THE FUNCTIONS OF THE NAVY INDUSTRIAL ASSOCIATION
IN INDUSTRIAL MOBILIZATION PLANNING
12 June 1946.

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General Armstrong

Commodore Richards

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GENERAL ARMSTRONG:

Admiral King, distinguished guests, and gentlemen of the College: Yesterday we heard about one of the great civilian organizations that support the industrial planning of the Army. Today we are going to hear about the Navy Industrial Association.

The officer of that association who does the pick-and-shovel work is Commodore Richards, who graduated from the United States Naval Academy in the Class of 1912. Commodore Richards has a great number of distinguished marks on his career. Possibly the one he might tell us about to the greatest edification of the class would be his experience aboard the JACOB JONES, which was the only ship of the United States Navy that was sunk by enemy action in World War I. He, as a matter of fact, received a letter of commendation from the Secretary of Navy for his distinguished service in that engagement, and was authorized to wear a Silver Star on his Victory Medal. Now if he had been in the Army, he would have been awarded a Silver Star. Apparently the Navy are not as generous.

During World War II he had command of the United States Naval Reserve Midshipmen's School at Columbia University. When I was up there last week I saw my friend Richards made Doctor of Science of Columbia University, along with Mr. Fermi and Mr. Urey of atomic fame. Everybody at Columbia assures me that this doctorate that our friend Richards received was exceedingly well earned.

So, gentlemen, it is a privilege to present to you this morning Commodore Richards, who is the man behind the scenes, and in front of the scenes in the Navy Industrial Association.

COMMODORE RICHARDS:

With your kind indulgence I would like to begin with a text--a paragraph written by the Honorable James Forrestal, Secretary of the Navy to the founders of the Navy Industrial Association in September 1944.

He wrote:

"The future welfare of our Nation requires that the Navy not lose touch with the manufacturers and businessmen who have contributed so much to the technical advance of the Navy during the past four years. We need a group of patriotic men through whom the Navy can learn of the most advanced industrial and commercial techniques, and to whom we can turn for disinterested advice on research, manufacturing and procurement."

The Navy Industrial Association was an outgrowth of the orientation courses for businessmen conducted by the Midshipmen's School at Columbia

University during the war and to which I shall refer later. It was created as a non-profit corporation the following purposes listed in the by-laws:

"Article 11"--Object

"The particular business and objects of said corporation shall be a non-profit, educational, charitable, and scientific association to establish a close working relationship between the department of the Navy and industrial concerns to the end that the national welfare is protected and advanced.

"To provide mutual understanding between the Department of the Navy and industrial concerns of problems of each to the end that such problems can be met through co-operative effort between the Department of the Navy and industry.

"To provide and give direction to scientific research in all fields which affect the maintenance and growth of the Department of the Navy.

"To assist the Department of the Navy with technical information relating to industrial experience and practice."

It is not necessary for me to explain in detail to you gentlemen the reasons for the existence of a Navy Industrial Association. They parallel and supplement the reasons for the existence of the Industrial College. In the case of the Navy a close relationship with industrial development is, and always has been, of the highest importance--for a Navy fights essentially with machines, be they sloops, frigates, gunboats, submarines or airplanes, and we have gone into every war since 1812 with radically different machines. For the benefit of the Army men among you, let an old sailor go into brief detail:-

In 1812, we fought a series of brilliant individual ship actions with frigates which might be compared with the present day cruiser in the rating of fleet strength. The Battle-Wagon of the day was the ship-of-the-line. We had none available and did not have the capacity to build a fleet of ship-of-the-line great enough to match England's. Neither did we have officers trained in large fleet maneuvers.

But we could build Frigates, fast, sturdy ships with a single gun deck, and we could manage them. In one action after the other the "Constitution" and the "United States" defeated British ships of similar class. In his best historical work, "The Naval History of the war of 1812", Theodore Roosevelt gave full credit for these victories to better ships.. No greater lover of individual prowess in battle ever lived than T.R. he gloried in the skill and seamanship of Hull and Decatur, but he points out that the deciding factor was, in almost every case, a better ship, more heavily armed or more sensibly gunned.

The Civil War found us with a fleet of antiques, many of them sailing ships converted to steam. Two great developments came out of this war--the screw propeller which John Ericcson installed on the "Monitor" and The River Gun Boat.

The River Gunboat was the landing ship of its day. It was designed for a specific purpose and it was built on a production line. The design was standardized; wooden ships, timbers, engines and guns were ordered from all available suppliers and assembled at a number of shipyards, notably by James B. Eads in St. Louis. 30 ships were built on one design, 23 on another and there were innumerable mortar boats and tinclads. This was mass production on a large scale, and mass production was an innovation pioneered by Eli Whitney and Samuel Colt less than 30 years before the war. I cite this instance of applied industrial "know-how" to point out that even in the war between the states, most often remembered for the high strategy of the infantry commanders, the weight of up to the minute Naval Engineering was a back breaking force which enclosed the confederacy in a cruel and fatal grip.

The fleets of Foote and Porter which wrested control of water transportation from the confederacy were said to be able to "go any-where it was a little damp" and represented applied ingenuity at its best.

The "White Squadron" was in the process of building when the war broke out in 1898. Our Naval actions at Manila and Santiago proved that preparedness pays. We were ready with ships and guns and we won two actions with amazing ease.

In 1917 we fought what might be described as a destroyer and subchaser war. Here again we were fortunate to be able to get ships ready to meet conditions. Had we had them ready in 1914, would Admiral Von Tirpitz have placed such reliance in the u-boat? We fought this war over again in the Atlantic in World War II, using better weapons against better u-boats. In the Pacific we faced an entirely new problem in fighting and developed the fast Carrier Task Force.

Ships, which take months to design and years to build, are the most complicated machines created by man. The need for a close connection between the Navy, and the people who must build it, is blatantly obvious.

As an association we are merely the bridge or connecting link between the Navy and industry--industry as represented by more than 430 of the most important present and potential Navy contractors. The benefits of our activity will, we hope, extend to all Navy-business relationships.

As I have just explained, we need only look at history to know that the machines with which a Navy fights must reflect the very latest in industrial development and technique; and because of the time involved in building machines, the Navy must not lag behind industry nor must industry lose sight of the needs of the Navy.

Our first task then, as an association is to establish as many lines of communication and interest as possible, and to develop a broad program of mutual effort.

It was recognized from the beginning that there are many types of associations and that our policy would have to be carefully laid in order to do the best job for the country. Some associations have, and

need, large treasuries of money. They are engaged in the promotion of ideas and the creation of public opinion. We are not that kind of an association. Instead we hope to be a reservoir of brains, "know-how" and experience and, as such, dependent more upon individuals than on dollars.

In setting up our association, it was felt that it would be more desirable to have memberships held by companies than by individuals. There is a high degree of continuity in a corporation, plus a breadth of comprehension that embraces many fields and many experts. By considering a company as a member we are able to draw upon all the personnel resources of that company, from the laboratory to the counting room; and, as diverse as the problems of the Navy may be, we can find, through our member companies, men who can understand them, and work toward their solution.

Each member company designates a representative through whom association affairs are cleared and through whom we draw expert help for our work. These representatives are, generally speaking, men on the executive level. Concerns with plants and factories far from New York and Washington have tried, in most cases, to appoint representatives who are frequently in those cities in order that they may be more easily available for association contacts. Each company also names an alternate representative who receives a duplicate of all communications sent to the list of regular representatives. This gives us a double contact with the member company and is useful because in many instances the representative may be located in New York and the alternate at the factory in the west.

These representatives elect a board of 45 trustees who in turn select officers and an executive committee in whose hands the management of the association actually rests.

Our program, which is very flexible as I shall soon point out, is carried on by committees. The personnel of these committees is drawn from the member companies and, when considered necessary, non-member companies have been asked to send people to sit in with us.

The basic framework of our committee structure parallels the organization of the Department of the Navy. As permanent standing groups we have committees assigned to contact the Navy Bureaus-Aeronautics, Supplies and Accounts, Ships and so forth. These committees are in regular contact with the bureau chiefs for easy across-the-table discussion of joint problems, and a general clearing of the air in regards to policy and practice. Should the need arise, either side may suggest the formation of a subcommittee to handle a specific problem. At the moment the Bureau of Ships contact committee has subcommittees working on the following:

"Development of flange standards"
"Examination of valves and strainers
From German submarines"
"Design of tracks for amphibious
vehicles"

You see we really can get down to minute problems instead of broad generalities.

One of the most interesting developments in this phase of our activity has been the recent establishment of a training program in industry for officers of the supply corps. Under this plan some 18 naval officers have been assigned to various industrial concerns for an intensive study of business methods in accounting and procurement. Each of the participating companies has agreed to assign an executive to supervise the training of the officer and each has worked out, from its own experience, a course designed to present a thorough indoctrination in business methods.

The companies participating in this first program represent a cross-section of industry from standard brands and General Foods to the Pennsylvania railroad and the Lukens Steel Company.

The possibilities of this training program are tremendous. Not only will the Navy gain through the proficiency of officers who have acquired a first hand knowledge of business practice, but also it will have made friends.

This is not an experiment. The bureau and the committee plan to set it up on a permanent basis so that there will always be a group of officers in industry keeping abreast of commercial practice. Furthermore, the idea is going to spread to other bureaus. What better training ground is there than the fiercely efficient school of American industry? What better way is there to know a man than to meet him on common ground? We hope this program will expand until there is never again any talk of "impractical officers" or "wooden-headed businessmen."

Now obviously much of our work must transcend the bureaus. Problems that affect two or more bureaus, or the entire department, are handled by a somewhat different type of standing committee. The broad subject of research and development is covered by such a committee. There is no more important subject before us today and we have been fortunate in getting together a steering committee of outstanding industrial scientists headed by Dr. M.J. Kelly of Bell Telephone Laboratories. This committee has begun its work by arranging a series of exchange visits to Navy and industrial laboratories with the idea of exploring the whole field of research from the point of view of the Navy and setting up subcommittees in critical fields. We are working with the Office of Research and Inventions to stimulate interest in many fields of development.

Research--development and engineering--this represents the technical side of our activity. On the other side is the matter of business practice. It is no secret that many times in the past the Navy and industry have not enjoyed the most enjoyable contractual relations. The chief reasons for this were two-- first, a basic difference in philosophy, and, second, a lack of understanding of each other's problems.

One of the earliest tasks the association faced was the ironing out of a difference of opinion in the contract offered to companies sending technicians to Europe to investigate German science and industry. The trouble lay in the patent clause, which was so written that the companies invited were not anxious to sign it. The association brought together the patent lawyers and experts of a dozen companies; a substitute clause was written; and, with a few slight changes, adopted by the Navy. It is notable that the committee in framing the new clause, took into account the Navy's

peculiar position as a government agency and followed the general broad outlines of government policy.

The Patents Advisory Committee has been established as a permanent committee and is ready to assist the Navy in a similar way at any time. It helps industry, too--for industry wants to do business with the Navy on what it regards as a suitable basis.

An even more important committee is the Contracts Advisory Committee. At the moment it is wrestling with the very knotty problem of escalation clauses, trying to work out a form of contract which will be acceptable to both sides. In this case the association is working with the executive office of the secretary, through the assistant secretary and the general counsel.

These plans and activities I have described present a concrete program which can expand into a great and useful relationship between the Navy and industry. This is the tangible function of the Navy Industrial Association.

The intangible function is just as important, and perhaps more so. Certainly it offers a tremendous opportunity for the Navy to help itself in the peace-time period; and, as you all know, the Navy has lost more battles in peacetime than it ever did in war.

The last war came upon us more or less gradually. There were enough government contracts around the country because of WPA, Lend-Lease, and so forth, to give many businessmen an early taste of what it was like to do business with the Navy.

Furthermore, the planners had a rough idea of the factors which had to be met in the event of total mobilization. Yet no matter how perfect the plan, how polished the scheme, how carefully studied the detail, there was one element which could not be traced on a blueprint nor drawn on a chart. This was the element of human contact.

I want to add a note of personal explanation here. I am a Naval Academy graduate and served 26 years on active duty. Upon my retirement I went into business; and so, when recalled to active duty in 1940, I was well aware of the differences in thinking which lie between the man in uniform and the man in mufti. There is nothing immoral. Wicked or unpatriotic about these differences. They exist because the two groups grow apart, in different environments and have different incentives and goals.

Nor is it strange, that there should sometimes be a lack of understanding. It is a credit to our regular officers, both Army and Navy, that it was possible to make the adjustment at all. The pressure was terrific and the services were doing business with concerns which apparently had heard of the Army and Navy primarily through their annual football engagement. Into this tense picture were thrown thousands of reserve officers who had to absorb the policies, procedures and traditions of the services in a matter of a few weeks and on top of that, leap into business and industrial situations with which they were not always familiar.

The job of tying our industrial potential to the war machine was done, well done, superlatively done-----but with the typical American love of efficiency, let us agree it could have been done better.

In 1943, the then Under Secretary of the Navy, Mr. James Forrestal, caused to be set up at Columbia University a series of orientation courses for business executives. These became a part of the Midshipmen's school of which I was in command, and with my hearty endorsement and approval. I felt then, and still feel, that these courses played a major part in building cordial relations between industry and the Navy.

Because company policy is determined at the top level, we sought to have in our classes men whose interest and influence would be reflected by closer working relationships with the Navy.

These men came to us--and I'm afraid some of them came somewhat dubiously--and in 10 days we crammed them with as complete a picture of the Navy's problems as possible. The lecturers were the chiefs of the various bureaus or experts in various types of operations. We managed to include inspections of the submarine base at New London, the lighter-than-air establishment at Lake-Hurst and other activities in the 3rd Naval District, in the short time allowed.

The results were excellent. Once these men understood the Navy's problems and the reasons why the Navy Maintained certain policies and standards, they developed an entirely new concept of the picture. And so enthusiastic were they over the possibilities of close communication between the Navy and industry, that they laid the groundwork for the formation of the Navy Industrial Association as a permanent instrument of communication.

It is therefore a part of our program to keep this interest and enthusiasm for the Navy alive--to keep the lines of communication open--on a personal basis.

With 430 member companies scattered across the country, it is obviously not easy to bring the key-people of each company into regular direct contact with the Navy in peacetime. It is our aim to Establish this contact for as many as possible in as many ways as possible.

We can do a small part of this job by mail. Our monthly report, special bulletins and literature are sent to the representatives regularly. The response is good, but this is not direct contact.

Frequently the Navy is able to include a limited number of our members on shakedown and training cruises. These are direct contacts and excellent ones; they are but temporary.

The continued interest of our members is going to depend upon continued personal contacts and the definite growth of our committee activity. A great deal of the responsibility for this lies with the Navy itself. The Navy must accept our program in the spirit in which it was born and the Navy must live with us, work with us and educate us.

We expect the Navy to point the way to us for the solution of those problems which will be faced in the case of another Pearl Harbor. Once the Navy, which because of its great knowledge of how to use industry, developed research and its resulting new methods, new missiles and new weapons, has described the course, industry will try to follow it.

The day will come when we, as industry, may be able to tell the Navy--"you are on the wrong track. We know better." -- But industry will hesitate to take that step until it is thoroughly acquainted and completely indoctrinated in Navy plans and in Navy methods: In other words--if industry is going to be on the team, it must be taught the signals.

The Navy must realize that we are on the same team and that if industry is critical--it is only because industry is trying to be constructive. So far our discussions have been carried along on a fine, frank, friendly basis, but the Navy should never forget that the job of selling the business man an interest in the Navy belongs to the Navy itself. I cannot go before the members of my association as an apologist for the Navy. Our committees are made up of the best brains in specific branches of business, they are willing to work but they must be given tasks worthy of their abilities and their conclusions must be listened to and acted upon.

As an association we recognize that the whole question of industrial mobilization is plagued by the same factors which have always prevented us from developing an adequate inventory of our skills, machines and resources.

First: There is a general public apathy to industrial mobilization which develops a negative effort upon necessary legislation.

Second: Any industrial mobilization plan which would be adequate would be so incredible that too many people would scoff at it.

Third: In the light of rapidly changing scientific developments, any industrial mobilization plan becomes obsolete almost as soon as it is made.

The first two factors can be overcome by public education which is bound to develop. The third, however, is very much our own job.

The industrialist, in the light of his recent experiences, is wholly conscious of the requirements of the job, should another emergency arise. He is well aware of the necessity for speed--in fact, he suspects that the national security will be best protected by a degree of preparedness which anticipates emergency. He will assist and cooperate with any sensible plan for industrial mobilization, providing--the services approach him with a respect and understanding of his problems in peacetime as well as war.

Industrial mobilization demands that the military machine and the industrial machine be completely integrated and to do this we must first eliminate all points of friction and dislocation, and, second, adopt the most efficient business methods. The Navy Industrial Association, The Army Ordnance Association, and the services themselves, are working intelligently toward the solution of the first problem.

The second phase must be approached by some overall plan which will give us a perpetual and liquid inventory of the resources for national security in materials, machines and men. Ten thousand ships are useless without ten thousand chronometers and we may have the design for the best rocket or jet engines in the world, but those designs are useless unless we have enough special alloy steel to build them.

Any such overall plan would embrace elements beyond the limitations of the discussion here but let me remind you of the chain of considerations which have a bearing on industrial mobilization.

The nation's foreign policy should be backed up by its military and naval power. Military and Naval requirements would then be formulated in terms of what men, weapons, equipment and supplies would be necessary for the national security and the preservation of world peace. These requirements would be extended to cover the needs in the event of an emergency.

These requirements would then need to be translated into places of manufacturing and schedules of procurement--schedules that go all the way back to raw materials, machines and man-power.

Due consideration would have to be given the civilian economy, and production schedules so planned.

Production capacity must be used efficiently and any program of mobilization must combine a realistic co-ordination and balance.

All of this planning must, by its very nature, be carried on at the very highest level, for it involves the primary functions of government, cuts across almost every office in the cabinet, and comes under the jurisdiction of Congress.

The President of The Industrial Association, Mr. E.E. Wilson, of United Aircraft received a telegram from Mr Dupré, Chairman of the Army and Navy Munitions Board yesterday requesting that he, as President of the Navy Industrial Association, the head of the Aircraft Industry Association, head of the Army Ordnance Association, meet with the President of the United States on June 19 to take up, under the chairmanship of the Army and Navy Munitions Board, the question of industrial mobilization. So you see it is moving into the higher brackets.

In the absence of such a master plan or policy, the activities of an association of companies deeply interested in the national welfare are definitely limited in regard to National industrial mobilization. Our members are less interested in "unification of the armed services" than they are in co-ordination of all the elements involved in an emergency--the diplomatic and military branches with the industrial potential and the raw material supply. The great concerns of the business executive during the last war were less with the Army and Navy than they were with the problems of material and manpower.

Without a master plan for national mobilization the alternative is for the Army and Navy to produce a realistic program of their own which would:

1. Determine thier own possible requirements.
2. Determine current and potential production Capacity.
3. Analyze the needs in materials and machines and work toward the acquisition of those materials and machines.
4. Review the location of production equipment with a view to its diffusion for protection in an atomic war.

As I have said before, this must be a perpetual and liquid inventory. We must not stock pile obsolescence. Industry will do its best to keep up with the Navy and the Navy must do its best to keep abreast of industry. In our association we have the Machinery for keeping the two working together in the most cordial and useful relationship. Our people are enthusiastic and interested, the Navy has shown itself to be equally so. What will happen tomorrow, no one can say, but I am sure we are off to a good start on a sound program of service to the nation.

GENERAL ARMSTRONG:

Commodore Richards, it is most gratifying to the Industrial College of the Armed Forces to know that the President of the United States is now confirming our opinion of the great value of your Association and the Army Ordnance Association by having this meeting at the White House. We are very glad to hear that.

COMMODORE RICHARDS:

So were we.

GENERAL ARMSTRONG:

I wanted to ask you what is the determining factor in eligibility for membership in the Association? Is it open to any industry that requests membership?

COMMODORE RICHARDS:

It is open to any industry which request membership, provided its application is apporved by the Executive Committee.

GENERAL ARMSTRONG:

Well, have you turned anybody down?

COMMODORE RICHARDS:

No; not yet. I think there are several firms that we are not going to request they renew their membership.

GENERAL ARMSTRONG:

Are these mostly prime contractors, or do you encourage subcontractors to come in also?

COMMODORE RICHARDS:

The regular members are almost exclusively in larger prime contractors. Then the subsidiaries of those firms have a special type of membership which is known as "technical membership", which they join. The Waterbury Tool Company as an example has technical membership, its parent company being a member in its own right.

GENERAL ARMSTRONG:

I think, Commodore Richards, that you would agree with me since we have, as you know, a distinguished guest here this morning, a former member of the faculty of the Industrial College, that we would welcome any comments Admiral Ring would care to make.

COMMODORE RICHARDS:

Delighted to have them.

GENERAL ARMSTRONG:

Admiral Ring, would you care to say anything, sir?

REAR ADMIRAL MORTON L. RING:

Mainly, General Armstrong, to confirm what Commodore Richards has said, namely, the tremendous value--not, I am sure, completely realized yet on either side--of such an organization as the Navy Industrial Association; the chance to get together with the top side of industry--and I mean the right top side--where you avoid the process of delay which was so notable in Washington during the war, and get right down to grips with the problem.

Commodore Richards alluded, for instance, to one of the difficulties--and it has been a difficult problem--in working out a satisfactory clause for escalation. The Commodore and the speaker have exchanged personal views on the subject. We have not solved the problem completely. I have found--and this is just something we have got to clear up--a little bit of difficulty on the part of industry, as represented by the Contractors' Advisory Subcommittee on Escalation. I felt they were coming in to have a business negotiation with the Navy alone, whereas, of course, the Navy's position was right side by side with that of the War Department; right side by side with Treasury Procurement and Maritime Commission. I, myself, attended a meeting in the Office of Economic Stabilization where we were told in no uncertain terms that each Federal government department was supposed to hold the line.

Now we have cleared up a lot of misunderstandings. If Commodore Richards has not received a letter yet I am sure he soon will, stating we have gone ahead with the problem of escalation. I have written him a letter, which I intend to ask him about at the conclusion of this meeting, to see if he won't use the influence of his Association, in the matter of escalation,

to get us firm price bids of small dollar value,--I say "small"; I selected the figure of $10,000 as small; "short" time delivery and I arbitrarily selected 90 days as being a short time--in an effort to get firm price quotations.

The reason for that was that in our field procurement there are many thousands of documents of less dollar importance, and the business of expecting the purchasing agents to go into a long-winded legal discussion is very difficult. I am sure that if the Commodore hasn't an answer for me today, he will have very shortly.

I simply want to point out that, connected as I am with Navy Department procurement policy, I know the work that is being accomplished by the Industrial Association, through its committees and subcommittees, is going to be of tremendous value to the Navy.

It has been a pleasure for me to be here this morning and listen to this very fine talk.

GENERAL ARMSTRONG:

Thank you, Admiral Ring.

Gentlemen, are there any questions you would like to ask the Commodore?

REAR ADMIRAL RING:

There is just one more thing I would like to say; your (referring to General Armstrong) question led up to it. I know Commodore Richards sees eye-to-eye with this view: The fact that any company is not a member of the Navy Industrial Association obviously does not, cannot, and will not affect the Navy's business dealings with any company.

You asked the question how these companies are selected for membership. Whether it be a member of the Association, or not, the Navy Department obviously is going to continue to do business with any company that it thinks can do the work. That, of course, is Commodore Richards' position. Anything else would by unthinkable.

GENERAL ARMSTRONG:

The reason I put the question, Admiral Ring, was that I was surprised that there were only 430 companies, because in time of war you would naturally have many more subcontractors. Because of them I was hoping eventually you would get in a greater number to work along with you.

COMMODORE RICHARDS:

We probably will. The number is growing all the time.

I would like to explain one thing further. The Association does not take the attitude that it is necessary for a firm to be a member of the Association in order to serve on the Association's committee. I thought I brought that out. We haven't had a single committee of any importance on which were not firms who were not members of the Association.

The usual way a committee is selected is that Industry will bring up some topic. We will ask the Navy Department's suggestions as to who should serve on such a committee. They do not care. They do not go out and look to see whether they are a member of the Association or not. But we attempt to include in the committee activities any firm whom the Navy thinks can contribute because, after all, our Association is fundamentally to help the Navy and incidentally to help its members.

I think I should make it clear, possibly, that the Association does not attemp in any way to get any of its member-firms business or to get its member-firms any preferential treatment from the Military Services. To do so would--well, you might as well close the place up and lock the door. Our functions, strange as it may seem, is patriotic: to help our industrial preparedness and to do anything we can to serve the Nation.

GENERAL ARMSTRONG:

Gentlemen, in making the introduction here this morning I made an agreement with Dr. Richards that I would be highly factual, which I was. However, at the end, I want to congratulate the Commodore on his very lucid presentation. Also to congratulate the Association on having him as the working member of the organization. And, finally, to congratulate the Navy, as well as the Association, on what they are doing on this extremely essential job of improving the relationship between the Armed Forces and Industry. I hope that the Army will not think just because the Navy started it that that idea they have of organizing these schools for industrialists is something that we can't do also. It is an excellent idea and I think it should be remembered by all of us here.

Thank you very much, Dr. Richards.

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