expressed admiration for Hitler prior to the entry of the United States into the war. (Source: FBI, Providence, report 65-51 of 1-7-42; Title, Walter Edward Frederick STRAUBEL; also 3ND NIS report of 3-14-42; Subject, Walter Edward Frederick STRAUBEL.)

22. The following individuals have already been discharged from subject plant for subversion. Their activities are listed below because of the possibility that they may still be maintaining contacts established before their dismissal:

(1) Carl HEIL, 32-50 47th Street, Astoria, L.I., was discharged on 23 October 1941 for pro-Nazi activities. He is a native of Bremen, Germany, and was naturalized 16 December 1939. In January 1941 HEIL purchased \$400.00 worth of Rueckwanderer marks for the purpose of returning to Germany after the war. It is reported, moreover, that his automobile was observed at the German-American Bund camp in Riverdale, N.J., on 4 August 1940. The FBI received in April 1942 a communication stating that one Karl HEIL, still alleged to be employed at Sperry, is a Nazi whose home is fully decorated with

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swastikas and pictures of Hitler and who frequents the unofficial Nazi headquarters on the upper floor of the Hindenburg Cafe on 86th Street in New York. It is the belief of the Intelligence Office of the Third Naval District that the two individuals (Carl HEIL and Karl HEIL) are identical and that the informant is mistaken as to the present place of employment of Mr. HEIL. (Source: FBI ltr. to DNI of 10-17-41; Subject, Carl HEIL; also DIO, 3ND memo to DNO, 3ND of 5-4-42; Subject, Karl HEIL.)

(2) Edward Albert KANGESIER, 52 West 87th Street, New York, was discharged in 1940 for pro-Nazi activities. KANGESIER was arrested on 21 September 1940 for violation of the Sullivan Law, and was held for questioning in connection with an explosion in the British Pavillion at the World's Fair. Objects found in KANGESIER'S home at the time included a German-made blackjack, a tear gas pistol, cartridges, a swastika flag and anti-Jewish banners. KANGESIER admitted not only his membership in the German-American Bund, but also prior arrests for felonious assault, disorderly conduct and bigamy. (Source: FBI conf. ltr. to ONI of 3-3-42; Subject, Edward Albert KANGESIER.)

(3) Leonhard Carl KOHLER, 156 8th Street, Brooklyn, N.Y., was discharged for subversive activity on 6 May 1942 by order of the Under Secretary of War. Naturalized in 1931, KOHLER had held the position of assembler at the Bush Terminal plant of the subject company. Prior to the war he maintained large airmail correspondence with Germany and is known to have sent money and food to Germany via the Stenack Travel Agency, 127 E. 86th Street, New York. He is a member of the club Feuchte Ecke (Wet Corner), which meets in the Triboro Restaurant, 1807 2nd Avenue in Manhattan. According to his former landlady, he was frequently intoxicated and always criticized the United States when in this condition. (Source: FBI NYC report 100-14733 of 3-19-42; Title, Leonhard Carl KOHLER.)

(4) Wilhelm Robert NEUMANN, 6144 Linden Street, Queens, L.I., formerly employed as a draftsman in the

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design section, was discharged on 21 October 1941 for his pro-Nazi activities. NEUMANN was born in Suhl, Germany in 1883, arrived in the United States in 1910, and received his final naturalization papers in 1929. Both NEUMANN and his wife, Helene, purchased \$1500.00 worth of Rueckwanderer marks in September 1940, declaring their intention in the application of returning to Germany at a future date. It is noted that only a week before his discharge he was reported, according to information supplied by the FBI, to be well thought of by his employers and to possess a favorable reputation in his neighborhood. (Source; FBI ltr. to MID of 10-17-41).

(5) Everett Minsiter ROEDER, 210 Smith Street, Merrick, L.I., has been discharged by Sperry for Nazi activities. ROEDER has pleaded guilty to charges of espionage (see above paragraph 14b). (Source: New York Times of 9-3-41.)

(6) John SIRIGNIANO was discharged 18 April 1942 for Fascist activities. Although SIRIGNIANO has appealed his case, protesting his loyalty as an American citizen, he is known to be associated with ranking Italian Fascists. It is noted that SIRIGNIANO received his position at Sperry in February 1942 (see above paragraph 7b) through the kindness of Mr. Robert B. LEA, vice-president, and that he worked in department 9M on burring and filing. (Source: 3ND card of 3-12-41, 3ND card of 2-7-42, and OHI card of 2-18-42, all with Subject, John SIRIGNIANO.)

(7) Andrew Louis TULUMELLO, 1405 70th Street, Brooklyn, NY., was discharged from Sperry on 25 July 1941, allegedly for "falsifying his application blank". It is believed, however, that TULUMELLO'S Fascist leanings were behind the action taken by the company, although an investigation failed to disclose any subversive activities. TULUMELLO, is alleged to have told his co-workers that the reason he got his position at Sperry was to "avoid the draft and to learn something". He is presently employed as an assembly man by the International Projector Corporation, 92 Gold Street, New York, which company holds Navy contracts. (Source: FBI NYC reports 100-9465 made 7-17-41, 10-18-41, and 11-19-41; Title, Andrew Louis TULUMELLO.)

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(8) Frank WANDEK, 3020 India Street, San Diego, Cal.,
~~left Sperry for reasons unknown in June 1940.~~ He is
 presently a machinist at Consolidated Aircraft Corpora-
 tion, and is reportedly 100% for Hitler. WANDEK resides
 in a penthouse at San Diego and is alleged to spend a
 good deal of his time watching waterfront activities
 through long range glasses. WANDEK was born in Germany
 and was naturalized in New York in 1936. (Source: FBI
 San Diego report 100-780 of 10-15-41; Title, Frank
 WANDEK.)

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