

CC: C. W. Borden  
J. E. Strong  
W. H. Davis  
R. H. Grace  
J. Hammond  
W. B. Parsons  
H. J. Hackman  
D. E. Miller



① G. L. Smith

Comments, Pres.

SMA

August 19, 1948

TO: S. M. Alvis  
FROM: E. A. Walsh  
SUBJECT: MODEL 721-722 BARREL MATERIAL

In your letter of July 28th you pointed out that the barrel material originally ordered for the Model 721-722 was purchased in such lengths that even though economical cutting of the bars is practiced, a considerable number of short lengths may result which could only be used in producing 20" and 22" barrels.

We understand that a recent decision by the Products Committee stated that only 24" and 28" barrels would be required for the Model 721-722 guns. This, of course, means that unless subsequent decisions on later models call for 20" or 22" barrels, it is unlikely that we shall have any use for the residual lengths.

We agree, however, that if there is any possibility of using this material, it should be put in storage so as to be available when needed. However, inasmuch as there is a possibility that the material shall be scrapped at some later date, we feel that this should be charged to some development account as it was a direct result of development work. We, therefore, suggest that you issue a development order number against which we may charge the scrap involved. We then shall scrap the material from an accounting standpoint but retain it until such time that a definite decision is made regarding its possible usage.

We do not have provision for  
accounting for this scrap material.  
The plant has an account for  
starting costs, I believe,  
why can't we have the scrap charged  
to this account

E. A. Walsh  
Methods & Planning Superintendent