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SE:LJM

June 25, 1918.

From: Officer-in-Charge, Branch Naval Intelligence Office,
New York.

To: Director of Naval Intelligence.

SUBJECT: Letter received from Sperry Gyroscope Company.

I have to transmit to you herewith the copy of a letter which I have received from the Sperry Gyroscope Company, which, I think, will be of interest to the Office of Naval Intelligence.

This letter is particularly interesting as it shows an entire change of sentiment and evinces a desire to cooperate with this Office in the most complete manner.

The investigation of this Office connected with the Sperry plant during the past few weeks has shown that owing to the spirit above referred to the company has had a thoroughly good house cleaning, with the most beneficial results.

Comm. Eddy

THE SPERRY GYROSCOPE COMPANY

MANHATTAN BRIDGE PLAZA

BROOKLYN, NEW YORK

LONDON - PARIS - MILAN - TOKIO
PETROGRAD - COPENHAGEN - THE HAGUE
STOCKHOLM

June 22, 1918.

REFERENCE No.

From: General Manager,
To: Lieutenant Commander Spencer Eddy.
Subject: The organization and policies of this company.

1. At the time of the removal of alien enemies from this organization last fall and at various times shortly after that, your office experienced a regrettable lack of cooperation on the part of this organization. I am taking the liberty of writing this letter to explain the causes of the attitude taken at that time, the changes which have been made in this organization to remove those causes, and the policies now pursued by this company.

2. For the past two years Mr. Sperry himself has been obliged to give practically all of his time and energy to scientific and development work, and for this reason the organization and administration of the company's affairs have been left almost entirely in the hands of others. These others did not prove capable of taking this responsibility - as a result, the industry not only became disorganized, but policies were pursued which were very detrimental to the best interests of both the company and the country.

3. Due to Mr. Sperry's devotion to scientific work, the consequent necessity for taking the advice of others on administrative affairs, and the very bad nature of the advice given him at the time of the removal of the alien enemies, a policy was pursued by the company which was uncooperative and to some degree obstructive.

4. As a result of a request from Mr. Sperry and a suggestion from several of the Bureaus of the Navy Department, I was detached from active duty in the Navy on January 6 of this year, for the purpose of coming to this company as General Manager with a view to organizing it and shaping its policies. Since that time the work of removing the incompetent members of the staff, assigning responsibilities to the many able men who remained, obtaining the additional men of experience and special knowledge required, and the establishing of correct methods and policies, has proceeded rapidly.

5. As a result of the steps taken, the company now has a complete and efficient organization. The former Secretary and Treasurer has resigned, and his position has been filled by an able, straightforward, and experienced Financial Manager. The position of Factory Manager has been filled by the appointment of a Mr. Doran, who came to us with eighteen years experience in factory management in the Westinghouse Company.

3

The positions of Contracts Manager and Chief Engineer have been filled by men who have been with the organization for some time and whose ability and character are of the very highest order. The departments into which each of the divisions are divided, have all been filled by men who are specialized and experienced in the work they are performing, and the whole organization has been welded together by the establishing of cooperative feeling and straightforward policies. Many steps remain to be taken, but from now on there will be constant and rapid improvement. The management of the company has been freely and completely delegated to me by Mr. Sperry and there are now no obstructions to the full exercise of this responsibility.

6. It will be the company's policy to consider itself an auxiliary of the Government Services, and it will therefore handle its affairs in any way which will be of most service to the country.

7. When I called at your office recently, you were so kind as to mention that you were pleased that I was here and that consequently there was someone who would cooperate with your office. I take great pleasure in pointing out to you that not only is there someone here who will cooperate with your office, but that there is an entire organization, every individual of which, from the President down, is not only willing to cooperate with your office, but greatly appreciates the cooperation you have given this organization in the past and the cooperation you are giving it at present.

8. Mr. Sperry has told me that he regrets very much the attitude taken by the company at the time of the removal of the alien enemies last fall, and he wishes me to say to you that he would greatly appreciate an opportunity of seeing you and expressing his thoughts on this matter in person. He will be back in New York after Monday of next week, and will be very pleased to call on you or to see you here anytime Tuesday, Wednesday, or Thursday.



General Manager

SE:LJM

June 25, 1918.

Dear Mr. Fillmore:-

I beg to acknowledge and thank you for your letter of June 22nd, of which I have transmitted a copy to Washington.

I would like to express to you my sincere appreciation of your letter and to assure you that this Office will, with the utmost of its ability, cooperate in every possible way with the Sperry Gyroscope Company.

Yours very truly,

Lieut. Commander, U.S.N.R.F.

P. E. Fillmore, Esq.,
Sperry Gyroscope Co.,
Manhattan Bridge Plaza,
Brooklyn, N. Y.