

World Associates Incorporated

GERASULIN/bn
DCS/Operational Support Staff
900 Key Bldg.

2268

Closed Case 52,872

15 May 1969

TSD

Col. West

For your retention.

**Attached per your request is
copy of current data concerning
World Associates, Inc, their
products and services.**

REF: OO-A(S)-322/12039-69

World Associates, Inc., Hugh C. McDonald, President

Daniel J. Shine for GSMusulin/js
DCS/Operational Support Staff
900 Key Building

DCS Case 52872

2268

5 May 1969

TED/MPB

Col. West

230 South Building

Attached is copy of OO-A(S)
322/12039-69 for your information.

*Finalist of last
to Control for filing*

*e/s - Tolman
case closed
on P/S.*

28 April - Tony Lehmann says that McDonald will come to D.C. if the Agency has some real and honest problems to discuss. He does not have the time to come to Washington for a general discussion on the subject.

Cat. West has canvassed one part of TSD and several people are interested in sitting in but the interest is not sufficient to justify bringing McDonald to Washington. Cat West approached his D & E people and was told that Joe Terek had asked them some time ago and he had already arranged a meeting.

4/29/69. (Area 213-393-3564.) Talked to Tony about him - We work this one out. Terek will make his own arrangement to (bring or not to bring) McDonald to D.C. -
To many indications about the same.

JOE TEREK

ORD/ 3901

HUGH C. McDONALD,
WORLD ASSOCIATES
INCO

SANTA MONICA,
CALIF.

STEVE RACCA + TSD #
2835- ED. SUDALL (PROJECT.
MONITOR)

POS VOICE IDENT ~~STUD~~

IDENT KIT.

VISIT WASH IN 3000000.

JACK TEREK

JACK TEREK
FARGE
100/1000

6/11/85
1000

ATTN : Chief, TSD/MPS
Colonel Vest
Director, Domestic Contact Service

22 April 1969

DCS Case 52872 - Hugh C. McDonald - World Associates, Inc., Santa Monica, California, Offers to Assist Agency

1. Subject is well known to TSD and ORD components as developer of Identi-Kit. More recently he has been involved in developing a positive voice identification system (not to be confused with voice prints). McDonald is willing to demonstrate this system to interested TSD consumers and other components of the Agency. More importantly, subject is planning a world tour or foreign ministries, banking and business institutions, police organizations and friendly intelligence services, to demonstrate his various products. Subject's itinerary has not been firmed up but will be available when plans are completed for the world tour. He plans to be in Washington on other business matters in the next three weeks and would be glad to demonstrate his voice identification system to TSD and ORD representatives and accept any operational requirements which may be generated by appropriate TSD consumers, in connection with his world tour.

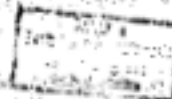
2. We would appreciate TED's reaction to Mr. McDonald's offer and some indication of the number of Agency representatives who would be interested in meeting with Mr. McDonald in Washington, D. C.

3. Further inquiries should be directed to George S. Musulin, DCS, Operational Support Staff, Extension 2268.

JAMES R. MURPHY

GSMusulin/js
cc: Services Div. (Control)

SECRET



OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

UNITED STATES GOVERNMENT

Memorandum

LA 416-70

TO : Director, DCS
ATTN : OSS (Walker)
FROM : Chief, Los Angeles Office
SUBJECT: Case 52722

DATE: 15 May 70

1. John Purfey passed the attached to me on Saturday, 9 May. FYI I would like to comment as follows.

2. (Item 1) It was Herbert White, not Beske, who reported on the new radical group at Pitzer; source Linda Knolles. We doubt that we can obtain much more in response to CI/SO questions. We will try, but with caution, since we are dealing with a young, obvious liberal female. As for Tom Clark, we think he is back at Cornell. Our report to you covered all we know to date.

3. (Item 2) R. D. Beske will try and determine what he can about Dr. and Mrs. Leo Kuper at UCLA. If everything appears favorable and we can clear we may contact. However, they are unknown to us. Ask CI/SO what they can tell us about them. It will help.

4. (Items 3, 4, 5, 6) These people unknown to us. Who are they? Where did Purfey get their names? What does he know about them? What does he want us to do about them?

5. (Item 7) As I have reported, I will not personally contact John Cole. The FBI regards him as unsuitable to help them and, based upon their assessment, I will not serve any requirements on him. (Sorry my memo on this had an incomplete sentence.)

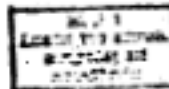
6. (Item 8) Answer is "no".

7. (Item 9) I have contacted Reid and reported.

8. (Item 10) Joseph Charles' PHS sent in 14 May.

9. (Item 11) I have told Purfey that Hugh McDonald is an opinionated, egotistical ass who refuses to provide any data to support his statements, thereby making it impossible to assess the information he supplies.

10. (Item 12) Beske says the chance of Sam providing anything is questionable.



SECRET

SUBJECT: Case 52722

LA 416-70

11. (Item 13) I have finally figured out Purfey's West Pointer. During one of our initial conversations I facetiously remarked, in response to types he was looking for, that what he wanted was a red, white and blue Negro, a graduate of West Point, who is now in the export-import business dealing with Africa.

12. (Item 14) I told Purfey on Saturday that the local OS people are and have been in contact with the LAPD and the Sheriff's Office on militant matters; that the OS people are known as Agency; that OS is reporting whatever they learn and for us to involve ourselves would be confusing and duplicative. If Purfey wants to know what OS is getting, tell him to contact Ralph True in Headquarters/OS. Purfey might want to consider having his requirements levied on OS.

13. (Item 15) Beske reports nothing new, and not likely to be anything soon on the Connover-Clarke affair. Connover has changed jobs and is too busy to do much.

14. (Item 16) Beske reports Gonzales may have something on V.B. but he doubts it. He will check.

15. (Item 17) I told Purfey that I do not want to get involved in any activity that would put us in the position of being accused of investigating militants. We are on thin ice as it is. Therefore, DeVanon will not be asked to follow up on "Compton" contacts and we will depend on OS police contacts.


R. H. A. [illegible]

Attachment:

Xerox copy of Purfey's notes

RPEL/vla

File: C-52722

- 2 -

SECRET/SENSITIVE

S-E-C-R-E-T

MLA 00-A(5) 322/26389-69

10 September 1969

DCS Case 53199

SUBJECT: **Cover Potential of**
World Associates, Inc. ✓

1. On 4 September 1969, Chief, LAFO, met with Hugh C. McDonald, President of World Associates Inc. A former law enforcement officer (Chief of Detectives, Los Angeles County Sheriffs' Office, retired) he has an excellent reputation among law enforcement agencies. He has cooperated with the Agency fully in the past. He is a cleared source of LAFO/DCS.

2. Since his retirement McDonald has started World Associates Inc., a company with two divisions, the Security Division and the Aircraft Division.

3. The Security Division provides, as its primary service, a bank security system, designed to provide banking institutions with a means to control and curtail losses from fraud and robbery.

4. The Aircraft Division was set up because of the exclusive contract World Associates has with the Hughes Tool Company (Hughes Aircraft) for the sale of helicopters to law enforcement agencies, to operate a helicopter pilot training school for municipal and other law enforcement agencies and to handle the installation of helicopter patrol systems. This contract applies to all countries except the US. McDonald said he expects to sell the Hughes Model 300 helicopter to foreign law enforcement agencies. None of these has been sold abroad, with the exception of the Philippines. He will have to open up offices in order to demonstrate, sell and arrange for servicing of the helicopters. A helicopter pilot-salesman and a technical representative would be needed at a beginning cost of about \$15,000 per year. McDonald said he would have a good, plausible reason for setting up such an office in Hong Kong, not only to sell and service police helicopters in the Crown Colony, but also to use as a base for other Asian country activities. McDonald expects to start exploring the foreign police potential for helicopters in the near future, beginning with a trip to South America.

5. The possibility of using foreign offices to promote the activities of the Security Division of the company also exists.

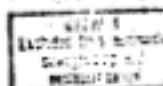
6. Currently, McDonald is in Hawaii and is exploring the possibility of setting up a police intelligence school in Hawaii to train police officers from Asian countries.

7. Attached are copies of data pertaining to prospectus, products, services, etc.

8. **In the event Cover Division has any interest in this matter, Chief, LAFO, will be glad to discuss it further at Headquarters during week of 5-11 October 1969.**

- end -

S-E-C-R-E-T



Chief, Los Angeles Field Office

15 October 1968

Director, Domestic Contact Service, CSS

Case 53,199

Cover Possibilities in Hong Kong and Japan

1. The leads which you have forwarded in response to this case have been very much appreciated by Cover Staff. The following comments have been received concerning several of these leads:

a. MIA-00-A(5)-322/26385-69 and MIA-00-A(5)-322/26385-69. Cover Staff has received preliminary security findings on Jack Birns and Security has again brought up the derogatory information which you have on file. To get full C&A on Birns to override this former report would require extensive field investigation. Taylor does not feel that he wants to subject Mr. Birns to this type investigation so Cover will not pursue this lead.

b. MIA-00-A(5)-322/26385-69. World Insurance, Inc. Because of Mr. Hugh O. Mahan's former law enforcement career and his continuing involvement in that field, this lead will not be pursued.

c. MIA-00-A(5)-322/26385-69. Cover Staff would be interested in pursuing this lead if we could pinpoint fewer committing officials for Cover's specific interest. A Cover commitment within an organization is on a "need-to-know" basis, to those officials who would be directly concerned in backstopping the commitment. Would you please review this organization and if the committing officials can be limited please identify them and provide biographic data if we do not have the biographic data available in Headquarters files.

d. Memo For The Record, 12 September 1968. Karaman Sports Clothing. This lead is very interesting and Cover staff is processing clearance of Mr. Sam Karaman.

e. LA-752-89. Mr. Harold Hutton, Refining Associates (Canada) Ltd. This lead was referred to Cover Staff in response to a different requirement (case not open to your office). It was decided that Mr. Hutton would not fit the Cover requirement so this lead has been forwarded to the area desk for consideration.

Copy 7 all just.

A11204
SECRET

GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET

F-4-61-88

ATTN : Chief, TSD/MPS
Colonel Vest

22 April 1969

Director, Domestic Contact Service

DCS Case 52872 - *A46188 X* *John C. McDonald* - *World Associates, Inc.*, Santa Monica, California, offers to Assist Agency *B-5-45188* *A-14-9859*

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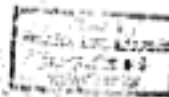
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3. Further inquiries should be directed to George S. Musulin, DCS, Operational Support Staff, Extension 2268.

JAMES R. MURPHY

GSMusulin/js
cc: Services Div. (Control)

SECRET



Chief, TSO/Security

21 April 1960

Chief, Security Staff, CL

Ident-Kit

REFERENCE: Memo from Chief, TSO/Security, to Chief, SS/CL, dated
21 March 1960, Subject as above.

1. On 5 April 1960 the undersigned interviewed Chief Hugh A. McDonald, Los Angeles County Sheriff's Department, in his office, 1334 1st, New Court House Building, located at 111 North Hill Street, Los Angeles, California. (Telephone: MADison 5-3614, Extension 61401.)

2. The attached "Zero Building" article taken from the February 1960 issue of the "Science and Mechanics" Magazine, was reviewed and discussed. Chief McDonald stated that he was aware of the article and had talked with Mr. Courtney Owens, Sales Manager of Farmstead Engineered Products, regarding the indication of "underwritten by an arm of the U. S. Intelligence".

3. The article was written by a free lance reporter by the name of Joseph Frank. Writer Joseph Frank was present at a press meeting in Chief McDonald's office at the time the information regarding the Ident-Kit was made public, however, Chief McDonald made it very clear that the sponsor of the program was not mentioned and that a general figure of \$60,000 to \$65,000 was given as the cost of the project. Chief McDonald thought back and then stated that he had announced the sponsor as being "an Eastern customer".

4. Chief McDonald stated that he was at a complete loss as to how the writer associated the sponsor with any intelligence component of the government. He believed that it was a "shot in the dark" assumption by writer Joseph Frank.

5. Chief McDonald was very much disturbed by this article and stated that if he could uncover any information regarding same he would promptly notify the appropriate Agency persons.

6. On 8 April 1960, the undersigned interviewed Mr. Courtney Ellwell Owens, Sales Manager of the Farmstead Engineered Products Co., Santa Ana, California. He was granted a Secret contrast security authorization on 26 January 1960. Mr. Owens was made witting of the sponsor and a secrecy agreement was taken from him.

UL U 2440

25 April 1960
Copy sent to
A. H. Officer

Htt-6122

SECRET

Subject: "Identikit"

7. **Mr. Owens** stated that he was not aware of the sponsor (until now), but he had assumed that the Agency was involved. **Mr. Owens** has worked in the government in Washington, D. C., and he stated that this project sounded like it would be of Agency interest.

8. When **Mr. Owens** came to Los Angeles, he worked as a free lance reporter between April 1957 and December 1957. He stated that all articles written by him were under his true name and that no "pen-name" was ever used. He did not know of a **Joseph Frank**.

9. **Mr. Owens** stated that he has a very close contact with Mr. **McGowan**, Los Angeles OO/C Office, but did not indicate if the subject of the Identikit had ever been discussed. **Mr. Owens** gave the undersigned the attached press notices that he uses in connection with his publicity program. It is noted that none of the releases reveal Agency interests; however, the newspaper "Independent" quotes **Chief McDonald** as stating "the pilot model cost more than \$67,000".

H. Edward Jones
H. Edward Jones
Security Officer, SS/CL

APPROVED:

John A. Curren
John A. Curren, Chief, SS/CL

Attachment

Distributions:

- Orig. & 1 - Addressee w/a
- 1 - Chief, FBI, CS (Attn: Mr. Swadlow) w/a
- 1 - Chief, SS/PS/CS/US w/a
- 1 - Mr. Travis, OO/O
- 1 - Co. file (Tarrant) w/a
- 1 - Bureau

CL/SS:EEJenc:bju/2117 (21 April 60)

- 2 -

SECRET

HH-6122

SECRET
(When Filled In)

4-61-88

PROCESS SHEET FOR DOMESTIC CONTACT SERVICE COLLECTIONS																													
FOR FIELD USE ONLY															FOR HEADQUARTERS USE ONLY														
A. FIELD OFFICE					B. REPORT NUMBER					C. REQ. CODE					D. CASE NUMBER					E. RECEIVED					F. STATUS				
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G. CONTACT (Name, Title, Organization, Address)															INDIVIDUAL NO.					TYPE OO-E					NOT SYSTEMATIZED				
Hugh C. McDonald, President World Associates, Inc. 406 Wilshire Blvd. Santa Monica, California 90401																				S									
H. SOURCE (Name, Title, Organization, Address)															ORGANIZATION NO.					SUBJECT					AREA				
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FORM 25
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editions

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(20-41)

4-41-86
S-E-C-R-E-T

MLA 00-A(5) 322/26389-69

10 September 1969

DCS Case 53199

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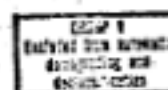
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7. Attached are copies of data pertaining to prospectus, products, services, etc.

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S-E-C-R-E-T



SECRET
(When Filled In)

4-61-88

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Request for Information on World Associates, Inc.																																							
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Hugh C. McDonald, President World Associates, Inc. - Suite 203 406 Wilshire Boulevard Santa Monica, California 90401																																							
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ATTN: OSS (Basulin) For background (Services Division) attached are data concerning <u>World Associates</u> and their products/services. May we close case?																																							
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Copy to TSD/colwest Please close case																																							
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FORM 25
3-66

Obsolete previous editions

SECRET

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