For: The President

SUBJECT: Small Boat Design Competition

The Department of the Navy (submitting preliminary designs) has been completed, and the second stage (preparation of final designs) has begun. Ten weeks are allowed for the second stage, terminating on 18 January 1939, for the 54' and 70' classes, and on 25 January 1939, for the 110' and 165' classes.

<table>
<thead>
<tr>
<th>Preliminary Designs</th>
<th>Permitted to make final designs</th>
</tr>
</thead>
<tbody>
<tr>
<td>54'</td>
<td>24</td>
</tr>
<tr>
<td>70'</td>
<td>13</td>
</tr>
<tr>
<td>110'</td>
<td>8</td>
</tr>
<tr>
<td>165'</td>
<td>11</td>
</tr>
</tbody>
</table>

The attached extract from the public invitation shows the prize money to be awarded.

The attached list contains the names of the fifteen designers who have been authorized to enter the Final Design Stage. These names have not been divulged to the material bureaus.

In accordance with your wish as expressed to Captain Callaghan, the plans designated for the Final Design Stage will be delivered to you via Captain Callaghan tomorrow 17 November 1938.

Charles Atr  
Acting
LIST OF DESIGNERS AUTHORIZED TO ENTER INTO THE
FINAL DESIGN STAGE.

**54' Class.**

Henry B. Nevins, Inc.,
City Island, N. Y.

A. E. Luders, President,
Luders Marine Construction Co.,
Stanford, Conn.

Pigeon-Hollow-Spar Company,
131 Coleridge St.,
East Boston, Mass.

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**72' Class.**

Mr. W. Starling Burgess,
& Bath Iron Works,
Bath, Maine.

Mr. W. E. Tullock,
Greenport Basin and Construction Co.
Greenport, L.I.N.Y.

Mr. D. H. Sparkman,
Sparkman and Stephens,
11 E 42nd St.,
New York, N.Y.

Mr. A. E. Luders, President
Luders Marine Construction Co.,
Stanford, Conn.

Henry B. Nevins, Inc.,
City Island, N.Y.

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**110' Class.**

Mr. A. E. Luders, Pres.
Luders Marine Construction Co.,
Stanford, Conn.

The Rice Works,
Bayonne, N. J.

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**16' Class.**

Gallop Inc.,
25 W. 42nd St.,
New York, N.Y.

Tams Inc.,
250 Park Ave.,
New York, N.Y.

Mr. Hubert Kempel,
52 Post St.,
Hilton Village, Va.

Chris. B. Nelson,
Box 26,
Annapolis, Md.

S. A. Vincent,
Box 411,
Newport News, Va.
For all Final Designs accepted, the Government will pay the following fees and will retain, as its property and for its exclusive use as it deems fit, all the Data submitted by the competitors:

<table>
<thead>
<tr>
<th>Design</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>165' Steel Subchaser</td>
<td>$20,000.00</td>
</tr>
<tr>
<td>110' Wood Subchaser</td>
<td>$15,000.00</td>
</tr>
<tr>
<td>70' Motor Torpedo Boat</td>
<td>$15,000.00</td>
</tr>
<tr>
<td>54' Motor Torpedo Boat</td>
<td>$15,000.00</td>
</tr>
</tbody>
</table>

For all other designs submitted at this time and which include all the required Final Design Data, the Government will pay the following fees and will retain as its property for its non-exclusive use as it deems fit, all the Data submitted by the competitors:

<table>
<thead>
<tr>
<th>Design</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>165' Steel Subchaser</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>110' Wood Subchaser</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>70' Motor Torpedo Boat</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>54' Motor Torpedo Boat</td>
<td>$1,500.00</td>
</tr>
</tbody>
</table>

In order to insure impartial consideration in this competition, each competitor, upon receipt of the Department Data, will be assigned a Designating Symbol by the Office of the Assistant Secretary of the Navy, and to be held confidential within that office. All plans and other data submitted by each competitor throughout the competition must only bear this Designating Symbol in order that the agencies within the Department, which must pass upon the designs, will not be cognizant of the origin of the data. No other identification marks will be permitted on the design data submitted to the Navy Department.

Department Data will include only the required military characteristics for each type, plus the weight, general location, and space necessary for those military features. This limitation of Department Data is made for the purpose of allowing the designers the widest possible latitude in development of their design conceptions. The items mentioned in the Department Data are by no means all inclusive as regards items to be shown and carried by the Design. All items required for the service intended must be included in the design. All questions arising during the periods of the design competition must be submitted in writing. Copies of all such questions and the answers will be furnished each competitor.

It being the purpose of the competition to secure for the Government the complete designs, and patent rights relating to material powered thereby, express statements regarding patents and licenses which will be made a condition of any award are hereinafter set forth.