

C171429

Sufficient time has not elapsed for the company to have received, in writing, all orders which have been agreed upon in principle, as the period of time between the decision to give the company business, and the actual receipt of written instructions, is from six to ten weeks.

The position at the present time is that business having an aggregate value of approximately \$450,000,000 (including the aluminum transactions) is now virtually assured, and it is hoped that not less than \$200,000,000 of this total will be for delivery and payment prior to March 31, 1942, with the balance to be delivered before March 31, 1943.

Future Plans

When the company commenced operations it was decided that it would be wise to concentrate on some twenty large transactions which, if consummated, would in themselves successfully implement the purpose of the Hyde Park Agreement. It was believed that it would be harmful to seek a lot of small orders during the period when the large business was in the negotiation stage. However, since it is expected that practically all of the large transactions will be reduced to writing within the next two or three weeks, it appears that the time is now opportune to prepare for an intensive and continuous canvass for miscellaneous business. It is proposed, therefore, that a permanent sales organization be maintained in Washington, consisting of an expert in each of the following lines:

Ordnance and Ammunition
Radio and Secret Detection Devices
Aircraft
Quartermaster Stores

With an efficient wide-awake organization here it is anticipated that a very substantial continuing volume of business can be booked, which might easily run between \$50,000,000 and \$100,000,000 a year.

Survey of Surplus Capacity in Canada

When this sales organization is complete, it is recommended that a thorough survey be made of Canadian productive capacity, probably through the Canadian Manufacturers' Association, and a select list of manufacturers should be authorized to communicate directly with this company in respect to opportunities to obtain business for them in the United States.