

From the holdings of  
**Western Archives, Western University**

May 3rd 1916  
8.30 P.M.

My very dear Father

Your personal letters of April 16th (Sunday when I was in England) written at Lakewood reached me at noon today. My first thought is one of concern for you that you should have these worries to contend with and I wish to assure you on behalf of Wood myself of our sympathy and regret that we cannot help you more actively to bear these burdens.

I am a little sorry you did not send us a deferred cable so that we might have consulted <sup>together</sup> and advised you a little sooner of our views. I hope you will do this in future and we both have plenty of spare time at times to think these matters over and can reply by deferred letter every Thursday (including you I hope the following Monday) for 5¢ per word.

Please bear this in mind when next you are beset with these difficulties.

I read your letters over very carefully and at once sent them down to Wood by Josiah as I could not very well go myself and am enclosing his reply. I fully concur with what he says and am sending a deferred cable per enclosed tomorrow-morning.

Re CARISS. I cannot add to what I said in my last letter (about 22nd April) and as the



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matter is now closed, will only say that  
we are both glad you offered him this job  
back in 90 days and if you think well  
of it would suggest even extending  
this time. I feel that there have been forces  
influencing him of which you are not  
fully aware, which may have prompted  
him to resign. I think putting Leonard  
in his place as far as the office work  
he did, <sup>is concerned</sup> a very good move. If opportunity  
offers I would keep in touch with him. (Cargas)

Last road says a good many of these farmer  
concerns do not stand the strain very long.

You mention Welber in connection with  
boiler calculations but I consider Meller would  
know more if he is still with you (?).

Re AHM I feel that Mr Morgan is hardly  
"playing the game" in holding you up as he  
is apparently doing. I think he takes a  
little too much of the credit to himself as he  
did in the case of some of the engines we  
built. However he is absolutely essential to  
us now and I think he is sufficiently  
loyal to you and us now, not to leave the  
firm on the lurch in our absence and I  
also feel that he is sufficiently patriotic  
to appreciate our situation and ~~not~~  
realize that the almighty dollar should  
not be the first concern of British subjects



in the present crisis.

I consider in view of the business tax about to be levied and Jones being behind in shipment for which he must be in part responsible [in spite of all the credit that is due him, and which as you say he keeps in the foreground] and also in view of the reduction in prices and apparently the non reduction of our bank account lately he should <sup>have</sup> be satisfied with a double salary as you offered him. However he is in a position to hold us up and I hope he will be satisfied with the offer mentioned in enclosed wire namely:-

Present salary as usual	\$ 3500.00 (?)
Bonus on 1st & 2nd contracts at \$100 <sup>x</sup> per 1000 shells (40,000)	4000.00
Bonus on 3rd contract at \$75 <sup>x</sup> per 1000 shells (40,000)	3000.00
	<hr/>
	10,500.00

also a bonus of \$50.00 per 1000 shells on future contracts of same size (4.5" or 5")  
all provided he agrees to stick through thick and thin until 3 months after peace.  
 and provided prices of future contracts are not seriously reduced.

Personally I fear that with reduced prices, business tax, poor forgings,



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above troubles, and upkeep of machinery  
under severe work, there will be very  
little profit for the firm in this business,  
especially if the Shell Committee do  
not live up to their contracts as they  
apparently don't, by your letter.

Morgan should appreciate this too.

I am a little sorry he attended the  
C.M.A. meeting instead of you as it gave  
him increased opportunity to advertise  
himself. I would suggest that you  
personally attend any future meetings.

I would also strongly suggest that  
you personally see Mr Flavell  
about the reduction in price ~~and~~ and  
if possible state your case before the  
Imperial Munition Board. I consider we  
have been very unfairly treated in this  
matter.

To conclude about Mr Morgan would  
say that I think the matter should be  
settled at once if possible. It would  
appear to me that he might have been  
a little more straightforward with you  
all along about his other offers. My  
remarks of course are for your own  
ears. I really think from what I  
know of him that he has been a  
little carried away by his success.



I am very glad you followed General  
Buller's Example and "let her go" as Wood  
and I want to share your worries as much  
as possible. I hope that ere this you  
have been able to adjust the matter. We  
all want to help in the good work  
and do our duty and if I know Mr  
Morgan I think ~~that~~ that at heart  
he is inspired with the same sentiments.

You did not mention the delivery  
covered by your new contract for 40000  
4.5 shells and ~~at~~ the date from which  
they would expect delivery. At 2000 a  
week (I think Morgan promised 350 a  
day if you put in the extra machines  
you recently purchased) this would  
mean 20 weeks or 5 months from  
time you finish 5" shells. This would  
at present appear to be about end of  
May if you have 6000 yet to ship. From  
this you could not hope to finish the  
new 4.5 contract before November.

RE CMA. I do not think this movement  
will help you much (as I <sup>have</sup> already said)  
unless all manufacturers get together  
and insist on shell committee living  
up to contracts they make in good  
faith with the manufacturers. This  
seems very unlikely too.



Morgan's Costs. <sup>6</sup> I think the figures you sent me would bear closest investigation. I think that more day work than is shown should be charged against the labor on shells. As I said in my last letter. Mr Morgan's costs always would bear additions for overhead expenses and after labor he had not carried on. The reduction of bank % is what we want and apparently it is not continuing as we had first hoped for. This shows leakage somewhere.

Re preferred stock. I feel (and I gather Wood concurs with me) that we should not on any account attempt to buy the other interests out at present. Let us first see actually how we are going to stand after we have paid business tax, suffered reduction in prices, and paid Mr Morgan his bonus. I would like to see how the bank liability stands then before discussing any purchase of this nature. Even after the option expired I feel they would sell if we cared to buy and we would likely be the only possible purchasers. I will discuss this again with Wood and write you.

Re business letters. I have your interesting



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letters of April 10<sup>th</sup> & 17<sup>th</sup>. One came  
yesterday and the other today. Am glad  
general business seems to be improving.  
It certainly is not wise to stock  
material at present prices.

Labor troubles will be very annoying  
and I fear will occasion you much  
anxiety which you must not take to  
heart or lose sleep over.

The B B A have been very small and  
do hope in June you can see your way to  
make a change if they do not meet  
our needs in every particular and  
especially if they do not release our  
private inlets. This is the first concession  
we want.

Am delighted to hear about Sam's lathe  
and hope that goes through. All other  
items are most interesting as I do want to  
keep in touch.

Tell dear Alice I had intended writing  
her today but fear I cannot this week. I  
too wish I had poor old Plover here even  
if I would have to keep him muzzled.

Sarah is in the danger zone tonight  
having sailed on New York this morning.  
I cannot help feeling anxious. Very  
much love dear Father. I sometimes wonder  
if my duty is to bear with you. I'll.  
Over