Vienna, February 1, 1937.

Dear Dum:

I was very glad to have your note of January 15, acknowledging my letters of December 5, 22, and 28. I appreciate your telling me about the interest in the film industry. I have been following this situation very carefully and sent a despatch No. 1020, of January 14. I am sending by this pouch a confidential despatch No. 1034, of January 29, which brings the position to date and which you will be interested in reading. I am afraid this film situation is going to cause us a lot of trouble, not because of the arrangements made between Austria and Germany, but because it looks as though German interests may have gotten hold of the Austrian industry. That greatly complicates the situation.

With all good wishes.

Cordially yours,

George S. Messersmith

James Clement Dunn, Esquire, Special Assistant to the Secretary of State, Washington, D. C.