April 24, 1940.

My dear Pa,

Enclosed for the President's information is Report No. 34 on the subject of Foreign Inquiries For Production of Munitions."

Sincerely yours,

[Signature]

General E. M. Watson
Secretary to the President
The White House

Enclosure
ARMY AND NAVY MUNITIONS BOARD
MUNITIONS BUILDING
WASHINGTON, D.C.

April 22, 1940.

Report No. 34

MEMORANDUM TO: The Secretary of War
                The Secretary of the Navy
                The Assistant Secretary of War
                The Assistant Secretary of the Navy
                The Deputy Chief of Staff
                The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to
time a brief report on foreign inquiries for military equipment,
the following notes are made:

BRAZIL

In the last report reference was made to the purchase by
the Government of Brazil of 90 6" guns, 12 7" guns and 26 12"
guns. The Military Attache has now offered to buy 6 extra 7"
tubes and 2400 armor piercing 7" projectiles. These projectiles
are in the hands of the Navy Department and will be turned over
to the Army for sale under provisions of the Act of June 5, 1920.
The extra gun tubes and the ammunition will be sold at scrap value
plus 100%, which means approximately $40.00 per ton.

FINLAND

The Finnish Legation has furnished a statement of its contracts
outstanding as of April 1, 1940. Seventy contracts are listed and
all have been signed except one contract for 50,000 rifle barrels.

A newspaper report indicates that 404 trucks shipped to Bergen
arrived at that port two days before the German invasion of Norway
and have apparently disappeared. These trucks were not purchased by
the Military Purchasing Commission in Washington but by the group in
New York buying commercial articles under the Export-Import Bank credit.

In a recent report it was stated that the Finnish Government has
paid for surplus field artillery sold to it. It was expected that this
materiel would be shipped in the month of April but since Narvik was the port to be used in Norway, it seems that the shipment will have to be indefinitely postponed until the situation clears at Narvik and it is possible to use the railroad to Sweden.

RUMANIA

The Rumanian Attache has inquired whether the Government of Rumania can purchase from the United States Government some coast artillery batteries which have been replaced in the U. S. Army by more modern units. He undoubtedly has reference to surplus property, some of which is of the coast artillery type. Action is being considered to determine whether Rumania can participate in the sale of surplus property.

CHILE

Negotiations are still under way to sell certain surplus armament to Chile. Their interest is now for the following:

- 1500 Vickers machine guns,
- 1500 Machine gun carts,
- 100 British 75 mm guns,
- 8 8" howitzers.

The date of April 24th has been set for the expiration of an option to buy such items as Chile may require from the surplus list.

Information has been received that the Chilean Military Attache is considering costs and sources for the equipment for a triangular Division. As the funds required will probably exceed the amount available, it is doubtful whether complete equipment for such a Division will be purchased.

ANGLO-FRENCH PURCHASING BOARD

It is understood that several contracts have been placed by the Board for pursuit planes recently released for negotiation by our Government. The details of these contracts are not yet available.

Many requests for visits of British and French Nationals to American plants, either for the purpose of supervising production on contracts already placed or for the determination of the capabilities of such plants have been received and in most cases acted upon favorably.
FRANCE

The French Purchasing Commission has purchased 661,000 pounds of brass cartridge discs from the American Brass Company, Waterbury, Connecticut.

NETHERLANDS


SURPLUS PROPERTY

Information has been received from the State Department that at least six Central and South American countries are interested in buying surplus armament. These requests will not be processed until the Chilean Government decides what it will buy. A decision of the Chilean Government will be rendered on April 23, 1940. Approved procedure on requests for purchase of surplus armament involve initial reference by the State Department to the War Department of all inquiries. The negotiations are then carried on by the Clearance Committee and such agreements as are finally reached are approved by the Secretary of State. After approval by the Secretary of State, the financial and other details are turned over to the Chief of Ordnance for execution.

For the Clearance Committee, Army and Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army.
April 22, 1940.

Report No. 34

MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions.

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material would be shipped in the month of April but since Narvik
was the port to be used in Norway, it seems that the shipment
will have to be indefinitely postponed until the situation clears
at Narvik and it is possible to use the railroad to Sweden.

ROMANIA

The Romanian Attache has inquired whether the Government of
Romania can purchase from the United States Government some coast
artillery batteries which have been replaced in the U. S. Army by
more modern units. He undoubtedly has reference to surplus property,
some of which is of the coast artillery type. Action is being con-
sidered to determine whether Romania can participate in the sale of
surplus property.

CHILE

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armament to Chile. Their interest is now for the following:

1500 Vickers machine guns,
1500 Machine gun carts,
100 British 75 mm guns,
8 8" howitzers.

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For the Clearance Committee, Army and Navy Munitions Board:

FRANKLIN D. ROOSEVELT LIBRARY

DECLASSIFIED

DOD DIR. 5230.2 (9/27/58)

Date: 7-29-70

Signature: [Signature]

CONFIDENTIAL
Dear Mr. Watson:

Enclosed for the information of the President is Report No. 39 on the subject of "Foreign Inquiries for Production of Munitions."

Sincerely yours,

[Signature]

General E. M. Watson
Secretary to the President
The White House

Enclosure
Memo. 5/27/40
MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

FINLAND

Surplus armament purchased by the Government of Finland is now being moved. One ship has already departed and another is due this week. Export licenses for the material have been issued. Arrangements have been made to permit the Finnish ship to go into Charleston Navy Yard to load 8-inch howitzer projectiles now at the Charleston Ordnance Depot.

In connection with the urgent need for powder by the Anglo-French Purchasing Board the Minister of Finland was asked to determine from his Government whether a concession of 600,000 lbs. against the capacity of the Hercules Powder Company would be actually used by the Finnish Government. The Minister promised to cable about this matter and if his Government does not desire to purchase this powder it is probable that the concession will be transferred to the Allies.

In previous reports reference was made to the sale of caliber .50 machine guns for the Brewster planes sold to Finland during the Finno-Russian War. As these guns are very similar to our M-2 model, the Colt's Patent Fire Arms Manufacturing Company was asked to write a manual for use in maintaining them. This manual has been edited in the War Department and returned to the company with approval for its supply to the Finnish Government.
PANAMA

Arrangements have been completed to sell 1,000 Enfield rifles to the Republic of Panama. It is expected that these rifles will be shipped sometime this week via a U. S. Fruit Company steamer. This steamer will not arrive in Panama until after the election on June 2nd.

NETHERLANDS

The Netherlands Legation is very active at the present time attempting to secure armament for the Netherlands Indies. It seems improbable that they will be able to purchase the materiel desired in the immediate future. They are particularly interested in buying 30,000 rifles and have been referred to several commercial companies manufacturing rifles.

The War Department was asked whether some of the surplus armament available for sale to neutrals could be sold to the Netherlands Indies. Particular interest was manifested in 2,000 Vickers machine guns. It was suggested that the Netherlands Minister confer with the Secretary of State to determine whether the Netherlands Indies would be considered neutral and thereby eligible to purchase surplus armament. It is understood that the State Department has decided that the Netherlands Indies must be considered belligerent and therefore not eligible under the present policy to purchase surplus armament.

PORTUGAL

The Portuguese Minister is inquiring for tanks, antitank guns and armored cars. The situation with respect to procurement of these items and possible release of U. S. Army designs was reviewed and an official answer given to the Chairman of the President's Liaison Committee for transmission to the Minister. Requirements for antitank guns are sufficiently large to justify the release of U. S. Army designs but the numbers of tanks and armored cars are not sufficient to justify release.

POLAND

A rather surprising request was forwarded by the Chairman of the President's Liaison Committee from the Polish Legation. This Government is interested in the following:
POLAND (Continued)

200 pursuit planes
equipment for 1 motorized division
4 antiaircraft batteries.

The necessary action to furnish information concerning these needs is in progress at the present time.

SWEDEN

The Swedish order for 100,000 gas masks at General Tire Company is progressing satisfactorily and some deliveries have already been made. Chemical Warfare Service manifested an interest in getting two canisters for tests at Edgewood Arsenal and arrangements have been made with the Swedish Delegation to obtain these canisters. It should be noted that these are not the Army type of canister but a commercial type which conforms to the performance specifications for the Army type.

An invitation has been extended to the Signal Corps to examine experimental radio sets made for the Swedish Government at the R.C.A. Laboratories in Camden, New Jersey. The Signal Corps is arranging to have qualified representatives examine these sets. They are said to be an excellent type for short range military use.

Activities are still in progress to obtain the necessary machinery for a 9 mm pistol cartridge plant to be built in Sweden. The Remington Arms Company has been advising Swedish representatives as to the numbers and types of machines desired.

An export license has been issued for 103 Hamilton Standard Hydromatic propellers valued at $346,000 and for 103 Pratt & Whitney twin-wasp engines valued at $1,694,000.

UNION OF SOUTH AFRICA

The South African Legation has reported additional orders in this country to the value of $361,000. These include machine tools, aircraft parts and accessories and cloth.

ANGLO-FRENCH PURCHASING BOARD

Discussions have been under way during the past week with the Colt's Patent Fire Arms Manufacturing Company concerning a contract for the production of machine guns for the current
Anglo-French aircraft program. It is understood that this contract was to be signed on May 25, 1940.

Several conferences have been held concerning a powder concession at the DuPont plant, Carney's Point, New Jersey. The Navy Department released capacity at this plant but the effective release date was October 1, 1940. The Board wants the release date set back to June 1, 1940. The Army has presented the facts concerning its loading program and has asked for a decision from higher authority whether a release should be made as of June 1st and our own program thereby hampered. It is believed that this matter will be satisfactorily settled within the next week.

Further conferences with technical representatives of the Board on the characteristics of the M-2 aircraft machine gun, which will be released for export sale, have been held. The technical representatives of the Board now have sufficient information to enable them to determine whether they will use our military model rather than the commercial model. It is considered very desirable that they use our model, particularly since a new plant will be created and every effort has been made to give them a clear idea of the characteristics of the M-2 model.

A conference will be held on May 27th with representatives of the Board concerning methods used in testing powder. Specifications for smokeless powder have been made available to the Board and it is understood that a contract for a new plant is being discussed with one of the powder companies. Meanwhile export licenses for powder now under production under a previous release of the War and Navy Departments and involving about 100,000 pounds a month have been issued.

The Anglo-French Purchasing Board has asked for all of the War Department specifications. As these are 4400 in number it is probable that they will be asked to indicate only the specifications actually needed and it will then be determined whether such specifications can be released on the grounds of military secrecy.

Large airplane and engine orders have been placed in the period from May 16th to May 22, 1940. It is noted that 1830 airplanes and 5,193 engines have been ordered. The total unfilled orders for airplanes as of May 22nd is 5,700 and for engines, 16,798. Deliveries during this same period were 59 airplanes and 89 engines.
BRAZIL

An export license has been issued for 20 model NA-44 two-place light attack dive bombing airplanes. This license is to North American Aviation, Inc., and the airplanes are equipped with Pratt & Whitney R-1340-SLHL engines. The order is valued at $729,000.

BETHLEHEM STEEL COMPANY

Under date of April 17, 1940, the Bethlehem Steel Company has advised of the following orders:

U. S. Ordnance Engineers, Cleveland, Ohio to Canada
500 1100-lb. bombs
200 600-lb. bombs

U. S. Ordnance Engineers, Cleveland, Ohio to Greek Powder
and Cartridge Co., Athens, Greece.
2000 300-lb. bombs
(Order sublet to Taylor-Wharton Iron & Steel Co., Easton, Pa.)

French Republic
5 rough machined tubes - 90 mm caliber
10 rough machined liners - 90 mm caliber

E. W. Bliss Company, Brooklyn, N. Y. to British Government
55,000 6" shell forgings

E. W. Bliss Company, Brooklyn, N. Y. to French Government
160 long air flasks
160 long fuel flasks
40 short air flasks
40 short fuel flasks
400 heads.

For the Clearance Committee, Army and Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
June 6, 1940

Dear Pa:

Enclosed for the information of the President is Report No. 40 on the subject "Foreign Inquiries for Production of Munitions."

Sincerely yours,

[Signature]

General E. M. Watson
Secretary to the President
The White House

Enclosure
Memo. 6/3/40
MEMORANDUM TO: The Secretary of War  
   The Secretary of the Navy  
   The Assistant Secretary of War  
   The Assistant Secretary of the Navy  
   The Deputy Chief of Staff  
   The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

   ANGLO-FRENCH PURCHASING BOARD

   A contract is about to be signed with the DuPont Company for a new powder plant at Memphis, Tennessee, capable of producing 160,000 pounds a day. This plant will cost $17,000,000 and will belong to The Tennessee Powder Company, the capital for which is supplied by the Allies. It will be operated by the DuPont Company.

   The Colt's Patent Fire Arms Manufacturing Company has advised that the Allies are exercising their option to buy M-2 aircraft machine guns of our model. These will be produced in a new plant to be in production by April 1, 1941. In this connection action has been taken by the War Department to release the M-2 guns and their ammunition for export sale. It is also understood that the Board is negotiating with the Colt Company for additional caliber .303 aircraft machine guns. It is understood that the inquiry is for 20,000 guns to be produced by December, 1941. If this deal is consummated another new plant will be needed.

   The Allies are combing the country for small arms. The output of Smith & Wesson has been purchased for the next year and it is also understood that they will take all of the Smith & Wesson submachine guns which can be produced. This is a 9 mm submachine gun. Two thousand are already on order for Sweden.

   The need for small arms is so great that the War Department has again been approached to purchase some of the Enfield rifles in reserve, together with some field artillery on the surplus list. Unless
there is a change in the policy of this Government a sale of this kind cannot be made to a belligerent because it is contrary to International Law.

The Allies are buying Stinson 105 airplanes from private owners. Thirty-eight of these planes have already been flown to Canada. Others will follow. Apparently the Board purchased these for artillery observation or training needs. The engine of this type of plane is 75 to 80 horse power.

The British have ordered 10,000,000 caliber .45 cartridges from Remington Arms Company, Winchester Repeating Arms Company and Western Cartridge Company, and it is understood that they propose to order at least 50,000,000 additional. They have requested the acceptance specifications and since these are sizable orders the specifications will be furnished.

The French are negotiating to take over a Finnish order for 7.62 Russian cartridges now nearing completion at the Winchester plant. This order is for 50,000,000 cartridges and it is understood that they are required for Polish troops in France who are armed with Russian rifles.

The Secretary of War has concurred in the release by the Navy Department of capacity equivalent to 2,400,000 pounds of smokeless powder with the DuPont Company. This release to the Allies is against capacity which will be available on October 1st and extends for a period of one year at 200,000 pounds a month.

FINLAND

The Government of Finland has executed a contract with DuPont for 1,150,000 pounds of T.N.T. This is in conformity with authority to purchase this amount granted by the War Department on February 16, 1940.

In the same authority permission was granted to purchase 600,000 pounds of smokeless powder. The requirement for smokeless powder has been reduced to 128,000 pounds which leaves an unobligated balance of 472,000 pounds at Hercules Powder Company which the Allies have promptly asked for.

BRAZIL

On behalf of the Brazilian Military Attache the drawings for the 6" shell for the guns sold to Brazil by our Government, were requested from the Anglo-French Board. The drawings and specifications were
promptly furnished and will be transmitted to the Brazilians for use in ammunition orders for these guns in this country.

BOLIVIA

The Counselor of the Bolivian Legation has advised that the Government of Bolivia is interested in purchase of surplus arms of a value of $500,000. He is to be further informed by his Government as to the items desired and the exact money value to be obligated.

CHINA

An export license has been issued for one hundred tons of smokeless powder and 950 tons of T.N.T. These are against old commitments of the DuPont Company.

EXPORT LICENSES FOR AIRCRAFT

There is attached hereto a tabulation showing export licenses for aircraft issued during the first four months of 1940.

For the Clearance Committee, Army and Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
SUMMARY OF EXPORT LICENSES ISSUED FOR MILITARY AIRPLANES, COMMERCIAL PLANES, ENGINES, PROPELLERS, AND MISCELLANEOUS ARMAMENT AND SPARES - FIRST 4 MONTHS OF 1940

<table>
<thead>
<tr>
<th>Military Airplanes</th>
<th>April 1940</th>
<th>First 4 Months 1940</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td>Value</td>
</tr>
<tr>
<td>Bombardment (Med. &amp; Heavy)</td>
<td>107</td>
<td>$10,039,690.00</td>
</tr>
<tr>
<td>Attack Bomber</td>
<td>170</td>
<td>14,009,156.00</td>
</tr>
<tr>
<td>Pursuit</td>
<td>20</td>
<td>1,250,000.00</td>
</tr>
<tr>
<td>Trainer</td>
<td>3</td>
<td>99,120.00</td>
</tr>
<tr>
<td>TOTAL MILITARY AIRPLANES</td>
<td>300</td>
<td>$25,397,966.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2133</td>
</tr>
<tr>
<td>Commercial Airplanes</td>
<td>31</td>
<td>1,105,235.50</td>
</tr>
<tr>
<td>Engines</td>
<td>485</td>
<td>5,918,606.77</td>
</tr>
<tr>
<td>Propellers</td>
<td>2034</td>
<td>2,095,630.95</td>
</tr>
<tr>
<td>Misc. Armament &amp; Spares</td>
<td></td>
<td>632,965.13</td>
</tr>
<tr>
<td>TOTAL - OTHER ITEMS</td>
<td>2550</td>
<td>$9,802,438.35</td>
</tr>
<tr>
<td>GRAND TOTAL</td>
<td>2850</td>
<td>$35,200,404.35</td>
</tr>
</tbody>
</table>

|                                                        | Quantity   | Value               |
|                                                        |            |                     |
|                                                        | 45         | $13,597,120.00      |
|                                                        | 302        | 31,328,959.70       |
|                                                        | 722        | 37,010,321.00       |
|                                                        | 964        | 24,491,317.62       |
|                                                        |            |                     |
|                                                        | 2133       | $106,426,218.32     |
|                                                        |            |                     |
|                                                        | 101        | 2,314,854.12        |
|                                                        | 5348       | 73,955,431.60       |
|                                                        | 4875       | 9,333,143.06        |
|                                                        |            |                     |
|                                                        | 3,028,525.35|                 |
|                                                        | 10,324     | $89,431,974.13      |
|                                                        | 12,457     | $195,860,192.45     |

Mat. Plan. Sec., Mat. Div., Office; Chief of Air Corps, May 24, 1940 (EOH:11k)
June 13, 1940

Dear Pa:

Enclosed for the information of the President is Report No. 41, subject, "Foreign Inquiries for Production of Munitions."

Sincerely yours,

[Signature]

General E. M. Watson
Secretary to the President
The White House

Enclosure:
Memo. June 10, 1940
MEMORANDUM TO: The Secretary of War  
The Secretary of the Navy  
The Assistant Secretary of War  
The Assistant Secretary of the Navy  
The Deputy Chief of Staff  
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

ANGLO-FRENCH PURCHASING BOARD

In accordance with instructions of the President, rapid action has been taken in the last few days to make available to an intermediary Army equipment which will eventually be sold to the Allies. At the reduced prices this equipment, which includes automatic arms, rifles, pistols, small arms ammunition, artillery, and artillery ammunition, totals approximately $35,000,000.

Shipping orders have been issued to concentrate the Army equipment at Raritan Arsenal, pending its transfer to the intermediary, and it is understood that some of these shipments are already in movement. Warning orders on the explosives were issued, but no orders for movements sent out until the eventual destinations are clear.

It is understood that the Navy Department will also have available for transfer in the same manner the following small arms:

3,000 Lewis ground type machine guns  
3,000 Lewis aircraft machine guns  
4,095 Browning automatic rifles.

Requests have also been received from the Anglo-French Purchasing Board for the sale or lease of war reserve manufacturing equipment in storage for smokeless powder, nitric acid, and small arms ammunition. The proposal is that, if it is legally possible, some of this war reserve equipment will be furnished to plants to be engaged in production of materiel for the Allies. There seems to be no opposition to this proposal, because it is realized that
it is of considerable advantage to the United States to have this equipment installed and operating in American plants. The legal side of the matter is being reviewed by the General Counsel of the Treasury Department and by the Judge Advocate General of the Army.

In report No. 40 reference is made to the efforts of the Allies to obtain small arms. The export licenses issued in the last week indicate that they have been able to obtain a considerable number of revolvers from Smith and Wesson. Some of the Thompson submachine guns on order are also moving to ports. The local representative of the Auto Ordnance Corporation says that the Anglo-French Purchasing Board has approximately 50,000 Thompson submachine guns on order and conferences with him in the past week have been held for the purpose of expediting the delivery of as many of these guns as possible within the next month.

The War Department has notified the Du Pont Company that there will be no objection to its contract for the new powder plant at Memphis, Tennessee, which will be constructed for Allied needs.

FINLAND

Some discussions have been held in the past week with the representatives of Finland concerning such aid as Finland can give to the Allies by releasing powder and TNT on order for Finland. The Anglo-French Purchasing Board is looking into this matter. Of interest to them also is an order for 81 mm trench mortar shell, also in production for Finland. This order is for 150,000 rounds and is placed with four American plants.

The surplus armament sold to Finland is being moved. A Finnish ship is at present in one of our ports loading this equipment.

SWEDEN

The advice has been received that the Swedish order with Smith and Wesson for 9 mm semi-automatic rifles has been increased from 2,000 to 4,300. They will be able to obtain excellent deliveries on this new type rifle and the order is expected to be completed by October 1st.

An additional 12,000,000 9 mm Parabellum cartridges have been ordered from the Western Cartridge Company, with delivery to be made on or before October 21, 1940.

The other orders placed by the Swedish Trade Delegation a few months ago are progressing satisfactorily. Among others were some experimental radio sets which were of interest to our Army. The Signal Corps arranged to examine these sets at the laboratories of Radio Corporation of America.
CONFIDENTIAL

SWEDEN, cont'd

A newspaper report, emanating from London, seemed to indicate that a deal is in progress for the Allies to take over the airplane orders for Sweden in this country.

SOUTH AFRICA

Radio equipment valued at $1,170,000 has been ordered from the Collins Radio Company, Cedar Rapids, Iowa. In addition, a small order for 50,000 shotgun cartridges has been placed with Winchester Repeating Arms Company.

The Lockheed representative for South Africa indicates that thirty-one Lockheed, Type 44, have been bought from his firm and will replace German Junker planes as well as some of British manufacture. These are commercial planes but the South Africans usually adapt them for military use.

BRAZIL

Several conferences have been held with the Brazilian representatives in connection with their purchase of surplus armament. Drawings and such other information as could be collected have been turned over to them. Some of the 6" British guns are now at York Safe and Lock Company, York, Pennsylvania, for overhaul, and the necessary drawings have been furnished to that firm so that they can do this work.

Because of the fact that the Brazilian Mission in Washington seems to be making rather slow progress in designing ammunition and seacoast carriages for artillery purchased by them, an effort is being made to interest a retired ordnance officer in the proposition of acting as technical advisor to the Mission.

NORWAY

Norway is apparently still interested in procuring airplanes and their armament in this country. They have on order the following airplanes:

- Curtiss-Hawk 36
- Douglas A-17 38
- Northrop 8-A 24

We are also informed that the armament for these planes has been ordered. Mr. Bernt Balchen, the famous Arctic flyer, is handling these transactions for the Norwegian Government.

For the Clearance Committee, Army & Navy Munitions Board:

[Signature]

CHAS. HINES,
Colonel, U.S. Army,
Chairman.
June 25, 1940

Dear Pa:

Enclosed for the information of the President is Report No. 42, subject, "Foreign Inquiries for Production of Munitions."

Sincerely yours,

[Signature]

General E. M. Watson
Secretary to the President
The White House

Enclosure:
Memo. June 18, 1940
CONFIDENTIAL

ARMY AND NAVY MUNITIONS BOARD
MUNITIONS BUILDING
WASHINGTON, D.C.

June 12, 1940

Report No. 42

MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

Date - 7-29-40

Signature - 

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to
time a brief report on foreign inquiries for military equipment,
the following notes are made:

ANGLO-FRENCH PURCHASING BOARD

The transfer of surplus ammunition and equipment to the United
States Steel Export Corporation for Allied account is proceeding
rapidly. Concentration of the equipment at Raritan Arsenal has been
followed by large movements to ships in New York Harbor.

The contract with the United States Steel Export Corporation
for the sale of surplus property and for the exchange of ammunition
calls for values as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ammunition</td>
<td>$21,879,340.40</td>
</tr>
<tr>
<td>Equipment</td>
<td>$15,759,716.20</td>
</tr>
<tr>
<td></td>
<td>$37,619,056.60</td>
</tr>
</tbody>
</table>

In exchange for the ammunition items there will be received TNT, empty
shell and bomb bodies valued at about $21,000,000.

In a contract signed June 10, 1940, with the Curtiss-Wright
corporation, the 50 Navy airplanes and 750 1000-pound demolition bombs have
been covered. For the demolition bombs the United States Government
will receive 1,179,000 pounds of TNT.

In a deal with the Douglas Aircraft company 95 light bombers
of the A-17 type are to be exchanged for new equipment under the pro-
visions of the Act of May 12, 1917. It is expected that 20 modern
A-20-A airplanes will be received in exchange for the 95 A-17 planes.

A contract was signed on June 13, 1940 with the Harrisburg Steel
Corporation covering 5,545 30-pound fragmentation bombs, 565 100-pound
bombs and 100,000 charges for 155 mm. guns. This deal was consummated under the Act of June 1, 1926 for the exchange of ammunition and involves $5,000,000 money value. In exchange the Government will receive 7,000,000 pounds of TNT, 50,000 empty 100-pound bombs and 31,234 empty 500-pound bombs.

Action is in progress to turn over to American manufacturers the available reserve manufacturing equipment in storage for smokeless powder, nitric acid and small arms ammunition. The Du Pont company will probably take over the smokeless powder equipment for the new Memphis plant and both the Winchester and Remington companies are studying a proposition to divide the small arms cartridge equipment between them. The small arms cartridge equipment includes 117 machines and is for caliber .30 types only. It seems probable there will be no difficulty in exchanging this equipment, under new legislation now pending in Congress.

Many requests are being received from the Anglo-French Purchasing Board for assistance. These are usually requests for specifications, drawings, visits to plants, and consultation on technical matters. Every effort has been made to satisfy the demands of the Allies for help of this kind.

EL SALVADOR

Negotiations are in progress with the Government of El Salvador for the sale of 10,000 Enfield rifles from surplus stocks. This transaction is in accordance with the provisions of the Act of June 5, 1920, authorizing direct sale to a foreign government.

NICARAGUA

Arrangements have been completed with the Government of Nicaragua, and payment received, for 5,000 Enfield rifles and 50 Lewis ground type machine guns. As noted for El Salvador above, this sale was made under the provisions of the Act of June 5, 1920.

NETHERLANDS

The Netherlands representatives are still active in attempting to procure munitions for the Netherlands East Indies. Several conferences have been held with them concerning bombs for airplanes. The Netherlands representatives have asked for priorities and airplanes which it has been impossible to approve. They are now interested in placing an order for fragmentation and demolition bombs and the necessary procedure has been explained to obtain the use of United States Army designs.
Belgium

The Government of Belgium is still ordering supplies in this country. Information has just been received of orders placed for aircraft engines with Curtiss-Wright, for caliber .50 ammunition with Remington, for metallic belt links with Colt's Patent Fire Arms Company, and with the Brewster Aeronautical Corporation for certain aircraft accessories.

South Africa

Additional orders have been reported, totalling about $100,000, for steel plates and small tools.

Russia

An interesting report has been received through State Department channels that the Antorg Trading Corporation is having some difficulty in exporting commodities owned in this country. It seems that the corporation is subject to a law suit, prosecuted by an American export firm, and the report is that Antorg has offered, as a settlement, to turn over to this export firm for sale all of the commodities now owned by Antorg in this country. These commodities include electrolytic copper, cathodes, wire bars, and 400 tons of Brazilian rubber.

For the Clearance Committee, Army & Navy Munitions Board:

[Signature]

CHAS. HINES,
Colonel, U. S. Army,
Chairman.
MEMO FOR GEN. WATSON

The President wants this report to continue, and asks that you arrange.

Please return to me to file.

TOI
Reply forwarded to the President.

E.M.W.
July 1, 1940

Dear Pa:

Enclosed for the information of the President is Report No. 43, subject, "Foreign Inquiries for Production of Munitions."

Sincerely yours,

[Signature]

General E. M. Watson
Secretary to the President
The White House

Enclosure:
Memo. June 24, 1940

P.S. Unless advised to the contrary, we will discontinue sending this report after this number.

[Handwritten note: filed with PSF War]
MEMORANDUM TO: The Secretary of War
            The Secretary of the Navy
            The Assistant Secretary of War
            The Assistant Secretary of the Navy
            The Deputy Chief of Staff
            The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

   **ANGLO-FRENCH PURCHASING BOARD**

   Much time has been devoted in the past week to the assembly of technical information requested in connection with the sale of surplus armament. In general, this information is being furnished because it is necessary for the proper maintenance of the material sold.

   A rather unusual request has been received for two copies of the drawings for the French 75 mm gun. It seems that the available copies of these drawings in this country in the hands of the Board are in the French language and it is desired to get copies from the United States which have been translated into English. This request involves a large number of drawings and is believed to be intended for possible production of these guns in England. As the Board has stated that numerous cables have been received about these drawings and that the matter is of great urgency, assembly of the necessary information has been initiated pending decision as to whether the drawings will be released.

   Export licenses are being rapidly issued for surplus property purchased by the Allies through intermediaries. It is understood that four ships have already sailed with cargoes of this material. According to the original plans of the Board, the material was to be divided between the French and the British, with the French
receiving a larger proportion than the British. It is believed that this arrangement has now been changed and all of the material is going to England.

The Board is studying the problem of taking over the French orders in this country. These orders are numerous and some of them may have to be cancelled because they are not needed by the British.

A conference has been arranged with representatives of the Board to consider production of field artillery in this country. This will be held later in the week. It is understood that these representatives are interested in 75 mm guns, 25-pounder guns, and Hispano-Suiza guns.

The Navy Department has taken action to transfer surplus small arms material to the Ordnance Department of the Army. A contract is being negotiated with an intermediary with a view to eventual purchase by the Anglo-French Purchasing Board.

BRAZIL

Several conferences have been held concerning the design and production of seacoast carriages for guns purchased by Brazil. The present status is that a bid has been submitted by the Empire Ordnance Corporation to the Brazilian Embassy covering engineering work necessary for the design of these carriages.

The overhaul of the 6" guns also sold to Brazil is in progress at the York Safe & Lock Company, York, Pennsylvania.

A source is being sought for the overhaul of the fire control instruments.

NETHERLANDS

On behalf of the Netherlands East Indies, the Netherlands Government has requested supply of naval gun ammunition and bomb fuzes from U. S. Government stocks. It seems improbable that this request can be granted.
UNION OF SOUTH AFRICA

The Union of South Africa is still placing orders, mainly for commercial items. The last report showed that orders for uniform cloth and duck totaling $347,000 have been placed.

AUTOMOBILE MANUFACTURERS ASSOCIATION

The Automobile Manufacturers Association has agreed to furnish reports of exports of automobiles and trucks. The Association has already given us copies of their reports for the last few months. This is a detailed report showing country, destination, and number of all American automobiles and trucks exported.

PITTMAN ACT

On June 15th, the Pittman Act was approved authorizing assistance to Latin American countries from our government by supplying antiaircraft and coast artillery armament. This Act also covers naval vessels. A procedure for the processing of requests received from Latin American countries has been approved by the State, War, and Navy Departments.

For the Clearance Committee, Army and Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
REPORT NO. 44

July 1, 1940

MEMORANDUM TO:
The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT:
Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

**ANGLO-FRENCH PURCHASING BOARD**

Turn over of military equipment to the United States Steel Export Corporation for Allied account is proceeding rapidly and it is known that several ships have already departed for the United Kingdom carrying some of this equipment. Practically all of the small arms and small arms ammunition, 75 mm artillery, trench mortars, and about three-fourths of the 75 mm shell have been turned over. The principal remaining items yet to be turned over are powder and high explosives.

The British Purchasing Commission is taking over as rapidly as possible French orders in this country. It seems assured that all aircraft orders will be taken over by the British and practically all others, except some for ammunition where the calibers are not suited to British needs.

Advice was sought by the Board as to whether the 155 mm Howitzer powder, which was originally destined for France, could be used in the 75 mm gun. It was necessary to advise them that this powder cannot be used in the 75 mm gun but could be used in some of the larger types — 8" Howitzer or the 4.7" gun.

A conference was held with British representatives to consider production of the Hispano-Suiza 20 mm aircraft cannon. It seems that British requirements may run as high as 1,000 guns a
month. At the conference was the Managing Director of the company in England which is at present in production on these guns. Mention was made of the Heintz Manufacturing Company of Philadelphia as the source being considered for production of these guns. The British manufacturer intends to send personnel to start this production. It will be necessary to orient this British requirement with our own needs for guns of this type. It seems probable that the British will obtain a license to produce in this country. The United States Government has such a license to produce for its own use.

Owing to the loss of a great deal of field artillery equipment in Flanders, the Board has asked for information on our latest model 75 mm field gun with a view to orders if the type is suitable for their needs. There would, of course, be considerable advantage if our latest model were released because it would put additional plants into production on the types which we would need for ourselves.

Reference was made in a previous report to the request for drawings, translated into English, for the 75 mm, Model 1897, French gun. These drawings are being assembled at the present time and some of them will be turned over to the Board this week.

**BRAZIL**

A bid has been submitted to the Brazilian Legation for the engineering work on the seacoast carriages. This bid was submitted by an American firm and is considered reasonable. The Brazilians are also discussing this requirement with the American Car and Foundry Company in the hope of getting better prices.

Action is in progress to obtain the services of a retired Ordnance officer to assist the Brazilians with their munitions procurement in this country.

Information has been received that Lieut. Colonel Ferreira is in the United States for the purpose of completing arrangements for the manufacture in Brazil of certain types of airplanes produced by North American Aviation. It is understood that he expects to place orders approximating $450,000 for machinery.

**CHILE**

A conference was held with representatives of Chile concerning the procurement under the Pittman Act of four 90 mm
anti-aircraft guns and twenty 37 mm anti-aircraft guns, together with ammunition. A study is being made to determine whether these requirements can be added to one of our own procurement orders in the rearmament program.

Arrangements are also under way to allow the Chileans to buy four sets of adapters for 155 mm Howitzers so as to convert these Howitzers for high speed transport.

IRAN

The Iranian Government has contracted for ten Hawk 75A airplanes with the Curtiss-Wright Corporation. These are to be delivered in February and March, 1941.

NETHERLANDS

The Netherlands Legation has made additional requests for supply of artillery and artillery ammunition from U. S. Government stocks and it has been necessary to disapprove these requests. A diversion of TNT at the rate of 130 tons a month from our orders was also requested, but again it was necessary to disapprove.

IRISH FREE STATE

Negotiations are in progress to sell to the Irish Free State 20,000 Enfield rifles. This Government asked for twenty-four 75 mm guns and 72,000 rounds of ammunition for them. This equipment can not be supplied from surplus stocks.

SWEDEN

It has been necessary to inform the Swedish Trade Delegation that the War Department does not look with favor on the export of cartridge-making machinery at this time. The Swedes have been attempting to purchase a plant for the manufacture of 9 mm pistol cartridges for shipment to Sweden. Under the present pressure to establish plants for U. S. needs, it has been found necessary to discourage the export of machinery of this type.

UNION OF SOUTH AFRICA

The South African authorities are inquiring for gas detection equipment. They have been referred to an American firm which specializes in such equipment.

---CONFIDENTIAL---
EXPORT LICENSES FOR AIRCRAFT

Export licenses for aircraft in May, 1940, totaled $56,411,349.52. For the first five months of 1940, the total was $249,086,223.97.

For the Clearance Committee, Army & Navy Munitions Board:

E.HAS. HINES,
Colonel, U. S. Army,
Chairman.

Franklin D. Roosevelt Library
DECLASSIFIED
DOD DIR. 5200.9 (9/27/58)
Date- 7-29-70
Signature- [Signature]
July 8, 1940

Dear Pa:

Enclosed for the information of the President is Report No. 44 on the subject "Foreign Inquiries for Production of Munitions."

Sincerely yours,

[Signature]

General E. M. Watson
Secretary to the President
The White House

Enclosure
MEMORANDUM TO: The Secretary of War  
The Secretary of the Navy  
The Assistant Secretary of War  
The Assistant Secretary of the Navy  
The Deputy Chief of Staff  
The Chief of Naval Operations  

SUBJECT: Foreign Inquiries for Production of Munitions  

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

ANGLO-FRENCH PURCHASING BOARD

Turn over of military equipment to the United States Steel Export Corporation for Allied account is proceeding rapidly and it is known that several ships have already departed for the United Kingdom carrying some of this equipment. Practically all of the small arms and small arms ammunition, 75 mm artillery, trench mortars, and about three-fourths of the 75 mm shell have been turned over. The principal remaining items yet to be turned over are powder and high explosives.

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Information has been received that Lieutenant Colonel Ferreira is in the United States for the purpose of completing arrangements for the manufacture in Brazil of certain types of airplanes produced by North American Aviation. It is understood that he expects to place orders approximating $450,000 for machinery.

**CHILE**

A conference was held with representatives of Chile concerning the procurement under the Pittman Act of four 90 mm
antisircraft guns and twenty 37 mm antisircraft guns, together with ammunition. A study is being made to determine whether these requirements can be added to one of our own procurement orders in the rearmament program.

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EXPORT LICENSES FOR AIRCRAFT

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For the Clearance Committee, Army and Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
Dear Pa:

Enclosed for the information of the President is Report No. 45, subject, "Foreign Inquiries for Production of Munitions."

Sincerely yours,

Lewis Johnson

General E. M. Watson
Secretary to the President
The White House

Enclosure:
Memo. July 8, 1940
MEMORANDUM TO: The Secretary of War  
The Secretary of Navy  
The Assistant Secretary of War  
The Assistant Secretary of the Navy  
The Deputy Chief of Staff  
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

ANGLO-FRENCH PURCHASING BOARD

In the last few weeks the emphasis on purchasing by the Anglo-French Purchasing Board has been shifting to items other than aircraft. Machine tools, ordnance equipment, motor vehicles, iron and steel and nonferrous metals are being ordered in large quantities. It is believed that the total orders now placed have a money value of about $1,800,000,000.

Apparently the French representation on the Board was dropped last week and it is understood that the British Purchasing Commission will function hereafter.

Owing to large losses of artillery in Flanders it seems probable that the British will order approximately 5,000 field guns in this country, together with their ammunition. It is not yet decided whether these will be 25-pounder British guns or whether they will ask for our latest model of American 75 mm. gun. Information has already been requested by them on our latest model of 75 mm. gun and it seems probable that sufficient information will be furnished to determine whether they desire to put this gun into production. Its production in this country, of course, would be of great advantage to our own national defense program.

Studies are still being made covering the practicability of producing Hispano Suiza guns at a rate said to be 1,000 guns a month. It seems probable that a large order will be placed in this country if suitable producing facilities can be found.
Remington and Winchester are about to close contracts for a large quantity of small arms ammunition for the British. They have asked that available war reserve machinery be turned over to them for the expansion of their plants. The matter of leasing this equipment to them is under consideration by the Chief of Ordnance.

Owing to the present French situation a number of requests from the French Purchasing Commission are being held in abeyance.

Report has been received that the British are trying to take over an order for 2,000 submachine guns at the Smith and Wesson plant. These guns are on order for Sweden. Some ammunition is also on order at Winchester, and it is understood that the British are attempting to get it.

**SWITZERLAND**

The Swiss Legation has made an inquiry for sources for heavy cast armor plate, said to be for use in land fortifications. They have been referred to an American firm which could produce such plate and, if the firm decides that it wants to quote, action will be taken to determine the attitude of the State Department on foreign policy in its relation to supply of such materiel to Switzerland.

**FINLAND**

The Finnish Military Attache visited the office and said that his Government would be glad to turn over the designs of three aircraft bombs which were used very successfully in the war with Russia. He was asked to obtain the drawings for these bombs so that they can be evaluated by the War Department.

Reference has been made in other reports to the shipment of arms purchased by Finland to Petsamo. It has been learned that one ship arrived safely and that the other two have been cleared by the British at Iceland and are expected to arrive in the near future in Petsamo. It will be recalled that these ships were carrying surplus armament sold to the Finnish Government by the United States.

**SOUTH AFRICA**

The South African Legation reports machine tool orders valued at $66,000; an order for sodium bichromate valued at $8,900; and an order for tungsten steel bars valued at $14,000.

**LEASE OF MACHINERY**

The Acting Secretary of War has taken the necessary action to authorize the Chief of Ordnance to lease to American manufacturers...
war reserve machinery purchased years ago and put in reserve for an emergency.

For the Clearance Committee, Army & Navy Munitions Board:

CHAS. HINES,
Colonel, United States Army,
Chairman.
July 17, 1940

Dear Pa:

Enclosed for the information of the President is Report No. 46 on the subject "Foreign Inquiries for Production of Munitions."

Sincerely yours,

[Signature]

General E. M. Watson
Secretary to the President
The White House

Enclosure
MEMORANDUM TO: The Secretary of War  
The Secretary of the Navy  
The Assistant Secretary of War  
The Assistant Secretary of the Navy  
The Deputy Chief of Staff  
The Chief of Naval Operations  

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

**BRITISH PURCHASING COMMISSION**

As noted in previous reports, the French had placed in this country several large contracts for 75 mm ammunition of their design. The British will take over these contracts. The Commission asked the War Department whether it would be possible to get enough information on our latest model 75 mm shell to determine whether the orders should be changed over to the American model. As the advantages to the United States are patent, the Secretary of War has approved the supply of sufficient information at this time to allow the Commission to determine whether it wishes to use the American model. Conferences with one of the manufacturers having a French order indicate that the American model will be much easier to manufacture.

Information is still being furnished concerning technical details of the materiel sold to the U.S. Steel Export Corporation for the account of the British Government.

The Commission is studying the manufacture of the American type 75 mm guns rather than the British 25-pounders. As referred to in other reports, their program may run as high as 3,000 guns. When this matter is decided, arrangements will be made to coordinate this large program with our own armament program through the National Defense Commission.

The French Purchasing Commission furnished the equipment for a small proving ground at the plant of the Burgess Company, Beaver Falls, Pennsylvania, for the purpose of testing 20 and 25 mm shells produced in this country. Now that the French are liquidating their
affairs, the proving ground equipment is being moved away from Beaver Falls. The British are attempting to have this equipment sold to an American manufacturer and have sought the assistance of our government in accomplishing this end.

COSTA RICA

The State Department advises that the Minister from Costa Rica has stated that his government would like to purchase some Enfield rifles. This request has not yet officially reached the War Department.

CHILE

In a previous report, reference was made to the request of the Government of Chile to purchase 90 AA guns and 37 mm AA guns under the provisions of the Pittman Act. This negotiation has reached the stage where a tentative basis has been set up for further discussions with the Chileans.

EL SALVADOR

The transaction involving the sale of 10,000 Enfield rifles to the Government of El Salvador has been completed.

NICARAGUA

The movement of 5,000 Enfield rifles and 50 Lewis guns sold to Nicaragua has been accomplished and these guns will be shipped in the near future from New York.

SWITZERLAND

The Government of Switzerland is making inquiry for heavy armor plate suitable for land fortifications. Two American manufacturers of cast steel armor plate have visited the Legation and one of them will probably make a bid when he gets further information on ballistic requirements. This manufacturer has agreed to make his bid contingent on an approved export license.

FINLAND

A former diplomatic officer of the Finnish Government visited the War Department to see what can be done toward having our government test the Suomi semi-automatic rifle which was used very successfully in the Finno-Russian war. He desires to offer this rifle to the United States if it turns out that we have an interest in it.

SOCONY-VACUUM OIL COMPANY

The Socony-Vacuum Oil Company has furnished its third quarter forecast for petroleum exports from the United States. Japan will get
large shipments of crude, Diesel engine, fuel and lubricating oils. Out of 1,216,000 barrels expected to be shipped, Japan will take 840,000 barrels.

For the Clearance Committee, Army & Navy Munitions Board:

CHAS. HINES,
Colonel, United States Army,
Chairman.
WAR DEPARTMENT
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D.C.
July 29, 1940

Memorandum to General Watson, Secretary to the President, The White House

Enclosed for the information of the President is Report No. 47 on the subject of "Foreign Inquiries for Production of Munitions."

J. H. Burns
Colonel, Ordnance Department Executive

Enclosure
MEMORANDUM TO: The Secretary of War
              The Secretary of the Navy
              The Assistant Secretary of War
              The Assistant Secretary of the Navy
              The Deputy Chief of Staff
              The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

   **BRITISH PURCHASING COMMISSION**

   Excellent statistics are being furnished by the British Purchasing Commission concerning the orders of the British Empire in this country. Former French orders are not included. Cumulative totals, through the week which ended July 6, 1940, by commodity classifications, are shown below:

   1. Airframes $372,565,554.25
   2. Airplane Engines 125,715,539.07
   3. Airplane Accessories 15,703,964.55
   4. **TOTAL AIRCRAFT PRODUCTS** 518,993,057.85
   5. Machine Tools 110,996,781.59
   6. Chemical Warfare Materials 10,200.00
   7. Explosives & Propellants 24,583,672.96
   8. Ammunition 47,723,215.60
   9. Ordnance Equipment 44,008,627.48
   10. Tanks & Tank Equipment 7,699,494.00
   11. Motor Vehicles 2,615,233.59
   12. Iron & Steel 45,616,254.50
   14. Textiles & Clothing Incl. Shoes 1,137,212.00
   15. Foodstuffs & Tobacco 19,522,800.00
   16. Petroleum Products 24,169,000.00
   17. Animals -
   18. Ships 27,985,640.34
   19. Communications Equipment 3,076,472.76
   20. Timber 15,854,519.50
   21. All Other 591,510.60
   22. **TOTAL NON-AIRCRAFT PRODUCTS** 390,500,068.54
   23. **GRAND TOTAL - Commodities** 913,285,126.39
   24. Capital Assistance 50,012,087.66
   25. **GRAND TOTAL** 963,297,214.05.
CONFIDENTIAL

The details pertaining to the above categories will be furnished to all Supply Arms and Services of the Army confidentially, in order that they may take cognizance of the fact that certain unfilled British orders are in plants allocated to Army Services. This information will allow the Chiefs of Supply Arms and Services to make other arrangements in case the allocated capacity is not sufficient to carry their anticipated load and that of the British Empire.

Several conferences have been held with representatives of the British Purchasing Commission concerning orders for artillery and tanks in this country. The British representatives have urged the desirability of common designs in the American and British orders. They suggested the 25-pounder gun in place of our 105 mm. howitzer program, but were informed that the 105 mm. howitzer program has gone so far that no change is possible nor is it believed the War Department would accept their design. They still have an interest in our latest 75 mm. gun and sufficient information has been supplied on both the 75 mm. and 105 mm. howitzer guns so that decisions can be made as to the model which will be produced. As to tanks, they concede that our medium tank, as modified for heavier armor and with a 75 mm. gun, is superior in fire power and general adaptability to their latest A-15. Visits to Aberdeen were arranged so that their experts can obtain first-hand knowledge of our designs.

Machine tools have also been discussed with the Commission, particularly from the standpoint of interference with our own national defense program. The National Defense Commission sent representatives to the basic conference held in the Treasury Department, and the viewpoint of our Government was carefully explained by Mr. Nelson and Mr. Vance. As the British machine tool orders have totalled $111,000,000, their effect on our own program is obvious. It has been agreed that Mr. Purvis will designate a representative who will be in close contact with the National Defense Commission and handle the British phase of the co-ordination which must be effected if both the British and American programs are to be accomplished without confusion and interference.

Several inquiries have been received from members of Congress asking for information on sales of surplus Army equipment to foreign governments. These have been answered by a statement that such information as is to be published will appear in the semi-annual report of the National Munitions Control Board, which will be printed in the near future.

CHILE

The Chilean Government has asked whether four model 1918 anti-aircraft guns, together with some accessory equipment, and some seacoast guns, 10" or larger, can be declared surplus and sold to that Government. The anti-aircraft guns are said to be desired
CONFIDENTIAL

for training, and the 10" guns for coast defense installations. This request has been referred to G-4 and a study is being made to determine whether such materiel can be declared surplus.

As stated in the last report, a tentative basis for negotiations for modern anti-aircraft equipment for Chile, under the provisions of the Pittman Act, has been sent to them but, to date, no answer has been received whether they desire to proceed with the negotiations.

VENEZUELA

The Government of Venezuela is inquiring for sources for military equipment needed for the Army.

BRAZIL

One of the consulting engineers for the Bethlehem Steel Company visited the office to say that the Brazilians have approached that firm concerning engineering work on 12" gun carriages. The Bethlehem Steel Company has been out of the ordnance business for a number of years and does not have the engineering force for strictly ordnance work that it once had in its employ. It was suggested to the visitor that, if he desired to form an engineering staff, the War Department would be very pleased to see him submit a bid on the engineering work for the 12" carriages, and it was further suggested that he consider similar work for 7" guns sold to Brazil. In this connection, a bid has already been submitted by the Empire Ordnance Corporation for the 12" carriage engineering work, but it is not known what action the Brazilian Government has taken on acceptance of this bid.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, United States Army,
Chairman.

Franklin D. Roosevelt Library
DECLASSIFIED
DOD DIR. 5200.9 (9/27/58)

Date- 7-29-70
Signature-
MEMORANDUM TO GENERAL WATSON:

Enclosed for the information of the President is Report No. 48, subject, "Foreign Inquiries for Production of Munitions."

Robert P. Patterson
The Assistant Secretary of War

1 encl.
MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

It is understood that request has been made for sale from surplus stocks of naval guns below 4.7" in caliber. This request is receiving attention in the Navy Department and it is expected that definite action on availability of 5" and 4" naval guns will be taken in the near future.

The Type B series of turbine superchargers has been released for foreign sale. This makes available the type needed for engines already on order for British account.

Satisfactory progress has been made in making available to War Department procuring agencies statistical information on British orders in this country. This information is being posted to the allocation cards for firms surveyed by War and Navy Department personnel.

The co-ordination of prospective and existing British orders with orders for the United States to be placed under the national defense program is receiving careful attention by the National Defense Commission. It seems probable that a representative of the British Purchasing Commission will be appointed soon to keep in touch with the National Defense Commission on British activities.

A priority on supply of Stinson airplanes has been requested. If granted this would mean that the first 100 Stinsons would be delivered to the British. Decision has not yet been obtained in this matter.

A considerable quantity of 155 mm. howitzer powder was obtained from our Government by the British and they raised the question whether...
this powder can be used in the 75 mm. gun. It was at first thought that it would be impossible to use the powder in the 75 mm. gun but a recent test at Aberdeen indicates that it can, in fact, be used with a projectile weighing 15.96 pounds (shrapnel). This information has been transmitted to the British.

Large small arms ammunition orders have been placed with Remington and Winchester.

Conferences have been held with the General Electric Company concerning deliveries of searchlights. The British have taken over the French searchlight orders in this country and the company is behind on its deliveries for both British and United States account. It was suggested to the company representatives that they present a recommen- ded solution for the consideration of the Secretary of War, and such a solution has been received, proposing to divide the available deliveries in an equitable manner between the British and United States orders.

**CANADA**

Arrangements are nearly completed to sell, through exchange, 80,000 Enfield rifles and a quantity of caliber .30 ammunition, to meet immediate Canadian needs.

**FINLAND**

The Finns have cancelled an order for 300,000 caliber .30 ball cartridges and a like number of tracer cartridges with Remington, and have turned over these quantities to the British.

**NORWAY**

The Norwegian representatives in this country have requested priority on delivery of six Fairchild training airplanes (PT-19). Inquiry reveals that these planes are needed for the training of Norwegian flyers in Canada.

It will be recalled that the Norwegians still have on order in this country Curtiss and Douglas airplanes and it is assumed that they intend to form squadrons in Canada to make use of these planes.

**URUGUAY**

The Government of Uruguay sought advice concerning the costs and deliveries of aircraft needed for an expansion of its defense forces. Information is being collected to comply with this request.
THE ASSISTANT SECRETARY OF WAR
WASHINGTON

August 7, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the
President is Report No. 49 on the subject of
foreign inquiries for production of munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO: The Secretary of War  
The Secretary of the Navy  
The Assistant Secretary of War  
The Assistant Secretary of the Navy 
Date- 7-28-40
SIGNED

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

The Kellett Autogiro Company reported that an inquiry is on hand from the British for autogiros. The company suggested that the Army turn in the six on hand to enable the company to make immediate deliveries, with later replacement from a British order to be placed. This request was not approved by the Chief of the Air Corps.

A priority was also sought on the first 100 Stinson O-49 airplanes scheduled for delivery on an Air Corps order. As these airplanes are urgently needed for the equipment of observation squadrons in the current expansion program, it was necessary to disapprove the request for priority.

Information has been received from the Winchester company that the British are interested in the procurement of about 400,000 of the new Winchester semi-automatic rifle, if tests prove the model to be satisfactory. This order could be completed by the end of 1941 and the company would ask for the lease of certain machinery at Springfield Armory to carry out the contract.

Among the British orders is one with the Martin-Parry Company for 400 Bucquor adapters for conversion of 75 mm. British guns to high speed transport. This order is evidently for the modernization of guns turned over by the United States Government.

Representatives of the British Purchasing Commission visited Aberdeen Proving Ground last week to see the 37 mm. anti-tank gun. The Commission is very much interested in this gun and may ask for permission to produce it in this country.
CONFIDENTIAL

In recent reports, reference was made to the interest of the British in our latest 105 mm. howitzer. This has been followed up by other activities of the Commission tending to convince the British War Office that production of artillery in this country should be of this model.

Consideration is being given by the Navy Department to a request from Canada for surplus 3-pounder and 6-pounder naval guns.

Arrangements were completed and several transactions handled for the coordination of British negotiations with those of the United States. The National Defense Commission specified the nature of the reports to be furnished by the British and is now clearing their requests for negotiations with specific companies. A procedure has been worked out whereby these requests from the British Purchasing Commission can be handled in an expeditious manner and replies obtained within five days of date of receipt.

CHILE

The Chilean Government has ordered 350 kilometers of field wire of the Army W-110 design. This order is with General Cable Corporation.

Negotiations are in progress with the Timken-Detroit Axle Company to obtain four sets of adapters for 155 mm. howitzers. The War Department has given permission to use the Army design, and Government machinery on hand at the plant will be leased for the short time needed to produce these adapters.

It seems probable that Chile will also be inquiring soon for twenty-four 75 mm. pack howitzers.

NORWAY

In a previous report reference was made to a request by the Norwegian Government for priority in supply of six Fairchild training airplanes. It was necessary to inform the Norwegians that this priority cannot be considered until the company has caught up in its deliveries for the United States Government.

URUGUAY

Information has been prepared and forwarded to the War Plans Division for transmission to the Government of Uruguay of the costs and probable delivery dates of airplanes in which that Government has an interest. This information included quotations from the interested aircraft companies, which were kindly arranged for by the Aeronautical Chamber of Commerce.

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DECLASSIFIED 7-45-70.
IRON AND STEEL ORDERS

The American Iron and Steel Institute has furnished a tabulation of orders for iron and steel production for foreign shipment on the books of 108 companies as of July 1, 1940. This tabulation indicates that orders for delivery through December 31, 1940 total 88,000 tons for export and 1,535,000 tons for domestic account.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President is Report No. 50 on the subject of Foreign Inquiries for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

In connection with the interest of the British Purchasing Commission in the procurement of 105 mm. howitzers of American design in this country, a conference was held with representatives of the Commission concerning the fuses used in the ammunition for this gun. It was decided that if the 105 mm. howitzer is actually put into production the T-18 fuse and the M-20 booster should be used. This combination seems to fit the needs of the British to the best advantage.

Reference has been made in previous reports to requests for clearances to negotiate orders for military equipment. These clearances are handled by the National Defense Commission, after comments from the War and Navy Departments, and are intended to minimize the danger of conflict with orders under our own preparedness program. About forty of these requests have been cleared or are in process of clearance. In general, the War Department has taken the attitude that any contracts flowing out of these clearances should be signed before September 15, that subcontracts for components should be cleared in the same manner, and that copies of the contracts should be furnished for the files.

Request for use of 37 mm. anti-tank gun design has been made, by asking for permission to negotiate for the manufacture of 500 guns and 1,000,000 rounds of ammunition.
Action is in process to make available the design for the medium tank, as modified for heavier armament and armor. Several conferences with the British about the details of this tank and the changes which should be made to render it better adapted for modern warfare have taken place. The British are bringing to this country several of their own models, and contact with them has been established to have these models sent to Aberdeen Proving Ground for examination and test.

An interest has been shown in obtaining information on the ingredients for tracer ammunition and the method of manufacture. As these ingredients are secret, it was found necessary to disapprove the request. There is no objection, however, to supply of finished ammunition of this type, but disclosure of the ingredients and methods of manufacture would permit of manufacture abroad and this is, at present, contrary to the policy of the Government.

Specifications and manufacturing information on all types of caliber .50 ammunition have been requested for the purpose of starting a small arms ammunition factory in Canada. This request has also been denied under the policy of discouraging manufacture abroad of our models.

The British took over French 75 mm. shell orders, totalling about 2,000,000 rounds. Commitments were made by the French for the materials and, although effort has been made to have these orders changed over to the American model, it seems improbable that this can be done because the orders have gone too far to be changed. This will mean that French Mk. I ammunition will be produced on the orders. For most purposes this ammunition is perfectly suitable, particularly in low velocity guns. It is not so desirable as stream-lined ammunition for high velocity guns.

The inquiries being received at the present time for British orders are predominantly for ordnance. The emphasis has shifted from airplanes to ordnance for the time being.

**CHILE**

The War Department has decided to declare surplus four anti-aircraft model 1918 and thirteen 10" guns for possible sale to Chile under the Pittman Act. To date the Chileans have not indicated whether they desire to take advantage of the privilege of buying these guns.

Permission has been requested to use our design for an order of twenty-four 75 mm. pack howitzers.
Netherlands

A conference was held with the Dutch representatives concerning the aircraft needs of the Netherlands East Indies. All of their orders were reviewed and their future demands obtained. The National Defense Commission will, in the near future, determine what can be done to assist in the aircraft procurement problem of the Netherlands East Indies.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.

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DOD DIR. 5200.2 (9/27/58)

Date- 7-29-70
Signature- [Redacted]
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the
President is Report No. 51 on the subject of
Foreign Inquiries for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the
President is Report No. 51 on the subject of
Foreign Inquiries for Production of Munitions.

Robert F. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

Further conferences have been held and visits made to Aberdeen Proving Ground in connection with the British medium tank program. From present indications this initial program will involve 2,000 tanks. The War Department will obtain soon a list of the firms with which the British desire to negotiate and furnish these firms with enough information on which to base bids.

A British A-15 tank is enroute to this country from Canada. This tank was brought to Canada by General Pratt and will be sent to Aberdeen Proving Ground for examination and tests by the Ordnance Department. A crew of 1 officer and 8 men is accompanying the tank and will explain and demonstrate it at the Proving Ground.

The British have a 2,000-pound armor piercing bomb which is of some interest to the military services. The Clearance Committee filed a request with the British Purchasing Commission for information on this bomb, and it has been learned that the British War Office has approved this request and the drawings will be sent to the United States.

A need is developing for a proving ground to test British matériel produced in this country. Assistance has been requested from the War Department, and it will be possible to give the British information on desirable sites and such plans as are on hand in the War Department. A conference has been arranged to discuss the proving ground and a site will be recommended which will best serve the interests of the United States. It is estimated that such a proving ground, complete with an air field, will cost approximately $6,000,000.
It has been learned that the British have a 2-pounder anti-tank gun with a carriage which can take a 6-pounder gun. Arrangements have been made to obtain the drawings of this convertible carriage so that they can be studied by the Ordnance Department.

The Navy Department has taken action to make available to the Canadians some 3-pounder and 6-pounder naval guns for use on patrol vessels.

One of the ships which was scheduled to take military equipment to England several months ago was the "Pasteur". It will be recalled that an attempt was made to scuttle this ship in a Canadian port, but that the ship was saved and the cargo unloaded. Among the items unloaded were 95 British Model 75 mm guns and approximately 80,000 rounds of ammunition. The ammunition evidently sustained some water damage and advice was sought by the British Purchasing Commission as to what should be done to renovate this ammunition. A qualified civilian consultant was recommended to the Commission, and it is believed that with proper methods the ammunition can be reclaimed.

Approximately 80 notifications of intentions to negotiate have been received from the British Purchasing Commission. Most of these have been cleared through the War and Navy Departments and notification given to the National Defense Commission. As only 5 days are allowed for these clearances, it has been a difficult task to keep up to date and furnish intelligent reports because of the size of the contracts involved.

**UNION OF SOUTH AFRICA**

A report has been received from the South African Legation of its recent orders in this country. There are a few machine tools on this list, but the principal items are 3,000 tons of tin plate valued at $450,000 and 2,500 motorcycles and accessories valued at $882,000. This large motorcycle order is placed with Harley-Davidson Company, Milwaukee, Wisconsin.

**NETHERLANDS INDIES**

An order has been placed with the National Forge & Ordnance Company, Irvine, Pennsylvania for 100 anti-tank guns and ammunition. The gun and ammunition designs are owned by the firm.

Orders have also been placed with the Triumph Explosives, Inc., Elkton, Maryland for 300,000 hand grenades and 558,000 pounds of TNT. Of the hand grenade order, 250,000 will be of the Army Mk II type defensive grenade, and the remaining an offensive type owned by the manufacturer.

The Netherlands order with Colt Patent Fire Arms Company totals 1,814 caliber 30 and caliber 50 machine guns. Of these, all but 370 are
of the aircraft type.

Next to the British Purchasing Commission, the Netherlands Indies Purchasing Commission has the largest demand for munitions in this country. Every effort is being made to build up the munitions reserve of the Netherlands Indies as soon as possible and in Report No. 50 a brief reference was made to the activities in connection with the supply of airplanes.

BRASIL

An order for 16 5-inch naval guns and mounts has been placed with the National Forge & Ordnance Company, Irvine, Pennsylvania. This is an order which has been under discussion for a considerable period of time and is of advantage to the Navy Department in initiating a source of 5-inch guns which will be useful for our own national defense needs.

Arrangements are now being made to sell 2,000 12-inch A.P. loaded projectiles with an option to buy 3,000 additional. These will be sold by the Navy Department under the provisions of the Pittman Act and have been declared "not essential to the national defense" by the Chief of Naval Operations. The projectiles concerned can be used in the 12-inch guns previously purchased from the Army.

IRAN

A conference was held with the Minister of Iran and his military advisors concerning the purchase of 50 Douglas Bomber and 30 Curtiss Fighter Airplanes. The Minister set forth the great need for these airplanes in his country and asked that a priority be granted so that they can be obtained in the near future. It seems doubtful that such a priority can be granted because of the needs of our own national defense program.

SOCONY VACUUM OIL COMPANY

A report has been received from the Socony Vacuum Oil Company showing the shipment of petroleum products by that firm during the second quarter of 1940. The report indicates that the firm shipped aviation gasoline to France only during that period. Japan obtained 791,000 barrels of diesel and fuel oil out of the total of 909,000 barrels, and obtained from this firm no aviation gasoline during this period.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
MEMORANDUM TO: The Secretary of War
               The Secretary of the Navy
               The Assistant Secretary of War
               The Assistant Secretary of the Navy
               The Deputy Chief of Staff
               The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

   **BRITISH PURCHASING COMMISSION**

   Further conferences have been held and visits made to Aberdeen Proving Ground in connection with the British medium tank program. From present indications this initial program will involve 2,000 tanks. The War Department will obtain soon a list of the firms with which the British desire to negotiate and furnish these firms with enough information on which to base bids.

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CONFIDENTIAL

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of the aircraft type.

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IRAN

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SOCONY VACUUM OIL COMPANY

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For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the
President is Report No. 52 on the subject of
Foreign Inquiries for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
August 28, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the
President is Report No. 52 on the subject of
Foreign Inquiries for Production of Munitions.

(Signed) ROBERT P. PATTERSON

Robert P. Patterson,
The Assistant Secretary of War.
Report No. 52.

MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operation.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

A flood of applications from the British Purchasing Commission for permission to negotiate with American firms for artillery and artillery ammunition is being received by the War Department for comments and clearance to the National Defense Commission. We have been so far notified of artillery negotiations totaling $302,000,000 and artillery ammunition negotiations totaling $292,000,000. The program is apparently by no means complete, and because of its effect on our own national defense preparation, the Clearance Committee has suggested to Mr. Knudsen that conferences be arranged with the British so that sources for our own and British uses may be established. As it is essential that the entire British program be made clear as soon as possible, it was further suggested that they bring to the conferences their total requirements for orders in this country for the items needed. The Clearance Committee also urged that the use of United States models be offered so that insofar as practicable production in this country will be of models useful for our own needs. There must, of course, be an exception for ammunition needs for guns in service in England and maintenance requirements for these guns such as spare barrels. It seems probable that conferences as suggested will be arranged in the near future.

One of the British requirements uncovered the fact that there may be a shortage of duck of the type needed for tents. The United States' requirements in this kind of duck are very large and it has been necessary to oppose British orders until a conference has been held with them to review the situation and determine how the British and United States requirements can be met from facilities which appear inadequate.
Conferences on the larger aspects of the British program are needed because the United States is not ready to go ahead on some of the larger orders. It is necessary to make sure that the British do not pre-empt facilities which will be later needed for United States production.

A conference was held on August 22, 1940 with British representatives concerning the project for a proving ground. British representatives were advised to use a United States firm to develop these facilities and a number of sites were discussed with them. No decision was reached but it seems probable that they will not undertake a complete proving ground of the type used in the United States, but will try to get along wherever possible with limited facilities created at plants producing on their orders.

The British A-15 tank with its crew of 9 men has arrived at Aberdeen Proving Ground where it will be demonstrated to representatives of the United States. There is a report that the British will also bring to this country other types of British armament, including their latest model 25-pounder gun.

The French purchased a considerable quantity of steel for 20 mm and 25 mm shell orders which probably will not meet with British and American standards. The British are considering liquidation of this stock and it may be necessary to help them sell it. It can be used in the automotive industry but is unsuitable for high velocity projectiles, because of the danger of breaking up in the gun.

The Commission is gradually building up a staff of military technical advisors. Advisors for the aircraft program have been in this country for the last 6 months. Recently, advisors for tank, artillery and chemical warfare items have arrived.

IRAN

Conferences have been held with official representatives of the Government of Iran concerning needs for steel, chemicals, armament and radio equipment. A list of firms to be initially approached by the Iranian representatives has been furnished.

NETHERLANDS INDIES

The Netherlands Indies Ordnance Commission is seeking a source for the production of 81 mm mortars and it seems probable that they will seek the use of the Stokes-Brand design. The local representative of that company will not object if they desire to place orders in this country and will grant a license.

Brokers have approached the Commission to sell Enfield rifles and ammunition which they propose to obtain from Government stocks.
This is similar to other attempts of private individuals to sell surplus stocks which they think they can obtain from the United States Government. The Commission has been advised to have nothing to do with any of these propositions.

An export license issued August 13, 1930 for 1100 Lewis Guns and 350,400 rounds of ammunition seems to indicate that this material was obtained from the British and is a part of the stocks recently sold to an intermediary for British account.

CHILE

The Chilean Embassy now has authority from the home Government to place an order with the Timken-Detroit Axle Company for 4 sets of adapters for 155 mm Howitzers. Permission to use our design for this order was granted sometime ago.

SWEDEN

A conference was held by the President's Liaison Committee with the Swedish Minister concerning export licenses for Swedish orders placed in this country. The Minister was advised of the attitude of our Government on exports to Sweden at this time.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
August 26, 1940.

Report No. 52.

MEMORANDUM TO: The Secretary of War
                   The Secretary of the Navy
                   The Assistant Secretary of War
                   The Assistant Secretary of the Navy
                   The Deputy Chief of Staff
                   The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

   BRITISH PURCHASING COMMISSION

   A flood of applications from the British Purchasing Commission for permission to negotiate with American firms for artillery and artillery ammunition is being received by the War Department for comments and clearance to the National Defense Commission. We have been so far notified of artillery negotiations totaling $302,000,000 and artillery ammunition negotiations totaling $292,000,000. The program is apparently by no means complete, and because of its effect on our own national defense preparation, the Clearance Committee has suggested to Mr. Knudsen that conferences be arranged with the British so that sources for our own and British uses may be established. As it is essential that the entire British program be made clear as soon as possible, it was further suggested that they bring to the conferences their total requirements for orders in this country for the items needed. The Clearance Committee also urged that the use of United States models be offered so that insofar as practicable production in this country will be of models useful for our own needs. There must, of course, be an exception for ammunition needs for guns in service in England and maintenance requirements for these guns such as spare barrels. It seems probable that conferences as suggested will be arranged in the near future.

   One of the British requirements uncovered the fact that there may be a shortage of duck of the type needed for tents. The United States' requirements in this kind of duck are very large and it has been necessary to oppose British orders until a conference has been held with them to review the situation and determine how the British and United States requirements can be met from facilities which appear inadequate.

   CONFIDENTIAL
Conferences on the larger aspects of the British program are needed because the United States is not ready to go ahead on some of the larger orders. It is necessary to make sure that the British do not pre-empt facilities which will be later needed for United States production.

A conference was held on August 22, 1940 with British representatives concerning the project for a proving ground. British representatives were advised to use a United States firm to develop these facilities and a number of sites were discussed with them. No decision was reached but it seems probable that they will not undertake a complete proving ground of the type used in the United States, but will try to get along wherever possible with limited facilities created at plants producing on their orders.

The British A-15 tank with its crew of 9 men arrived at Aberdeen Proving Ground where it will be demonstrated to representatives of the United States. There is a report that the British will also bring to this country other types of British armament, including their latest model 25-pounder gun.

The French purchased a considerable quantity of steel for 20 mm and 25 mm shell orders which probably will not meet with British and American standards. The British are considering liquidation of this stock and it may be necessary to help them sell it. It can be used in the automotive industry but is unsuitable for high velocity projectiles, because of the danger of breaking up in the gun.

The Commission is gradually building up a staff of military technical advisors. Advisors for the aircraft program have been in this country for the last 6 months. Recently, advisors for tank, artillery and chemical warfare items have arrived.

**IRAN**

Conferences have been held with official representatives of the Government of Iran concerning needs for steel, chemicals, armament and radio equipment. A list of firms to be initially approached by the Iranian representatives has been furnished.

**NETHERLANDS INDIES**

The Netherlands Indies Ordnance Commission is seeking a source for the production of 81 mm mortars and it seems probable that they will seek the use of the Stokes-Bradt design. The local representative of that company will not object if they desire to place orders in this country and will grant a license.

Brokers have approached the Commission to sell Enfield rifles and ammunition which they propose to obtain from Government stocks.
This is similar to other attempts of private individuals to sell surplus stocks which they think they can obtain from the United States Government. The Commission has been advised to have nothing to do with any of these propositions.

An export license issued August 13, 1940 for 1100 Lewis Guns and 350,400 rounds of ammunition seems to indicate that this materiel was obtained from the British and is a part of the stocks recently sold to an intermediary for British account.

CHILE

The Chilean Embassy now has authority from the home Government to place an order with the Timken-Detroit Axle Company for 4 sets of adapters for 155 mm Howitzers. Permission to use our design for this order was granted sometime ago.

SWEDEN

A conference was held by the President's Liaison Committee with the Swedish Minister concerning export licenses for Swedish orders placed in this country. The Minister was advised of the attitude of our Government on exports to Sweden at this time.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.

Franklin D. Roosevelt Library
DECLASSIFIED
DCD DIR. 5200.9 (9/27/58)
Date- 7-29-70
Signature-
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the
President is Report No. 53 on the subject of
Foreign Inquiries for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO: The Secretary of War
   The Secretary of the Navy
   The Assistant Secretary of War
   The Assistant Secretary of the Navy
   The Deputy Chief of Staff
   The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to
time a brief report on foreign inquiries for military equipment,
the following notes are made:

   BRITISH PURCHASING COMMISSION

   The pressure of requests for technical information concerning
munitions to be procured by the British and visits to industrial
plants is on the increase. Some difficulty is being experienced in
obtaining prompt answers to these requests because of the volume of
work in the various bureaus of the War Department. This pressure is
in part due to the fact that the Purchasing Commission has 1100
persons in its New York Office, many of whom desire assistance of
some kind from our Government. The office in Washington is also ex-
 panding and it is expected that within a short time 150 will be em-
ployed. The ninth floor of the Willard Hotel has been rented for
this increased office force.

   Negotiations are in progress with six firms for the production
of medium tanks. These tanks will be of the modified American design
and within a short time the War Department will provide drawings to
the firms involved so that they can make bids.

   Owing to the danger of conflict with the United States program,
to be carried out under the appropriations just approved by the Congress,
a policy of coordination of our orders with those of the British is
being developed. At the present time many of the British requests for
clearance to negotiate are being held in abeyance until the War Depart-
ment's program is well on its way. The negotiations which are being
held in abeyance are practically all for artillery and artillery am-
munition items.

   The present British orders total $1,438,000,000, and approxi-
mately $925,000,000 in additional orders have come to our attention
CONFIDENTIAL

for clearance. The capital assistance to date to various plants is $91,000,000.

In a previous report, reference was made to a request from Canada for the purchase from stocks of obsolete light tanks of the Renault model. A Canadian officer has inspected these tanks at Fort Meade and Rock Island Arsenal and has informed the office that he has interest in 292 of these tanks. It seems probable that he will submit requests for their sale to Canada and for the armament needed for them.

Priority for delivery of six B-24 bombers from the Army order with Consolidated Aircraft Corporation was requested. After a thorough study and consultation with the Air Corps, the Clearance Committee recommended that this request be refused because of the needs of our own Air Corps' expansion program.

NETHERLANDS-INDIES

The Netherlands-Indies Ordnance Commission has requested the sale, from Government stocks, of 50,000 rifles and more than 200,000,000 rounds of caliber .30 ammunition. This request will be refused because all surplus has already been sold.

The York Sale & Lock Company has received a letter of intentions covering 1,000 Naval mines and an inquiry for 500 depth charges. This firm seems to be the only one in a position to furnish these items.

The Marmon-Herrington Company advises that orders have been received for the following:

200 - 2-man tanks
120 - 3-man tanks
50 - 1-ton armored car chassis
330 - Tractors.

All of these are of models owned by the Company.

The Commission is negotiating with the Navy Department for 4" and 7" Naval guns. The War Department has found it necessary to reserve all of the 7" guns under discussion and some of the 4" guns, pending establishment of the needs for joint American-Canadian defense.

VENEZUELA

A mission from Venezuela has been received by the President's Liaison Committee, and it has been found that the material to be purchased is practically all commercial. Arrangements have been made to steer this Mission to the proper suppliers of these commercial articles by use of the facilities of the National Manufacturers Association.
IRAN

The Iranian Purchasing Mission is setting up an office in Washington in the suite of the Marmon-Herrington Company. This firm has long had relations as American agents for Iran and will doubtless be of great help to the officer who will attempt to place munitions orders. Another officer is charged with procurement of 50 bombers and 30 fighters. The question of manufacturing the Hawk 75-A Airplane in Iran has also been raised by the Mission, but decision has not yet been reached whether objection will be raised by the War Department to the manufacture abroad of this type of airplane on the grounds of foreign policy.

THAILAND

The Minister of Thailand requested clearance to negotiate for 12 each Lockheed, Beechcraft, and Barkley-Grow Airplanes. It was necessary to inform him that this clearance could not be granted because of the needs of our own expansion program.

PORTUGAL

The Portuguese Minister informed the Clearance Committee that a firm which had accepted an order for 133,000 pounds of TNT apparently can not deliver. Investigation revealed that this is a brokerage firm which would have to obtain its TNT from regular sources and that such TNT could not be obtained unless a priority for delivery at the expense of a Government contract is granted. The Minister was informed that it seems doubtful that such a priority would be granted.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the
President is Report No. 53 on the subject of
Foreign Inquiries for Production of Munitions.

(Signed) ROBERT P. PATTERSON

Robert P. Patterson,
The Assistant Secretary of War.
September 10, 1940

MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

The pressure of requests for technical information concerning munitions to be procured by the British and visits to industrial plants is on the increase. Some difficulty is being experienced in obtaining prompt answers to these requests because of the volume of work in the various bureaus of the War Department. This pressure is in part due to the fact that the Purchasing Commission has 1100 persons in its New York Office, many of whom desire assistance of some kind from our Government. The office in Washington is also expanding and it is expected that within a short time 150 will be employed. The ninth floor of the Willard Hotel has been rented for this increased office force.

Negotiations are in progress with six firms for the production of medium tanks. These tanks will be of the modified American design and within a short time the War Department will provide drawings to the firms involved so that they can make bids.

Owing to the danger of conflict with the United States program, to be carried out under the appropriations just approved by the Congress, a policy of coordination of our orders with those of the British is being developed. At the present time many of the British requests for clearance to negotiate are being held in abeyance until the War Department's program is well on its way. The negotiations which are being held in abeyance are practically all for artillery and artillery ammunition items.

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CONFIDENTIAL

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VENEZUELA

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For the Clearance Committee, Army & Navy Munitions Board:

Charles Hines,
Colonel, U. S. Army,
Chairman.

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DOD DIR. 5200.3 (9/27/58)
Date: 7-29-76
Signature: [illegible]
WAR DEPARTMENT
WASHINGTON

September 19, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 54 on the subject of Foreign Inquiries
for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
September 19, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 54 on the subject of Foreign Inquiries
for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

Action is in progress to release from secret status the ingredients of tracer composition and the methods of loading tracer cartridges so as to enable the Canadian Government to settle a proposal to construct a small arms cartridge plant for tracer ammunition as well as other types in Canada. By a previous action, the War Department refused to disclose the details of the tracer composition, but reconsideration has indicated that the present preferred status of Canada makes it desirable to assist in the development of a cartridge plant in that country. While the War Department will assist with technical information for this plant, a proviso has been inserted in the release that there will be no interference with procurement of machinery for small arms ammunition plants to be developed for the United States program. This means that the Canadian plant will not be given any special priority for its machine tools unless the requirements of the joint defense program require such action.

The Canadians are also interested in the development of a loading plant for artillery ammunition and bombs, and a request has been received for the loan of War Department plans for loading plants. Canadian representatives also desire to visit the Picatinny Arsenal to obtain instruction in methods of loading. The basic idea is that the plant in Canada will be similar to plants to be constructed in the United States. It seems probable that the assistance requested by the Canadians will be approved.

Reference was made in the last report to a request that the Canadian Government be allowed to purchase obsolete Renault tanks. A Canadian officer has finished inspection of the tanks on hand at Rock Island Arsenal and Fort Meade, and has indicated which tanks are suit-
able for their needs. He raised the question of availability of 20 tank guns and a quantity of ammunition for these guns. Steps have been taken to determine whether this number of guns can be declared surplus and sold with the tanks. Since some of the tanks are not in condition to run, he has also asked that sufficient work on them be authorized so that they can be run onto flat cars under their own power.

It is becoming evident that co-ordination of the United States and British programs is absolutely necessary, if there is to be no interference between them in certain key industrial facilities. A considerable number of negotiation requests has been placed in abeyance, pending a study of possible conflicts of these programs. It also seems evident that some practical assistance will have to be given by our government in ensuring the placement of British orders in first class facilities. Meanwhile, gradual progress is being made in clearing through the National Defense Commission some of the negotiation requests submitted by the British, which have been heretofore held in abeyance. The requests being cleared are those where study indicates that there is little danger of interference with the United States program.

A request has been received asking for the sale of three medium tanks from stock for use in British tank schools. This request flows out of the decision of the British to use the American model of medium tank, which has been released to them for export sales negotiation, and is now the subject of negotiation with six American firms. It seems improbable that the War Department will be able to spare the three tanks needed for the British tank schools.

Requests for visits to manufacturing plants, in connection with negotiations, continue to be numerous. In general, the War Department has acted promptly on these requests for any plants having Army orders and the Navy for plants engaged on naval orders. Where there are no orders, no objections have been made to visits by personnel of the British Purchasing Commission. In addition to visits by personnel, numerous requests for technical information and other assistance from our government are being received. These are processed as rapidly as possible and the general result is that technical information is freely furnished after clearance by the military intelligence services of the government.

The drawings for 105 mm howitzer ammunition have been furnished. This type of gun is under serious consideration for production by the British in this country, and is a further example of the tendency to standardization of models between the two governments.
A request was made for permission for British flying personnel to test fully armed aircraft in the air. Since this involved a matter of policy within the cognizance of the State Department, the advice of that department is being sought as to the propriety of allowing the testing of armament by British personnel.

NORWAY

The Norwegian legation has requested that 21 4" guns from surplus Navy stock be sold for the arming of merchant ships. It has been learned that sixteen of these guns are for whaling ships now being fitted out in Canada for escort duty under the Norwegian flag in European waters, and that the other five are for whale factories and transport ships which will shortly go to the Antarctic Ocean on a whaling voyage. The opinion of the State Department as to a release of these guns to Norway has been requested. Their transfer to the War Department for disposal is necessary because the Navy Department has no legal authority to dispose of them.

Six Fairchild Training Airplanes were recently approved for sale by the Fairchild Company to the Norwegian training squadrons in Canada. This turned out to be an insufficient number and four additional airplanes have now been authorized for this need.

VENEZUELA

The mission to buy commercial naval stores obtained considerable assistance from the Navy Department in the preparation of specifications to cover the items to be purchased. The National Manufacturers Association will now assist the mission to contact the proper firms. It has been reported that the mission is greatly pleased with the assistance given both by the Government and by the National Manufacturers Association.

BRAZIL

The Brazilian Military Commission is seeking sources for the procurement of two groups of controlled mines of the Coast Artillery type. The names of the firms which usually supply these items to the Coast Artillery are being furnished.

THAILAND

The Minister of Thailand is negotiating with the Marmon-

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DE00 D11: 5200.9 (9/27/58)
Herrington Company for 20-50 Marmon-Herrington tanks and the same number of armored cars.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
CONFIDENTIAL

PRISIDENT - 2-8-70

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Reference was made in the last report to a request that
the Canadian WML be approved.

The Joint defense program requires such action.

The following notes are made.

1. In accordance with instructions to submit from time to
time, a brief report on progress in the Department for
Production of Munitions.

SURVEY:
The Chief of Naval Operations
The Secretary of War

MEMORANDUM TO:
The Secretary of War
able for their needs. He raised the question of availability of 20 tank guns and a quantity of ammunition for these guns. Steps have been taken to determine whether this number of guns can be declared surplus and sold with the tanks. Since some of the tanks are not in condition to run, he has also asked that sufficient work on them be authorized so that they can be run onto flat cars under their own power.

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CONFIDENTIAL

THE HANOVER OR TRAEDT IS IN EAGLE WITH THE WARREN

THAILAND

Costs of steps are being furnished. The name of the German representative supplied these items to the

The President's Commission is seeking sources for the

RAIL

requests association.

the assistance given by the German and by the Russian

latter. It has been reported that the station is strongly guarded by the

regional command. The latter has been requested to take the

Singapore

secondment new stores ordered consider

Straits Penang, Transport Supplies were recently approved for

The request to any commended naval stores ordered consider

No legal authority to dispose of them.

Department for transport is necessary because the Navy Department has

requests for transport to be transferred. These supplies have been requested to

a reasonable price. The opinion of the Chief Department is that the

in Borneo waters, and that the other are for travel purposes.

bids from various transport companies under the conditions. The

The request to be made from a plane from

HONG KONG

authorizing the transfer of personnel to

transport department of the department to which section of the

of a matter of policy. The Commission has been advised that there

somewhat lengthy. Since this order,

A request was made for permission for transport by plane per

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CONFIDENTIAL

Herrington Company for 20-50 Marmon-Herrington tanks and the same number of armored cars.

For the Clearance Committee, Army & Navy Munitions Board.

CHARLES HINES,
Colonel, U. S. Army,
Chairman.

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DECLASSIFIED
DOC. DIR. 5200.9 (9/27/58)

Date- 7-29-70
Signature- [Indiscernible]
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 55 on the subject of Foreign Inquiries
for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
September 25, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President is Report No. 55 on the subject of Foreign Inquiries for Production of Munitions.

(Signed) ROBERT P. PATTERSON

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO:  The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT:  Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

A notice has been received for the first British contract for medium tanks of our design. This contract was placed with the Pullman Standard Car Manufacturing Company on September 18, 1940 and is for 500 tanks; delivery to begin in 10 months and to be completed in 18 months. It is known that the British are negotiating with five other firms and it is believed probable that each will receive an order for 500 tanks.

Permission has been requested to use the gage testing laboratory at New York University for the checking of gages to be used in inspection of British orders. This laboratory will be used by our New York Ordnance District and it will be necessary to determine whether any other work can be undertaken.

The need for a proving ground is still under discussion and studies are being made by the British of various locations in this country. To date no decision has been reached. There have been several consultations with the War Department as to the best solution of the problem of testing such British production as required proving ground facilities.

Action is now in progress to turn over from surplus stock additional military equipment. This action includes 250 obsolete 6-ton tanks for Canada.

A large procurement program for the British Admiralty has been furnished and is under discussion in the National Defense Commission and the War and Navy Departments. Heretofore the Admiralty's orders have totaled only a few million dollars and it is assumed that the program
now on hand is the forerunner of large orders for the British Navy.

A number of requests for permission to negotiate were placed in abeyance pending the placement of the ordnance program of the War Department. The need for this abeyance has now disappeared and all of these requests have been cleared for negotiation. Several requests for negotiation on artillery of British pattern which were previously cleared have now been recalled to permit of action by the National Defense Commission to attempt standardization of models with those of the United States Army. This reconsideration is caused mainly by a machine tool shortage and a desire to produce in United States plants models useful to the United States Army insofar as such action is practicable. It will be necessary in acting on these requests now in abeyance to consider whether the use of machines on British orders for similar materiel could be readily transferred to materiel useful to the United States and it is expected that when the study is completed most of these requests for abeyance will be withdrawn.

An informal committee headed by Mr. Knudsen will hold its first meeting this week to study a closer coordination of the major aspects of the British program with our own program.

CHINA

It has been learned that because of the closing of the Burma road, China is unable to export powder and explosives now on order with the Hercules and duPont. The Chinese Government desires to retain ownership of these explosives and has tentatively asked that the explosives be stored by the United States for their account. The commercial firms do not have the storage space and it seems doubtful that permission can be given for storage on United States Government reservations. This situation is being reviewed to determine whether the United States, or perhaps Great Britain, could take over these orders and replace later for Chinese account.

BRAZIL

The Brazilian Air Attache is attempting to purchase $30,000 worth of spare parts for Wright engines. It seems to be an increasingly difficult problem for foreign governments to place small orders. The advice has usually been given to them to place the orders and ask for as early delivery as possible on the theory that quite often a firm is able to deliver sooner than promised when a small order happens to fit as a tag-end in a production schedule.

The Clearance Committee is assisting the Navy Department to provide information to the United States Naval Mission in Brazil on costs and sources for antiaircraft equipment for Brazilian naval bases.
The Ordnance Commission is becoming increasingly active in placing orders and is using the clearance system in effect for British orders. The program for the Netherlands-Indies ranks next to that of the British in money value.

Negotiations have been in progress for several weeks to sell to the Netherlands-Indies some 4-inch and 7-inch guns which are considered surplus by the Navy Department. The War Department reserved some of these guns for possible use in the joint United States-Canadian program but has since withdrawn its reservation. It seems probable that some of the 4-inch and 7-inch guns will be sold to the Netherlands Government.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.

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DECLASSIFIED
ODD DVI. 5200.9 (8/27/58)
Date- 1-29-70
Signature- [Signature]
WAR DEPARTMENT
WASHINGTON

October 3, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President

is Report No. 56 on the subject of Foreign Inquiries
for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
October 3, 1940.

MEMORANDUM FOR GENERAL F. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 56 on the subject of Foreign Inquiries
for Production of Munitions.

Robert F. Patterson,
The Assistant Secretary of War.
CONFIDENTIAL

ARMY AND NAVY MUNITIONS BOARD
WASHINGTON, D.C.

Report No. 56.

MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

Action is in progress to release to the British Government the Sperry Gyroscope Company stabilized bomb sight of the O-1 design. It is contemplated that the stocks on hand of this bomb sight will also be turned over to the British and a priority given for future deliveries. It should be understood that this is not the secret Norden sight, but is a model for which the original version was released for export sale in 1936.

The unusual situation has developed that the Navy has found it necessary to ask for a priority over Canadian orders for the delivery of 400 binoculars. This priority is being granted by the British Purchasing Commission.

In a previous report reference was made to the supply of 250 obsolete 6-ton tanks to Canada. The movement of these tanks is in progress at the present time. They are being made available from Rock Island Arsenal, Fort Meade, Maryland and Fort Benning, Georgia.

In connection with negotiation requests from the British Purchasing Commission indicating the firms which they desire to have cleared for the placement of their orders, it has been found possible to furnish the names of other concerns known to the War Department to have available capacity which will not be needed for the War Department program. Several names have been thus furnished as the beginning of a procedure to suggest to the British good sources which are not being used for the United States program.

In previous reports, reference has been made to a project for a proving ground. A suggestion was received from the British to set up
this proving ground adjacent to the Army proving ground at Aberdeen, Maryland. This suggestion has been studied and the British Purchasing Commission advised that a proving ground in that area is not practicable because of the probable interference with the Aberdeen Proving Ground. The suggestion was made that the British consider another site in Pennsylvania which has been studied by the Ordnance Department and will not be required for the Army program.

The Government of Canada has asked that 100,000 rifles be supplied from surplus stocks. In view of previous releases of rifles and the needs of our own program, it has been necessary to refuse the request.

In a previous report, reference was made to the testing of armed aircraft in this country by British flying personnel. Consultation with the Secretary of State indicates that there will be no objection on the grounds of neutrality to such testing in aircraft owned by the manufacturers. This decision will allow British inspection personnel to test the installation of guns and other armaments in the air. The flights made under this authority will be subject to approval by the War or Navy Departments.

**NORWAY**

As noted in other reports the Government of Norway has asked for the supply of 21 4-inch guns from Navy surplus stocks. Action is in progress to transfer these guns to the War Department for disposal to an intermediary.

**NETHERLANDS**

The Navy Department has advised that it is prepared to make available from surplus stocks for the Netherlands' Government, 60 4-inch guns and 3,000 shells. These will be transferred to the War Department for the usual action of sale to an intermediary.

**IRAQ**

A Mission from Iraq is at present in Washington attempting to buy a small quantity of field guns, small arms, small arms ammunition and aircraft. As this Mission is rather late in presenting its procurement requirements, it seems probable that it will have great difficulty in placing any orders.

**CHINA**

The War Department has asked the President's Liaison Committee to approach the Chinese Government for the release of 350,000 pounds of small
arms powder now in storage at the duPont Company for Chinese account. It has been found that this powder is suitable for U. S. cartridges and that there is a pressing need for an immediate supply at the Frankford Arsenal.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 57 on the subject of Foreign Inquiries
for Production of Munitions.

Robert F. Patterson,
The Assistant Secretary of War.
October 9, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 57 on the subject of Foreign Inquiries
for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War
MEMORANDUM TO: The Secretary of War  
The Secretary of the Navy  
The Assistant Secretary of War  
The Assistant Secretary of the Navy  
The Deputy Chief of Staff  
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

**BRITISH PURCHASING COMMITTEE.**

Under the system of granting clearances for procurement negotiations, one of the conditions is that copies of procurement contracts will be furnished to the War Department by the British Purchasing Commission. Several of these contracts have been received and it is expected that there will be many more as full compliance with this requirement progresses. Perhaps the most interesting of these contracts is that between the Hercules Powder Company and the New Jersey Powder Company. This transaction involves two contracts, one of which provides $7,000,000 for the creation of the plant and a fixed fee as compensation, while the other is for the production of powder and nitro-cellulose. In the production contract, base prices of 37-1/2 cents a pound for powder produced from linters or 37.23 cents a pound if produced from wood pulp are established, and there is a further provision for increase or decrease of prices for changes in the cost of labor and materials. As to decreases in price, the compensation will never be below the base price.

The Empire orders places, as of September 21, 1940, total $1,795,000,000. Of particular interest in the latest report from the British is a capital commitment of $20,000,000 to the Packard Motor Company for production of aircraft engines.

Reports on South African orders continue to be received separately. The latest report indicates that the South African Government is buying hand tools from various suppliers, 39,000 oil drums from Asiatic Petroleum Company and 5,000 revolvers from Smith & Wesson, Inc.

Conferences have been held concerning a British requirement for binoculars. Since 10,000 binoculars are needed immediately, the War Department is studying the possibility of turning in this number to
Bausch & Lomb Optical Company in return for new binoculars to be supplied later. The question is yet to be decided whether 10,000 binoculars can be spared without detriment to our own national defense.

The York Safe & Lock Company, a very reliable producer in the past for the military departments, has received a contract for 500 anti-tank gun carriages. The National Pneumatic Company has the contract for the gun tubes. There are rumors that 1500 additional anti-tank guns are to be ordered. If this is done, it will mean that the British are falling into line on the policy of standardization announced by the National Defense Commission, as they have heretofore insisted that their 2-pounder anti-tank gun is at least equal to that of the United States.

Drawings for the medium tanks which are to be ordered by the British are being sent to the American firms designated by them. Under discussion at the present time is also the proposition that some of these medium tanks will be produced in Canada and it seems that the War Department will look with favor on such production on the basis of two-thirds of the total production in the United States and one-third in Canada.

As referred to in Report No. 56, action is in progress to turn over to an intermediary 40 0-1 bomb sights and to allow priority for production of additional bomb sights. The 0-1 type of bomb sight has been released for export sale to Great Britain.

All obsolete light tanks and Enfield rifles recently turned over to the United States Steel Export Corporation for British and Canadian account have been delivered to the intermediary.

Initial contacts have been made by the Canadian Legation with a view to supply from surplus Government stocks of 36 obsolescent 3" anti-aircraft guns and a number of 10" guns from the coast defenses. This transaction will be a part of the joint American-Canadian defense program.

Conferences with the Winchester Company indicate that the British expect to develop production of small arms ammunition with that firm for 20,000,000 a week in the .303 caliber and 1,000,000 to 2,000,000 a week in the .50 caliber. We are informed that the proposed 20,000,000 rate for .303 is twice the World War rate for this company.

**IRAN**

In a previous report reference was made to an inquiry by the Government of Iran for rifles, anti-aircraft guns and ammunition. In-
formation on possible suppliers is being furnished and the difficulty on time of delivery and actual placement of orders is being explained. It seems doubtful that any orders can be placed by this Mission for early delivery.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.

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Date- 7-29-70
Signature- WD.
October 17, 1940

MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

Conferences have been held in the past week with Canadian representatives concerning the establishment of three loading plants for field artillery ammunition and bombs. The War Department was able to help the Canadians in this problem by furnishing drawings of typical buildings required for loading plants and to suggest names of several Americans who can be used as consultants. The Canadian representatives were greatly pleased with these arrangements because they desire to build the new loading plants to conform to United States standards. It is to be expected that further advice will have to be given to them as the construction of these plants progresses.

The establishment of facilities for proof of ordnance material is becoming pressing. The British expect to have armor plate delivered from production in the near future and need facilities for testing this plate. An official request has been received by the War Department for the loan of two 37 mm guns to an American firm to test British artillery and armor plate. This request has arisen out of the inability of the British to obtain guns from England for this purpose.

An urgent request has been submitted to the War Department for the supply of 1,000,000 caliber .30 tracer cartridges from war reserve stocks. It seems doubtful if this request can be granted because of the limited stock of this type of cartridge on hand.

On several occasions British representatives have raised the question of using our District organization for advice on industrial phases of their procurement program. The Assistant Secretary of War is considering the proposition to allow the British Purchasing Commission to confer with District Chiefs and have access to industrial information in the District offices.
CONFIDENTIAL

Canadian requirements under the Joint Defense Board studies are being received. Immediate requirements seem to be for eight 10" guns and thirty-six 3" anti-aircraft guns, together with ammunition. Steps are already in progress to make available to them 10" guns from the coast defenses and thirty-six Model 1918 anti-aircraft guns, if these types are acceptable.

There has been some relaxation of the attitude of the War Department toward the granting of licenses to manufacture abroad. Favorable action has been taken in the last week covering the manufacture of aircraft engines in Brazil and Australia, and consideration is being given to manufacture of airframes for Lockheed and Martin airplanes in Canada.

Preliminary Negotiation Reports for the British program continue to be received in considerable number. One of the largest recently received was for 3000 M-3 tanks to be negotiated with General Motors Corporation.

SWEDEN

A Swedish order for 144 Vultee airplanes, which was canceled because an export license could not be obtained, has been taken over by the British.

Another Swedish order with Smith & Wesson for 4300 machine guns has been adjusted by the return to Sweden of the money paid to the contractor. The export license for these guns was canceled and it is understood that the British are to get them.

The British are also approaching Winchester Repeating Arms Company to obtain a quantity of the 9 mm ammunition for Smith & Wesson guns which was also a Swedish order.

The United States Army is negotiating for Republic airplanes which were on order for Sweden and could not be exported.

These transactions practically complete the adjustment of the Swedish orders.

NORWAY

In addition to twenty-one 4" Naval guns which will be made available to the Norwegians for the arming of whaling vessels, they have now asked for an additional number of 4" and 3" guns for the arming of other merchant ships. This request is being considered in the Navy Department, and it seems probable that some assistance can be given.

The Norwegians have managed to obtain 139 Colt Marlin machine guns from a private source. These guns are considered obsolete by the United States, and will go to Canada where Norwegian air-squadrons are training for service in Europe.
The Netherlands Indies Ordnance Commission has asked for the release of the anti-tank mine designed by the Army and expect to place an order for about 20,000 of these mines with a firm in Detroit.

Many negotiation requests are being received from the Commission for relatively small quantities of various military items. It is doubtful if orders can be placed for most of the items covered by these requests and the usual sources are not taking any interest in them. For the larger orders, this Commission does not seem to have the authority to make capital commitments for the expansion of the facilities.

Repeated requests have been received for sale of surplus Army and Navy equipment. To date it has been impossible for the Army to make any equipment available. The Navy is entertaining a request for some of their surplus 4" and 7" guns. The present status is that the Netherlands Indies may be able to buy some of these guns.

FINLAND

The Finnish Legation is evidently liquidating some of the munitions orders placed in this country during the war with Russia, principally trench mortar ammunition, and it is understood that negotiations are being carried on with the Government of Chile and Great Britain for the disposal of approximately 150,000 rounds on this order.

The Finns have an order for 50,000,000 7.62 mm cartridges with the Winchester Company. It is understood that they are attempting to find buyers for this ammunition. The type is a Russian cartridge in which it is believed the British have no interest. It seems probable that there will be considerable difficulty in disposing of this order.

CHINA

The War Department made an effort to obtain by transfer from the Chinese an order for 175 tons of small arms powder to fill an urgent need at Frankford Arsenal. The Chinese, however, would not sell this powder and it has since been covered by an export license.

SOUTH AMERICAN COUNTRIES

Inquiries are being received from various South American countries for relatively small quantities of munitions of different types. As a rule very little encouragement for the supply of these requests can be given because of the immediate needs of the United States and Great Britain.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 59 on the subject of Foreign Inquiries
for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 59 on the subject of Foreign Inquiries
for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to
   time a brief report on foreign inquiries for military equipment,
   the following notes are made:

   **BRITISH PURCHASING COMMISSION**

   The need for a proving ground installation for the testing of
   British orders is becoming more pressing. The British Purchasing
   Commission is studying the establishment of a long range firing proving
   ground and local facilities at various plants. The project which
   seems to be most seriously considered at the present time is for
   limited proving facilities at the York Safe & Lock Company, York, Pennsyl-
   vania, for testing light armor plate, 37 mm guns, and 37 mm armor
   piercing ammunition. It seems probable that the War Department will
   also have facilities at this plant and discussions are in progress to
   determine whether a basis can be reached for the joint use of facil-
   ities to be developed by this company.

   A rumor was received that the British are having some difficulty
   with small arms ammunition produced by American factories. Investiga-
   tion revealed that a considerable quantity of .303 ammunition would not
   function in the Bren machine gun. Several lots had been accepted with-out
   firing in a machine gun of this type because no gun was available. The
   British are investigating the steps necessary to overcome this dif-
   ficulty. Apparently the ammunition is not at fault since it was made
   according to specifications.

   The whole output of the Smith & Wesson factory is being devoted
   to production of sub-machine guns and deliveries are considerably de-
   layed. It is understood that about 2,000 guns were due for delivery
   last July and that none were delivered. These production difficulties
   are being overcome and it is expected that the company will soon be de-
   livering in quantity.
Previous references have been made to the project for developing loading plants in Canada. The drawings for plant buildings had been furnished to the Canadians and arrangements are being made to allow representatives of the Canadian government corporation, charged with loading plants, to visit Ficattnny Arsenal and obtain additional information.

The War Department has directed the chiefs of the supply branches to study the practicability of cooperation by the districts with the British Purchasing Commission in the placement of the British procurement program. It is expected that this cooperation will result in the use of a great many first class facilities by the British which are not now employed in the American program.

Recent action by the President in appointing a Priorities Board raises the question of the place of British orders in the general priorities picture which must be considered by this Board. It seems probable that the British will present their views to the Board and request that British needs be given definite priority ratings.

The question has been raised as to the use of American government inspectors in plants producing identical items for both British and American account. This matter is being studied to determine whether arrangements for inspection of ordnance items on a joint basis somewhat similar to that in the aircraft engine factories can be established.

The British orders in this country now total $2,200,000,000. A resume of these orders by categories, as of October 12, 1940, is attached to this report.

SWEDEN

One hundred and ten (110) Republic Airplanes, for which an export license was refused, have been requisitioned for Army use in accordance with the provisions of the Act of October 10, 1940.

Consideration is being given to a similar requisition order for two hundred and eleven (211) engines.

FINLAND

The Finnish Legation is taking steps to sell munitions now in production in this country. It is understood that the Chilean Government is negotiating to purchase some of the trench mortar shell now on Finnish order. The Netherlands East Indies is also interested in securing some of these shells. So far as known there has been no interest in a large order for .62 rifle ammunition at the Winchester Repeating Arms Company. Because of the European blockade the Finns have not been able to obtain British navigerts for shipment to Petsamo.
The Government of Iran is attempting to obtain a considerable quantity of aluminum for its airplane factory. It seems probable that their requirements can not be supplied because of the needs of American factories.

The Iranian representative for ordnance and commercial purchases, is now in contact with American manufacturers. He is being assisted by the local representative of the Marmon-Herrington Company, which has had many dealings in the past with the Government of Iran.

For the Clearance Committee, Army & Navy Munitions Board:

[Signature]

CHARLES HINES,
Colonel, U. S. Army,
Chairman.

Inclosure:
(Summary of Orders,
10-12-40)
SUMMARY OF ORDERS PLACED BY THE BRITISH EMPIRE TO AND INCLUDING OCTOBER 12, 1940.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Total</th>
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<tr>
<td>1. Airframes</td>
<td>675,548,916.42</td>
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<tr>
<td>2. Airplane Engines</td>
<td>406,319,028.58</td>
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<tr>
<td>3. Airplane Accessories</td>
<td>41,994,592.92</td>
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<td>4. Total Aircraft Products</td>
<td>1,123,862,537.92</td>
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<tr>
<td>5. Machine Tools</td>
<td>176,665,789.75</td>
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<td>6. Chemical Warfare Materials</td>
<td>194,275.77</td>
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<td>7. Explosives and Propellants</td>
<td>36,249,106.02</td>
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<tr>
<td>8. Ammunition</td>
<td>100,996,422.60</td>
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<tr>
<td>9. Ordnance Equipment</td>
<td>97,181,463.53</td>
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<tr>
<td>10. Tanks &amp; Tank Equipment</td>
<td>59,882,955.08</td>
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<tr>
<td>11. Motor Vehicles</td>
<td>35,238,238.16</td>
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<td>12. Iron &amp; Steel</td>
<td>199,560,334.78</td>
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<td>13. Non-Ferrous Metal</td>
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<td>14. Textiles and Clothing Incl. Shoes</td>
<td>4,874,136.32</td>
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<td>15. Foodstuffs and Tabacco</td>
<td>21,997,109.96</td>
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<td>16. Petroleum Products</td>
<td>47,497,645.13</td>
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<td>17. Animals</td>
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<td>18. Ships</td>
<td>43,623,086.10</td>
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<tr>
<td>19. Communications Equipment</td>
<td>7,940,022.33</td>
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<tr>
<td>20. Timber</td>
<td>27,593,111.85</td>
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<tr>
<td>21. All Other</td>
<td>27,756,885.77</td>
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<tr>
<td>22. Total Non-Aircraft Products</td>
<td>960,858,835.64</td>
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<td>23. Grand Total Commodities</td>
<td>2,084,721,373.56</td>
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<td>24. Capital Assistance</td>
<td>122,736,627.64</td>
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<tr>
<td>25. Grand Total</td>
<td>2,207,460,001.20</td>
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Signature: [Redacted]
WAR DEPARTMENT
WASHINGTON

November 1, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the President
is Report No. 60 on the subject of Foreign Inquiries
for Production of Munitions.

Robert F. Patterson,
The Assistant Secretary of War.
November 1, 1940.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the President
is Report No. 60 on the subject of Foreign Inquiries
for Production of Munitions.

(Signed) ROBERT P. PATTERSON

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Under Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

Information has been received that a Ship Mission has arrived in this country. This Mission will study the construction of 60 tramp steamships of about 10,000 tons and of 10-1/2 knot speed. It consists of four officials of English shipbuilding concerns. It is understood that the British Purchasing Commission will place contracts for this Mission. Furthermore, the Mission is expected to work in close cooperation with Sir Walter Layton, representative of the Ministry of Supply and the British Purchasing Commission. A general survey will be made initially. It is expected that the Maritime Commission will be asked to cooperate in the placing of the orders for ships.

An interest has been developed in the M2A4 light tank, which is the Army standard model. The British Tank Mission has asked that technical information and photographs be furnished so that a study can be made of the applicability of this type to British needs.

In connection with the Joint Defense Program with Canada, a request has been received that the War Department make available 36 3-inch anti-aircraft guns, Model 1918 and 8 10-inch guns from surplus stocks. Priority for supply of 12 caliber .50 anti-aircraft guns and a small quantity of ammunition has also been requested. The 10-inch guns must be removed from the coast defenses if this proposition is finally approved. The anti-aircraft guns are of the obsolescent Model 1918 type and could be made available in the quantity desired.

An order for 100,000,000 caliber .22 long rifle cartridges has been placed with the Winchester Repeating Arms Company. It is understood
that the British use this ammunition for training purposes in much the same manner as it is used in the United States Army.

Advice has been given to the Commission that any program for the procurement of gages should not be delayed any longer. It has been emphasized that many of these gages will require a long time to produce and that prospective orders for them should be coordinated with the United States program which involves considerable expansion of gage plants. It seems probable that a conference will be held in the near future with War Department personnel concerned with the gage program to furnish advice to the British for the initiation of their program.

The new powder plant at Memphis is progressing more rapidly than was anticipated. It seems that initial production will be possible in December. Original expectations were that this plant would not be in production before February, 1941. It will be recalled that the plant was initially laid out for smokeless powder only, but that later it was decided to add high explosive units as well.

The War Department is assisting the Commission with suggestions as to a record system for technical information. A great deal of technical information has been furnished to the Commission and it has become evident that a well organized method for keeping and issuing the information should be developed. The recent authority from the War Department which permits the British Purchasing Commission to copy drawings and specifications officially issued to the Commission has emphasized the need for a system.

Requests for technical help and many purchase negotiation requests continue to be received. The pressure of business in the War and Navy Departments has unfortunately caused delays at times in furnishing information. Some of the British personnel at times display impatience but are gradually being convinced that some delay is inevitable under present conditions.

The War Department is studying further assistance to the British Purchasing Commission through use of the district offices. It is expected that the use of information in district offices under rules to be established by the chiefs of the bureaus concerned will enable the British to deal with first class firms not employed in the United States program.

An enlarged procurement program for aircraft involving 3050 additional airplanes is under consideration. Clearance for production from existing sources without plant expansion seems to be the current view of the matter. This means production during the period March to July 1942, a period beyond the present United States and British programs.
CONFIDENTIAL

NORWAY

Steps are being taken to turn over to an intermediary 21 4-inch Naval guns for Norwegian account. The British Purchasing Commission is willing to handle this transaction, using its contract with the United States Steel Export Corporation, but reports have been received that this firm may not choose to accept the exchange for eventual supply to Norway and that it may become necessary to seek another intermediary.

IRAN

In a previous report it was noted that the Government of Iran is attempting to purchase a supply of aluminum for its aircraft factory. Action has been taken objecting to supply until after the United States domestic program is complete. The domestic program includes foreign orders in U. S. plants.

SOUTH AMERICAN COUNTRIES

Several of the visiting officers from South American Republics have been reviewing the possibilities of obtaining armament in this country. Information as to possible sources and frank advice as to length of time to obtain deliveries have been furnished.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.

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Date: 7-29-70
Signature: [Signature]
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the President is
Report No. 61 on the subject of Foreign Inquiries for
Production of Munitions.

Robert F. Patterson,
The Assistant Secretary of War.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the President is
Report No. 61 on the subject of Foreign Inquiries for
Production of Munitions.

(Signed) ROBERT P. PATTERSON

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the President is
Report No. 61 on the subject of Foreign Inquiries for
Production of Munitions.

(Signed) ROBERT P. PATTERSON

Robert P. Patterson,
The Assistant Secretary of War.

C & R Div.
Prepared by
Clearance Committee, ANMB.

NOV - 9 1940
WAR DEPT.
ARMY AND NAVY MUNITIONS BOARD
WASHINGTON, D.C.

November 8, 1940.

Report No. 61.

MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Under Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to
time a brief report on foreign inquiries for military equipment, the
following notes are made:

BRITISH PURCHASING COMMISSION

Owing to difficulty of procuring binoculars from the existing
commercial sources the Commission has given a contract to the May Oil
Burner Company, Baltimore for 40,000 binoculars. Capital assistance to
the amount of $200,000 is being provided. This firm has never produced
binoculars but seems to be mobilizing qualified technical assistance
and has obtained permission to visit Frankford Arsenal for consultations.

Because of the pressing need for binoculars there has been a
proposal by the British that the War Department release some of its
stocks and in return receive an order for future production from Bausch
& Lomb Optical Company. This negotiation has reached the stage where
the War Department has offered to release 10,000 binoculars in return
for 10,000 of the latest model to be produced by the Bausch & Lomb Optical
Company. As this transaction involves paying the price of new binoculars
for used binoculars which will be turned over to them, the British Purchas-
ing Commission is considering whether the need justifies paying a
rather heavy premium for obtaining immediate delivery from U. S. stocks.

Discussions have continued concerning the practicability of
cooperation between American and British inspection services in plants
producing identical items on British and United States orders. The Brit-
ish are particularly anxious to take advantage of the American inspection
services and it seems probable that something can be worked out to the
mutual advantage of both governments in those plants where identical items
are on order.

The proposition to develop limited proving ground facilities
at the York Safe & Lock Company for joint use by the United States and
Great Britain is progressing satisfactorily. The company is acquiring
land and other facilities needed and it is expected that a proving ground suitable for testing of armor plate, 37 mm A.P. ammunition and 37 mm guns will be finally developed which can also be used on a service fee basis by the British.

It is understood that the British are negotiating with the Finnish Legation to take over an order for 50,000,000 caliber 7.62 mm cartridges now in production at Winchester Repeating Arms Company. It is not known where the British expect to get the guns to use this ammunition, but it is assumed that Russian rifles or Maxim guns chambered for this type have been obtained. If the Finns sell this small arms ammunition, the transaction will be almost the last in a series liquidating the munitions orders placed at the time of the Finno-Russian War.

Arrangements have been completed to trade a priority for the delivery of 26 B-24 bombers in return for 274 engines.

The Canadians are planning to produce the Model 1919 A-4 tank machine guns in Canada at the firm of John Inglis, Inc., Toronto. This is one of the best firms in Canada and the War Department is giving consideration at the present time to permission for production of this gun by John Inglis, Inc. It might be added that this type of machine gun is required for the M-3 tank program which will be carried on both in the United States and Canada.

The American Locomotive Company which will produce the M-3 tank for the British has asked permission to interchange drawings for this tank with its subsidiary in Canada, the Montreal Locomotive Company, which will also have an order for these tanks from the British.

Reference has been made in previous reports to authority which has been granted to the British Purchasing Commission to copy drawings and specifications officially supplied by the War Department for use in their procurement activities. This authority has been of great advantage to the British and they are now finding it possible to proceed more rapidly with their procurement operations.

One of the greatest difficulties at the present time is in finding sources for the production of fire control instruments. This problem is not entirely confined to the British Purchasing Commission, as the United States procurement of these instruments is also proving difficult. It seems probable that some equitable arrangements will have to be worked out whereby the British will be assisted in getting their share of the available facilities and a participation in any new facilities which may be created.

**NORWAY**

In previous reports, reference has been made to the disposal to Norway of 21 4-inch Naval guns. This negotiation has reached the stage of dealing with an intermediary. The York Safe & Lock Company has consented to act as an intermediary without profit to itself. It was intended to use
the United States Steel Export Corporation, but this firm did not see its way clear to accept this additional business.

NETHERLANDS

The disposal to the Netherlands East Indies of 60 4-inch Naval and 20 7-inch Naval guns, turned over by the Navy to the Army for purposes of exchange for Netherlands Indies account, has progressed to the point of selection of an intermediary. The York Safe & Lock Company has agreed to accept this exchange. It is understood that the Netherlands authorities may desire to have these guns overhauled before shipment and it seems probable that the York Safe & Lock Company will be given the job of overhauling these guns.

VENEZUELA

A statement has been received from the Government of Venezuela covering the armament which it would like to obtain for equipment of four infantry divisions. This request is being studied at the present time.

AMERICAN IRON & STEEL INSTITUTE

The American Iron & Steel Institute has submitted a report as of October 1, 1940 which is based on information from 114 companies. This shows that export of iron and steel of different categories for the next four months will total 1,823,000 tons in accordance with United States specifications and 177,000 tons in accordance with foreign specifications.

SOCONY-VACUUM OIL COMPANY

The Socony-Vacuum Oil Company has furnished a forecast of its business for the fourth quarter of 1940 and a statement of shipments covering a third quarter for 1940. The most significant thing about the shipments for the third quarter of 1940 is the large quantity of petroleum products sent to Japan. In the forecast for the fourth quarter, it is noted that Japan is again the heaviest buyer.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
WAR DEPARTMENT
WASHINGTON

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President is
Report No. 62 on the subject of Foreign Inquiries for
Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President is
Report No. 62 on the subject of Foreign Inquiries for
Production of Munitions.

(Signed) ROBERT P. PATTERSON

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Under Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

There are being brought to this country samples of the Frazer-Nash and Boulton-Paul types of airplane turrets, together with personnel to demonstrate these modern British types. These turrets will be sent to Wright Field and the tests on them carried on at that station. The Military Attache in London is so well impressed with the performance of these turrets that he recommends manufacture in the United States without delay.

Samples of modern British artillery have arrived in Canada and will shortly be transferred to the Aberdeen Proving Ground for tests by the United States. A detachment of British personnel to demonstrate this armament has arrived in Canada. It is expected that they will shortly proceed to Aberdeen Proving Ground. Several captured German bomb sights will also soon be available for examination.

A requirement for the manufacture of approximately one million rifles has been received. The British contemplate the production of the short Lee-Enfield rifle on these orders. The British will doubtless soon request that the rifle manufacturing plant at Rock Island Arsenal be leased to a commercial firm for production on their rifle requirements. It is understood that the Remington Arms Company has been approached to act as operator of the plant if it can be obtained from the United States Government.
This plant can produce 1000 Springfield rifles in a 24-hour day. It seems doubtful however, that it could be converted to the production of the Lee-Enfield without considerable modification of the present tool set-up.

The British Purchasing Commission is now assisting the Dutch and the Norwegians in their procurement. This assistance is taking the form of directing the rather small requirements of these two countries into plants producing large orders for the British. It seems probable that the next step will be to co-ordinate the procurement for Greece in the same way. Insofar as the United States Government is concerned, it would be very desirable if the British are able to take charge of the requirements of their Allies and place their orders for them.

An interest in the Army Light Tank M2A4 is developing and it seems probable that an order for at least 200 of this type will be the subject of negotiations in the near future.

In order that the British may obtain the advantages of earlier production of small armor piercing projectiles, a conference has been arranged which may result in placement of orders by the British in plants which are already slated to produce large quantities of these projectiles for the Army. This conference is regarded as a prelude to others which will progressively co-ordinate the British and American ordnance programs to the mutual advantage of both countries.

An officer of the War Department visited the British Purchasing Commission in New York last week to advise on the methods of safeguarding drawings and other information, and of distributing this information to contractors. The purpose of the visit was mainly to see that United States drawings and specifications officially issued to the British are being safeguarded and controlled in their distribution in a proper manner. It was found that the methods in use are fully adequate from every standpoint.

Some pressure has been exerted in the past month on the British Purchasing Commission to obtain from them a complete procurement program. This information is needed by our Government particularly for machine tool, raw material, and other basic studies. It seems probable that the British will shortly furnish the program desired.

Copies of British contracts are being received. In return, the British have asked for copies of United States contracts exceeding $5,000,000.00. It has not yet been settled whether we will furnish them with copies of our contracts.

A negotiation request has been submitted for 60 ships to cost approximately $96,000,000.00. These ships are to be of 10,000 deadweight tons. New shipyards will have to be built and we are informed that these shipyards will be built in localities approved by the Maritime Commission. There is a possibility that the number
of ships may be later increased to 120.

NETHERLANDS

The Secretary of War has directed the Chief of Ordnance to take the necessary action to exchange with an intermediary for the account of The Netherlands Indies, sixty 4" Naval Guns and twenty 7" Naval Guns. These guns were turned over to the Army by the Navy for disposition.

NORWAY

In previous reports reference has been made to the exchange with an intermediary of twenty-one 4" Naval Guns for the account of Norway. Four of these guns have been delivered to a Norwegian vessel which will go to Antarctica and mount them on whaling ships now in that area. The remaining seventeen guns will be sent to Canada for mounting on Norwegian merchant ships. The York Safe & Lock Company, of York, Pennsylvania, is handling this transaction as intermediary.

SOUTH AMERICAN REPUBLICS

A board has been appointed to develop a policy and a plan for aid in the armament of South American republics.

For the Clearance Committee, Army & Navy Munitions Board:

Charles Hines,
Colonel, U. S. Army,
Chairman.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President

is Report No. 63 on the subject of Foreign Inquiries

for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War
MEMORANDUM TO: The Secretary of War, The Secretary of the Navy, The Under Secretary of the Navy, The Assistant Secretary of War, The Assistant Secretary of the Navy, The Deputy Chief of Staff, The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time, a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

A Canadian request for fifty (50) 4-inch naval guns has been received. These guns are intended for the armament of anti-submarine vessels and mine sweepers for North American defense. Information has also been received that the ammunition supply for these guns will be handled by the British Purchasing Commission in conjunction with the needs of the Dutch and Norwegian Governments. It will be recalled that both of these Governments obtained surplus 4-inch naval guns and the proposition is to consolidate the requirements for ammunition and place one order with American manufacturers.

Decision has been reached to release twenty (20) B-17-C heavy bombers to Great Britain. It is expected that these bombers will be furnished before January 1941, and will be fully equipped for service when delivered. A quantity of bombs equivalent to twenty (20) missions per ship per month is also included in this transaction. The Sperry bomb sight will be used. The supply of these twenty (20) bombers is additional to a priority of delivery for twenty-six (26) B-24 consolidated bombers. The net result is that the British will obtain forty-six (46) heavy bombers not later than the spring of 1941.

The orders placed for the British Empire are gradually increasing. The following shows the situation in the last report received:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft</td>
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</tr>
<tr>
<td>Other</td>
<td>$1,168,794,925.65</td>
</tr>
<tr>
<td>Capital Asst.</td>
<td>$137,841,514.98</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$2,559,641,001.58</td>
</tr>
</tbody>
</table>
A study is being given in the War Department to British programs designated (A) and (B). These programs are for ground troop armament and embrace the needs to maintain armament in service in England and new requirements for the expanding British Army. The (A) program covers the maintenance phase and the (B) program is for new equipment. The (B) program will involve American models. The study now being given is for the purpose of determining how and when these programs can be fulfilled.

In connection with British procurement, efforts have been made in the past to obtain a detailed statement from the British covering their procurement program in this country. It has been possible heretofore only to obtain fragmentary reports, but we are now advised that they are prepared to submit, in usable form, a complete munitions program.

Information has been received from a Canadian tank officer that the obsolete Renault tanks turned over to Canada are being put into commission very rapidly and that the Canadians are well pleased with their performance in training tank personnel. About seventy-five percent of the tanks furnished are now in operation.

Conferences have been held by the British with the Navy Department concerning the production of the Oerlikon gun in this country. The conversations are tending toward a joint program of the Navy Department and the British for 5,000 guns; of this number the British will take 4,000 and the United States 1,000.

Further conferences have been held to find a solution for the supply of binoculars to the British. The urgent need is for 7 x 50 binoculars of the marine type. These are needed to equip British merchant ships. It is stated by the British that by the use of good binoculars, attacking aircraft can be spotted at longer distances and more effective means taken to defend the ships. The question of supply from United States sources is not yet settled but seems probable that the 3,200 7 x 50 glasses urgently needed can not be supplied for five or six months.

Consideration is being given to a site for a proving ground at Quabbin, Massachusetts. This is a state water supply project which would seem to be suitable for temporary use as a proving ground. Authorities of Massachusetts approve this site for a proving ground and investigation is also in progress by the War Department to determine whether firing in that area would be safe. This proving ground will be used for long range firing and other limited facilities developed at production plants for proof work which can be done at such plants.

GRECE

Representatives of a commercial company visited the War Department in connection with requirements of the Greek Government for munitions. These representatives were referred to the Greek Legation and it is to
be expected that there will be further approaches to our Government for munitions assistance to the Greeks. The British have informed us that they are actively interested in the Greek needs and have already supplied a considerable quantity of material. It is expected that there will be some pressure to persuade our Government to take some effective measures to assist the Greeks with their munitions problems.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
Rosp'y forwarded to the President.

E.M.W.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President is
Report No. 64 on the subject of Foreign Inquiries for
Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President is
Report No. 64 on the subject of Foreign Inquiries for
Production of Munitions.

(Signed) ROBERT P. PATTERTON

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO:  The Secretary of War
               The Secretary of the Navy
               The Under Secretary of the Navy
               The Assistant Secretary of War
               The Assistant Secretary of the Navy
               The Deputy Chief of Staff
               The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time, a brief report on foreign inquiries for military equipment, the following notes are made:

   **BRITISH PURCHASING COMMISSION**

   The Canadian loading plants for artillery ammunition are progressing very rapidly. No. 1 plant at Montreal will initiate its production on December 15, 1940, and will reach capacity on certain calibers in January or February. Three other plants are projected and work has already begun on the engineering features. Considerable assistance was given by the United States in the form of designs of these plants. The unusual feature about No. 1 plant has been the speed of its construction. About five thousand (5,000) men have been occupied in constructing it in the past two months. The Canadian representatives have paid several visits to Picatinny Arsenal and have been given much technical advice. Their present concern is for information on fuze loading which will be the output of the fourth plant. Consultations with Picatinny Arsenal on fuze loading are being arranged.

   A study is in progress to establish the relationship of production capacity created by U. S. orders to capacity created by British orders in this country. The reason for the study is that the creation of future new plants by the United States will be influenced by the capacity created by the British, and that we can theoretically count on British capacity in considering the maximum effort which can be supported from United States resources.

   British contracts continue to be furnished for the use of the War Department and are being distributed to interested personnel for study. This is one of the stipulations in clearances for negotiations.

   There is still an interest in the procurement of possibly two hundred (200) light tanks of our design, but to date no contract has been placed.
CONFIDENTIAL

As the 60 mm and 81 mm mortars and their ammunition are included in the so-called B-program of the British, inquiries have been received as to the steps to obtain the use of these designs. They are the property of the Stokes-Brandt Company and the British have been referred to that firm to initiate discussion for American rights.

Work is in progress in the War Department on the British (A) and (B) programs and a preliminary report has been prepared.

A statement of British orders for items other than aircraft, showing delivery schedules, has been received and is in use in connection with the study on the relationship of British capacity to that of United States referred to above.

Some of the British artillery which originally went to Aberdeen Proving Ground for demonstration has been sent to Fort Monroe.

NETHERLANDS

The Netherlands' authorities have consolidated all of their procurement activities into a new organization called the Netherlands Purchasing Commission. Heretofore there have been four separate agencies purchasing materiel for the Netherlands Government.

CHINA

The Chinese Air Mission has submitted a program for aircraft and anti-aircraft equipment. This program includes the equipment needed to round out fourteen (14) air bases and one hundred twenty-two (122) airbases now existing in China as well as procurement of airplanes and anti-aircraft artillery. A rough estimate indicates this program is in excess of $200,000,000 and unless priorities are given could not be supplied earlier than the spring of 1942.

URUGUAY

Requirements for the strengthening of the defenses of Uruguay are being studied in the Navy Department.

SWEDEN

Negotiations are being undertaken to purchase from the Swedish Government 2,050,000 rounds of caliber .45 ammunition, now stored in New York, for which an export license was revoked. This ammunition is suitable for our needs and negotiations have been undertaken to exhaust this method before resorting to requisition.

THAILAND

Negotiations with the Siamese Minister are in progress to take over ten (10) airplanes consigned to Thailand which were detained at Manila.
Six airplanes still on order in this country are also involved in these negotiations. The Siamese Government seems disposed to cooperate in selling these planes without resorting to requisitioning and the main problem is to determine what charges claimed by the Siamese will be allowed.

BRAZIL

Decision has been reached to make an offer to Brazil to take over the problem of procuring the necessary munitions in this country, to round out equipment sold to that government several months ago. This will include ammunition for 6-inch and 7-inch guns and carriages for 12-inch guns. The proposition submitted to the Brazilians is that the Ordnance Department of the Army take over this problem under the authority of the Pittman Act, the work to be done at the expense of the Brazilian Government.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
Respectfully forwarded to the President:

E.M.W.
WAR DEPARTMENT
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D.C.

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 65 on the subject of Foreign Inquiries
for Production of Munitions.

Robert F. Patterson,
The Assistant Secretary of War.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 65 on the subject of Foreign Inquiries
for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
REPORT No. 65.

MEMORANDUM TO: The Secretary of War
The Secretary of the Navy
The Under Secretary of the Navy
The Assistant Secretary of War
The Assistant Secretary of the Navy
The Deputy Chief of Staff
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time, a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

An order is being negotiated with the American Car & Foundry Company for two hundred (200) light tanks of U. S. Army design. It is expected that these tanks will be of a model known as the M-3 which has several improvements over the M2A4 now in production. It will be recalled that this firm has a production order for the United States Army. The British order will be fitted into the production schedule so that there will be a minimum of interference with our own orders.

Conferences have been held in the past week with Brigadier Stuart, Deputy Chief of Staff of the Canadian Army, and there have been obtained from him lists of military items required for home defense. In addition a statement of a troop basis for home defense has also been furnished by him.

Considerable study is still being given to what is known as the British (B) program which involves armament of American pattern to be produced for ten (10) divisions. The ordnance part of this procurement has progressed to the point where a definite plan for production can shortly be presented to the British representatives.

Within the last few days, a British technical mission consisting of experts in various phases of aircraft work has arrived in this country. There will be conferences with interested U. S. government personnel concerning standardization of aircraft material and many other technical details. It is expected that the mission will spend most of its time at Wright Field. In this connection, the arrival of this Technical mission is an extension of the idea of sending to this country production and technical men of special qualifications to assist with the many problems incident to procurement.
The British have asked for samples of our light tank, scout car, tank machine gun, and anti-tank gun to be sent to England for the instruction of personnel who will later use these items when supplied from the United States. Study is being given to ways and means to supply the samples desired.

A recent visitor from one of the American technical societies has furnished the information that the United States specifications have been largely employed in the Rolls-Royce engine order with Packard Motor Company. The specifications referred to are those of the Society of Automotive Engineers for aircraft materials, developed over the past few years by a committee of that society.

Advice has been received from the British that they desire to negotiate with the Bethlehem Steel Company for some thirty-seven hundred (3700) guns of British pattern to replace wastage in the United Kingdom. The capacity desired is three hundred (300) guns a month from new facilities and we are advised that approximately $18,000,000 will be involved in this order.

The Chief of Naval Operations has certified that fifty (50) 4-inch naval guns and twenty-five hundred (2500) projectiles for them are not essential to the national defense and can be furnished in response to a request from Canada for guns to equip mine sweeping vessels for North American defense. In addition to this request, another one has been received from the British Admiralty asking for the maximum number of this type gun which can be spared from U. S. government stocks. It is understood that these additional guns are intended for the armament of merchant ships, mainly Allied ships which were taken over and are now operating under the British flag. There is reluctance by some of the shipmasters to sail without defensive armament.

Over four hundred (400) Preliminary Negotiation Reports have been received from the British Purchasing Commission since the system of clearing procurement by this method was instituted a few months ago. These negotiation requests are furnished only for procurement orders in excess of $150,000.

As of November 23, 1940, the British orders placed in this country were as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft</td>
<td>$1,297,730,886.85</td>
</tr>
<tr>
<td>Other</td>
<td>1,236,524,214.02</td>
</tr>
<tr>
<td>Capital Assistance</td>
<td>143,781,066.48</td>
</tr>
<tr>
<td>Total</td>
<td>$2,678,036,167.35</td>
</tr>
</tbody>
</table>

To meet their proving ground needs, the British have been considering a site at Quabbin, Massachusetts. This site has been investigated by representatives of the Army and it has been found that the disadvantages
outweigh the advantages for a proving ground in this area. The British have been advised to seek another site.

CHINA

Information has been received from the Dupont Company that the Chinese Government is exercising an option to purchase one thousand (1000) tons of TNT on an old contract with that company. In this connection the Chinese Government practically paid for the construction of one TNT line at the Barksdale Plant of the Company and is now exercising its rights to obtain further supplies from these facilities.

SWEDEN

An offer has been made to the Swedish Government to buy 2,050,000 rounds of Caliber .45 ammunition now stored in New York for which an export license was revoked. This ammunition is urgently required by the Army and if it is impossible to obtain it by the present negotiations, requisition proceedings will be initiated.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President is Report No. 66 on the subject of Foreign Inquiries for Production of Munitions.

Robert P. Patterson,
The Assistant Secretary of War.
MEMORANDUM TO:  The Secretary of War  
The Secretary of the Navy  
The Under Secretary of the Navy  
The Assistant Secretary of War  
The Assistant Secretary of the Navy  
The Deputy Chief of Staff  
The Chief of Naval Operations.

SUBJECT:  Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time, a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

The project to transfer to the British Government twenty (20) B-17C airplanes, complete with armament and a supply of ammunition for three months operation, has been approved by the Secretary of War. It will be necessary to change the bomb sight and automatic pilot to the Sperry system. This work will require about two months. The British have accepted requirements to order twelve hundred (1200) heavy bombers from American manufacturers and to furnish immediate information on the combat performance of the B-17C type of airplane. It is expected that work will be initiated immediately to make the necessary conversions to the Sperry system either at the Boeing plant or at the Sacramento Air Depot. A further feature of this project is the training of British crews to operate these bombers. This detail will be arranged in conformity with the wishes of the State Department, as the training of foreign combat crews is a matter beyond the purview of the War and Navy Departments.

Arrangements have been made to grant a priority for the supply of one hundred and thirty (130) tons of tetryl from U. S. orders. The British were expecting production from a new Western Cartridge Company plant, but this plant has not been able to deliver as promised. Fortunately the War Department is in a good position with respect to supply of tetryl and can grant this priority without any interference with the loading program.

A request has been received for samples of the U. S. models of light tanks, scout cars, tank machine guns, and anti-tank guns. The British desire to send these samples to England for the instruction of personnel. It seems probable that a priority for delivery of sample tanks and scout cars will be granted and the Military Attache in London supplied with the machine guns and anti-tank guns with instructions to demonstrate them to the British. It will be recalled that the British
either have orders, or expect to place large orders in this country for these items.

Negotiation requests for procurement and requests for technical information continue to be received in large numbers. Every effort is made to handle these requests as expeditiously as possible, but delays are inevitable because of the extent of the information desired in some cases. For example, the drawings for the Army light tank have just been requested for use in connection with order for two hundred (200) of these tanks. Several thousand drawings are involved in this request, all of which have to be withdrawn from the files and supplied in the form of brown prints suitable for reproduction.

A study is being made of the United States and British machine gun program. The British orders at the present time are as follows:

Caliber .50 machine guns 43,327
Caliber .30 machine guns 47,360

These orders do not cover all of the requirements. To the end of 1942, the total requirements are as follows:

Caliber .50 80,403
Caliber .30 52,235

As the United States requirements are also large, it is apparent that the combined production problem for machine guns is one which requires most careful planning.

Information has been received that the British propose to cancel a contract with the American Car and Foundry Company for 12-inch Howitzer H. E. shell. They have offered this capacity to the Army and Navy. The rate developed on this order is three thousand (3000) a month and the work is being done in the Buffalo plant of the company. Decision has not yet been obtained whether the military services are interested in taking over this capacity.

The Memphis powder plant operated by the duPont Company for the British Government is now in production and is turning out some rifle powder. We are also informed that the British have approached the company to expand this plant to produce additional quantities of cannon powder and to install a line for tetryl.

BRAZIL

General Amaro, Deputy Chief of Staff of the Brazilian Army, is in this country at the present time and will remain for some time to supervise the procurement of military supplies for the Brazilian Army. He will doubtless give first consideration to a project submitted by the War Department to the Brazilian Government to take over the procurement of certain ammunition and gun carriages needed to round out materiel sold to that government several months ago.
The Brazilians are inquiring for twelve hundred (1200) tons of toluol. It is assumed that this means that they intend to create a high explosives plant.

A project for an aircraft factory to be developed by the Intercontinent Corporation collaborating with the Brazilian Government has also come to our attention. The raw materials and machine tools will have to come from the United States. It is expected that the initial manufacture would consist only of training types of airplanes with engines and propellers of types which are not in a bottle-neck position in the United States. The machine tool problem is, of course, most difficult. It seems probable that if the Brazilians press for assistance to create this factory, there would be no objection if there is no interference with the British and United States aircraft programs. The Intercontinent Corporation, referred to above, is the firm which has built an aircraft factory in China and has been very successful in constructing airplanes in that country under difficult conditions.

NETHERLANDS

A new Military Attache has joined the Netherlands' Legation and will now take over contacts with the War Department formerly handled by the Naval Attache. Another officer has also arrived from the Netherlands Indies to take the place of Lt. Colonel Fischer who has for the last six months been in charge of the Netherlands Ordnance Commission in New York.

The most active project at the moment for the Netherlands is one for the production of tank mines. The War Department is cooperating by furnishing the drawings and specifications for our model of mine.

For the Clearance Committee, Army & Navy Munitions Board:

CHARLES HINES,
Colonel, U. S. Army,
Chairman.
MEMORANDUM FOR GENERAL F. M. WATSON,
Secretary to the President,
The White House.

Enclosed for the information of the President
is Report No. 66 on the subject of Foreign Inquiries
for Production of Munitions.

(Signed) ROBERT P. PATTERSON
Robert P. Patterson,
The Assistant Secretary of War.
General E. M. Watson  
Secretary to the President,  
The White House  
Washington, D. C.
RESPECTFULLY FORWARD TO THE PRESIDENT:

E. M. W.
WAR DEPARTMENT
WASHINGTON

DEC 31 1940

MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the President is
Report No. 67 on the subject of Foreign Inquiries for
Production of Munitions.

Robert P. Patterson,
Under Secretary of War.
MEMORANDUM FOR GENERAL E. M. WATSON,
Secretary to the President,
The White House

Enclosed for the information of the President is Report No. 67 on the subject of Foreign Inquiries for Production of Munitions.

(Signed) ROBERT P. PATTERSON
Robert P. Patterson,
Under Secretary of War.
MEMORANDUM TO: The Secretary of War  
The Secretary of the Navy  
The Under Secretary of the Navy  
The Assistant Secretary of War  
The Assistant Secretary of the Navy  
The Deputy Chief of Staff  
The Chief of Naval Operations.

SUBJECT: Foreign Inquiries for Production of Munitions.

1. In accordance with instructions to submit from time to time, a brief report on foreign inquiries for military equipment, the following notes are made:

BRITISH PURCHASING COMMISSION

A Preliminary Negotiation Report has been received indicating that the British are intending to place another order for 500,000,000 rounds of caliber .303 cartridges, valued at $20,500,000, with the Western Cartridge Company. This order is intended to use the capacity of the New Haven plant of this company during the latter part of 1941 and the early part of 1942 not covered by the existing order. The cartridge making machinery was purchased by the British for the expansion of the New Haven plant and it is expected that it will be installed within the next three months. This machinery has a capacity of 75,000,000 rounds per month. Another negotiation report indicates that 360,000,000 rounds of caliber .30 cartridges will be placed with Remington Arms Company to develop a production capacity of one and one-half million rounds per day, of which one-third will be for British and Canadian use and two-thirds for Netherlands East Indies. This order is valued at $15,750,000 and will involve capital assistance of $2,900,000.

To meet an immediate need in England, a request has been received to furnish one hundred (100) light tanks of U.S. Army design. This is assumed to be a requirement arising out of measures to forestall an invasion in the near future. It does not seem practicable to furnish more than sixty-six (66) tanks on this request because only this number is still due from a production order with the American Car & Foundry Company. The other thirty-four (34) would have to come from the Armored Force and the Chief of Staff has decided that he does not wish to take any tanks from them.

Several export licenses recently received indicate that the British are sending aircraft to outlying possessions. For example, seventy-five (75) each of the Model 167-B Martin bombers are to go to the Gold Coast of Africa and to South Africa. In addition one hundred and sixty-
eight (168) Brewster Model 339 fighters are destined for the Straits Settlements.

A small quantity (780) of Springfield rifles is also due for export to the Straits Settlements. These were evidently procured from commercial dealers in the United States.

The first six B-24 airplanes on order with Consolidated Aircraft Company are nearly ready for delivery. It will be recalled that these are 4-engine bombers and that sometime ago a priority for the delivery of twenty-six (26) of the type was granted.

The first B-17C airplane of the twenty (20) airplanes to be turned over to the British has been flown to the Boeing Company in Seattle for the installation of the Sperry bomb sight and automatic pilot. This first airplane will indicate the engineering work necessary to convert the other nineteen (19) for the Sperry installations. It is expected that the Boeing Company will send its mechanics to the Sacramento Air Depot to install the Sperry equipment at that station. The Army Air Corps will remove the Norden pilots now installed in these ships at the air depot before the Boeing mechanics arrive.

Advice has been received from the Remington Arms Company that a letter of intention has been executed with the British to manufacture Springfield rifles. The initial order will be for 500,000 rifles on a total requirement of 1,000,000. The manufacture of these rifles will be accomplished by the use of rifle tools at the Rock Island Arsenal which will be transferred to Ilion, New York and leased to the Remington Arms Company.

Staff action has been completed and submitted for approval to turn over eight 10-inch guns and some ammunition for them to the Canadian Government. These are fixed guns which will be removed from our harbor defenses within the next few months and transferred to sites on the East Coast of Canada.

Considerable pressure is being exerted to obtain a priority for delivery of powder for .37 mm gun ammunition. This request rose out of destruction of the Hercules Powder Plant at Kenvil, New Jersey, which was expected to supply the powder to another company which has the loading contract. It is not known as yet whether it will be possible to grant a priority with the Hercules Powder Company so that the British can carry out their loading schedule as originally planned.

BRAZIL

In a previous report reference was made to a proposition submitted to the Brazilians to take over their procurement of ammunition and 12-inch gun carriages to complete the armament sold to them several months ago. The Brazilians have now asked for an estimate of the costs of the program of assistance by the War Department. The original stipulation was that the Brazilian Government should pay all of the costs as required by the Pittman Act. In connection with this program, an effort is being made to obtain the services of a retired Army officer to advise the Brazilians with their munitions problems. The services of such an officer is not a
new proposition, but dates back several months to the naming of an officer by the War Department, but no action was taken on his appointment by the authorities in Brazil. Meanwhile, he obtained other employment and it is now necessary to seek another officer.

SWEDEN

The Swedish Legation has informally advised that it will accept an offer by the Secretary of War to purchase 2,050,000 rounds of caliber .45 ammunition now stored in New York and for which an export license was revoked. The acceptance of this offer makes it unnecessary to institute requisition proceedings and the Army will be able to get the ammunition to meet pressing needs.

FINLAND

The Finnish Military Attache advises that he has obtained some Hotchkiss machine guns which will be modified for Russian ammunition. He had to obtain these machine guns in order to sell a large order for 7.62 ammunition now in production with the Winchester Company. It is expected that some other foreign country will now be willing to take the 7.62 ammunition on order, possibly the British, now that machine guns suitable for its use will be available.

BELGIAN CONGO

The Belgian Ambassador has presented a request for assistance in arming the Belgian Congo. The War Department is arranging to supply 7,100 Enfield rifles, but cannot supply any ammunition for them. The British have been approached to furnish at least three and one-half million rounds of ammunition from their U.S. orders to go along with these rifles. Negotiations are also under way to purchase eighteen (18) Stokes-Brandt mortars and ammunition. The Belgian request included anti-aircraft equipment, but it was necessary to state that no anti-aircraft equipment is available, nor can it be procured for at least a year.

LATIN AMERICAN COUNTRIES

Work has begun on the requirements of an armament program for the Latin American countries and a study of ways and means to supply these requirements from U.S. production. A board is being appointed to review the needs of the Latin American countries and present a program to the Secretary of State. The present idea is that the Latin American program might well follow directly after the current U.S. Army program, with token deliveries of certain items toward the end of the U.S. program. As there are many items involved it is expected that a considerable statistical background will have to be established as the point of departure for the construction of the plan.

For the Clearance Committee, Army & Navy Munitions Board:

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CHAS. HINES,
Colonel, Coast Artillery Corps,
Chairman.