

VF 108-15  
Reference S 67/68 (11-18-W2)

1647 Macomb's Road  
Bronx, New York, N.Y.  
March 5, 1938

Captain J.M. Irish  
Assistant to Bureau  
Navy Department, Bureau of Engineering  
Washington, D.C.

Sir:

During the past fortnight, I have given close attention to the proceedings of the House Committee on Naval Affairs; for I felt that the outcome of these proceedings might have some bearing on my negotiations with the Navy Department. Hence my delay in answering your esteemed communication of February 10, ult.

It would be not alone "more convenient" for me to come to Washington to give you a demonstration, but it is the only sensible and practical thing to do - as you will recognise for yourself after the demonstration.

For, although the principle of my Chaocipher system is one of extreme simplicity; yet it would be quite impractical to attempt to impart in writing a comprehensive view of the application of this extremely simple principle, and of its "infinite diversity!"

In this immediate connection, let me hasten to reassure you as to the question of reimbursement "for any expenses involved in coming to Washington for this purpose." I shall myself defray any and all such expenses.

But there is the much larger, and vastly more important, question of remuneration for my Chaocipher system - when and if that system should be accepted by the Navy Department for the United States Government.

I accept - without reservation - your statement in your letter of Dec. 17th last that "The Bureau can make no advance commitment to assist in any way in the development of your device."

But I do feel that it should be not alone possible, but advisable, for us to have some kind of an understanding as to what I might expect to receive for my idea from the United States Government; this understanding, of course, being purely tentative and being based on the following hypotheses:

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First, that my Chaocipher system really does produce a cipher which is materially and mathematically indecipherable - it is indecipherable by any process of human ratiocination.

Second, that this system is adaptable to complete mechanization.

Third, that it is found available for the purposes of the United States Government.

As to the validity of the First hypothesis, I assert that this is demonstrable. I challenge the World to decipher anything written in my Chaocipher.

As to the validity of the Second hypothesis, that also I hold to be demonstrable.

But as to the validity of the Third hypothesis, the decision in regard to this will rest, of course, solely with the United States Government. If that decision should be adverse to me, then that would end this matter as between me and the United States Government - and when I say "end this matter," I mean just that; it would end it.

But assuming that the United States Government were to concede the validity of these three hypotheses, and assuming it is willing to adopt my system and develop the machinery for its mechanical effectuation; could not the Navy Department give me some idea - tentative, of course - as to the following points?

A. Would the United States Government require outright ownership of all rights; or would it be content in securing the rights to use anywhere and everywhere in any or all of its own departments, while leaving with me all other rights for foreign and commercial markets?

B. Should the United States Government require the outright ownership; could not the Navy Department, acting in this matter for the United States Government, give me some idea of the amount and form of remuneration I might expect in this contingency?

C. If, on the other hand, the United States Government were to require only the partial rights referred to in A above, I can say for my own part that I would be satisfied to accept in full payment from the United States Government a remuneration which would be, in the circumstances, scarcely more than nominal.

I hope for the favor of a reply at your early convenience.

Very truly yours,

JFB:gt

J.F. Byrne