The New Economics of Business

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Keen competition, a constantly declining price level, and capacity that can easily cause production to run ahead of consumption are three forces now attacking profits in various lines of manufacturing.

Competition is not only keen between individual companies within the same industry, but also between entire industries. Manufacturers having a certain product in common are seeking as a group to win the consumers' favor over another group having common interest in another product. Installment selling has intensified this "new competition."

Declining price levels have increased the problems of the manufacturer caught between the upper millstone of consumer resistance to further rise in the cost of living, and the nether millstone of pressures to maintain current high wage levels, to meet the higher costs for materials, equipment and supplies (arising out of intense demand and threatened shortages) and to absorb the higher costs of doing business. "Hand-to-mouth" buying has thrown the costs of carrying heavy inventories onto the manufacturer.

Capacity beyond that required to satisfy the current date of consumption encourages effort to increase that rate, yet circumstances operating to cut the current rate of consumption would obviously render idle much of the capacity now operating. And there is therefore question as to whether effort to force consumption for the sake of taking up present slack will not seriously jeopardize the capacity now being utilized effectively.
Review of "Statistics of Income" by the U. S. Bureau of Internal Revenue for 1922-1925, inclusive shows a steadily declining profit margin as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Corporations Reporting</th>
<th>Number Making Profit</th>
<th>Per Cent Making Profit</th>
<th>Gross Income (Millions)</th>
<th>Net Income (Millions)</th>
<th>Profit Margin B/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>1922</td>
<td>352,833</td>
<td>212,553</td>
<td>55.5</td>
<td>80,331</td>
<td>6,963</td>
<td>8.6%</td>
</tr>
<tr>
<td>1923</td>
<td>399,993</td>
<td>233,733</td>
<td>55.5</td>
<td>97,457</td>
<td>8,321</td>
<td>8.5%</td>
</tr>
<tr>
<td>1924</td>
<td>417,421</td>
<td>236,389</td>
<td>56.6</td>
<td>97,158</td>
<td>7,586</td>
<td>7.8%</td>
</tr>
<tr>
<td>1925</td>
<td>414,461*</td>
<td>244,544*</td>
<td>54.2</td>
<td>(x)</td>
<td>9,036*</td>
<td>(x)</td>
</tr>
</tbody>
</table>

* Incomplete or partial report.
* Not available at this date.

With the above conditions a matter of common discussion among business men, the time was never more favorable for the application of Simplified Practice and allied waste-elimination measures recommended by the Hoover Committee on "Waste in Industry."

Simplified Practice, or the elimination of unnecessary variety in sizes, dimensions, grades, specifications, "line-numbers," etc., of commonly used commodities, means smaller inventories, quicker turnover, lower costs of doing business, greater efficiency in production and distribution. All of these combine to yield to the consumer good quality and fair price; to the worker good wages and steady work; and to the manufacturer volume business at fair profit.

Those who have applied it in their businesses know these results as FACTS. Have you tested Simplified Practice in your own business?

2. ADVANTAGES OF STANDARDIZATION AND SIMPLIFICATION: We are pleased to quote the following from the book on "Sales Administration" by Walter S. Hayward. "The advantages ordinarily to be expected from standardization and simplification are as follows:

1. Reduced cost of manufacturing. Standardization will naturally make for quantity production. The engineering and designing of special tools will no longer be required.
2. Reduced cost to dealer and consumer. A decrease in manufacturing costs will naturally be followed by a decrease in costs all along the line. The American Wringer Company, for example, reduced an original line of 300 numbers to 60, with consequent lowering of price.
3. Decreased selling expense. Simplification in lines is followed, as a rule, by lowered selling expenses.
4. Reduction in inventory. Less warehouse space is required when the number of lines is reduced.
5. Prompt delivery. Because of the smaller inventory, there is less likelihood of being out of any one line. Delivery may be made promptly from a smaller aggregated stock, but a larger stock of individual items.
6. Wider market. The lower price of the standardized article should automatically increase the market range.
7. Increased turnover. Reduction in stock will result in increased turnover. For example, a certain shoe company turns its stock 12 times a year by concentrating on five standard lasts with standard variations of double-soled, Blucher, black or tan leather, and Oxford or high shoes, making about 20 models in all. The average shoe manufacturer has 20 to 30 lasts and 100 to 150 models. All shoes are made of calfskin. If another type of leather were used, it would mean doubling the number of models.
3. APPLICATION OF SIMPLIFICATION IN MUSIC INDUSTRIES: Simplification and standardization came in for its share of attention at a meeting of the Musical Instrument and Accessories Manufacturers held in Buffalo, March 3 and 4. H. C. Lomb, President, Waverly Musical Products Company Inc., New York City, and chairman of the standardization committee, was instructed to proceed with the standardization of guitars and mandolins, both bowl shape and flat. The committee was also authorized to withhold or recall certificates of standards for instruments which in its opinion do not conform to reasonable minimum limits of quality of materials, workmanship or tone as well as of measurement.

Mr. Lomb also read a paper before the joint session of the wood industries and management divisions of the American Society of Mechanical Engineers, on the subject "What to Expect from the Application of Principles of Simplified Practice in the Music Industries." In concluding his paper on this subject, Mr. Lomb made this very significant statement: "The apprehension that simplification or standardization will destroy individuality rests upon a misconception of the purpose of simplification. Simplification aims only at the elimination of the superfluous, the non-essential. It really enhances the individuality of any given product by fixing the attention on those features which promote the distinctiveness of the product while simultaneously preventing attempts at individuality where it would be superficial and useless."

4. POINTS WAY TO STANDARDIZATION: Announcement on March 31 of the adoption of a standard spindle end by nine manufacturers of milling machines is of unusual significance, not only to the great army of users of metal working machinery but also to the machine tool building industry itself, according to a recent editorial in "Iron Trade Review." "Examination of the new spindle end, arbors and adapters, and nomenclature indicates that the milling machine group has done a thorough job, and one that means much to users of milling machine equipment.

But of equal importance will be the effect on other groups of machine tool builders who from time to time have contemplated standardization but never have progressed beyond the talking stage. The achievement of the milling machine group proves conclusively that work on tool-holding elements can be standardized, that the task can be completed with dispatch, and that the program can be carried out without blare of trumpets until it is finished and ready for announcement.

The milling machine manufacturers deserve much credit for their courage in breaking the tradition of inaction. Their example should exert a constructive influence on other groups of machine builders."

5. STANDARDIZATION FINDS RAILROADS PROGRESSIVE: According to "Railway Age". "The railroads were long ago won over to the principles of standardization of equipment so that the steps taken to apply the same principles to forest products found them responsive. Tie sizes and grades were standardized eight years ago.

The idea in all standardizing is the elimination of waste. In the beginning, there were no grades. Lumber was lumber. As it became scarce, local grading rules sprang up. Even within the same regions there were disagreements as to the interpretation of grades and rules. In the hardwoods, for instance, one association was formed which advocated good face inspection;
another association of manufacturers insisted on inspection from the poorer side of the board.
To cap the climax manufacturers, who liked neither, made their own rules, even publishing them

It is in the soft wood field that the railroads are chiefly interested. Here grades and sizes
grew in number and confusion. All soft woods in this country no matter what the species, can
be classified in grades so that regardless of where we get the stock, whether from the South,
or the West, the grade will be the same."

6. SIMPLIFICATION AND ITS RELATION TO PRODUCTION AND SALES: In his book on "Sales Administration,"
published by Harper & Bros., Walter S. Hayward has this to say: "Simplification and standari-
zation are applicable chiefly to the large-scale, quantity production, machine process, type
of business. Where the market will pay the additional costs of specialization, simplification
and standardization are not ordinarily to be found. There are three aspects of the process
which should be distinguished:

In the first place, the product or products may be simplified or standardized in number, size,
style, price, or other particular feature. Reduction of lines has been a frequent practice of
late years. In many cases this has been carried out with great success. For example, the
Joseph Campbell Company, before 1893 made more than 200 varieties of canned foodstuffs. Its
present policy, however, is to concentrate on 21 kinds of soup, with pork and beans as a side
line.

The second type of standardization has to do with manufacturing practices. A company, for
example, does not desire to have production programs upset by making articles which require
dissimilar machinery for manufacture. If a company finds it desirable to add a new product to
its line, for seasonal or other reasons, something should be selected which will not nullify
the standardized procedure already in use. Confusion can sometimes be avoided by using separ-
ate plants for the different products, as is done by Ford in making automobiles and tractors.

Finally, simplification can be applied to the company's distributive practices, or. through
the medium of trade associations, to the industry in general."

7. SIMPLIFICATION OF SHOE LINES AND PRICES: In December, 1925, at the request of the Merchandise
Managers' Group of the National Retail Dry Goods Association, the Harvard Bureau of Business
Research undertook a study of operating policies and methods in women's shoe departments of
department stores. This study was planned as part of the broad program decided on by the Mer-
chandise Manager's Group for research in the problems of a number of different selling depart-
ments.

The following summary of studies made in two stores will be of interest. (a) Reduction in
Number of Style Numbers. Early in 1923, a certain department store appointed a new manager.
Upon investigating the women's shoe department, he found that the total net profit the previous
year had been 1.4% of net sales. The net sales of $50,000 in 1922 had been made in 460 dif-
ferent styles. The average turnover for the same year had been calculated to be 5.3 times.
It was decided to reduce the number of styles and to keep in stock an ample range of sizes in
the currently popular styles. By 1924, the number of style numbers carried had been reduced
from 460 to 220. This case exemplifies the important point that the necessity of keeping
 abreast of style development should not be allowed to obscure the essential problems of size
and fit. It also illustrates very effectively how simplification can be used as a means toward
an adequate system of planning and control as opposed to a hit-or-miss exercise of judgment.
(b) Reduction in Number of Price Lines. During the early part of 1923 the women's shoe department of another large department store was selling shoes at 16 prices, ranging from $6 to $15 a pair. Competition with other stores made it necessary to carry a wide variety of styles. Usually at least 120 pairs of each style number, in stock or on order, were needed to provide an adequate size selection. Forty per cent of the stock was in comparatively staple lines. The rest of the stock was in rapidly depreciating style lines.

In the opinion of the merchandise manager, style and fit, rather than price, were the governing factors in customers' minds, within a reasonable range, and in the summer of 1923 he decided to reduce the number of price lines in the department to seven. After these changes, sales increased. The practical value of the plan adopted of reducing the number of retail prices from 16 to 7, lay in the greater possibility of fitting customers by having an adequate range of styles and sizes at each of a small number of retail prices, with less danger of an accumulation of overstocks and broken runs of sizes.

STANDARDIZATION OF BATTERIES URGED: Pleas for standardization of their products and for more intelligent study of their distribution problems with the purpose in view of increasing unit profits over their present very low value were made at the meeting of the National Battery Manufacturers' Association held in Philadelphia March 10 and 11.

One speaker told the assembled members that the only significant merchandising action which has been taken by the industry during the past six years has been ruthless price cutting coupled with a lowering of product standards. This has been carried so far in an effort to overcome intense competition that unit profits in the battery field have become considerably lower than they are in most other fields and are below the point where the industry can expect satisfactory net returns from operation.

It was emphasized by several speakers that the lack of proper standards has greatly penalized the industry.

A WORD OF APPRECIATION: The following resolution may be of interest to a considerable number of the readers of this Bulletin.

"The Cold Storage Division of the American Warehousemen's Association at its annual meeting held in Kansas City, Missouri, January 13, 1927, records its high appreciation of the great value of the service and work of those Departments of the Federal Government with which our industry has had relations, particularly in the field of research investigation, standardization movements and informational service.

The Department of Commerce has made a distinct contribution to the welfare of the cold storage warehousemen and the patrons of the industry. This Department has been especially helpful in their cooperative efforts in bringing about the adoption of standard contract terms and conditions, which have served to place the industry on a higher level of efficiency and standing.

We again express to Secretary Hoover our profound gratitude for the helpful work of his Department and assure him that the cold storage industry welcomes their further cooperation and pledges its willingness to assist the Department in every way possible in their work."

STANDARDIZATION OF CRANE MOTOR EQUIPMENT: The Chief of the Division of Simplified Practice received a letter from the president of one of the largest manufacturers of material handling equipment, to the effect that, "It will be interesting for Secretary Hoover and yourself to know that one of the first steps to be taken by the recently organized Overhead Electric Crane Institute, is toward the standardization of crane motor equipment. There appears to be a possibility of cutting down the present number of sizes more than 50% which will effect considerable saving, economy and efficiency."
The Division is pleased to receive this information and wishes to congratulate the Institute upon adopting such a forward looking program of simplification.

11. SIMPLIFIED CHECK SIZES: In the March "Purchasor," official organ of the National Association of Purchasing Agents, Secretary Chandler states:

"The progress being made by the Standardized Check movement is wonderful. One lithographer, producing for his customers about two hundred and fifty million checks per year, reports that approximately 97% of his orders were for the standard checks. This is a fine showing for the one year during which the standardized check has been in existence.

I am wondering how many of our members are interested their corporations in the adoption of the standard check and voucher".

12. RESTAURANT INDUSTRY TACKLING PROBLEM OF WASTE: "How We Go About Solving the Problem of Maintenance" is the title of an article by Christ Laube, in the February issue of "Restaurant News and Management." Mr. Laube states the old adage "a stitch in time saves nine" produces important savings when applied in the restaurant business. He tells how machinery and equipment are maintained at the peak of efficiency by a system of careful inspection and repair.

The hotel and restaurant groups have found in simplification and standardization a very effective method for the reduction of waste and costs. With the cooperation of these two industries, Simplified Practice Recommendation No. 5 for hotel chinaware, and Simplified Practice Recommendation No. 33 for cafeteria and lunch room chinaware, were developed, resulting in considerable saving to the industries concerned.

13. STANDARDIZATION OF MARKING TICKETS: The Monarch Marking System Company of Dayton, has called attention to the great variety of price tickets, tags and labels, used in the stores and the great need for simplification of variety and sizes. Standardization of tickets, tags and labels eliminates hand made and hand attaching to a great extent, according to The Monarch Company. An example of what standardization of marking tickets will accomplish is shown in one case which came to the attention of this company. The procedure was as follows:

"All tickets, tags and labels used in this store were put on a chart. It was found there were 85 various sizes and kinds. A list of all classes of merchandise was made. The question then was - how many kinds of merchandise can be marked with the same kind and size ticket?

It was found that 57 kinds of merchandise could be marked with one size and kind of ticket.

The process of elimination of the various kinds and sizes went on and the stock of tickets was reduced from 85 different sizes and styles to 29. Further standardization shows the possible elimination of 12 more, making a total elimination of 68 and a standardized list of 17."

It is claimed that standardization of marking supplies will avoid confusion on the part of makers, trouble for purchasing department, and having a great amount of money tied up in such supplies.

14. STANDARDIZATION OF FIRE HOSE THREADS: A bill has been introduced in the state legislature of Texas to appropriate $5,000 a year for two years to provide a fund to standardize the hose threads in the various cities and towns in the state. The bill has been reported favorably, and it is believed that it will pass the legislature.
At the present time there are 352 protected cities and towns in Texas, seventy-five of which have standard threads, 209 with threads which will be easily adaptable and fifty-nine with threads which will probably have to be changed. Due to the large area of the state and the wide distribution of the towns, a large amount of work will be necessary before the threads are rechased to conform to a definite standard.

SIMPLIFICATION A WEAPON TO GET RESULTS: In discussing "The Business Revolution of 1927-'37" in the March "Nation's Business," Mr. Merle Thorpe, Editor of that magazine, speaks of the tremendous changes which are taking place in our industrial life. Mr. Thorpe is of the opinion that a peaceful revolution as strong as the industrial revolution of 1800 is under way. Great economic currents are driving new channels; a new day presents a new business landscape. The great new force is group endeavor. The individual no longer relies alone on his own efforts. He is pooling his resources with others in mass activity. Labor early saw the advantage. The business man fights today for new markets and a larger share of the consumer's dollar through his trade cooperatives, and there are now 2,000 trade associations.

Group action by research and experiment is advancing industries, where it is well-nigh impossible for the individual to carry on. And put a pin here: the small business prospers as a result of the group action. This is perhaps the most significant phase of the present-day revolution—it means the survival of the small establishment. His part of the expense of organization is slight compared with the big corporation which has its own research laboratories, its statistical experts, its tools of modern competition. And be it said, to the everlasting credit of American business, the big corporation is almost invariably in the forefront of organization work, stimulating and encouraging its smaller competition to join hands in unified effort to make the industry greater and more prosperous.

Mr. Thorpe mentioned simplification is another weapon of the group.

SIMPLIFICATION GAINS WORLD-WIDE RECOGNITION: The "Electric Railway Journal" for March 12th says the following:

"Perhaps one of the most gratifying aspects of the simplification movement is that it has gained world-wide recognition so that industrial experts, writers and others from foreign countries are urging their industries to follow the example of the American producers.

When considered from the standpoint of the electric railway field, the movement for Simplified Practices in production is one that should demand cooperation from every purchasing agent and manufacturer. Already there is sufficient evidence of what economies have resulted from cooperation in determining the essentials and non-competitive items that affect the needs of the industry. Nothing but good has resulted from such cooperation, and as the primer reminds us, elimination of the non-essentials and the false efforts toward individuality "still leaves room for the development of individuality." Every new friend of the movement will be reflected by decreasing production costs, greater efficiency and a broader conception of what is meant by getting down to brass tacks in production practices."

WHAT TO SIMPLIFY: The problem of simplification has to do with the manufacturing processes, the distributive channels, and the line of products itself, according to Walter S. Hayward in his book on "Sales Administration." A commonsense analysis of the situation is ordinarily sufficient to determine policies. In many cases the confusion of lines is due mainly to the haphazard growth of the company and the retention of lines long after they have lost their popularity with the mass of purchasers.
A manufacturer of ammunition, for instance, was making 18,000 different loads in sporting shells, because every hunter knew exactly how he wanted his load put up, and told this to the salesman, who relayed it to the production department. Analysis showed that ninety standard loads would meet all demands, and would simplify the production problem tremendously. (S.P.R. No. 31 - Loaded Shells.)

To take care of the irreconcilables, special loads were manufactured at a rise in price sufficient to take care of the additional cost of manufacture.

It is sometimes difficult to determine what lines to drop, after it has been found advisable to cut down the line. One company, for example, had been packing the same quantity of the same product in containers of five different kinds. Each of these had a proved demand, and brought in a gross profit ranging from 32 to 41 per cent. Simplification was required to make savings in costs of inventory, storage, preparation for shipment, and branch house duplication. Careful analysis, however, showed that three of the styles could be eliminated to advantage.

18. STANDARD MOULDING HIGHLY DESIRABLE: If you are an architect, lumber manufacturer or retailer of mouldings, we make a special appeal to you that you get behind the "Standard 7,000 Series" and promote its use and manufacture. The Central Committee on Lumber Standards received a letter from one of the largest groups of manufacturers, indicating the lack of progress in promoting the new 7,000 series of American Standard mouldings. This problem is a challenge to every association, manufacturer, retailer and user interested in simplified and standard mouldings in accord with good architectural practice. The establishment of these new moulding patterns has been without question one of the outstanding opportunities in the standardization movement, according to the Central Committee on Lumber Standards.

19. 

DIVISION OF SIMPLIFIED PRACTICE

(Progress in Simplification)

Preliminary conferences, general conferences, and revision conferences have recently been held under the auspices of the Division of Simplified Practice, U. S. Department of Commerce, in cooperation with the following groups:

SURVEYING INSTRUMENTS: A preliminary conference of manufacturers and users of surveying instruments was held in New York City on April 1 to consider application of Simplified Practice. Mayor T. B. Larkin, Office of Chief of Engineers, explained the War Department's interest in the subject. He outlined the advantages of having a tripod equipped with a head of uniform size and threads, and which would be interchangeable for transits and levels. It was suggested that a committee be appointed to prepare a tentative program of simplification and standardization and submit it at a later meeting, set for April 22nd, to consider the advisability of adopting a standardized tripod head.

EYES FOR TOOLS: A preliminary conference of manufacturers of tools was held in Pittsburgh on April 5th for the purpose of considering a tentative recommendation for sizes of eyes in hammers and other small tools. It was recommended that a reduction from more than 100 to 8 standard eyes be made effective. Said recommendation will be placed before the wood using group (handle manufacturers) and other interests for their consideration and subsequent adoption at a general conference of all interests.

HOLLOW BUILDING TILE: The Standing Committee of this industry has reaffirmed the existing schedule (Simplified Practice Recommendation No. 12) without change for another year, from March 1, 1927. This action was taken at the annual revision meeting held in Chicago on February 10 and 11, 1927.
RAZOR BLADE PACKAGES: A general conference of manufacturers, distributors and users of razor blades was held in New York City on March 31, to consider the desirability of simplifying the packing of razor blades. A Simplified Practice Recommendation covering a standard schedule for packaging was approved and matter is now before the industry for final acceptance. Recommendation for packing blades by decimal system will go into effect July 1, 1928.

CURBSTONES: A large number of returns have been received by the Division in reply to a questionnaire on which to report volume of curbstone produced by sizes. The results of the survey will be used as a basis for the preparation of a tentative Simplified Practice Recommendation to be submitted to a Preliminary Conference of manufacturers on May 10.

CONCRETE BUILDING UNITS: Committee P-1 of the American Concrete Institute, serving as a Standing Committee for Simplified Practice Recommendation No. 32, has reaffirmed the existing schedule without change for the year commencing June 1, 1927.

SALT CONTAINERS: A general conference of manufacturers, distributors and users of salt was held in Chicago on April 13, at which time a Simplified Practice Recommendation for salt containers was developed, reducing the varieties and sizes from 35 to 19. The recommendation becomes effective May 1, and is now before industry for acceptance.

SIMP简化ED INVOICE FORMS: During the short period which has elapsed since its promulgation, the new simplified invoice has been formally accepted by 12 associations and over 100 important business concerns as well as the Federal Specifications Board and other independent groups. Since commercial forms are usually ordered in sufficient quantity to meet requirements for six months to a year or longer, it is appreciated that the new standard will come into general use as present stocks are exhausted. For this reason the joint committee determined upon a two year period during which the simplified form is to be subjected to the test of practical use.

SURGICAL GAUZE: In response to the invitation issued April 7, 1927, by the Division of Simplified Practice to manufacturers of surgical gauze to attend a meeting to consider the possibility of applying Simplified Practice to their industry, a number of manufacturers and users of gauze, met in New York City on April 20. Following general discussion it was unanimously voted to appoint a committee of five to prepare a survey of gauze constructions and gauze products made by the industry, this survey to supply the necessary data upon which later action with reference to simplification and standardization may be taken.

PAPER: At a recent meeting of the Standing Committee representing the paper industry, Simplified Practice Recommendation No. 22 for paper was reaffirmed for another year. The committee is to make a survey through the Paper and Pulp Association to ascertain the degree of adherence to this recommendation.

ICE CREAM CANS: The National Association of ice cream manufacturers is planning a survey on cans, cabinets, cartons, etc. A tentative recommendation, based on the results of the survey will be submitted to this Division with the view of holding a General Conference of manufacturers, distributors and consumers in September to develop a Simplified Practice Recommendation covering these items.

DIE HEAD CHASERS: The Standing Committee of the industry has reaffirmed the existing schedule (Simplified Practice Recommendation No. 51) without change for another year, from April 1, 1927. A recent survey of the present status of this simplification has shown that the manufacturers have done a large amount of educational work on the subject of standardization of thread sizes and are receiving most gratifying support from their customers.

KALAMEIN DOORS: A Preliminary Conference of producers of kalamein doors met at the Department of Commerce on April 7, to discuss the advisability of eliminating some of the sizes and styles for which there is a small and sporadic demand.

It was the sense of those present that there were a number of sizes and styles of doors which could be eliminated without working a hardship on anyone. A committee composed of three manufacturers was appointed to make a survey of current practice with a view to drawing up a tentative Simplified Practice Recommendation for consideration at a general conference of all interests.

FLASHLIGHT CASES: A Simplified Practice Recommendation covering sizes and finishes of flashlight cases was adopted by a general conference of manufacturers, distributors and users of this commodity held at the Department of Commerce on April 27, resulting in an elimination of approximately 40% of varieties. The recommendation is to be effective for new production December 31, 1927. A standing committee is to be appointed by the National Committee on Metals Utilization to sponsor the simplification and to revise or modify the recommendation periodically as conditions dictate.

SOLID SECTION STEEL SASH: At a general conference of manufacturers, distributors and users of steel sash, held at this Department on April 28, a Simplified Practice Recommendation was unanimously adopted, reducing the varieties by 93 per cent. September 1, 1927, was selected as the effective date for new production. A standing committee was appointed to take care of periodic revisions with a view to keeping the recommendation abreast with the progress and development of the industry.

FOUNDRY EQUIPMENT: At a meeting of the Foundry Equipment Manufacturers' Association held on April 21 and 22, a resolution was adopted authorizing the President of the Association to appoint a committee on simplification and standardization. The simplification of certain items, such as foundry floor flasks and certain component elements of machines is under consideration.

21. NATIONAL COMMITTEE ON WOOD UTILIZATION

The Annual Meeting of the National Committee on Wood Utilization met at the Department of Commerce on May 3, to discuss progress of the work which is being carried out through project committees. At present the National Committee has 133 members, representing manufacturers, distributors and consumers of forest products in addition to professional groups and cooperating organizations directly interested in wood utilization. Group meetings were held to outline a program to be undertaken during the next twelve months for the following projects: (1) Promotion of the Use of Short Length Lumber; (2) End-matching of lumber; (3) Seasoning and Handling of Lumber; (4) Grade marking of lumber; (5) Softwood lumber lengths; (6) Improved saw-milling practice; (7) Small dimension stock; (8) Standardization of Requirements of industrial consumers; (9) Promotion of uses of low grade lumber; (10) Construction manuals; (11) Preserved wood; (12) Containers; (13) Survey of Non-Utilized material; (14) Wood chemical studies; (15) Miscellaneous projects. Progress reports regarding the Committee's program will be sent on request.

22. AMERICAN MARINE STANDARDS COMMITTEE

Progress was made on proposed standards for propeller shafts and stern tube bearings, flanged and loose couplings for propeller shafts, propeller hubs, and other shafting details.
The following were submitted to the technical committees concerned: Proposed standard instructions for care and operation of Diesel engines; proposed standards for flanged fittings and pipe flanges; four proposed standard specifications for hose of various kinds for ship equipment; finished draft of proposed standards for tubular steel cargo booms.

Finished drawings were prepared for two approved standards of slings for cargo handling and six miscellaneous deck and rigging fittings. Two manuscripts comprising these standards were also prepared and submitted for publication.

A CORRECTION

We regret that the name of Mr. E. R. Woodson, Secretary, Railway Accounting Officers Association, was omitted from the March 15 (No. 24) Monthly News Bulletin, as a member of the Standing Committee sponsoring the new Simplified Invoice Form, which was adopted February 16, 1927.