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WPB - 7893

## WAR PRODUCTION BOARD

## ADVANCE RELEASE:

For Saturday Morning Papers

May 5, 1945

Radio Release: 7 P.M., EWT, Friday, May 4, 1945

Cleared and Released  
Through Facilities of the  
Office of War Information

Members of the War Production Board's Radio and Radar Industry Advisory Committee have unanimously approved a proposal of the Radio and Radar Division for authorizing civilian radio production as soon after V-E Day as military requirements fall below stated levels, L. J. Chatten, division director, announced today.

Reflecting the division's conclusion that it would be extremely unwise to revoke or modify General Limitation Order L-265, the basic order regulating the production of electronic equipment, either at the present time or at any specified date in the near future, the program outlines step-by-step procedures for relaxing controls when military orders begin to drop. These orders are expected to exceed the capacity of the radio tube and component industry for some time, Mr. Chatten said.

Mr. Chatten said the estimated one-front war requirements for the last six months of the year average \$197,000,000 a month, or 79 per cent of present outstanding contracts and commitments. However, outstanding contracts and commitments averaging \$249,000,000 per month for the remainder of the year are 18½ per cent higher than the average monthly production rate of 210,000,000 during the first quarter of 1945.

This reflects increasing military demands for new type electronic equipment for the Pacific war, Mr. Chatten continued. On three new items alone, he said, production of \$57,000,000 a month is called for by the end of the year. This is equal to 27 per cent of the current production rate. In particular these new items will require 32 per cent of the current tube production rate and about 23 per cent of the present production rate on resistors, capacitors and other such standard components, Mr. Chatten said.

The proposal that has been endorsed by the industry advisory committee, Mr. Chatten said, calls for the retention of Order L-265 until scheduled military orders for electronic equipment recede below 90 per cent of the average monthly delivery rate for the first quarter of 1945.

At that time, the Radio and Radar Division has recommended to WPB's Committee for Period One -- the period between the end of German resistance and the surrender of Japan -- L-265 should be revised to permit unrestricted production of components, including tubes for replacement purposes and all electronic end equipment except broadcasting, receiving and reproducing equipment for entertainment purposes.

During this period, rating assistance would be extended to the additional production authorized by the revision, except for replacement parts.

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Under the Radio and Radar Division's plan, L-265 would be revoked when scheduled military requirements recede below 75 per cent of the delivery rate for the first quarter of 1945 and a two-band rating system would be continued to assure preference for military and highly essential civilian requirements over other civilian deliveries.

Because component production is completed two or three months in advance of end-equipment deliveries, the plan approved by the industry advisory committee calls for making the revision and the revocation effective three months in advance of the month in which military requirements are scheduled to reach stated reduced levels.

In establishing the revision and revocation levels, Mr. Chatten said, allowance has been made for an anticipated 10 per cent loss in productive capacity due to loss of wartime workers, less overtime, lowered morale and decreased efficiency due to shifting of contracts after V-E Day.

Mr. Chatten said that by the method of relaxation outlined above, the following purposes will be served:

1. Practically unrestricted sale of such components as are needed for repair and replacement purposes;
2. The needed protection of military production will be accomplished;
3. Production and distribution of a very limited quantity of non-military end equipment will be channeled into the most essential uses.
4. The above results will be accomplished with a minimum of paper work.

END OF ADVANCE RELEASE: For SATURDAY MORNING PAPERS, May 5, 1945.

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