

MEMORANDUM

September 14, 1943

To: Mr. Fulton

From: Mr. Sparks

SUBJECT: Reported Closing of the West Virginia Ordnance Plant, Point Pleasant,
West Virginia

Early in August, Mr. Connelly requested the writer to ascertain for Senator Kilgore the production record and certain other information pertaining to the above plant.

He stated that Senator Kilgore had learned that it was to be closed and the equipment turned over to the Hercules Powder Company.

The memorandum furnished to the Committee with regard to Government financed facilities whose production had been cut back gave certain pertinent data concerning this plant. Operated by the General Chemical Defense Corporation, it was constructed at a cost of \$37,034,000 drawn from Ordnance Department funds. At its peak, it employed 2,532 employees. By April 1st, its production had been cut back so that only 2,460 employees were required. It was stated in that memorandum that TNT production by the plant had been curtailed because of decreased requirements.

The memorandum stated that if there was no "N-X" Program under way, the plant would operate in the future at 50% of maximum capacity with the remainder in standby condition. This refers to a program which the Ordnance Plant is undertaking for the Army Air Forces, which for the last eight months has been developing a new substance to be used as an additive to high octane

gasoline for aviation purposes. This substance can be used either to develop the strength or expand the quantity of high octane gasoline. In a letter dated August 6 from Mr. Julius H. Amberg, it is stated that all of the research and development work has been done through small scale pilot operations, the results of which have been sufficiently satisfactory to warrant full scale production. In this development, the Army Air Forces has requested that the Ordnance Department utilize its plant facilities which are adaptable to such production. Acting in accordance with an instruction of the Under Secretary of War, the Ordnance Department has developed a program calling for the utilization of the Cactus Ordnance Works (located in Texas) and for the use of certain TNT lines in the early production or procurement of this substance.

In a memorandum attached to a letter to the Committee dated September 10 from Mr. Julius H. Amberg, the West Virginia Ordnance Plant is discussed at length by Mr. Howard Bruce, who writes for General Lucious D. Clay. He states as follows:

"The unit costs of TNT and quantities produced each month of production at this plant are shown below. The quantity shown for January is an accumulated amount from 21 October 1942, which is the date of initial operation of the first line. The second line commenced operation on 2 November 1942, the third line on 18 November 1942, and the fourth line on 17 December 1942. The quantities have been lumped for this period, because of the fact that steady production is not incurred during the start-up period at a plant.

<u>Month</u>	<u>Production (Pounds)</u>	<u>Unit Production Cost/Pound</u>
January	14,884,000	\$0.1325
February	5,223,000	.1834
March	6,080,000	.1516
April	6,151,000	.1416
May	6,148,000	.1298
June	6,339,000	.1182
July	6,148,000	.1086
August	6,500,000	----
September	8,400,000	----

"The plant is not closed, nor is it contemplated that it will be. It is operating three lines at the present time; the balance of the capacity is being retained in standby for emergency use.

"A comparison of the unit cost and quantity produced during the month of July 1943 in all TNT plants is given in the following tabulation:

<u>Facility</u>	<u>Production (Pounds)</u>	<u>Unit Production Cost/Pound</u>
West Virginia	6,148,000	\$0.1086
Kentucky	8,514,000	.0973
Kankakee	24,007,000	.0807
Plum Brook	22,600,000	.0970
Weldon Spring	26,111,000	.0982
Alabama	15,013,000	.0780
Longhorn	9,804,000	.0898
Volunteer	18,242,000	.0929
Pennsylvania	6,011,000	.1414
Keystone	10,450,000	.1254
Chickasaw	4,775,000	.0799

"At the present time it is not contemplated that any other plant producing TNT will be closed. Should the requirements for TNT decline to a point where it would be uneconomical to operate other plants, then action would be initiated only after a complete review of the whole TNT program, including a determination of the costs, transportation of loaded items, transportation of raw materials, labor conditions, housing, etcetera. All pertinent facts would be taken into consideration and the selections made as to action to be taken.

"It is pointed out above that it is not contemplated that any of the plants tabulated will be closed at the present time. The Lake Ontario Ordnance Works, which manufactures TNT, has recently been closed, and every effort is being made to use the excess equipment in other war plants. A large part of the equipment in this particular plant is being transferred for use in other Ordnance works where it is critically needed."

If any further information is desired concerning this plant, the writer believes it can be obtained from Mr. Bruce in a very short time.

United States Senate

MEMORANDUM

To Sen Kilgore

I haven't
heard from you since
you got the attached
information, and
wanted to make
sure that you had
no further suggestion.

Hugh Fulton