

C O P Y

Executive Offices
AMERICAN BANTAM CAR COMPANY
Butler, Pa.
U.S.A.
October 4, 1940

Major J. Van Ness Ingram, U.S.A.
Camp Holabird
Baltimore, Maryland

Dear Sir:

Confirming Mr. Payne's conversation with you this afternoon, we are pleased to quote you the following figures:

- (1) On an initial order for 500 cars, incorporating the body changes, etc., which have already been requested, we will furnish these cars for \$1,173.00 each, which is a reduction of in excess of 50% under the first 70 cars. This figure includes \$50 per car for machine tools, which will be the property of the U.S. Army in the plant of the Spicer Manufacturing Corporation at Toledo, Ohio, and will be so marked by the Army and removable by them at any time. It will be necessary to buy these machine tools, in order to fabricate small size 4-wheel drive equipment which goes into these cars.
- (2) On the second lot of 500 cars, the price will be reduced to \$938.00 each.
- (3) On subsequent orders, totaling 3,000 units on a single release, the price will be in the immediate vicinity of \$700.00. These prices apply to the regular 4 x 4, full-floating, two-wheel steer cars. On larger orders the price can be substantially reduced.

We shall be glad to have you incorporate in all contracts a clause to the effect that any savings effected over the above quotations will be refunded to the government after allowing us a 10% profit because the prices quoted herein are "pressure prices". In other words, we have not had an opportunity to completely shop the market on parts not made in our own factory because of the time element involved.

We assume that approval on the present pilot will be given about October 18. Under the terms of our present contract, we have 26 days from that date in which to produce the remaining 61 two-wheel steer jobs, which, based on October 18, will take until November 6, plus additional time, which we assume you will allow for changes which may be required. Beyond that time, we have another two weeks in which to fabricate the 8 4-wheel steer cars covered by our contract, which means it will probably be sometime between the first and 15th of December before the present order is completed, depending of course on the time necessary for changes.

With the above in mind, Major, we can, according to our present arrangements with Spicer, start delivery of cars on any future orders, if immediately released, during the first week of January, 1941; and we can complete an order for 500 cars comfortably within sixty days time.

Major J. Van Ness Ingram, U.S.A.
10-4-1940

Page two

If the above mentioned delivery date is not satisfactory, we can speed up the program somewhat if you can bring pressure to bear on Spicer to get their tools and equipment ready for production before January 1, 1941. In our opinion, Spicer are allowing plenty of safety margin on tooling for these cars, in order to take care of their regular commercial accounts; so it would seem that in this present emergency that they can probably be speeded up considerably under pressure from the Army or the National Defense Committee.

Cordially yours,

AMERICAN BANTAM CAR COMPANY

Frank H. Fenn

President and
General Manager

Frank H. Fenn/cs