that 100 per cent credit, to all intents and purposes, belongs to Mr. C. H. Payne who translated the tactical specifications into the engineering design that we see in the "Jeep" today.

(Off record discussion, Gen. Lynch continuing)

Under my direction, Colonel Lee represented the Infantry during the entire period the "Jeep" was under development.

He subsequently preserved a history of such development for my information.

The Colonel is now on duty overseas and therefore not available as a witness before the Federal Trade Commission.

As the matters dealt with are within my own knowledge, I will therefore read his account into the record and make same a part of my testimony. His narration follows:

"On June 5, 1940, Mr. C. H. Payne, who represented himself to be an official of the Bantam Motor Car Company, Butler, Pa., visited your office and made inquiry concerning rumors he had heard of a contract to be let by the War Department for manufacture of Howie Carriers. He said he had been told that the Chief of Staff was very much interested in providing the carriers for the Army in large numbers.

"Oseth and I were familiar with the powers and limitations of the Howie Carrier and tried to point out to Mr. Payne that we could be of no assistance to him in his efforts to promote that vehicle. After about two days of warm discussion he began to show signs of understanding that the Infantry had determined by tests conducted by the Infantry Board that the Howie Carrier, because of undesirable characteristics, was not suitable for compat use.

"Oseth had been pushing the Quartermaster General to

effect a reduction in the silhouette of the $\frac{1}{2}$ ton truck and therefore was not greatly interested when Payne and I began discussing the possibilities of the Bantam Car Company making a car for infantry combat use along the lines of their latest commercial car and incorporating therein the characteristics which still remain in the present car. Mr. Payne was very enthusiastic from the start and continued to maintain an optimistic attitude toward the final results in spite of the many obstacles, technical and administrative, in his path. He was, of course, primarily concerned with the amount of business he could get for his company, but he also showed a keen interest in doing what he could to help the Infantry develop the car it needed.

"At the time Mr. Payne arrived on the scene, I had been seeking the support of the Quartermaster, the Cavalry, Artillery and others, not to mention personnel in our own office, for the purchase of two 'Gantz' (foreign make) cars which had been tested with good results by the British, and I believe, the French Armies. Literature and extracts of reports of tests of the car had been received from the military attache in Switzerland and referred to the Chief of Infantry for comment. Although Oseth thought they might be worth testing, he was not overly enthusiastic and none of the others were even slightly interested. In fact, some openly ridiculed the suggestion that any cars of that type be procured. However, the experience I gained in trying to sell the idea of a light car to the other arms and services was extremely beneficial when Mr. Payne agreed to undertake the development

of that type car.

"After most of the details for the Bantam were worked out, it was again necessary to visit the same members of the Arms and Services to get their support before submitting the project to you in final form. This time I had the support of Mr. Payne, and although the results were not encouraging, we finally induced the Cavalry to go along with us. Major Tompkins, who acted for Col. Grew, his chief, said the Cavalry was not interested in getting a car of that type but that they would support us in return for our support of a project they were preparing. The Quartermaster General's Office was not interested, but said they would not interpose serious objection if we wanted the car. None of the others, including the Field Artillery, would join us.

"As the Infantry had experienced difficulty in getting the Quartermaster General's Office to effect modification of transport, we decided, with your approval, to try to place the project under the Ordnance. I took the matter up with Col. Barnes, Ordnance, and found him agreeable to the idea. To do this he suggested that we include in the characteristic a requirement for armor protection which merely consisted of a small strip of armor plate for the windshield. We followed his suggestion and project was accordingly referred to the Chief of Ordnance.

"During this preliminary stage when the work consisted, mainly of selling the light car to certain representatives of the principal Arms and Services, Mr. Payne at first had splendid success. He was an engaging fellow and possessed a rather high degree of salesmanship ability. Later for

quarters, and it remained for me to smooth out the difficulties. Col. Barnes was particularly bitter toward him as were certain members of the General Staff and the Quartermaster General's Office. The general opinion of him among those with whom he dealt on the subject of the Bantam, including your executive, was that he was an 'annoying pest' with only an ordinary car to sell.

"After about five days of continuous campaigning we then drew up the characteristics which are unchanged today, except perhaps for the weight. You were in the arms and equipment office at this time and authorized me to add a paragraph recommending the development of the amphibious feature. I mention this latter point because I know Oseth believes he and he only is responsible for the development of the amphibious vehicle, when as a matter of fact he did not become interested in it until some months later - after I had repeatedly, almost daily, urged him to get behind the idea. I had discussed the possibility of an amphibious vehicle with you many times before and was fully aware of your desire to develop one. Your prompt and emphatic approval of my request to include the amphibious feature in the letter to the Adjutant General gave me a thrill that will always remain in my memory in connection with the development of the Bantam car.

"The day you signed the letter setting up a requirement for the Bantam, I personally began to follow the correspondence and continued to do so until it passed through the Adjutant General's Office and the G-3 and G-4 offices and was acted

upon by the War Department.

"Mr. Payne ably assisted in getting expeditious action on the letter by inducing someone in the Secretary of War's Office to become interested in the project. He said it was the Secretary of War, Mr. Woodring, who assisted him. I do know that Major Tate was assigned the exclusive duty of assisting Payne and me and that it was very evident that more favorable attention was directed toward us and our efforts.

"On June 19, 1940, the Ordnance Technical Committee, of which I was a member, visited the Bantam plant at Butler, Pa., for the purpose of determining whether or not that Company could do all it claimed it could do toward turning out the light car. We found to our satisfaction that the commercial Bantam was a sturdy car, much improved over the model tested a few years before by the Infantry Board. We also observed that although the Company was apparently in poor condition with respect to current business, it had adequate fácilities to turn out the car we had recommended for development. Immediately upon return of the Technical Committee to Washington, a formal meeting was held at which all Arms and interested Services, including the field artillery, were represented. Col. Barnes, Ordnance, presided. Recommendations of the Committee were that the project for the development of the $\frac{1}{4}$ ton truck as set up in the infantry requirement letter be approved and that the project be transferred to the Quartermaster General. The Committee found that the Bantam was far superior to the so called 'Howie Carrier' (this finding was based on the ylews and recommendations of Major Howie, inventor of the vehicle bearing his name, who was present at Butler, Pa.,

with the Committee) and recommended that no further action be taken with respect to the development of the Howie Carrier.

"A rough design of the vehicle was made in our office and submitted to a committee at a meeting held at Camp Holabird sometime during the latter part of June or the first days of July, 1940. Mr. Payne of the American Bantam Car Company and his chief engineer were present. The committee included Major Tomkins, Cavalry, Col. Oseth and me, and a civilian of the Moffice on duty at Holabird. An outline of the body of the car was drawn on the floor of one of the buildings, and later a mock-up was prepared which followed almost exactly the drawing we had prepared in our office.

"The Butler representatives made notes from the drawing and the characteristics as submitted by us and gave us the vehicle we had asked for.

"From the time of the approval of the project by the War Department to the time of delivery of the Pilot Model of the Bantam to the QM at Holabird, there were adjustments in the weight of the car which was increased several times, partly from the type of materials used, but largely because of the front drive and, of course, the transfer case.

"It was during the period between the time the board approved the project and the date that the bids were mailed by QMG that Mr. Payne seemed to have encountered his most serious difficulties. Once he found out that the project received favorable consideration by the Ordnance Committee, he began another campaign to have the War Department expedite

action on the 70 cars we had recommended. (We had set up forty for the Infantry and ten each for the Cavalry, Field Artillery and the Armored Force. The latter two had representatives at the Ordnance meeting on June 21st or 22nd, who finally decided that they should have some to test in view of the relatively large number to be procured). Mr. Payne visited all the offices he thought might have some influence in awarding the contract for the 70 cars to his company. It wasn't long before complaints of his actions and methods were heard from many quarters. He told the G-4 staff officers, members of the Secretary of War's and the Chief of Staff's offices, and officers of the CM General's office that the infantry desired the cars for the fall maneuvers. He visited these offices daily and would call me from each to report on his progress. He called one day to say he was at the White House and had had a talk with someone there on the question of speeding up action. I know he walked into your office many times and told you of his activities, disappointments, and hopes.

Executive Officer who was not very friendly to him and the product with which he was associated. I know he prevented Payne from seeing you on more than one occasion. During this time it fell my lot to straighten out the tangles created by Payne and to keep his campaign alive and active. That results were obtained is attested to by the fact that the QMG's office mailed bids on the 70 cars to the Bantam Car Company on July 11, 1940, too late, however, for delivery of them in time for the Fall maneuvers but a record, nevertheless, in getting the contract into the hands of the manufacturer.

Mr. Payne deserves great credit for the speed with which the accomplishment of the contract was effected. Some might say he was motivated entirely by selfish interests and will try to discredit him for that reason, but the hard fact remains that he rendered outstanding service to our Army in transport development at a time when such service was almost nonexistent, not to mention the obvious benefits derived from its development from many standpoints.

"When the pilot car was delivered at Holabird, all of the representatives of the Arms and Services visited that place and observed some of the highly concentrated tests of the car. The reaction of observers was highly favorable and it was noted that those who had been uninterested immediately showed signs of great interest. This is particularly true of the representatives of the QM General's office, including a Col. Lawes, who was in command of Holabird.

"It was also noted that a person in civilian clothes was a close observer and that he was inspecting the car more carefully than anyone else and making notes on a small pad. It later developed that that person was the chief engineer of the Willys Overland plant. You may remember that about a month before Mr. Payne first visited the office Oseth had asked representatives of The Willys Overland Company to produce a $\frac{1}{2}$ ton truck of lower silhouette than the truck then in use by the infantry and they refused in no uncertain terms to have anything to do with any work which would require modification of their standard vehicles. Willys Overland are now the only company producing the 1/4 T in quantity production

and feature the Jeep in their advertisements, stating that their 'experts' in collaboration with the QMG 'experts' developed the 'jeep'. Such high handed methods and misrepresentations of facts are some things I can't swallow. only interest in the development of the car was to contribute something useful for infantry combat, and I believe that what I have done toward the project warrants the assumption of some credit for a fair share of that contribution. I have not made a definite effort to obtain such credit nor did I believe I should make such effort. However, since reading about all those who now claim credit for its development. particularly the Willys Overland and the QMG. I believe something should be done to prevent that vicious attempt by those parties. What can be done will probably be started by Mr. Payne because it means a livelihood to him. I would like to see him rewarded for the results he obtained because he helped us to produce the car we knew was greatly needed.

"It might be well to add at this point that Mr. Payne and Mr. Fenn, President of the Bantam Car Company, were repeatedly advised by me of the requirement for an amphibious vehicle. They were informed of that requirement at the time I visted their factory in June, 1940, and this matter was brought up on every occasion I had business or contact with them. At first they regarded the project lightly, but later when we induced the War Department to set up about \$10,000 for the development of such a vehicle, they went to work in earnest to produce it. About a month before I left Washington, the Bantam Company demonstrated a rather crude

model which did not receive much encouragement from those present, especially General Hodges. Of course, we were not trying to sell the type demonstrated by Bantam, just the idea, but were unable to get anyone to listen very long.

"Mr. Payne should remember much of what I have said about this and, if honest about the matter, will admit that his Company failed to take full advantage of a good opportunity. A Buffalo concern was working on a model of an amphibian, but, being a boat building concern, were making modifications that would enable a boat to operate on land. The result was an extremely heavy vehicle, about 4,000 lbs. - much too heavy for infantry use. I understand, however, that the item is being produced as a special vehicle. Oseth and a representative of G-4 observed the first test at Buffalo, N.Y., about a week before I left Washington. Oseth said the G-4 representative was so enthusiastic about the development that he was going to recommend the procurement of a large number of them.

"The above information is not as complete as it should be but as Payne is probably quite anxious to verify some of the points on which he may be uncertain, I hasten to get this off to you.

"A point work consideration in the development of the Bantam is the time required for completion of the project. A pilot model was turned out by Bantam and delivered to the QM at Holabird in approximately three months and 18 days from the day Mr. Payne first visited our office - June 5, 1940. I believe this constitutes a record."

Respectfully submitted, O. H. Sison, Reporter.

February 10, 1943.