Organisation

(a) The relocation of several FKB Field Missions, in progress or planned, will give considerable increased coverage at no greater cost. The West Coast Mission should be in operation at the new location at Mesa, California, about 1 October 1947. It is planned that the East Coast Mission at Silver Hill, Maryland, will be relocated somewhere near the Western shore of the Chesapeake Bay prior to 1 January 1948. Expect to move the station from Cairo to Cyprus about 1 January 1948 after sending a survey team.

(b) A reciprocity arrangement has been agreed to in principle by the British Government which provides for complete interchange of foreign broadcast monitored material between the Monitoring Service and FKB. This reciprocal arrangement is designed to obtain worldwide monitoring coverage by the two governments with a more or less equal sharing of the expenses involved. The British will assume responsibility for FKB communications from Cyprus (when our Cairo station moves there) to London. In return for this concession, as well as the continuation of the war-time arrangement whereby FKB receives the entire European monitoring product of BBC, FKB will transmit to London a selected file of its Far Eastern and Latin American monitoring product. Although due to lack of funds, British have agreed to FKB editors in London, FKB will do editing for British here, thus keeping the British out of GIG. It is expected to take several months to work out the details necessary to implement this new arrangement. The Signal Corps states that they can handle that amount of traffic.
The organization of the Special Reports Division in March 1947 on an experimental basis is noteworthy. They now produce a weekly "Survey of U.S. Radio Broadcasts", a monthly report on propaganda originating in Latin America, which has as its end the engendering of anti-U.S. feeling, and other reports based on special requests from OSS. These reports are factual (not interpretive) analyses based solely on radio broadcasts. The product of this division appears to be valuable and growing in popularity.

(3) Personnel, As a result of security checks, some employees have been dropped. Checks should be completed prior to 1 January 1948. Morale and efficiency appear remarkably high.

(4) Space and Facilities. Washington Center, Headquarters PHIC, is scheduled to move to Briggs Schoolhouse, 5th & E Streets, N.W., in August. This will place them near OSS and other PHIC offices. While it will give them no more room, it will provide for a more efficient arrangement.

(4) Operations.

(a) Through its technical, highly specialized, complex operation, the PHIC collects, selects, collates, summarizes and distributes a vast amount of up-to-the-minute intelligence information faster than is possible through any other medium and with remarkable efficiency.

(b) The continuation of the "A" and "X" Wire Services by PHIC has recently been under study, resulting in the discontinuance of the latter to all but OSS for which it operates one hour daily. The "A" Wire Service provides for the teletype dispatch by PHIC to all Government Intelligence Agencies of selected PHIC intercepts 7 hours daily. The "X" Wire Service provides for teletype
transmission of selected intercepts of American press
dispatches to CEN only one hour daily. A termination
of the "X" Service would give an additional hour daily
for the operation of the "A" Service which serves all
intelligence agencies. Furthermore, CEN gets all
American Press dispatches by messenger daily; Accordingly,
the discontinuance of the "X" Service is recommended in
the interest of more extensive service to all agencies
without sacrifice of substantial benefits to CEN.

5) Relationship Within and Without CIG. Cordial,
but jeopardized by lack of complete security clearances,
not in progress.