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JOINT PRODUCTION EFFORTS

7 January 1947

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Students

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JOINT PRODUCTION EFFORTS

7 January 1947

COL. GODARD:

Gentlemen, the subject that I shall discuss with you this morning, Joint Production Efforts, has had a great amount of thunder, but very little rain. I may also add, there has been a terrific amount of heat and very little light. It has gotten itself into merger, unification, and a lot of other things that very definitely do not belong within it. The material that is available when we try to study this problem is sketchy and it is opinionated, to say the least. From my conclusions on my reading on the subject I would say it is very definitely inconclusive.

During the past few weeks we have had Admiral Strauss, Admiral Ring, and General Armstrong lecture us; and all three of those gentlemen have touched on some aspects of this problem of joint production. Their talks, being very specific, did not stress the fact that victory goes to the side which makes the most and best utilization of its resources. If this lecture has a theme, this is it--that victory goes to the side which makes the best utilization of its resources. The effective utilization of resources involves planning for industrial mobilization, the utilization of manpower, the exploitation of natural resources, and a host of similar things.

Your interest and our interest here in the Industrial College is primarily in the utilization of men, materials, and facilities, or, as we term it, industrial mobilization. Previously in the course you have heard discussions as to the necessity for controls and the utilization of available materials to the utmost. This lecture is on another aspect of that same problem. In this case the utilization of available facilities means the use of the actual plant, the proper use of the floor space, the machines, the management, that is the managerial talent and managerial skill.

To digress slightly, that was probably the most acute problem in the entire war--management skill. We just did not have enough executives or men with executive capacity to take care of the tremendously expanded productive effort to which we put ourselves. One plant, for example, expanded from a total in the spring of 1937 of seven men to a total in 1943 of 82 thousand. Just picture the executive capacity and ability involved in a job like that. I bring that point to you not that it has any bearing whatsoever on this discussion, but as a point that is often overlooked--this very decided lack of managerial ability during the war.

The lecture I am going to give you will cover the aspect that I have mentioned. I have said that victory will go to the side making the most effective utilization of its resources. Certainly production facilities are resources.

Since we have three services--some people might question that, but we will call them three--Army, Navy, and Air, there is going to be competition amongst them for these available facilities. Whatever else it may do, that competition will surely never lead to victory. It is readily apparent to you, I am sure, that some method must be devised to prevent this competition and to exploit our resources to the maximum.

Despite the old aphorism, "We learn nothing from history, except that we learn nothing from history," it is my belief that in planning for the future we very definitely can look to the past. We can look to it for mistakes, for errors of omission and commission. We should be able to learn of the good things we have done and the bad things that we have done. With that thought in mind, we might perhaps spend a few minutes examining World War I, its historical background and its problems.

As some of you gentlemen know, and as I know only too well, during World War I the Air Forces did not fly a single American airplane over the lines in combat. They were equipped with British and French airplanes. For artillery you will remember we had mostly French field pieces. Our dough boys used machine guns that were of British and French manufacture--Lewis guns and others. Last but not least, these same dough boys even followed foreign tanks into battle. I think the worst criticism that we can make of the productive effort of this country in 1917 to 1918 is the fact that not a single American tank was ever used in combat in France.

To dwell on that for a moment: In my research for this lecture I found a great deal of information on the manufacture of such things as tanks. It is almost impossible to conceive that this country would spend as much money as it did on tanks and still never get one into combat.

There was a failure to meet production schedules all along the line. I believe that failure can be very definitely and correctly traced to the weaknesses and the deficiencies of the Services in estimating the economic situation. We had practically no officers, either Army or Navy, who had the slightest conception of what went on inside the walls of a factory. Today that sounds hard to believe. And that is in no sense a criticism. The Army and the Navy had grown up in their little sovereign worlds as a universe apart. I think that day is gone forever.

But that is probably one of the basic reasons for the fact that we did not know, as services, our minimum needs. There was severe competition, almost unbelievable competition, between the technical services of the Army, and between the Army and the Navy. There was competition between our requirements and those of our allies. Lastly, there was terrific competition between our war needs and the needs of the civilian population.

I have read many very interesting reports concerning joint production, some made by this College, signed by names that today are glorious. One was made by Major Eisenhower, which is very interesting. I would say that probably half a dozen of those reports contain names of men who in those days were lieutenants and captains and in rare instances majors or lieutenant commanders. Today some of those men are three-star admirals and three-star generals. Gentlemen, it is really surprising to see how forward-thinking they were, the students in this school, in the recommendations that they made.

I would like to tell you about one report that was made by a young lieutenant commander in which he suggested some of the cures that I hope to talk about later on. He made a minority report the opening paragraph of which was something like this: He regretted to have to make this minority report; that the rest of the members of his committee felt he was young, inexperienced, and ambitious, and that his ideas would clarify and solidify as he got older. Later some of those members became our leaders. I think we have all seen that same type of thinking.

To get back to the situation I was discussing: No matter where you looked, the story was the same--duplication, competition, waste. There was competition for the same raw materials, and in some cases there was competition for the same finished product.

Let me give you a concrete example. There were five army corps--known in those days as army corps, today called technical services--all buying hardware. In some of those corps there were four separate, distinct departments buying the same hardware, with no contact between them and with no consideration for each other whatever. No wonder we had a lot of hardware left when the war was over.

Then, too, the record shows that production men and inspectors, instead of trying to do the job together, competed violently for the same deliveries. They tried to see that stuff went to their own people instead of somewhere else.

Competition between the Services was not new in 1917 and 1918. I find that they had that same problem in the days of Washington. As early as 1799 the Chief of Ordnance was unalterably opposed to joint production efforts between the Army and Navy. I quote excerpts from the Ordnance Chief's report to Congress on the organization of a board to execute joint Army-Navy production. This is something, gentlemen, that I think you will really enjoy.

"Subject: Inexpediency of appointing an Army and Navy board owing to the professional antipathy of the two services to joint undertaking.

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"Para. 4. * * * It seems to me that such an organization would be attended with many disadvantages. This is a board that would be composed of the most discordant materials, formed as it would be of two classes of military men of the most opposite views, education, and habits, and this discordancy in materials would produce a corresponding opposition in views and want of unanimity in action. The same views that operated adversely to a decision before the board would still have the same bad influence before the Secretaries of War and Navy, requiring in many cases the matter of disagreement to be carried to the President. Let us suppose the question is decided by the President, the Secretaries, or even by the board. In that decision we see a triumph gained by the Naval over the Military, or by the Military over the Naval officers, and every such triumph having the effect of producing consequences still more baneful in the succeeding operations."

After World War I it was clearly recognized that this problem of competition must be solved. Congress was up in arms then, as they are now, about the waste and duplication. Not only that, but the moneys were running out fast. This question, then as now, of the waste of facilities and materials and money had become a matter of public moment and public discussion. Congress then passed the National Defense Act, and the Services rediscovered the usefulness of boards.

I pause now to give you Amon Carter's definition of a board. He said, "A board is a group of men who individually can do nothing, but who as a group can meet and decide that nothing can be done."

I think it is only fair, since we are criticizing boards, to tell you what he says about instructors. He says, "An instructor is a man whose job it is to tell students how to solve the problems which he himself has tried to avoid by becoming an instructor."

Let me return to the National Defense Act. Under the provisions of the Act the Office of the Secretary of War was charged with the responsibility for mobilization of materials, resources, manufacturing facilities, and the like in case of emergency.

In order to discharge this responsibility there was created a Planning Board. This Planning Board, fully determined not to repeat the mistakes of 1917 to 1918, spend many, many hours trying to arrive at a reasonable solution of the problem.

One of the things they did was to appoint a branch known as the Facilities Branch. The Facilities Branch had the choice of two ways in which to avoid competition. One was by cooperation between the Services. The second was by allocation of facilities.

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Now, strangely enough--this point never occurred to me until I dug into this material-- while it sounds easy and seems reasonable, cooperation is one of the most fundamentally hard things to achieve that you can imagine. It is a very difficult thing in peacetime, for example, when materials are plenty, to go to your opposite number and try to get to him to agree with you on the use of materials. If you want that material, he will probably say, "O.K. I will use something else."

The same thing is certainly true in the way of facilities. In peacetime there are certainly enough facilities to take care of the Army, the Navy, and the Air Forces without any argument. If you want the Baldwin Locomotive Company and I want the Willow Run plant, there is no argument. We agree and go our separate ways.

The allocation of facilities, on the other hand, was a simple matter. Under that system they divided up the necessary facilities needed by them so that they could function during the peacetime years. The supply branches determined the facilities that they thought they would need in a war emergency. Under the plan it was supposed that the Services had decided just what each facility should do and had set up a war production schedule for them.

I might tell you that the Central Procurement District of the Air Corps had one man, Colonel Drake, then Captain Drake, in the Detroit area, with one stenographer, and around two hundred dollars expense money, if I remember my figures correctly; and he was supposed to survey in 1937, and 1938, three hundred plants. You can see just how much sense there was to the allocation program as it actually existed in the field.

However, it did do one thing. It eliminated a lot of arguments. As I say, if you wanted a plant and somebody else wanted that plant, you finally came to the conclusion that you would swap around. Or in case the argument couldn't be settled in that way, it was carried to the Office of the Secretary of War, and there a final allocation was made.

When the plan was first conceived, the Services rushed out to grab off plants. In 1923, for example, the Services claimed five thousand five hundred plants. In 1926 they hit an all-time high of twenty thousand. But by 1940 these lists had dropped to 8,500. Most of that list of twenty thousand plants was of manufacturers of commercial items. Many of those were dropped because in wartime they would still continue to manufacture those commercial items.

You might ask why we had to have allocation when in peacetime we had excess facilities. There was no shortage of facilities problems when the plan was set up. The Army and Navy were each perfectly willing to agree that it was a good idea. The allocation plan was a paper plan. It did not require too much thought and it was very easy to apply in peacetime.

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Don't misunderstand me. I am not being critical of the planners. At least they were trying. But I find myself in the same situation as the editors of "Time" did some years ago. You may recall that they ran pictures of a nudist wedding. They were promptly swamped with letters. On the one side there were scathing letters of condemnation from narrow-minded people about running such terrible pictures. On the other side broad-minded, liberal-thinking people praised them for their attitude. After all, it was news. Toward the last they got a letter from a young man which said; "I neither praise nor blame. I would merely like to ask one question -- what is the name and address of the third bridesmaid from the left." I am in that position of neither praising nor blaming. I am trying to set forth to you things as I found them.

Cooperation, in comparison with allocation, requires real coordination. It is much easier to deal with paper plans for the future than to suffer the pangs of cooperation. The Services, by the allocation plan, marked out what I call "spheres of interest," and lived again within their little ivory towers. They made allocation of facilities to coincide with their requirements and their extant sources of supply.

The allocation system was the core of all planning. It was considered to be the key to supervision of procurement and production. It was believed, and rightly so at that time, that it would obviate the costly, competitive purchasing system that we had followed in World War I.

It was a preparedness program based on a formal declaration of an emergency. There was to be an M-Day, which would come and bring the fruition of the plans which had been made. Manufacturers were to start tooling up or to go into production. Schedules that had been made under the plan were to be conformed with. Contracts were to be issued. Everything was to go along beautifully on this formal M-Day. The unfortunate part of the whole thing was that we had no formal M-Day.

When World War II arrived, it turned out far different than the ideas that the planners had in mind. Allocation failed completely. The system broke down under the pressure of war. This was in no sense the fault of the planners. The services expected too much from the plan. Much more than was originally contemplated when the plan was set up.

Allocation failed primarily for three reasons. First, for eighteen months to two years before we got into the war at all, United Kingdom and French, and some Russian orders were being placed in the very plants that had been held under this allocation system. Aircraft factories were a perfect example. Every one of them was loaded with British and French orders. Those plants had been allocated to either the Army or the Navy, but in many cases the military orders of this country had to go elsewhere.

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The formal M-Day never arrived. That is the second point. Instead, we had what I call a creeping M-Day: Somebody else lecturing from this platform said we backed into the war. I think that is a fairly good statement.

The third thing is that the allocation plan, being a paper plan, was unrealistic. The available allocated facilities were no longer adequate to meet the requirements of total war. Put yourself in the place of the contracting officer. Here you are placed in an office. Your organization, your technical bureau, had issued orders or had issued requests to procure millions and millions of dollars worth of equipment. Sums that two years before were beyond your most vivid imagination, were being expended. You, as contracting officer were certainly not going to stop and consider whether this plant was allocated to the Quartermaster and that plant was allocated to the Bureau of Ships. You were going to place that order any place that you could get it taken providing that the contractor to whom you gave it was able in your opinion to deliver both the quantity and the quality in the time that you desired it. Obviously allocation under such a system was bound to collapse. There was no regard then for previous commitments that I have been able to find.

Then, too, I think the planners can be very properly criticized for failing completely during the eighteen months period of limited emergency to require that these plans be followed or at least that they be consulted. When S-Day, "shooting day," or, if you prefer it, Pearl Harbor, arrived, it was entirely too late to go back in the allocation plan. The heavy load placed on the facilities made it absolutely impossible.

So we faced in the early days of World War II exactly the same situation that we had faced all during World War I. We had out-and-out competition by the Services, wasteful not only because it made an impossible situation regarding critically needed facilities; but, even more, it involved a terrific waste of public funds. That waste is best expressed in terms of the income tax that you and I are forced to pay today. It was obviously retrogression and could not continue if we were to win a total war.

Allocation having failed, the Services turned to the other alternative--cooperation, which had been so neglected. Now, the terms "cooperation" and "joint production" cover a multitude of sins. For the purposes of this lecture I have resolved them into three major patterns--joint buying, collaboration of buyers, and single or cross procurement.

This chart shows an example of joint buying. (Indicating Chart 1) Let us say that this is the Army Medical Corps of the Army and this is the Medical Department of the Navy. Under this system the two organizations got together in a joint agency staffed by Army and Navy personnel and met with contractors and bought on that basis. You see how the line

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of control goes on down. The control of procurement was assigned to this joint agency; and the agency, as I say, was staffed by personnel from both interested services.

The Medical Departments are supposed to be the outstanding example of that particular type of buying. According to the record they have a joint purchasing, expediting, and fiscal laboratory office now operating in New York. That plan is very much praised as far as the Medical Departments are concerned. I fail to see why. It seems to me that a pill is a pill whether bought with a blue stripe on it, or an O.D. stripe. It certainly goes into the same kind of belly whether covered with blue or O.D. They talk of 85 per cent of it being joint but I can't see why it couldn't be 99 per cent.

The second type of buying is a collaboration of buyers, shown by this chart. (Indicating Chart #II). In this one we have a common physical location with the two services buying separately. It has, in my opinion, only a limited application. That is, contractors are able to find Army and Navy people in the same office. Contracting officers can compare prices. In some cases they may be able to find a surplus in one group; and instead of buying on their own, they can buy this surplus from the other contracting officer. That is about the sum and substance of that type of buying. Examples are textiles, clothing, fuel, and lubricants. The contracting, as I say, was done separately, by separate buying staffs. They all had a common location, which benefited the contractor more than it benefited the Army or Navy.

The last one is single-service or cross procurement. (Indicating Chart #III). This is the only really combined, cooperative buying. Under this system a service would be assigned the responsibility for the entire purchasing for the Army and Navy of a particular requirement. For example, in food and most subsistence items, the Quartermaster Corps bought 80 per cent of the Navy's needs and all the Army's needs.

Contrast this with the Boston produce market in the early days of the war, when the Army and Navy technical services were buying. A Quartermaster buyer told me that the dealers were deliberately rigging the market; that the Service buyers were bidding the price up by bidding against each other, and were consistently paying more than the local buyer would pay for the same product. Actually under the cross procurement system that is eliminated, and one bureau or service buys the entire Army and Navy requirements.

I think the outstanding example of it is the Bureau of Air (Navy) and the Army Air Forces system of buying. They got into this single or cross procurement long before the war. During the war they had even greater coordination than they had before the war.

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CHART I.

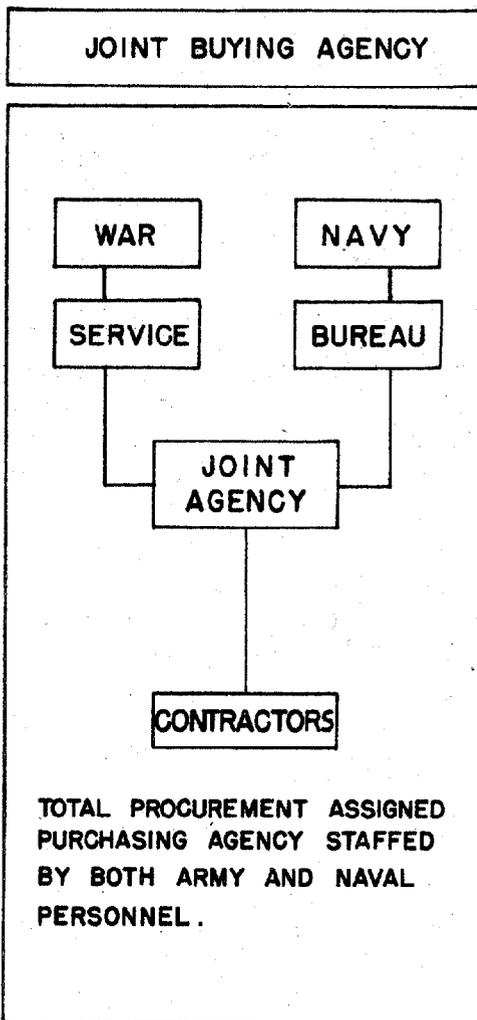


CHART II.

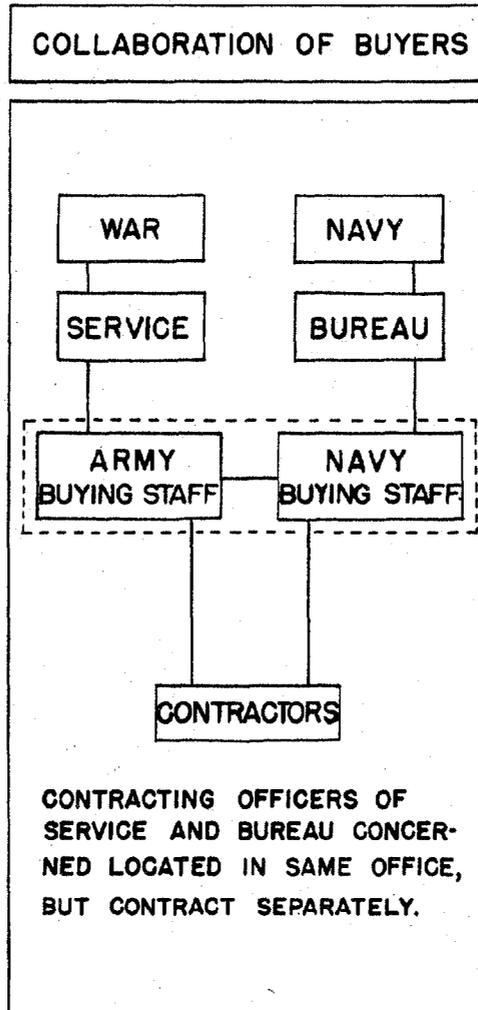
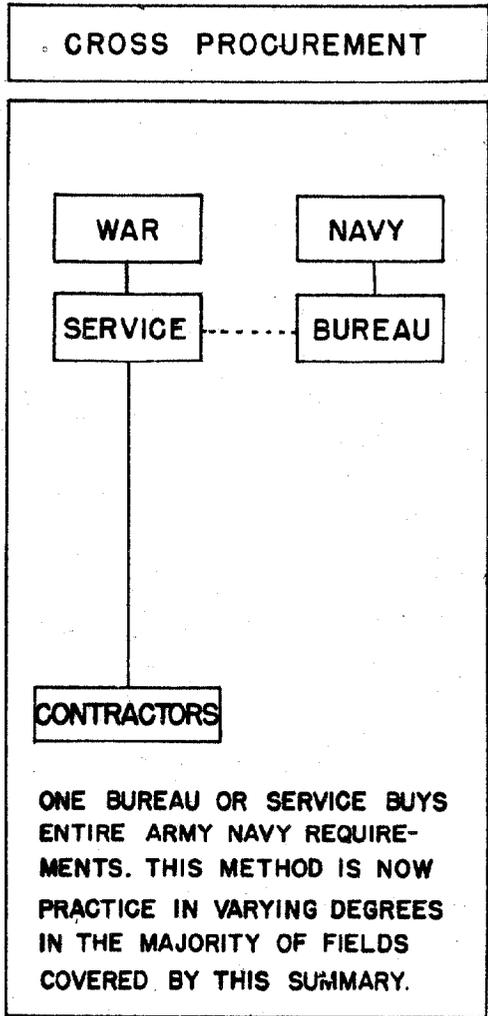


CHART III.



A good example of that would be the Pratt and Whitney engine. The Navy was buying all Pratt and Whitney engines. They did all the inspection on them and had complete responsibility. The Army Air Forces used F&W engines just the same as the Navy. When they wanted them, they went to the Navy and asked for them. The Navy shipped F&W engines to them just the same as they did to any facility of the Navy.

That system had a lot of merit. In the first place, it eliminated a great deal of duplication. It eliminated duplicate inspection. Certainly it has advantages to the manufacturer. He dealt with one service only.

That is about as far as you can go in covering joint production efforts as they actually existed in the war. Certainly our experience proves that what efforts we did make were effective. But you can't measure the effectiveness of a thing like this in terms of a single item such as I have just mentioned. You must consider the influence on the over-all Army and Navy relations.

Let us now make a comparison between allocation and joint production. Allocation leads to separation while joint production pulls personnel of the Services together. Allocation establishes "spheres of interest" while joint production forces "community of interests." Somebody should, I think, have seen that and provided for it. Joint production is bound to pull the personnel of the services together. You can't have joint production unless you get together. Allocation establishes "spheres of interest" as I have said; but joint production forces a "community of interest." Allocation encourages divergent interests, in other words, you go your way and I will go mine; while joint production encourages combined interests. Joint production should in the final analysis lead to common design, which in my opinion is the heart of the problem.

Joint production was relatively limited during the war. There are many reasons for this but I think we can consolidate them into three basic ones. Certainly the most obvious one was the failure to identify common requirements; that is, by description, by nomenclature, and by cataloging. The second was the failure to agree on common specifications. The last was the failure to arrive at mutual standardization wherever it was possible.

Now, I do not propose to standardize a jeep with an aircraft carrier. But I see no earthly reason why we should not standardize air compressors, generating sets for lighting equipment, hand tools, bulldozers, and engineering equipment. There is absolutely no reason why they should be separate. I still would like to know why we have to paint half the jeeps blue and the other half O.D.

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There is a broad area for further efforts to establish truly coordinated procurement, but in my opinion it will require the issuance of definite instructions from the Army and the Navy committing the Services to procuring all common items either jointly or by one of the two Services buying for the other. Any such system of joint procurement or production is going to have to start with, first, identification of common items in all branches; then agreement on common specifications; and, when you have that agreement, then agreement on standardization wherever it is economically possible.

To summarize: I have tried to discuss the possible solutions of joint production problems. I have illustrated, I hope, the accomplishments achieved by these partial solutions. I do not pretend to have solved the problem. I am not claiming to have crossed the T's or dotted the I's. But I want to state that, in the interest of efficiency, in the interest of economy, and in the interest of speedy production in the case of another emergency some solution has got to be found for this problem of joint production, even if it means the abolition of useless overhead dynasties and the dissolution of organizational empires.

I realize, as I am sure you do, that joint production of material presents a difficult problem; but there are many, many fields in which it can be accomplished and accomplished well. Unless a substantial start is made toward joint production of common items, unless substantial progress can be shown toward the economies in cost that will result from such action, and unless this action is initiated voluntarily by the Army and Navy, the people through their Congress are going to force it. I think we as a minority stockholder group in this corporation we call the United States had better get one fact very clearly fixed in our minds. Whatever else we may know, we had better realize that we have fought our last three hundred billion dollar war.

Thank you.

If there are any questions, I will try to answer them.

A STUDENT:

Following your resumé of the production effort in World War I, I wonder if you would give me your opinion of a comparative evaluation of World War II, considering the time element. By that I mean, considering that five or six months before we got into World War I, we elected a president on the "He kept us out of war" platform, which lasted less than twenty months; and that in the Second World War we had a limited emergency for eighteen months, during which we had many munition and defense orders, the point being, what would we have done with comparative timing in World War II?

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COL. GODARD:

I am afraid the answer I am going to give is going to be very discouraging. The evidence of World War I was so obvious that anyone who cared to study it and who would read, for example, "Industrial America in the War" or Barney Baruch's report on American industry at war, and other documents and publications, would see that we went into World War I in an unbelievably hazy condition. We believed those things that we were told. Granted that we had been told there would be no war, because we elected a president who was going to keep us out of war, thinking people certainly saw that thing on the horizon. The same things was true in 1935, 1936, 1937, 1938, and 1939. We saw that same thing on the horizon. We certainly should have done something about it.

Now, in World War II, we did a smart job compared with World War I. We never did solve the question of competition in purchasing in World War I. When the war was over it was still going on. The whole history of that War shows they made absolutely no attempt whatever to get together.

Certainly that is not true of World War II. When allocation failed, they very definitely did try to come up with some solution to that. One of the first things done was to re-activate and re-enliven the Procurement Assignment Board. That Procurement Assignment Board was charged with the responsibility of deciding, and was given the authority to decide, if you or some other service was going to produce this particular item. We didn't do that in World War I.

Considering the scope of the procurement and the lack of knowledge generally of production, and the fact that we had a formal plan. I think that is the most dangerous element-- the fact that that we had a plan that considered a fixed set of circumstances; and if those circumstances didn't exist, the plan was no good.

I believe we have taken a very definite step forward. Certainly we are a long way ahead of what we were in World War I. My contention is that we still have an awfully long way to go.

A STUDENT:

It occurs to me that if we have perfect joint procurement, we still need allocation. If the Army Ordnance buys all of the Navy's ordnance, it may happen that their requirements will compete and we will still need allocation.

COLONEL GODARD:

I have no argument with you, sir, at all. I quite agree that you may have to have allocation of facilities. But your illustration is one that I find rather hard to go along with, because Ordnance procurement is

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peculiar unto itself. It is the one thing, I think, that we make in war that we don't make in peace. We don't make big guns in peacetime.

A STUDENT:

By "ordnance" I didn't mean just guns. I meant all the other things-- recoils, carriages, and things of that kind.

COLONEL GODARD:

I have no argument with you at all that allocation is a very definite tool. It cannot succeed as the sole tool, and can never succeed unless you enforce it before it starts to run away. You can look back and see where those things went wrong.

The ANMB was primarily responsible for a lot of that. They were active in many ways. They still had the responsibility charged to them to do something about it. But due to lack of personnel and other reasons that I am not familiar with, they didn't do anything about it. Now, they may have been perfectly justified. I am only pointing out that somewhere in ANMB or the Office of the Under Secretary of War someone should have seen what was happening to this plan which looked so good on paper.

A STUDENT:

In answer to that I would like to point out one factor. Personally I don't think the allocation system was at fault. I think the allocation system has its merits. The point about the failure of allocation was that we couldn't put the allocation system into effect without authority; and M-Day action was predicated upon the assumption that the war powers of the President would be available to the Under Secretary of War, giving him authority to go to the facilities that we had planned to produce certain things and place orders with them. But when we decided to rearm before we had declared war, the President's war powers were nonexistent, and we had to secure these things in accordance with the laws of Congress, which required competitive bidding. That meant that after having worked with a certain firm, we couldn't use them unless they were the low bidder.

COLONEL GODARD:

I think part of your argument falls on the basis of the argument that you used. You say we couldn't make procurement because we didn't have an M-Day; and that unless we had an M-Day, we didn't have those powers and we couldn't utilize negotiated bidding and had to use bidding of the normal type. If that is true, then something was wrong, and the planners should have foreseen that.

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A STUDENT:

That is what I am trying to say right now. I think you have got to justify this in the light of contemporary events, not in the events of the present time. I am not admitting that they were wrong, but I am trying to point out that they may always be wrong. You never will be able to anticipate what conditions are going to be like when war breaks out. You will always be wrong. You will never be right.

COLONEL GODARD:

I submit that one way we may be wrong is that if we have two producers, we would be only fifty percent wrong if one goes to hell. In this case we had only one plan and no alternate.

A STUDENT:

I am not discussing that point about producers in joint production or procurement. I am saying there must be some reconciliation of requirements.

COLONEL GODARD:

Very definitely.

A STUDENT:

I have another little point that I think you may agree with. I think all you said about one good example of aeronautical and AAF procurement is fine. But I think you also will agree that you might have stressed more the point that there was allocation of facilities and the reconciliation of requirements for years in the Aeronautical Board. Just prior to and during the war the edicts of the Air Coordinating Committee were perfectly mandatory. My point is that it might be well to stress that necessity for the reconciliation of requirements.

COLONEL GODARD:

I see your point--that this is a lecture on procurement. But, since we are all friends here, I might tell you that this lecture was written and completely laid out on Saturday at four o'clock in the afternoon, and that by Monday morning at nine o'clock I had a completely new lecture. I was trying to get away from a procurement lecture, but I finally came to the conclusion that joint production is procurement and that it is nothing else.

Joint production stems from a number of things that in the final analysis are procurement. If you will refer to the first seminar in the series of orientation lectures that we had, you will see that we had a definition of the terms "procurement" and "production." It referred

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all the way back to procurement in all its aspects as being joint production.

The only way you could get actual joint production as such would be to go into a plant and set up Army on one side and Navy on the other and agree to joint use of the machines and the materials and the manpower. That would get us far away from what I would like to see come—a single system of procurement controlled by the Army and Navy, and not because of any merger. Merger is completely out of it. I would like to see a business operation of this job with all purchasing being done under one central organization. My point is that joint production and joint procurement are one and the same baby if you examine them carefully.

Thank you very much, gentlemen.

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