DEFENSE
OFFICIAL WEEKLY BULLETIN OF DEFENSE AGENCIES IN THE OFFICE FOR EMERGENCY MANAGEMENT
WASHINGTON, D. C.

NOVEMBER 18, 1941
VOLUME 2, NUMBER 46

DEFENSE PROGRESS

MAHPower
United States Army, Oct. 9.. 1,588,500
Navy and Marine Corps, Oct. 1.. 386,629
War production workers, Sept..... 440,962,000
Percent increase since June 1940 13
18 defense industries, Sept...... 2,660,500
Percent increase since June 1940 65

FINANCE
June 26 to latest reporting date (In millions of dollars)
Authorized program Oct. 31... $63,962
Contract awards Oct. 15... 63,962
Total disbursements Sept. 30... 63,962

PRODUCTION
Paid on contracts, June 1940-
September 30, 1941. 68,464,000
Combat vessels in October... 5
Merchant ships, October... *10

Week ended November 8
Significant defense strikes in
progress during week... 12 8,100
Number settled... 6 6,700

*Preliminary.

PURCHASING POWER
OF THE AVERAGE WEEKLY WAGE

| Year | *INDEX | 1914 | 1919 | 1924 | 1929 | 1934 | 1939 | 1940 | 1941
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Review of the Week in Defense

The National Defense Mediation Board, November 10-16, for the first time in its history passed a week without a strike on its calendar. When the Board refused to recommend a union shop in the captive coal mines supplying the steel industry, however, all of the CIO members and alternating members of the Board resigned. Three days of negotiations at the White House were broken off November 16 and it was announced that the miners would go on strike the following day.

Magnesium stocks put on call

As officials discussed publicly the forthcoming system to divide critical materials among industries, the Office of Production Management reached out last week to place all existing stocks of one of those materials on call for urgent defense work only. By order of the Priorities Division all magnesium and magnesium products, in whatever form or by whomsoever held, unless now being employed for defense orders rated A-1 or higher, must be reported and held for use under strict control. The magnesium acquired in this way will be used to fill immediate demands for such purposes as airplane manufacture.

More plastics sought

A current shortage of phenols, caused by the increased use of plastics in airplanes and by heavy military export demands, moved OPM to subject shipments of these chemicals to monthly orders of the Priorities Director. Another priority order was designed to give plastics an advantageous use of existing facilities, and a program to raise production of aircraft bearing tubing and tank-tread pins and bushings.

At a conference of the new Engineers' Defense Board it was revealed that an estimated 128,197 tons of copper was available to meet demands for more than 150,000 tons in the current month.

Spreading the work

Three special trains sent out by the Contract Distribution Division left Washington on a tour of the country to help spread defense work among more manufacturers. An additional step in the direction of more even work distribution was an order of the Priorities Division requiring rubber processors with scattered plants to report how they have apportioned their supplies to the various communities.

A new survey by the OPM Bureau of Research and Statistics indicated that the volume of all construction in 1942 may be greater than in any other year since 1930, with the exception of 1941, despite the difficulty of building in non-defense areas.

Cooperative defense homes

The Division of Defense Housing Coordination announced a plan whereby low-salaried defense workers may organize cooperatives and apply to the Federal Housing Administration for mortgage insurance up to 90 percent.

The Priorities Division restored oil burners to "good standing" in defense housing on the Eastern Seaboard, and added three to the list of defense housing "critical areas."

Price Administrator Henderson denied, in a speech, that he has "secret designs" to curb advertising.

Nylon hosey prices investigated

An intensive investigation in the Nylon hosey field was undertaken by the Office of Price Administration, because of price increases which were termed unwarranted. OPA also set a ceiling on prices of carbon and low-alloy steel castings, used by virtually every industry in the United States, and on manufacturers' and jobbers' prices of a wide variety of builders' hardware; persuaded the leading purchasers of crude oil in North and North Central Texas to withdraw an increase of 7 cents a barrel; obtained voluntary stabilization in the price of upholstery furniture fabrics; sped its work on a ceiling for copper wire and cable; discussed with the trade a schedule of maximum prices on bed sheets; and asked producers of drop forgings made of steel and steel alloys not to exceed October 10 prices.

OPA prepared to set up headquarters in San Francisco to enforce the iron and steel price schedule in the West, after a check disclosed numerous evasions.

How to organize an intensive study under way

Intensive study of the price situation in the Nylon hosey field is being undertaken by the Office of Price Administration as a result of unwarranted price increases which have occurred in the past few weeks, Administrator Henderson announced November 14.

A questionnaire seeking price history and production data was to be sent out within a few days. The question of whether a price ceiling is necessary will be determined after study of this data.

Prices ranging up to $16 or $18 per dozen pairs have been charged by some manufacturers and jobbers in recent weeks as compared with prices several dollars below these levels sometime ago.
Mediation Board's CIO members resign
as union shop demand is rejected

All CIO members and alternate members of the National Defense Mediation Board resigned last week when the full Board refused to recommend a union shop in captive mines supplying the steel industry. Subsequently, 3 days of negotiations at the request of President Roosevelt were broken off November 16 with the announcement that no agreement had been reached and that production would cease at the mines Monday.

At a press conference November 10, Chairman William H. Davis announced the decision of the full Board in the dispute between the United Mine Workers of America and the steel companies which operate the captive mines. By a vote of 9 to 2, the union's demand for a union shop in the captive mines was rejected. The two members who voted in favor of the union shop were Philip Murray, president of the CIO, and Thomas Kennedy, secretary-treasurer of the UMWA. The nine members voting against granting the union shop were Mr. Davis, chairman, Frank P. Graham, vice chairman, and Charles E. Wyzanski, Jr., representing the public; Cyrus Ching, Walter Teagle, Roger Lapham, and Eugene Meyer representing employers; George Lynch and William Calvin, both AFL members representing employees. The text of the recommendation is as follows:

"I tell you frankly that the Government of the United States will not order, nor will Congress pass legislation, ordering a so-called closed shop. It is true that by agreement between employers and employees in many plants of various industries the closed shop is now in operation. This is a result of the legal collective bargaining, and not of Government compulsion on employers or employees. It is also true that 95 percent or more of the employees in these particular mines belong to the United Mine Workers union."

In accordance with the President's request, the parties immediately opened direct negotiations. After 3 days, these negotiations were broken off November 16 with the announcement that no agreement had been reached and that production would cease at the mines Monday.

In the meantime, the withdrawal of all CIO members from the Board held up hearings on two cases last week and further delays in other hearings were expected. In both the International Harvester and Bell Aircraft cases where CIO unions were involved, postponements were requested and granted.

**STRIKELESS CALENDAR**

For the first time in its history, the National Defense Mediation Board went through the week without a strike on its calendar. Further details, page 28.

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**OPM orders all magnesium in any form reported and held for defense uses**

The Office of Production Management moved November 14 to channel into direct and urgent defense production all magnesium in the country not now being used. The usual clause providing for special exceptions to the general provisions are contained in the order, and all magnesium and magnesium products that exist in the country in the form of scrap, cause, is contained in the order, and all magnesium and magnesium products that may be under their care.

An unusual provision of the order is one that holds agents, bailies, and warehousemen responsible for reports of magnesium and magnesium products that are expected to get in production by the summer of 1942 and the present order is designed to relieve the shortage until that time.

Complete allocation provided

The order provides for complete allocation of all magnesium by the Director of Priorities on a monthly basis. An unusual provision of the order is that holds agents, bailies, and warehousemen responsible for reports of magnesium and magnesium products that may be under their care.

Contamination or debasement of magnesium is forbidden, and scrap owners or plants producing scrap are ordered to collect, label, and segregate it. The usual clause providing for special consideration if unusual hardships are caused, is contained in the order, and all exceptions to the general provisions are left to the discretion of the Director of Priorities.
PRIORITIES...

Production of light trucks for civilian use cut 35.9 percent for January 1942

Production of light trucks for civilian use in January 1942 will be curtailed 35.9 percent below output in the same month this year under an order November 14 by Priorities Director Nelson.

Companies manufacturing both passenger cars and light trucks (those less than 1 1/2 tons) may exceed the ceiling on truck output, provided passenger car production is correspondingly reduced so that combined quotas are not exceeded, under a provision in the orders.

This substitution arrangement has been in effect on an informal basis as the result of oral permission granted the industry by Leon Henderson, director of the Division of Civilian Supply.

No critical materials for trim

Mr. Nelson's order extending the light truck production program from December 31, 1941 to January 31, 1942 includes a ban on the use of critical materials in bright finish or body trim after December 15 of this year. An identical prohibition recently was announced for passenger cars. Materials affected are copper, nickel, chrome, and aluminum.

At the same time, Mr. Nelson issued orders extending from December 31 to January 31 the replacement parts program for passenger cars and light trucks. These orders—L-4-a and P-57—set a top quota for spare parts production and grant priority assistance in obtaining needed materials to assure continued operation of passenger cars and light trucks on the roads.

Manufacturers produced 37,790 light trucks for civilian use in January, this year. The maximum output allowed for January 1942 is 24,169, a reduction of 35.9 percent.

Maximums not guaranteed

Light truck production in the 6 months, August 1, 1941 to January 31, 1942, will be 145,018, compared with an output of 171,268 in the corresponding period a year ago, a curtailment of 15.3 percent. The program is designed to bring about a 30 percent reduction for the full model year as compared with the previous model year. There is no guarantee, of course, that sufficient materials will be available to permit manufacturers to produce the maximums allowed.

Order L-4-a provides that a producer of spare parts for passenger cars and light trucks, as defined in Limitation Order L-4, may make during January one-third the number of parts sold by him for replacement purposes during the period from January 1, 1941, to March 31, 1941. This means that during the first month of 1942, he will be operating at the same high rate as during the first 3 months of 1941, when production had increased substantially over 1940.

In determining the number of replacement parts which he may produce in January, he may exclude from his calculations all parts sold during the first 3 months of this year to the Army and Navy, certain other Government agencies listed in Limitation Order L-4, and to the governments of those countries whose defense the President deems essential to the defense of the United States.

Limited Preference Rating Order P-57 is extended until January 31 so that an A-10 rating will continue to be assigned to deliveries of materials necessary to carry out the program.

$10,000,000 of machine tools allocated to Russia

Acting upon recommendations of Lend-Lease Administrator Edward R. Stettinius, Jr., the Priorities Division, OPM, has taken action designed to promote a steady flow of American-made machine tools to the Russian Government.

Special Allocation Order No. 1 has been served on approximately 35 machine-tool manufacturers in this country. The order directs that the manufacturers receiving it accept specified purchase orders placed by the Amtorg Trading Corporation, on behalf of the Russian Government, provided that Amtorg meets regularly established prices and terms of sale. Manufacturers are further required to make deliveries on these orders on the dates specified.

It is estimated that purchases under this order will represent between $10,000,000 and $15,000,000 worth of tools.

The importance of the order is indicated by a provision that no preference rating, urgency standing, or other order issued by the Priorities Division, is to interfere with delivery of the machine tools earmarked for Russia, unless it shall so specify.

Rebuilders of machine tools for defense given A-1-c rating for scarce materials

Rebuilders of machine tools have been granted the assistance of a preference rating of A-1-c in acquiring necessary scarce materials, it was announced November 10 by the Priorities Division. The order is effective immediately.

Rebuilders are defined as those who rework or replace worn or missing parts, test the repaired tool under power, and guarantee its performance for a period of not less than 30 days.

The materials to the acquisition of which the preference rating may be assigned are listed in Exhibit A to the order. They are:
- Motors and other electrical accessories: iron, steel, brass and bronze castings; alloy and carbon steels in bars, forgings, castings, shapes and tubes; cutting tools, including cemented carbides; abrasive; measuring instruments and gages; brass, copper and steel tubing and fittings; oil resisting hose; bearing metals; anti-friction bearings, and machine parts and accessories.

Rebuilders benefiting by the order may make deliveries of rebuilt machine tools only to fill defense orders, as defined in the order.

One paragraph of the order provides that any purchase order for rebuilt machine tools placed by a manufacturer to enable him to complete defense orders which he has on hand is to be considered a defense order. A rating of A-10 is assigned to such orders, unless a higher rating had been granted previously. The rebuilder, before making delivery in such cases, should require his customer to certify in writing that he requires the tools to fill defense orders.

The A-1-c rating may be applied by the rebuilder by executing an acceptance of the preference rating order and filing it with the Division of Priorities, and furnishing one copy, with the acceptance executed, to each of his suppliers. The order is not extendable, and may not be applied by a supplier.
A-3 ratings aid production of conveyors
and of elevator, escalator repair parts

Two plans to facilitate production of materials for repairs to elevators and escalators and for construction of conveyor machinery were issued November 11 by Priorities Director Nelson. The orders are P-72 and P-78. They permit application of A-3 preference ratings to deliveries of the necessary materials for production, with certain restrictions. Both became effective November 10 and will expire January 31, 1942. The orders are to be used by the producers of the items covered and their suppliers.

Direct allocation in future

In letters to affected producers, Mr. Nelson said the orders will not be extended in their present form, and that it is the intention to base future assistance of this kind on a system of direct allocation of materials. This is in line with the policy of the Supply Priorities and Allocations Board.

Preference Rating Order P-72 is designed to assure production of parts necessary to repair and maintain the country’s 225,000 elevators and escalators.

The A-3 rating applies only to materials on the current priorities critical list to be physically incorporated in repair and maintenance parts for passenger or freight elevators or escalators.

This rating may be applied by the producer of such parts or his supplier, after an acceptance of the order’s terms have been filed with the industrial and office machinery branch of the Division of Civilian Supply.

Cannot be applied to accumulate inventories

The rating cannot be applied to accumulate inventories, obtain materials not used in repair parts, obtain more materials than were consumed during the year ending September 30, 1941, nor if the materials are available without a rating.

Conveyors important to defense

The conveyor producing industry is in a different category from the elevator and escalator industry. Its work is overwhelmingly defense and its backlog of defense orders is increasing rapidly. The industry now is operating generally under Individual preference ratings, but because of the many parts required for custom-built materials, the placing of orders and deliveries has been slowed down under this system.

All types covered except platform

All types of conveyors, except platform elevators, are covered by order P-78. The industry produces the transportation tools used in and around mines and manufacturing plants.

The A-3 Preference Rating cannot be used for deliveries of any material containing aluminum or magnesium, and can be applied only to the following items: Castings and forgings; sheets, bars, shapes, plates and tubing (ferrous, non-metallic and nonferrous to the extent permissible under the terms of conservation order M-9-c, generally known as the copper order); electrical equipment and accessories; mechanical equipment and accessories; cutting tools, including cemented carbides, and necessary maintenance and shop supplies.

The rating may be used by producers and suppliers after an acceptance form similar to that governing the elevator and escalator industry has been filed with the industrial and office machinery branch.

Reports required

Restrictions on use of the rating are similar to those set forth in the elevator and escalator order. Customary reports are required.

Repair, maintenance priorities extended to more industries by amended order

A number of amendments to Preference Rating Order P-22, covering repair, maintenance, and operating supplies, were announced November 10 by the Priorities Division.

Amendment A embodies three changes, designed to assist important industries heretofore not specifically covered by the order.

Provides for transportation

The first of these changes brings natural gas, and hydrocarbons associated with petroleum, under the terms of the order, and extends its assistance to the transportation as well as the production of these items. This means that pipelines, railroads, and truck fleets engaged in moving the products of the petroleum industry, may now apply the A-10 rating to the acquisition of necessary repair and maintenance parts and operating supplies. Petroleum production was covered in the original order.

Another change brings within the terms of the order privately owned irrigation systems, toll bridges, and toll canals. Previously, units within these categories were assisted only if they belonged to governmental units.

A third paragraph extends the assistance of the order to those using tools or equipment to repair or maintain the property of other producers. Priority assistance is thus extended to independent contractors and others, such as machine and repair shops, blacksmiths, and similar repair and maintenance operators.

Restrictions on operating supplies

Amendment B defines operating supplies as before, but rewords the definition to state that such supplies shall not include “any material which the producer acquires solely to distribute, store, or transport.”

Amendment C makes two important changes. It deletes the provision of the previous order which refused assistance in replacement of equipment by improved equipment, and prohibited replacements unless such existing installation is beyond repair.” It has been found impossible, and in many cases undesirable, to require replacement with equipment exactly like the old. The procedure frequently held the producer to the use of antiquated equipment, and sometimes made it impossible for him to obtain any replacement equipment at all.

Changes exemption methods

Amendment D changes the method by which exemption of various industries from the restrictions on deliveries, withdrawals, and inventories, may be granted. The order excepts public utilities from the terms of P-22, if they are covered by Preference Rating Order P-46, as amended from time to time.

Mines not receiving the assistance of the mine repair order may benefit from the terms of Preference Rating Order P-22.
Principles of allocation system explained by priorities executive officer

Principles of the new allocation system, which is being evolved to control distribution of critical materials throughout industry, was described by A. C. C. Hill, Jr., executive officer, Priorities Division, before the Ohio Chamber of Commerce in Toledo November 13. Excerpts from his speech follow:

Seventeen months ago, when our defense program first got under way, many thought that the big problem was how such a program could be fitted on top of the regular business framework of our economy.

Today the problem is different. It is to find to what extent and in what manner the regular business framework can be fitted on top of the defense program.

The problem has changed because the defense program has grown tenfold since the middle of 1940. And with that growth our whole attitude toward the problems brought by this great readjustment has changed accordingly.

Our effort is the greatest which we as a people have ever undertaken. It must of necessity be of stupendous magnitude to make certain that our future development will take place in a world wherein a free economy and a free people can live and prosper.

Shortages caused by joint demand

Our big difficulty arises because of the quite unavoidable fact that there is not enough of any one of the great, basic raw materials to meet both the military demand and the demand which our civilian economy makes under the pressure of a wartime boom.

The defense program is not the sole cause of these shortages. They are caused by the defense program plus the increased civilian demand. The combination, then, of this augmented civilian demand coming up to the source of supply hand in hand with the biggest armament program ever dreamed of, creates a joint demand far greater than we can possibly meet. The result, of course, all up and down the line, is shortages.

Those shortages are real and not imaginary—present and not future. There is enough of everything for defense needs. But when defense needs have been met there is not enough left for civilian demand.

The ratio of civilian demand to available supply for aluminum is ten to one. There are three customers for every ton of copper, four for every ton of brass, two for every ton of steel—and in greater or lesser degree the same kind of ratios apply to all of the other critical metals, to most of the important chemicals, and to many of our basic fibres.

Adjustments by series of controls

In a word, then, the problem which our great defense effort has caused, directly and indirectly, is shortages; and the two techniques which we use to make adjustments to these shortages easier are a series of controls known generally as priorities, and allocations or rationing.

In a situation like the one I have described, Government controls are essentially essential. For the protection of all of us, controls must be applied wherever and whenever a serious shortage develops.

The first chapter in these controls is the priorities system. Fundamentally, priorities is a method of rating the comparative importance of orders, so that those orders which are most essential to the Nation can be filled ahead of those which are less essential. Basically simple, this network of priorities ratings inevitably becomes highly complex when the number of competing demands becomes too great. Sooner or later, priorities ratings undergo a process not unlike the depreciation of currency which takes place in a time of inflation. To insure the filling of an order in reasonable time, it becomes necessary to make the rating higher and higher. You get, eventually, to a point where the priorities rating system in itself simply is not adequate to control the situation.

Transition to rationing

We have just about reached that point today. When that happens you have to replace or supplement the rating system with another form of control which some people call allocation and others call rationing.

Now "rationing" is not a word we Americans are used to. We are used to abundance. It is extremely hard for us to adjust our minds to the hard, unpleasant fact that from now until this emergency ends we are going to be living in an economy of not-enough instead of an economy of too much.

I want to assure you that this transition we are now about to begin is not some fearsome new device to bewilder and perplex you. Eventually it will give you much greater certainty about the way in which you can operate.

The policies under which the distribution of scarce materials is performed are laid down by the Supply Priorities and Allocations Board. This board just a week ago today requested the Office of Production Management to move as expeditiously as possible into a system of allocating the critical materials throughout American industry. The job, of course, is so vast and far-reaching that it will doubtless be months before it is in full operation.

This allocation program must rest on a foundation of knowledge about what our total national requirements are going to be. Obviously, you cannot allocate steel or any other metal until you know, first, what our military demand is and, second, what the different steel-using civilian industries are going to need.

Reports of needs being gathered

SPAB has taken steps to get the information necessary. Reports on military requirements for the coming year are being submitted by the Army and Navy. Similar reports from the lend-lease authorities and export control agencies will presently show how much we shall need to send overseas. These reports will be broken down in terms of raw materials. Within a comparatively short time, OPM will have a pretty accurate picture of the tonnages of all these materials which will be needed to meet the purely military part of our program.

Suppose, now for the sake of an illustration, that this picture eventually shows that we shall need 35 million tons of steel for military purposes during 1942. By subtracting this military demand from the amount available, it will be simple to discover how much steel there will be to meet all of the requirements of the civilian economy. It will remain, then, to determine how much steel the different steel-using industries require, and to adjust their production schedules so that the total of their requirements will not exceed the total supply.

Broadly speaking, that will be worked out in this way.

There are in the Office of Production Management a number of industrial branches, each one having jurisdiction over certain related industries. Let us say that we wish to know what sort of a schedule will be needed for the makers of agricultural machinery. There is an agricultural machinery unit in the OPM Division of Civilian Supply. The officials of that branch start by getting the
best possible picture of that particular industry’s normal requirements. They consult the industry itself, through the defense industry committee; they consult the Department of Agriculture and every available source; they will spare no effort to learn accurately the quantities of various materials which this industry has used in past years, the amount it would use in the coming year if the available supplies were unlimited, the number of plants in the industry, the number of workers, and so on.

Cross-checked with other branches

Thus a tentative schedule of requirements can be drawn up, keyed to various levels of defense activities. This schedule will then be cross-checked with the other OPM branches and sections having jurisdiction over the needed metals—copper, steel, lead, tin, and the like. In this kind of work, what is possible, these officials will work out the quantities of materials which this industry may use during the coming year without consuming more than its proportionate share of the available supply. This schedule will also be studied by the Industrial Conservation Branch of OPM. There doubtless will be further conferences with the industry, to see where savings in materials may be made through simplification of styles and lines, through salvage and reclamation or through any other conservation measures.

A program thus evolved will be the product of the best attention which the industry and the Government can give it. It will be worked out with due regard to the need for the product involved, to the way in which curtailment will affect employment, to the extent to which factors in the industry engaged in the manufacture of this product can be converted to the production of defense goods, and so on. Then the program will be presented to SPAB for final modification or approval.

Priorities will supplement allocations

When approved, the program will be made effective by the OPM Division of Priorities, either through outright allocations or through the issuance of the required priorities ratings—for it is important to remember that the fact that we are going into an allocations system does not mean that there will be no more priority ratings. They will remain to supplement and implement the allocations system.

I think it is clear that there will be great advantages from operation under this system. The fundamental advantage, of course, is that the national economy can be dealt with as a whole, and each separate industrial program can be worked out with due regard for its place in the economy. The immediate, practical advantage to the industrialist, likewise, will be that he will be able to know pretty exactly what he is up against. It may be necessary to curtail his operations, but he will know ahead of time what the curtailment is going to amount to and can plan accordingly.

But in spite of what we hope will be the advantages of allocation, let us not deceive ourselves. All of this comes under the heading of making the best of a bad situation.

Need conversion for defense

It is of the highest importance for the manufacturer to convert his facilities to the production of defense goods if he can possibly do so. For while we are obliged to curtail civilian production, we need all of the defense production we can get.

There is a problem of peculiar importance for the small manufacturer. It is harder for him to shift over to defense production than it is for the big manufacturer. We are determined that this defense effort shall not result in the crushing of small business; we are fully aware that the defense effort needs the small manufacturer as well as the large one.

But, no matter what the handicaps are, it is up to the small manufacturer—and to the big one also, for that matter—to exercise every bit of ingenuity and grit he has, and that he should not assume that he can be brought through this crisis only via action by the Government.

Small man must stand on own feet

We live under a system of free enterprise, of private competition. Now as never before it is vital for the small manufacturer to make every conceivable effort to stand on his own feet. If it is possible for him to make things for defense it is up to him to exercise his own aggressiveness in seeking orders—whether he goes after direct Government contracts or wants subcontracts.

Not every small manufacturer is going to be able to get defense work to do. There are shops and factories in which things just can’t be made that the Government needs. There are, as a matter of fact, quite a number of these establishments, and the livelihood of a great many Americans depends on them. We are not going to simply plow blindly ahead and ignore such Americans.

As a remedy, it has been suggested that the Government simply rule, arbitrarily, that some materials be made available for all manufacturing establishments under a certain size, on the ground that their continued survival is essential to our economy’s future health and to the welfare of the people as a whole. I can agree with the latter premise, but I do not see how a blanket, over-all lumping together of small manufacturers in that manner could possibly work. For one thing, the materials simply are not available to do it that way. This defense program is a life-or-death matter; the small manufacturer would be making a disastrously bad bargain if he bought his survival during the next two or three years at the price of his country’s own safety.

Furthermore, there are large as well as small factories which can’t convert to defense production. The owner of a large factory can go just as broke as the owner of a small one; I believe that it will be possible, when we make our allocations of essential materials, to set aside a small pool of each material for hardship cases. From that pool, materials can be made available to manufacturers whose shut-down would inflict a genuine hardship on the community.

On a “play-no-favorites” basis

Yes; we are going to have to make sacrifices; we are going to be linked by heavy controls and restrictions; we are not going to be able to run our businesses or even to live our daily lives as we might wish to do. Yet we are going, because of this, to come through this emergency in good shape. We are going to come through it all with the fundamentals of our American society undamaged.

I can’t promise you that we in Washington have the wisdom and ability to guide this defense program in such a way that none of you will suffer loss. I can promise you, however, that this program will be conducted on a play-no-favorites basis, that no controls will be put upon you except those which are absolutely necessary and which are in your own interest, and that we will do our level best to keep you fully informed about what is being done and the reasons why it is being done.

ORDERS AND FORMS

A complete list of priority orders issued through early November and the forms used in relation to them appears on page 26.
Makers of wooden, paperboard containers get priorities for needed hardware items

In a move to facilitate the operations of the cooperage and wooden container industries, and also to lend assistance to the production of paperboard containers, the Priorities Division November 14 issued Preference Rating Order P-79, extending to manufacturers in these fields priority assistance in obtaining the necessary hardware, including wire and nails, saws, knives, and other tools.

Makers of all types of wooden barrels and kegs, and containers made from sawed lumber, veneer or plywood, and of paperboard containers, are included within the terms of the new order, which became effective November 14. It is believed that this assistance will greatly stimulate the substitution of these forms of packages for metal containers, and effect a considerable saving in the amounts of critical materials currently consumed in packaging.

A rating of A-5 is assigned to ferrous material

A producer, to apply the preference rating to deliveries to him, must sign an acceptance of the order, and file it with the Priorities Division, and furnish an unsigned copy to each of his suppliers with whom he has placed a purchase order for ferrous material. The supplier, in turn, may extend the order in the same fashion to obtain material to be physically incorporated in his deliveries to his customer.

Rating restricted

The producer, or supplier, making use of the order must endorse the following statement, “Purchase order for ferrous material, preference rating _________ pursuant to Preference Rating Order No. P-79,” on the original and all copies of each purchase order.

The producer is restricted in the application of the rating to those quantities and kinds of ferrous material specifically authorized for rating by the Director of Priorities on PD-82, and for the purposes authorized by the order.

Copies of the order and the necessary forms, together with instructions for mailing applications for assistance, will be mailed to some 3,000 manufacturers of wooden containers.

OPM orders firms with scattered plants to report apportionment of rubber

Defense authorities acted November 12 to determine if rubber, one of the most vitally needed defense materials, is being equitably distributed among plants throughout the country.

Priorities Director Nelson ordered rubber processors operating plants in more than one community to file reports within 15 days on distribution among individual plants during July, including rubber released by the Rubber Reserve Co. (RFO).

Effect on communities studied

If the ratio of distribution in subsequent months differed materially, the processors must submit full reports showing clearly the reasons for the change. All reports must be filed with the rubber and rubber products branch of OPM's Division of Civilian Supply.

“In any case in which it appears that such change in ratio was not justified or proper,” the order states, “the Office of Production Management will take such action as it may deem appropriate.”

By this order, OPM will have closer scrutiny of rubber distribution by large processors operating plants in several communities, and will be able to determine if there have been instances of distribution on so uneven a scale as to result in severe labor displacement in any one community, or in any unnecessary reduction in the manufacture of rubber products.

July was selected as the base because it was the month General Preference Order M-15 became effective and rationing began.

Under Order M-15, each processor was required to cut his crude rubber consumption in July to 65 percent of his monthly average during the previous 12 months ended March 31, 1941. Using the same 12 months as a base, consumption subsequently was ordered held to percentages each month below that permitted in July.

Discussions are in progress on plans for extending the program beyond December.

Makers of laboratory supplies given A-5 rating on materials

In a move to broaden the assistance already extended to research laboratories, the Priorities Division issued an order November 15 assigning a preference rating of A-5 to acquisition of the scarce materials required by manufacturers of the necessary laboratory chemicals and equipment. The order is effective immediately.

Applies to packaging too

Producers who supply laboratories engaged in research, testing, analysis, and in plant-control studies, as well as clinical and academic (college and high school) laboratories, are covered by the order. The rating is applicable to materials required for packaging the equipment for delivery, as well as to those elements entering into its manufacture.

May be extended to supplier

A producer to whom the order has been issued may extend it to a supplier, if necessary, by executing an additional copy in the manner prescribed.

A previous order, P-43, extended to certain accredited laboratories engaged in scientific research a preference rating of A-2, and is applicable to orders placed by them for essential materials. The new order, however, specifically aids producers of certain equipment which the laboratories require.

Steel buyers must file PD-73 to avoid delay in shipments

Purchasers of steel face delay in receiving shipments if they fail to file Form PD-73 with producers, they were warned November 14 by the Iron and Steel Branch, OPM.

Under Steel Order M-21, it is unlawful for producers to make shipments after October 15, 1941, if the producer does not have a copy of PD-73 covering the order. A number of shipments are now being held up, the branch disclosed, pending receipt of forms by producers.

Form PD-73 provides for complete information by the customer as to the classification of steel ordered, its ultimate use, completion date of contract for which the material is required, and other pertinent data.
Almost all grades of paper affected by order decreasing use of chlorine

A decreased use of chlorine in the manufacture of pulp, paper, and paperboard, effective immediately, was ordered November 15 by the Director of Priorities, in General Limitation Order L-11. The result will be less whiteness, or "brightness" in the idiom of the paper trade, in practically all grades of paper. The changes will be noticeable, it was said, on close examination but will not be observable on casual inspection.

In general, all grades of paper will correspond to the standards of 1931-32. Since that time increased use of chlorine has resulted in whiter papers.

Chlorine is used as a bleach in the manufacture of paper and pulp, eating out all foreign matter and increasing the white quality. In some of the lower grades of paper now in use, where the cuts in the use of chlorine are heaviest, a slightly yellow cast may result.

Save 60,000 tons annually for defense

It is expected the order will save 60,000 tons of chlorine a year, which is half the new chlorine entering the paper-manufacturing industry annually. All of the chlorine saved will go directly into national defense uses.

Chlorine enters into many phases of defense production. Among its important uses are: in the manufacture of plastics for degaussing cable used to make ships immune to magnetic mines; in the manufacture of waterproofing paraffins for canvas; as a solvent for liquid-cooled airplane engines; in the manufacture of nonfreezing dynamite; and in chemical warfare.

All grades affected except newsprint

Practically all grades of paper are affected by the order, with the exception of newsprint, in which no chlorine is used. Brightness ceilings are provided, ranging from a cut of 4 points in 100 percent rag-content writing paper to total elimination of chlorine in groundwood, the grade commonly used in "pulp" magazines and books. Bleaching also is eliminated for most bags, sacks, and wrapping paper and for speciality papers, such as sandpaper base.

The order does not apply to stocks on hand produced prior to the applicable dates of the order. No restriction is placed on the use of chlorine for sanitary purposes. Producers who manufacture their own chlorine are required to comply with the terms of the order.

Regulations are set up on a quarterly period basis, with various percentages fixed for the use of chlorine as compared to the 3-month period ending July 31, 1941.

Methanol control tightened to increase flow to plastics

The Office of Production Management November 12 imposed additional control over methyl alcohol (methanol) in a move to increase its flow into the manufacture of plastics.

In an amendment to General Preference Order M-31, issued by the Division of Priorities and effective November 12, these steps were taken:

1. Ratings of B-4 were assigned to deliveries of natural origin methyl alcohol to be used as a denaturant for ethyl alcohol.
2. The same rating was assigned for deliveries of synthetic methyl for general chemical manufacture, including formaldehyde for nondefense uses specified in General Preference Order, M-25.
3. Acceptance of these orders, subject to general priority regulations, is required.

4. Preference rating B-8 is assigned to deliveries of methyl alcohol for use as an antifreeze and as a general denaturant and solvent. These steps have the effect of preventing the delivery of methyl alcohol for antifreeze and other purposes until and unless the higher-rated needs have been taken care of.

5. Deliveries of methyl which will increase inventory beyond a 30-day supply at current rate of use is forbidden.

General Priorities Regulation No. 1 is made applicable to all transactions in methyl alcohol.

General Preference Order M-25 relates to the use of formaldehyde and synthetic resins in the manufacture of plastics and assigns ratings to nondefense uses of plastics after defense orders have been filled.
PRICE ADMINISTRATION . . .

Henderson denies hostility to advertising or participation in talk of “curb”

“If I have a point of view about advertising,” Price Administrator Henderson told the American Association of Advertising Agencies on November 13, “it is that under the sort of expanding economy I would like to see there should be more of it.” Furthermore, he said in his Hot Springs, Va., speech, he has not taken part in any talk of “curbing advertising” to control inflation and production.

Excerpts follow:

Some of your trade publications and other sources have ascribed to me a point of view about advertising. The clear inference has been that I am a charter member of some little cell of conspirators whose main purpose in life is to alter, reform or perhaps destroy advertising as we know it. The fact is that I have never had the opportunity or the occasion to give sufficient research or investigation to advertising to come up with any really informed opinion about it. I have always assumed and I now assume that advertising performs a useful economic function.

Not his job to police outlaws

It’s not my job—and for this I am grateful—to undertake to police the abuses of false and misleading advertising. I know I am correct in the assumption that you all subscribe to proper regulation which undertakes to suppress and punish the outlaw and the faker. Our office has already expressed its opposition to “scare” advertising and advertising which emphasizes scarcity. However, I wish to make one thing clear at the risk of a further invasion of the privacy of my personal economic views. If I have a point of view about advertising it is that under the sort of expanding economy I would like to see there should be more of it. That is, more of the right kind.

The truth is that I have for many years advocated a greatly expanded productive economy. This, of course, involves a vastly accelerated production and distribution of consumer’s goods. If, as you believe and as I assume, advertising is the cheapest and most efficient selling method, then under more normal circumstances the increased use of proper advertising should accompany the expanding economy which I have always advocated and which I hope will follow this war. Unfortunately, the “more normal circumstances” to which I have referred do not now exist and our problems must be weighed in the light of extraordinary conditions. However, I wish to emphasize at this point that I am somewhat bewildered by the attitudes that assume I am hostile to advertising because some of your problems happen to come within the scope of the job I am trying to do.

The objective of the Office of Price Administration is to prevent unwarranted price increases. The purpose of the Citizen’s Allocation Committee is to assure the most equitable distribution and the maximum supply of goods for civilian consumption without sacrifice of defense requirements. I have responsibilities in these closely related fields. And it will be my purpose as it has been in the past to discharge those responsibilities in a manner which will maintain the maximum of free choice and judgments by all groups which may be affected.

You don’t expect me to tell you that advertising is not going to suffer in this defense program. I wouldn’t try to kid professionals. But I can tell you with all conviction that I regard it as part of my job to do what I can to maintain the maximum of civilian activity in our economy consistent with the basic requirements of defense. And I ask you to believe me when I say that since the question has been raised—frankly it never occurred to me until recently—I consider that advertising is included in the category of important civilian activity.

No secret or subtle designs

However, what seems to be concerning some of the advertising profession are my motives. Again let me say for myself—and this goes for my entire organization—that there exist no secret or subtle designs with respect to advertising or any other legitimate business practice.

There is a statement in the prospectus of this meeting that “there has been talk of curbing advertising as a means of controlling inflation and restricting it as a means of controlling production.” I cannot deny that as a statement of fact, because as all of you know Washington abounds with “talk” on every subject and perhaps there is no conceivable proposal that has not been the basis of “talk” in Washington. All I can say about this one is that I have not been a party to any such considerations. And if “curbing advertising” as a means of controlling inflation and production had been seriously considered I think I would know about it. Furthermore, I would not want the job of attempting to prevent inflation or limiting civilian production if “curbing advertising” was my only tool. Even if all advertising expenditures were taken into account, according to your industry figures, only 2 percent of the value of all manufactured products is involved.

Not considered a major cost element

It is therefore apparent to me that of all the headaches and nightmares that I can visualize in the future, the question of what to do about advertising is unlikely to confront me as a major problem.

It has been our experience so far in the price ceilings we have fixed that advertising has not even been considered as a major cost element. Usually questions of labor costs, transportation, raw materials and other items are fully analyzed and appraised, but so far selling and distributing costs have not been urged as a compelling reason for opposing a price ceiling. If some industry whose prices were under consideration did urge increased advertising costs as the basis of challenging a particular price ceiling, we would of course be required to go into the question. But I stand on the statement which I made in my testimony before the House Banking and Currency Committee that our policy would be as a matter of course to make normal selling and advertising costs into account. I stated further then I had no secret reservations about that statement. I repeat it now.

However, it may have been that some of you gentlemen or perhaps it was somebody else who did not accept in full faith my statement of that policy or perhaps it was to make assurance doubly sure that there was written into the Price Control Bill as reported out by the House Banking and Currency Committee the proviso that the powers granted—and I quote: “shall not be used or made to operate, to compel changes in the business practices or cost practises or methods, means or aids to distribution established in any industry, except to prevent circumvention or evasion of any ceiling established under this act.” This
language was designed to take care of advertising and I so interpret it.

Advertisers can ease shocks

As Director of the Civilian Supply Division I am supposed to distribute as best I can the materials that the defense program doesn’t require. The going is getting tougher. As we shift from the priorities system to an allocations plan it is hoped that a smoother flow of residual materials will go to nondefense industries. Yet we all recognize, terrific shortages are going to continue until the job of licking Hitler is finished. None can escape the impact of the increasing utilization of materials and productive capacity for armaments. It is my hope that you in the advertising profession will accelerate your efforts in helping the country understand not only the necessity for adjustments but to devise methods of easing the shock. Much has been done in the field of substitution for consumers’ goods for which defense needs have created a shortage. I have been impressed by advertising copy and radio announcements which emphasize conservation and other helpful methods of bridging the gap. I am certain that your ingenuity and talents will continue to develop new schemes that will be of real assistance to consumers and manufacturers during the difficult days ahead.

San Francisco office to handle scrap enforcement in West

Headquarters will be established in San Francisco early in December to oversee administration and enforcement of the iron and steel scrap price schedule in California, Oregon, Washington, and adjacent States, OPA Administrator Henderson announced November 14.

Two OPA officials, William S. Whitehead, representing the Price Division, and Harold Swope of the Legal Division’s Enforcement Section, were to arrive in San Francisco November 17, to begin preliminary work.

Evasions disclosed

Test checks made over the past several weeks have disclosed numerous cases of evasion of the price schedule, Mr. Henderson said. Because of the distance involved, it is felt that many of the problems incident to administration and enforcement of the schedule’s provisions can be handled effectively from the field.

The new San Francisco office will be in the Newhall Building, 260 California Street.

Iron and steel scrap reporting systems combined by OPM, OPA, Bureau of Mines

A merger of iron and steel scrap reporting requirements was announced jointly November 13 by the United States Bureau of Mines, the Office of Production Management and the Office of Price Administration.

Forms PD-149, 150 and 151 were issued to cover the entire field of iron and steel scrap reporting. All three forms are returnable to the Bureau of Mines, at Pittsburgh, Pa., and not to either the OPM or OPA.

Questionnaires sent out during November are designed to cover the October operations of scrap producers, dealers, brokers and consumers. They must be returned to the Pittsburgh bureau by November 20. Further monthly report forms will originate in the Bureau of Mines.

For distribution and price control

Purposes of these reports are twofold:

(1) To develop a general policy for the distribution of scrap under General Preference Order M-24.

(2) To assist in price control of scrap.

The current serious shortage of scrap and the urgencies of the defense program dictate that the forms be given prompt and serious consideration.

Form PL-149 applies to producers. Any person or corporation producing at least fifty gross tons of iron and steel scrap during October must file a return. Figures on stocks, shipments, estimated production, sales and unfilled orders, all by grade, must be reported for each plant or location. If the producer is also a consumer of scrap he files only a consumer’s form (PD-150).

Combined form for consumers

Form PD-150 applies to consumers. It combines the former OPA Form 104, revised and the Bureau of Mines Form 6-830a MC. It calls for figures on stocks, production, receipts, delivered prices and consumption, all by grades.

Form PD-151 applies to dealers and brokers. It replaces the Bureau of Mines suppliers’ form 6-830a MD, and covers stocks, shipments, purchases, sales, unfilled orders and shipments, all by grade.

The one-time survey of all scrap steel provided in Form 144 issued by the OPM has been put on a monthly basis by including all alloy scrap grades in the revised questionnaires.

Must get papers if not received

Failure to receive forms, it was announced, does not mean exemption from reporting but rather places an obligation on the producer, broker or consumer to obtain them on his own initiative. They may be obtained from the office of the Bureau of Mines at Pittsburgh, or from any field office of the Division of Priorities, OPM.

All forms may be reproduced. They are returnable to the Bureau of Mines at Pittsburgh and all inquiries concerning them should be addressed to that office.

Steel companies asked for data on “dislocated tonnage”

Steel companies are being asked by OPA to submit data, in terms of tonnage and dollar value, on shipments of steel under the “dislocated tonnage” provisions of Price Schedule No. 6, Administrator Henderson announced November 13.

“Dislocated tonnage” means steel shipped to areas not customarily served by them. Such shipments are now being required by OPM in order to facilitate progress of the defense program. This in effect requires a modification of the basing point system used in the steel industry under which the price of steel at a given destination is ordinarily the same regardless of the mill from which it is shipped. This similarity of price is achieved by the more distant mills paying varying portions of the freight charges depending upon their distance from the customer.

Such unusual shipments of steel as required by the defense program would ordinarily require some mills to pay an excessive amount in freight on shipments to distant points. In order to meet this situation Price Schedule No. 6 was revised by OPA on June 29 to permit the mills to pass on to customers a portion of the freight charge on such “dislocated tonnage” shipped to distant points. OPA intended that this provision should be used only to relieve mills from paying excessive freight charges on such shipments. There is some indication that the provision has been used to evade the “selling” in the schedule by applying it to ordinary shipments of steel.

Iron and steel scrap reporting systems combined by OPM, OPA, Bureau of Mines
Ceilings on upholstery furniture fabrics
set at 105 percent of September 10 prices

Upholstery furniture fabrics have been placed under a formal price schedule, which supersedes voluntary stabilization agreements. OPA Administrator Henderson announced November 11. The schedule stipulates that maximum price for any present pattern shall be 105 percent of the quoted price on September 10, 1941.

This action, the Administrator stated, will be followed shortly by a schedule that will set a ceiling at present levels over the prices of wood furniture.

The voluntary agreements on furniture upholstery fabrics were announced on October 3. They stabilized prices at the level prevailing on September 10 with the provision that upon request to OPA an increase of five percent above that level might be made. A number of producers have taken advantage of this provision.

During the first 10 1/2 months of 1941, according to a survey of representative manufacturers, prices of furniture upholstery fabrics have shown an average increase of 24 percent. Attempts of OPA to obtain detailed costs and profit information from members of the industry have not been successful to date, but the investigation is continuing, Mr. Henderson stated.

To establish quality standards

In addition, research is underway in conjunction with the Bureau of Standards for the purpose of establishing standards of quality for upholstery fabrics.

Issuance of the OPA schedule was preceded by a meeting of representative manufacturers in Washington on November 7 at which technical information was accumulated.

Furniture upholstery fabrics fall into two classifications: Pile fabrics and flat fabrics. In the pile group are mohair cloths, friezes, and velours. Flat fabrics are divided into two groups, one containing the damasks, tapestries, and brocades, while in a second group fall the cheaper cottons, such as jacquard weaves and dobby cloth. More than half of all the total looms in the industry are owned by 28 companies. The remainder is divided among more than 275 small producers.

The new price schedule requires all manufacturers to file reports with OPA on or before November 20 on present patterns, giving the maximum prices established by the schedule, the name or number of patterns, and the specifications used. The specification reporting requirement applies to constructions of cloth, rather than to patterns. Only one specification, for example, need be filed where a number of patterns are made of the same cloth construction. Quarterly affirmations of compliance are required beginning January 1, 1941.

Additions to lines must be reported

New additions to manufacturers' lines also must be reported to OPA. In this connection, Mr. Henderson emphasized that prices for new goods must bear a proper relationship to prices of existing patterns and constructions, which, as previously stated, are undergoing investigation by the Bureau of Standards as to the possibility of quality standardization.

Custom manufacturers, which the schedule defines as "persons who in the first 6 months of 1941 manufactured at least 80 percent by dollar volume of their production on individual order, rather than for their stock, in quantities of 500 yards or less per pattern per month" are exempted from the schedule. Into this category falls a large number of small manufacturers who mainly produce novelty goods in minor quantities. Their prices have little direct influence upon the general price level of upholstery fabrics.

Also excluded from the schedule provisions are jobbers and so-called converters of upholstery fabrics. The prices charged by these members of the trade are undergoing examination, however, and OPA is prepared to bring them under a ceiling schedule if it is found to be necessary.

Rayon order clarified

The Office of Production Management acted November 10 to clarify several points which have caused some difficulty in the rayon trade since its Supplementary Order M-37-a was issued on September 27, 1941. An official interpretation of Supplementary Order M-37-a pointed out that merchant yarn converters and fabric converters were to be considered as "jobbers," as that term was used in the order. The interpretation also drew a line to be used in determining when a manufacturer owned, controlled, or held yarn within the meaning of the inventory restrictions of the Supplementary Order M-37-a.

A detailed release (T-42) explaining the use of Form PD-113, Government allocations from the hardshod pool, Form PD-113 and Government allocation orders from hardshod pool placed by same manufacturer, over-ordering, and inventory regulations, is available on request to the Distribution Section, Division of Information, Office for Emergency Management, Washington, D. C.

Crude oil price increase to be withdrawn

Increase of 7 cents a barrel in prices of North and North Central Texas crude oil posted November 6 by the leading purchaser in these areas will be withdrawn at the request of OPA, Administrator Henderson announced November 11.

Mr. Henderson's announcement followed a meeting in Washington with representatives of Consolidated Oil Corporation and the Texas Co. The November 6 increase was initiated by an affiliate of Consolidated and was followed by Texaco and other purchasers. All buyers in the fields are expected to return to former levels.

The advance in North and North Central Texas has been the only change in Midcontinent crude oil prices since October 10, when OPA announced it had begun a comprehensive investigation of the Midcontinent price situation. In a statement at that time Mr. Henderson asked that prices not be advanced pending the completion of the study and OPA previously had informal understandings with major companies that price increases would be discussed prior to their being put into effect.

The companies contended that the price advance was an "adjustment" rather than an increase. Mr. Henderson, in rejecting this contention, pointed out that the price for a substantial volume of production was 7 cents higher than before the increase and that any difference in nomenclature is irrelevant.

Dalton named rayon consultant

Appointment of Harry Dalton, of Charlotte, N. C., as rayon consultant in the textile, clothing, and equipage branch, Division of Purchases, was announced November 12 by R. R. Guthrie, Assistant Director of Purchases.
Builders' hardware prices stabilized by ceiling affecting manufacturers, jobbers

Manufacturers' and jobbers' prices of a wide variety of builders' hardware items are stabilized at the levels prevailing on October 21 in a maximum price schedule announced November 14 by OPA Administrator Henderson.

Prices of insect screen cloth, which is distributed through the same channels as builders' hardware, also are held to their October 21 levels by the latest OPA ceiling, which becomes effective November 19.

While the new schedule became necessary as direct result of the OPM copper conservation order of October 21, it is not confined to articles made wholly or partly of copper or brass, but extends to all products named, no matter what material is used in their manufacture.

Numerous advances of 10 percent in manufacturers' prices for various items of builders' hardware have taken place since the OPM limitation order was issued. That this probably would occur was recognized by OPA on October 26, when Mr. Henderson first announced a comprehensive program to stabilize prices of all products made of copper, brass, or other copper base alloys. At that time, the administrator disclosed that one of the first steps in this program would be to establish "present prices" as a maximum for builders' hardware.

The new schedule covers eight types of knobs and handles, 20 types of door locks, 13 types of hinges, 16 items of miscellaneous door hardware, 10 items of window hardware, five of screen hardware, and 15 miscellaneous articles, such as house numbers, transom chains, and snap catches. Painted, galvanized, commercial bronze, hand-drawn copper, and "koolshade" fabric window screen cloth are included.

Retailers exempted

Retailers have been exempted from the schedule in the belief that they also will apply the October 21 level to their price lists, Mr. Henderson said. "For retailers to attempt to take advantage of an emergency situation by compelling the public to pay unreasonable prices for the essential articles now brought under an OPA ceiling would be profiteering," he added. "It is the duty of my office to see that this does not take place."

According to the schedule's definition, a "retailer" means a person who maintains a store where 75 percent of the dollar volume of all products, whether or not covered by the ceiling, represented sales without discount, except cash discount, from his regular retail prices in the six months preceding November 19.

The maximum price for any article included in the schedule shall be determined as follows:

1. It shall not exceed the highest price at which a similar item was sold during the period between September 22 and October 21, 1941, to the same purchaser.
2. If no sale to the "same purchaser" was made during such period, the top price shall be that charged a purchaser of the same class.
3. If no sale of a similar article was made between September 22 and October 21, the ceiling price shall be determined from the price of a related item.
4. In all other cases, the maximum price shall be the market price.

A record of selling prices during the September 22 to October 21 period must be available within 30 days for the inspection of OPA. Similar sales records for each month beginning with November must also be kept.

SCHEDULES AND FORMS

A complete list of maximum price schedules issued through November 11 and the forms used in relation to them appears on page 29.

Carbon and low-alloy steel castings put under ceiling after several months' study

Prices for carbon and low-alloy steel castings, including "railroad specialties," are prevented from going above approximately current levels, through the issuance of a price schedule November 14 by OPA Administrator Henderson.

The schedule, effective November 15, 1941, provides that the maximum prices shall be those that prevailed on July 15, 1941.

Except for railroad specialties, these maximum prices will approximate those contained in the Comprehensive Report of Price Lists of Miscellaneous Castings, issued by the Steel Founders Society of America for the third quarter of 1941.

Any miscellaneous castings for which prices are not determined by the Comprehensive Report are to sell at not more than the July 15 prices, according to the schedule.

Special provision is made for pricing of castings not previously produced by a manufacturer. Data on such castings, when part of an order totaling $100 or more, must be filed with OPA along with the proposed maximum selling price.

"Price stability for castings is vital to the whole defense effort," stated Mr. Henderson, "since castings are an element of cost in virtually every industry which uses machinery.

Used by almost every industry

"Most of the foundries producing castings have defense contracts and are operating at or near capacity. Some of the larger corporations are using a large part of their plant capacity on orders connected directly or indirectly with the defense effort."

Carbon and low-alloy steel castings, which are formed by pouring molten steel into molds, are used by virtually every industry in the United States. Roughly, these castings fall into two groups: railroad specialties and miscellaneous. The first group includes sideframes, bolsters, yokes, and couplers used in the running gear of railroad freight and passenger cars. The miscellaneous castings field takes in all manner of products. Some of these are mass-production items, while others are made to order in small quantities. Steel scrap is the principal raw material in the production of carbon and low-alloy castings.

Obtain first-hand information

OPA's studies in the castings field have been under way for several months. Field trips were made during the summer to get first-hand information from many of the leading manufacturers, and on September 26 separate meetings were held with the makers of miscellaneous castings and railroad specialties. A steel castings advisory panel was designated shortly thereafter and discussions were held with committees drawn from the panel on the proposed schedule and the level of prices.

The new schedule provides that applications may be made to the Office of Price Administration to complete outstanding contracts at higher than ceiling prices in certain special instances. Sworn affirmations of compliance are required to be filed monthly.
Defense News for Consumers

How to Save Antifreeze

Under present production schedules, supplies of chemicals used in antifreeze preparations will be adequate to meet normal motorizing needs this winter, unless hoarding or a speculative buying rush results from the "scare" advertising published by some of the companies making branded antifreezes. Miss Harriet Elliott, Associate Administrator of the Office of Price Administration, in charge of the Consumer Division, has announced.

"Such 'scare' advertising," Miss Elliott said, "is likely to touch off a speculative buying spree and hoarding on the part of distributors, thus creating a maladjustment of distribution and an artificial shortage. It also tends to hasten inflation. After the public has been thoroughly frightened by 'shortage' advertising it will be comparatively easy for prices to be boosted on unsuspecting motorists. No retail price advance for antifreeze solutions is justified at this time."

Because the chemicals used in antifreeze are also important in explosive manufacture and are in demand for use in Army and Navy motors, Miss Elliott appealed to motorists to conserve the available supply as much as possible. When motorists use the "permanent" ethylene glycol type of antifreeze, they should save it for reuse next year, she emphasized.

The following tips for using antifreeze with minimum waste are suggested by automobile and chemical experts on the staff of the Consumer Division:

1. Check fan and pump belts. The belts should be tight enough so that you cannot turn the fan with your finger without moving the belt. Excessively worn belts should be replaced.

2. Clean out rust scales from inside the radiator and motor block which cause the engine to overheat, flush cooling system before adding antifreeze. Plain washing soda or other inexpensive flush is suitable. If you haven't flushed your cooling system for several seasons, the radiator and engine should be flushed separately by disconnecting the hose that joins the radiator with the motor. The same is true if you use "hard" water in the radiator, or if the drained water seems to be very rusty. To be sure that flushing mixtures are thoroughly drained, flush clean water through radiator and draincocks on the motor block.

3. After flushing the cooling system, check it for leaks. Lifeless, overaged hose connections which may easily develop leaks should be replaced, and leaky water pumps should be repaired, or replaced if necessary. Check the water pump particularly carefully, for the grease around it often hides leaks.

4. Check the level of the water in your radiator frequently after adding antifreeze, and periodically thereafter. The level should always be above upper hose connection to allow circulation from the radiator to the motor. Filling the radiator above the neck means you are using more antifreeze than necessary.

5. Watch engine heat-indicator for signs of overheating. If your engine overheats, find out why and have it fixed. Always check the strength of the antifreeze after overheating.

6. Use adjustable type of radiator cover, so it can be opened and closed as the weather dictates. Completely closing up your radiator front causes engine overheating.

7. Avoid idling the engine for long periods. Since the cooling system is designed to operate efficiently while the car is in motion, idling the engine for a long period is apt to cause overheating—and also wastes gas.

8. Put the cooling system in order before cold weather catches up on you over night. Then antifreeze can be added at a moment's notice. Don't put in antifreeze until you need it. And don't use more than you need.

A REGULAR FEATURE

on this page will be Defense News for Consumers, prepared by the Consumer Division of the Office of Price Administration.

freeze, and periodically thereafter. The level should always be above upper hose connection to allow circulation from the radiator to the motor. Filling the radiator above the neck means you are using more antifreeze than necessary.

5. Watch engine heat-indicator for signs of overheating. If your engine overheats, find out why and have it fixed. Always check the strength of the antifreeze after overheating.

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8. Put the cooling system in order before cold weather catches up on you over night. Then antifreeze can be added at a moment's notice. Don't put in antifreeze until you need it. And don't use more than you need.

Response to Consumer's Pledge

Widespread and favorable response to the "Consumer's Pledge for Total Defense" announced last week has been received by the Consumer's Division of the Office of Price Administration, according to Miss Harriet Elliott, associate administrator of OPA.

Signers of the pledge agree as consumers to buy carefully, take good care of the goods they have, and waste nothing.

In addition to individual consumers, many of whom clipped and signed the pledge from news stories in the press, several organizations sent back pledges covering their entire membership.

Schools are also playing an active part in the consumers' war against waste. Many high schools and colleges have sent to the Consumer Division for copies of the pledge for the students to sign.

The first college to return pledges was Skidmore, which sent in 446, representing nearly two-thirds of the student body. The first high schools were Dunbar and Woodrow Wilson in Washington, D. C., each of which sent in approximately 2,000 pledges, representing almost 100 percent of their enrollment.

In these two high schools, each teacher gave a half-hour lesson on why and how critical supplies required for national defense and essential civilian uses should be conserved. The lesson followed an outline prepared by the Consumer Division which is available for use in other high schools. Following the classroom lesson, a 7-minute dramatization of the meaning of waste and how children can cooperate in the defense effort by being wise consumers was given by three students over the school intercommunication system. The script for this dramatization was also prepared by and is available from the Consumer Division.

Assembly were then held, with Mrs. Roosevelt addressing the students on the significance and meaning of the pledge.

Retailers in a number of cities also cooperated by running the pledge in their advertising. The Sons of Jewish War Veterans, with a membership of 30,000, and the Boy Scouts of America have volunteered their services in distributing the pledge.

Consumer Education Course

At the request of the Pennsylvania Department of Public Instruction, OPA's Consumer Division, in cooperation with the U. S. Office of Education, is preparing an outline on consumer education suitable for incorporation in the State public high school system, it was announced last week.

The outline will indicate what phases of consumer education for national defense can best be taken up by the home economics, social studies, business and science departments, which are already well established within the school system. When completed, the outline will be made available to the Pennsylvania public school system and, upon request, to anyone interested.
News for Retailers

Kaufmann appointed OPA consultant on distribution

Appointment of Edgar J. Kaufmann of Pittsburgh, president of Kaufmann Department Stores, Inc., as consultant on distribution problems for the Office of Price Administration, was announced November 11 by Administrator Henderson.

Mr. Kaufmann will advise OPA on problems relating to pricing and distribution of finished goods with special reference to "scare buying," advise in the preparation of price administration programs in the finished-goods field, reduction of waste in distribution, and problems arising from unethical practices of either retailers or manufacturers that affect prices.

Seek cooperation of distributors

"Retailers have cooperated admirably with the Office of Price Administration in holding prices down," Mr. Henderson stated. "We must continue to receive the cooperation of the 1,700,000 distributors in the country in maintaining prices at fair competitive levels. At the same time we must preserve our traditional forms of doing business. This requires that fair consideration be given to all distributors including the independent store owners and that both distributors and consumers be so educated that a reasonable standard of living is maintained. We expect Mr. Kaufmann to be of great aid in this effort."

Mr. Kaufmann is a director of the National Retail Dry Goods Association; a trustee of the American Retail Federation; founder and associate staff member of the Research Bureau for Retail Training, University of Pittsburgh, and president of the Labor Standards Association of Pittsburgh.

Standardization and simplification

Spheres of activity relating to standardization and simplification of consumer goods were defined November 13 in the announcement of an agreement between the Standards Section, Consumer Division of the Office of Price Administration, and the Bureau of Industrial Conservation of the Office of Production Management.

The agreement delegates to the Bureau of Industrial Conservation responsibility relating to simplified practices, that is, the reduction in the number of various styles, types, or grades of products manufactured with the objective of saving vital materials for defense and essential civilian uses. The development of standards, grades, and quality-identifying labels will be handled by the Standards Section in the Office of Price Administration.

The basis for cooperation has been laid down in a letter from Lessing J. Rosenwald, chief, Bureau of Industrial Conservation, to Dr. Robert A. Brady, chief, standards section of the Consumer Division. The text of the letter which further defines the working plan is as follows:

The following is my understanding of our discussion of yesterday afternoon.

The Bureau of Industrial Conservation will be responsible for the handling of all simplified practice procedure as defined below:

"A Simplified Practice is defined as a list of sizes, varieties, types, or grades of products which has been approved for regular stock purposes, after superfluous variety has been eliminated and which can be carried out without involving technical standardization."

The Consumer Division of the Office of Price Administration will be responsible for the handling of all standardization in determining such standards from the point of view of simplified practice will be handled in the Bureau of Industrial Conservation.

The Bureau of Industrial Conservation will provide office space for a representative of the Consumer Division and everything which the Bureau of Industrial Conservation does in the simplified practice field will be open to your representative. Your representative will take part in all procedures concerning simplified practice where he considers it advantageous to present the consumer's point of view. A similar arrangement will be made by the Consumer Division for a representative of the Bureau of Industrial Conservation on matters pertaining to standards developed in your Division.

If questions arise regarding jurisdiction under this agreement, they will be settled by direct conference between you and me. I am exceedingly happy that this arrangement has been consummated as I think it will serve as a step for close cooperation between the two Bureaus.

In order that producers, distributors, and consumers may clearly understand the general position of the Consumer Division with reference to standards, Dr. Brady added the following comments:

The Standards and Consumer Needs work of the Consumer Division has been undertaken to develop the use of standards, grades, and quality-identifying labels that will effectively assist the defense program by providing aids for the more adequate protection of consumer interests.

It is not, however, the purpose of the Standards Section of the Consumer Division to promote standards in such a way that standards are of definite and immediate value to ultimate production and are demonstrably feasible in specific situations. Other sections of OPA, in particular, those concerned with simplification, standards, and specifications as they relate to conservation and better use of materials, plant capacity, and manpower, and at the same time aid the consumer in getting the best possible value for his dollar. Where the answer is yes, the Consumer Division will be wholeheartedly and emphatically in favor of using or establishing standards. If the standards are bad, technically unsatisfactory, vague, or otherwise imperfect, but still clearly better than "nothing at all," the Consumer Division will still be in favor of their use. If standards do not exist, or for one reason or another are not immediately feasible in any particular commodity field, or are less effective than some other device that better and more expediently fulfills the same ends, then the Consumer Division will not favor it—It will even oppose—the introduction of standards.

OPA speeds preparation of ceilings on copper wire, cable

Work is being speeded by the Office of Price Administration on preparation of a price schedule establishing ceiling prices on copper wire and cable, OPA Administrator Henderson stated November 14.

A meeting with a group of representatives from more than 30 companies in the industry was held in Washington November 13, and in addition individual conferences have been held with a long list of companies in order to gather information on price movements and related data. As a result of those meetings, a large amount of detailed information on industry price problems has been made available to OPA.

Price movements in the copper wire and cable field have been irregular during the past year with some products moving up as much as 40 percent while others have held virtually constant. It is expected that the price schedule will take account of these varying trends with some quotations being reduced substantially below present levels. The industry was asked not to charge prices higher than those prevailing October 15, in a letter sent to the industry on October 29.

Manufacturers' excise tax was effective October 1

A story appearing on this page November 4 stated that the manufacturers' excise tax went into effect October 14. This was an error. The manufacturers' excise tax was effective October 1.
PRODUCTION . . .

Harrison reviews armament output: up to expectations, but program doubled

Speaking before the National Rivers and Harbors Congress in Miami, November 13, W. H. Harrison, Director, OPM Production Division, declared: "Impressive as are current over-all results—yet by the very nature of things, they are far from satisfactory—the reason for this is not so much that production levels are not what they might have been, but rather because the job which must be done is a job where results are never good enough . . . It is a race and tomorrow we may be too late."

Further excerpts:

Many of you may recall that a year ago the concept of the program was to train and equip an Army of 1,400,000 men, provide strategic materials and supplies for a larger force, build to round out a two-ocean Navy, and provide for an expansion of the merchant marine fleet. In all, expenditures of 28 billions were in sight.

Now the concept is:

1. To provide for a considerably greater force of our own;
2. Advance the building of the two-ocean Navy;
3. Produce to serve as the "arsenal for democracy," our production to include munitions, materials, and supplies for Britain, Russia, China, and their Allies; and
4. To provide for the bottoms to make possible for the handling of much of these supplies.

Expenditures of something over 60 billions are in sight.

And, underlying all of this, is the very sound philosophy that every effort should be made to hold to a minimum the disruption of the going way of civilian needs.

Now, as to taking count of stock.

Upwards of 1,500,000 men are in training. They are well-housed and reasonably well-equipped with basic training implements. In large measure what they lack in equipment grows out of the urgency of lend-lease needs.

Two-ocean Navy ahead of schedule

On the Navy side, each month sees a substantial number of the new combatant vessels and auxiliaries added to the fleet. You know of the two new battleships recently made ready for fleet service, and of the launching of three new high-speed cruisers. The number of destroyers, submarines, and patrol craft completed this year will be reassuring. At the present rate of progress a balanced two-ocean Navy will be a reality well in advance of any estimates previously thought possible.

Two figures help show the magnitude of the naval job. The present fleet totals 1 1/4 million tons. 2 1/4 million tons are to be added.

The completion of new merchant vessels is now at the rate of eight 10,000-ton cargo vessels per month. A rate of more than 50 per month should be reached by the middle of next year, about two a day. Better than a million tons will be constructed this year, and 5 to 6 millions next year. The significance of these figures becomes apparent when it is realized that the present merchant fleet totals some 10 million tons.

All the romance of ships is not found on the sea. There is much of it in the building of the operating bases and the construction of new facilities for the expanded naval and merchant fleets. Little is heard of this. Such a striking job has been done that no one talks of it.

Aircraft production gratifying

The first stage of aircraft production, light and medium bombers, patrol, dive, scout, and pursuit fighters, observation, primary and basic trainers, is very gratifying.

The second stage, primarily weapons of offense, long range, heavy duty 4-engine bombers with their increased fire power and heavier protective armor are, of course, limited in production. But new facilities are nearing completion, and quantity production should be effective before many months have gone by.

As this accelerated air program was unfolded there developed an urgent need for the construction of large bomber assembly plants, training fields and depots for upkeep and repair. There also developed the need for extensive and pioneering construction work on the Atlantic bases.

These jobs were turned over to the Corps of Engineers of the Army. I believe that the brilliance of their performance in directing, designing, and constructing these far-flung bases will be cherished by the Corps in the generations to come.

Ordnance construction well advanced

In ordnance and directly related items, the phase of the program involving the construction of new plants and arsenals is well advanced. In round figures, a total of 70 special-purpose plants are contemplated. Work is under way on substantially all—in fact more than 30 are now in partial or complete operation and additional units are being made ready each week. Approximately 1 1/2 billion dollars have been appropriated for construction of these plants.

Small arms, machine guns, smokeless powder can be signaled out as being abreast of schedules. Antiaircraft, antitank guns, field artillery, and TNT are not up to needs.

The production of small-arms ammunition—an urgent item—despite the record of construction of the several new plants, is just now breaking through.

Not enough tanks

While our present tank output is sizable and within a month or two will be at the rate of more than half the previously set maximum, this is not enough. The lease-lend need for tanks is pressing. This is a phase of the program that is in for vast expansion and extreme pressure.

You will understand my inability to give specific figures. You may be sure, though, that over-all production is up to expectations—well in advance of any yardstick that might be applied in relation to the World War effort. Expenditures totaled 1.4 billion dollars in September and 1.5 billions last month.

Over-all results not satisfactory

Impressive as are current over-all results, yet by the very nature of things they are far from satisfactory. The reason for this is not so much that production levels are not what they might have been but rather because the job which must be done is a job where results are never good enough. And they are never good enough because the yardstick is a yardstick of time—a race against time—a race where none of us is, nor none of us can afford to be, spectators. It is a race and tomorrow we may be too late.
**DEFENSE**

Passenger auto problems to be discussed November 19

Passenger automobile production problems will be discussed at a meeting November 19, with members of the passenger car subcommittee of the Automotive Defense Industry Advisory Committee, and Government officials.

The passenger car subcommittee was asked to meet with officials of the Division of Civilian Supply to discuss February output and other problems arising from recent orders issued by the division through the Director of Priorities.

The automotive passenger car subcommittee is composed of: L. T. O'Brien, Detroit, representing Chrysler; R. C. Corgrove, Cincinnati, Ohio, Crosley; H. M. Northrup, Detroit, Hudson; G. W. Mason, Detroit, Nash-Kelvinator; Thomas W. Skinner, Dearborn, Mich., Ford; Albert Bradley, Detroit, General Motors; William Pacdr, Detroit, Packard; J. W. Fraser, Toledo, Ohio, Willys-Overland; and Paul Hoffman, South Bend, Ind., Studebaker.

**★ ★ ★**

Expansion of plane, tank part capacity asked for tube plant

A program to increase production of badly needed aircraft bearing tubing and tank-tread pins and bushings has been recommended to the Defense Plant Corporation, it was announced November 12 by OPM Director General Knudsen.

An addition of 24,000 tons of electric alloy steel ingot capacity is proposed for the Babcock and Wilcox Tube Co. plant at Beaver Falls, Pa., together with various finishing facilities which will permit more of the plant’s capacity to be turned to these special products.

The program was proposed in two reports prepared by W. A. Hauk, steel consultant.

**★ ★ ★**

TEXTS OF ORDERS

Texts of all official notices of OEM agencies, as printed in the FEDERAL REGISTER, are carried in the weekly SUPPLEMENT OF DEFENSE. The SUPPLEMENT will be mailed to any paid subscriber of DEFENSE on request to the Distribution Section, Division of Information, OEM.

**★ ★ ★**

**DUPLEX PROCESS RECOMMENDED FOR INDIANA STEEL PLANT TO INCREASE PRODUCTION**

A proposal to increase materially the capacity of the Inland Steel Co. plant at Indiana Harbor, Ind., largely through a more advantageous use of existing finishing facilities, was recommended to the Defense Plant Corporation November 12 by OPM Director General Knudsen.

The proposal is in addition to the 900,000 ton pig iron capacity increase at Inland, for which the Defense Plant Corporation signed an agreement to advance $34,000,000 on September 29.

The new increase, according to the report of W. A. Hauk, steel consultant, will “by utilizing existing facilities, including equipment and buildings, be able to produce approximately 60,000 tons of ingots monthly with the use of the duplex process.” By revamping the present strip mill, additional steel plate and other products vital to defense production can be turned out.

**Provides for 42,000-ton increase**

The report sets forth that the proposed installation will provide in the quickest possible time an estimated increase of 42,000 tons of finished steel products monthly, all of which are in urgent demand.

Of special advantage is the fact the proposal not only eliminates the necessity of providing scrap for the conversion of the increased pig iron capacity, but will provide additional home scrap for use in existing open hearth furnaces.

**Demand greater than capacity**

Demand for the type of products made at the Inland plant is larger than present capacity and is constantly increasing, the report says. Current schedules are made up almost entirely of defense orders and the total backlog of orders is now equivalent to 6 months’ capacity production.

The plant produces steel plates, structural shapes, bars, . . . , rounds, and shell steel forgings, blooms and billets.

The duplex process mentioned in the report is one where hot metal is placed in a bessemer, blown and then sent to an open hearth while it is still molten. Many hours of melting time are saved by the process, thus increasing production.

**NAME CHANGED TO “BUREAU OF INDUSTRY ADVISORY COMMITTEES”**

The name of the Bureau of Clearance of Defense Industry Advisory Committees has been officially changed to Bureau of Industry Advisory Committees according to an announcement by Sidney J. Weinberg, chief of the Bureau. The council of the Office of Production Management made this change at its meeting of November 4, 1941, by adopting Regulation No. 7-A which provides:

“Regulation No. 7, dated June 24, 1941, is hereby amended as follows:

1. The name of Bureau of Clearance of Defense Industry Advisory Committees is changed to Bureau of Industry Advisory Committees.

2. Committees created pursuant to Regulation No. 7 will be known as Industry Advisory Committees.”

**★ ★ ★**

**HOISER TECHNICAL SUBCOMMITTEE**

The Bureau of Industry Advisory Committees of OPM announced November 14 the formation of the technical and statistical subcommittee of the hosier industry advisory committee.


The first meeting of the subcommittee was scheduled for November 18.

**★ ★ ★**

**MATS OF CHARTS**

Mats of the pictorial statistics appearing weekly on the cover of DEFENSE are available in newspaper-column size on request to Distribution Section, Division of Information, Office for Emergency Management, Washington, D. C.
CONSERVATION . . .

OPM reviews metals with industrialists: copper demand 150,000 tons, supply 128,197

With a demand for more than 150,000 tons of copper for direct military and lend-lease use during the current month, only an estimated 128,197 tons of this critical metal is available, it was revealed November 14 at the final session of a conference of members of the Engineers' Defense Board and representatives of scientific and industrial groups.

The meeting at the Office of Production Management was the first general gathering of the recently formed Engineers' Defense Board with OPM officials from all sections of the Materials Division and the Bureau of Industrial Conservation, the Office of Scientific Research and Development, and technical experts from many industries. The general purposes of the all-day session, as outlined by the chairman, Dr. C. K. Leith, consultant on minerals in OPM, were to hear reports on previous meetings of the engineering board, and to outline methods by which conservation of scarce materials could be achieved through substitution of less critical materials.

Salvage will partially fill gap

The Engineers' Defense Board is headed by Robert E. McConnell, formerly chief of OPM's Conservation Bureau, and includes five representatives each from the six national engineering societies, civil, mining and metallurgical, mechanical, electrical, automotive and chemical. The committee will serve in an advisory and consultant capacity to OPM and other defense agencies.

In discussing the expected copper shortage, it was pointed out that an estimated 14,000 tons of scrap copper is expected to be salvaged, partially filling the predicted gap. In addition, it was said that some of the defense demand might be intended for production use later than during the present month. Under any circumstances, however, the figures quoted were a fair representation of the extremely "tight" situation in the supply of copper as against constantly increasing demands.

Conservation is "the biggest mine"

Dr. Zay Jeffries, of the OPM copper section, praised industry for its efforts to introduce substitutes wherever possible in place of copper, but warned that to date most substitutions effected were of one metal for another, inevitably resulting in new scarcities. "The biggest copper mine available to us," Dr. Jeffries said, "is conservation of our existing supply, and the increase of the flow of scrap copper back into industry."

One prospect of a major saving of copper stocks lies in the projected substitution of steel for brass on cartridge cases and bullet jackets, it was said. However, although experiments are now under way in conjunction with Army and Navy Ordnance technicians, it was estimated that production on a large scale in this field might not be possible for about eighteen months. Members of the staff of OPM and representatives of the Army and Navy were to meet again this week to discuss results of recent experiments.

Nickel production below defense need

Considerable attention was devoted to nickel. David Ubelacker, of OPM, reported that although somewhat more than 17 million pounds were needed for direct and indirect defense needs during the month of December, production estimates were half a million to a million pounds less. Pointing out that nickel is required in practically every phase of the defense program, he said that during the month of November only 70 percent of the available supply went directly to steel mills, some 8 percent to iron and steel foundries, 8 percent to brass mills, and more than 8 percent into rolled nickel products. He said 2.4 percent went to the electro-plating industry, not directly allied to defense, in an effort to keep approximately 2,500 concerns in this field in operation.

Chrome supply lines are long

Current or predicted problems confronting defense industry in procuring sufficient quantities of other vital metals were also outlined at the meeting. Of the estimated 900,000 tons of chrome expected through importation in 1942, more than one-third would be lost if only one of the three foreign sources were cut off by extension of war areas or lack of transportation facilities. At the present time, reports indicated, total supplies available are just about equal to demand. Intensive efforts are being made to increase domestic production. Conservation is also possible through a substantial cut in the use of stainless steel in civilian manufactures, and the elimination of most of the trim on automobiles, it was pointed out.

The "ever-present specter" of the tin supply from the East being cut off confronts industries requiring this metal, Erwin Vogelsang of OPM declared. Although a substantial supply of tin is on hand, he stated, demands are increasing constantly, and necessity has already arisen for the introduction of substitutes wherever possible. Lead, too, must be conserved, other speakers declared, since the United States at present is importing about 40 percent of its current needs.

Tungsten to be short

Conservation of manganese is being achieved through the revision of specifications for its use in manufacturing steel, another report indicated. Without impairing the quality of the steel, it has been shown, a 10-percent decrease in the use of manganese can be effected.

During the current year approximately 16,000 tons of tungsten have been available, and have been entirely used, while for the coming year, with an estimated demand of 25,000 tons, production for 1942 is expected to total only 23,000 tons. Through conservation or substitution, it is hoped that the shortage may be made up. Much the same situation exists in regard to molybdenum, it was stated, where the 1942 demand is expected to reach 48 million pounds, as against a predicted production of only 45 million pounds.

General discussion of potential shortages in all the vital metals revealed that when estimates of stock piles, Army and Navy consultants have asked that needs for a three-year period be kept in mind.

H. Leroy Whitney, of the iron and steel section of OPM, said that present estimates of total production of alloy steel in 1942 indicate that the demands of the Army and Navy may be barely met, with no provision for civilian needs. Recent experiments being conducted jointly by technical experts in industry and Government, it was noted, offer great possibilities for the use of substantial quantities of alloy steel which are at present unusable. "Pet formulas" of some manufacturers must be replaced by revised specifications which will conserve vital materials and still do the necessary efficient job, it was emphasized.
HOUSING . . .

1942 may be second biggest building year since 1930, new survey indicates

The volume of construction in 1942 may be greater than in any year since 1930, with the exception of 1941—despite difficulties of building in nondefense areas, according to a survey by the Bureau of Research and Statistics, OPM.

The construction industry as a whole, therefore, will have a very active year throughout 1942, irrespective of what happens to nondefense construction.

The figures released November 10 are based on a more recent survey than those issued by OPM on October 10, 1941.

Should there be only 1 billion dollars of nondefense construction in 1942, in addition to defense housing, the total volume of construction will be greater than any year since 1929, with the exception of 1941.

Not all kinds of construction will enjoy this activity, it was added. Architects in certain areas may run short of work and material yards and construction laborers may be hard hit. But this, it is felt, should be an incentive for devising new techniques for construction without the use of critical materials.

Present estimates suggest that there may be a drop of 65 percent in strictly nondefense construction from 1941 to 1942. Including defense housing in the nondefense item, there may still be a drop of 50 percent. There is, however, no assurance whatever that the critical items will be made available for even this restricted volume of nondefense construction. It is pointed out, therefore, that every effort should be made to make critical materials go as far as possible so that there may be as much construction as possible.

Military construction may double

The currently scheduled program for the construction part of Government-financed industrial facilities is about 2 1/4 billion dollars. It was a little over 1 1/2 billion dollars in July and it is anticipated that it may exceed 2 1/2 billion dollars by January, approximately 4 billion dollars by July of next year, and approximately 5 billion dollars by January 1943.

It is pointed out, however, that these figures are tentative and are guided by the program of the Army and Navy and by events abroad.

There are indications that the direct military construction program may increase from 3 3/4 billion dollars last July to about 6 1/2 billion dollars next July and may possibly increase to more than 8 billion dollars by 1943.

This is based on present estimates for the strengths of the armed forces. Should that program be increased, the program outlined here would have to be changed.

The total defense construction program in July 1941 was less than 6 billion dollars; by January 1942 it is expected that the accumulative program will approximate 9 billion dollars; by July of 1942 it may reach 12 billion dollars, and in 1943 it may reach 15 billion dollars.

Total defense construction valued at $7,958,203,000 on October 1

On October 1, 1941, the value of defense construction—completed, in progress, and scheduled—amounted to $7,958,203,000, the Bureau of Research and Statistics, OPM, reported November 12.

Construction valued at $3,647,426,000 was in place. This included completed and semicompleted projects, and represented 46 percent of the defense construction program to date, 54 percent of scheduled construction remaining to be completed or undertaken. Of the work in place on October 1, $439,167,000 or 6 percent of the total program was erected in September.

The military program involved construction valued at $4,648,793,000, of which $2,065,421,000, or 44 percent, was in place on October 1. During September $214,744,000 of the work, or 5 percent, was put in place.

The nonmilitary defense construction program came to $3,308,410,000 of which $1,362,005,000 or 48 percent, was in place. September construction was valued at $324,223,000.

The following table shows the dollar value of the defense construction program by type of construction as of October 1, the value in place, the amount and percentage of construction scheduled to be expended:

<table>
<thead>
<tr>
<th>Type of construction</th>
<th>Total program July 1, 1941 to Oct. 1, 1941</th>
<th>Value in place Oct. 1, 1941</th>
<th>To be expended Oct. 1, 1941</th>
<th>Percentage of total program to be expended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total defense construction</td>
<td>$4,648,793,000</td>
<td>$2,065,421,000</td>
<td>$2,583,372</td>
<td>55.8</td>
</tr>
<tr>
<td>Military housing</td>
<td>$2,534,372</td>
<td>$439,167,000</td>
<td>$2,095,205</td>
<td>80.4</td>
</tr>
<tr>
<td>All other military construction</td>
<td>$2,104,421,000</td>
<td>$1,610,254,000</td>
<td>$494,167,000</td>
<td>36.4</td>
</tr>
<tr>
<td>Government financed industrial facilities</td>
<td>$3,308,410,000</td>
<td>$1,362,005,000</td>
<td>$1,946,405,000</td>
<td>58.8</td>
</tr>
<tr>
<td>Privately financed industrial facilities</td>
<td>$308,686</td>
<td>$288,686</td>
<td>$20,000</td>
<td>68.0</td>
</tr>
</tbody>
</table>

Source: OPM Bureau of Research and Statistics
MATERIALS . . .

Batt, impressed with Russians' abilities, urges American supplies be sped

Acquaintance with Russian mechanics, soldiers, and officials has removed his doubt as to their ability to use our war materials to advantage, and convinced him that we must send all the equipment we can with great speed. W. L. Batt, OPM Materials Director, said in a broadcast address recently. He had just returned from Moscow, where he went as a member of the Joint American-British mission.

Excerpts follow:

Five weeks ago the President directed me to go to Moscow with the Joint British-American mission to confer with the Russians on the problem of aid for the Soviet Union. At that time I was uneasy in my own mind about the wisdom of diverting to Russia any substantial quantities of materials or equipment needed in this country. Like many other Americans I assumed the Russians to be good agriculturists but poor technicians. I knew that many military experts believed that the days of Russian resistance were numbered. Then, too, I knew that many Americans were hesitant about aid to Russia because of their dislike of the Soviet form of government.

After spending several weeks in London and Moscow, we have just returned to this country and I come back with a profound conviction.

Make the most of their equipment

We saw Russian mechanics assembling British and American airplanes. They worked with impressive intelligence and imagination and speed. They worked long hours. They had very little equipment but did incredibly well with what they had.

We saw perfectly satisfactory landing fields built under the greatest of difficulties and in remarkable time.

We saw an aircraft factory and an airplane engine plant. We could see few differences between them and similar plants in the United States. As far as one could judge their inspection standards compared favorably with ours.

We saw many Russian officers and officials and spent long hours in conference with them. Almost without exception they were capable, well-informed men. They were confident that Hitler could throw everything he had into the breach and never bring about the surrender of the Russian armies. They were fully prepared to suffer heavy losses in terms of men, materials, and territory and still go on fighting. They were contemptuous of the very suggestion of a separate peace with Germany, and I am satisfied they meant it.

We saw the Russians moving heavy industrial equipment back from the fighting zones, through Moscow, and into the interior, to be set up elsewhere and resume production.

We saw new recruits marching through the streets of Moscow on their way to the Army. I don't know whether they had received previous training, but already they looked like soldiers.

Talked with Stalin

We saw and talked with Stalin. I wish I could adequately describe for you the dinner he gave for our mission at the Kremlin. The most remarkable thing about it was the atmosphere of the place. One of the greatest battles of history was raging not more than a hundred miles away. Yet here in a great hall we sat with Stalin and his officers and officials. Stalin himself seemed intelligent, and amazingly well-informed. There was an air of safety and confidence—of calm resolution and of unshakable courage.

For the skeptics

Let me pause for a moment to say a few words to the skeptics. I suppose that even now there are a few listening in who are saying to themselves, "They only saw what the Russians wanted them to see." To them, let me say this: I am not a military strategist, but I do know that the Russians are not stopping German tanks merely by showing the Nazis only their best anti-tank guns. Yet the Russians plainly are stopping many German tanks.

I did not go to the front but I can attest that Moscow, which obviously is one of the German objectives, is practically undamaged and seems to be prepared for a long, bitter fight.

I do not speak the Russian language, but I do know the Russians are not killing Germans with propaganda. And yet German losses most surely are very high.

He saw what they can do

I do not know exactly how many aircraft workers the Russians have, but I do know that the ones we saw were not actors. Perhaps the factories we saw were the best they had, but they clearly demonstrated what the Russians can do.

So regardless of whether we saw only the best of what the Russians have, the fundamental fact remains that they are fighting night and day—facing gallantly and well, fighting against a common enemy. The further fact remains that since they most certainly have less mechanical equipment than the Germans have, they must be making good use of what they have.

It is also fundamental that Britain and Russia are pledged to see this war through—never to quit.

Backed by the United States, they have a tremendous potential superiority in raw materials and industrial capacity for the production of weapons of war. They can win—if they get enough help soon enough.

If Russia goes down . . .

What are the alternatives?

If Russia goes down, the position of Great Britain and the United States will be difficult.

If Russia goes down and is followed by Britain, the United States will be alone in the world with the most gigantic single military machine ever assembled sworn to destroy us; and the greatest industrial strength ever under one control to back it up.

What, then should be our course—from a sensible, safe, and selfish viewpoint? The answer is to deliver the goods—in the greatest quantities and the shortest time possible, by whatever means are necessary, deliver them into the hands of people who can use them and use them well right now—against the enemy while he is still thousands of miles from our shores.

We have to recognize that we do have troops in training that are not yet fully
equipped. At the same time we must recognize that there is no present use for war equipment in this country other than for training purposes. There is a life-and-death use for war equipment in other places this very minute. It can and will be used—now—to stop the only force that could or would attack us. I am convinced that whatever we send to Russia or Britain will be skillfully and courageously used. I know it is needed.

"Of course there is a risk"

Is there a risk that some of the equipment we send may never get there? Is there a risk that after it does get there some of it will be lost before it gets into action? Of course there is risk. Of course the transportation problem is difficult. But there is a long list of nations that were afraid to take a risk in their own interest. Today they are provinces or protectorates of the conqueror into whose hands they played by fearing to take a risk.

Under these circumstances I am not concerned with the social or economic beliefs of those who are fighting Hitler. What does concern me is that the bitter experience of others and our own enlightened self-interest clearly dictate a course of action for us: that is to deliver every plane, every tank, every pound of material that we can possibly put into the hands of those who are fighting Nazi-ism on their own soil, with their own men. To put it bluntly, whatever it costs to keep this war far away from our shores, that will be a small price to pay.

** Shifts in Materials staff announced by Batt

Changes in personnel in the Division of Materials, OPM, were announced November 17 by W. L. Batt, director.

David A. Uselacker, present chief of the nickel branch, becomes chief of the copper branch, succeeding John A. Church. Mr. Church becomes senior consultant for the copper branch.

Louis Jordan, assistant chief of the nickel branch, has been named acting chief.

Howard C. Sykes, present chief of the mica, graphite branch, moves over to become chief of the stockpiles and shipping imports branch, succeeding Philo W. Parker. Mr. Parker has served his agreed term in OPM and is returning to private business.

Howard F. Wierum, assistant chief under Mr. Sykes, replaces him as chief.

Steel leaders promise to fill arms needs; defense officials to plan required types

Leaders in steel production, taking part November 11 in the first industry-wide conference ever held with the Government on defense needs, promised to supply all the steel needed for the armament program.

High defense officials, for their part, pledged more precise definitions of needs, to diminish uncertainties which have hindered production of the proper types and quantities for delivery at the times required. Arrangements were revealed for long-range planning by the Army, Navy, Maritime Commission and Lend-Lease officials, and for better timing in moving steel from mills to factories and shipyards.

No greater burden on a single industry

No greater burden has ever been thrown on a single industry than that which rests on the steel industry now, President Roosevelt said in a message which called on management and labor to cooperate in production.

"We must set aside any individualistic interest which interferes in the slightest degree" with steel requirements to defeat the Axis and keep essential industries going, the President declared in the message, which was read by OPM Director General Knudsen. "The executives must, and I know they will, work with labor to meet this test of their resources, and I am equally as positive that labor will work with the executives, for that purpose is mutual—the protection of the lives and the homes of the American people and of every free home on earth."

Expanding demands on producers

As an example of the rapidly expanding demands on steel producers Mr. Knudsen cited the requirements for armor plate, with which it has been impossible to keep up. In tanks alone, he said, the original call for an output of 400 a month has been stepped up to 1,000, with talk among defense officials now of 2,000 a month in the future.

Lag due to scrap and pig iron shortage

R. C. Allen, deputy chief of the OPM iron and steel branch in charge of raw materials, said that 1942 steel production apparently will be held 4,000,000 tons below the indicated capacity of 87,000,000 tons because of a shortage in scrap and pig iron. In 1943, he said, mills will be capable of producing 93,-

000,000 tons, but the deficit in scrap and pig iron probably will cause a lag of 7,000,000 tons.

Speakers at meeting

A. D. Whiteside, Chief Iron and Steel Branch, was chairman of the meeting. Speakers in addition to Mr. Knudsen and Mr. Allen were: E. G. Grace, president, Bethlehem Steel Co.; Sidney Hillman, Associate Director General, OPM; Donald M. Nelson, Executive Director, SPAB, and Director OPM Priorities Division; W. L. Batt, Director, Materials Division, OPM; Jesse H. Jones, Secretary of Commerce and Administrator, Federal Loan Agency; Leon Henderson, OPA Administrator; Rear Admiral Emory S. Land, Chairman, U. S. Maritime Commission; J. V. Forrestal, Under Secretary of the Navy; John J. McCloy, Assistant Secretary of War; Thomas B. McCabe, administrative consultant to Lend-Lease Administrator; Charles Halcomb, W. A. Hauck, Stanley B. Adams, Dr. George B. Waterhouse, H. LeRoy Whitney, and M. Bracco, all of the Iron and Steel Branch, OPM; Thomas Akin, president, t. Laclede Steel Co.; George F. Wright, president, Wright Steel & Wire Co., Paul J. Kruel, president, Southern Ferro-Alloys Co., and L. Gerard Firth, president, Firth-Sterling Steel Co.

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Drop forging producers asked to halt prices at October 10 level

Producers of drop forgings made of steel and steel alloys have been requested not to exceed the prices that prevailed on October 10, and a meeting of industry representatives has been called for November 18 to discuss a longer-range price program, OPA Administrator Henderson announced November 13.

Invitations to the meeting, to be held in New York, were sent to a representative cross section of the drop forging industry.

Many drop forging manufacturers are booked to capacity for months ahead with defense work. The general level of prices has shown a substantial increase thus far in 1941. OPA's action to stabilize prices at the October 10 level was taken because of indications that further advances were in prospect.

Drop forgings are formed of heated steel stock which is subjected to repeated blows between forming dies in a forging hammer. Forging designs and forms are innumerable. They are used extensively in heavy machinery and equipment, including steam and internal combustion engines and machine tools. Crankshafts and connecting rods in automobile, truck, tank, and airplane engines are drop forged.
Three special trains begin tour to help manufacturers get defense work

Three special trains left Washington's Union Station November 10 to tour the country with exhibits designed to help thousands of manufacturers, especially the smaller ones, determine whether they can do defense work.

These defense specials were sent out by the Contract Distribution Division of OPM, directed by Floyd B. Odum, in cooperation with the Army, Navy, Maritime Commission, Marine Corps, Treasury, and the Priorities and Labor Divisions of OPM.

Each train is made up of six cars of samples of needed defense equipment and parts, and two cars of living quarters for the staff of the 35 Government representatives.

79 stops arranged

They are traveling throughout the country, stopping in 79 cities to let manufacturers from different regions inspect the defense samples and interview staff members.

During the stops in cities from the east coast to the west and from the Great Lakes to the Gulf, the incoming officials are striving to determine what type of defense equipment manufacturers are capable of producing and guide those with suitable plants either to present defense contractors, who have work they can subcontract, or the proper Government procurement offices. In some instances, the staff is initiating negotiations which, carried through at regular field offices, will result in contracts.

Arrangements were made for the press to visit the trains at Union Station in Washington November 10, just prior to their departure. Interested Government officials were also invited to go through them.

Extensive exhibits aboard

The exhibits include gun parts, fuses, bombs, flame throwers, fire extinguishers, propeller parts and other plane accessories, pumps, field hospital equipment and medical supplies, cargo ship parts and hundreds of other defense samples, as well as photographs, blueprints, and detailed specifications of many additional items.

Also displayed are many articles not generally associated with defense needs, such as chairs, harness, saws, and other carpenter tools, pipe fittings, and other normal products.

The numbers of the six exhibit and conference cars and the organizations assigned to each are as follows: (1) Army Ordnance Department, (2) Army Air Corps, (3) Corps of Engineers, Signal Corps, Medical Corps, and Chemical Warfare Service, (4) Quartermaster Corps,

NEW FIELD OFFICES

Field offices of the Contract Distribution Division of OPM to help qualified manufacturers get defense work have been opened in four additional cities:

Chattanooga, Tenn.—909-910 James Building.
Lancaster, Pa.—655 Woolworth Building.
Wilkes-Barre, Pa.—523 Miners National Bank Building.

This brings the total of Contract Distribution field offices to 62.

Marine Corps, and Maritime Commission, (5) Navy, (6) OPM and Procurement Division of the Treasury.

The regular staff of each train includes 16 Army officers, eight Navy officers, a representative of the Maritime Commission, eight representatives of the OPM, and representatives of the Treasury, the Information Division of the Office for Emergency Management, and the railroads operating the specials.

A Marine Corps officer joins the staffs at each stop. Field men of the Contract Distribution Division of OPM and procurement departments of the armed services also come aboard and assist while the trains are in their districts.

Train No. 1 is traveling the eastern seaboard, train No. 2 is going into the middle west and train No. 3 is going to the west coast and returning via the south. The tours will end on December 19.

The specials are not open to the public at the various stops. However, prior to the start of the daily interviews with manufacturers at 9 a.m., they are being inspected by city officials, civic leaders, two representatives each of AFL and CIO unions, and representatives of the press and radio stations.

Schedules of interviews with manufacturers are being arranged by field offices of the Contract Distribution Division of OPM. Manufacturers obtain admission by applying to the field offices nearest them and, if they have not already done so, supplying information regarding their equipment. Each manufacturer is assigned a definite time to visit the train, and admission is by ticket only. Each visitor is interviewed in regard to his particular problem.

PROGRAM OF VISITS

Between November 10 and November 17, train number 1 was scheduled to visit Wilmington, Del., Trenton, N. J., Bridgeport, Conn., Providence, R. I., and Lynn, Mass. The rest of the schedule is as follows: November 18, Portland, Maine; November 19, Bangor, Maine; November 20, Berlin, N. H.; November 21, Rutland, Vt.; November 22-24, Worcester, Mass.; November 25-27, Springfield, Mass.; November 28, Waterbury, Conn.; November 29, Poughkeepsie, N. Y.; December 1, Albany, N. Y.; December 2, Utica, N. Y.; December 3, Syracuse, N. Y.; December 4, Binghamton, N. Y.; December 5, Scranton, Pa.; December 6, Reading, Pa.; December 8, Harrisburg, Pa.; December 9, Scranton, Pa., N. C.; December 10, Charlotte, N. C.; December 11, Greenville, S. C.; December 12, Atlanta, Ga.; December 13, Macon, Ga.; December 15, Tampa, Fla.; December 16, Jacksonville, Fla.; December 17, Columbus, S. C.; December 18, Raleigh, N. C.; and December 19, Richmond, Va.

Train number 2, between November 10 and November 17, was to visit Pittsburgh, Pa., Buffalo, N. Y., Erie, Pa., and Akron, Ohio. The rest of the schedule is: November 18, Akron, Ohio; November 19, Youngstown, Ohio; November 21, Toledo, Ohio; November 22, Lansing, Mich.; November 24, Muskegon, Mich.; November 26, South Bend, Ind.; November 27, Milwaukee, Wis.; November 28, Madison, Wis.; November 29 to December 1, Minneapolis, Minn.; December 2 and 3, Rock Island, Ill.; December 4, Des Moines, Iowa; December 5, Omaha, Neb.; December 6-8, Springfield, Ill.; December 9, Joliet, Ill.; December 10 and 11, Indianapolis, Ind.; December 12, Evansville, Ind.; December 13, Louisville, Ky.; December 15 and 16, Cincinnati, Ohio; December 17, Columbus, Ohio; December 18, Charleston, W. Va.; December 19, Lynchburg, Va.

From November 12-17, train number 3 was scheduled to visit Denver, Colo., Billings, Mont., and Salt Lake City, Utah. The rest of the schedule is: November 18, Boise, Idaho; November 19, Spokane, Wash.; November 21 and 22, Seattle, Wash.; November 24, Portland, Ore.; November 26, Sacramento, Calif.; November 27 and 28, San Diego, Calif.; November 29, Phoenix, Ariz.; December 1, El Paso, Tex.; December 3, San Antonio, Tex.; December 4, Houston, Tex.; December 5, Dallas, Tex.; December 6, Oklahoma City; December 8, Little Rock, Ark.; December 9, Memphis, Tenn.; December 10, Jackson, Miss.; December 11, New Orleans, La., Mobile, Ala.; December 15, Birmingham, Ala.; December 16, Nashville, Tenn.; December 17, Chattanooga, Tenn.; December 18, Knoxville, Tenn.
TRANSPORTATION...

Consider needs of whole industry, avoid hoarding supplies, truck operators urged

Speaking before the National Transportation and Maintenance Meeting of the Society of Automotive Engineers at Cleveland, Ohio, November 14, Chairman John L. Rogers of the Central Motor Transportation Committee, Transportation Division, OEM, urged the motor-transport industry "to think in terms of 'industry problems,' as well as 'individual problems,' and to be mutually helpful in bearing the burden and privilege of national defense."

"I hope that the priority orders already issued by OPM will satisfactorily fulfill their purpose," said Mr. Rogers, "which is to see that manufacturers are provided with a sufficient supply of materials to meet the civilian demand for vehicles and parts in the medium and heavy commercial vehicle fields."

Maintain reasonable inventories

"The fear of coming shortages in motor-vehicle parts may have induced some operators to lay in stocks which will cover their needs for a considerable period. It is easy to understand their attitude, perhaps, for it is the duty of a good operator, or any other kind of businessman, to anticipate the future as best he can. But there is a distinction between 'preparedness' and plain downright 'hoarding,' and our bus and truck operators must not lay themselves open to criticism on this score. The quickest way to create a shortage is for everyone to order a lot more than he reasonably needs, and this is just as true of sugar as it is of truck or bus parts. Heavy buying by some operators should not be allowed to harm those users who are endeavoring only to maintain reasonable inventories. I would even go so far as to urge fleet users who may have stocked up more than necessary on certain items to make these available to their factory branches or jobbers in case of need."

Don't give up too easily

"One point to remember is that when things get tough, a little ingenuity is very helpful. Judging from some of the correspondence I receive at Washington, there are operators who give up all too easily if their first attempt to obtain parts is unsuccessful. Suppose an operator needs a new axle. His dealer can't supply him, nor can the nearest factory branch, but he shouldn't abandon hope at that. There aren't many manufacturers of axles and exactly the same type of axle our operator needs is used in many other makes of trucks. Let him try all the truck dealers in his vicinity, and he may find what he needs. The same applies to other parts and materials; if the first cupboard is bare, try another, and then another!"

Pamphlet outlines vehicle care

The Central Motor Transportation Committee is working on a pamphlet "which will be to the motor transport field what the famous Government guide on 'The Care and Feeding of Infants' is to another form of civilian activity! This pamphlet, primerlike in its simplicity, will be addressed primarily to the one- or two-truck operator, and will instruct him, in the most palatable manner possible, as to how to care for his vehicles and thereby contribute to the national defense."

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Export traffic hits new high

Cars of export freight, other than grain or coal, unloaded at Atlantic, Gulf, and Pacific ports in October this year totaled 63,413 cars, the largest number unloaded in any one month since the compilation of these statistics began in November 1939, according to reports furnished to Ralph Budd, Transportation Commissioner, by the Association of American Railroads.

This exceeded by 7,174 cars the previous high record established in September this year. In October 1940, there were 47,559 cars unloaded.

Cars of grain for export unloaded in October this year at these ports totaled 2,352 compared with 665 in the same month last year.

No congestion or delay to traffic exists at any of the Atlantic, Gulf, or Pacific ports, due to the cooperation of railroads, steamship lines, port authorities, exporters, and shippers.

Railroads increase fuel stores for own use

On November 1, the railroads had 9,533,000 tons of coal stored for their own use, an increase of 74 percent over the 5,480,000 tons which were stored on November 1, 1940.

On the basis of present daily consumption the November 1 stock pile represents 34 days' supply as compared to 23 days' supply a year ago.

When coal-mining operations were resumed early in May after the April stoppage, railroad fuel stocks had dwindled to 2,538,000 tons. The industry was then urged in view of probable increased traffic to build up their stock pile during the summer months when coal demands are consistently lowest. Commissioner Budd has expressed to the industry his gratification at the performance they have made in this respect since that time.

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CARLOADINGS CONTINUE

SEASONAL DECLINE

Revenue freight carloadings during the week ended November 8 totaled 873,585 cars, an increase of 12.2 percent over the 778,318 cars loaded during the corresponding week in 1940, but a decrease of about 21,000 cars under the loadings for the week ended November 1, indicating a continuation of the seasonal decrease previously recorded.

The details for major commodities for the week ended November 8 and the corresponding week in 1940 follow:

<table>
<thead>
<tr>
<th>Commodity</th>
<th>November 8</th>
<th>November 1, 1940</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grain and grain products</strong></td>
<td>33,932</td>
<td>33,815</td>
<td>0.3</td>
</tr>
<tr>
<td>Livestock</td>
<td>18,796</td>
<td>16,578</td>
<td>13.2</td>
</tr>
<tr>
<td>Coal</td>
<td>104,298</td>
<td>135,082</td>
<td>21.8</td>
</tr>
<tr>
<td>Coke</td>
<td>13,457</td>
<td>11,818</td>
<td>13.7</td>
</tr>
<tr>
<td>Forest products</td>
<td>42,652</td>
<td>38,728</td>
<td>9.4</td>
</tr>
<tr>
<td>Ore</td>
<td>56,443</td>
<td>55,667</td>
<td>1.5</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>156,667</td>
<td>156,237</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>873,585</td>
<td>778,318</td>
<td>12.2</td>
</tr>
</tbody>
</table>

Cumulative, 46 weeks: 30,680,460 vs. 31,422,681.

CARLOADINGS—WEEK ENDED NOVEMBER 8
AGRICULTURE...

Farm, school, and community gardening urged rather than "plowing up lawns"

In a recent report to Secretary Claude R. Wickard, the Department of Agriculture garden committee recommended greater emphasis on farm gardens and expansion of school and community gardening to help provide better nutrition in both rural and urban areas.

The committee held that while there have been many suggestions for "emergency," "defense," or "war" gardens, there is no emergency in sight that would warrant intensive city home vegetable garden campaigns.

Some vegetables left in fields

The commercial vegetable acreage goals for next year under the USDA farm-defense program, the committee points out, provide for even greater supplies than the abundant production of this year which, in many areas, required extensive Government purchases to support prices. Of the $84,432,105 spent by the Surplus Marketing Administration for farm surpluses for direct distribution during the last fiscal year, $14,333,908 was spent for surplus vegetables. Even then some vegetables were left in the field because prices were not high enough to pay harvesting and transportation costs.

The committee felt that school and community gardens under the supervision of trained volunteer leaders should make a valuable defense contribution. Services of county extension agents and agricultural teachers would be available to advise local garden project leaders. Of the 67,000 schools that received surplus commodities last year, about 9,000 had school garden projects operating in conjunction with the school lunch program. About 9,500 had canning projects to provide supplemental food supplies.

Community gardens useful

Expansion of community gardens where adequate space and suitable soil are available was recommended as a means of supplementing supplies of vegetables and other farm commodities purchased by the Government and distributed through State relief agencies to needy families as well as for school lunch programs.

Farm production goals for 1942 provide for an increase of about 90,000 acres in commercial vegetable production. The goals also call for an increase of 1,300,000 in the number of farm gardens.

Some garden supplies will be short. From the standpoint of conservation of seed supplies, fertilizer, and spray materials, the committee said that more efficient use could be expected on farms and by small town and suburban gardeners who usually have better soil, more skill, and greater opportunity for production than is available to city gardeners. Improving ornamental and landscape plantings about city homes was suggested as an alternative to turning city lawns into vegetable gardens.

Special effort by the Department of Agriculture to make its gardening information available to all interested individuals and organizations was recommended as an aid in achieving the best results.

Don't plow up lawns, says Wickard

Commenting on the report of the committee, Secretary Wickard said, "I hope there will be no move to plow up the parks and the lawns to grow vegetables as in the first World War. Goals for commercial vegetable production for next year are based on a thorough canvass of the needs for improved nutrition and on prospective demand."

Noncritical materials available for small farm buildings

The U. S. Department of Agriculture pointed out last week that farmers do not need to secure priorities for ordinary, small farm structures which do not use critical metals.

"There is no priority control on lumber, concrete, stone, brick and glass, and about 70 percent as many nails as in 1940 are available. Farm structures using these materials alone are not affected by the recent housing order," David Meeker, assistant director of the Office of Agricultural Defense Relations, said.

"Farm structures which require materials under priority control should not be planned at this time, unless a clear-cut case can be made that the structure is essential to the defense program.

"In other words, a farmer should have no trouble getting materials to build a chicken house or small barn, but any structure using plumbing or central heating equipment or structural steel or similar scarce materials would have to be examined very carefully under recent Office of Production Management orders," Mr. Meeker said.

Erosion is a factor in power shortage, Soil Conservation Service chief asserts

Power losses and shortages in the Southeast may be traced to soil erosion as well as reduced stream flow, the Soil Conservation Service of the Department of Agriculture has reported.

Silting surveys conducted by the Soil Conservation Service in the Carolinas, Georgia, and Alabama show that in an average period of 25 years, water storage capacities of major power reservoirs have been reduced by 370,000 feet. All these reservoirs are located in farming country, and most of the sediment is washed from farm lands.

Danger if present rate continues

Dr. H. H. Bennett, chief of the Service, said sedimentation can be reduced to only a small fraction of existing rates if adequate conservation measures are applied on watersheds and reservoirs. If the present rate of siltation continues, Dr. Bennett warned, the Southeast will eventually face severe shortages of water storage possibilities.

Conservation covers 105,000,000 acres

In the Southeastern States, farmers have organized 105 soil conservation districts embracing 165 million acres. The Service provides technical help for surveys and farm planning work, certain materials and labor where they are needed to get conservation measures started. Recommended conservation measures include reforestation, terracing, strip-cropping, contour farming and retirement of severely eroded land to permanent legume and grass crops.

Dr. Bennett cites work on the High Point, N. C., reservoir watershed as an example of how conservation work keeps silt out of the reservoirs. The program has in 5 years reduced the load of silt, soil, and debris carried into the reservoir 25 percent.
PURCHASES...

73 Certificates of Necessity in 2 weeks

A total of 73 Certificates of Necessity were issued to 69 corporations from October 16 to 31, inclusive, by the Defense Plant Corporation, according to the National Defense Advisory Commission announced this week. These certificates were issued in connection with the construction and acquisition of new plant and manufacturing facilities, the estimated cost of which was $7,600,000.

Alvey Conveyor Manufacturing Co., St. Louis, Mo.; conveying machinery; $2,000.

Amidale Products Corporation, Detroit, Mich.; aircraft engine and machine gun parts; $22,000.

American Car & Foundry Co., New York, N. Y.; mine sweepers and steel tank lighters; $20,000.

Anderson Wire & Cable Co., New York, N. Y.; shipboard cable; $6,000.

Axelson Manufacturing Co., Vernon, Calif.; engines and landing gear oilers for airplanes; $737,000.

The Bodine Corporation, Bridgeport, Conn.; armament racks and trays for light tanks; $4,000.

Bendix Aviation Corporation, South Bend, Ind.; aircraft carburetors and other parts; $81,000.

Bethlehem Steel Co., Bethlehem, Pa.; armor bolts, studs and nuts; $215,000.

The Farmers Equity Union, Rhame, N. D.; airplane parts; $356,760.

Bowen Aluminum & Brass Corporation, Detroit, Mich.; component parts for fuselages, boosters, etc.; $6,000.

Bucyrus-Erie Co., South Milwaukee, Wis.; gun mounts, drills, dredges, etc.; $46,000.

The C. M. Tool & Die Co., Inc., Milwaukee, Wis.; gages, tools, dies, etc.; $4,000.

Chicago Metal Hose Corporation, Maywood, Ill.; metal hose and tubing, coupling, etc.; $737,000.

Chrysler Corporation, Detroit, Mich.; anti-aircraft guns and parts; $1,039,000.

Colgate-Larsen Aircraft Co., Amityville, L. I., N. Y.; tail gun mounts; $14,000.

Consolidated Machine Tool Corporation, Rochester, N. Y.; lathes, boring mills, etc.; $46,000.

Cordero Mining Co., Philadelphia, Pa.; pyrites; $1,000.

Detroit Tool & Tool Co., Hamtramck, Mich.; gages; $30,000.

The Duro-Bilt Co., Racine, Wis.; tools, dies, etc.; $7,000.

E. I. du Pont de Nemours & Co., Inc., Wilmington, Del.; methylmethacrylate, cast sheets for aircraft; $30,000.

Electric Vacuum Cleaner Co., Inc., East Cleveland, Ohio; metal parts for fuzes; $42,000.

The Fafnir Bearing Co., New Britain, Conn.; ball bearings; $583,000.

The Farmers Equity Union, Rhame, N. D.; portable engine test houses; $534,196.

The Fenn Manufacturing Co., Hartford, Conn.; aircraft motor parts, machine gun parts, etc.; $17,000.

Fitchburg Engineering Corporation, Fitchburg, Mass.; machine tools; $26,000.

General Mills, Inc., Minneapolis, Minn.; cylinders, targets, directors and indicators; $39,000.

Goodyear Fabric Corporation, Akron, Ohio; barite balls; $68,000.

V. L. Graf Co., Detroit, Mich.; hydraulic components and accessories; $32,000.

The G. A. Gray Co., Cincinnati, Ohio; machine tools; $9,000.

A. F. Green Fire Brick Co., Mexico, Mo.; fire bricks, etc.; $109,000.

Hammond Aircraft Co., South San Francisco, Calif.; aircraft parts, etc.; $52,000.

Hercules Machine Tool & Die Co., Detroit, Mich.; gages, dies, etc.; $2,500.

Hobart Bros. Co., Troy, Ohio; motor generators, welders, compressors, etc.; $111,000.

The Laclede Steel Co., St. Louis, Mo.; component parts for fuzes, and automatic screw machine products; $16,000.

LeTourneau Co. of Ga., Tooele, Ga.; earth-moving machinery; $253,000.


Liberty Tool & Die Corporation, Rochester, N. Y.; tools, dies, fixtures, jigs, etc.; $160,000.

Louisiana Power & Light Co., New Orleans, La.; electric current; $255,000.

Louisville & Nashville Railroad Co., Louisville, Ky.; transportation; $6,000.

Maine State Forest, Southbridge, Maine; marine hardware; $8,000.

Matson Navigation Co., San Francisco, Calif.; repairing, etc., of ships; $92,000.

Michigan Limestone & Chemical Co., Rogers City, Mich.; limestone; $495,000.

Minnesota Institute of Aeronautics, St. Paul, Minn.; flying instructions; $45,000.

Monsanto Chemical Co., St. Louis, Mo.; sulfuric acid; $460,000.

The Morgan Safe Co., Hamilton, Ohio; light armored plate; $5,000.

The National Twist Drill & Tool Co., Detroit, Mich.; twist drills, etc.; $12,000.

Novelty Ornamental Iron & Wire Works, Inc., Seattle, Wash.; light structural steel and iron fabrication; $12,000.

The Pennsylvania Railroad Co., Philadelphia, Pa.; transportation; $37,000.

The Pennsylvania Railroad Co., Baltimore, Md.; additional plant and equipment at Martinsburg, W. Va.; tank and gaskets; $955,200.


Pittsburgh Steel Co., Pittsburgh, Pa.; cold-drawn and pressure tubing; $113,000.

Pressed & Wrought Steel Products Co., Inc., Long Island City, N. Y.; shock mountings, control cases and cover, etc.; $10,000.

The Producers Marketing Co., Minneapolis, Minn.; grain storage; $8,000.

Rice Barton Corporation, Worcester, Mass.; castings for machine tools; $75,000.

John A. Roebling's Sons Co., Trenton, N. J.; copper strand for welding cable; $15,000.

The Russell Manufacturing Co., Middletown, Conn.; cotton weaving for military equipment; $77,000.

Sangamo Electric Co., Springfield, Ill.; transmitters, condensers, capacitors; $19,000.

Scovill Manufacturing Co., Waterbury, Conn.; metal parts for fuzes and boosters; $67,000.

Semet-Solvay Co., New York, N. Y.; coal and byproducts; $427,000.

The Simonds Gear Manufacturing Co., Pittsburgh, Pa.; steel cast and forged gears; $10,000.

Sheffield Steel & Iron Co., Birmingham, Ala.; brown ore for pig iron; $126,000.

Southern States Equipment Corporation, Birmingham, Ala.; boosters; $6,000.

Stewart-Warner Corporation, Chicago, Ill.; depth changes, booster extruders, etc.; $32,000.


The Weatherhead Co., Cleveland, Ohio; fuses and automatic screw machine products; $152,000.

Wilpoltz Coke Oven Corporation, New York, N. Y.; coke and byproducts; $29,000.

The Wisconsin Marine Railway & Shipbuilding Co., Inc., Seattle, Wash.; mine sweepers; $259,000.

Worthington Co., Claymont, Del.; sheared steel plates; $175,000.

York Electric & Machine Co., York, Pa.; machined parts for guns and tanks; $8,000.

$51,863,888 War Department contracts

Defense contracts totaling $51,863,888 were awarded by the War Department and cleared by the Division of Purchases, Office of Production Management, during the period November 6 through November 12. This compares with a total of $45,712,265 for the previous week.

CONSTRUCTION

Chrysler Corporation, Detroit, Mich.; expansion of Detroit Tank Arsenal to provide additional buildings, purchase of jigs, dies, tools, fixtures, materials and equipment; $18,875,000. (Total estimated cost of plant now $38,875,000.)


Bendix Aviation Corporation, Eclipse Aviation Division and Pioneer Instrument Division, Bendix Aviation Corporation, Rochester, N. Y., for manufacture at Pawtucket, R. I.; wire; $768,198.

General Cable Corporation, New York, N. Y. (for manufacture at Rome, N. Y., Buffalo, N. Y., and Peru, N. J.); cable; $2,384,859.

Thurston Products, Inc., Cleveland, Ohio; fuel pumps; $4,611,075.

AIRCRAFT

The Steel Products Engineering Co., Sholes-Geiko, Ohio; machine gun turret assemblies; $8,611,419.

Goodyear Tire & Rubber Co., Akron, Ohio; rayon landing wheel casings; $1,093,281.

Clark Equipment Co., Battle Creek, Mich.; tractors; $1,163,552.

Sharpsville Steel Fabricators, Inc., Sharpsville, Pa.; tanks and gaskets; $523,591. (Total advanced by Defense Plant Corporation agreement of lease $1,163,552.)

Bendix Aviation Corporation, Scintilla Magnetic Division, Philadelphia, Pa.; ammunition; $1,046,143. (Defense Plant Corporation agreement of lease.)

Blindus Aviation Company, Scintilla Magnetic Division, Philadelphia, Pa.; and Sidney, N. Y.; additional plant facilities for manufacture of aircraft parts, accessories and instruments; $643,936. (Total advanced by Defense Plant Corporation agreement of lease now $3,193,938.)

EQUIPMENT AND SUPPLIES

American Cyanamid Co., Ocello Chemical Division, New York, N. Y. (for manufacture at Bound Brook, N. J.); aniline oil; $357,999.

Anaconda Wire & Cable Co., New York, N. Y. (for manufacture at Pawtucket, R. I.); wire; $768,198.

Anacasha Steel & Wire Co., New York, N. Y.; portable engine test houses; $1,093,281.

Clark Equipment Co., Battle Creek, Mich.; tractors; $1,163,552.

General Cable Corporation, New York, N. Y. (for manufacture at Rome, N. Y., Buffalo, N. Y., and Peru, N. J.); wire; $2,384,859.
Complete list of priority orders and forms

The following list is a tabulation of limited blanket ratings issued so far by the Division of Priorities.

P-1, material for the production of electric traveling cranes, March 12, 1941, A-1-c, Note.—Revised by PRO P-11.


P-3, material entering into the production of airplanes, April 29, 1941, A-1-a, PD-10; (Extension No. 1)—Extends P-3 to October 31, 1941, September 18, 1941, (Extension No. 2)—Extends P-3 to December 31, 1941, October 27, 1941.

P-4, material entering into the production of airplane engines and propellers, April 26, 1941, A-1-a, PD-14; (Amendment No. 1)—Extends P-4 to December 31, 1941, September 19, 1941, (Extension No. 2)—Extends P-4 to December 31, 1941, September 19, 1941.

P-5, material entering into the production of crates, May 26, 1941, A-1-a, PD-6; (Amendment), June 14, 1941. Note.—Revised by PRO P-1; P-5-a, material entering into the production of crates and hoisting equipment, August 1, 1941, A-1-a. Note.—Revised by PRO P-5; P-5-b, material for the production of various types of hoisting equipment, August 1, 1941, A-10 (or higher) PD-81, 81a. Note.—Superseded by PRO P-6.

P-6, Defense Supplies Rating Plan, May 31, 1941, A-10, PD-25, 25a, 25c, 25d, 25e; P-6-a, material entering into the production of airplanes, July 21, 1941, A-10, PD-53e-1, 52e-2; (Amendment), October 3, 1941.

P-7, material and equipment entering into production of merchant ship construction, June 12, 1941, A-1-a, (or higher) PD-4, 4a; P-7-a, material entering into the production of airplanes for heavy bombers, June 30, 1941, A-1-b, PD-50, 50a; P-7-a, material entering into the production of airplanes for heavy bombers, June 30, 1941, A-1-b, PD-50, 50a; P-7-a, material entering into the production of airplanes for heavy bombers, June 30, 1941, A-1-b, PD-50, 50a; P-7-a, material entering into the production of airplanes for heavy bombers, June 30, 1941, A-1-b, PD-50, 50a.

P-8, material entering into freight car construction, June 18, 1941, A-3, PD-38, 38a.

P-9a, materials entering into the production of airframes for heavy bombers, June 30, 1941, A-1-b, PD-43, 43a; P-9-b, aircraft engines for heavy bombers, June 24, 1941, A-1-b, PD-41, 44a; P-9-b, aircraft propellers for heavy bombers, June 24, 1941, A-1-b, PD-43, 43a; P-9-c, gun sights, bomb sights and gunfire control for heavy bombers, June 29, 1941, A-1-b, PD-47, 47a.

P-10, material and equipment entering into the conversion of ships, June 19, 1941, A-10, PD-41, 41a.

P-11, material for the production of metal working equipment, July 1, 1941, A-1-a, b, c, PD-48, 48a. Note.—Revised PRO P-8; P-11-a, material for the production of metal working equipment, September 19, 1941, A-1-a, PD-81, 81a. Note.—Revised PRO P-11; (Amendment), October 30, 1941.

P-11-b, aluminum scrap, June 26, 1941, A-10, PD-49.
E ORDERS

E stands for equipment. So far only machine tools and cutting tools have been covered by these orders. An E order is similar to an M order in that it affects the distributor of the item covered, so that defense needs can be filled first.

E orders issued so far are—


E-2. Cutting tools, July 17, 1941; (Amendment), July 22, 1941; Supplementary order, August 28, 1941. Note—Revolves E-2, as amended.

L ORDERS

The L orders are limitation orders, setting limits on production of the materials or items covered. Orders issued so far in this series are—

L-1, to restrict the production of motor truck and public passenger carriers, August 14, 1941; amended by L-1-a, extending in effect to December 31, 1941, to restrict the production of medium motor trucks, truck trailers, passenger carrier and replacement parts.

L-2, to restrict the production of passenger automobiles, September 13, 1941; L-2-a, supplementary order, October 24, 1941; L-2-b, supplementary order (elimination of bright work), October 27, 1941; L-2-c, supplementary order, November 7, 1941.

L-3, to restrict the production of light motor trucks, September 13, 1941; L-3-a, supplementary order, October 24, 1941; L-3-b, supplementary order, November 14, 1941.

L-4, to restrict the production of replacement parts used in the repair of passenger automobiles and light trucks, September 18, 1941; L-4-a, supplementary order, November 14, 1941.

L-5, to restrict the production of domestic mechanical refrigerators, September 20, 1941.

L-6, to restrict the production of domestic ice refrigerators, October 28, 1941.

L-7, to restrict the production of domestic ice refrigerators, October 28, 1941.

L-8, to restrict the production of metal office furniture and equipment, November 7, 1941, PD-155, 135.

L-15, to restrict the use of cellulose and similar cellulosic materials derived from cellulose, November 8, 1941.

MISCELLANEOUS ORDERS

Priorities Regulation No. 1, August 27, 1941.

Priorities Regulation No. 2, September 9, 1941.


Suspension Order No. 8-1, October 15, 1941.
MEDICATION BOARD...

Board passes week with no strikes on calendar; hearings open in three cases

Last week (November 10-16) was the first week in the National Defense Mediation Board's history when it had no strikes on its calendar. A survey showed that a total of 170,183 men in 27 cases were working on defense jobs at the Board's request pending disposition of their disputes.

On Monday, November 10, the Board issued its recommendations in the controversial captive coal mine case, following which all the CIO members and alternate members of the Board resigned. During the week the Board also issued recommendations in three other cases, opened hearings in three cases and received certification of one new case.

The week's happenings in the captive mine dispute are described on page 3.

Details of the other cases are as follows:

International Harvester Co.

Two Federal Labor Unions, both AFL, represent the workers in the Rock Island, Ill., and Milwaukee, Wis., plants of the International Harvester Co., and hearings continued last week before a panel composed of Ralph Seward, George Mead, and William Calvin. On November 13, an interim statement was released on the two issues still in dispute between the union and the company—wages and union security. A special representative is to be appointed to investigate the wage question, who will report his findings both to the parties and to the Board. If agreement by direct negotiations cannot be reached, either party may bring the matter in before the Board again.

On the issue of union security, the Board stated that it is not prepared at this time to make any recommendation but recommended a clause to both parties which reads as follows:

"The company believes that the interests of its employees * * * are best served by their belonging to the union and urges all such employees to become and remain members of the union. The company will discipline any employee engaging in activity, on company time and property, tending to undermine the present status of the union."

Inghals Shipbuilding

Findings and recommendations were issued November 12 in the dispute between the Inghals Shipbuilding Corporation, Passaic, N.J., and the Passaic Metal Trades Council, AFL. Hearings had been held the latter part of October before a panel composed of Walter T. Fisher, Eugene Meyer and William Calvin, but no agreement had been reached on the point in dispute—union security. Both parties returned home to await the Board's recommendations. The Board recommended that a clause be inserted in the contract stating that the company looks favor upon continuance of member-shipping in the union by all employees who are now members or who become members. It also provided for the appointment of a disinterested person by the NDMB to investigate complaints by the union that any supervisory employee of the company is not carrying out the policies set forth in the contract in good faith. It also provides that members of the company's personnel department be given preference in hiring when they have registered with the company's employment office and with the union's job placement office.

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Great Britain and has 7,000 men in its yard. A strike on October 27 was called off November 3 at the Board's request.

Bell Aircraft

After 3 days, hearings in the dispute between the Bell Aircraft Corporation, Buffalo, N. Y., and the United Automobile Workers, AFL, were postponed to November 21 at the union's request. The controversy arose over the union's demand for a union shop, checkoff, and increases in the starting wage and general wages. A threatened strike of the company's 12,000 employees had been postponed at the Board's request. The company has defense contracts for airplanes.

New cases

The new case certified to the Board last week involved the Employees Waterfront Association of Seattle, Wash., and the International Longshoremen's Association, AFL. A hearing on this case is scheduled for Monday, November 24.

Cooperative housing plan available to defense workers

A cooperative housing plan for defense workers, designed to provide homes at moderate cost for families with incomes between $1,200 and $1,800 a year, was announced November 14 by Charles F. Palmer, Coordinator of Defense Housing.

Under the plan, groups of workers may organize cooperatives and apply to the Federal Housing Administration for mortgage insurance under Defense Housing Title VI, which permits insurance up to 90 percent of the appraised value of the house.

Information concerning methods of financing, organization, and operation of the cooperative, may be obtained from the Coordinator's office.

Knudsen to be interviewed on OEM broadcast

Third in the OEM "Keep 'Em Rolling" radio variety show series will be broadcast from 10:30-11:00 p.m., Sunday night, November 23, over the Mutual Broadcasting station WOL in Washington.

OEM Director General Knudsen will be interviewed by Clifton Fadiman, master of ceremonies, on phases of defense production. There will also be a dramatization of the current Broadway play, "Watch on the Rhine," with Paul Lukas and Mady Christians, and other members of the original Broadway cast.
OPA issues urgent call for executive sales engineers in midcontinent area

Executive sales engineers with extensive experience in the industrial machinery field are urgently needed for important duties in the Office of Price Administration. Administrator Henderson announced November 12.

Only change since October 10

A number of positions in the Industrial and Agricultural Machinery Section are open to professional men with technical training and practical engineering background in the manufacture of pumps, compressors, blowers, elevators, conveyors, cranes, measuring instruments, mechanical stokers, boilers, valves, refrigeration and air-conditioning equipment, construction machinery, fabricating machinery, farm machinery, and electrical generating equipment.

Familiarity with the problems and methods of cost analysis, estimates, and production is highly desirable.

Salaries $3,500 to $5,600

Salaries range from $3,500 to $5,600 a year. There will be no written examinations. Applicants will be rated on experience and education. As time is short, engineers interested are asked to send in immediately a typewritten resume of name, address, height, weight, date of birth, marital status, and education.

A record of past employment, beginning with the most recent position and working back, must be included. Photographs, if available, also are desired. Applicants are cautioned not to send original documents, since nothing will be returned.

Material should be addressed to Mr. Joel Dean, Office of Price Administration, Room 238, Temporary Building D, Independence Avenue and Sixth Street SW, Washington, D. C.

Florsheim resigns as head of shoe section

Florsheim resigns as head of shoe section

Purchases Director MacKeachie announced November 13 that because of the pressure of private business, Harold Florsheim, chief of the shoe and leather products section in the textiles, clothing, and equipment branch, has found it necessary to return to Chicago.
CIVILIAN DEFENSE . . .

OCD issues regulations on use of insignia by enrollees and manufacturers

The Office of Civilian Defense has released illustrations and specifications of dimensions, colors, and materials for 16 different insignia. Each of the activities in civilian defense, 15 in number, will have a distinctive design which the volunteer workers, after they have been enrolled and trained, will wear on white armbands or embroidered on the left sleeve of uniforms, 1 inch below the shoulder seam.

The sixteenth design is the basic insignia bearing the initials "CD" (Civilian Defense) in red, enclosed in a white triangle which is superimposed on a circular blue field. This basic insignia will be worn on cap and uniform collar ornaments of all civilian defense workers.

Designs modern and simple

The designs are executed in modern and dramatic simplicity. A single flame designates fire watchers; a ladder, rescue parties; a steering wheel, drivers' corps. A flash of lightning symbolizes speed for messenger service. A drinking cup, a shovel, and a diving plane graphically indicate, respectively, emergency feeding, road repair, and bomb squads.

The 16 designs have been patented by the Office of Civilian Defense. Only manufacturers who are licensed by that organization will be permitted to fabricate or use any of the insignia in any manner. The sale by licensed manufacturers of official insignia will be limited to designated defense councils.

Only enrollees may use them in official manner

Only enrolled civilian defense workers are entitled to wear any of the insignia as part of uniforms or on clothing in any way which would simulate official wear. This restriction applies to use as any part of clothing, caps, or hats. There is no restriction on the use of insignia on novelties, such as costume jewelry, belt buckles, cigarette cases, handkerchiefs, scarves, pocketbooks, etc.

Optional choice between metal and embroidered emblems will be made with a safety pin catch for ladies, definitely come under restricted use by enlisted workers. The insignia used as part of the design of a woman's brooch, however, could be worn by anyone.

Civilian defense workers or their defense councils throughout the country will pay for all insignia themselves, with the possible exception of the official armbands. Congress has been asked to authorize sufficient funds to distribute the latter.

Licensed manufacturers listed

The OCD is preparing a list of manufacturers who have been licensed to fabricate the insignia on armbands made of cloth, and collar and cap made either of metal or embroidered cloth. The metal ornaments will be enameled in red, white and blue on gold. The embroidered emblems will employ the same colors without gold.

The OCD is preparing a list of manufacturers who have been licensed to fabricate the insignia on armbands made of cloth, and collar and cap made either of metal or embroidered cloth. The metal ornaments will be enameled in red, white and blue on gold. The embroidered emblems will employ the same colors without gold.

Optional choice between metal and embroidered insignia is given to defense worker groups when they purchase. Other official—though not required—use of insignia is confined to automobile plates, and flags or banners. The basic insignia only may be used on automobile plates.

On banners, the addition of gold stars in the number requisite to designate the lesser ranks; one black triangle designating "worker, first class"; two black triangles, "squad leader"; three black triangles, "section leader." These will be worn directly beneath the basic insignia on armbands or shoulder ornaments.

One silver pyramid denotes "captain of wardens," "assistant to chief," or "zone leader"; two silver pyramids designate "chief of local group" (wardens, etc.); three silver pyramids, "chief of service" (fire police, etc., local or State).

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One silver pyramid denotes "captain of wardens," "assistant to chief," or "zone leader"; two silver pyramids designate "chief of local group" (wardens, etc.); three silver pyramids, "chief of service" (fire police, etc., local or State).

Dimensions regulated

Insignia of rank, with the exception of black triangles, will be worn on the lower sleeve in a vertical line, starting 4 inches from the bottom of the cuff and spaced at intervals of 1 inch, on both sleeves.

NURSES' AIDES CORPS

A red cross now distinguishes workers in the Civilian Defense Nurses' Aides Corps. The change from white was made by agreement with the American Red Cross after arrangements for necessary training of volunteers by that organization.

Each official or semiofficial use of insignia has definite designated dimensions. Armbands will be 5 inches deep. The insignia, on armbands, or sewn on the upper left sleeve of uniforms, will be 4 inches in diameter. Collar and cap ornaments will be 1½ inches in diameter and the former will be worn on both uniform lapels. Stars will be one-half inch in diameter at the points. Pyramids and
How to plan and execute an effective blackout described in new 60-page pamphlet

"BLACKOUTS" a comprehensive 60-page pamphlet prepared by the War Department was issued November 14 by the Office of Civilian Defense.

"The effectiveness of a black-out system depends upon the knowledge and the cooperative spirit of the people at large," the foreword to the pamphlet says. "Civilian Defense agencies are responsible for the proper education of the people as to the reason for and the methods of producing black-outs. Based on this knowledge the enthusiastic cooperation of the people must then be evoked by continuing publicity of a progressive nature."

Advance planning important

"The proper authorities must present the vital seriousness of everything connected with black-outs. All concerned must realize fully that planning and advance preparation contribute most to the effectiveness of a black-out. This advance planning and preparation requires long, painstaking, and many times unnoticed, prior effort. Too often these efforts may appear to some to be expended on relatively unimportant details. But an effective black-out is not achieved by spectacular efforts at the beginning of or during an air raid. Except for meeting contingencies, little or nothing can be done to increase the effectiveness of a black-out while a raid is in progress.

"It is inherent strength of character which enables a people to survive air raids. The knowledge that everything that can be done has been done, will enable a people to stand by each other and care for themselves."

Scope of pamphlet

The first chapter, "Planning the Blackout," describes the purpose, scope, definitions, training, and procedure, action after black-outs and basic considerations in planning black-outs. It fixes responsibility for the execution of black-outs, their legalization and enforcement organization, as well as the education of the public, communications, and the extent and nature of lighting restrictions.

The second chapter, "Obscuration Methods and Materials," describes the treatment of glazed surfaces, the use of paint, adhesive treatments on glass, etc.

The third chapter, "Individual Persons and Dwellings," offers advice to the individual, describes black-out equipment for street use, and conduct during an air raid.

Chapter four, "Stores, Factories, and Industrial Buildings," deals with maintenance of essential services, emergency communications, industrial light control, and ventilation.

Chapter five, "Utilities, Municipal Services, and Installations," covers utilities and municipal services, electric light and power.

The final chapter, "Transportation," covers motor transportation, the use of luminous materials, illuminated signs, traffic light signals, route numbers and direction signs, safety zones and obstructions, and motor vehicle black-out devices. It describes pedestrian crossing places and the duties of traffic police in black-outs as well as the highway traffic devices. Sections in this chapter deal with railroads and electric lines, electric street systems, elevated systems, water transportation, and air transportation.

Army engineers aid in publication

There is an extensive bibliography and an appendix describing type specifications for black-out materials and devices.

The pamphlet was prepared under the direction of the Chief of Engineers, United States Army, with suggestions of the National Technological Civil Protection Committee.

It is being distributed by the Office of Civilian Defense to the governors of the States and local defense councils through the State Defense Councils. It is available for 25c from the Superintendent of Documents, Washington, D. C.

Agriculture experts take part in economic survey of Bolivia

Two experts of the Department of Agriculture will be members of a party organized to survey the resources of Bolivia. They are Wilbur A. Harlan of the Office of Foreign Agricultural Relations, and B. H. Thibodeaux of the Bureau of Agricultural Economics.

The survey, based on an exchange of notes between the Governments of Bolivia and the United States, will include a thorough technical and economic study of the agricultural and mineral possibilities of Bolivia, as well as the transportation and communication needs.
Nutrition values of food would be learned more readily by use of common terms—McNutt

Calling ignorance and misunderstanding major causes of malnutrition, Federal Security Administrator, Paul V. McNutt, as Director of Defense Health and Welfare Services, has called upon scientists to translate the newer knowledge of nutrition into words of common coinage. As an outstanding example of a scientific term which is likely to mislead the uninformed, he cited the important vitamin “nicotinic acid.”

This substance, he pointed out, is essential to health, and is found in such familiar foods as lean meat, green vegetables, and milk. Yet food manufacturers and retailers have discovered that many people shy away from anything so labeled. Neither “nicotinic” nor “acid” sounds palatable.

In explaining his suggestion, Mr. McNutt continued, “Words, to the scientist, may be merely descriptive. But to ordinary people they often have the power to arouse loyalty or hate, belief or unbelief, confidence or skepticism.

Use ‘common or usual name’

The Food, Drug, and Cosmetics Act has specifically recognized the power of words when it has required that the ingredients of a package or product be labeled with their “common or usual names.” The Food and Drug Administration is ready and willing to give due consideration to cases in which scientific nomenclature is a problem. It can, however, properly consider them only when there is sufficient evidence (1) that there is no common and usual name and (2) that educational clarity and public interest will be served by a change.

Oil burners restored to “good standing” for defense homes

In amendments effective November 15 to the Defense Housing Critical List and to Interpretation No. 1 of this list, the Priorities Division restored to good standing the use of oil burners in defense-housing construction on the Eastern seaboard.

Because of the petroleum shortage existing at the time the original critical list was issued, the acquisition of oil burners for defense-housing units in certain Eastern States was not assigned the priority assistance applicable to other building materials.

A revised list of Defense Housing Critical Areas includes Sacramento, Calif.; Marion-Carbondale (Crab Orchard Lake), Ill.; and Bonham, Tex.

It has been found desirable further to encourage construction for rent, rather than for sale, and this has been done by assigning priority assistance applicable to other building materials.

A prompt industry-wide investigation by the OPM furniture division of developing shortages in such items as stains, glue, sandpaper, and small paper parts was promised, as well as a study of the difficulties faced by upholstery manufacturers in obtaining low-grade cotton.